

COACHELLA VALLEY WATER DISTRICT

fiscal year

2022-23

OPERATING & CAPITAL IMPROVEMENT BUDGET





# COACHELLA VALLEY WATER DISTRICT OPERATING & CAPITAL IMPROVEMENT BUDGET FISCAL YEAR 2022 – 23



**John Aguilar**  
Division One



**Anthony Bianco**  
Division Two



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



**Peter Nelson**  
Division Four



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

## CVWD MISSION STATEMENT

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

## SENIOR ADMINISTRATION

Jim Barrett  
General Manager

Robert Cheng  
Assistant General Manager

Dan Charlton  
Assistant General Manager

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



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Coachella Valley Water District  
California**

For the Fiscal Year Beginning

**July 01, 2021**

*Christopher P. Morrill*

Executive Director



## CONTACT INFORMATION

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

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### **ACKNOWLEDGEMENTS**

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**Andrea De Francisco Shek** | Layout & Design

*The Fiscal Year 2022-23 Budget is available on our website:  
[CVWD.org/budget2022-23](http://CVWD.org/budget2022-23)*

## DISTRICT DEPARTMENT HEADS

Clerk of the Board..... Sylvia Bermudez  
Service & Communication..... Scott Burritt  
Engineering..... Carrie Oliphant  
Environmental Services..... Steve Bigley  
Finance ..... Rick Aragon  
Human Resources..... Scott Hunter  
Information Systems..... Luis Maciel

# CONTENTS

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## BUDGET MESSAGE i

### OVERVIEW

About the Community	2
About the Coachella Valley Water District	9
Accounting and Budgeting Structure	25
Financial Policies and Guidelines	29
Strategic Plan	33

### BUDGET BY FUND

All Funds Summary	36
Domestic Water	47
Canal Water	61
Sanitation	77
Stormwater	85
State Water Project and Water Replenishment Funds	
State Water Project	96
West Whitewater	105
Mission Creek	115
East Whitewater	122
Internal Service Funds	
Motorpool	132
Workers' Compensation Self-Insurance	135
Dental Self-Insurance	137

## BUDGET BY DEPARTMENT

Department Budgets	140
Administration	145
Engineering	153
Environmental Services	163
Finance	173
Human Resources	181
Information Systems	189
Service & Communication	197
Operations & Maintenance	209

## CAPITAL IMPROVEMENTS

Capital Improvements	236
Five-Year Capital Improvement Plan	239
Districtwide	259
Domestic Water	269
Canal Water	289
Sanitation	299
Stormwater	347
Replenishment	361
Motorpool	367

## ACRONYMS & GLOSSARY

Acronyms	370
Glossary	373

# BUDGET MESSAGE





# COACHELLA VALLEY WATER DISTRICT

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

**JULY 1, 2022**

## *To the Board of Directors:*

The fiscal year 2023 (FY) budget for the Coachella Valley Water District (CVWD) represents the District’s ongoing commitment to provide quality water at a reasonable cost. The budget details the operating plan for the next fiscal year, and balances the Board’s desire for affordable rates while maintaining appropriate expenditure levels to meet our obligations.

The process begins each year with an extensive review of department needs, including capital projects, as well as a review of revenue needs to cover expenses and ensure compliance with existing debt requirements. Board input was included in the process during meetings in May and June, with formal adoption by the Board occurring on June 28, 2022.

Fiscal year 2023 includes challenges related to the ongoing drought. On March 28, 2022, Governor Newsom issued an executive order asking water agencies to consider adopting Level 2 measures contained in their Water Shortage Contingency Plans. The Board has been proactive by enacting the Level 2 measures, and increasing turf rebate amounts from \$2 per square foot to \$3 per square foot to encourage customers to conserve. Consumption reductions below historical usage have been included in the budget and forecast for future years. We have also seen a significant increase in the inflation rate during fiscal year 2022, which is reflected in fiscal year 2023 increases in labor costs and materials. CVWD will remain mindful of economic conditions that put pressure on future budgets and water rates as the District assesses its plans and goals.

## *Budget Summary*

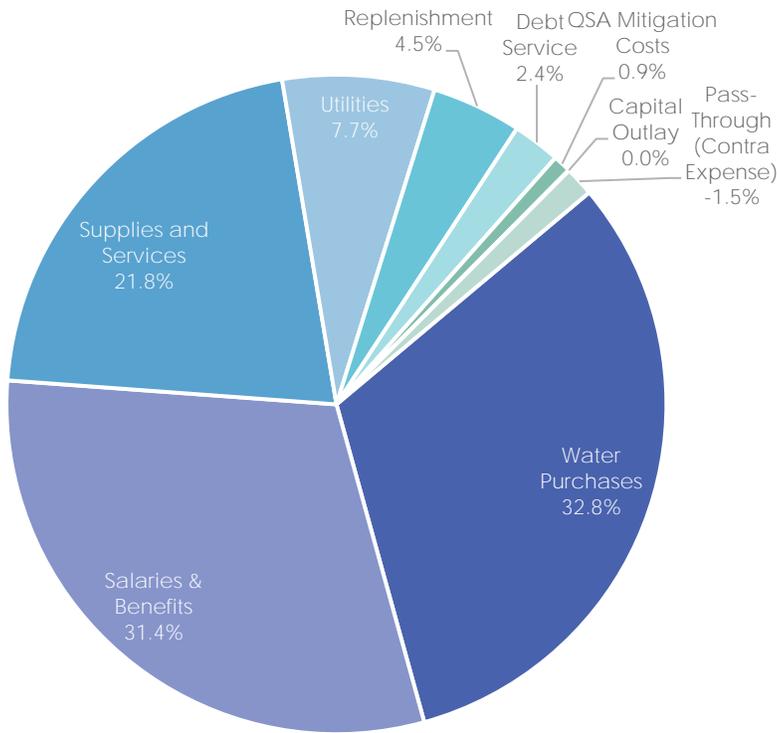
The fiscal year 2023 operating and debt service budget totals \$301 million, with \$180.1 million in capital improvement projects, for a total adopted budget of \$481.1 million.

Total District Expenses	FY 2021 Actual	FY 2022 Actual*	FY 2022 Budget	FY 2023 Budget	Budget Change	% Change
Operating and Debt Service	\$ 245,792,672	\$ 277,881,655	\$ 278,986,786	\$ 301,040,225	\$ 22,053,439	7.9%
Capital Improvement Projects	96,355,214	131,234,137	143,072,123	180,076,842	37,004,719	25.9%
<b>Total Budget</b>	<b>\$ 342,147,886</b>	<b>\$ 409,115,792</b>	<b>\$ 422,058,909</b>	<b>\$ 481,117,067</b>	<b>\$ 59,058,158</b>	<b>14.0%</b>

\* Unaudited

## **OPERATING AND DEBT SERVICE BUDGET**

The operating and debt service budget increased by \$22.1 million, or 7.9% when compared to the fiscal year 2022 budget. Increases include salaries and benefits (\$6.9 million), supplies and services (\$6.2 million), debt service (\$4.9 million), and water purchases (\$4.7 million). Budgeted salary increases are driven primarily by cost-of-living increases with no increase in total employees, and inflation-related supplies and services cost increases. Expenditures for fiscal year 2022 came in \$1.1 million below budget, which is a small variance considering the size of the budget. The District continues to refine the budget process to include mid-year adjustments to more accurately reflect changing conditions, and plan for future years.



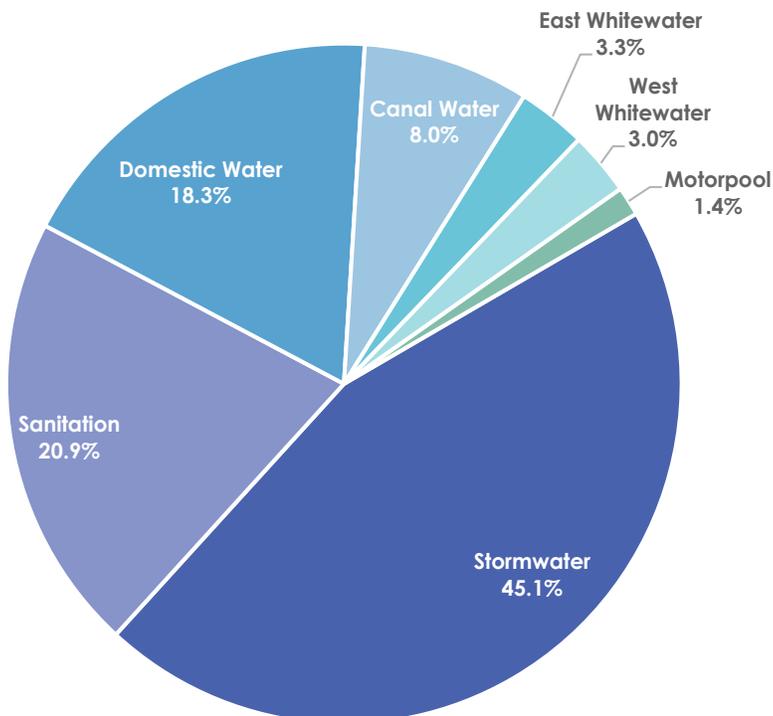
**OPERATING AND DEBT SERVICE: \$301 MILLION**

The budget includes 569 full-time equivalent positions in fiscal year 2023. Salaries and benefits net of capitalized labor are 31.4% of District expenditures and reflect a \$6.9 million increase from the previous budget. Supplies and services are 21.8% and reflect a \$6.2 million increase for fiscal year 2023. Utilities total 7.7% for fiscal year 2023, and are increasing by \$2.5 million due to anticipated rates for the new year.

Water purchases, which include State Water Project (SWP) anticipated costs, make up the largest portion of operating expenditures at 32.8%, and reflect a \$4.7 million increase. Debt service payments total \$7.2 million for fiscal year 2023, as the District begins repayment of recent borrowings to fund capital projects. Payments related to the Quantitative Settlement Agreement (QSA) mitigation expenses total \$2.7 million, based on contractual agreement.

**CAPITAL IMPROVEMENT BUDGET**

The fiscal year 2023 Capital improvement budget reflects an increase of \$37 million, or 25.9% over the prior year. The increase includes several major projects, and the use of \$67.3 million in loan proceeds, \$34.5 million in reserves, \$32.7 million in rate-funded pay-as-you-go funding, \$20.9 million in grant funds, \$11.9 million in short-term interim financing, \$10.9 million in restricted funds, and \$1.9 million in capital improvement reimbursement revenue.



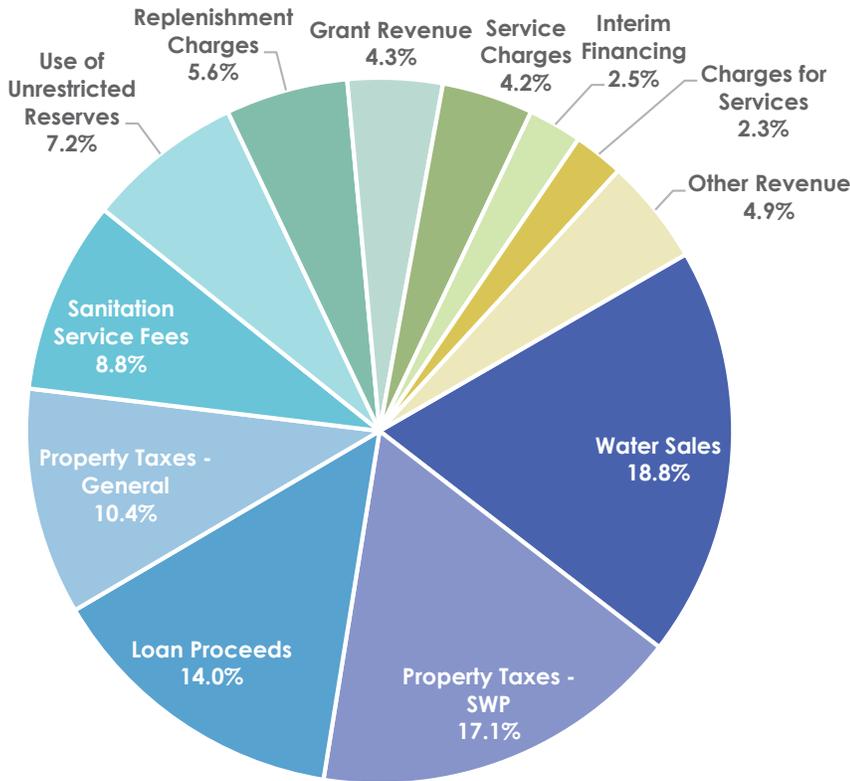
**CAPITAL IMPROVEMENTS: \$180.1 MILLION**

Major projects planned in fiscal year 2023 include \$48.8 million for the North Indio Regional Flood Control System, \$27.1 million for Stormwater channel improvements (Avenue 54 to the Thermal Drop Structure), \$15.9 million for Nonpotable water connections, \$12 million for the Avenue 66 transmission main, and \$6 million for North Shore water main replacements. For fiscal year 2022, the capital improvement project execution rate was 91.7%. Engineering staff intends to maintain a minimum execution rate of at least 75% in FY 2023 for these critical infrastructure projects.

The District continues to aggressively pursue grant and loan financing options to help with the ongoing need to replace aging infrastructure. Detailed funding information can be found in the Capital Improvement Section of this document.

## REVENUES AND OTHER SOURCES

Fiscal year 2023 revenues and other sources, which include loan proceeds, grants, restricted funds, and unrestricted reserves, total \$481.1 million. Of that total, \$333.7 million are operating revenues, and reflect a 0.7% increase over fiscal year 2022. The District completed cost of service studies (COSS) for the Domestic Water, Canal Water, West Replenishment, East Replenishment, and Mission Creek Replenishment funds in fiscal year 2021, and the Sanitation fund in fiscal year 2022. Rates adopted by the Board are reflected in the fiscal year 2023 budget.



### REVENUE AND OTHER SOURCES: \$481.1 MILLION

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

Water sales, including sales from domestic water, recycled or nonpotable water, and canal irrigation water are 18.8% of total revenues for fiscal year 2023. In addition, proceeds from SWP taxes are 17.1%, and General ad valorem property taxes are 10.4% of total revenues.

To support the District's capital improvement plan, loan proceeds reflect 14% of total revenues, use of unrestricted reserves total 7.2%, Interim financing is at 2.5% and use of restricted funds are 2.3%.

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

### WATER PURCHASES

Although the Coachella Valley relies on a vast aquifer, the region depends on imported water to protect and replenish groundwater supplies. Through the foresight of CVWD's predecessors, the District is only one of two California water agencies that hold rights to both Colorado River water and SWP water. The recent droughts within California and on the Colorado River basin are a stark reminder of how vulnerable imported water supplies are to the forces of nature, and that these supplies need to be protected and optimally used. The District's largest operating expense is for the purchase of imported water. The fiscal year 2023 budget includes \$98.6 million for water purchases. The calendar year 2022 SWP delivery schedule includes a 5% allocation.

The SWP is one of the major sources of water for the District and the reliability of the water supply is critical. The District agreed to participate with the California Department of Water Resources (DWR) for the development of the Delta Conveyance Project (DCP). The purpose of DCP is to provide an alternative delivery pathway through the Delta, thereby reducing risk from earthquakes, climate change impacts (including sea level rise), and provide reliable water while protecting the environment. The cost for this project will be paid by the State Water Project contractors group and the participating agencies. A draft Environmental Impact Report (EIR) on the project is available for review and public comment through December 16, 2022 on the DWR website.

## **DROUGHT UPDATES**

After Governor Newsom signed his executive order on March 28, 2022, the State Water Resources Control Board adopted a new emergency water conservation regulation requiring urban water agencies to move to Level 2 of their Water Shortage Contingency Plans (WSCP). At the time of budget adoption, the District is working on establishing the following actions:

- Spray irrigation is prohibited during daylight hours
- Impose drought penalties on accounts that exceed 90% of their water budget
- Discouraging overseeding
- Increase in water waste patrols
- Restaurants will only be able to serve water on request

These actions will take effect within fiscal year 2023, and conservation is factored into the adopted budget. In addition, the District will be working with community partners to expand and match the turf rebate program to help establish permanent reductions for long-term benefit.

The District will continue to participate in discussions with the U.S. Bureau of Reclamation (USBR) regarding conditions on the Colorado River. Discussions with USBR and the Upper and Lower Basin States are ongoing, and CVWD will evaluate the benefit of participating in any programs that may be offered.

## **PENSION COSTS**

The District provides retirement benefits to its employees through the California Public Employees Retirement System (CalPERS). Contributions to the system by the District and employees are made each year to provide funding for the system based on actuarial assumptions. The District's portion includes the Normal Cost and the Unfunded Actuarial Liability (UAL), which can vary over time based on investment performance and changes in the expected cost for future retirement benefits. The District, like many other agencies throughout California, has incurred a significant unfunded liability, even while paying the required contributions each year. The Board has recognized the need to manage pension costs, and contributed additional funds in the past in order to improve the UAL percentage and reduce the liability.

Employee and Employer contributions make up approximately 40% of the funds CalPERS receives, with investment returns making up approximately 60%. CalPERS uses an assumed earnings rate of 6.8%, meaning the fund is expected to earn on average 6.8% each year to support the long-term health of the system. Earnings can vary each year, which has an impact on the UAL amount. Strong returns of 21.3% in fiscal year 2021 were followed by weak returns of -6.1% in fiscal year 2022. While contribution rates are set for the fiscal year 2023 budget, the impact of lower investment returns in fiscal year 2022 will have an impact on future rates. The District will continue to monitor investment returns and the funded status to prepare future budgets and recommendations to the Board to improve the unfunded liability.

## **COST OF SERVICE STUDIES**

The District completed comprehensive Cost of Service Studies (COSS) for the Canal, Replenishment, and Domestic Water funds in fiscal year 2021. In fiscal year 2022, the District completed a COSS for the Sanitation fund. The studies allow for the development of a sustainable five-year financial plan and rate structure that can meet the overall fiscal needs of the District, while maintaining affordability and an equitable distribution of costs. Maximum rates are established for the five-year period, with the Board having discretion to adopt rates below the recommended maximum in any given year.

During budget development for fiscal year 2023, the Board approved the recommended fiscal year 2023 COSS rates for the Sanitation fund, as well as recommended gate and surcharge fees for the Canal fund. After reviewing prior year performance and projected year-end revenues for fiscal year 2022, the Board elected to adopt no increases for the Domestic, Replenishment, and Canal water rates for fiscal year 2023.

A summary of the adopted and proposed COSS rates are on the chart below.

Comparison of Rates	FY 2022 Rate	Monthly Charge	FY 2023 Adopted Rate	Monthly Charge	FY 2023 COSS Rate	Monthly Charge
<u>Domestic Water Residential Customer</u>						
Monthly Fixed Charge - 3/4 Inch Meter	\$ 12.65	\$ 12.65	\$ 12.65	\$ 12.65	\$ 13.46	\$ 13.46
Tier 1 Consumption Rate (8 CCF)	0.94	7.52	0.94	7.52	1.00	8.00
Tier 2 Consumption Rate (12 CCF)	1.17	14.04	1.17	14.04	1.25	15.00
Total Monthly Water Charge		<u>\$ 34.21</u>		<u>\$ 34.21</u>		<u>\$ 36.46</u>
<u>Sanitation Residential Customer</u>						
Residential Fixed Account Charge	\$ 1.58	\$ 1.58	\$ 1.55	\$ 1.55	\$ 1.55	\$ 1.55
Equivalent Sewer Unit (ESU)	23.04	23.04	24.98	24.98	24.98	24.98
Total Monthly Sanitation Charge		<u>\$ 24.62</u>		<u>\$ 26.53</u>		<u>\$ 26.53</u>
<u>Replenishment - Per Acre-Foot (AF)</u>						
West Whitewater Replenishment	\$ 165.37	-	\$ 165.37	-	\$ 198.45	-
East Whitewater Replenishment	72.27	-	72.27	-	79.14	-
Mission Creek Replenishment	135.52	-	135.52	-	135.52	-
<u>Canal (Per AF/Occurrence)</u>						
Irrigation Water Commodity Charge	\$ 34.32	-	\$ 34.32	-	\$ 35.21	-
Water Supply Surcharge	67.80	-	67.80	-	69.56	-
Construction Water Commodity Charge	51.33	-	51.33	-	53.81	-
Quagga Mussel Surcharge	3.18	-	3.63	-	3.63	-
Outside ID-1 Surcharge (\$/acre/month)	3.92	-	4.17	-	4.17	-
Oasis Surcharge	-	-	59.26	-	59.26	-
Scheduled Gate Visits	19.80	-	23.53	-	23.53	-
Unscheduled Gate Visits	39.60	-	47.07	-	47.07	-

## CONCLUSION

All the planning and analysis represented in the budget is a product of dedicated District staff, and the Board's leadership to develop and responsibly plan for future needs. The budget provides a high level of detail and transparency for our customers and the community at large. Through successes such as receiving grant funding for needed infrastructure projects, and challenges ahead as we navigate ongoing drought conditions, CVWD is committed to being a leader and partner within our community.

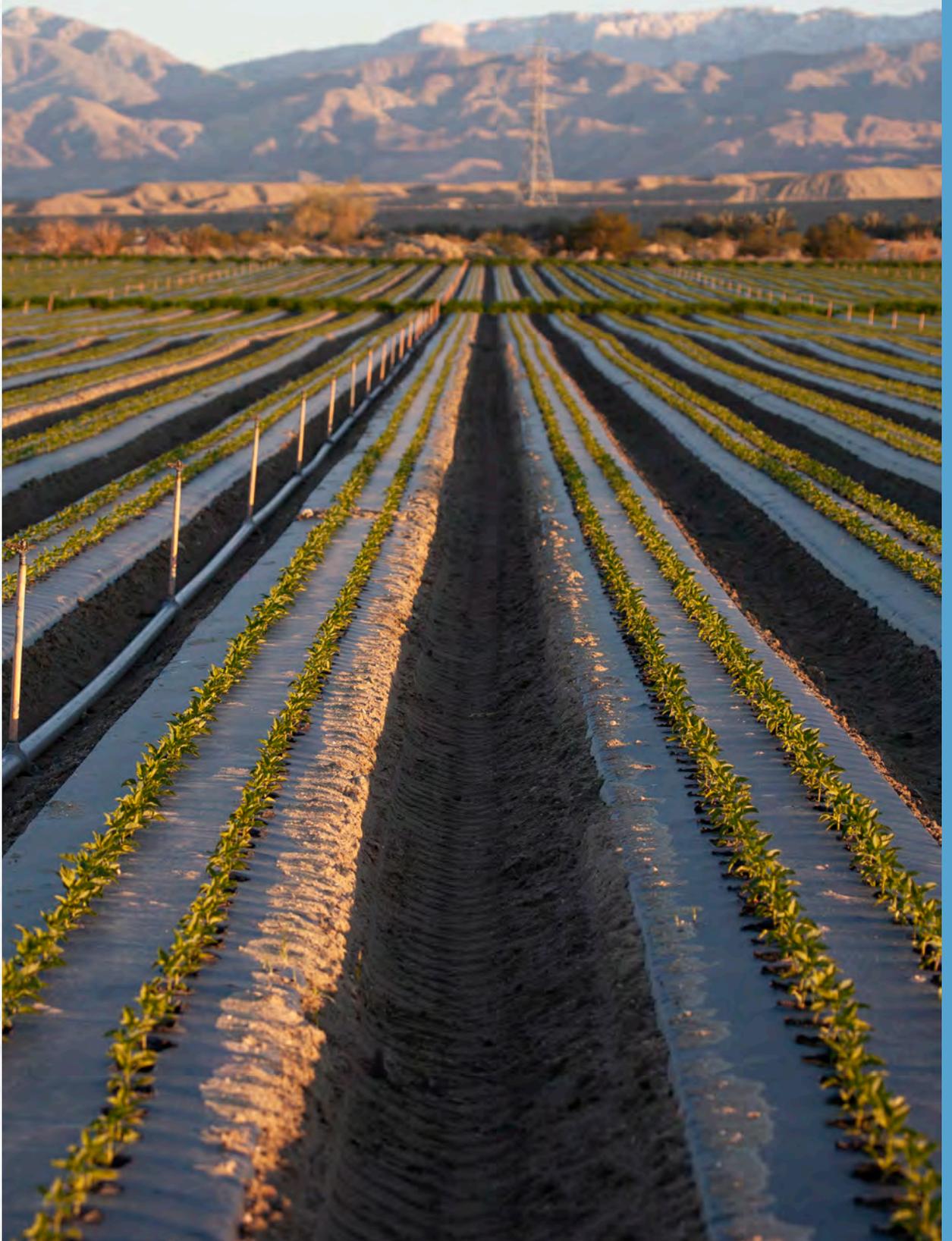
I would like to express my appreciation to all the departments and staff who developed a budget that reflects the needs of the District. A special note of thanks should go to the Finance Department for their diligence in gathering, analyzing, and preparing this financial plan.

Respectfully submitted,



**JIM BARRETT**  
General Manager

# OVERVIEW



## ABOUT THE COMMUNITY

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

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



*Aerial View of a Portion of the Coachella Valley*

# COACHELLA VALLEY WATER DISTRICT BOUNDARY MAP



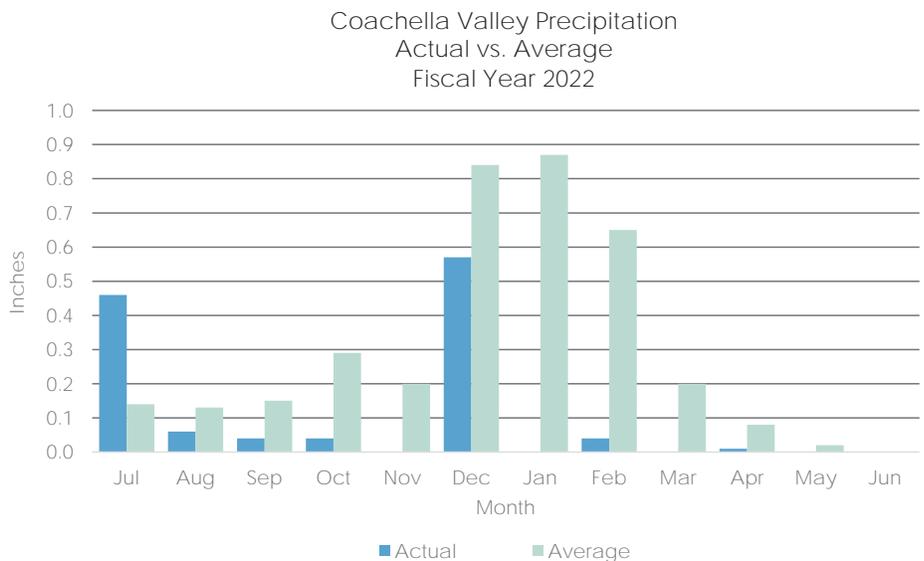
## ATTRACTIONS

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

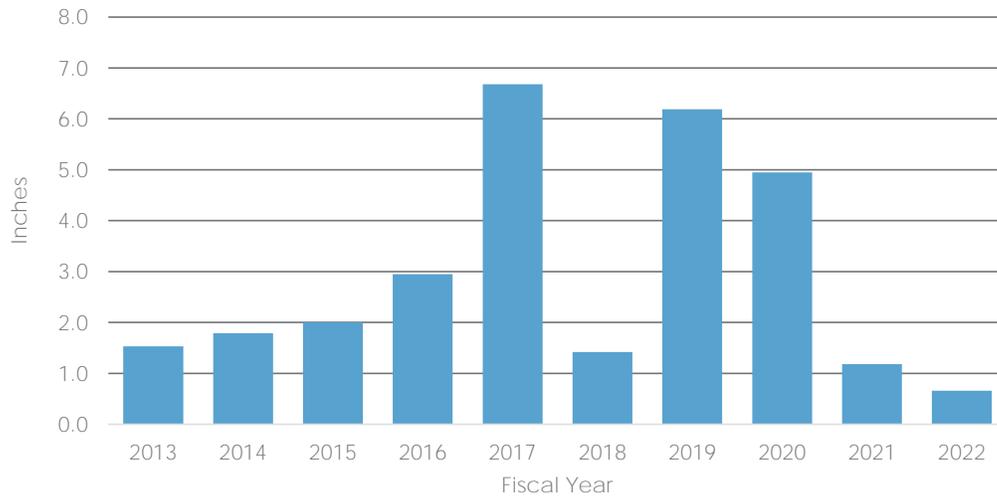
- |   |   |
|---|---|
| <b>American Documentary Film Festival</b>                     | <b>Palm Springs Aerial Tramway</b>                            |
| <b>BNP Paribas Open Tennis Tournament</b>                     | <b>Palm Springs Air Museum</b>                                |
| <b>Casinos (Agua Caliente, Fantasy Springs, Spotlight 29)</b> | <b>Palm Springs Art Museum</b>                                |
| <b>Cinema Diverse LGBTQ Film Festival</b>                     | <b>Palm Springs Cultural Center</b>                           |
| <b>Coachella Valley Music and Arts Festival</b>               | <b>Palm Springs Certified Farmers Market</b>                  |
| <b>Coachella Valley Wildflower Festival</b>                   | <b>Palm Springs International Film Festival</b>               |
| <b>College of the Desert Street Fair (Sat-Sun)</b>            | <b>Palm Springs International ShortFest</b>                   |
| <b>Fashion Week at El Paseo</b>                               | <b>Palm Springs Pride</b>                                     |
| <b>Indio International Tamale Festival</b>                    | <b>PGA: The American Express, a PGA Tour Event</b>            |
| <b>Joshua Tree Music Festival</b>                             | <b>Rancho Mirage Observatory</b>                              |
| <b>Joshua Tree National Park</b>                              | <b>Riverside County Fair and National Date Festival</b>       |
| <b>La Quinta Art Celebration</b>                              | <b>Santa Rosa and San Jacinto Mountains National Monument</b> |
| <b>Living Desert Zoo and Botanical Garden</b>                 | <b>Southwest Arts Festival</b>                                |
| <b>LPGA: ANA Inspiration Golf Tournament</b>                  | <b>Splash House</b>   |
| <b>McCallum Theatre</b>                                       | <b>Stagecoach Music Festival</b>                              |
| <b>Modernism Week</b>   | <b>The Desert Circuit Horse Show</b>                          |
| <b>Native FilmFest</b>  | <b>Tour de Palm Springs</b>                                   |
| <b>Palm Desert Food &amp; Wine Festival</b>                   | <b>VillageFest (Thursdays)</b>                                |
| <b>Palm Desert Golf Cart Parade</b>                           | <b>White Party</b>  |

## WEATHER

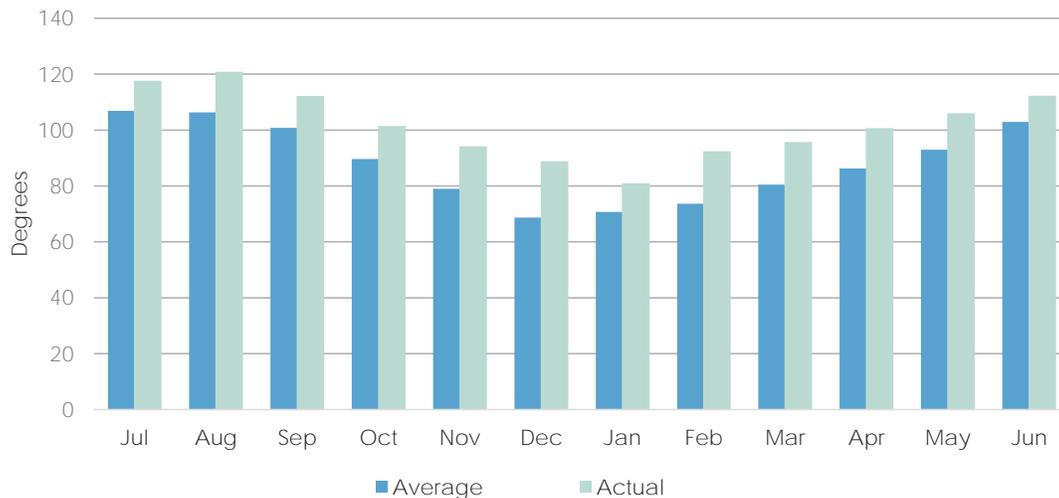
The mountains surrounding the Coachella Valley not only add to the desert’s beauty, but also create a “rain shadow”, which blocks weather systems that move through Southern California. It can often be raining 20 miles to the west, while the sun is shining over the Coachella Valley. Rainfall for the fiscal year was significantly below the average of 3.57 inches, at only 1.22 inches. The actual high temperature average of 101.9 degrees exceeded the average high temperature of 88.2 degrees, and exceeded the average in all twelve months in fiscal year 2022.



Coachella Valley Precipitation  
Average Rain Fall in Inches  
Ten Year-History



Coachella Valley High Temperatures  
Actual vs. Average  
Fiscal Year 2022



## ECONOMIC INDICATORS

The Coachella Valley has a seasonal economy, with the majority of festivals, tournaments, and events happening in the most temperate months of the year from January through April. Cancellation of major activities due to the Coronavirus pandemic (COVID-19) had a dramatic impact on the Valley economy in 2020 and the first part of 2021, although many events made their normal return in late 2021 and 2022.

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

The hospitality industry boasts over 200 resorts and hotels throughout the Valley, with over 6,000 vacation home rentals.



*Coachella Valley strawberries*

**RETAIL:** Taxable per capita retail sales is a strong measurement for a city's wealth. This measure represents a large portion of tax revenue the government can spend on its residents. Retail sales contribute to the Valley's economic base in that a significant source of the spending is from money brought to the area by winter residents, tourists, and convention goers.

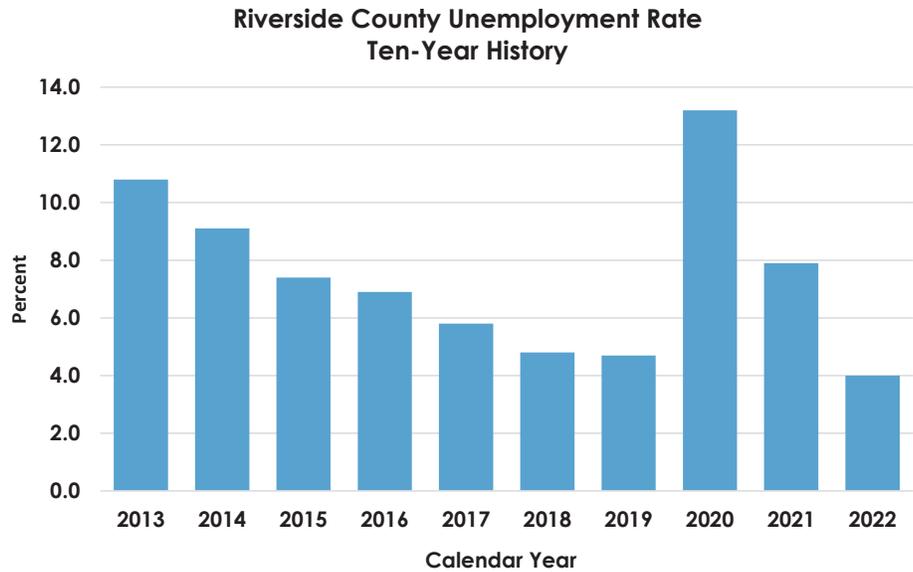
**GOLF:** Golf facilities contribute to the economic strength of the Coachella Valley. Tourism Economics was hired by the Hi-Lo Desert Golf Course Superintendents Association in 2015 to estimate the benefits of the golf industry to the Coachella Valley. It was determined that the region's 122 golf courses,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

The Coachella Valley has less than one percent of Southern California's population, yet has approximately 28 percent of its golf courses. The courses work with the District on ways to conserve water, and are being proactive with reducing their water consumption.

**CROP PRODUCTION:** Irrigation of over 76,970 acres of the Valley using Colorado River water, delivered via the Coachella Canal, has allowed widespread agriculture to flourish. Current crop production for calendar year 2021, listed in CVWD's annual Agriculture Report, is valued at close to \$575 million with an average gross value per acre of over \$9,727. The most lucrative crops are dates, grapes, bell peppers, and lemons/limes. California is the leading date growing state, producing 90% of the nation's total. Most of that production takes place here in the Valley.

**EMPLOYMENT:** The Unemployment rate in Riverside County hit a low of 3.8% in December 2019, to a peak of 16% in April 2020. The rate as of July 2022 is 4.0%, which is a dramatic improvement since the height of the pandemic.

**HOUSING PRICES:** The Riverside County single family median home price is \$639,000 as of July 2022, a 17% increase from the prior year. Housing inventory remains low, and the market continues to see steady growth.



## COACHELLA VALLEY CITY PROFILES

The Coachella Valley is comprised of the cities of Cathedral City, Coachella, Desert Hot Springs, Indian Wells, Indio, La Quinta, Palm Desert, Palm Springs, Rancho Mirage, and several unincorporated areas, which include Bermuda Dunes, Bombay Beach, Indio Hills, Mecca, Oasis, Salton City, Sky Valley, Thermal, and Thousand Palms. The table on the next page shows population, housing, and income data for the Valley's cities and unincorporated areas.

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

**POPULATION:** The Coachella Valley has some of the highest growth rates in Riverside County and California. Indio, Desert Hot Springs, and Coachella are leading the way in growth over the past 10 years. Indio saw growth of 18.4%, Desert Hot Springs saw growth of 12.9%, and Coachella had an increase of 12.2%.



Aerial view of Indio, CA

# OVERVIEW

Category	Cathedral City	Coachella	Desert Hot Springs	Indian Wells	Indio	La Quinta
<u>Population</u>						
Population	54,812	45,658	29,280	5,463	89,996	41,650
Population Growth since 2010	7.1%	12.2%	12.9%	10.2%	18.4%	11.2%
<u>Housing</u>						
Owner-occupied housing unit rate	50.8%	70.4%	39.9%	37.5%	62.8%	45.6%
Median value owner-occupied	\$302,500	\$238,500	\$218,000	\$723,600	\$290,200	\$405,200
<u>Gender</u>						
Female	49.4%	52.3%	51.5%	52.3%	51.2%	50.6%
Male	50.6%	47.7%	48.5%	47.7%	48.8%	49.4%
<u>Age</u>						
Under 18 years	21.9%	20.9%	25.7%	5.4%	22.2%	20.1%
65 years and over	17.6%	9.5%	13.5%	55.7%	19.6%	27.1%
<u>Education</u>						
High school graduate or higher	79.3%	59.2%	77.6%	98.6%	79.4%	90.7%
Bachelor's degree or higher	23.8%	3.3%	15.7%	52.5%	18.0%	34.4%
<u>Income</u>						
Median household income	\$50,350	\$33,999	\$37,818	\$112,614	\$53,434	\$75,724

Category	Palm Desert	Palm Springs	Rancho Mirage	Bermuda Dunes (CDP)	Bombay Beach (CDP)	Indio Hills (CDP)
<u>Population</u>						
Population	53,087	48,390	18,537	6,626	215	811
Population Growth since 2010	9.6%	8.6%	7.7%	-9.0%	-27.1%	-16.6%
<u>Housing</u>						
Owner-occupied housing unit rate	40.3%	41.8%	47.8%	38.3%	17.8%	75.6%
Median value owner-occupied	\$361,200	\$398,100	\$533,700	\$366,800	\$42,100	\$241,700
<u>Gender</u>						
Female	53.0%	40.4%	49.3%	55.4%	46.5%	57.1%
Male	47.0%	59.6%	50.7%	44.6%	53.5%	42.9%
<u>Age</u>						
Under 18 years	14.1%	10.6%	7.7%	21.4%	0.0%	40.1%
65 years and over	35.8%	32.4%	50.4%	22.9%	75.8%	2.3%
<u>Education</u>						
High school graduate or higher	92.8%	92.3%	94.7%	91.8%	94.6%	33.3%
Bachelor's degree or higher	38.0%	42.1%	44.5%	32.3%	12.7%	0.0%
<u>Income</u>						
Median household income	\$64,295	\$57,916	\$84,891	\$65,889	\$23,000	\$41,964

Category	Mecca (CDP)	Oasis (CDP)	Salton City (CDP)	Sky Valley (CDP)	Thermal (CDP)	Thousand Palms (CDP)
<u>Population</u>						
Population	5,541	2,554	5,975	2,274	1,371	8,158
Population Growth since 2010	-35.4%	-62.9%	58.8%	-5.5%	-52.1%	5.7%
<u>Housing</u>						
Owner-occupied housing unit rate	53.3%	60.7%	69.2%	42.4%	54.1%	55.1%
Median value owner-occupied	\$163,600	\$28,100	\$143,500	\$113,100	\$150,200	\$191,600
<u>Gender</u>						
Female	42.2%	42.1%	45.6%	45.6%	57.8%	52.9%
Male	57.8%	57.9%	54.4%	54.4%	42.2%	47.1%
<u>Age</u>						
Under 18 years	25.9%	27.2%	19.5%	16.3%	26.4%	27.1%
65 years and over	9.7%	11.2%	21.1%	29.8%	17.8%	25.4%
<u>Education</u>						
High school graduate or higher	28.1%	24.7%	70.6%	88.4%	32.6%	80.4%
Bachelor's degree or higher	0.0%	3.7%	7.4%	19.9%	0.0%	17.2%
<u>Income</u>						
Median household income	\$25,179	\$17,946	\$29,138	\$33,073	\$17,878	\$58,814

Data includes regional Cities and Census Defined Places (CDP)  
 Source: US Census Bureau 2020 American Community Survey (ACS)

## ABOUT THE COACHELLA VALLEY WATER DISTRICT

### District Governance

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

Board of Directors	Division	Term Expiration
John Powell, Jr., President	Division 3	December 2022
Cástulo R. Estrada, Vice President	Division 5	December 2022
John Aguilar	Division 1	December 2022
Anthony Bianco	Division 2	December 2024
Peter Nelson	Division 4	December 2024

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

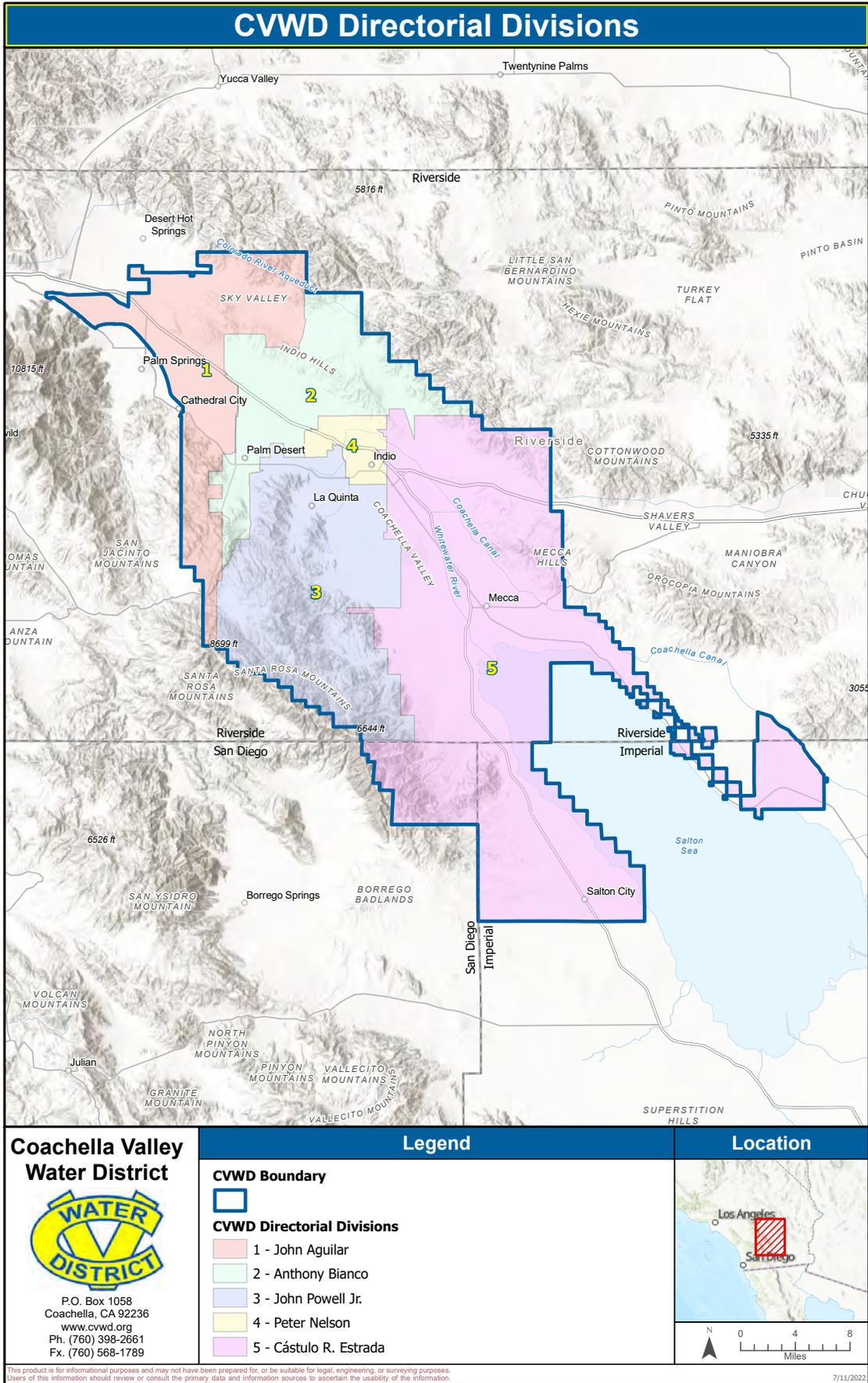
Division boundaries are overall equal in population, and take into consideration geography, cohesiveness, and communities of interest, among other criteria. A directional boundary map showing the boundaries is on the following page.

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

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



CVWD Board of Directors meeting in Forbes Auditorium - Coachella, CA



## COACHELLA VALLEY WATER DISTRICT IS A MULTIFACETED AGENCY

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

**DOMESTIC WATER:** The District provides drinking water to 270,000 people in the Valley. All domestic water is supplied from one of the District's 96 active wells. To ensure water supplies remain sustainable, the District implemented various initiatives, including, securing additional water resources, banking unused resources, water conservation programs, tiered rates, water-use restrictions, and recycling water. Since July 2020, CVWD has invested over \$4.5 million to fund rebate and incentive programs that support permanent reductions in water use.

**SANITATION:** Coachella Valley Water District treats 6.3 billion gallons of wastewater and recycles more than 3 billion gallons of wastewater each year, subjecting it to an advanced multi-step process that filters out solids, organic materials, chemicals, and germs. The District currently owns and operates 1,162 miles of wastewater collection system piping. At two of the District's five wastewater reclamation plants (WRPs), the treated reclaimed or nonpotable water is then delivered to customers that use it for outdoor irrigation. Increasing the supply and use of recycled water is a key component of CVWD's long-range water management plans.

**NONPOTABLE WATER:** The Valley is home to more than 124 golf courses. However, the amount of wastewater that is recycled cannot meet the total year-round irrigation needs of all courses. In an effort to increase the available nonpotable water supply for golf courses and reduce demand on the aquifer, CVWD utilizes the Mid-Valley Pipeline to bring Colorado River water to the District's largest wastewater reclamation plant in Palm Desert. This source is then provided or blended with nonpotable water to help meet demand.

Currently, there are 36 golf courses within CVWD boundaries using all Colorado River water and 17.5 golf courses using a blend of recycled and Colorado River water for irrigation. The District is working with 41 additional golf courses to switch from groundwater to nonpotable supplies in the future.

Nonpotable water services are provided by multiple funds. Golf courses receiving strictly Colorado River water from the Mid-Valley pipeline and those receiving a blend of Colorado River water and recycled water are customers of the West Whitewater or East Whitewater Replenishment Funds. Golf courses receiving Colorado River water strictly off of the Canal are customers of the Canal Fund.

**CANAL WATER:** The District provides water to 76,970 irrigable acres of farmland in the Valley. The 123-mile Coachella Canal provides Colorado River water to local farmers, which has helped transform the Coachella Valley into California's third largest agricultural region. Although geographically the Valley is in the northwestern portion of the Sonoran Desert, irrigation allows widespread agriculture. Crop values were approximately \$575 million in 2021.

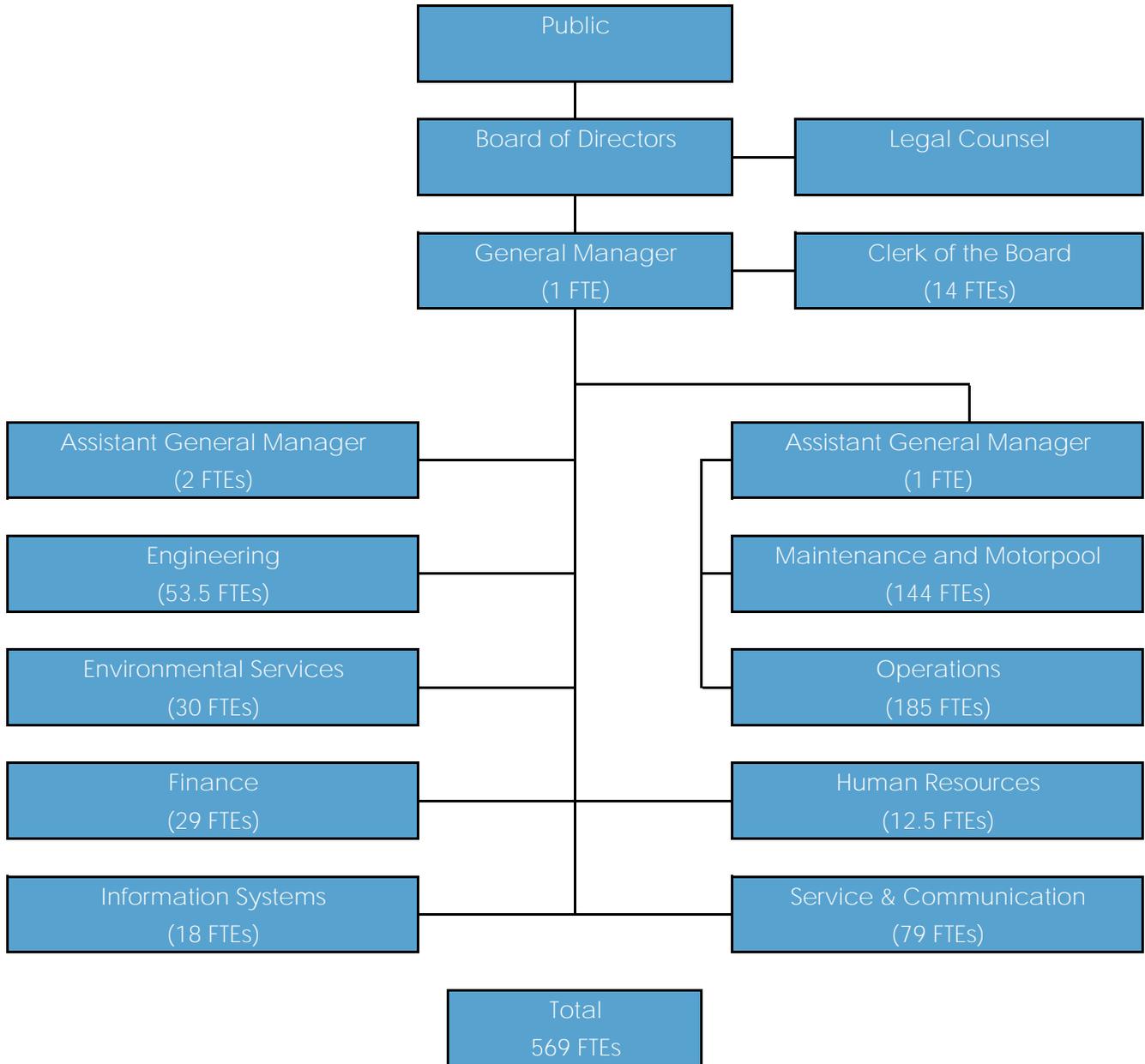
Canal water is also used to replenish the aquifer.

**STORMWATER:** The Coachella Valley averages less than four inches of rain per year, however, the surrounding mountains are subject to much higher rainfall rates which can produce unpredictable, damaging, and even deadly flash flooding events throughout the Valley. CVWD is responsible for much of the region's stormwater protection, helping to prevent loss of life and extensive property damage. The District protects nearly 600 square miles from flooding. Within CVWD's boundaries, there are 18 stormwater protection channels. The entire system includes approximately 169 miles of channels built along the natural alignment of dry creeks that flow from the surrounding mountains into the Whitewater River.

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

## DISTRICT MANAGEMENT

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





Authorized Position Listing - Fiscal Years 2021 through 2023

Description	FY 2021 Budget	FY 2022 Budget	FY 2023 Budget	FY 2023 Change
<u>Sanitation/Nonpotable Water/Electrical</u>				
Engineering Manager	1.00	1.00	1.00	-
Sr. Supervising Sanitation Engineer	1.00	1.00	1.00	-
Sr. Nonpotable Water / Sanitation Engineer	1.00	1.00	1.00	-
Sr. Sanitation Engineer	2.00	2.00	1.00	(1.00)
Assistant Sanitation Engineer	-	-	1.00	1.00
Sr. Supervising Electrical & Energy Engineer	-	1.00	1.00	-
Sr. Electrical & Energy Engineer	1.00	-	-	-
Associate Electrical & Energy Engineer	2.00	1.00	1.00	-
Assistant Electrical & Energy Engineer	-	1.00	1.00	-
<u>Engineering Services</u>				
Assistant Director of Planning Development	1.00	-	-	-
Assistant Director of Engineering-Services & Planning	-	1.00	1.00	-
<u>Construction Inspection</u>				
Chief Inspector	1.00	1.00	1.00	-
O & M Scheduler I	-	-	1.00	1.00
Lead Construction Inspector II	1.00	1.00	1.00	-
Construction Inspector II	3.00	3.00	2.00	(1.00)
Construction Inspector Trainee	4.00	4.00	4.00	-
<u>Development Services</u>				
Development Services Supervisor	1.00	1.00	1.00	-
Development Services Technician II	3.00	3.00	2.00	(1.00)
Development Services Technician I	-	-	2.00	2.00
Development Services Aide	1.00	1.00	-	(1.00)
Utility Coordinator	-	1.00	1.00	-
Engineering Technician II	-	1.00	1.00	-
<u>Right-of-Way</u>				
Right-of-Way Supervisor	1.00	1.00	1.00	-
Right-of-Way Assistant	2.00	2.00	2.00	-
<u>Survey</u>				
Chief Surveyor	1.00	1.00	1.00	-
Assistant Chief Surveyor	1.00	1.00	1.00	-
Survey Party Chief	1.00	1.00	1.00	-
CAD Systems Specialist	-	1.00	1.00	-
Engineering Technician II	-	1.00	1.00	-
Engineering Aide III	1.00	1.00	1.00	-
GIS Specialist I	-	-	0.50	0.50
<u>Technical Services</u>				
Technical Services Supervisor	1.00	-	-	-
Utility Coordinator	1.00	-	-	-
Engineering Technician II	2.00	-	-	-
CAD Systems Specialist	1.00	-	-	-
Engineering Aide III	1.00	-	-	-
<i>Total Engineering</i>	<i>54.00</i>	<i>53.50</i>	<i>53.50</i>	<i>-</i>

## Authorized Position Listing - Fiscal Years 2021 through 2023

Description	FY 2021 Budget	FY 2022 Budget	FY 2023 Budget	FY 2023 Change
<u>ENVIRONMENTAL SERVICES</u>				
<u>Administration</u>				
Director of Environmental Services	1.00	1.00	1.00	-
Water Resources Manager	1.00	1.00	1.00	-
<u>Environmental</u>				
Environmental Supervisor	1.00	1.00	1.00	-
Environmental Safety Specialist	1.00	1.00	1.00	-
Environmental Specialist	1.00	1.00	1.00	-
Associate Biologist	1.00	1.00	1.00	-
<u>Water Quality</u>				
Water Quality Supervisor	1.00	1.00	1.00	-
Environmental Services Specialist	1.00	1.00	1.00	-
Environmental Services Coordinator	1.00	1.00	1.00	-
Environmental Services Aide I	1.00	1.00	1.00	-
<u>Laboratory</u>				
Laboratory Director	1.00	2.00	1.00	(1.00)
Chemist	2.00	2.00	2.00	-
Water Quality Analyst II	1.00	2.00	1.00	(1.00)
Water Quality Analyst I	1.00	1.00	1.00	-
Laboratory Aide I	1.00	1.00	1.00	-
<u>Monitoring</u>				
Water Resources Coordinator	1.00	1.00	1.00	-
Environmental Services Technician	2.00	2.00	1.00	(1.00)
Environmental Services Aide III	-	-	1.00	1.00
Environmental Services Aide II	1.00	1.00	2.00	1.00
Environmental Services Aide I	1.50	-	1.00	1.00
<u>Source Control</u>				
Environmental Compliance Inspector II - Lead	1.00	-	-	-
Source Control Coordinator	-	1.00	1.00	-
Environmental Compliance Inspector I	1.00	2.00	2.00	-
Environmental Compliance Aide	1.00	-	-	-
<u>Water Resources</u>				
Water Resources Supervisor	-	1.00	1.00	-
Water Resources Associate	1.00	1.00	1.00	-
Environmental Services Specialist	1.00	-	1.00	1.00
Environmental Services Coordinator	1.00	1.00	1.00	-
Environmental Services Technician	1.00	1.00	1.00	-
<b>Total Environmental Services</b>	<b>28.50</b>	<b>29.00</b>	<b>30.00</b>	<b>1.00</b>

Authorized Position Listing - Fiscal Years 2021 through 2023

Description	FY 2021 Budget	FY 2022 Budget	FY 2023 Budget	FY 2023 Change
<u>FINANCE</u>				
<u>Administration</u>				
Director of Finance	1.00	1.00	1.00	-
Administrative Assistant	1.00	1.00	1.00	-
<u>Accounting, Budget &amp; Financing</u>				
Controller	1.00	1.00	1.00	-
Finance Manager	-	2.00	2.00	-
Budget Manager	1.00	-	-	-
Accountant, Senior	1.00	1.00	1.00	-
Accountant	2.00	1.00	1.00	-
Accounting Technician II	2.00	2.00	2.00	-
Accounting Technician I	4.00	4.00	4.00	-
Financial Analyst III	2.00	1.00	-	(1.00)
Financial Analyst II	1.00	2.00	3.00	1.00
Financial Analyst I	1.00	1.00	1.00	-
<u>Procurement &amp; Contracts/ Warehouse</u>				
Procurement & Contracts Manager	1.00	1.00	1.00	-
Contracts Administrator	1.00	1.00	1.00	-
Purchasing Technician I	3.00	3.00	3.00	-
Warehouse Supervisor	1.00	1.00	1.00	-
Senior Storekeeper (Lead)	1.00	1.00	1.00	-
Storekeeper III	1.00	1.00	1.00	-
Storekeeper	3.00	3.00	3.00	-
Accounting Technician I	1.00	1.00	1.00	-
	<b>Total Finance</b>	<b>29.00</b>	<b>29.00</b>	<b>29.00</b>
				<b>-</b>
<u>HUMAN RESOURCES</u>				
<u>Administration</u>				
Director of Human Resources	1.00	1.00	1.00	-
<u>Human Resources</u>				
Human Resources Administrator	1.00	1.00	1.00	-
Sr. Human Resources Specialist	2.00	2.00	2.00	-
HR Specialist Training and Development	-	-	1.00	1.00
Human Resources Assistant	1.00	1.00	1.00	-
Human Resources Assistant	0.50	0.50	0.50	-
<u>Risk Management</u>				
Risk and Safety Manager	-	-	1.00	1.00
Risk Manager	1.00	1.00	-	(1.00)
Senior Risk Management Specialist	-	-	1.00	1.00
Risk Management Specialist	1.00	1.00	1.00	-
Claims Manager	1.00	1.00	-	(1.00)

## Authorized Position Listing - Fiscal Years 2021 through 2023

Description	FY 2021 Budget	FY 2022 Budget	FY 2023 Budget	FY 2023 Change
<u>Safety</u>				
Emergency Response Administrator	-	-	1.00	1.00
Safety & Training Manager	1.00	1.00	-	(1.00)
Safety & Training Specialist	1.00	1.00	1.00	-
Safety & Training Assistant	1.00	1.00	1.00	-
<b>Total Human Resources</b>	<b>11.50</b>	<b>11.50</b>	<b>12.50</b>	<b>1.00</b>
<u>INFORMATION SYSTEMS</u>				
<u>Administration</u>				
Director of Information Systems	1.00	1.00	1.00	-
<u>Business Applications</u>				
Business Applications Manager	1.00	1.00	1.00	-
Information Systems Analyst III	2.00	2.00	2.00	-
Information Systems Analyst II	2.00	2.00	2.00	-
GIS Specialist II	2.00	1.00	1.00	-
GIS Specialist I	-	1.00	1.00	-
<u>Desktop Support</u>				
Information Systems Analyst II	1.00	1.00	1.00	-
Information Systems Analyst I	1.00	1.00	-	(1.00)
Information Systems Specialist II	1.00	1.00	2.00	1.00
<u>Network &amp; Systems</u>				
Network & Systems Manager	1.00	1.00	1.00	-
Information Systems Analyst III	2.00	2.00	1.00	(1.00)
Information Systems Analyst II	-	-	2.00	2.00
Senior SCADA System Analyst III	1.00	1.00	1.00	-
SCADA System Analyst I	1.00	1.00	1.00	-
Information Security Analyst	1.00	1.00	1.00	-
<b>Total Information Systems</b>	<b>17.00</b>	<b>17.00</b>	<b>18.00</b>	<b>1.00</b>
<u>SERVICE &amp; COMMUNICATION</u>				
<u>Administration</u>				
Director of Service and Communication	1.00	1.00	1.00	-
Management Analyst	1.00	1.00	1.00	-
Administrative Assistant I	1.00	1.00	1.00	-
<u>Customer Billing</u>				
Revenue Manager	1.00	1.00	1.00	-
Assistant Revenue Manager	1.00	1.00	1.00	-
Accountant	1.00	1.00	1.00	-
Accounts Receivable Technician	7.00	7.00	6.00	(1.00)
Sr. Accounts Receivable Assistant	1.00	1.00	2.00	1.00
Accounts Receivable Assistant	3.00	3.00	3.00	-

Authorized Position Listing - Fiscal Years 2021 through 2023

Description	FY 2021 Budget	FY 2022 Budget	FY 2023 Budget	FY 2023 Change
<u>Customer Service</u>				
Customer Service Supervisor	1.00	1.00	1.00	-
Customer Service Representative III	2.00	2.00	2.00	-
Customer Service Representative II	7.00	8.00	5.00	(3.00)
Customer Service Representative I	5.00	4.00	6.00	2.00
Office Assistant II	1.00	1.00	1.00	-
<u>Meter Readers</u>				
Meter Reader Manager	1.00	1.00	1.00	-
Meter Reader Crew Chief	2.00	2.00	2.00	-
Field Service Representative	3.00	3.00	3.00	-
Meter Reader II	4.00	4.00	5.00	1.00
Meter Reader I	10.00	11.00	8.00	(3.00)
Meter Reader Trainee	2.00	1.00	3.00	2.00
<i>Sub-total Service</i>	<b>55.00</b>	<b>55.00</b>	<b>54.00</b>	<b>(1.00)</b>
<u>Communication Administration</u>				
Director of Communications & Conservation	1.00	1.00	-	(1.00)
Administrative Assistant II	1.00	-	-	-
Administrative Assistant I	-	1.00	1.00	-
<u>Outreach &amp; Education</u>				
Government Affairs Specialist	1.00	-	-	-
Communication Manager	-	-	1.00	1.00
Government & Regional Affairs Coordinator	-	1.00	1.00	-
Multimedia Specialist	1.00	1.00	1.00	-
Education Specialist	2.00	1.00	2.00	1.00
Education Associate	-	1.00	-	(1.00)
Communications Specialist	4.00	4.00	4.00	-
Communications Assistant	1.00	1.00	1.00	-
<u>Water Management</u>				
Conservation Manager	1.00	1.00	1.00	-
Office Assistant II	1.00	1.00	1.00	-
Water Management Supervisor	1.00	1.00	1.00	-
Water Management Specialist II (Lead)	3.00	3.00	1.00	(2.00)
Water Management Specialist I	5.00	7.00	7.00	-
Water Management Technician	3.00	1.00	1.00	-
Water Management Aide	1.00	1.00	2.00	1.00
<i>Sub-total Communication</i>	<b>26.00</b>	<b>26.00</b>	<b>25.00</b>	<b>(1.00)</b>
<b>Total Service &amp; Communication</b>	<b>81.00</b>	<b>81.00</b>	<b>79.00</b>	<b>(2.00)</b>

## Authorized Position Listing - Fiscal Years 2021 through 2023

Description	FY 2021 Budget	FY 2022 Budget	FY 2023 Budget	FY 2023 Change
<u>OPERATIONS AND MAINTENANCE</u> <sup>2</sup>				
<u>Administration</u>				
Assistant General Manager of Operations & Maintenance <sup>3</sup>	-	-	-	-
Management Analyst <sup>4</sup>	1.00	1.00	1.00	-
Asset Mgmt. Program Coordinator <sup>4</sup>	1.00	1.00	1.00	-
Operations & Maintenance Scheduler II	1.00	1.00	1.00	-
Operations & Maintenance Scheduler I <sup>4</sup>	1.00	1.00	1.00	-
Administrative Assistant I <sup>4</sup>	2.00	2.00	2.00	-
<i>Sub-total Operations &amp; Maintenance - Administration</i>	<u>6.00</u>	<u>6.00</u>	<u>6.00</u>	<u>-</u>
<u>Operations &amp; Maintenance - Domestic</u>				
Assistant Director of Operations & Maintenance - Domestic	1.00	1.00	1.00	-
<u>Domestic Production &amp; Metering Systems</u>				
Operations Manager	1.00	1.00	1.00	-
Water System Analyst	-	1.00	1.00	-
<u>Domestic Production</u>				
Domestic Water Supervisor	1.00	1.00	1.00	-
Date Palm Crew Chief	1.00	1.00	1.00	-
Date Palm Serviceworker III	1.00	1.00	1.00	-
Date Palm Water Quality Operator II	1.00	-	-	-
Date Palm Water Quality Operator I	1.00	1.00	1.00	-
Date Palm Serviceworker I	2.00	2.00	3.00	1.00
Date Palm Serviceworker Trainee	1.00	2.00	1.00	(1.00)
Valley Crew Chief	-	-	1.00	1.00
Valley Senior Serviceworker	1.00	1.00	-	(1.00)
Valley Water Quality Operator III	1.00	1.00	1.00	-
Valley Water Quality Operator II	2.00	2.00	2.00	-
Valley Water Treatment Operator II	1.00	1.00	-	(1.00)
Valley Serviceworker II	1.00	1.00	1.00	-
Valley Serviceworker I	1.00	1.00	1.00	-
Valley Serviceworker Trainee	-	-	1.00	1.00
La Quinta Water Treatment Crew Chief	1.00	1.00	1.00	-
La Quinta Serviceworker III	1.00	1.00	1.00	-
La Quinta Water Treatment Operator II	2.00	2.00	2.00	-
La Quinta Water Quality Operator II	1.00	1.00	1.00	-
La Quinta Serviceworker II	2.00	1.00	1.00	-
West Shores Crew Chief	1.00	1.00	1.00	-
West Shores Serviceworker III	1.00	1.00	1.00	-
West Shores Distribution Operator II	3.00	4.00	4.00	-
West Shores Distribution Operator I	2.00	1.00	1.00	-
West Shores Distribution Utility Worker III	1.00	1.00	1.00	-
West Shores Meter & Valve Tech Trainee	1.00	1.00	1.00	-

Authorized Position Listing - Fiscal Years 2021 through 2023

Description	FY 2021 Budget	FY 2022 Budget	FY 2023 Budget	FY 2023 Change
<u>Domestic Metering Systems</u>				
Domestic Water Supervisor	1.00	1.00	1.00	-
Backflow/Cross Connection Crew Chief	1.00	1.00	1.00	-
Cross Connection Technician III	1.00	1.00	-	(1.00)
Cross Connection Technician I	2.00	2.00	3.00	1.00
Backflow Meter & Valve Tech I	-	1.00	1.00	-
Backflow Meter & Valve Tech Trainee	-	1.00	1.00	-
Meter Repair Crew Chief	1.00	1.00	1.00	-
Meter Repair Meter & Valve Tech III	1.00	1.00	1.00	-
Meter Repair Meter & Valve Tech II	2.00	2.00	2.00	-
Meter Repair Meter & Valve Tech I	3.00	3.00	2.00	(1.00)
Meter Repair Meter & Valve Tech Trainee	1.00	-	1.00	1.00
PCD/Air Vac Crew Chief	1.00	1.00	1.00	-
PCD/Air Vac Meter & Valve Tech III	1.00	1.00	1.00	-
PCD/Air Vac Meter & Valve Tech II	2.00	1.00	1.00	-
PCD/Air Vac Meter & Valve Tech I	1.00	1.00	1.00	-
PCD/Air Vac Meter & Valve Tech Trainee	2.00	2.00	2.00	-
<u>Domestic Construction &amp; Maintenance</u>				
Operations Manager	1.00	1.00	1.00	-
Emergency Response Administrator	1.00	1.00	-	(1.00)
<u>Domestic Maintenance</u>				
Domestic Water Supervisor	1.00	1.00	1.00	-
System Maintenance Crew Chief	1.00	1.00	1.00	-
System Maintenance Distribution Operator II	2.00	1.00	-	(1.00)
System Maintenance Distribution Operator I	1.00	2.00	2.00	-
System Maintenance Distribution Operator Trainee	1.00	1.00	1.00	-
System Maintenance Distribution Utility Worker II	-	-	1.00	1.00
Valve Repair Crew Chief	1.00	1.00	1.00	-
Valve Repair Equipment Operator I	1.00	1.00	1.00	-
Valve Repair Distribution Operator III	-	1.00	1.00	-
Valve Repair Distribution Operator II	1.00	1.00	1.00	-
Valve Repair Distribution Operator I	2.00	2.00	2.00	-
Valve Repair Distribution Operator Trainee	1.00	-	-	-
Hydrant Maintenance Crew Chief	1.00	1.00	1.00	-
Hydrant Maintenance Distribution Operator III	1.00	-	-	-
Hydrant Maintenance Distribution Operator II	-	1.00	1.00	-
Hydrant Maintenance Distribution Operator I	2.00	2.00	3.00	1.00
Hydrant Maintenance Distribution Operator Trainee	1.00	1.00	-	(1.00)
Domestic Maintenance Crew Chief	1.00	1.00	1.00	-
Domestic Maintenance Distribution Operator III	1.00	1.00	1.00	-
Domestic Maintenance Distribution Operator II	1.00	1.00	1.00	-
Domestic Maintenance Distribution Operator I	3.00	3.00	2.00	(1.00)
Domestic Maintenance Distribution Operator Trainee	-	-	1.00	1.00

## Authorized Position Listing - Fiscal Years 2021 through 2023

Description	FY 2021 Budget	FY 2022 Budget	FY 2023 Budget	FY 2023 Change
<u>Domestic Construction</u>				
Domestic Water Supervisor	1.00	1.00	1.00	-
Leak Repair Crew Chief	1.00	1.00	1.00	-
Leak Repair Distribution Operator III	1.00	1.00	1.00	-
Leak Repair Distribution Operator II	1.00	2.00	2.00	-
Leak Repair Distribution Operator I	1.00	-	1.00	1.00
Leak Repair Distribution Operator Trainee	1.00	1.00	-	(1.00)
Leak Repair Distribution Utility Worker I	1.00	1.00	1.00	-
Service Installation Crew Chief	1.00	1.00	1.00	-
Service Installation Distribution Operator III	1.00	1.00	1.00	-
Service Installation Equipment Operator	1.00	1.00	1.00	-
Service Installation Distribution Operator I	2.00	2.00	1.00	(1.00)
Service Installation Distribution Operator Trainee	-	-	2.00	2.00
Service Installation Distribution Utility Worker II	1.00	1.00	-	(1.00)
Leak Detection Crew Chief	1.00	1.00	1.00	-
Leak Detection Meter & Valve Tech III	1.00	1.00	1.00	-
Leak Detection Meter & Valve Tech II	3.00	3.00	3.00	-
Facilities Location Technician III	2.00	2.00	2.00	-
Facilities Location Technician II	1.00	1.00	1.00	-
Construction Crew Chief	1.00	1.00	1.00	-
Construction Distribution Operator II	1.00	2.00	2.00	-
Construction Distribution Operator I	2.00	3.00	3.00	-
Construction Distribution Operator Trainee	2.00	-	-	-
<i>Sub-total Operations &amp; Maintenance - Domestic</i>	<b>105.00</b>	<b>105.00</b>	<b>104.00</b>	<b>(1.00)</b>
<u>Operations &amp; Maintenance - Facilities &amp; Maintenance</u>				
Assistant Director of Operations & Maintenance - Facilities & Maintenance	1.00	1.00	1.00	-
<u>Operations</u>				
Operations Manager	1.00	1.00	1.00	-
<u>Canal &amp; Irrigation Distribution</u>				
Canal & Irrigation Distribution Supervisor	1.00	1.00	1.00	-
Irrigation Distribution Supervisor	1.00	-	-	-
Canal Crew Chief	1.00	1.00	1.00	-
Irrigation Distribution Crew Chief	1.00	1.00	1.00	-
Meter Repair Worker I	-	1.00	1.00	-
Meter Repair Worker II	1.00	-	-	-
Irrigation Utility Worker II	1.00	2.00	1.00	(1.00)
Irrigation Utility Worker I	5.00	3.00	2.00	(1.00)
Irrigation System Worker III	1.00	1.00	1.00	-
Irrigation System Worker II	2.00	3.00	3.00	-
Irrigation System Worker I	5.00	4.00	6.00	2.00
<u>Facilities Maintenance</u>				
Facilities Maintenance Supervisor	1.00	1.00	1.00	-
Facilities Maintenance Crew Chief	1.00	1.00	1.00	-
Senior Facilities Worker	1.00	1.00	1.00	-
Facilities Worker	4.00	4.00	4.00	-

Authorized Position Listing - Fiscal Years 2021 through 2023

Description	FY 2021 Budget	FY 2022 Budget	FY 2023 Budget	FY 2023 Change
<u>Zanjeros</u>				
Zanjero Supervisor	1.00	-	1.00	1.00
Zanjero Crew Chief	1.00	2.00	1.00	(1.00)
Zanjero III	3.00	4.00	3.00	(1.00)
Zanjero II	5.00	2.00	1.00	(1.00)
Zanjero I	3.00	1.00	1.00	-
Zanjero Trainee	3.00	8.00	10.00	2.00
Irrigation Technician	1.00	1.00	1.00	-
Department Aide/Crop Reporter	1.00	1.00	1.00	-
<u>Building Maintenance</u>				
Building Maintenance Supervisor	1.00	1.00	1.00	-
Maintenance Crew Chief	1.00	1.00	1.00	-
Building Maintenance Trades Worker	6.00	6.00	6.00	-
Maintenance Worker	4.00	4.00	4.00	-
Welding Crew Chief	1.00	1.00	1.00	-
Welder II	2.00	2.00	2.00	-
Welder I	3.00	3.00	3.00	-
<u>Electrical</u>				
Electrical Supervisor	1.00	1.00	1.00	-
Assistant Electrical Supervisor	1.00	1.00	-	(1.00)
Electrical Crew Chief	1.00	1.00	2.00	1.00
Electrician IV	1.00	2.00	1.00	(1.00)
Electrician III	3.00	2.00	2.00	-
Electrician II	8.00	7.00	7.00	-
Electrician I	2.00	3.00	4.00	1.00
HVAC Technician II	2.00	2.00	2.00	-
HVAC Technician I	1.00	1.00	1.00	-
Pump Maintenance Crew Chief	1.00	1.00	1.00	-
Maintenance Worker	3.00	3.00	3.00	-
Maintenance Worker/Operator	1.00	1.00	1.00	-
<u>Stormwater &amp; Drainage</u>				
Stormwater & Drainage Maint. Supv.	1.00	1.00	1.00	-
Stormwater & Drainage Crew Chief	1.00	1.00	1.00	-
Equipment Operator II	5.00	4.00	3.00	(1.00)
Equipment Operator I	8.00	9.00	10.00	1.00
<u>Electronics</u>				
Electronics Supervisor	1.00	1.00	1.00	-
Assistant Electronics Supervisor	1.00	1.00	1.00	-
Electronics Technician III	1.00	1.00	1.00	-
Electronics Technician II	4.00	4.00	3.00	(1.00)
Electronics Technician I	8.00	9.00	9.00	-
Electronics Technician Trainee	1.00	1.00	2.00	1.00

## Authorized Position Listing - Fiscal Years 2021 through 2023

Description	FY 2021 Budget	FY 2022 Budget	FY 2023 Budget	FY 2023 Change
<u>Motorpool - Auto Shop</u>				
Fleet Manager	1.00	1.00	1.00	-
Autoshop Supervisor	1.00	1.00	1.00	-
Crew Chief	2.00	2.00	2.00	-
Automotive Technician III	2.00	2.00	2.00	-
Automotive Technician II	4.00	4.00	3.00	(1.00)
Automotive Technician I	4.00	4.00	4.00	-
Automotive Technician Trainee	1.00	1.00	2.00	1.00
Parts Specialist II	1.00	1.00	1.00	-
Parts Specialist I	1.00	1.00	1.00	-
Auto Shop Attendant	1.00	1.00	1.00	-
<i>Sub-total Operations &amp; Maintenance - Facilities &amp; Maint.</i>	<b>138.00</b>	<b>138.00</b>	<b>138.00</b>	<b>-</b>
<u>Operations &amp; Maintenance - Sanitation</u>				
Assistant Director of Operations & Maintenance - Sanitation	1.00	1.00	1.00	-
<u>Wastewater</u>				
Operations Manager	-	1.00	1.00	-
<u>Sanitation Collections</u>				
Collections Supervisor	1.00	1.00	1.00	-
Collections Construction Crew Chief	1.00	1.00	1.00	-
Collection Systems III	2.00	1.00	-	(1.00)
Collection Systems I	2.00	1.00	2.00	1.00
Collection Systems Trainee	1.00	3.00	3.00	-
Collections Maintenance Crew Chief	1.00	1.00	1.00	-
Collection Systems III	2.00	2.00	1.00	(1.00)
Collection Systems II	1.00	1.00	-	(1.00)
Collection Systems I	1.00	-	1.00	1.00
Collection Systems Trainee	2.00	2.00	3.00	1.00
Collections Operations Crew Chief	1.00	1.00	1.00	-
Collection Systems III	-	-	1.00	1.00
Collection Systems II	2.00	2.00	-	(2.00)
Collection Systems I	3.00	3.00	1.00	(2.00)
Collection Systems Trainee	1.00	1.00	4.00	3.00
<u>Mechanical</u>				
Mechanical Supervisor	1.00	1.00	1.00	-
Mechanical Crew Chief	1.00	1.00	1.00	-
Mechanical Technician III	2.00	2.00	1.00	(1.00)
Mechanical Technician II	7.00	7.00	6.00	(1.00)
Mechanical Technician I	-	-	2.00	2.00

Authorized Position Listing - Fiscal Years 2021 through 2023

Description	FY 2021 Budget	FY 2022 Budget	FY 2023 Budget	FY 2023 Change
<u>Nonpotable Water/ Control</u>				
Nonpotable Ops Water Manager	1.00	1.00	1.00	-
Nonpotable Crew Chief	1.00	1.00	1.00	-
Nonpotable Water Technician II	1.00	1.00	1.00	-
Cross-Connection Technician III	1.00	1.00	1.00	-
Cross-Connection Technician II	1.00	1.00	-	(1.00)
Cross-Connection Technician I	-	-	1.00	1.00
Control Crew Chief	1.00	1.00	1.00	-
Control Operator II	4.00	3.00	2.00	(1.00)
Control Operator I	2.00	1.00	4.00	3.00
Control Operator Trainee	3.00	5.00	2.00	(3.00)
Irrigation Water Specialist	-	-	1.00	1.00
<u>Wastewater Reclamation Plant 1, 2, 4</u>				
Wastewater Reclamation Plant Supervisor	1.00	1.00	1.00	-
WRP Assistant Supervisor	2.00	2.00	2.00	-
WRP Operator II	3.00	2.00	2.00	-
WRP Operator I	1.00	1.00	1.00	-
WRP Operator In Training	-	1.00	1.00	-
<u>Wastewater Reclamation Plant 7</u>				
Wastewater Reclamation Plant Supervisor	1.00	1.00	1.00	-
WRP Assistant Supervisor	2.00	2.00	2.00	-
WRP Operator III	2.00	2.00	2.00	-
WRP Operator II	3.00	4.00	2.00	(2.00)
WRP Operator I	1.00	-	-	-
WRP Operator in Training	-	-	2.00	2.00
<u>Wastewater Reclamation Plant 10</u>				
WRP Chief Operator	1.00	1.00	1.00	-
WRP Shift Supervisor	2.00	2.00	2.00	-
WRP Assistant Shift Supervisor	4.00	4.00	4.00	-
WRP Operator III	3.00	3.00	3.00	-
WRP Operator II	1.00	2.00	2.00	-
WRP Operator I	4.00	2.00	3.00	1.00
WRP Operator In Training	2.00	3.00	2.00	(1.00)
<i>Sub-total Operations &amp; Maintenance - Sanitation</i>	<i>81.00</i>	<i>81.00</i>	<i>81.00</i>	<i>-</i>
<b>Total Operations &amp; Maintenance</b>	<b>330.00</b>	<b>330.00</b>	<b>329.00</b>	<b>(1.00)</b>
<b>Total District</b>	<b>569.00</b>	<b>569.00</b>	<b>569.00</b>	<b>-</b>

<sup>1</sup> FY 2022 Technical Services division merged with Survey

<sup>2</sup> FY 2022 Facilities & Maintenance merged with Operations. Renamed Department "Operations & Maintenance"

<sup>3</sup> Assistant General Manager of Operations & Maintenance is included in position count under GM Administration

<sup>4</sup> FY 2021 Positions classified under Facilities & Maintenance, Administrative Assistant I had (1) for each department prior to merge

## BENEFITS

The District offers medical, dental, and vision coverage to all full-time employees, and participates in the California Public Employees Retirement System (CalPERS). Benefits are budgeted based on prior year elections, changes in anticipated cost, and contribution percentages based on bargaining unit. The District has three separate bargaining units operating under multiyear Memorandum of Understandings (MOUs):

Association of Coachella Valley Water District Managers (ACVWDM) – Expires December 31, 2024

Association of Supervisory Support Evaluation Team (ASSET) – Expires December 31, 2023

Coachella Valley Water District Employees Association (CVWDEA) – Expires December 31, 2022

Bargaining unit MOUs provide for an annual Cost of Living Adjustment (COLA), based on the actual Riverside, San Bernardino, Ontario Consumer Price Index-U with a minimum of two (2%) and maximum of five (5%) percent. Additional information can be found in the Budget by Department section.

## ACCOUNTING AND BUDGETING STRUCTURE

### *Proprietary Fund Accounting*

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## WHAT IS A BUDGET?

The fiscal year 2023 budget is presented as a policy document, an operational tool, a financial planning tool, and a link to the District’s Strategic Plan. In addition, it is also considered a link to the community. This document will be submitted to the Government Finance Officers Association (GFOA) for review and consideration for the Distinguished Budget Award, which the District has received annually since fiscal year 2013. The budget includes the financial planning and legal authority to obligate District funds. Additionally, the budget provides significant policy direction from the Board to District staff.

*The budget provides five functions:*

### 1. A POLICY DOCUMENT

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

### 2. AN OPERATIONAL TOOL

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

### 3. A FINANCIAL PLANNING TOOL

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

### 4. A LINK TO THE STRATEGIC PLAN

The budget is the District’s blueprint and the Strategic Plan is an integral part of that blueprint. The Strategic Plan, adopted on May 26, 2020, lays out the direction the District is going and the budget is a link to getting there. The goals and initiatives that were developed as a part of the Strategic Plan, are linked to specific departments and are incorporated and reflected in their goals and budgets.

### 5. A LINK WITH THE COMMUNITY

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

## BUDGET PLANNING AND PREPARATION

Budget preparation begins each year in January, where the groundwork for the upcoming fiscal year is laid out. Each department determines their requirements for the following fiscal year. Based upon those requirements, budget requests are submitted and reviewed for approval. One of the key foundations to an enterprise fund budget is a solid projection of reserves, revenues, and expenses. Below is the budget calendar for fiscal year 2023.

### Fiscal Year 2023 Budget Calendar

Date	Description
January 10, 2022	Budget Kickoff Meetings with Departments
February 25, 2022	Budget Worksheets due to Finance Department
March 1, 2022	Department Overview Meetings with Finance
March 8, 2022	Budget Meetings with the General Manager
March 29, 2022	Board Study Session for the Fiscal Year 2023 Capital Improvement Plan
April 12, 2022	Approval of Fiscal Year 2022 Mid-Year Operating Budget Amendments
May 4, 2022	Board Study Session for the Fiscal Year 2023 Operating Budget
May 10, 2022	Public Hearing for the Adoption of Fiscal Year 2023 Sanitation Rates
May 18, 2022	Board Special Meeting for the Fiscal Year 2023 Operating Budget
June 14, 2022	Approval of Fiscal Year 2023 State Water Project Tax Rate (\$0.11 per \$100 of AV)
June 14, 2022	Approval of Fiscal Year 2023 Canal Rates (Surcharge and Gate Charges)
June 28, 2022	Adoption of the Fiscal Year 2023 Operating and Capital Budget
July 1, 2022	Beginning of the Fiscal Year 2023 Budget Year



Photo wall display installation in CVWD's Steve Robbins Administration office

## PROPOSITION 218

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

For special districts such as CVWD, any fees or charges imposed on persons as an incident of property ownership (water commodity charges, service charges, sanitation fees, etc.) must comply with the requirements of this law. Specifically, the District must notify all affected property owners 45 days prior to a public hearing on any proposed rate increase (other than those called for over the five-year term of a previous Proposition 218 majority protest proceeding). During that 45-day period, the property owner may choose to protest the increase in writing. After the Hearing, if a majority of property owners and tenants of the impacted parcels submit written protests in opposition to the proposed rate increase, the increase will not be imposed.

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

## COMPONENTS OF THE BUDGET

*There are three components of the budget:*

### 1. BASE BUDGET

The base budget consists of budget proposals sufficient to maintain the operation of programs authorized in earlier years. Fiscal year 2023 budget targets were established at fiscal year 2022 base levels for all spending.

### 2. SUPPLEMENTAL REQUESTS

Departments may request funding above the base budget amount in order to maintain current levels of

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

### 3. CAPITAL IMPROVEMENTS

The budget includes authorized capital projects scheduled for design and/or construction, during fiscal year 2023. The Board approves specific projects up to the funding approved in the budget. Budget amendments are considered if the total cost of the project is expected to exceed the original budget. The District’s fiscal year 2023 Capital Improvement Budget is being funded primarily through grants, restricted funds, low-cost loans, and reserves.

### *Proposed and Adopted Budget*

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

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

Staff will begin preparation of the fiscal year 2024 Operating and Capital Improvement Budgets in December 2022. The budget calendar, board meeting dates, and agendas will be available for review online at [www.cvwd.org](http://www.cvwd.org).

### *Amending the Budget*

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

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

### ***Budget Reporting and Monitoring***

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

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

## **FINANCIAL POLICIES AND GUIDELINES**

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

### ***General Financial Goals***

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

### ***Cash and Investments Goals***

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

### ***Revenue Guidelines***

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

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

- Revenue and expense forecasts will be prepared to evaluate the District's ability to absorb operating costs due to changes in the economy, service demands, and capital improvements. The forecast will be updated annually and focus on a five-year outlook.
- Alternative means of service delivery will be evaluated, ensuring that quality services are provided to our ratepayers at the most competitive and economical cost.

- The budget process is intended to weigh all requests for resources, within expected fiscal constraints. Requests made outside the budget process are discouraged. Appropriations requested after adoption of the original budget will be approved only after considering the elasticity of revenues. All additional appropriations require Board approval.
- Budget development will use strategic multi-year fiscal planning, conservative revenue forecasts, and modified zero-based expense analysis.
- Based on the District’s definition of a balanced budget, current operating expenses will be paid from current revenues and reserves carried forward from the prior year. The District will avoid budgetary and accounting practices that balance the current budget at the expense of future budgets.
- Additional personnel will only be requested to meet program initiatives and policy directives after service needs have been thoroughly examined, and it has been determined that additional staffing will result in increased revenue, enhanced operating efficiencies, or service levels. Personnel cost reductions will be achieved through attrition, to the extent feasible.

**Capital Management and Replacement Guidelines**

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

- Future operating, maintenance, and replacement costs associated with new capital improvements, will be forecasted and included in the operating budget.
- Capital project requests will include a fiscal impact statement, disclosing the expected operating impact of the project.

**Reserve Policy**

**GOAL**

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

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

**OBJECTIVES**

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

## DEFINITIONS

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

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

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

### Designated Reserves

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

1. **OPERATING RESERVES:** cover operating costs for an established period of time. This reserve will

ensure continuity of service regardless of cash flow, and is considered working capital to be used to fund current expenses as needed.

**Applicable Funds:** All funds except internal service funds: Workers' Compensation, Dental Self Insurance, and Motorpool.

**Recommendation:** Maintain minimum operating reserves at 90 days, or 25% of current year budgeted operating expenses (less depreciation and capital outlay). This balance will fluctuate from month to month. However, the year-end objective is to achieve this ending balance.

2. **RATE STABILIZATION:** This reserve covers the smoothing of rates in the event of short to mid-term rate revenue loss, and/or higher than anticipated operating expenses that cannot be supported by normal revenues.

**Applicable Funds:** Domestic, Sanitation, Canal, and Replenishment (Stormwater is excluded because revenues consist of property taxes, which are relatively level).

**Recommendation:** Establish the reserve at the higher of 10% of current year budgeted rate revenues or 10% of total budgeted operating expenses less depreciation, capital outlay, and State Water Project expense. For Sanitation establish the reserve at 10% of rate revenues.

3. **CAPITAL IMPROVEMENT PROGRAM (CIP):** Ongoing replacement of capital facilities and additional investment in capital is essential to maintain the desired level of service for District customers and to meet increased demand upon services. This reserve is designated for funding the capital improvement program and unforeseen capital projects. It is designed to stabilize funding for capital by accumulated "pay-as-you-go" reserves to reduce the reliance on other funds of capital financing such as debt financing.

**Applicable Funds:** Domestic, Sanitation, Canal, Stormwater, East Replenishment, West Replenishment.

**Recommendation:** This reserve should be set in a manner consistent with the District's expected capital funding needs over the 5-year capital planning horizon and these needs and funding

amounts will vary. As such, the amount needed in this fund will be subject to Board review and discussion with District management. The appropriate level for the capital reserve will be set based on the desired level of “pay-as-you-go” funding in conjunction with other forms of capital funding such as grants and debt. The District will strive to achieve a minimum funding level of 25% of the average five-year forecasted pay-as-you-go capital improvement expenditures for all funds except Stormwater and Canal. The District will strive to achieve Canal reserve levels of 2% of gross capital asset value, and Stormwater reserves of 70% of the average five-year CIP.

- 4. **EMERGENCY RESERVE:** These reserves help to ensure continued service to the District’s customers and service areas for events which are impossible to anticipate or budget. The ability of the District to quickly restore facilities and services is critical to the public health and safety of our residents. This fund will assist in covering emergency cash needs for any reason.

**Applicable Funds:** All funds except Workers’ Compensation, Dental Self Insurance, and Motorpool.

**Recommendation:** Domestic, Sanitation, West Replenishment, and East Replenishment Funds: establish reserves at one percent (1.0%) of the net capital assets; Canal Fund: establish reserves at one percent (1.0%). Stormwater Fund reserves are set at \$17.6 million, per previous Board policy.

- 5. **VEHICLE AND EQUIPMENT REPLACEMENT RESERVE:** The Vehicle and Equipment Replacement reserve provides capital replacement funding as the District’s rolling stock and high value equipment is depreciated over its useful life.

**Applicable Funds:** All enterprise funds and the Motorpool Fund.

**Recommendation:** Average of the five-year CIP for replacement vehicles per fund. The Board will determine an amount appropriate to set aside in the Vehicle and Equipment Replacement Reserve to fund the replacement of high cost equipment assets based on forecasted needs.

**OTHER SPECIAL PURPOSE RESERVES:** The Board may, at its discretion, set aside reserves for a special project or purchase.

**Applicable Funds:** All funds.

**Restricted Reserves**

1. **RESERVES FOR FUTURE CAPITAL**

**COMMITMENTS:** These reserves are established by Board Ordinances to ensure that specific fees are set aside to provide for future purchases of imported water and expansion of the domestic water and sanitation systems. The following fees are in place at this time:

- a. Water System Backup Facilities Charge (WSBFC)
- b. Sanitation Capacity Charge (SCC)
- c. Supplemental Water Supply Charge (SWSC)

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

- 2. **RESERVE FOR DEBT SERVICE:** Most debt issuances require a separately held reserve equal to one year of debt service, to be held by the trustee (if required), and used in the last year of the debt repayment.

Debt service reserves are presently established for Assessment Districts and Community Facility Districts, which are non-recourse to the District’s general assets. Certain borrowings such as SRF loans, publicly issued bonds and federal loans through the WIFIA program may also require the funding of a debt service reserve, on a loan-by-loan basis.

**Recommendation:** Establish a debt service reserve for the Domestic Water Fund per the requirements of the Drinking Water State Revolving Fund loan. In addition, the funding of a debt service reserve will be analyzed for each fund prior to the issuance of debt, based on the requirements of the legal documents as well as the preferences/requirements of the rating agencies and creditors at that time.

3. **STATE WATER PROJECT:** The District collects funds through the property tax rolls to make payments to the State Water Project. These payments will vary depending upon the availability and supply provided to the District in each year, however, the revenues collected remain fairly stable.

**Recommendation:** Based on analysis performed on actual expenses and SWP water allocations from 2007 to 2020, it is recommended that CVWD maintain \$20 million in the SWP Reserve Fund, which should cover the cost for additional water purchases available during two consecutive wet years based on the highest observed Table A allocation to the District.

### *Reserve Procedures*

- The Finance Department will perform a biennial reserve review to be submitted to the General Manager and Board of Directors.
- In addition, a reserve review will be required when a major change in conditions threatens the reserve levels established by this policy.
- The biennial review determines if the funding levels are still appropriate and aligned with Board goals and objectives.
- During the annual budget process, staff will recommend approval of the one-year capital improvement budget. If adequate funding is not available, the CIP reserve funds will be used.
- If the balance in any reserve category falls below the minimum targeted reserve level for two consecutive years, the Board of Directors will strive to adopt a 5-year strategy to restore reserves back to the minimum targeted level.

## *STRATEGIC PLAN*

### *What is a Strategic Plan?*

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

### *Goals*

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

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

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

### *Initiatives*

In May 2020, The Board of Directors adopted the District's sixth Strategic Plan. There are nineteen initiatives, or project plans, that will continue to be the focus for fiscal year 2023. Quarterly updates are provide to the Board each year to measure progress. Additional details regarding progress on specific initiatives can be found in the Budget by Fund and Budget by Department sections. The District will begin work on its seventh Strategic Plan in October 2023, which will influence the FY 2024 budget.

**Coachella Valley Water District Strategic Plan**

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

# ALL FUNDS SUMMARY



### All Funds Summary

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

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

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

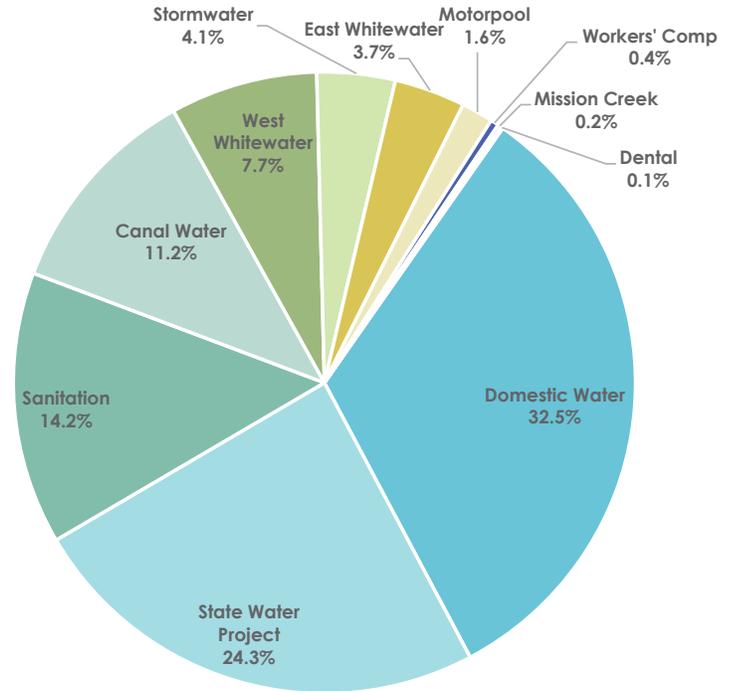
Changes that occur in the operating budget from year to year are generally incremental. Therefore, District officials can draw on recent budget experiences when reviewing the following year’s budget requests. Capital projects or acquisitions requested in one year often differ from year to year. This is because many capital assets have long useful lives and do not need to be replaced frequently. To compensate for this variable, the operating and capital improvement budgets are presented separately.

The charts on the right depict the fiscal year 2023 operating and debt service budget by fund, and the capital improvement budget by fund.

### Operating and Debt Service Expenses

#### Budget by Fund

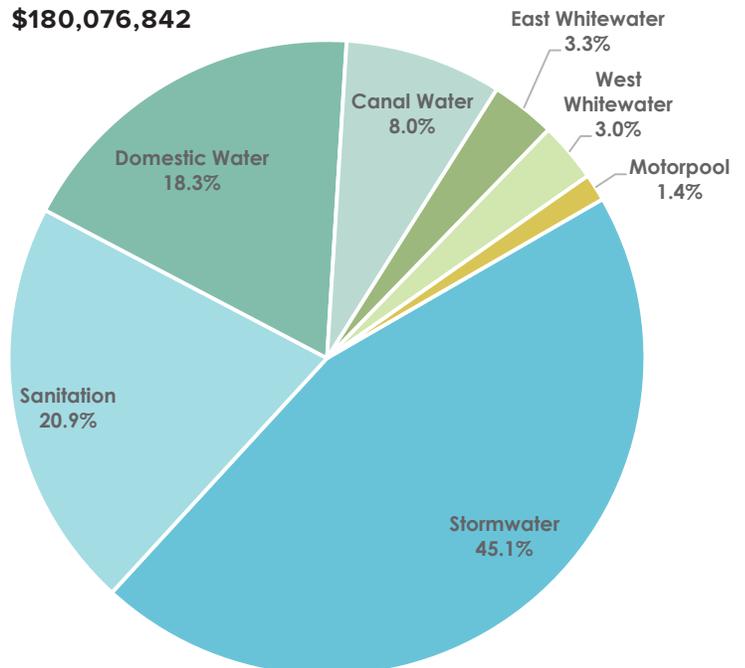
**\$301,040,225**



### Capital Improvement Expenses

#### Budget by Fund

**\$180,076,842**



The Total Expenses by Fund summary details the total operating, debt service, and capital improvement budgets by fund. Operating and Debt Service expenditures reflect a 7.9% increase over the fiscal year 2022 budget. The Capital Improvement budget increased by \$37 million when compared to the fiscal year 2022 budget due to major projects planned for fiscal year 2023.

Total Expenses by Fund	FY 2021 Actual	FY 2022 Actual*	FY 2022 Budget	FY 2023 Budget	Budget Change	% Change
<b><u>Operating and Debt Service</u></b>						
Domestic Water	\$ 82,443,575	\$ 90,398,292	\$ 92,540,090	\$ 97,805,919	\$ 5,265,829	5.7%
State Water Project	57,450,877	61,512,360	62,482,550	73,159,388	10,676,838	17.1%
Sanitation	34,554,667	36,760,384	38,920,432	42,649,654	3,729,222	9.6%
Canal Water	25,693,141	26,907,898	28,823,993	33,711,722	4,887,729	17.0%
West Whitewater	21,021,922	25,293,179	30,360,006	23,050,347	(7,309,659)	-24.1%
Stormwater	8,108,084	18,687,674	8,362,715	12,241,011	3,878,296	46.4%
East Whitewater	9,511,179	10,119,311	9,351,192	11,091,211	1,740,019	18.6%
Motorpool	5,032,001	6,068,177	5,963,925	4,956,018	(1,007,907)	-16.9%
Workers' Comp	816,833	971,991	1,181,078	1,278,312	97,234	8.2%
Mission Creek	708,418	594,378	469,089	572,765	103,676	22.1%
Dental	451,977	568,012	531,716	523,878	(7,838)	-1.5%
<b>Total Operating and Debt Service</b>	<b>\$ 245,792,672</b>	<b>\$ 277,881,655</b>	<b>\$ 278,986,786</b>	<b>\$ 301,040,225</b>	<b>\$ 22,053,439</b>	<b>7.9%</b>
<b><u>Capital Improvement Projects</u></b>						
Stormwater	\$ 18,193,880	\$ 49,287,004	\$ 49,624,200	\$ 81,289,622	\$ 31,665,422	63.8%
Sanitation	23,779,004	27,214,996	33,934,723	37,621,145	3,686,422	10.9%
Domestic Water	26,278,564	14,779,370	18,153,600	32,931,700	14,778,100	81.4%
Canal Water	11,763,111	4,853,919	5,200,000	14,363,400	9,163,400	176.2%
East Whitewater	13,905,156	34,694,554	34,970,000	5,916,440	(29,053,560)	-83.1%
West Whitewater	216,242	297,459	395,600	5,466,535	5,070,935	1281.8%
Motorpool	2,219,257	106,833	794,000	2,488,000	1,694,000	213.4%
<b>Total Capital Improvement Projects</b>	<b>\$ 96,355,214</b>	<b>\$ 131,234,137</b>	<b>\$ 143,072,123</b>	<b>\$ 180,076,842</b>	<b>\$ 37,004,719</b>	<b>25.9%</b>
<b>Total Expenses</b>	<b>\$ 342,147,886</b>	<b>\$ 409,115,792</b>	<b>\$ 422,058,909</b>	<b>\$ 481,117,067</b>	<b>\$ 59,058,158</b>	<b>14.0%</b>

\* Unaudited

# ALL FUNDS SUMMARY

The following table displays Districtwide revenues and expenses by type.

Revenue and Expense Summary	FY 2021 Actual	FY 2022 Actual*	FY 2022 Budget	FY 2023 Budget	Budget Change	% Change
<b>Revenues</b>						
Water Sales	\$ 89,345,288	\$ 89,251,782	\$ 90,289,283	\$ 90,506,251	\$ 216,968	0.2%
Property Taxes - SWP	71,951,912	79,688,626	78,198,000	82,079,284	3,881,284	5.0%
Loan Proceeds	17,089,983	67,682,448	54,566,000	67,329,051	12,763,051	23.4%
Property Taxes - General	45,983,648	48,591,112	46,621,421	49,981,929	3,360,508	7.2%
Sanitation Service Fees	39,591,523	40,246,015	40,347,000	42,548,422	2,201,422	5.5%
Replenishment Charges	26,492,016	30,006,056	29,100,940	26,932,063	(2,168,877)	-7.5%
Grant Revenue	5,789,648	9,170,827	4,752,000	20,878,850	16,126,850	339.4%
Service Charges	16,393,666	21,452,547	20,612,000	20,074,396	(537,604)	-2.6%
Use of Restricted Funds	9,505,199	11,358,000	11,358,000	10,925,373	(432,627)	-3.8%
Interim Financing	7,000,000	-	25,970,000	11,857,000	(14,113,000)	-54.3%
Charges for Services	11,691,157	13,164,854	12,414,500	11,032,747	(1,381,753)	-11.1%
Investment Income	5,804,870	3,953,409	6,361,863	2,864,206	(3,497,657)	-55.0%
Availability Charges	2,723,132	2,850,850	2,725,000	2,726,680	1,680	0.1%
Surcharges	1,079,281	1,161,897	1,198,000	2,156,694	958,694	80.0%
Capital Improvement Reimbursements	4,098,710	2,232,463	-	1,887,500	1,887,500	-
Intergovernmental	2,318,109	984,585	2,360,000	1,700,000	(660,000)	-28.0%
Other Operating Revenue	2,089,782	2,180,733	1,062,500	1,132,215	69,715	6.6%
Other Non-Operating Revenue	2,852,648	-	-	-	-	-
Use of Unrestricted Reserves	(19,652,684)	(14,860,413)	(5,877,598)	34,504,406	40,382,004	-687.0%
<b>Total Revenues</b>	<b>\$ 342,147,886</b>	<b>\$ 409,115,792</b>	<b>\$ 422,058,909</b>	<b>\$ 481,117,067</b>	<b>\$ 59,058,158</b>	<b>14.0%</b>
<b>Expenses</b>						
Capital Improvement Budget	\$ 96,355,214	\$ 131,234,137	\$ 143,072,123	\$ 180,076,842	\$ 37,004,719	25.9%
Water Purchases	78,342,451	90,950,840	93,963,690	98,632,114	4,668,424	5.0%
Salaries & Benefits (Net of Capitalized Labor)	79,611,740	84,966,234	87,481,670	94,378,626	6,896,956	7.9%
Supplies and Services	53,692,333	57,616,230	59,467,680	65,695,035	6,227,355	10.5%
Utilities	20,010,509	21,620,579	20,639,956	23,090,549	2,450,593	11.9%
Replenishment	12,719,362	14,274,750	14,184,940	13,657,027	(527,913)	-3.7%
Debt Service - External	151,493	10,594,813	2,332,000	7,241,379	4,909,379	210.5%
QSA Mitigation Costs	738,869	2,697,555	2,698,000	2,706,000	8,000	0.3%
Capital Outlay	525,915	321,642	418,850	89,495	(329,355)	-78.6%
Pass-Through (Contra Expense)	-	(5,160,987)	(2,200,000)	(4,450,000)	(2,250,000)	102.3%
<b>Total Expenses</b>	<b>\$ 342,147,886</b>	<b>\$ 409,115,792</b>	<b>\$ 422,058,909</b>	<b>\$ 481,117,067</b>	<b>\$ 59,058,158</b>	<b>14.0%</b>

\* Unaudited

## All Fund Summary

The All Fund Summary chart is displayed on the following page. Fiscal year 2023 Total Operating Revenues are showing a slight increase over fiscal year 2022, increasing by \$2.4 million, or 0.7% overall. Domestic, Canal, and Replenishment rates were held flat for FY 2023, with the exception of Canal surcharge and gate charges. Budgeted consumption reflects a decline due to anticipated drought restrictions in fiscal year 2023. Sanitation revenue shows a budget-to-budget increase of 5.5% for fiscal year 2023 due to a rate increase approved by the Board as part of the cost of service study. Property tax revenue continues to grow due to strong growth in assessed value (AV). Budgeted operating expenses are increasing by \$17.1 million, or 6.2% over fiscal year 2022. Increases in supplies and services, utilities, and salaries & benefits are the largest portions of the increase. More details on specific increases are discussed in the following sections of this chapter.

All Fund Summary	FY 2021 Actual	FY 2022 Actual*	FY 2022 Budget	FY 2023 Budget	Budget Change	% Change
<b>Revenues</b>						
Water Sales	\$ 89,345,288	\$ 89,251,782	\$ 90,289,283	\$ 90,506,251	\$ 216,968	0.2%
Sanitation Service Fees	39,591,523	40,246,015	40,347,000	42,548,422	2,201,422	5.5%
Service Charges	16,393,666	21,452,547	20,612,000	20,074,396	(537,604)	-2.6%
Availability Charges	2,723,132	2,850,850	2,725,000	2,726,680	1,680	0.1%
Replenishment Charges	26,492,016	30,006,056	29,100,940	26,932,063	(2,168,877)	-7.5%
Surcharges	1,079,281	1,161,897	1,198,000	2,156,694	958,694	80.0%
Property Taxes - General	45,983,648	48,591,112	46,621,421	49,981,929	3,360,508	7.2%
Property Taxes - SWP	71,951,912	79,688,626	78,198,000	82,079,284	3,881,284	5.0%
Charges for Services	11,691,157	13,164,854	12,414,500	11,032,747	(1,381,753)	-11.1%
Intergovernmental	2,318,109	984,585	2,360,000	1,700,000	(660,000)	-28.0%
Investment Income	5,804,870	3,953,409	6,361,863	2,864,206	(3,497,657)	-55.0%
Other Revenue	2,089,782	2,180,733	1,062,500	1,132,215	69,715	6.6%
<b>Total Revenues</b>	<b>\$ 315,464,383</b>	<b>\$ 333,532,467</b>	<b>\$ 331,290,507</b>	<b>\$ 333,734,887</b>	<b>\$ 2,444,380</b>	<b>0.7%</b>
<b>Expenses</b>						
Salaries & Benefits (Net of Capitalized Labor)	\$ 79,611,740	\$ 84,966,234	\$ 87,481,670	\$ 94,378,626	\$ 6,896,956	7.9%
Supplies and Services	53,692,333	57,616,230	59,467,680	65,695,035	6,227,355	10.5%
Utilities	20,010,509	21,620,579	20,639,956	23,090,549	2,450,593	11.9%
Replenishment	12,719,362	14,274,750	14,184,940	13,657,027	(527,913)	-3.7%
Water Purchases	78,342,451	90,950,840	93,963,690	98,632,114	4,668,424	5.0%
QSA Mitigation Costs	738,869	2,697,555	2,698,000	2,706,000	8,000	0.3%
Pass-Through (Contra Expense)	-	(5,160,987)	(2,200,000)	(4,450,000)	(2,250,000)	102.3%
Capital Outlay	525,915	321,642	418,850	89,495	(329,355)	-78.6%
<b>Total Expenses</b>	<b>\$ 245,641,179</b>	<b>\$ 267,286,843</b>	<b>\$ 276,654,786</b>	<b>\$ 293,798,846</b>	<b>\$ 17,144,060</b>	<b>6.2%</b>
<b>Operating Income (Loss)</b>	<b>\$ 69,823,204</b>	<b>\$ 66,245,624</b>	<b>\$ 54,635,721</b>	<b>\$ 39,936,041</b>	<b>\$ (14,699,680)</b>	<b>-26.9%</b>
<b>Nonoperating Revenues (Expenses)</b>						
<b>Interfund Transfers</b>						
Interfund Revenues	\$ 10,401,113	\$ 3,279,000	\$ 3,279,000	\$ 5,545,535	\$ 2,266,535	69.1%
Debt Service - Interfund	(10,401,113)	(3,279,000)	(3,279,000)	(5,545,535)	(2,266,535)	69.1%
<b>Sources</b>						
Loan Proceeds	17,089,983	67,682,448	54,566,000	67,329,051	12,763,051	23.4%
Interim Financing	7,000,000	-	25,970,000	11,857,000	(14,113,000)	-54.3%
Capital Improvement Reimbursements	4,098,710	2,232,463	-	1,887,500	1,887,500	-
Use of Restricted Funds	9,505,199	11,358,000	11,358,000	10,925,373	(432,627)	-3.8%
Grant Revenue	5,789,648	9,170,827	4,752,000	20,878,850	16,126,850	339.4%
<b>Uses</b>						
Debt Service - External	(151,493)	(10,594,813)	(2,332,000)	(7,241,379)	(4,909,379)	210.5%
Capital Improvement Budget	(96,355,214)	(131,234,137)	(143,072,123)	(180,076,842)	(37,004,719)	25.9%
Other Revenue (Expenses)	2,852,648	-	-	-	-	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>\$ (50,170,520)</b>	<b>\$ (51,385,211)</b>	<b>\$ (48,758,123)</b>	<b>\$ (74,440,447)</b>	<b>\$ (25,682,324)</b>	<b>52.7%</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>\$ 19,652,684</b>	<b>\$ 14,860,413</b>	<b>\$ 5,877,598</b>	<b>\$ (34,504,406)</b>	<b>\$ (40,382,004)</b>	<b>-687.0%</b>
<b>Beginning Reserve</b>	<b>\$ 351,453,304</b>	<b>\$ 371,105,988</b>	<b>\$ 371,105,988</b>	<b>\$ 385,966,401</b>	<b>\$ 14,860,413</b>	<b>4.0%</b>
<b>Ending Reserve</b>	<b>\$ 371,105,988</b>	<b>\$ 385,966,401</b>	<b>\$ 376,983,586</b>	<b>\$ 351,461,995</b>	<b>\$ (25,521,591)</b>	<b>-6.8%</b>
<b>Assigned Reserve</b>	<b>\$ 180,683,000</b>	<b>\$ 195,944,000</b>	<b>\$ 195,944,000</b>	<b>\$ 183,422,000</b>	<b>\$ (12,522,000)</b>	<b>-6.4%</b>
<b>Unassigned Reserve</b>	<b>\$ 190,422,988</b>	<b>\$ 190,022,401</b>	<b>\$ 181,039,586</b>	<b>\$ 168,039,995</b>	<b>\$ (12,999,591)</b>	<b>-7.2%</b>
* Unaudited						
<i>Days Cash on Hand</i>	<i>551</i>	<i>527</i>	<i>497</i>	<i>437</i>	<i>(61)</i>	<i>-12.2%</i>

**Property Taxes**

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

In fiscal year 2023, the District will receive approximately \$50 million in general property tax revenue. Some of this revenue is earmarked for tax levies that existed prior to Proposition 13. Currently, the District has two: Stormwater and Improvement District 1 (ID 1). The Stormwater tax levy dates back to the Storm Water District Act of 1909. Of the total general property taxes, \$23.3 million is earmarked for the Stormwater Fund. The Stormwater Fund is primarily funded by property taxes.

ID 1 was formed to fund contract repayment obligations for the construction of the Coachella Canal, and operation and maintenance costs of the irrigation and drainage system. The Canal is owned by the United

States Bureau of Reclamation (USBR, Bureau), but is maintained and operated by the District. After the debt to the Bureau was paid, the District continued to levy the ID 1 tax for purposes of maintaining the Canal.

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

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

The following table depicts by fund, a history of the allocation of discretionary property tax revenue. The change in the allocation percentage in fiscal years 2022 and 2023 is due to the additional allocation of discretionary property tax revenue from the Canal Fund to the East Whitewater Replenishment Fund to pay debt service for the Oasis Project. Redevelopment revenues represent pass-through agreements with former Redevelopment Agencies (RDAs) and are budgeted at prior year levels. Funds with more redevelopment revenues will have an overall lower property tax allocation percentage.

Allocation of Discretionary Property Taxes

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Domestic Water	-	10.9%	11.4%	11.1%	11.5%
Canal Water	50%	50.0%	51.0%	40.2%	43.3%
Sanitation	-	-	-	-	-
Stormwater	-	-	-	-	-
West Replenishment	50%	11.5%	11.2%	11.3%	10.8%
East Replenishment	-	27.6%	26.4%	37.4%	34.4%

## ***Benefits***

The District participates in the California Public Employees' Retirement System (CalPERS). CalPERS offers a defined benefit plan where retirement benefits are based on a formula, rather than contributions and earnings to a savings plan. The District's formula for Classic CalPERS members is 2.5% at 55, which means that, upon retirement at age 55, an employee with at least five years of service would receive 2.5% of their salary multiplied by the number of years of service. CalPERS formula for PEPRA members is 2% at 62. The District must contribute an actuarially calculated amount each year, comprised of two components: the normal cost and the unfunded accrued liability (UAL).

## ***Water Purchases***

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

### ***Colorado River Water***

The District imports approximately 300,000 acre-feet (af) of water annually at no cost. Additional water is received by the District as part of the 2003 Quantification Settlement Agreement (QSA). The cost of the additional QSA water is based on the terms of the QSA agreement. See the Canal Water Fund for additional information. The cost of the water purchased from the QSA agreement is approximately \$111 per acre-foot in fiscal year 2023.

### ***Metropolitan Water District***

In addition to the QSA water from the Colorado River, the District receives water from the State Water Project as part of the QSA. This water is identified as Metropolitan Water District QSA Transfer water and is currently being delivered to the West Whitewater Replenishment Facility. The District, through its agreement with MWD, is entitled to receive 35,000 af of water. The cost of the water is dependent on the QSA water cost and the cost of conveyance that is charged to the District by MWD to deliver the water to the replenishment facility. The cost of the water for fiscal year 2023 is estimated at approximately \$316 per acre-foot. See the West Whitewater Replenishment Fund for more information.

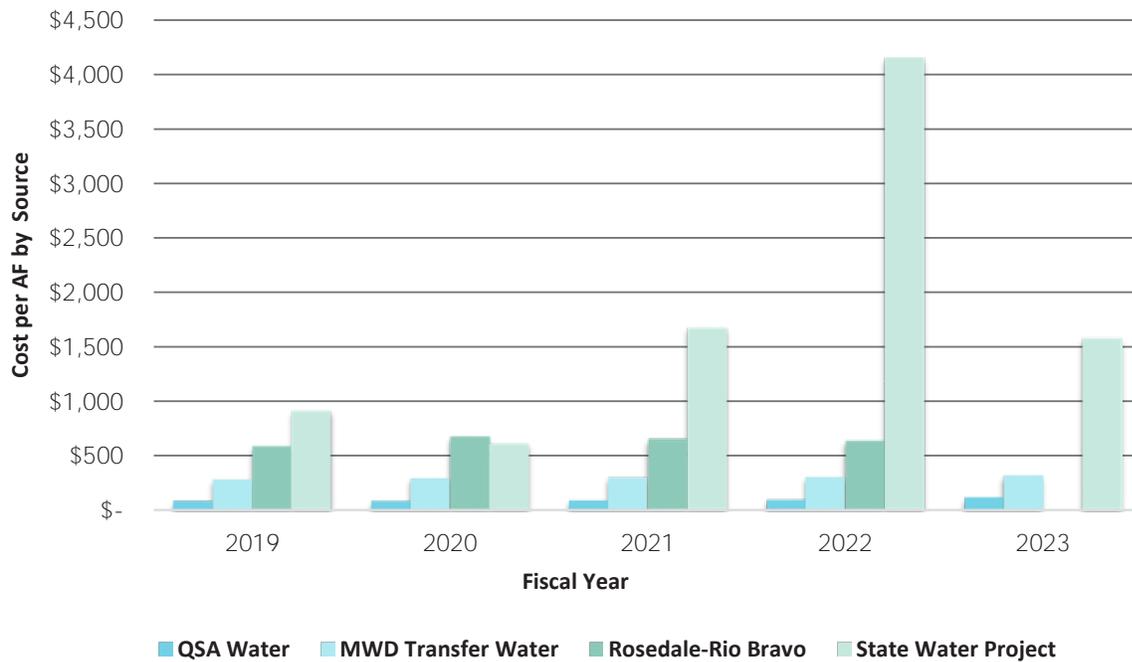
## ***Rosedale-Rio Bravo***

The District entered into a Water Supply Agreement in 2012 with Rosedale-Rio Bravo to purchase up to 16,500 af of water per year, if available. The cost of the water is adjusted annually based on a base rate plus a CPI inflator. Due to availability, the District will not receive any Rosedale-Rio Bravo water for fiscal year 2023.

## ***State Water Project***

The SWP is the nation's largest state-built water and power development conveyance system. The primary purpose of the SWP is to provide a water supply and delivery system to distribute water to areas of need in California. In 1963, the District entered into a water supply agreement with the State of California Department of Water Resources (DWR), becoming one of the original State Water Contractors. Each SWP contractor pays in proportion to their water supply allocations to cover the cost of constructing and operating facilities which store and transport the SWP water supply. Full payments are made each year for fixed SWP costs. Contractors also pay costs that vary depending on the amount of water delivered during the year. Availability of the water supply is highly variable based on the snowpack in the Sierras. As such, the cost per acre-foot is extremely variable. As shown in the graph, the cost of SWP water has fluctuated between \$612 per acre-foot in 2020 to \$4,150 per acre-foot in 2022. The cost of SWP is budgeted at \$1,580 per acre-foot in fiscal year 2023, due to the projected decrease in water that has been available in 2021 and 2022. More information on the SWP can be found in the State Water Fund section.

CVWD Source and Cost Per AF of Water



**Reserves**

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

Maintaining healthy operating reserves is paramount to ensuring the District’s stable financial position for future borrowings. It is anticipated that some capital improvements will be financed with debt or other loan instruments. Projected total reserves for fiscal year 2023 are \$25.5 million less than the fiscal year 2022 budget, as funds are being drawn down to fund capital projects.

The District has historically financed capital projects on a pay-as-you-go basis, utilizing excess reserves, which has allowed for the avoidance of interest and other debt issuance expenses. Beginning in fiscal year 2021, the need to complete larger capital projects has required the issuance of debt, which now includes the East Replenishment, Domestic Water, and Stormwater funds. The five-year forecast includes over \$594.4 million in proposed capital improvement projects. The largest projects are in the Domestic, Sanitation, Stormwater, and East Whitewater Replenishment funds. Numerous funding mechanisms are being explored to fund these critical projects, including debt issuance, State Revolving Fund loans, Federal Emergency Management Agency grants, and other grant funding.

The following table illustrates the projected ending operating reserves, as compared with the Assigned Reserve targets established in the District’s Reserve Policy. The Reserve Policy has two benchmarks, (1) minimum reserve targets for each type of reserve, and (2) a Districtwide target of 365 days of cash on hand for total Assigned and Unassigned reserves.

Reserves by Fund	FY 2021 Actual	FY 2022 Actual*	FY 2022 Budget	FY 2023 Budget	% of Total Reserves	Days Cash per Fund
<b>Total Reserves by Fund</b>						
Stormwater	\$ 125,887,185	\$ 118,958,475	\$ 121,284,148	\$ 98,863,927	28.1%	4,024
Domestic Water	56,963,580	67,031,368	59,763,105	61,743,508	17.6%	232
Canal Water	54,571,982	57,257,813	56,563,012	53,574,756	15.2%	580
Sanitation	72,425,699	58,931,949	63,973,994	44,093,477	12.5%	396
State Water Project	17,678,247	35,955,925	33,551,697	45,127,459	12.8%	225
West Whitewater	35,916,740	36,092,380	30,504,343	34,224,705	9.7%	542
East Whitewater	1,102,215	5,788,602	4,869,271	7,855,199	2.2%	288
Mission Creek	4,097,699	4,258,952	4,325,094	4,288,027	1.2%	2,733
Workers' Comp	1,022,815	951,433	1,162,737	951,433	0.3%	272
Motorpool	1,465,129	884,144	978,204	884,144	0.3%	65
Dental	(25,302)	(144,640)	7,982	(144,640)	0.0%	(101)
<b>Total Reserves</b>	<b>\$ 371,105,988</b>	<b>\$ 385,966,401</b>	<b>\$ 376,983,586</b>	<b>\$ 351,461,995</b>	<b>100.0%</b>	<b>437</b>

**Assigned Reserves by Fund**

Stormwater	\$ 43,084,000	\$ 48,020,000	\$ 48,020,000	\$ 47,139,000	25.7%	1,919
Domestic Water	43,909,000	45,839,000	45,839,000	42,006,000	22.9%	158
Canal Water	31,024,000	32,381,000	32,381,000	34,718,000	18.9%	376
Sanitation	29,521,000	34,183,000	34,183,000	24,378,000	13.3%	219
State Water Project	20,000,000	20,000,000	20,000,000	20,000,000	10.9%	100
West Whitewater	9,035,000	11,472,000	11,472,000	9,590,000	5.2%	152
East Whitewater	3,861,000	3,865,000	3,865,000	5,383,000	2.9%	198
Mission Creek	249,000	184,000	184,000	208,000	0.1%	133
<b>Total Assigned Reserves</b>	<b>\$ 180,683,000</b>	<b>\$ 195,944,000</b>	<b>\$ 195,944,000</b>	<b>\$ 183,422,000</b>	<b>100.0%</b>	<b>228</b>

\* Unaudited

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

FY 2023 Reserve by Type	Domestic	Canal	Sanitation	Stormwater	Replenishment	Other	Total
<b>Designated</b>							
Operating	\$ 24,240,000	\$ 8,427,000	\$ 10,148,000	\$ 2,242,000	\$ 8,392,000	\$ -	\$ 53,449,000
Rate Stabilization	9,696,000	3,371,000	4,255,000	-	3,357,000	-	20,679,000
Capital Improvement	4,998,000	2,184,000	4,005,000	23,774,000	1,066,000	-	36,027,000
Emergency	827,000	20,183,000	3,738,000	17,600,000	1,186,000	-	43,534,000
Vehicle Replacement	1,404,000	553,000	246,000	250,000	36,000	-	2,489,000
<b>Total Designated Reserves</b>	<b>\$ 41,165,000</b>	<b>\$ 34,718,000</b>	<b>\$ 22,392,000</b>	<b>\$ 43,866,000</b>	<b>\$ 14,037,000</b>	<b>\$ -</b>	<b>\$ 156,178,000</b>
<b>Restricted</b>							
Debt Service Coverage	841,000	-	1,986,000	3,273,000	1,144,000	-	7,244,000
State Water Project	-	-	-	-	-	20,000,000	20,000,000
<b>Total Restricted Reserves</b>	<b>\$ 841,000</b>	<b>\$ -</b>	<b>\$ 1,986,000</b>	<b>\$ 3,273,000</b>	<b>\$ 1,144,000</b>	<b>\$ 20,000,000</b>	<b>\$ 27,244,000</b>
<b>Total Assigned Reserves</b>	<b>\$ 42,006,000</b>	<b>\$ 34,718,000</b>	<b>\$ 24,378,000</b>	<b>\$ 47,139,000</b>	<b>\$ 15,181,000</b>	<b>\$ 20,000,000</b>	<b>\$ 183,422,000</b>

### *Cost of Service Studies*

In fiscal year 2022, the District completed a Cost of Service Study (COSS) for the Sanitation fund. The study reviewed the existing rate structures, allocated revenue requirements to the various customer classes, evaluated the adequacy of projected revenues under existing rates, and developed a sound financial plan for the forecast period. Rate setting procedures in California require that agencies responsible for imposing property related charges demonstrate a nexus between the cost of providing the service and the services or benefits received. The consultants used standard water utility ratemaking practices to calculate the proposed rates, as promulgated by the American Water Works Association (AWWA). Rates adopted by the Board are included in the fiscal year 2023 budget, and proposed rates are included in the five-year forecast.

The rate recommendations are designed to fund each utility's long-term costs of providing service while proportionally allocating costs among customers, providing a reasonable and prudent balance of revenue stability, and complying with the substantive requirements of California Constitution Article XIII D, section 6, commonly known as Proposition 218, to the extent that they apply to a particular charge.

The District completed cost of service studies for the Domestic, Canal, and Replenishment funds in fiscal year 2021. The Board will review proposed rates each year as part of the budget adoption process.

### *The Five-Year Forecast*

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

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

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

All Fund Summary Five-Year Forecast	FY 2023 Budget	FY 2024	FY 2025	FY 2026	FY 2027
		Forecast			
<b>Revenues</b>					
Water Sales	\$ 90,506,251	\$ 94,684,582	\$ 107,779,809	\$ 114,510,322	\$ 119,313,372
Sanitation Service Fees	42,548,422	46,370,208	50,766,568	62,452,955	67,530,374
Service Charges	20,074,396	21,575,299	24,292,772	25,749,490	27,062,766
Availability Charges	2,726,680	2,789,130	2,853,454	2,919,708	2,987,950
Replenishment Charges	26,932,063	28,325,759	35,370,573	37,721,369	38,222,073
Surcharges	2,156,694	2,649,255	3,014,350	3,228,459	3,322,084
Property Taxes - General	49,981,929	51,010,187	52,059,925	53,131,602	54,225,688
Property Taxes - SWP	82,079,284	84,541,663	87,077,913	89,690,250	92,380,958
Charges for Services	11,032,747	11,582,546	11,941,496	12,301,442	12,668,733
Intergovernmental	1,700,000	1,751,000	1,803,530	1,857,636	1,913,365
Investment Income	2,864,206	3,516,066	3,954,869	4,683,102	6,543,088
Other Revenue	1,132,215	1,166,181	1,201,168	1,237,203	1,274,321
<b>Total Revenues</b>	<b>\$ 333,734,887</b>	<b>\$ 349,961,876</b>	<b>\$ 382,116,427</b>	<b>\$ 409,483,538</b>	<b>\$ 427,444,772</b>
<b>Expenses</b>					
Salaries & Benefits (Net of Capitalized Labor)	\$ 94,378,626	\$ 99,325,086	\$ 106,136,342	\$ 111,218,082	\$ 116,272,170
Supplies and Services	65,695,035	68,168,125	70,338,210	72,246,264	74,208,614
Utilities	23,090,549	24,631,842	26,290,010	28,074,266	29,994,569
Replenishment	13,657,027	13,048,601	17,158,433	18,715,447	19,263,709
Water Purchases	98,632,114	118,497,462	121,926,753	122,781,935	125,074,339
QSA Mitigation Costs	2,706,000	2,733,000	152,000	565,000	-
Pass-Through (Contra Expense)	(4,450,000)	(4,450,000)	(3,150,000)	(3,150,000)	(3,150,000)
Capital Outlay	89,495	93,969	98,669	103,605	108,786
<b>Total Expenses</b>	<b>\$ 293,798,846</b>	<b>\$ 322,048,085</b>	<b>\$ 338,950,417</b>	<b>\$ 350,554,599</b>	<b>\$ 361,772,187</b>
<b>Operating Income (Loss)</b>	<b>\$ 39,936,041</b>	<b>\$ 27,913,791</b>	<b>\$ 43,166,010</b>	<b>\$ 58,928,939</b>	<b>\$ 65,672,585</b>
<b>Nonoperating Revenues (Expenses)</b>					
<b>Interfund Transfers</b>					
Interfund Revenues	\$ 5,545,535	\$ 4,200,000	\$ 4,200,000	\$ 4,200,000	\$ 4,200,000
Debt Service - Interfund	(5,545,535)	(4,200,000)	(4,200,000)	(4,200,000)	(4,200,000)
<b>Sources</b>					
Loan Proceeds	67,329,051	53,954,341	70,237,300	27,319,500	20,511,500
Interim Financing	11,857,000	19,630,000	(31,487,000)	-	-
Capital Improvement Reimbursements	1,887,500	6,162,500	-	50,000	1,000,000
Use of Restricted Funds	10,925,373	20,089,788	11,681,211	6,699,500	4,905,907
Grant Revenue	20,878,850	15,178,550	11,721,800	24,687,500	14,369,500
<b>Uses</b>					
Debt Service - External	(7,241,379)	(13,413,444)	(15,595,479)	(14,904,505)	(15,131,487)
Capital Improvement Budget	(180,076,842)	(164,816,089)	(94,047,121)	(88,055,732)	(67,441,814)
<b>Total Nonoperating Revenues (Expenses)</b>	<b>\$ (74,440,447)</b>	<b>\$ (63,214,354)</b>	<b>\$ (47,489,289)</b>	<b>\$ (44,203,737)</b>	<b>\$ (41,786,394)</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>\$ (34,504,406)</b>	<b>\$ (35,300,563)</b>	<b>\$ (4,323,279)</b>	<b>\$ 14,725,202</b>	<b>\$ 23,886,191</b>
<b>Beginning Reserve</b>	<b>\$ 385,966,401</b>	<b>\$ 351,461,995</b>	<b>\$ 316,244,857</b>	<b>\$ 312,062,110</b>	<b>\$ 327,009,719</b>
<b>Ending Reserve</b>	<b>\$ 351,461,995</b>	<b>\$ 316,161,432</b>	<b>\$ 311,921,578</b>	<b>\$ 326,787,312</b>	<b>\$ 350,895,910</b>
<b>Assigned Reserve</b>	<b>\$ 183,422,000</b>	<b>\$ 194,735,629</b>	<b>\$ 202,643,851</b>	<b>\$ 207,970,739</b>	<b>\$ 212,464,629</b>
<b>Unassigned Reserve</b>	<b>\$ 168,039,995</b>	<b>\$ 121,425,803</b>	<b>\$ 109,277,727</b>	<b>\$ 118,816,573</b>	<b>\$ 138,431,281</b>
<i>Days Cash on Hand</i>	<i>437</i>	<i>358</i>	<i>336</i>	<i>340</i>	<i>354</i>

### Forecast Methodology

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

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

Many items are beyond the scope of the financial model and control of the Board and staff. Events that could impact the financial future of the District include: prolonged drought, changes in economic growth or recession, energy costs, water supply, environmental and water quality mandates, and other events such as a major earthquake.

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

The base year which drives future calculations is fiscal year 2022. Projections through April 2022 were used, as the budget is adopted prior to the end of the fiscal year. This method focuses on the best estimate of what will occur with year-end expenses, and utilizes a conservative approach to forecast year-end revenues. Overall assumptions impacting all funds are described in this section, while assumptions impacting a specific fund are located in the individual budget by fund sections.

## ***Major Revenues***

Water sales reflect a decrease in consumption of approximately 3.5% for Domestic customers due to expected drought conditions and compliance with the Level 2 requirements in the Water Shortage Contingency Plan. Canal water volume is held largely flat during the forecast period, and non-potable water sales increase based on anticipated new connections. Rate increases are applied based on the expected need of individual funds, but remain at or below the currently approved Proposition 218 rates during the forecast period.

Sanitation Service Fees reflect cost of service rates approved by the Board in May 2022. The Board has the discretion to adopt rates at or below the Proposition 218 rates in any given year.

Service charges reflect increases based on the expected need of individual funds, but remain at or below the currently approved Proposition 218 rates.

Replenishment revenues reflect a decrease in consumption based on anticipated reductions in Domestic consumption. Rates for the forecast period reflect the expected needs of each replenishment fund, and are held at or below the current Proposition 218 rates during the forecast period. The Board will reevaluate increases in future years as part of the budget adoption process.

Fiscal Year 2023 Property Tax revenues are based on prior year collections, with an increase throughout the forecast period of between 2.1% and 3% per year. Assessed Value growth remains strong in the short-term, however sales are beginning to soften based on rising interest rates.

Investment income is a function of the cash balance in each fund, and expected returns based on market conditions. The Investment rate of return is forecasted to grow between 1% to 2% over the forecast period. Potential increases by the Federal Reserve Board later in 2022 may have an impact on future rates as the forecast is updated next year.

## ***Major Expenses***

Salaries & benefits comprise 32.1% of fiscal year 2023 operating expenses. Key factors for this category include anticipated wage increases, retirement contributions, and health insurance. Budgeted staffing levels remain at 569 full time equivalents (FTEs) throughout the forecast period. Salaries & benefits for fiscal year 2023 are based on current Memorandums of Understanding (MOUs). The five-year forecast includes an average 5.8% per year increase for salaries and benefits.

Supplies & services are estimated to increase by an average of 4.6% per year throughout the forecast period. The District will continue to monitor recent increases in inflation to determine if additional adjustments will be needed in future years.

Utility rates are forecasted to increase by approximately 7.8% per year for the forecast period. Changes in consumption and additional rate increases may impact future forecasts.

Water purchases and replenishment charges total 38.2% of the total operating expenses. Increases in water purchases are based on projected water deliveries with existing contracts with multiple agencies. Water supply availability from the State Water Project is highly variable and based on weather conditions. The State Water Project fund section provides greater detail on water supply availability.

Quantification Settlement Agreement Mitigation payments follow the schedule set in the agreement, with the final scheduled payments occurring in fiscal year 2026.

Pass-Through (Contra Expense) amounts reflect offsets to expenses that the District expects to receive. Reimbursement revenues are budgeted as an expense offset. Examples include reimbursements for shared expenses with Desert Water Agency for work done at the West Whitewater and Mission Creek replenishment facilities, reimbursements the District receives for work done as part of the Coachella Canal Lining Project (CCLP), reimbursements for water purchases for Canal underrun, and other programs where the District takes the lead and is reimbursed by other agencies. The District began using the Pass-Through (Contra Expense) category in fiscal year 2022.

# DOMESTIC WATER FUND



### *History*

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

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

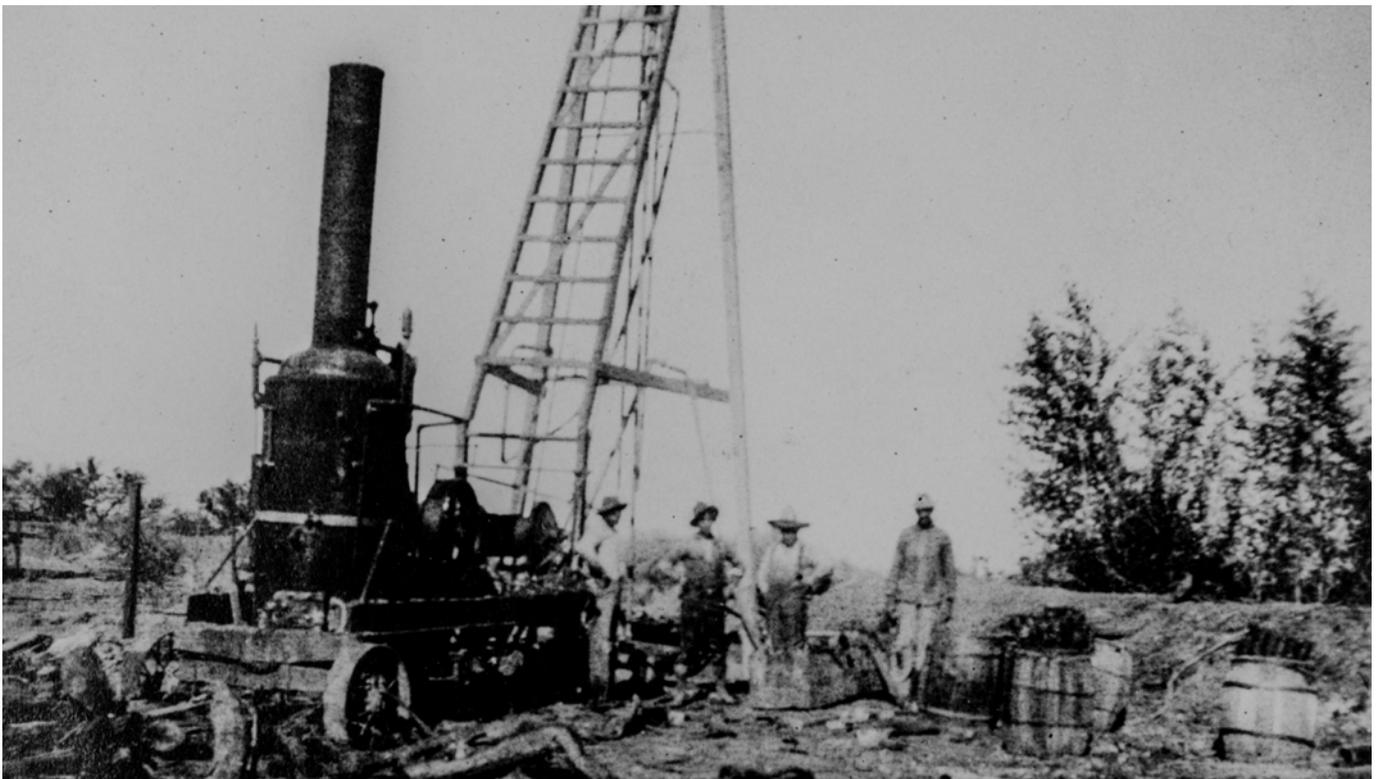
Coachella Valley County Water District (CVCWD) started providing domestic water service with the acquisition of Palm Desert Water Company in 1961. The district considered Palm Desert Water Company to be "a well-engineered system, possessing good wells and storage facilities" that served more than 700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

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

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

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

Today, the District is the largest provider of drinking water in the Valley and delivers water to over 112,000 accounts, representing a population served of approximately 270,000.



*Drilling a Well in the Early 1900s.*



*CVWD Crew Installs Pipe*

## **Background**

Drinking water, also known as domestic water, comes from the Coachella Valley's vast aquifer. Groundwater, pumped from wells up to 1,200 feet deep, is stored in one of the District's 65 enclosed reservoirs for later use. While the aquifer has an estimated capacity of 39 million af, the Coachella Valley must manage its water supplies to avoid overdraft. The California Department of Water Resources defines overdraft as "the condition of a groundwater basin in which the amount of water withdrawn by pumping over the long term exceeds the amount of water that recharges the basin." That is, more water has been pumped from the groundwater basin than has been naturally or artificially replenished. Over the past ten fiscal years, the amount of groundwater in storage has increased due to artificial replenishment and other management activities. To manage groundwater overdraft, the District, in cooperation with Desert Water Agency (DWA), has four groundwater replenishment facilities in various areas across the valley. The Domestic Water Fund makes transfers to the three replenishment funds to reflect costs originally accounted in those funds which reflect the benefit to the domestic fund of the District's recharge efforts. Such transfers are based on the total acre-feet of water pumped from District wells within each subbasin.

The water for replenishment comes from the State Water Project (SWP) and the Colorado River. Although there is not a direct connection to the SWP system, CVWD exchanges water on an acre-foot for acre-foot basis with Metropolitan Water District of Southern California (MWD) in order to obtain the District's allotment. The cost for imported SWP water for fiscal year 2023 is budgeted at \$1,580 per af. The Colorado River base allocation of

301,000 af comes at zero supply cost (there are transportation, o&m and other costs); however, the additional water received from the Colorado River is budgeted at \$111 per af.

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

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

The District operates 96 active wells, with the ability to pump 242 million gallons per day (MGD). The combined reservoir storage capacity is approximately 155.2 million gallons. Reservoirs are secured sites primarily located in elevated areas, using gravity to bring water to homes and businesses. Water is delivered via a network of 2,032 miles of distribution piping. Daily demand for drinking water in 2021 averaged 83.5 million gallons, equal to 93,548 af per year.

# HOW IS WATER MEASURED?

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

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

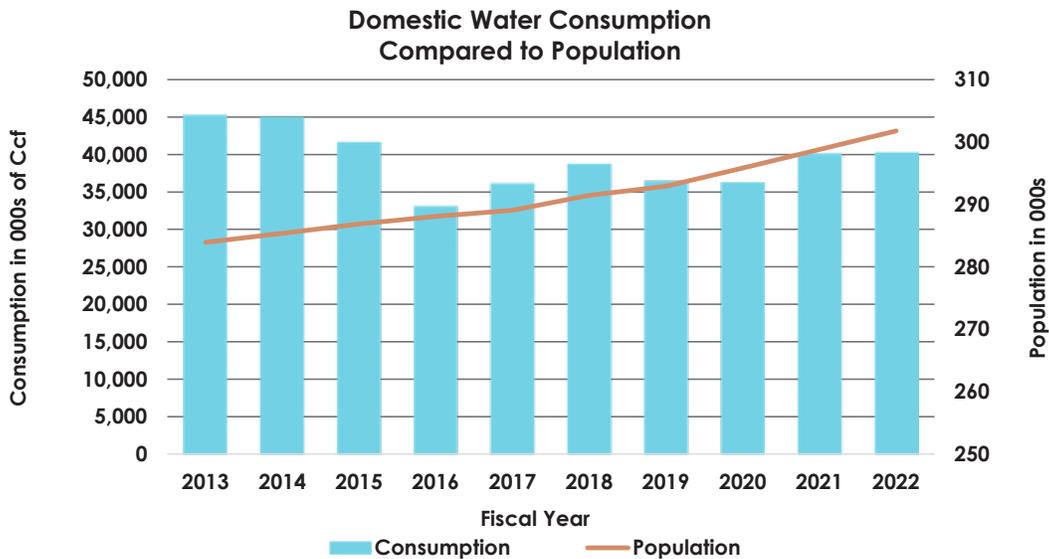
## *What is an acre-foot?*

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

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

## *Water Consumption*

Actual water consumption for fiscal year 2022 was 0.5% higher than fiscal year 2021, as shown in the graph below. Temperatures have remained warmer than the normal (average), along with lower than normal (average) precipitation for the past two fiscal years.



Account growth also has an impact consumption. As depicted in the table below, over the past ten years the number of domestic water accounts increased by 7%. Although the District has experienced account growth and population growth, per capita consumption has been largely decreasing.

**Conservation**

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

One of the most common causes of water waste in the Coachella Valley is overwatering outdoors. For this reason, outdoor water conservation is the primary focus of the District’s public outreach and water conservation programs. One of the most successful programs has been the installation of smart controllers, for both residential customers as well as large landscape accounts, such as homeowner’s associations.

Smart controllers automatically set the amount of water the landscape receives each day based on weather. Smart controllers can reduce outdoor consumption by as much as 30%.

The District offers free installed smart controllers for residents, and refunds of 75% of the cost for HOA and commercial customers. In fiscal year 2022, the District installed 107 residential and 31 large landscape smart controllers. This program has saved over 251,835 acre-feet of water since 2006.

Another popular program the District provides to help reduce outdoor irrigation is the turf buy-back program. The District pays residential customers \$3 per square foot, up to a maximum of 10,000 square feet. For commercial customers, rebates are available at \$3 per square foot, up to a maximum of 25,000 square feet. In fiscal year 2022, an additional 1,045,254 square feet of turf was replaced with desert-friendly landscape. To date through CVWD’s rebate program, desert landscaping has replaced more than 20.2 million square feet of grass. This results in an estimated savings of 20,745 acre-feet of water since 2009.

In addition, the High-Efficiency Toilet Replacement Program has saved over 572 acre-feet of water, with an additional 540 toilets replaced in 2022.

Water Management’s budget for fiscal year 2023 is \$6.2 million, with \$2.9 million budgeted for conservation programs. Interest in turf rebates and other conservation programs have declined over the last few years, with the elimination of the previous drought declaration. With renewed discussions of drought in 2023 and beyond, the importance of these programs is expected to grow.

Active Accounts

Year	Number of Accounts	Increase in Quantity	% Increase	Cumulative % Increase
2013	104,800			
2014	105,472	672	0.6%	0.6%
2015	106,055	583	0.6%	1.2%
2016	106,409	354	0.3%	1.5%
2017	106,967	558	0.5%	2.1%
2018	107,856	889	0.8%	2.9%
2019	108,582	726	0.7%	3.6%
2020	109,489	907	0.8%	4.5%
2021	110,899	2,317	2.1%	5.8%
2022	112,180	2,691	2.5%	7.0%

**Rate Structure**

The District uses a budget-based tiered rate structure to curb excess water use and reward water-efficient customers while reflecting cost-of-service principles. Tiered rates helped the District meet legislation enacted by the State of California to reduce per capita urban water use by 20% by the year 2020. Districtwide, domestic water consumption has dropped 23.6% since the implementation of budget-based rates in 2009.

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

Each customer is given a default indoor water use budget of 8 Ccf per month (equal to 200 gallons per day for a family of four), which is consistent with current industry standards

45% of each lot is assumed to be landscaped and irrigated

Weather data is based on a daily five-year average

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

During fiscal year 2021, the District completed a cost of service study for the Domestic Water Fund that analyzed system usage, costs, and revenues. The results indicated that a rate increase was necessary, and in June 2021, the Board of Directors approved the increase to water rates for fiscal year 2022.

During budget development, the Board analyzed projected revenues and expenses, and elected to hold rates at the current level for fiscal year 2023. The tiered consumption rates for fiscal year 2023 are listed in the table below.

**Tiered Rate Structure**

Tier	Rate	Single-Family	Multi-Family	Commercial	Landscape Irrigation
Tier 1 – Excellent	\$ 0.94	Up to 8 Ccf	Up to 8 Ccf	n/a	n/a
Tier 2 – Efficient	\$ 1.17	Up to 100% of budget	Up to 100% of budget	8 Ccf per EDU*	Up to 100% of budget
Tier 3 – Inefficient	\$ 3.59	-----100% to 175% of budget-----			
Tier 4 – Excessive	\$ 4.21	-----175% to 300% of budget-----			
Tier 5 – Wasteful	\$ 6.44	-----300% or more-----			

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

**Fixed Rates**

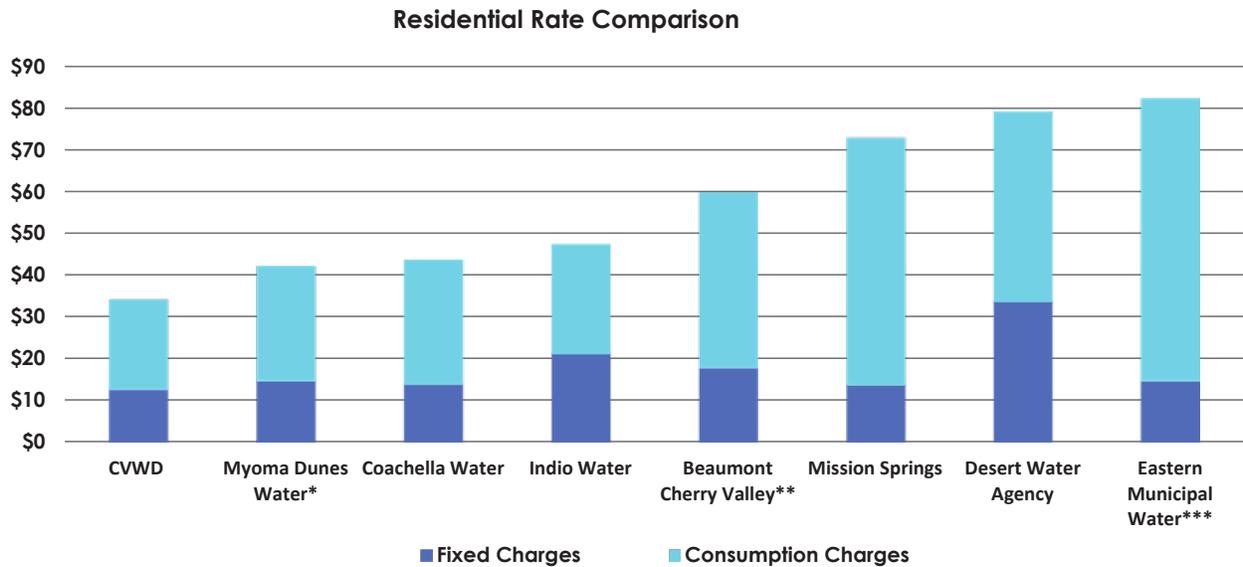
Domestic water service is separated into five customer classes: single-family residential, multi-family, commercial, landscape irrigation, and construction meters. Each customer class is assigned a different monthly fixed charge to reflect the differences in the cost of providing service. All fixed charge rates were adjusted for fiscal year 2022 as part of the cost of service study. The monthly service charge for construction meters remains \$125 for a 3” or smaller meter, and \$190 for a 4” or larger meter. Rates were not increased for fiscal year 2023.

**Monthly Service Charge**

Customer Class	Meter Size			
	¾"	1"	1 ½ "	2"
Single-Family	\$ 12.65	\$ 15.15	\$ 21.40	\$ 28.90
Multi-Family	\$ 12.78	\$ 15.37	\$ 21.83	\$ 29.59
Commercial	\$ 12.71	\$ 15.25	\$ 21.60	\$ 29.22
Landscape Irrigation	\$ 16.15	\$ 20.98	\$ 33.07	\$ 47.57

**Rate Comparison**

The graph and table below illustrate rate comparisons between CVWD and other water agencies in the region based upon usage of 20 Ccf per month. The District’s rates remain the lowest in the area for fiscal year 2023. The dark portion of the bars in the chart below indicate the monthly fixed charge; the lighter portion indicates the consumption charge.



\* Energy cost adjustment of \$1.93 and replenishment fee of \$2.38 included in consumptive rate  
 \*\* Rates effective January 2022. SCE power charge and San Gorgonio Pass Water Agency importation charge included in consumptive rate  
 \*\*\* Rates effective January 2022. Water Supply Reliability Capital Projects Charge included in consumptive rate

Residential Rate Comparison

	CVWD	Myoma Dunes Water*	Coachella Water	Indio Water	Beaumont Cherry Valley**	Mission Springs	Desert Water Agency	Eastern Municipal Water***
Fixed Charges	\$ 12.65	\$ 14.67	\$ 13.80	\$ 21.16	\$ 17.83	\$ 13.63	\$ 33.53	\$ 14.60
Consumption Charges	21.56	27.56	30.00	26.30	42.05	59.14	45.60	67.67
<b>Total per 20 CCF Usage</b>	<b>\$ 34.21</b>	<b>\$ 42.23</b>	<b>\$ 43.80</b>	<b>\$ 47.46</b>	<b>\$ 59.88</b>	<b>\$ 72.77</b>	<b>\$ 79.13</b>	<b>\$ 82.27</b>

\* Energy cost adjustment of \$1.93 and replenishment fee of \$2.38 included in consumptive rate  
 \*\* Rates effective January 2022. SCE power charge and San Gorgonio Pass Water Agency importation charge included in consumptive rate  
 \*\*\* Rates effective January 2022. Water Supply Reliability Capital Projects Charge included in consumptive rate

# DOMESTIC WATER FUND

Domestic Water Fund	FY 2021 Actual	FY 2022 Actual*	FY 2022 Budget	FY 2023 Budget	Budget Change	% Change
<b>Revenues</b>						
Water Sales	\$ 67,998,271	\$ 68,237,692	\$ 68,678,254	\$ 66,442,717	\$ (2,235,537)	-3.3%
Service Charges	16,393,666	21,452,547	20,612,000	20,074,396	(537,604)	-2.6%
Availability Charges	643,365	729,152	645,000	645,000	-	-
Property Taxes - General	2,340,102	2,522,943	2,387,000	2,684,740	297,740	12.5%
Charges for Services	2,859,657	4,273,788	3,252,500	2,666,000	(586,500)	-18.0%
Investment Income	636,450	510,199	877,254	448,786	(428,468)	-48.8%
Other Revenue	498,329	570,024	150,000	150,000	-	-
<b>Total Revenues</b>	<b>\$ 91,369,840</b>	<b>\$ 98,296,346</b>	<b>\$ 96,602,008</b>	<b>\$ 93,111,639</b>	<b>\$ (3,490,369)</b>	<b>-3.6%</b>
<b>Expenses</b>						
Salaries & Benefits (Net of Capitalized Labor)	\$ 35,912,065	\$ 38,840,489	\$ 40,498,640	\$ 43,100,863	\$ 2,602,223	6.4%
Supplies and Services	21,529,044	23,397,837	23,837,778	26,589,389	2,751,611	11.5%
Utilities	12,019,758	13,100,726	12,925,647	14,326,943	1,401,296	10.8%
Replenishment	12,719,362	14,274,750	14,184,940	13,657,027	(527,913)	-3.7%
Pass-Through (Contra Expense)	-	-	-	(715,000)	(715,000)	-
Capital Outlay	111,852	4,120	62,085	7,845	(54,240)	-87.4%
<b>Total Expenses</b>	<b>\$ 82,292,081</b>	<b>\$ 89,617,922</b>	<b>\$ 91,509,090</b>	<b>\$ 96,967,067</b>	<b>\$ 5,457,977</b>	<b>6.0%</b>
<b>Operating Income (Loss)</b>	<b>\$ 9,077,759</b>	<b>\$ 8,678,424</b>	<b>\$ 5,092,918</b>	<b>\$ (3,855,428)</b>	<b>\$ (8,948,346)</b>	<b>-175.7%</b>
<b>Nonoperating Revenues (Expenses)</b>						
<b>Interfund Transfers</b>						
Interfund Revenues	\$ 10,401,113	\$ 3,279,000	\$ 3,279,000	\$ 5,545,535	\$ 2,266,535	69.1%
<b>Sources</b>						
Loan Proceeds	2,960,802	-	2,478,000	-	(2,478,000)	-100.0%
Interim Financing	-	-	-	11,857,000	11,857,000	-
Capital Improvement Reimbursements	1,047,498	1,500,173	-	-	-	-
Use of Restricted Funds	7,818,347	10,060,500	10,060,500	1,020,000	(9,040,500)	-89.9%
Grant Revenue	5,040,372	2,121,202	1,227,000	15,319,600	14,092,600	1148.5%
<b>Uses</b>						
Debt Service - External	(151,493)	(780,369)	(1,031,000)	(838,852)	192,148	-18.6%
Capital Improvement Budget	(26,278,564)	(14,779,370)	(18,153,600)	(32,931,700)	(14,778,100)	81.4%
Contribution to Motorpool CIP	(1,071,678)	(11,772)	(153,293)	(1,404,015)	(1,250,722)	815.9%
Other Revenue (Expenses)	919,988	-	-	-	-	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>\$ 686,385</b>	<b>\$ 1,389,364</b>	<b>\$ (2,293,393)</b>	<b>\$ (1,432,432)</b>	<b>\$ 860,961</b>	<b>-37.5%</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>\$ 9,764,144</b>	<b>\$ 10,067,788</b>	<b>\$ 2,799,525</b>	<b>\$ (5,287,860)</b>	<b>\$ (8,087,385)</b>	<b>-288.9%</b>
<b>Beginning Reserve</b>	<b>\$ 47,199,436</b>	<b>\$ 56,963,580</b>	<b>\$ 56,963,580</b>	<b>\$ 67,031,368</b>	<b>\$ 10,067,788</b>	<b>17.7%</b>
<b>Ending Reserve</b>	<b>\$ 56,963,580</b>	<b>\$ 67,031,368</b>	<b>\$ 59,763,105</b>	<b>\$ 61,743,508</b>	<b>\$ 1,980,403</b>	<b>3.3%</b>
<b>Assigned Reserve</b>	<b>\$ 43,909,000</b>	<b>\$ 45,839,000</b>	<b>\$ 45,839,000</b>	<b>\$ 42,006,000</b>	<b>\$ (3,833,000)</b>	<b>-8.4%</b>
<b>Unassigned Reserve</b>	<b>\$ 13,054,580</b>	<b>\$ 21,192,368</b>	<b>\$ 13,924,105</b>	<b>\$ 19,737,508</b>	<b>\$ 5,813,403</b>	<b>41.8%</b>
* Unaudited						
<i>Days Cash on Hand</i>	253	273	238	232	(6)	-2.5%

### Budget Summary

Total Domestic Water fund revenues are budgeted at \$93.1 million, or 3.6% lower than the fiscal year 2022 budget. The largest decrease is in water sales, which reflect a 3.3% reduction in consumption along with no rate increases in fiscal year 2023.

Expenses are budgeted to increase by \$5.5 million, or 6% from the prior year’s budget. Budgeted increases in salaries & benefits and supplies & services are included, along with a 10.8% increase in utilities, primarily due to electricity increases. Capital outlay reflects a budgeted decrease for fiscal year 2023.

Nonoperating revenues include interfund revenues, which are comprised of principal and interest payments for two internal loans for projects within the East Whitewater Replenishment Fund and the West Whitewater Replenishment Fund. Revenues also include the use of restricted funds for eligible capital improvement projects, grant revenue, and interim financing. Expenses include debt service for a State Water Resource Control Board loan, \$32.9 million in capital improvements, and a \$1.4 million contribution to the Motorpool fund for new vehicles.

Ending reserves for fiscal year 2023 are budgeted at \$61.7 million, an increase of \$1.9 million from the fiscal year 2022 budget. The increase is primarily due to increased water sales in FY 2022.

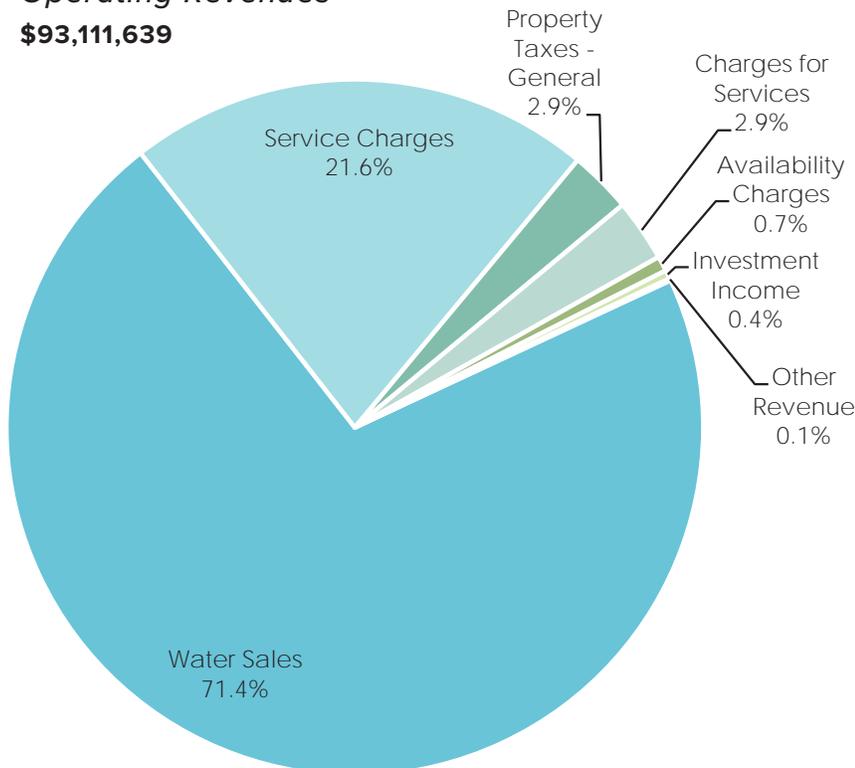
### Revenues

Domestic Water Fund revenues total \$93.1 million, a decrease \$3.5 million from fiscal year 2022. The chart below shows a breakdown by type.

#### Revenues

##### Operating Revenues

\$93,111,639



**WATER SALES** represent 71.4% of the Domestic Water Fund operating revenues. Revenues from water sales are budgeted at \$66.4 million. Consumption is budgeted at 38.8 million Ccf, which is lower than fiscal year 2022 due to conservation as the District enacts the Level 2 water restrictions in the Water Shortage Contingency Plan (WSCP). Rates were not increased for fiscal year 2023.

**SERVICE CHARGES** are the monthly fees each customer pays, based on the size of the meter installed and the customer class. Service charges account for 21.6% of the operating revenues of the Domestic Water Fund. Rates were not increased for fiscal year 2023.

**CHARGES FOR SERVICES** account for 2.9% of the fund’s revenues and are comprised of application fees, turn-on fees, fines, meter installation fees, inspection fees, plan check fees, leases, penalties, and utility use incentives. These are highly variable revenue sources and are estimated using historical averages.

**AVAILABILITY CHARGES** are levied against all lands, whose boundaries are within 660 feet of an existing water main. Parcels of land with active domestic water service during the current fiscal year are considered as having met the availability charge. Charges are placed on the tax roll each year. This charge represents the benefit to property of an available water supply which allows development and use of land.

**PROPERTY TAXES-GENERAL** total \$2.7 million for fiscal year 2023. General property taxes include the dedicated share of the 1% Riverside and Imperial Counties’ secured property tax levy pursuant to the California Revenue and Taxation Code. Assessed Value (AV) has been increasing, and recent sales of single-family homes have shown significant price increases. Property values reset each time there is a change in ownership, with the value being established at the new sales price. The Domestic fund receives non-discretionary property taxes, as well as a share of the District’s discretionary general property taxes, which are allocated to the enterprise funds at the discretion of the Board. For fiscal year 2023, the Domestic Water Fund will receive an 11.5% allocation of discretionary taxes.

**INVESTMENT INCOME** is earned based on the cash balance in the fund and investment performance. The rate of return for fiscal year 2022 was significantly lower than the historical average, and the fiscal year budget assumes a conservative rate of approximately 1%.

**Expenses**

Domestic Water Fund expenses total \$97 million, an increase of \$5.5 million from fiscal year 2022. The chart shows a breakdown of expenses by type.

**SALARIES & BENEFITS** total \$43.1 million, or 44.4% of budgeted expenses. This represents an increase of 6.4% for fiscal year 2023, and reflects the impact of increases in employee salaries and budgeted benefits.

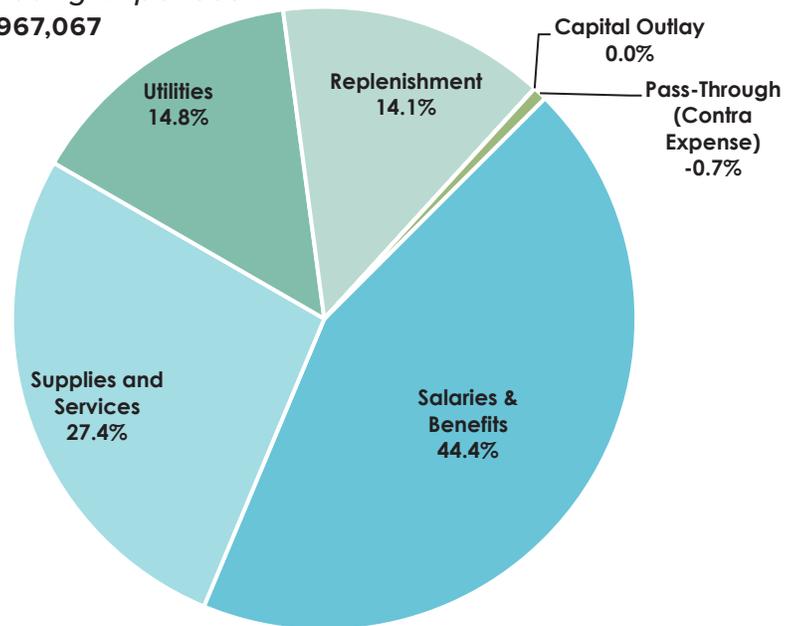
**SUPPLIES & SERVICES** are budgeted at \$26.6 million, or 27.4% of budgeted expenses, and reflect an increase of \$2.8 million for fiscal year 2023. Inflation and supply chain issues have caused large increases in chemical costs and supplies.

**UTILITIES** are budgeted \$14.3 million, or 14.8% of budgeted expenditures. Expenses are projected to be approximately \$1.4 million higher than fiscal year 2022 due to rate increases from utility providers.

**TRANSFERS TO REPLENISHMENT FUNDS** are budgeted at \$13.7 million, or 14.1%. This represents a decrease of \$528,000 over fiscal year 2022 due to anticipated reductions in consumption. Rates for the District’s three replenishment funds were not increased for fiscal year 2023.

**Expenses**

**Operating Expenses**  
\$96,967,067



**PASS-THROUGH (CONTRA EXPENSE)** reflects a total expense offset of \$715,000 for fiscal year 2023. The total represents the Domestic fund’s allocation of expected reimbursements for project expenditures.

**CAPITAL OUTLAY** is budgeted at \$7,845 for fiscal year 2023, which is a decrease of \$54,000 compared to fiscal year 2022.

### Domestic Water Restricted Funds

Water System Backup Facility Charges (WSBFC) are fees assessed on all new development, redevelopment projects, connections of existing residential units, and upgrades of existing commercial units within the District’s domestic water service areas. These funds are restricted for constructing backup facilities for additional capacity for pumping, storing, and distributing water. Approximately \$1 million in restricted funds is budgeted to fund domestic water projects in fiscal year 2023.

### Capital Improvements

There are \$32.9 million in capital improvements budgeted for fiscal year 2023, along with \$1.4 million in motorpool capital improvements for vehicle replacements. The budget includes projects for the rehabilitation of aging well sites, water main extensions to underserved areas, numerous water main replacement projects, the design and replacement of the ion-exchange treatment plants, and installation of a transmission main. Funding of the fiscal year 2023 Capital Improvement Budget is with the use of an SRF loan, grants, unrestricted reserves, and restricted reserves. More details are provided in the Capital Improvements chapter.

### Five-Year Forecast

The District completed a comprehensive Cost of Service Study (COSS) for the Domestic Water fund in fiscal year 2021, and established maximum Proposition 218 rate increases for fiscal years 2022 through 2026. The Board has the ability to adopt rates up to the maximum rate each year as part of the budget process. Based on fiscal year 2022 performance and projected ending reserves, the Board elected to hold rates at the fiscal year 2022 level with no increase for fiscal year 2023.

The five-year forecast includes rate assumptions based on anticipated expenditures, and reflects the balance of ensuring positive operating income for the long-term, maintaining debt service coverage of at least 1.25x as required under the master resolution, and drawing down unassigned reserves over time to the assigned reserve target. Projected rates are based on current assumptions, and will be revised during the next budget process. The following table compares the projected forecast rates to the Proposition 218 maximum rates for a typical Domestic customer.

Forecast Rate Comparison (20 CCF Residential Customer)	FY 2023 Rate	Monthly Change	FY 2024 Rate	Monthly Change	FY 2025 Rate	Monthly Change	FY 2026 Rate	Monthly Change	FY 2027* Rate	Monthly Change
<b>Proposition 218 Maximum Rates</b>										
Monthly Fixed Charge - 3/4 Inch Meter	\$ 13.46	\$ 13.46	\$ 15.12	\$ 15.12	\$ 16.58	\$ 16.58	\$ 17.75	\$ 17.75	\$ 17.75	\$ 17.75
Tier 1 Consumption Rate (8 CCF)	1.00	8.00	1.12	8.96	1.23	9.84	1.31	10.48	1.31	10.48
Tier 2 Consumption Rate (12 CCF)	1.25	15.00	1.40	16.80	1.53	18.36	1.64	19.68	1.64	19.68
<b>Total Monthly Water Charge</b>	<b>\$ 36.46</b>		<b>\$ 40.88</b>		<b>\$ 44.78</b>		<b>\$ 47.91</b>		<b>\$ 47.91</b>	
Year-Over-Year % Change	6.6%		12.1%		9.5%		7.0%		0.0%	
<b>Forecast Projected Rates</b>										
Monthly Fixed Charge - 3/4 Inch Meter	\$ 12.65	\$ 12.65	\$ 13.54	\$ 13.54	\$ 15.16	\$ 15.16	\$ 15.92	\$ 15.92	\$ 16.55	\$ 16.55
Tier 1 Consumption Rate (8 CCF)	0.94	7.52	1.01	8.05	1.13	9.01	1.18	9.46	1.23	9.84
Tier 2 Consumption Rate (12 CCF)	1.17	14.04	1.25	15.02	1.40	16.83	1.47	17.67	1.53	18.37
<b>Total Monthly Water Charge</b>	<b>\$ 34.21</b>		<b>\$ 36.60</b>		<b>\$ 41.00</b>		<b>\$ 43.05</b>		<b>\$ 44.77</b>	
Year-Over-Year % Change	0.0%		7.0%		12.0%		5.0%		4.0%	

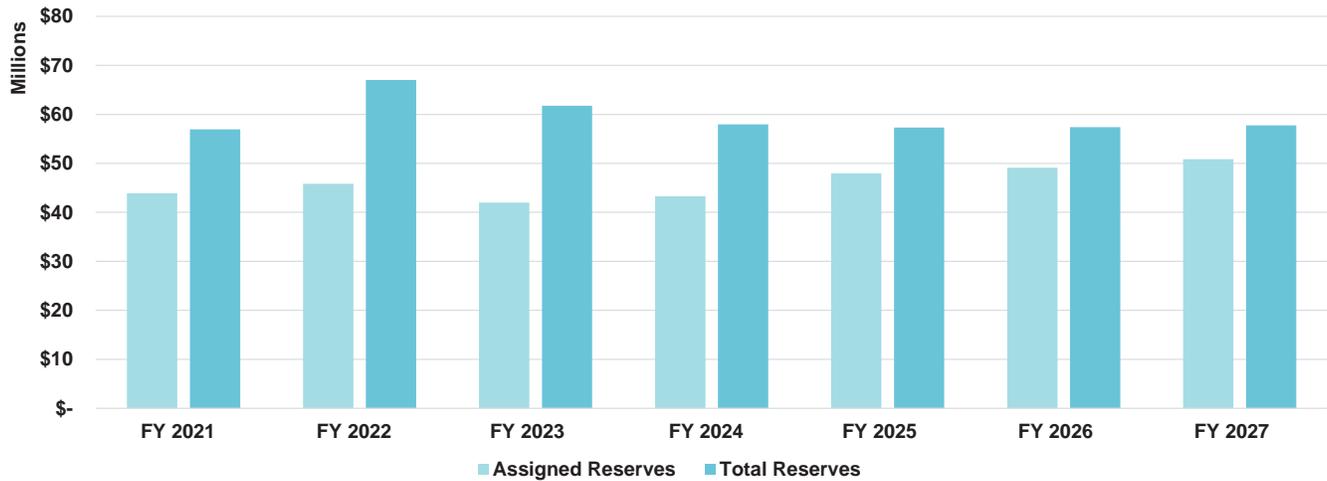
\* Proposition 218 Rates are only adopted through FY 2026.

Other revenues, including property tax revenue and charges for services, are expected to grow by approximately 2% to 3% during the forecast period. Operating expenses are forecasted to grow at approximately 5.5% per year. Salaries and benefits increase at a rate of 4.5% to 5% due to expected cost of living and merit increases. Transfers to replenishment funds for the water used by the Domestic fund will increase based on forecasted rate increases in those funds. Interfund revenue, for debt service related to an internal loan, averages approximately \$4.2 million per year. Debt service payments for Domestic fund loans will begin to increase in FY 2025 as the District secures permanent financing for long-term projects.

# DOMESTIC WATER FUND

Domestic Water Fund Five-Year Forecast	FY 2023 Budget	FY 2024	FY 2025	FY 2026	FY 2027
		Forecast			
<b>Revenues</b>					
Water Sales	\$ 66,442,717	\$ 69,196,643	\$ 77,693,536	\$ 81,784,215	\$ 85,270,304
Service Charges	20,074,396	21,575,299	24,292,772	25,749,490	27,062,766
Availability Charges	645,000	645,000	645,000	645,000	645,000
Property Taxes - General	2,684,740	2,738,435	2,793,204	2,849,068	2,906,049
Charges for Services	2,666,000	2,745,980	2,828,360	2,913,212	3,000,608
Investment Income	448,786	617,435	724,458	859,802	1,147,982
Other Revenue	150,000	154,500	159,136	163,910	168,828
<b>Total Revenues</b>	<b>\$ 93,111,639</b>	<b>\$ 97,673,292</b>	<b>\$ 109,136,466</b>	<b>\$ 114,964,697</b>	<b>\$ 120,201,537</b>
<b>Expenses</b>					
Salaries & Benefits (Net of Capitalized Labor)	\$ 43,100,863	\$ 45,104,430	\$ 47,252,386	\$ 49,595,717	\$ 51,804,066
Supplies and Services	26,589,389	27,618,426	28,518,987	29,291,575	30,085,914
Utilities	14,326,943	15,473,100	16,710,950	18,047,826	19,491,651
Replenishment	13,657,027	13,048,601	17,158,433	18,715,447	19,263,709
Pass-Through (Contra Expense)	(715,000)	(715,000)	(715,000)	(715,000)	(715,000)
Capital Outlay	7,845	8,237	8,649	9,081	9,535
<b>Total Expenses</b>	<b>\$ 96,967,067</b>	<b>\$ 100,537,794</b>	<b>\$ 108,934,405</b>	<b>\$ 114,944,646</b>	<b>\$ 119,939,875</b>
<b>Operating Income (Loss)</b>	<b>\$ (3,855,428)</b>	<b>\$ (2,864,502)</b>	<b>\$ 202,061</b>	<b>\$ 20,051</b>	<b>\$ 261,662</b>
<b>Nonoperating Revenues (Expenses)</b>					
<b>Interfund Transfers</b>					
Interfund Revenues	\$ 5,545,535	\$ 4,200,000	\$ 4,200,000	\$ 4,200,000	\$ 4,200,000
<b>Sources</b>					
Loan Proceeds	-	-	51,564,000	8,050,000	6,862,500
Interim Financing	11,857,000	19,630,000	(31,487,000)	-	-
Use of Restricted Funds	1,020,000	120,000	100,000	1,100,000	1,462,500
Grant Revenue	15,319,600	9,684,800	8,596,800	13,680,000	6,300,000
<b>Uses</b>					
Debt Service - External	(838,852)	(838,852)	(2,592,600)	(1,600,000)	(1,600,000)
Capital Improvement Budget	(32,931,700)	(32,279,350)	(29,790,350)	(23,898,750)	(15,693,750)
Contribution to Motorpool CIP	(1,404,015)	(1,439,002)	(1,429,409)	(1,472,297)	(1,439,002)
<b>Total Nonoperating Revenues (Expenses)</b>	<b>\$ (1,432,432)</b>	<b>\$ (922,404)</b>	<b>\$ (838,559)</b>	<b>\$ 58,953</b>	<b>\$ 92,248</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>\$ (5,287,860)</b>	<b>\$ (3,786,906)</b>	<b>\$ (636,498)</b>	<b>\$ 79,004</b>	<b>\$ 353,910</b>
<b>Beginning Reserve</b>	<b>\$ 67,031,368</b>	<b>\$ 61,743,508</b>	<b>\$ 57,956,601</b>	<b>\$ 57,320,103</b>	<b>\$ 57,399,107</b>
<b>Ending Reserve</b>	<b>\$ 61,743,508</b>	<b>\$ 57,956,601</b>	<b>\$ 57,320,103</b>	<b>\$ 57,399,107</b>	<b>\$ 57,753,017</b>
<b>Assigned Reserve</b>	<b>\$ 42,006,000</b>	<b>\$ 43,290,000</b>	<b>\$ 47,971,000</b>	<b>\$ 49,125,000</b>	<b>\$ 50,840,000</b>
<b>Unassigned Reserve</b>	<b>\$ 19,737,508</b>	<b>\$ 14,666,601</b>	<b>\$ 9,349,103</b>	<b>\$ 8,274,107</b>	<b>\$ 6,913,017</b>
<i>Days Cash on Hand</i>	232	210	192	182	176

District Reserves - Domestic Water Fund



Reserve Type	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
	Actual	Actual*	Budget	Forecast			
Assigned Reserves	\$ 43,909,000	\$ 45,839,000	\$ 42,006,000	\$ 43,290,000	\$ 47,971,000	\$ 49,125,000	\$ 50,840,000
Unassigned Reserves	13,054,580	21,192,368	19,737,508	14,666,601	9,349,103	8,274,107	6,913,017
<b>Total Reserves</b>	<b>\$ 56,963,580</b>	<b>\$ 67,031,368</b>	<b>\$ 61,743,508</b>	<b>\$ 57,956,601</b>	<b>\$ 57,320,103</b>	<b>\$ 57,399,107</b>	<b>\$ 57,753,017</b>

Assigned Reserves by Type	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
	Actual	Actual*	Budget	Forecast			
Operating	\$ 20,226,000	\$ 22,215,000	\$ 24,240,000	\$ 25,132,000	\$ 27,231,000	\$ 28,734,000	\$ 29,983,000
Rate Stabilization	8,091,000	8,886,000	9,696,000	10,053,000	10,893,000	11,494,000	11,993,000
Capital	8,154,000	7,109,000	4,998,000	4,998,000	4,998,000	4,998,000	4,998,000
Emergency	5,517,000	5,180,000	827,000	827,000	827,000	827,000	827,000
Vehicle	1,289,000	1,418,000	1,404,000	1,439,000	1,429,000	1,472,000	1,439,000
Debt Service	632,000	1,031,000	841,000	841,000	2,593,000	1,600,000	1,600,000
<b>Total Assigned Reserves</b>	<b>\$ 43,909,000</b>	<b>\$ 45,839,000</b>	<b>\$ 42,006,000</b>	<b>\$ 43,290,000</b>	<b>\$ 47,971,000</b>	<b>\$ 49,125,000</b>	<b>\$ 50,840,000</b>

\* Unaudited



*CVWD Water Quality Analyst in the water quality lab in Palm Desert*

# CANAL WATER FUND



**Background**

CVWD provides canal water to 1,311 accounts, including agriculture, golf courses, lakes, and replenishment facilities. Accounts are billed monthly for canal water usage on a per acre-foot (af) basis.

The Coachella Valley’s farmland is ranked among the most profitable crop-growing regions in the state on a per acre basis. More than two-thirds of local farmland is irrigated with Colorado River (River) water delivered via the Coachella Canal (Canal), a branch of the All American Canal. More than 60% of area farms use drip or other micro-irrigation, which reduces water use, allows pesticides and herbicides to be added directly into irrigation lines, and contributes to increased crop yields. These irrigation practices place area farms among the most efficient agricultural water users in the state.

**The Coachella Canal**

In 1934, CVWD entered into a contract with the United States Bureau of Reclamation (Reclamation, USBR) for the construction of the Coachella Branch of the All American Canal. Reclamation agreed to deliver water to CVWD for potable and irrigation purposes within the 137,000 acre area known as Improvement District Number 1 (ID 1), of which 77,103 acres are irrigable.

Costs associated with the construction of the Canal were to be reimbursed by CVWD. In 1935, CVWD adopted Ordinance Number 595 authorizing a tax levy for satisfying the repayment obligations to Reclamation.

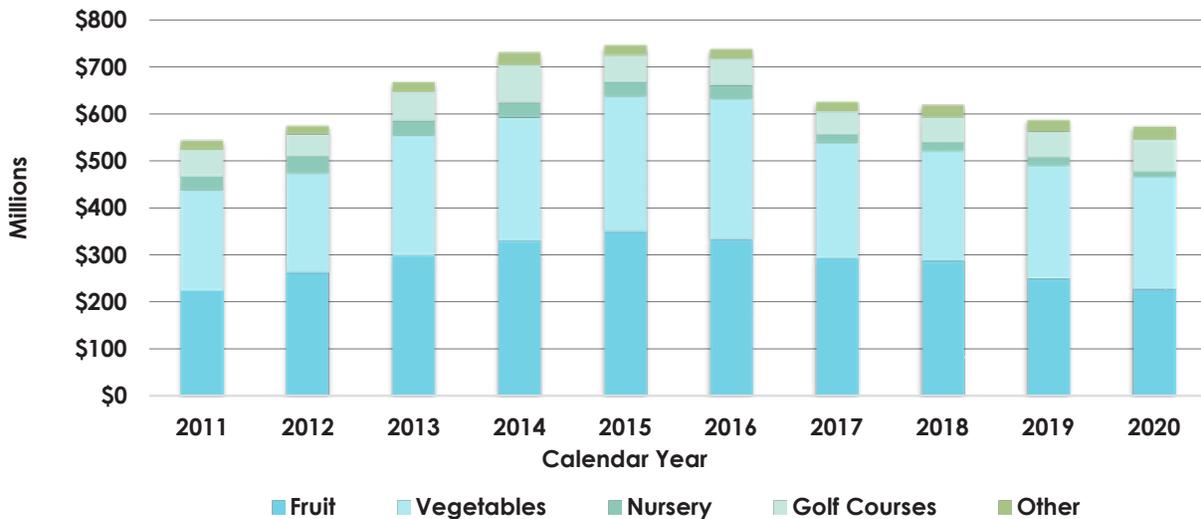
CVWD began levying the ID 1 tax in fiscal year 1950, with the repayment obligation satisfied in 1994. The Canal continues to be owned by the USBR, but is maintained and operated by CVWD.

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

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

Crop production for calendar year 2020 (latest data available at time of publication) exceeded \$575 million. This represents a \$14.5 million decrease, or 2.5% decline when compared to calendar year 2019. The top ten crops by value are dates, grapes, bell peppers, lemons/ limes, lettuce, carrots, cauliflower, oranges & tangerines, broccoli, and artichokes.

**Crop Value by Industry  
Ten-Year History**



## *Irrigation Distribution and Drainage System*

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

## *Colorado River Water Supply*

### **WHAT IS THE QUANTIFICATION SETTLEMENT AGREEMENT (QSA)?**

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

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

- Coachella Valley Water District
- San Diego County Water Authority (SDCWA)
- Imperial Irrigation District
- Metropolitan Water District of Southern California
- State of California
- U.S. Department of the Interior

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

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

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

**HOW DID IT IMPACT CVWD?**

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

The District’s annual base allotment of Colorado River water is 330,000 af. Water conserved from lining the last earthen section of the canal means that 21,500 af is transferred to SDCWA and 7,500 af is transferred to various Indian tribes, for an adjusted base allotment of 301,000 af. Additional allotments are being added each year, ramping up to a total net allotment of 459,000 af in 2026.

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

**QSA Water Supply Allotments  
2022 - 2027**



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

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

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

The Colorado River Basin has been experiencing prolonged drought conditions since 2020. When the surface level of Lake Mead is projected to be at or below 1,090 feet on January 1 of the following year, the Secretary of the Interior may declare a Shortage Condition, which triggers water restrictions for Arizona and Nevada. California currently has no negotiated restrictions.

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

In August 2021, the U.S. Bureau of Reclamation (USBR) announced a water shortage on the Colorado River resulting in mandatory water consumption cuts as stated in the DCP. USBR expects Lake Mead to remain below the elevation threshold of the DCP of 1,090 feet, triggering Tier 1 cuts that will affect Arizona, Nevada and Mexico. California does not take cuts in Tiers 1, 2 or 3 as agreed to in the 2007 Interim DCP Guidelines. However, the 2019 DCP includes additional contributions that California and CVWD have to make when Lake Mead gets to 1,045 feet and below.

CVWD will continue to participate in discussions with USBR regarding conditions on the Colorado River. Discussions with USBR and the Upper and Lower Basin States are ongoing, and CVWD will evaluate the benefit of participating in any programs that may be offered in fiscal year 2023 and beyond.

Annual Colorado River Allocation by State - Million Acre-Feet

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

**Water Costs**

The base allotment of 301,000 af is provided at no cost to the District, although the District incurs costs to transport, store and deliver the water. The cost of additional allotments varies based on the terms of the QSA agreement.

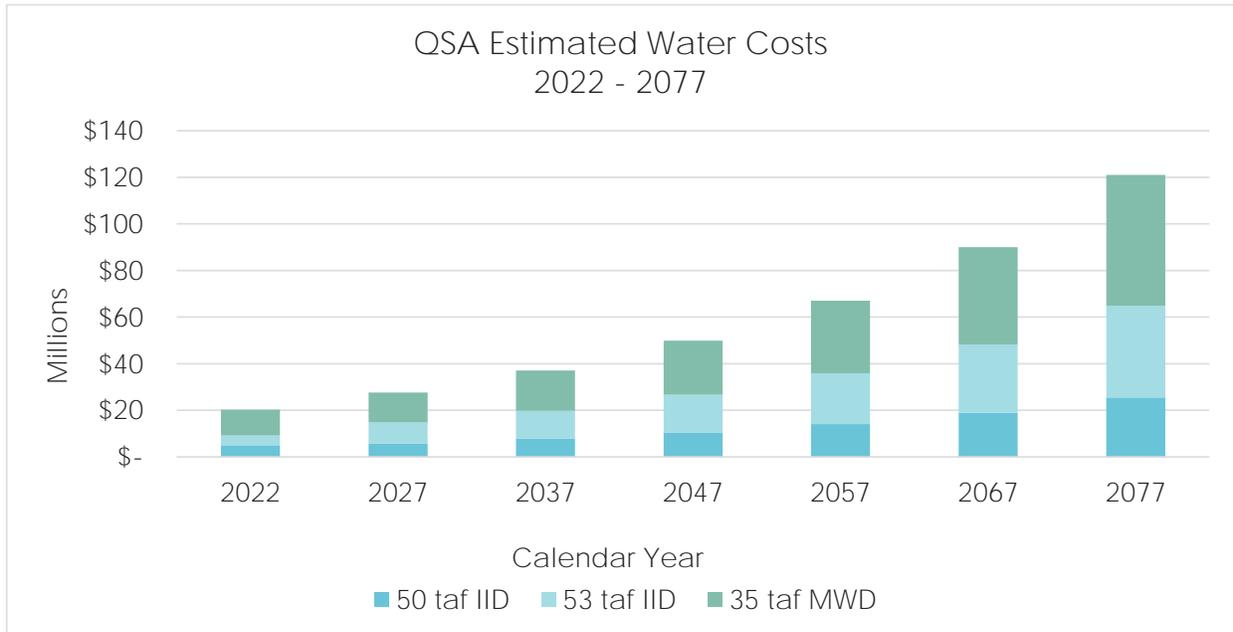
Additional water costs are \$110.63 per af in 2022. Each year the cost of additional water is adjusted from the 1998 base price by a blended Producer Price Index and Gross Domestic Product Implicit Price Deflator. A 3% inflation factor is used for future years.

The table below depicts acre-feet to be received, along with the estimated IID water transfer costs over the remaining term of the contract.

**IID Water Transfer Costs  
2022 - 2077**

Calendar Year	50 taf Transfer (in af)	53 taf Transfer (in af)	Total Transfer (in af)	Estimated Cost	Cost per af
2022	50,000	33,000	83,000	\$ 9,181,910	\$ 110.63
2027	50,000	53,000	103,000	\$ 14,782,286	\$ 143.52
2037	50,000	53,000	103,000	\$ 19,866,157	\$ 192.88
2047	50,000	53,000	103,000	\$ 26,698,453	\$ 259.21
2057	50,000	53,000	103,000	\$ 35,880,489	\$ 348.35
2067	50,000	53,000	103,000	\$ 48,220,377	\$ 468.16
2077	50,000	53,000	103,000	\$ 64,804,154	\$ 629.17

The graph below shows the estimated QSA water costs over the term of the contract.



**Rate Structure**

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

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

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

**WATER SUPPLY SURCHARGES** fund the cost of QSA water purchases and are collected only from Class 2 and Temporary Construction Meter customers. The District has chosen to assign its legacy asset of Colorado River water rights (301,000 af per year) to Class 1 customers to protect these long-standing and price-sensitive customers from the cost of newly developed supplies. When Class 1 customers use less than 301,000 af per year, those customers are not responsible for any QSA water purchase costs. If Class 1 customers use Canal water at a rate that exceeds 301,000 af per year, they will pay an equitable portion of the QSA water purchase costs and pay the Water Supply Surcharge.

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

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

**OUTSIDE ID 1 SURCHARGE** is assessed to all customers outside of Improvement District 1 (ID 1). The Canal Water fund receives an allocation of the general ad valorem property tax revenue collected by Riverside County within ID 1. The ad valorem property tax is used, in part, to defray the costs of providing canal water services to canal customers located within ID 1. The Outside ID 1 Surcharge is imposed only on customers located outside of the boundaries of ID

1 and is designed to recover costs incurred by the District to serve these customers but whose costs are not defrayed by the ad valorem property tax revenues paid by ID 1 customers. The Outside ID 1 Surcharge is a fixed charge based on property acreage and is calculated by dividing the ID 1 property tax revenue in a given year by the total acres within ID 1 receiving canal water service.

### Canal Rate History

In fiscal year 2021, the District completed a comprehensive cost of service study for the Canal fund. After reviewing expenditures and projected revenue during the budget process, the Board elected to hold water-related rates at the current level for fiscal year 2023. The budget does include rate increases for the Quagga Surcharge, Outside ID 1 Surcharge, Oasis Surcharge, and Gate Visits. These charges are being increased incrementally to achieve full cost recovery over the next two years as outlined in the cost of service study.

The table below shows the five-year history of canal rates for the District.

Canal 5-Year Rate History

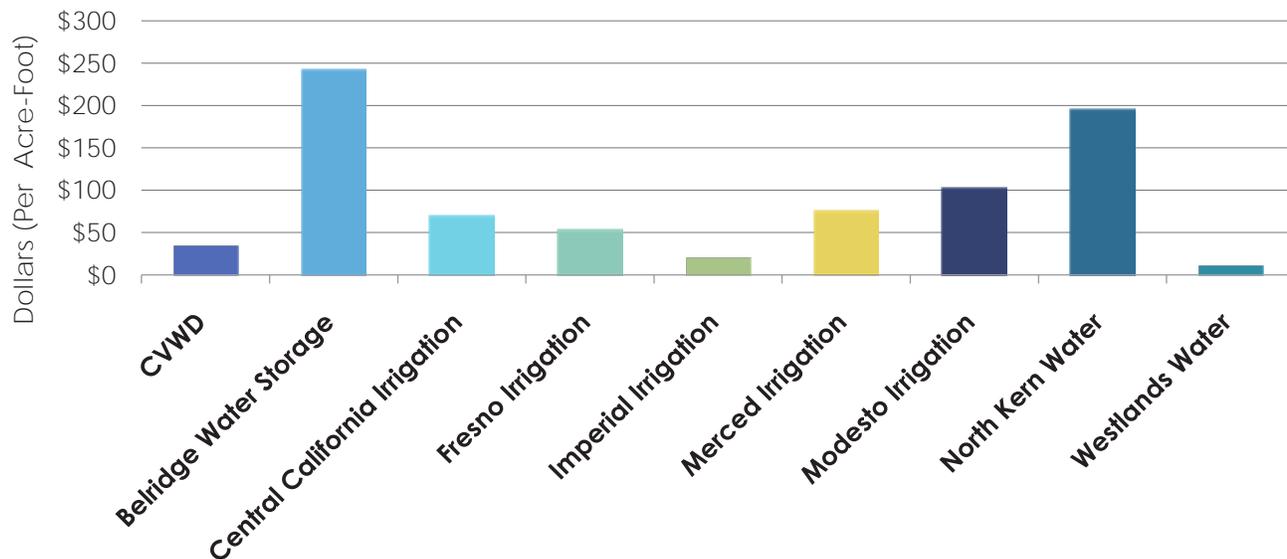
Service (Per AF/Occurrence)	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Irrigation Water Commodity Charge: Agriculture	\$34.32	\$34.32	\$34.32	\$34.32	\$34.32
Irrigation Water Commodity Charge: Non-Agriculture*	34.32	34.32	34.32	34.32	34.32
Construction Water Commodity Charge*	47.41	47.41	47.41	51.33	51.33
Water Supply Surcharge	67.80	67.80	67.80	67.80	67.80
Quagga Mussel Surcharge	2.78	2.78	2.78	3.18	3.63
Outside ID 1 Surcharge (\$/acre/month)	3.69	3.69	3.69	3.92	4.17
Oasis Surcharge	-	-	-	-	59.26
Gate Charge - Scheduled	16.66	16.66	16.66	19.80	23.53
Gate Charge - Unscheduled	33.32	33.32	33.32	39.60	47.07

\* All Non-Agriculture and Construction Water customers pay the Irrigation Water Commodity Charge and the Water Supply Surcharge.

### Canal Rate Comparison

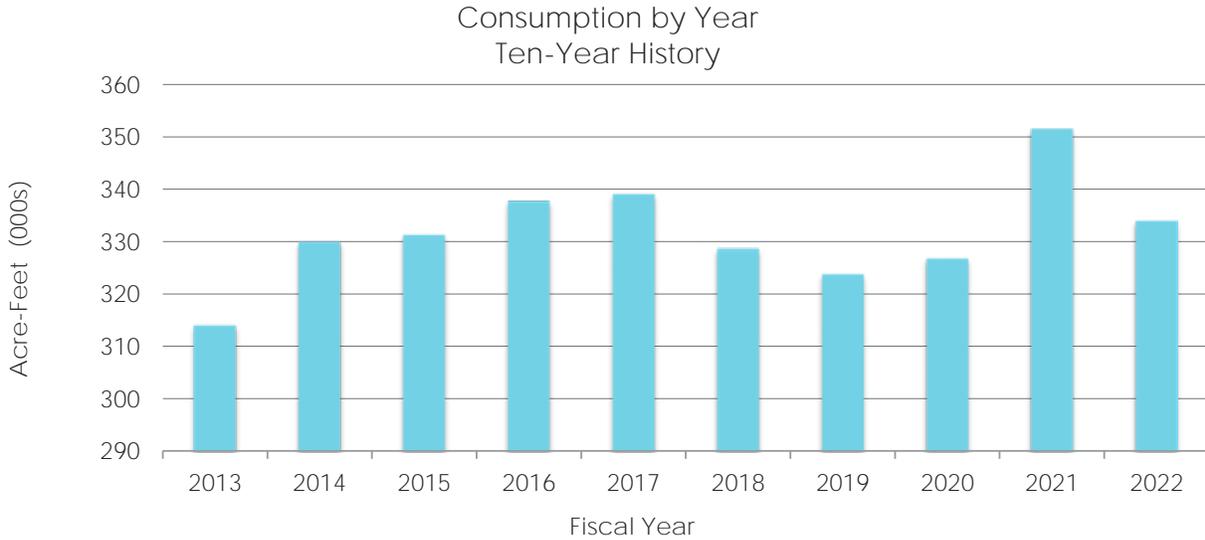
The graph below shows the District’s agriculture rate, as compared to other irrigation districts in California. The District’s rate is among the lowest in the state. This is due in part to the large amount of Colorado River water received at no cost. Imperial Irrigation is the only other district on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

Agriculture Water Rate Comparison



**Consumption**

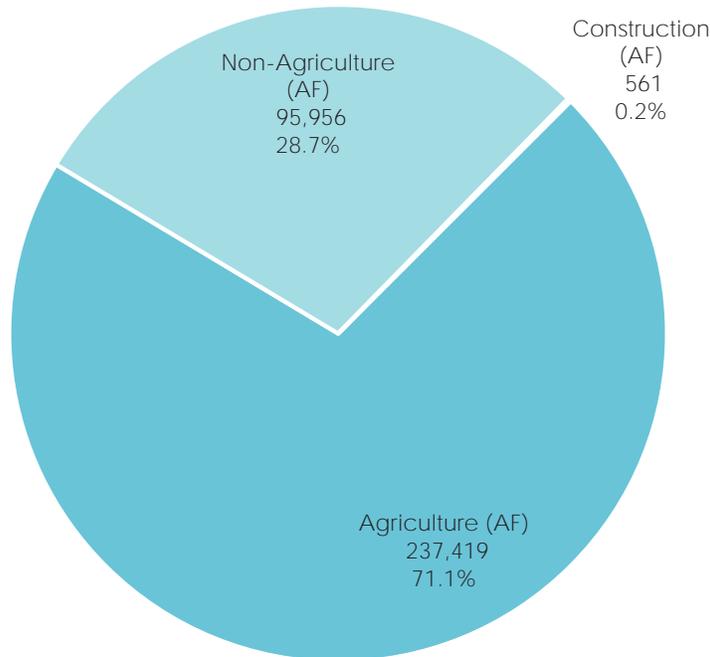
Total consumption in fiscal year 2022 was 333,936 af compared to 351,452 af in fiscal year 2021, a 5% decrease, as shown in the chart the below.



Class 1 Agriculture customers consumed the largest amount of Canal water, at 237,419 af in fiscal year 2022, reflecting the longstanding reliance on this resource.

**Fiscal Year 2022 Consumption by Rate Class**

**333,936 Acre-Feet**



## Strategic Initiatives

The District has continued to complete initiatives identified in the Strategic Plan, which was adopted by the Board on May 26, 2020.

## Water Supply Sustainability

**SG 3.06:** Evaluate, design, and construct a 4.9 mile mid-canal reservoir to store 500 af of canal water to provide for greater operational flexibility. Work has continued with SDCWA and SLR parties for cost sharing and funding agreements.

Canal Water Fund	FY 2021 Actual	FY 2022 Actual*	FY 2022 Budget	FY 2023 Budget	Budget Change	% Change
<b>Revenues</b>						
Water Sales	\$ 17,666,601	\$ 16,983,313	\$ 17,843,267	\$ 18,986,001	\$ 1,142,734	6.4%
Availability Charges	2,017,748	2,065,963	2,000,000	2,000,000	-	-
Surcharges	1,079,281	1,161,897	1,198,000	2,156,694	958,694	80.0%
Property Taxes - General	13,004,251	11,317,404	11,083,000	11,656,926	573,926	5.2%
Charges for Services	1,199,843	1,366,453	1,535,000	1,378,911	(156,089)	-10.2%
Intergovernmental	1,924,473	978,059	1,700,000	1,700,000	-	-
Investment Income	1,050,783	571,898	987,586	423,885	(563,701)	-57.1%
Other Revenue	86,048	48,444	5,000	5,000	-	-
<b>Total Revenues</b>	<b>\$ 38,029,029</b>	<b>\$ 34,493,431</b>	<b>\$ 36,351,853</b>	<b>\$ 38,307,417</b>	<b>\$ 1,955,564</b>	<b>5.4%</b>
<b>Expenses</b>						
Salaries & Benefits (Net of Capitalized Labor)	\$ 11,195,225	\$ 11,439,774	\$ 12,452,990	\$ 13,413,358	\$ 960,368	7.7%
Supplies and Services	8,665,726	10,330,152	9,682,213	12,355,639	2,673,426	27.6%
Utilities	691,807	800,199	736,516	870,752	134,236	18.2%
Water Purchases	5,114,223	9,224,410	7,751,000	9,188,285	1,437,285	18.5%
Pass-Through (Contra Expense)	-	(4,889,935)	(1,800,000)	(2,120,000)	(320,000)	17.8%
Capital Outlay	26,159	3,298	1,274	3,688	2,414	189.5%
<b>Total Expenses</b>	<b>\$ 25,693,141</b>	<b>\$ 26,907,898</b>	<b>\$ 28,823,993</b>	<b>\$ 33,711,722</b>	<b>\$ 4,887,729</b>	<b>17.0%</b>
<b>Operating Income (Loss)</b>	<b>\$ 12,335,888</b>	<b>\$ 7,585,533</b>	<b>\$ 7,527,860</b>	<b>\$ 4,595,695</b>	<b>\$ (2,932,165)</b>	<b>-39.0%</b>
<b>Nonoperating Revenues (Expenses)</b>						
<b>Sources</b>						
Loan Proceeds	\$ -	\$ -	\$ -	\$ 4,750,000	\$ 4,750,000	-
Capital Improvement Reimbursements	2,490,970	(29,245)	-	1,887,500	1,887,500	-
Grant Revenue	38,442	11,555	-	-	-	-
<b>Uses</b>						
Capital Improvement Budget	(11,763,111)	(4,853,919)	(5,200,000)	(14,363,400)	(9,163,400)	176.2%
Contribution to Motorpool CIP	(304,209)	(28,091)	(336,830)	(552,852)	(216,022)	64.1%
Other Revenue (Expenses)	251,239	-	-	-	-	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>\$ (9,286,668)</b>	<b>\$ (4,899,701)</b>	<b>\$ (5,536,830)</b>	<b>\$ (8,278,752)</b>	<b>\$ (2,741,922)</b>	<b>49.5%</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>\$ 3,049,220</b>	<b>\$ 2,685,832</b>	<b>\$ 1,991,030</b>	<b>\$ (3,683,057)</b>	<b>\$ (5,674,087)</b>	<b>-285.0%</b>
<b>Beginning Reserve</b>	<b>\$ 51,522,762</b>	<b>\$ 54,571,982</b>	<b>\$ 54,571,982</b>	<b>\$ 57,257,813</b>	<b>\$ 2,685,832</b>	<b>4.9%</b>
<b>Ending Reserve</b>	<b>\$ 54,571,982</b>	<b>\$ 57,257,813</b>	<b>\$ 56,563,012</b>	<b>\$ 53,574,756</b>	<b>\$ (2,988,255)</b>	<b>-5.3%</b>
<b>Assigned Reserve</b>	<b>\$ 31,024,000</b>	<b>\$ 32,381,000</b>	<b>\$ 32,381,000</b>	<b>\$ 34,718,000</b>	<b>\$ 2,337,000</b>	<b>7.2%</b>
<b>Unassigned Reserve</b>	<b>\$ 23,547,982</b>	<b>\$ 24,876,813</b>	<b>\$ 24,182,012</b>	<b>\$ 18,856,756</b>	<b>\$ (5,325,255)</b>	<b>-22.0%</b>
* Unaudited						
<i>Days Cash on Hand</i>	<i>775</i>	<i>777</i>	<i>716</i>	<i>580</i>	<i>(136)</i>	<i>-19.0%</i>

**Budget Summary**

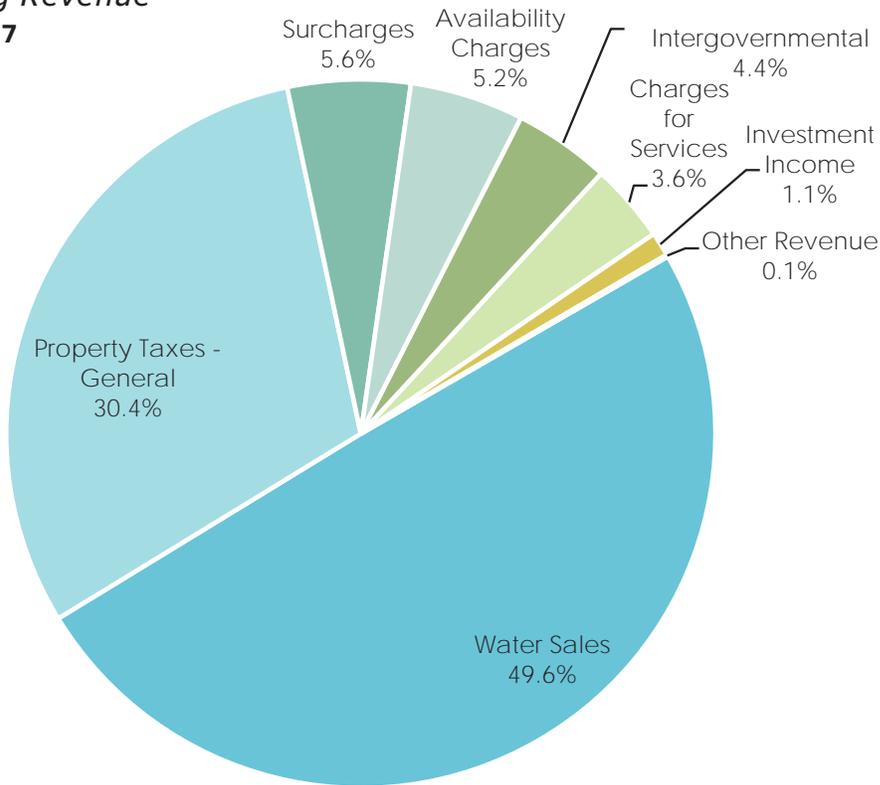
The Coachella Canal was completed over 74 years ago. As with all assets, proper maintenance and repair ensure reliable performance at the lowest operating cost. Underfunded canal systems lead to lost water, higher operating costs, and unreliable water deliveries. The replacement cost of the system, which includes the 123-mile Coachella Canal, 485 miles of distribution pipelines, and 2,298 miles of drainage, is estimated to be over \$1.6 billion. The District will be working on funding opportunities with USBR to finance needed repairs over the next few years.

Total revenues are budgeted at \$38.3 million, or 5.4% higher than the fiscal year 2022 budget. Water sales are projected to increase by 6.4% and surcharges are increasing by \$959,000 as customers begin to transition from well water to Canal water as the Oasis project reaches completion. Property tax revenues remain strong due to assessed value growth, and are estimated to be \$574,000 higher than the fiscal year 2022 budget. Total Operating expenses are budgeted at \$33.7 million, or 17% higher than fiscal year 2022. Salaries & benefits reflect increases in anticipated wage and benefits expenses, and supplies and services reflect increases in supply costs due to inflation. Pass-Through (Contra Expense) includes reimbursement revenues for ongoing projects related to the Coachella Canal Lining Project, shared costs with Desert Water Agency, and revenue the District receives for Canal underrun. The revenue received is treated as an offset to the expenditures. Contributions to the Motorpool Fund consists of \$553,000 to fund the purchase of vehicles or equipment related to the Canal fund. Ending reserves total \$53.6 million.

**Revenues**

Canal Water fund revenues total \$38.3 million, an increase of \$2 million from the fiscal year 2022 budget.

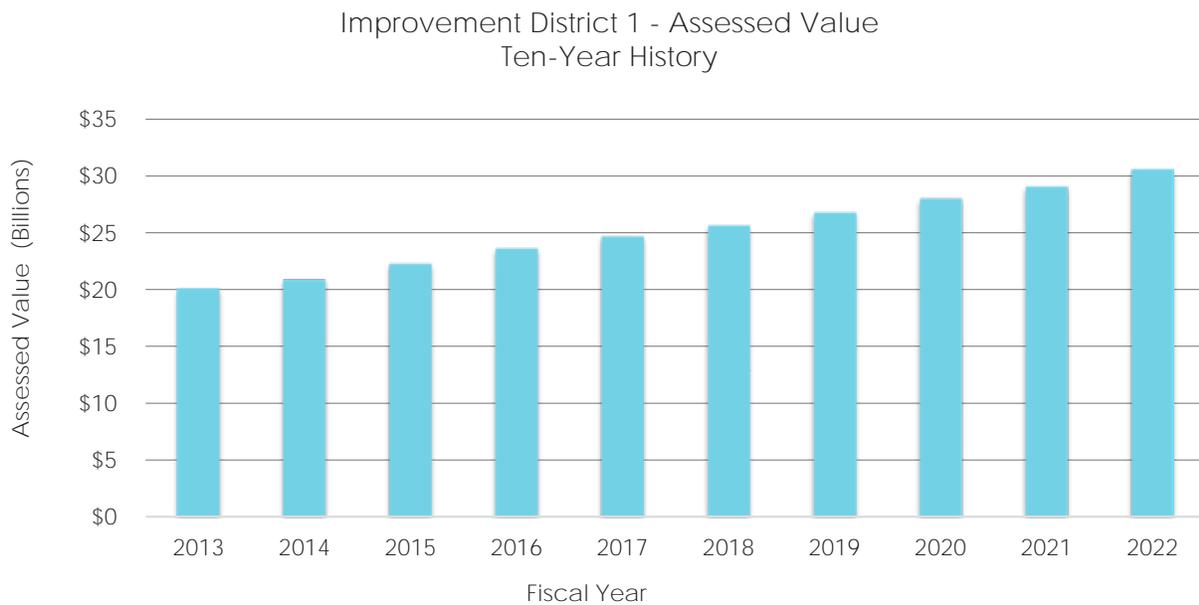
**Revenues**  
**Operating Revenue**  
**\$38,307,417**



**WATER SALES** are commodity sales, or the sale of water based on consumption in af (an acre-foot is equivalent to 325,851 gallons of water). Water sales represent 49.6% of the operating revenues, and are budgeted to increase by 6.4% for fiscal year 2023.

**PROPERTY TAXES** account for 30.4% of Canal fund revenues. Property tax revenue includes redevelopment revenues that represent pass-through agreements of former Redevelopment Agencies (RDAs), along with the District’s allocated share of the 1% Riverside and Imperial County secured property tax levy pursuant to the California Revenue and Taxation Code.

The following graph details the growth in assessed value for ID 1 over the past 10 years.



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

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

The revenues collected from the ID 1 tax are based on the assessed value of all properties within the improvement district boundary. The ID 1 boundary is shown on the following map.



*Improvement District 1 Boundaries*

**SURCHARGES** total \$2.2 million for fiscal year 2023 and represent 5.6% of total revenues. Surcharge revenues include Quagga, Outside ID 1, and Oasis surcharge revenue. The Quagga surcharge is \$3.63 per af of water purchased from the Canal Fund while the Outside ID 1 surcharge is a per acre charge of \$4.17 per acre per month. The Oasis surcharge is for customers using Canal water as part of the Oasis project, and is \$59.26 per af.

**AVAILABILITY CHARGES** are budgeted at \$2 million, and account for 5.2% of Canal fund revenues. The District levies an annual per-acre charge on all parcels or groups of parcels located in ID 1 that can be served with canal water.

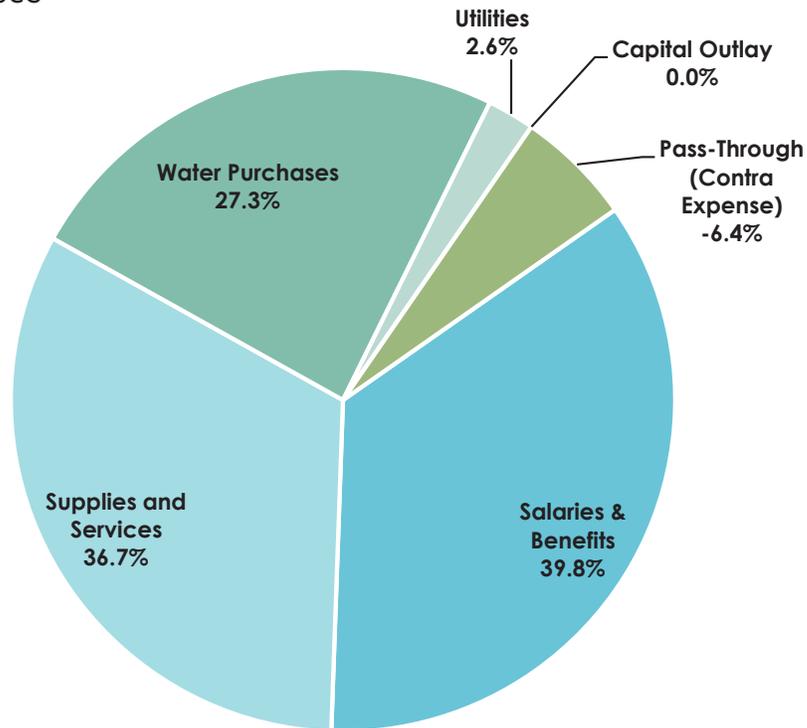
The per-acre charge is the Class 1 rate multiplied by 3.8, which is the 10-year average water demand per acre. The charge can be satisfied each year in one of three ways: (1) by paying the amount of the levy in full, (2) by paying water service charges equal to or in excess of the levy for that parcel, or (3) in the event water service charges are less than the amount of the levy, by paying the difference. This revenue source can be difficult to estimate due to the variability of water use from year to year. In effect, the charge is a standby fee or take-or-pay fee to require those who benefit from the District's maintenance of facilities to supply canal water to pay for that benefit.

**INVESTMENT INCOME** is budgeted at \$424,000 and represents 1.1% of total Canal operating revenues. Interest income is based on the cash balance in the fund and the interest generated by the combined investments of the District.

## Expenses

### Operating Expenses

\$33,711,722



**SALARIES & BENEFITS (NET OF CAPITALIZED LABOR)** totals \$13.4 million, an increase of \$960,000 compared to fiscal year 2022. This increase reflects the impacts of higher cost of living and benefit increases.

**SUPPLIES & SERVICES** are budgeted at \$12.4 million, a 27.6% increase from the fiscal year 2022 budget. The increase is primarily due to an increase in chemical treatment costs and contract services for fiscal year 2022.

**WATER PURCHASES** are budgeted at \$9.2 million, an increase of \$1.4 million from the fiscal year 2022 budget, but consistent with actual costs for fiscal year 2022.

**UTILITIES** are budgeted at \$871,000, an increase of \$134,000 over fiscal year 2022 due to increased energy costs.

### Capital Improvements

There are \$14.4 million in capital improvements budgeted for fiscal year 2023. Projects include \$700,000 for the L-4 Pump Station Relocation Project, \$8.6 million for irrigation lateral replacements, \$1.9 million for the mid-canal reservoir project, \$1 million in drainage projects, \$500,000 for CCLP projects, and \$1.7 million for the Canal fund’s share of General District projects.

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

### Five-Year Forecast

The District completed a comprehensive Cost of Service Study (COSS) for the Canal Water fund in fiscal year 2021, and established maximum Proposition 218 rate increases for fiscal years 2022 through 2026. The Board has the ability to adopt rates up to the maximum rate each year as part of the budget process. Based on fiscal year 2022 performance and projected ending reserves, the Board elected to hold water rates at the fiscal year 2022 level with no increase for fiscal year 2023. The Board did authorize increases to surcharge and gate charges, as those rates were designed to achieve full cost recovery over a three-year period as provided in the cost of service study.

The five-year forecast includes rate assumptions based on anticipated expenditures, and reflects the balance of ensuring positive operating income for the long-term, maintaining coverage for potential future debt, and drawing down unassigned reserves over time to the assigned reserve target. Projected rates are based on current assumptions, and will be revised during the next budget process. The following table compares the projected forecast rates to the Proposition 218 maximum rates.

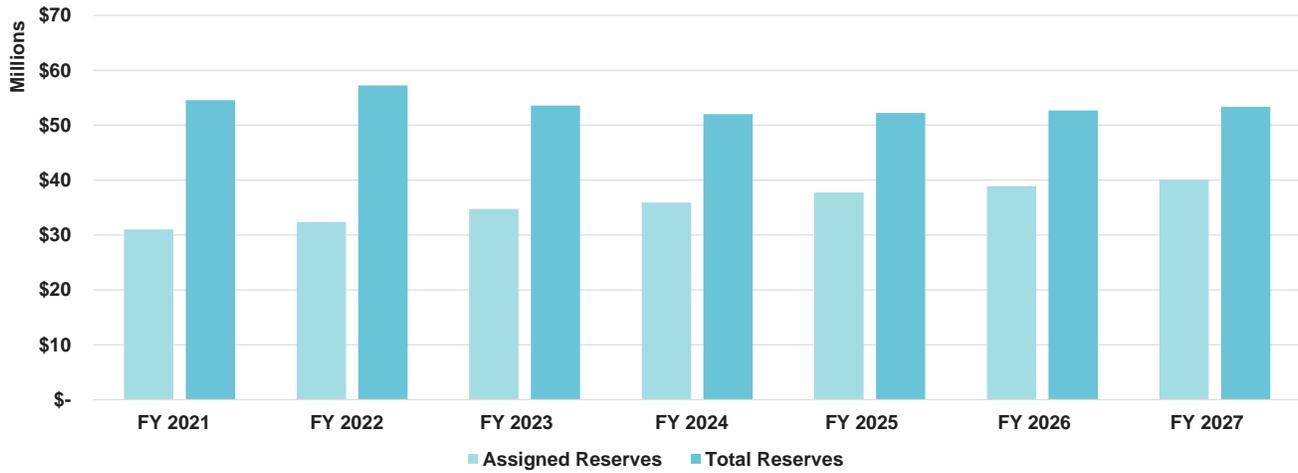
Forecast Rate Comparison Canal (Per AF/Occurrence)	FY 2023 Rate	Change %	FY 2024 Rate	Change %	FY 2025 Rate	Change %	FY 2026 Rate	Change %	FY 2027* Rate	Change %
<b>Proposition 218 Maximum Rates</b>										
Irrigation Water Commodity Charge	\$ 35.21	2.6%	\$ 36.13	2.6%	\$ 37.07	2.6%	\$ 38.03	2.6%	\$ 38.03	0.0%
Water Supply Surcharge	69.56	2.6%	71.37	2.6%	73.23	2.6%	75.13	2.6%	75.13	0.0%
Construction Water Commodity Charge	53.81	4.8%	55.52	3.2%	57.26	3.1%	58.77	2.6%	58.77	0.0%
Quagga Mussel Surcharge	3.63	14.2%	4.15	14.3%	4.22	1.7%	4.31	2.1%	4.31	0.0%
Outside ID-1 Surcharge (\$/acre/month)	4.17	6.4%	4.43	6.2%	4.52	2.0%	4.62	2.2%	4.62	0.0%
Oasis Surcharge	59.26	0.0%	59.26	0.0%	59.26	0.0%	59.26	0.0%	59.26	0.0%
Scheduled Gate Visits	23.53	18.8%	27.97	18.9%	29.60	5.8%	31.36	5.9%	31.36	0.0%
Unscheduled Gate Visits	47.07	18.9%	55.95	18.9%	59.20	5.8%	62.71	5.9%	62.71	0.0%
<b>Forecast Projected Rates</b>										
Irrigation Water Commodity Charge	\$ 34.32	0.0%	\$ 34.32	0.0%	\$ 36.72	7.0%	\$ 38.01	3.5%	\$ 39.34	3.5%
Water Supply Surcharge	67.80	0.0%	67.80	0.0%	72.55	7.0%	75.09	3.5%	77.71	3.5%
Construction Water Commodity Charge	51.33	0.0%	51.33	0.0%	54.92	7.0%	56.85	3.5%	58.83	3.5%
Quagga Mussel Surcharge	3.63	14.2%	4.15	14.3%	4.22	1.7%	4.31	2.1%	4.46	3.5%
Outside ID-1 Surcharge (\$/acre/month)	4.17	6.4%	4.43	6.2%	4.52	2.0%	4.62	2.2%	4.78	3.5%
Oasis Surcharge	59.26	0.0%	59.26	0.0%	59.26	0.0%	59.26	0.0%	59.26	0.0%
Scheduled Gate Visits	23.53	18.8%	27.97	18.9%	29.00	3.7%	29.90	3.1%	30.77	2.9%
Unscheduled Gate Visits	47.07	18.9%	55.95	18.9%	58.02	3.7%	59.82	3.1%	61.55	2.9%

\* Proposition 218 Rates are only adopted through FY 2026.

Other revenues, including property tax revenue and availability charges, are expected to grow by approximately 2% to 3% during the forecast period. Operating expenses are forecasted to grow at approximately 5.5% per year. Salaries and benefits increase at a rate of 4% to 5% due to expected cost of living and merit increases. Water purchases increase at an average rate of 5%, with a larger increase in fiscal year 2025 as the Canal underrun revenue (contra expense) the District receives is reduced due to higher expected use for replenishment. The Canal fund is expected to receive a USBR loan for future capital projects, and estimated debt service payments begin in fiscal year 2024.

Canal Water Fund Five-Year Forecast	FY 2023 Budget	FY 2024	FY 2025	FY 2026	FY 2027
		Forecast			
<b>Revenues</b>					
Water Sales	\$ 18,986,001	\$ 19,446,801	\$ 21,410,402	\$ 22,254,784	\$ 23,033,702
Availability Charges	2,000,000	2,060,000	2,121,800	2,185,454	2,251,018
Surcharges	2,156,694	2,649,255	3,014,350	3,228,459	3,322,084
Property Taxes - General	11,656,926	11,890,065	12,127,866	12,370,423	12,617,831
Charges for Services	1,378,911	1,639,095	1,699,742	1,752,434	1,803,254
Intergovernmental	1,700,000	1,751,000	1,803,530	1,857,636	1,913,365
Investment Income	423,885	535,748	650,113	783,302	1,054,238
Other Revenue	5,000	5,150	5,305	5,464	5,628
<b>Total Revenues</b>	<b>\$ 38,307,417</b>	<b>\$ 39,977,114</b>	<b>\$ 42,833,108</b>	<b>\$ 44,437,956</b>	<b>\$ 46,001,120</b>
<b>Expenses</b>					
Salaries & Benefits (Net of Capitalized Labor)	\$ 13,413,358	\$ 14,071,809	\$ 14,802,967	\$ 15,515,209	\$ 16,222,629
Supplies and Services	12,355,639	12,818,387	13,226,383	13,577,557	13,938,405
Utilities	870,752	940,412	1,015,641	1,096,891	1,184,638
Water Purchases	9,188,285	9,634,195	10,628,059	10,929,263	11,202,494
Pass-Through (Contra Expense)	(2,120,000)	(2,120,000)	(820,000)	(820,000)	(820,000)
Capital Outlay	3,688	3,872	4,066	4,270	4,484
<b>Total Expenses</b>	<b>\$ 33,711,722</b>	<b>\$ 35,348,675</b>	<b>\$ 38,857,116</b>	<b>\$ 40,303,190</b>	<b>\$ 41,732,650</b>
<b>Operating Income (Loss)</b>	<b>\$ 4,595,695</b>	<b>\$ 4,628,439</b>	<b>\$ 3,975,992</b>	<b>\$ 4,134,766</b>	<b>\$ 4,268,470</b>
<b>Nonoperating Revenues (Expenses)</b>					
<b>Sources</b>					
Loan Proceeds	\$ 4,750,000	\$ 4,048,000	\$ 9,965,000	\$ 8,990,000	\$ 4,997,000
Capital Improvement Reimbursements	1,887,500	6,162,500	-	50,000	1,000,000
<b>Uses</b>					
Debt Service - External	-	(2,657,000)	(2,657,000)	(2,657,000)	(2,657,000)
Capital Improvement Budget	(14,363,400)	(13,181,050)	(10,510,050)	(9,446,250)	(6,403,250)
Contribution to Motorpool CIP	(552,852)	(566,629)	(562,851)	(579,739)	(566,629)
<b>Total Nonoperating Revenues (Expenses)</b>	<b>\$ (8,278,752)</b>	<b>\$ (6,194,179)</b>	<b>\$ (3,764,901)</b>	<b>\$ (3,642,989)</b>	<b>\$ (3,629,879)</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>\$ (3,683,057)</b>	<b>\$ (1,565,740)</b>	<b>\$ 211,091</b>	<b>\$ 491,777</b>	<b>\$ 638,591</b>
<b>Beginning Reserve</b>	<b>\$ 57,257,813</b>	<b>\$ 53,574,756</b>	<b>\$ 52,009,017</b>	<b>\$ 52,220,107</b>	<b>\$ 52,711,884</b>
<b>Ending Reserve</b>	<b>\$ 53,574,756</b>	<b>\$ 52,009,017</b>	<b>\$ 52,220,107</b>	<b>\$ 52,711,884</b>	<b>\$ 53,350,475</b>
<b>Assigned Reserve</b>	<b>\$ 34,718,000</b>	<b>\$ 35,908,629</b>	<b>\$ 37,756,851</b>	<b>\$ 38,922,739</b>	<b>\$ 40,071,629</b>
<b>Unassigned Reserve</b>	<b>\$ 18,856,756</b>	<b>\$ 16,100,388</b>	<b>\$ 14,463,256</b>	<b>\$ 13,789,145</b>	<b>\$ 13,278,847</b>
<i>Days Cash on Hand</i>	<i>580</i>	<i>537</i>	<i>491</i>	<i>477</i>	<i>467</i>

District Reserves - Canal Water Fund

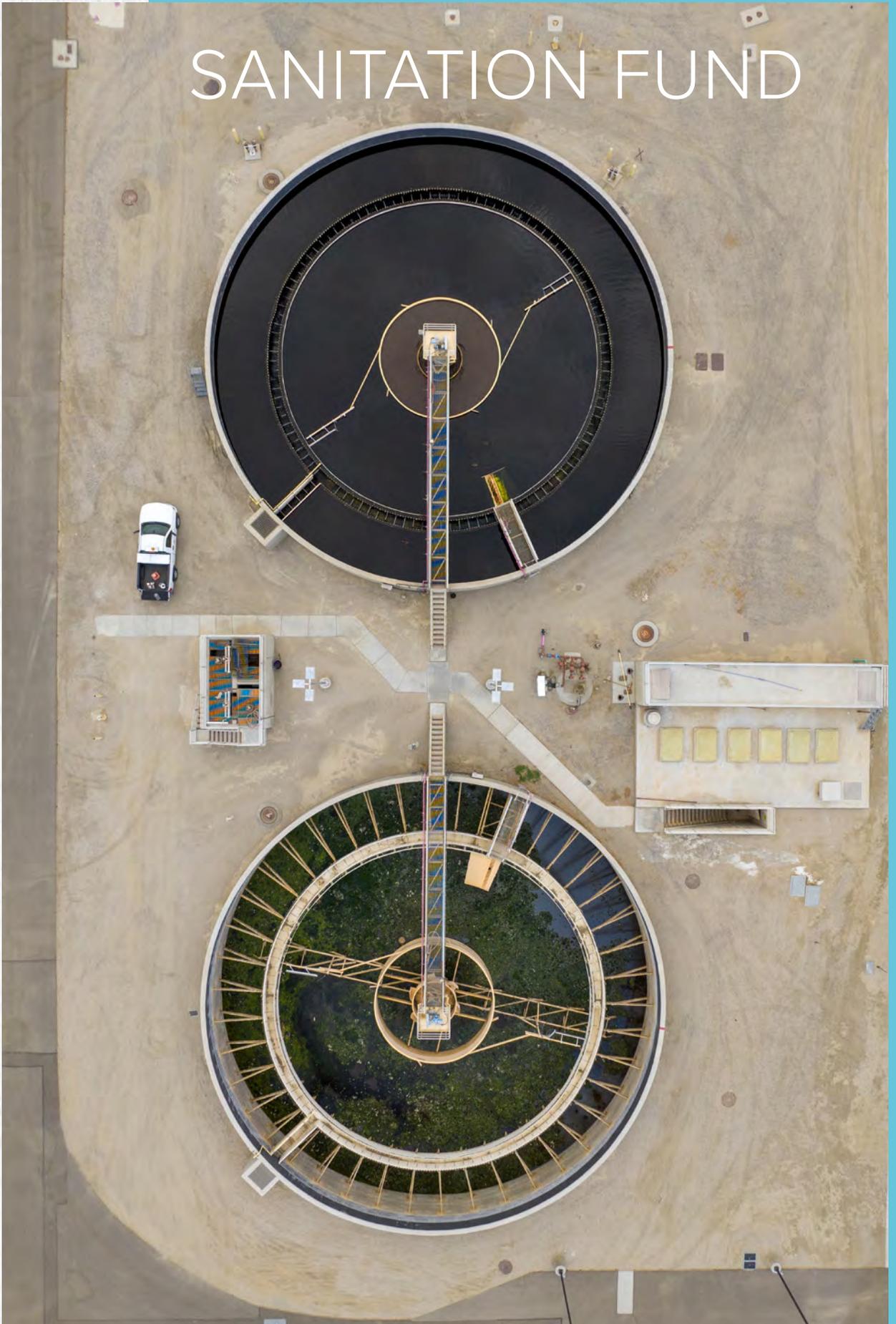


Reserve Type	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
	Actual	Actual*	Budget	Forecast			
Assigned Reserves	\$ 31,024,000	\$ 32,381,000	\$ 34,718,000	\$ 35,908,629	\$ 37,756,851	\$ 38,922,739	\$ 40,071,629
Unassigned Reserves	23,547,982	24,876,813	18,856,756	16,100,388	14,463,256	13,789,145	13,278,847
<b>Total Reserves</b>	<b>\$ 54,571,982</b>	<b>\$ 57,257,813</b>	<b>\$ 53,574,756</b>	<b>\$ 52,009,017</b>	<b>\$ 52,220,107</b>	<b>\$ 52,711,884</b>	<b>\$ 53,350,475</b>

Assigned Reserves by Type	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
	Actual	Actual*	Budget	Forecast			
Operating	\$ 7,256,000	\$ 7,174,000	\$ 8,427,000	\$ 8,836,000	\$ 9,713,000	\$ 10,075,000	\$ 10,432,000
Rate Stabilization	2,783,000	2,870,000	3,371,000	3,534,000	3,885,000	4,030,000	4,173,000
Capital	2,089,000	2,184,000	2,184,000	2,184,000	2,184,000	2,184,000	2,184,000
Emergency	18,470,000	19,595,000	20,183,000	20,788,000	21,412,000	22,054,000	22,716,000
Vehicle	426,000	558,000	553,000	566,629	562,851	579,739	566,629
<b>Total Assigned Reserves</b>	<b>\$ 31,024,000</b>	<b>\$ 32,381,000</b>	<b>\$ 34,718,000</b>	<b>\$ 35,908,629</b>	<b>\$ 37,756,851</b>	<b>\$ 38,922,739</b>	<b>\$ 40,071,629</b>

\* Unaudited

# SANITATION FUND



**Background**

CVWD began wastewater collections and treatment services in 1968. The Sanitation Fund provides sanitation (sewer) service to approximately 98,000 accounts, serving an estimated population of 240,000. CVWD operates five wastewater reclamation plants (WRPs, plants) with a total combined plant capacity of 33.1 million gallons per day. The average daily flow of wastewater to the five plants is 16.66 million gallons. The District has the capacity at its reclamation plants to increase wastewater treatment as the Valley’s population grows. CVWD also maintains 1,162 miles of collection piping systems and 28 lift stations. Today, Coachella Valley Water District recycles about 3 billion gallons of wastewater each year.

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

Recycled water is a safe alternative to potable water when the guidelines are followed and it is used for its intended purpose. Recycled water must meet strict water quality standards outlined in Title 22, Chapter 3, Division 4, of the California Code of Regulations. In order to make sure that CVWD’s reclamation plants are meeting Title 22 standards, a recycled water sample is collected each day and analyzed for total coliform bacteria. Also, chlorine residual, modal contact time, and turbidity are continuously monitored. Every gallon of recycled water used for outdoor irrigation saves precious groundwater for potable use by domestic customers.

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

**FY 2022 Wastewater Reclamation Plant Efficiencies**

Plant		Influent	Effluent	% Removed
WRP 4	TSS	2,822	330	88.3%
	BOD	2,191	140	93.6%
WRP 7	TSS	3,770	58	98.4%
	BOD	2,669	22	99.2%
WRP 10	TSS	5,074	60	98.8%
	BOD	2,918	38	98.7%
<b>Total</b>	<b>TSS</b>	<b>11,666</b>	<b>448.1</b>	<b>96.2%</b>
	<b>BOD</b>	<b>7,779</b>	<b>199.7</b>	<b>97.4%</b>

**Sewer Rates**

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

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

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

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

All residential and rv/trailer park customers are charged one service charge unit per dwelling unit. Nonresidential customers are charged one service charge per equivalent sewer unit. ESU values are assigned to nonresidential customers based on 90% of their average daily water usage over the previous three years.

The District completed a comprehensive Cost of Service Study (COSS) for the Sanitation fund in fiscal year 2022, with new rates adopted for fiscal year 2023. The following table outlines the rates that are in effect for fiscal year 2023.

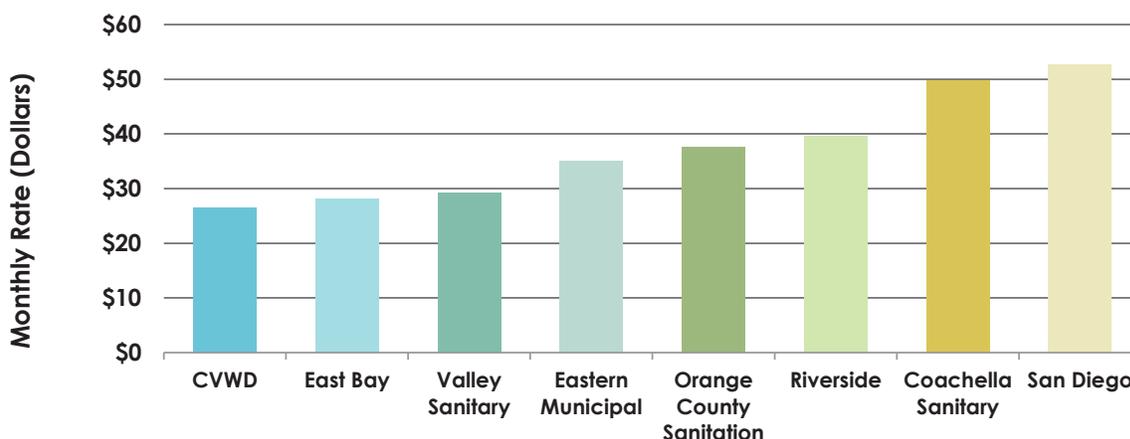
FY 2023 Monthly Sewer Rates

Customer Class	Account Charge	Service Charge per ESU
Residential	\$1.55	\$24.98
RV/Trailer Parks	\$4.53	\$24.98
Nonresidential	\$4.53	\$24.98

### Sewer Rate Comparison

Residential customers receive their sanitation charges on their property tax bill. The charges are for one ESU and one monthly account charge multiplied by twelve. The District’s residential sanitation rates remain the lowest when compared to other providers, as shown in the graph below.

Residential Sewer Rate Comparison



Sanitation Fund	FY 2021 Actual	FY 2022 Actual*	FY 2022 Budget	FY 2023 Budget	Budget Change	% Change
<b>Revenues</b>						
Sanitation Service Fees	\$ 39,591,523	\$ 40,246,015	\$ 40,347,000	\$ 42,548,422	\$ 2,201,422	5.5%
Availability Charges	62,018	55,734	80,000	81,680	1,680	2.1%
Property Taxes - General	2,180,725	2,315,398	2,224,000	2,384,860	160,860	7.2%
Charges for Services	237,851	491,483	206,500	111,289	(95,211)	-46.1%
Investment Income	1,260,711	633,913	1,129,361	479,614	(649,747)	-57.5%
Other Revenue	224,739	188,268	-	-	-	-
<b>Total Revenues</b>	<b>\$ 43,557,567</b>	<b>\$ 43,930,812</b>	<b>\$ 43,986,861</b>	<b>\$ 45,605,865</b>	<b>\$ 1,619,004</b>	<b>3.7%</b>
<b>Expenses</b>						
Salaries & Benefits (Net of Capitalized Labor)	\$ 19,317,132	\$ 20,621,922	\$ 21,570,848	\$ 23,607,069	\$ 2,036,221	9.4%
Supplies and Services	9,920,740	10,878,486	10,904,378	12,229,439	1,325,061	12.2%
Utilities	5,042,304	5,241,051	5,072,921	5,419,234	346,313	6.8%
Pass-Through (Contra Expense)	-	-	-	(665,000)	(665,000)	-
Capital Outlay	274,491	18,924	71,285	72,867	1,582	2.2%
<b>Total Expenses</b>	<b>\$ 34,554,667</b>	<b>\$ 36,760,384</b>	<b>\$ 37,619,432</b>	<b>\$ 40,663,609</b>	<b>\$ 3,044,177</b>	<b>8.1%</b>
<b>Operating Income (Loss)</b>	<b>\$ 9,002,900</b>	<b>\$ 7,170,428</b>	<b>\$ 6,367,429</b>	<b>\$ 4,942,256</b>	<b>\$ (1,425,173)</b>	<b>-22.4%</b>
<b>Nonoperating Revenues (Expenses)</b>						
<b>Sources</b>						
Loan Proceeds	\$ -	\$ -	\$ 18,088,000	\$ 8,821,800	\$ (9,266,200)	-51.2%
Capital Improvement Reimbursements	10,242	18,470	-	-	-	-
Use of Restricted Funds	1,686,852	1,297,500	1,297,500	5,766,200	4,468,700	344.4%
Grant Revenue	335,075	5,236,907	1,275,000	5,484,250	4,209,250	330.1%
<b>Uses</b>						
Debt Service - External	-	-	(1,301,000)	(1,986,045)	(685,045)	52.7%
Capital Improvement Budget	(23,779,004)	(27,214,996)	(33,934,723)	(37,621,145)	(3,686,422)	10.9%
Contribution to Motorpool CIP	(622,353)	(2,059)	(243,911)	(245,788)	(1,877)	0.8%
Other Revenue (Expenses)	1,028,905	-	-	-	-	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>\$ (21,340,283)</b>	<b>\$ (20,664,179)</b>	<b>\$ (14,819,134)</b>	<b>\$ (19,780,728)</b>	<b>\$ (4,961,594)</b>	<b>33.5%</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>\$ (12,337,383)</b>	<b>\$ (13,493,751)</b>	<b>\$ (8,451,705)</b>	<b>\$ (14,838,472)</b>	<b>\$ (6,386,767)</b>	<b>75.6%</b>
<b>Beginning Reserve</b>	<b>\$ 84,763,082</b>	<b>\$ 72,425,699</b>	<b>\$ 72,425,699</b>	<b>\$ 58,931,949</b>	<b>\$ (13,493,751)</b>	<b>-18.6%</b>
<b>Ending Reserve</b>	<b>\$ 72,425,699</b>	<b>\$ 58,931,949</b>	<b>\$ 63,973,994</b>	<b>\$ 44,093,477</b>	<b>\$ (19,880,518)</b>	<b>-31.1%</b>
<b>Assigned Reserve</b>	<b>\$ 29,521,000</b>	<b>\$ 34,183,000</b>	<b>\$ 34,183,000</b>	<b>\$ 24,378,000</b>	<b>\$ (9,805,000)</b>	<b>-28.7%</b>
<b>Unassigned Reserve</b>	<b>\$ 42,904,699</b>	<b>\$ 24,748,949</b>	<b>\$ 29,790,994</b>	<b>\$ 19,715,477</b>	<b>\$ (10,075,518)</b>	<b>-33.8%</b>
<i>* Unaudited</i>						
<i>Days Cash on Hand</i>	<i>765</i>	<i>585</i>	<i>621</i>	<i>396</i>	<i>(225)</i>	<i>-36.2%</i>

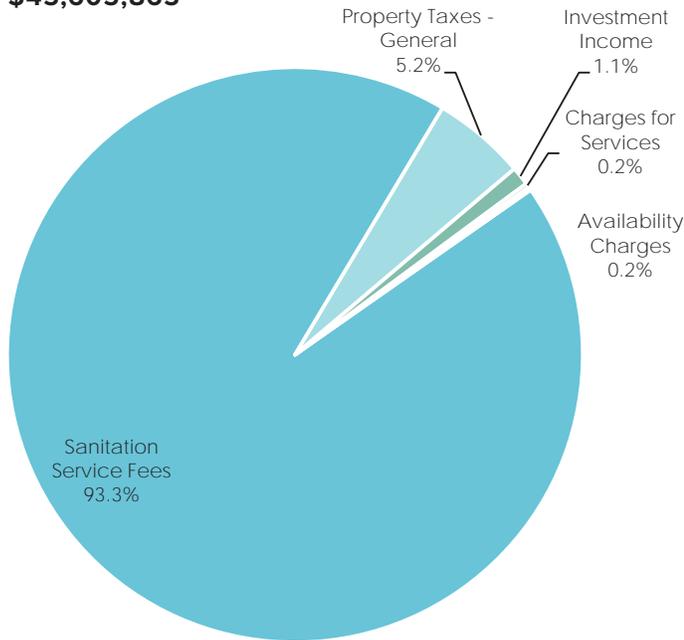
### Budget Summary

Total revenues for fiscal year 2023 are budgeted at \$45.6 million, which is a \$1.6 million increase from the fiscal year 2022 budget. Rate increases adopted by the Board as part of the cost of service study are reflected in the budget.

Expenses for fiscal year 2023 are budgeted at \$40.7 million, which is an 8.1% increase over fiscal year 2022. Salaries & benefits reflect a 9.4% increase, and supplies and services reflect a 12.2% increase due to increased costs.

Reserves are budgeted at \$44.1 million, a decrease of \$19.9 million compared to fiscal year 2022 due to planned use of reserves for capital projects.

**Revenues**  
**Operating Revenue**  
**\$45,605,865**



**Revenues**

Sanitation fund revenues total \$45.6 million, which is a 3.7% increase from fiscal year 2022. The chart shows a breakdown by type.

**SANITATION SERVICE FEES** are budgeted at \$42.5 million and represent 93.3% of total operating revenues. Sanitation service fees are charged to residential customers as a flat monthly rate. The District places the annual residential sewer charges on the tax roll rather than sending a monthly bill to residential customers. The revenues are transmitted to the District by Riverside County in January and May, and by Imperial County five times throughout the year. Residential sanitation service revenues include the new rates adopted by the Board for fiscal year 2023.

**PROPERTY TAXES** account for 5.2% of operating revenues, and are projected to increase in fiscal 2023 based on the expected increase in assessed value.

**INVESTMENT INCOME** is budgeted at \$480,000, and represents 1.1% of total Sanitation operating revenues. Interest income is based on the cash balance in the fund and the interest generated by the combined investments of the District.

**Expenses**

Budgeted expenses for the Sanitation Fund total \$40.7 million, which is an 8.1% increase from the fiscal year 2022 budget. The chart shows a breakdown of expenses by type.

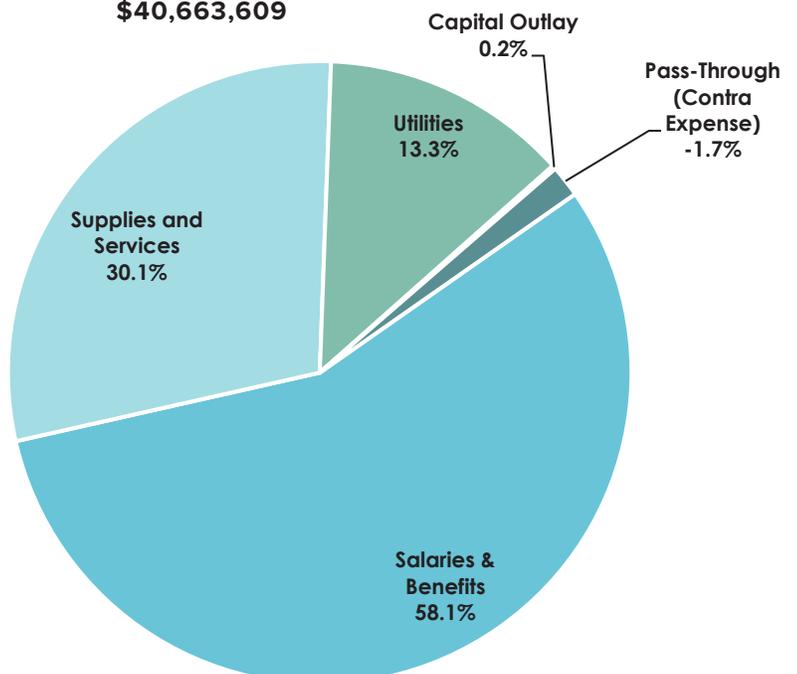
**SALARIES & BENEFITS** total \$23.6 million, or 58.4% of budgeted expenditures, and reflect an increase of 9.4% due to anticipated increases in cost of living increases and benefits.

**SUPPLIES & SERVICES** are budgeted at \$12.2 million, an increase of \$1.3 million over fiscal year 2022, reflecting higher costs due to inflationary pressures.

**UTILITIES** are budgeted at \$5.4 million, an increase of 6.8%, due to increases in utility rates for fiscal year 2023.

**CAPITAL OUTLAY** is budgeted at \$73,000, or a 2.2% increase compared to the prior year.

**Expenses**  
**Operating Expenses**  
**\$40,663,609**



**Sanitation Restricted Funds**

Sanitation Capacity Charge (SCC) Collection and Treatment fees are assessed on all new development and connections of existing residential units, and upgrades of existing commercial units within the District’s sanitation system service area. These funds are restricted for constructing backbone facilities for collection and treatment of wastewater that provide additional capacity to the enterprise. The fiscal year 2023 capital program requires the use of \$5.7 million of these restricted funds.

**Five-Year Forecast**

The District completed a comprehensive Cost of Service Study (COSS) for the Sanitation fund in fiscal year 2022, and established maximum Proposition 218 rate increases for fiscal years 2023 through 2027. The Board adopted the recommended rates for fiscal year 2023.

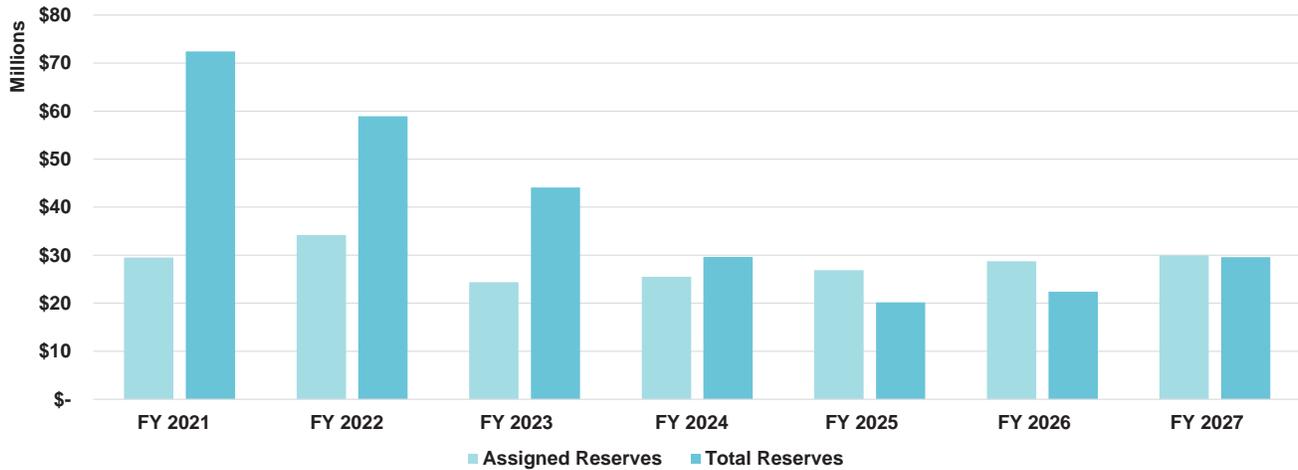
The five-year forecast includes rate assumptions based on anticipated expenditures, and reflects the balance of ensuring positive operating income for the long-term, maintaining coverage for anticipated future debt, and drawing down unassigned reserves over time to the assigned reserve target. Projected rates are based on current assumptions, and will be revised during the next budget process. The following table compares the projected forecast rates to the Proposition 218 maximum rates for a typical Sanitation residential customer.

Forecast Rate Comparison Sanitation Residential Customer	FY 2023 Rate	Monthly Charge	FY 2024 Rate	Monthly Charge	FY 2025 Rate	Monthly Charge	FY 2026 Rate	Monthly Charge	FY 2027 Rate	Monthly Charge
<b>Proposition 218 Maximum Rates</b>										
Residential Fixed Account Charge	\$ 1.55	\$ 1.55	\$ 1.69	\$ 1.69	\$ 1.73	\$ 1.73	\$ 1.91	\$ 1.91	\$ 2.07	\$ 2.07
Equivalent Sewer Unit (ESU)	24.98	24.98	27.10	27.10	29.48	29.48	31.96	31.96	34.68	34.68
<b>Total Monthly Sanitation Charge</b>		<b>\$ 26.53</b>		<b>\$ 28.79</b>		<b>\$ 31.21</b>		<b>\$ 33.87</b>		<b>\$ 36.75</b>
Year-Over-Year % Change		7.8%		8.5%		8.4%		8.5%		8.5%
<b>Forecast Projected Rates</b>										
Residential Fixed Account Charge	\$ 1.55	\$ 1.55	\$ 1.69	\$ 1.69	\$ 1.73	\$ 1.73	\$ 2.11	\$ 2.11	\$ 2.26	\$ 2.26
Equivalent Sewer Unit (ESU)	24.98	24.98	27.10	27.10	29.48	29.48	35.97	35.97	38.52	38.52
<b>Total Monthly Sanitation Charge</b>		<b>\$ 26.53</b>		<b>\$ 28.79</b>		<b>\$ 31.21</b>		<b>\$ 38.08</b>		<b>\$ 40.78</b>
Year-Over-Year % Change		7.8%		8.5%		8.4%		22.0%		7.1%

Based on current revenue and expense assumptions, the District may need to adjust rates beyond the scope of the five-year Proposition 218 rates by fiscal year 2026, with reserves dropping below the assigned target by fiscal year 2025. Assumptions will be revisited during the budget process, and evaluated each year to determine if a new cost of service study will be needed in the future.

Sanitation Fund Five-Year Forecast	FY 2023 Budget	FY 2024	FY 2025	FY 2026	FY 2027
		Forecast			
<b>Revenues</b>					
Sanitation Service Fees	\$ 42,548,422	\$ 46,370,208	\$ 50,766,568	\$ 62,452,955	\$ 67,530,374
Availability Charges	81,680	84,130	86,654	89,254	91,932
Property Taxes - General	2,384,860	2,461,176	2,539,934	2,621,212	2,705,091
Charges for Services	111,289	114,627	118,065	121,606	125,255
Investment Income	479,614	440,935	370,594	302,944	448,321
<b>Total Revenues</b>	<b>\$ 45,605,865</b>	<b>\$ 49,471,076</b>	<b>\$ 53,881,815</b>	<b>\$ 65,587,971</b>	<b>\$ 70,900,973</b>
<b>Expenses</b>					
Salaries & Benefits (Net of Capitalized Labor)	\$ 23,607,069	\$ 24,467,837	\$ 25,868,495	\$ 26,991,695	\$ 28,346,268
Supplies and Services	12,229,439	12,701,000	13,113,740	13,469,457	13,835,213
Utilities	5,419,234	5,546,823	5,678,194	5,813,514	5,952,965
Pass-Through (Contra Expense)	(665,000)	(665,000)	(665,000)	(665,000)	(665,000)
Capital Outlay	72,867	76,510	80,336	84,354	88,572
<b>Total Expenses</b>	<b>\$ 40,663,609</b>	<b>\$ 42,127,170</b>	<b>\$ 44,075,765</b>	<b>\$ 45,694,020</b>	<b>\$ 47,558,018</b>
<b>Operating Income (Loss)</b>	<b>\$ 4,942,256</b>	<b>\$ 7,343,906</b>	<b>\$ 9,806,050</b>	<b>\$ 19,893,951</b>	<b>\$ 23,342,955</b>
<b>Nonoperating Revenues (Expenses)</b>					
<b>Sources</b>					
Loan Proceeds	\$ 8,821,800	\$ 8,866,050	\$ 8,613,300	\$ 10,279,500	\$ 8,652,000
Use of Restricted Funds	5,766,200	12,512,450	10,177,700	5,599,500	3,443,407
Grant Revenue	5,484,250	5,493,750	3,125,000	11,007,500	8,069,500
<b>Uses</b>					
Debt Service - External	(1,986,045)	(2,377,541)	(2,805,828)	(3,107,454)	(3,334,436)
Capital Improvement Budget	(37,621,145)	(46,032,653)	(38,117,237)	(41,195,482)	(32,738,564)
Contribution to Motorpool CIP	(245,788)	(251,913)	(250,234)	(257,742)	(251,913)
<b>Total Nonoperating Revenues (Expenses)</b>	<b>\$ (19,780,728)</b>	<b>\$ (21,789,857)</b>	<b>\$ (19,257,299)</b>	<b>\$ (17,674,178)</b>	<b>\$ (16,160,006)</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>\$ (14,838,472)</b>	<b>\$ (14,445,951)</b>	<b>\$ (9,451,249)</b>	<b>\$ 2,219,773</b>	<b>\$ 7,182,949</b>
<b>Beginning Reserve</b>	<b>\$ 58,931,949</b>	<b>\$ 44,093,477</b>	<b>\$ 29,647,526</b>	<b>\$ 20,196,277</b>	<b>\$ 22,416,050</b>
<b>Ending Reserve</b>	<b>\$ 44,093,477</b>	<b>\$ 29,647,526</b>	<b>\$ 20,196,277</b>	<b>\$ 22,416,050</b>	<b>\$ 29,598,999</b>
<b>Assigned Reserve</b>	<b>\$ 24,378,000</b>	<b>\$ 25,523,000</b>	<b>\$ 26,875,000</b>	<b>\$ 28,755,000</b>	<b>\$ 29,949,000</b>
<b>Unassigned Reserve</b>	<b>\$ 19,715,477</b>	<b>\$ 4,124,526</b>	<b>\$ (6,678,723)</b>	<b>\$ (6,338,950)</b>	<b>\$ (350,001)</b>
<i>Days Cash on Hand</i>	396	257	167	179	227

District Reserves - Sanitation Fund

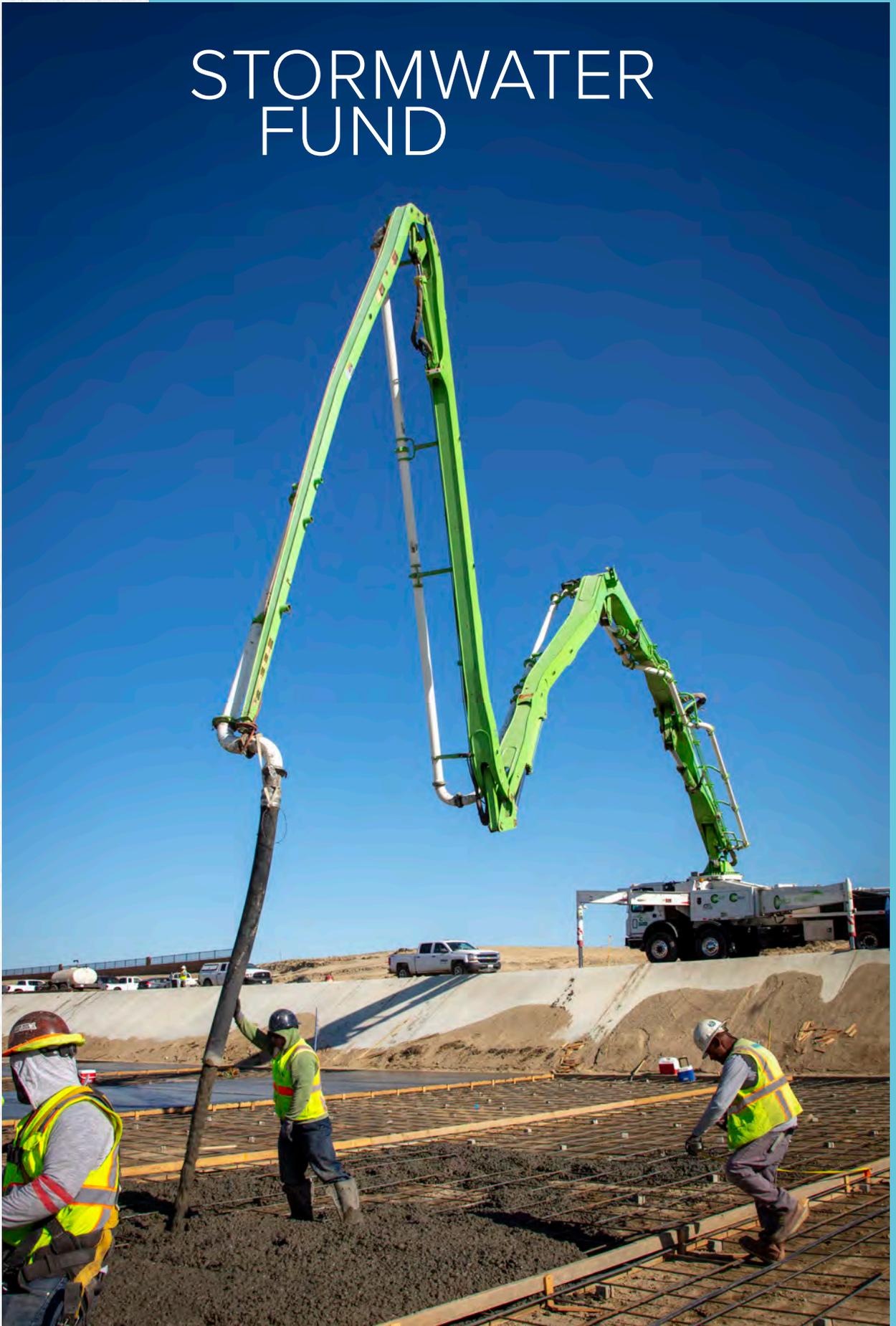


Reserve Type	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
	Actual	Actual*	Budget	Forecast			
Assigned Reserves	\$ 29,521,000	\$ 34,183,000	\$ 24,378,000	\$ 25,523,000	\$ 26,875,000	\$ 28,755,000	\$ 29,949,000
Unassigned Reserves	42,904,699	24,748,949	19,715,477	4,124,526	(6,678,723)	(6,338,950)	(350,001)
<b>Total Reserves</b>	<b>\$ 72,425,699</b>	<b>\$ 58,931,949</b>	<b>\$ 44,093,477</b>	<b>\$ 29,647,526</b>	<b>\$ 20,196,277</b>	<b>\$ 22,416,050</b>	<b>\$ 29,598,999</b>

Assigned Reserves by Type	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
	Actual	Actual*	Budget	Forecast			
Operating	\$ 8,635,000	\$ 9,178,000	\$ 10,148,000	\$ 10,513,000	\$ 10,999,000	\$ 11,402,000	\$ 11,867,000
Rate Stabilization	4,035,000	4,035,000	4,255,000	4,637,000	5,077,000	6,245,000	6,753,000
Capital	12,113,000	15,683,000	4,005,000	4,005,000	4,005,000	4,005,000	4,005,000
Emergency	4,269,000	3,738,000	3,738,000	3,738,000	3,738,000	3,738,000	3,738,000
Vehicle	469,000	248,000	246,000	252,000	250,000	258,000	252,000
Debt Service	-	1,301,000	1,986,000	2,378,000	2,806,000	3,107,000	3,334,000
<b>Total Assigned Reserves</b>	<b>\$ 29,521,000</b>	<b>\$ 34,183,000</b>	<b>\$ 24,378,000</b>	<b>\$ 25,523,000</b>	<b>\$ 26,875,000</b>	<b>\$ 28,755,000</b>	<b>\$ 29,949,000</b>

\* Unaudited

# STORMWATER FUND



## History

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

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



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

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

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

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

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

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

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

## Background

CVWD protects over 381,479 acres from flooding, with Riverside County Flood Control District responsible for the remaining areas of the valley. There are 18 stormwater channels within CVWD’s boundaries. The entire system includes approximately 169 miles of channels built along the natural alignment of dry creeks that naturally flow from the surrounding mountains into the Whitewater River. Along with the channels, a number of dikes and levees have been designed and built to collect rapidly flowing flood water as it pours from the adjacent mountains onto the valley floor.

The backbone of the valley’s stormwater protection system is a 50-mile storm channel that runs from the Whitewater area north of Palm Springs to the Salton Sea. The western half of the channel runs along the natural alignment of the Whitewater River that cuts diagonally across the valley to Point Happy in La Quinta. This portion of the channel is called the Whitewater River Stormwater

Channel. Since the riverbed flattens out naturally in the eastern valley, a man-made storm channel directs flood waters downstream from Point Happy to the Salton Sea. This man-made extension is referred to as the Coachella Valley Stormwater Channel.

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

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



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

Stormwater protection is funded primarily by local property taxes. Property values reset each time there is a change in ownership, with the value being established at the sales price. In addition, values can increase each year based on CPI, up to 2%. In fiscal year 2022, assessed values increased by 4.4% from fiscal year 2021 within the Stormwater Unit boundary.

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



*Floodwater – Whitewater River Channel*

Stormwater Fund	FY 2021 Actual	FY 2022 Actual*	FY 2022 Budget	FY 2023 Budget	Budget Change	% Change
<b>Revenues</b>						
Property Taxes - General	\$ 21,474,427	\$ 22,641,283	\$ 21,904,000	\$ 23,320,522	\$ 1,416,522	6.5%
Charges for Services	373,468	117,016	113,500	143,500	30,000	26.4%
Investment Income	2,400,547	1,332,409	2,324,078	939,620	(1,384,458)	-59.6%
Other Revenue	922,082	1,183,245	862,500	950,000	87,500	10.1%
<b>Total Revenues</b>	<b>\$ 25,170,524</b>	<b>\$ 25,273,953</b>	<b>\$ 25,204,078</b>	<b>\$ 25,353,642</b>	<b>\$ 149,564</b>	<b>0.6%</b>
<b>Expenses</b>						
Salaries & Benefits (Net of Capitalized Labor)	\$ 4,671,880	\$ 5,068,988	\$ 4,217,979	\$ 4,039,803	\$ (178,176)	-4.2%
Supplies and Services	3,322,476	3,706,342	3,999,232	5,067,381	1,068,149	26.7%
Utilities	107,881	97,071	93,320	105,335	12,015	12.9%
Pass-Through (Contra Expense)	-	-	-	(245,000)	(245,000)	-
Capital Outlay	5,847	830	52,184	656	(51,528)	-98.7%
<b>Total Expenses</b>	<b>\$ 8,108,084</b>	<b>\$ 8,873,231</b>	<b>\$ 8,362,715</b>	<b>\$ 8,968,175</b>	<b>\$ 605,460</b>	<b>7.2%</b>
<b>Operating Income (Loss)</b>	<b>\$ 17,062,440</b>	<b>\$ 16,400,722</b>	<b>\$ 16,841,363</b>	<b>\$ 16,385,467</b>	<b>\$ (455,896)</b>	<b>-2.7%</b>
<b>Nonoperating Revenues (Expenses)</b>						
<b>Sources</b>						
Loan Proceeds	\$ -	\$ 33,366,014	\$ -	\$ 48,257,251	\$ 48,257,251	-
Interim Financing	7,000,000	-	25,970,000	-	(25,970,000)	-100.0%
Capital Improvement Reimbursements	550,000	743,066	-	-	-	-
Grant Revenue	53,455	1,723,086	2,250,000	75,000	(2,175,000)	-96.7%
<b>Uses</b>						
Debt Service - External	-	(9,814,443)	-	(3,272,836)	(3,272,836)	-
Capital Improvement Budget	(18,193,880)	(49,287,004)	(49,624,200)	(81,289,622)	(31,665,422)	63.8%
Contribution to Motorpool CIP	(188,037)	(60,151)	(40,200)	(249,808)	(209,608)	521.4%
Other Revenue (Expenses)	231,743	-	-	-	-	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>\$ (10,546,719)</b>	<b>\$ (23,329,432)</b>	<b>\$ (21,444,400)</b>	<b>\$ (36,480,015)</b>	<b>\$ (15,035,615)</b>	<b>70.1%</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>\$ 6,515,721</b>	<b>\$ (6,928,710)</b>	<b>\$ (4,603,037)</b>	<b>\$ (20,094,548)</b>	<b>\$ (15,491,511)</b>	<b>336.5%</b>
<b>Beginning Reserve</b>	<b>\$ 119,371,464</b>	<b>\$ 125,887,185</b>	<b>\$ 125,887,185</b>	<b>\$ 118,958,475</b>	<b>\$ (6,928,710)</b>	<b>-5.5%</b>
<b>Ending Reserve</b>	<b>\$ 125,887,185</b>	<b>\$ 118,958,475</b>	<b>\$ 121,284,148</b>	<b>\$ 98,863,927</b>	<b>\$ (22,420,221)</b>	<b>-18.5%</b>
<b>Assigned Reserve</b>	<b>\$ 43,084,000</b>	<b>\$ 48,020,000</b>	<b>\$ 48,020,000</b>	<b>\$ 47,139,000</b>	<b>\$ (881,000)</b>	<b>-1.8%</b>
<b>Unassigned Reserve</b>	<b>\$ 82,803,185</b>	<b>\$ 70,938,475</b>	<b>\$ 73,264,148</b>	<b>\$ 51,724,927</b>	<b>\$ (21,539,221)</b>	<b>-29.4%</b>
* Unaudited						
Days Cash on Hand	5,667	4,893	5,294	4,024	(1,270)	-24.0%

## Budget Summary

Stormwater ending reserves are budgeted at \$98.9 million, a decrease of 18.5%. The decrease is based on additional capital expenditures for fiscal year 2023, and the use of pay-go funding as well as debt to complete several large projects. Property tax revenue remains strong due to growth in assessed value, with a budgeted increase of \$1.4 million or 6.5%. Total expenses are increasing by \$605,000 due increases supplies and services costs.

**Revenues**

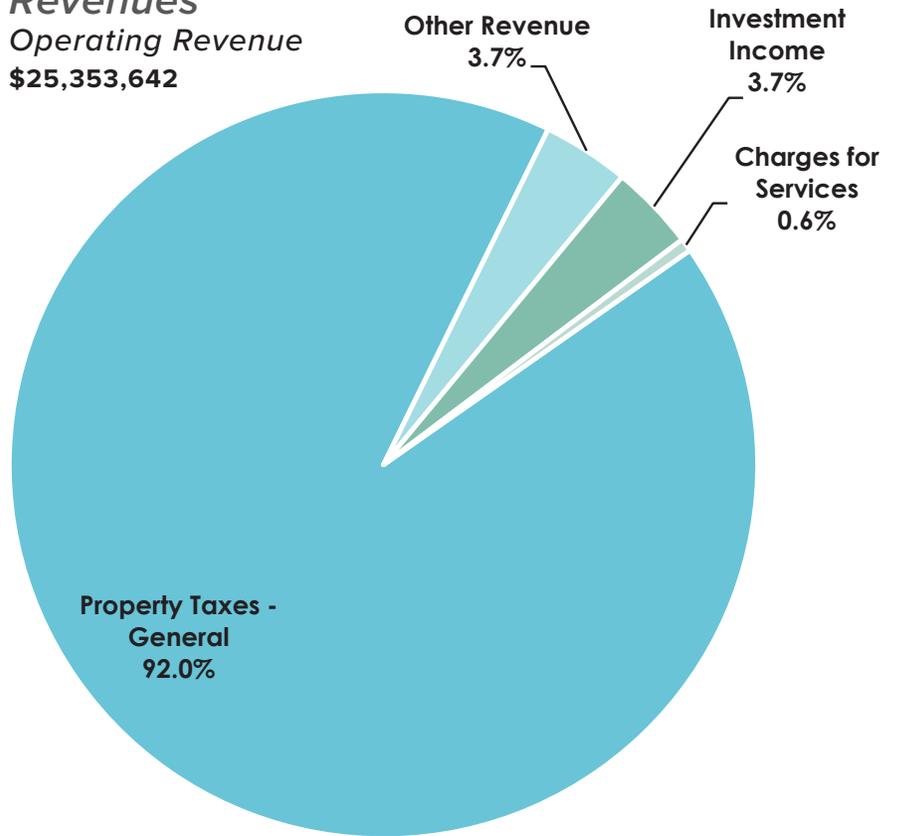
Stormwater revenues total \$25.4 million, an increase of \$150,000 from fiscal year 2022. The chart below shows a breakdown by type.

**PROPERTY TAXES** account for 92% of revenues in the Stormwater Fund. Property tax revenues represent the District’s dedicated share of the 1% Riverside and Imperial Counties secured property tax levy for the Stormwater Unit, pursuant to the California Revenue and Taxation Code. Assessed values and resale values have continued to increase, which accounts for the increase in budgeted revenue

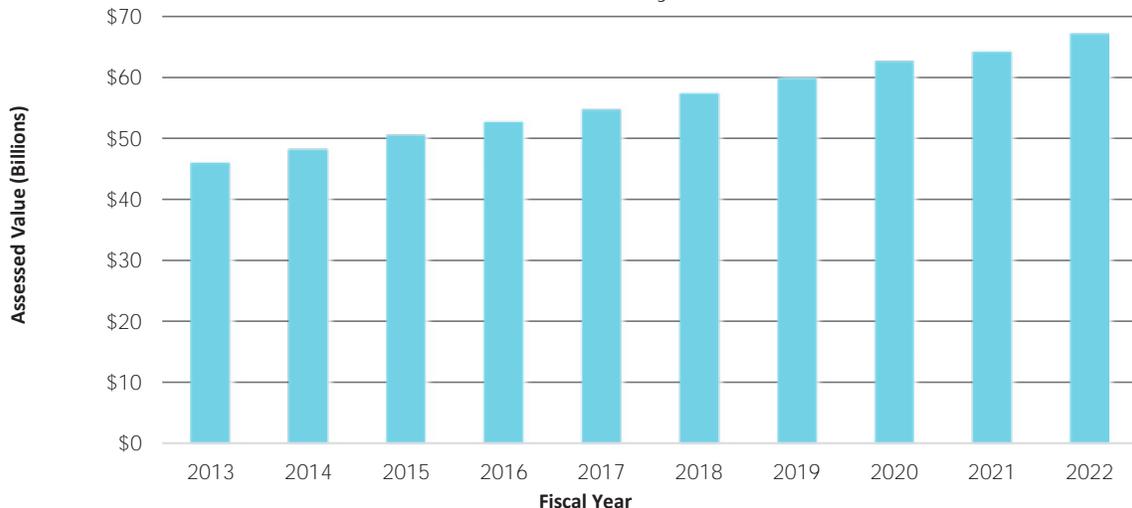
**OTHER REVENUE** consists mainly of lease revenue from lands owned by the Stormwater Fund. This comprises 3.7% of the revenues of the fund.

**INVESTMENT INCOME** is generated on available cash balances in the fund and is a function of the reserve balance and investment performance. Revenue totals \$940,000 for fiscal year 2023.

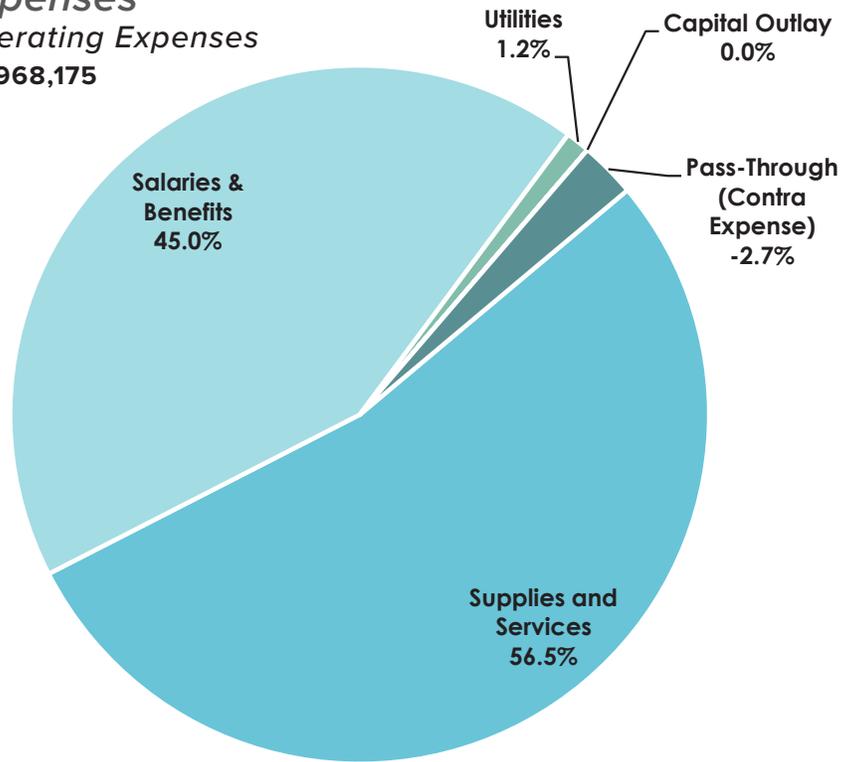
**Revenues**  
Operating Revenue  
\$25,353,642



Stormwater Assessed Value  
Ten-Year History



**Expenses**  
**Operating Expenses**  
**\$8,968,175**



**SALARIES & BENEFITS (NET OF CAPITALIZED LABOR)** are budgeted at \$4 million, a 4.2% decrease over the fiscal year 2022 budget. This decrease reflects a larger portion of allocated salaries being capitalized (reflected in nonoperating expenses) due to the size of the fiscal year 2023 capital budget.

**SUPPLIES & SERVICES** are 56.5% of budgeted expenditures, at \$5 million. The increase is primarily due increased costs for contract services and equipment usage for fiscal year 2023.

**PASS-THROUGH (CONTRA EXPENSE)** reflects a total expense offset of \$245,000 for fiscal year 2023. The total represents the Stormwater fund’s allocation of expected reimbursements for project expenditures.

**UTILITIES** represent 1.1% of budgeted expenses at \$105,000.

**Capital Improvements**

There are \$81.3 million in capital improvement projects budgeted in fiscal year 2023, with \$48.3 million in funding coming from loan proceeds, \$75,000 in grants, and the balance from pay-go and unrestricted reserves. Projects continue to focus on regional flood control master planning, design of wetlands, replacement of evacuation channels, levee certifications, and flood easement renewals. More details on the Capital Improvement Plan can be found in the Capital Improvements chapter.

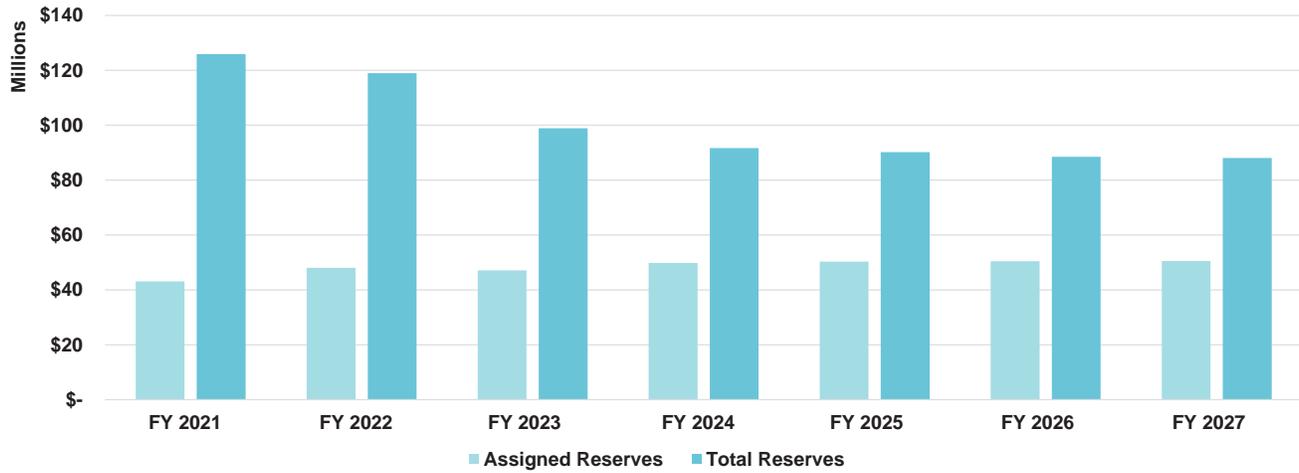
**Five-Year Forecast**

Property taxes are budgeted to increase by approximately 2% each year through the forecast period, mainly due to increases in assessed value. Investment income is budgeted to increase due to anticipated investment returns and higher rates. Operating expenses are forecasted to grow at approximately 10% per year. Salaries and benefits increase significantly beginning in fiscal year 2025, as less labor is capitalized once several large capital projects are completed. Debt service payments increase in fiscal year 2024 once the final draw on the WIFIA loan is completed.

# STORMWATER FUND

Stormwater Fund Five-Year Forecast	FY 2023 Budget	FY 2024	FY 2025	FY 2026	FY 2027
		Forecast			
<b>Revenues</b>					
Property Taxes - General	\$ 23,320,522	\$ 23,786,932	\$ 24,262,671	\$ 24,747,924	\$ 25,242,882
Charges for Services	143,500	147,805	152,239	156,807	161,511
Investment Income	939,620	988,639	1,145,938	1,353,008	1,769,160
Other Revenue	950,000	978,500	1,007,855	1,038,091	1,069,234
<b>Total Revenues</b>	<b>\$ 25,353,642</b>	<b>\$ 25,901,876</b>	<b>\$ 26,568,703</b>	<b>\$ 27,295,830</b>	<b>\$ 28,242,787</b>
<b>Expenses</b>					
Salaries & Benefits (Net of Capitalized Labor)	\$ 4,039,803	\$ 5,028,089	\$ 6,770,156	\$ 7,075,593	\$ 7,389,414
Supplies and Services	5,067,381	5,263,238	5,434,877	5,581,130	5,731,454
Utilities	105,335	113,764	122,864	132,694	143,312
Pass-Through (Contra Expense)	(245,000)	(245,000)	(245,000)	(245,000)	(245,000)
Capital Outlay	656	689	723	760	798
<b>Total Expenses</b>	<b>\$ 8,968,175</b>	<b>\$ 10,160,780</b>	<b>\$ 12,083,620</b>	<b>\$ 12,545,177</b>	<b>\$ 13,019,978</b>
<b>Operating Income (Loss)</b>	<b>\$ 16,385,467</b>	<b>\$ 15,741,096</b>	<b>\$ 14,485,083</b>	<b>\$ 14,750,653</b>	<b>\$ 15,222,809</b>
<b>Nonoperating Revenues (Expenses)</b>					
<b>Sources</b>					
Loan Proceeds	\$ 48,257,251	\$ 41,040,291	\$ 95,000	\$ -	\$ -
Grant Revenue	75,000	-	-	-	-
<b>Uses</b>					
Debt Service - External	(3,272,836)	(5,649,966)	(5,649,966)	(5,649,966)	(5,649,966)
Capital Improvement Budget	(81,289,622)	(58,064,236)	(10,150,350)	(10,581,250)	(9,731,250)
Contribution to Motorpool CIP	(249,808)	(256,033)	(254,326)	(261,957)	(256,033)
Other Revenue (Expenses)	-	-	-	-	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>\$ (36,480,015)</b>	<b>\$ (22,929,944)</b>	<b>\$ (15,959,642)</b>	<b>\$ (16,493,173)</b>	<b>\$ (15,637,249)</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>\$ (20,094,548)</b>	<b>\$ (7,188,848)</b>	<b>\$ (1,474,559)</b>	<b>\$ (1,742,520)</b>	<b>\$ (414,440)</b>
<b>Beginning Reserve</b>	<b>\$ 118,958,475</b>	<b>\$ 98,863,927</b>	<b>\$ 91,675,079</b>	<b>\$ 90,200,520</b>	<b>\$ 88,458,000</b>
<b>Ending Reserve</b>	<b>\$ 98,863,927</b>	<b>\$ 91,675,079</b>	<b>\$ 90,200,520</b>	<b>\$ 88,458,000</b>	<b>\$ 88,043,560</b>
<b>Assigned Reserve</b>	<b>\$ 47,139,000</b>	<b>\$ 49,820,000</b>	<b>\$ 50,299,000</b>	<b>\$ 50,422,000</b>	<b>\$ 50,535,000</b>
<b>Unassigned Reserve</b>	<b>\$ 51,724,927</b>	<b>\$ 41,855,079</b>	<b>\$ 39,901,520</b>	<b>\$ 38,036,000</b>	<b>\$ 37,508,560</b>
<i>Days Cash on Hand</i>	<i>4,024</i>	<i>3,293</i>	<i>2,725</i>	<i>2,574</i>	<i>2,468</i>

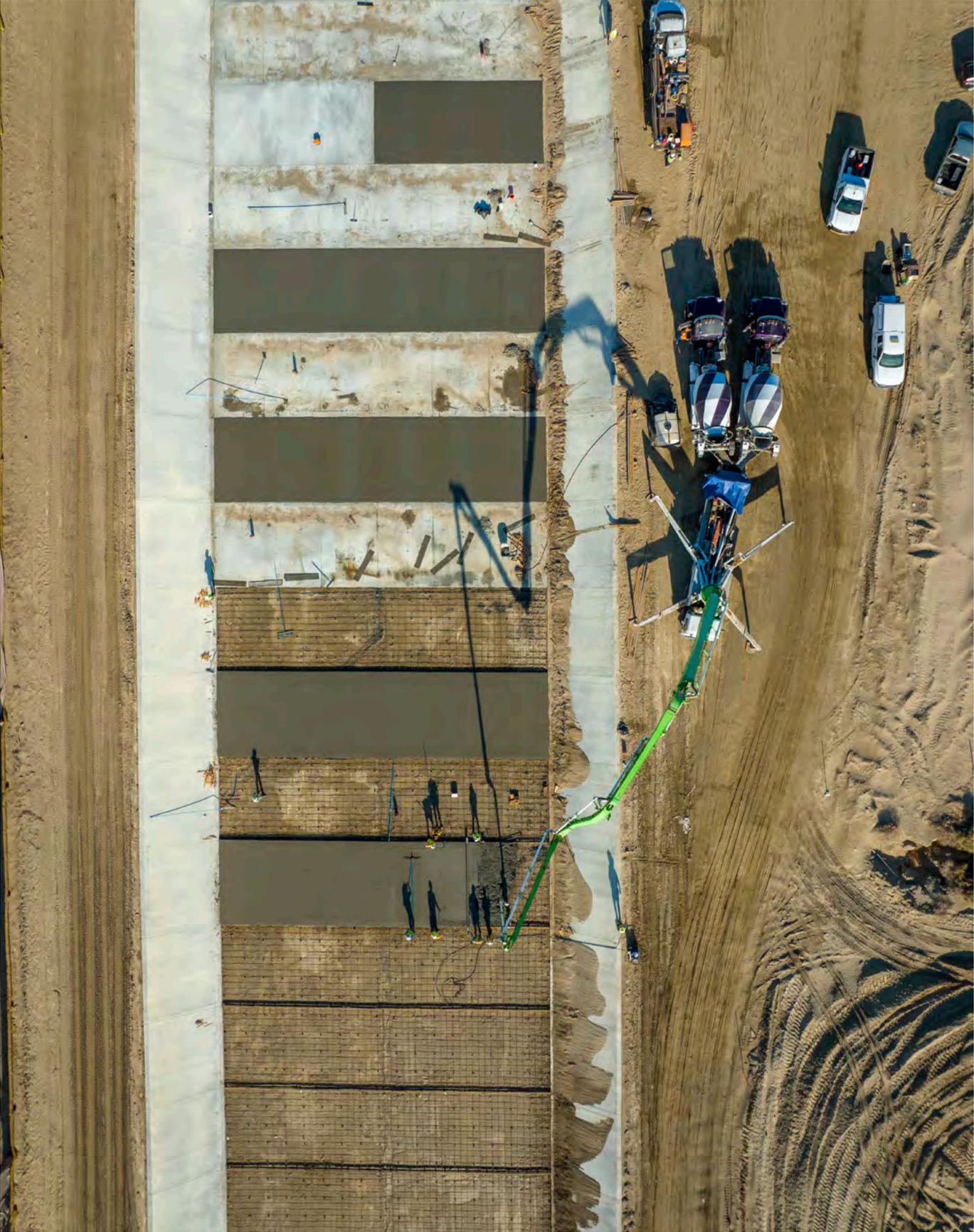
District Reserves - Stormwater Fund



Reserve Type	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
	Actual	Actual*	Budget	Forecast			
Assigned Reserves	\$ 43,084,000	\$ 48,020,000	\$ 47,139,000	\$ 49,820,000	\$ 50,299,000	\$ 50,422,000	\$ 50,535,000
Unassigned Reserves	82,803,185	70,938,475	51,724,927	41,855,079	39,901,520	38,036,000	37,508,560
<b>Total Reserves</b>	<b>\$ 125,887,185</b>	<b>\$ 118,958,475</b>	<b>\$ 98,863,927</b>	<b>\$ 91,675,079</b>	<b>\$ 90,200,520</b>	<b>\$ 88,458,000</b>	<b>\$ 88,043,560</b>

Assigned Reserves by Type	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
	Actual	Actual*	Budget	Forecast			
Operating	\$ 2,044,000	\$ 2,008,000	\$ 2,242,000	\$ 2,540,000	\$ 3,021,000	\$ 3,136,000	\$ 3,255,000
Rate Stabilization	-	-	-	-	-	-	-
Capital	23,224,000	27,324,000	23,774,000	23,774,000	23,774,000	23,774,000	23,774,000
Emergency	17,600,000	17,600,000	17,600,000	17,600,000	17,600,000	17,600,000	17,600,000
Vehicle	216,000	252,000	250,000	256,000	254,000	262,000	256,000
Debt Service	-	836,000	3,273,000	5,650,000	5,650,000	5,650,000	5,650,000
<b>Total Assigned Reserves</b>	<b>\$ 43,084,000</b>	<b>\$ 48,020,000</b>	<b>\$ 47,139,000</b>	<b>\$ 49,820,000</b>	<b>\$ 50,299,000</b>	<b>\$ 50,422,000</b>	<b>\$ 50,535,000</b>

\* Unaudited



North Indio Regional Flood Control Project

# STATE WATER PROJECT & WATER REPLENISHMENT FUNDS



## STATE WATER PROJECT FUND

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

The State Water Project (SWP) is the nation's largest state-built water and power development and conveyance system. It is a water storage and delivery system consisting of 34 reservoirs and lakes, 705 miles of aqueducts, 5 power plants, and 21 pumping plants delivering water to 29 urban and agricultural water suppliers in California, providing water to 25 million Californians and 750,000 acres of irrigated farmland. The design delivery volume of the SWP is approximately 4.2 million af (maf), with approximately 70% delivered to urban users and 30% delivered to agricultural users.

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

### *State Water Project and CVWD*

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

### *Cost of the State Water Project*

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

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

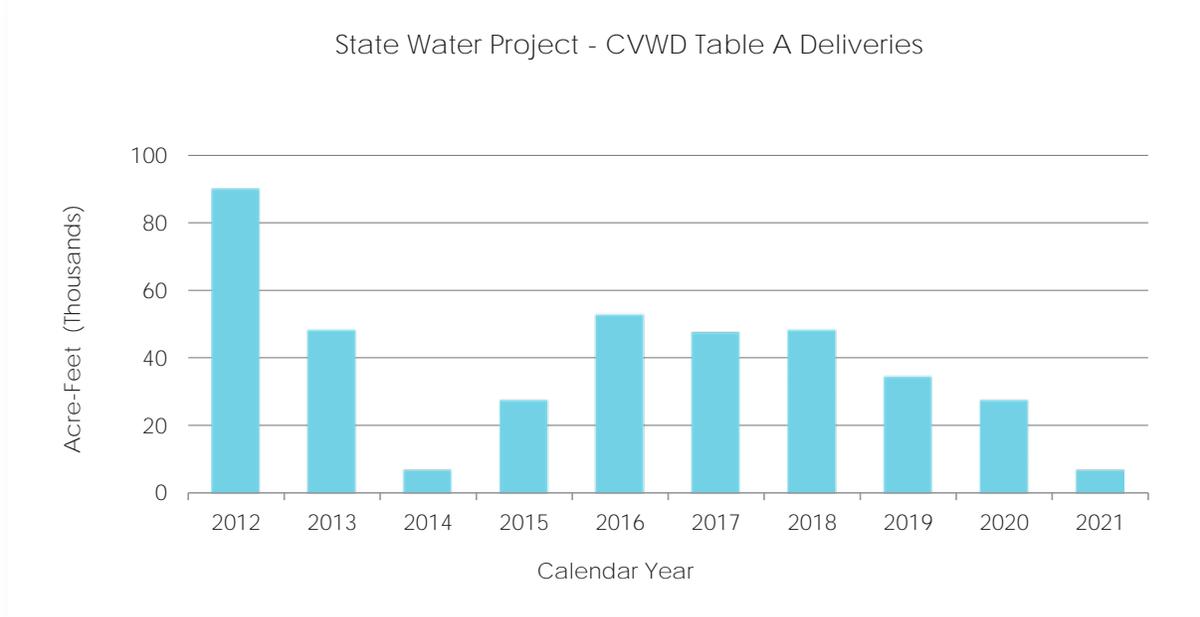
Individual SWP contractors may also incur additional costs associated with water storage or delivery structures unique to their needs. One example is the Perris Dam, which is the terminal reservoir on the East Branch of the SWP. Completed in 1972, this 2.2-mile long earthfill dam has a capacity of 131,450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

### *State Water Project Water Availability*

Availability of the water supply is highly variable and based on Delta inflows. Water years have been designated by the DWR as "wet," "above normal," "below normal," "dry," or "critical," based on the amount of rain and snow that fell during the preceding period from October 1 through September 30, which has a direct impact on the water supply release. DWR hydrologists and meteorologists measure snowpack in the Sierra Nevada watersheds on or about the first of January, February, March, April, and May. Forecasts for snowmelt runoff, and thus, available water supply for the coming spring and summer are made. The April 1, 2022

snowpack survey showed the snow water content of the California snowpack was at 37%, based on a weighted statewide average.

Table A, which is an exhibit in the State Water Project water supply contract, details the ideal full entitlement of water that a contractor may receive annually, although actual deliveries vary from year to year based on hydrology. The current maximum annual water entitlement for CVWD is 138,350 af, and the final Table A allocation for calendar year 2022 has been set at 5% (or 6,918 af). The following chart depicts CVWD's SWP deliveries for the last 10 years, and shows the year-to-year change in availability. The long-term average delivery reliability from DWR is approximately 60% of the total entitlement, but the Coachella Valley Water Management Plan uses a 50% average delivery reliability to be more conservative in its long-term projections.



### *State Water Project Challenges*

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

## *Oroville Dam*

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

DWR's total cost of repairs to the Oroville spillways was \$1.1 billion and DWR submitted those costs to the Federal Emergency Management Agency (FEMA) for 75% reimbursement under the Stafford Act. After a series of applications and appeals, FEMA approved all repairs made to the Main Spillway, but denied eligibility for approximately \$280 million of work on the Emergency Spillway. Of the \$1.1 billion spent on repairs, approximately \$800 million is now eligible for FEMA's 75% reimbursement, leaving about \$500 million to be funded by other means.

## *Delta Conveyance Project*

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

The current iteration of the proposed water conveyance facility would feature: 3 pumping plants, state-of-the-art

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

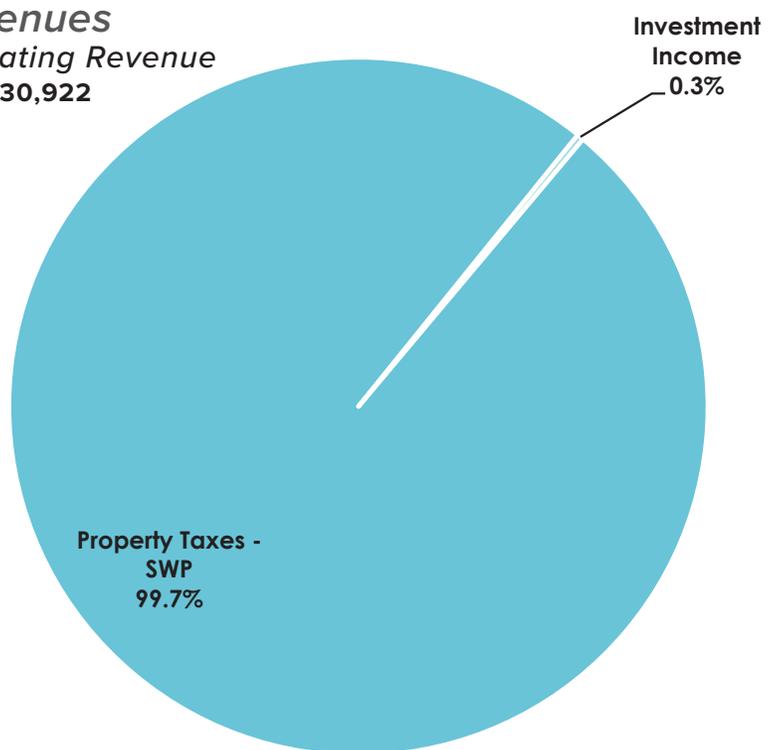
Costs of the new facility, and associated mitigation, will be paid through charges to water users who benefit from its development and operation. A draft Environmental Impact Report (EIR) on the project is available for review and public comment through December 16, 2022 on the DWR website.

## *Sites Reservoir*

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

State Water Project	FY 2021 Actual	FY 2022 Actual*	FY 2022 Budget	FY 2023 Budget	Budget Change	% Change
<b>Revenues</b>						
Property Taxes - SWP	\$ 72,529,475	\$ 79,688,626	\$ 78,198,000	\$ 82,079,284	\$ 3,881,284	5.0%
Investment Income	(210,739)	101,412	158,000	251,638	93,638	59.3%
<b>Total Revenues</b>	<b>\$ 72,318,736</b>	<b>\$ 79,790,038</b>	<b>\$ 78,356,000</b>	<b>\$ 82,330,922</b>	<b>\$ 3,974,922</b>	<b>5.1%</b>
<b>Expenses</b>						
Salaries & Benefits (Net of Capitalized Labor)	\$ -	\$ 281,087	\$ 362,633	\$ 306,555	\$ (56,078)	-15.5%
Supplies and Services	982,895	1,099,392	-	606,301	606,301	-
Utilities	-	-	-	75	75	-
Water Purchases	56,467,981	60,131,882	62,119,917	72,245,957	10,126,040	16.3%
Capital Outlay	-	-	-	500	500	-
<b>Total Expenses</b>	<b>\$ 57,450,877</b>	<b>\$ 61,512,360</b>	<b>\$ 62,482,550</b>	<b>\$ 73,159,388</b>	<b>\$ 10,676,838</b>	<b>17.1%</b>
<b>Operating Income (Loss)</b>	<b>\$ 14,867,859</b>	<b>\$ 18,277,678</b>	<b>\$ 15,873,450</b>	<b>\$ 9,171,534</b>	<b>\$ (6,701,916)</b>	<b>-42.2%</b>
<b>Nonoperating Revenues (Expenses)</b>						
<b>Uses</b>						
Other Revenue (Expenses)	\$ 52,061	\$ -	\$ -	\$ -	\$ -	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>\$ 52,061</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>\$ 14,919,920</b>	<b>\$ 18,277,678</b>	<b>\$ 15,873,450</b>	<b>\$ 9,171,534</b>	<b>\$ (6,701,916)</b>	<b>-42.2%</b>
<b>Beginning Reserve</b>	<b>\$ 2,758,327</b>	<b>\$ 17,678,247</b>	<b>\$ 17,678,247</b>	<b>\$ 35,955,925</b>	<b>\$ 18,277,678</b>	<b>103.4%</b>
<b>Ending Reserve</b>	<b>\$ 17,678,247</b>	<b>\$ 35,955,925</b>	<b>\$ 33,551,697</b>	<b>\$ 45,127,459</b>	<b>\$ 11,575,762</b>	<b>34.5%</b>
<b>Assigned Reserve</b>	<b>\$ 20,000,000</b>	<b>\$ 20,000,000</b>	<b>\$ 20,000,000</b>	<b>\$ 20,000,000</b>	<b>\$ -</b>	<b>-</b>
<b>Unassigned Reserve</b>	<b>\$ (2,321,753)</b>	<b>\$ 15,955,925</b>	<b>\$ 13,551,697</b>	<b>\$ 25,127,459</b>	<b>\$ 11,575,762</b>	<b>85.4%</b>
* Unaudited						
Days Cash on Hand	112	213	196	225	29	14.9%

**Revenues**  
Operating Revenue  
**\$82,330,922**



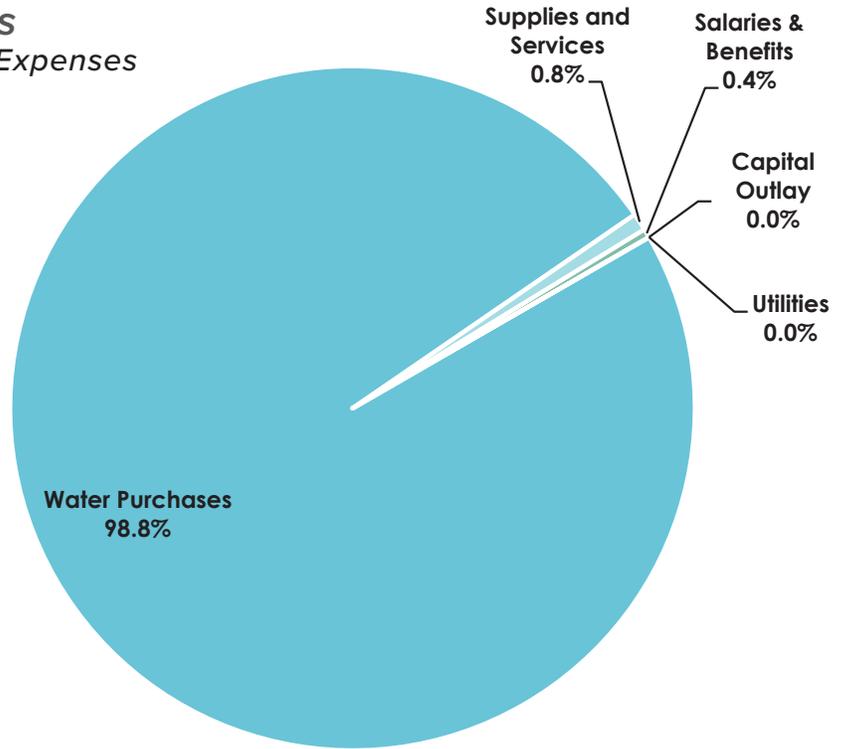
SWP tax revenues are budgeted to increase by \$3.9 million due to projected increases in assessed value (AV). Article 34 of the DWR contract enables CVWD to levy a tax on all property within the service boundaries not exempt from taxation, in an amount sufficient to provide for all payments due under the contract within that year. The levy for fiscal year 2023 is \$0.11/\$100 of AV and is used to pay for State Water Project obligations. As an example, a house valued at \$500,000 would be levied \$550 (\$500,000/100 X \$0.11), or \$45.83 a month. This levy is placed on the property tax roll for all nonexempt parcels within CVWD's boundaries.

**INVESTMENT INCOME** is budgeted at \$252,000. Investment income is based on the cash balance in the fund and is the rate of return generated by the combined investments of the District.

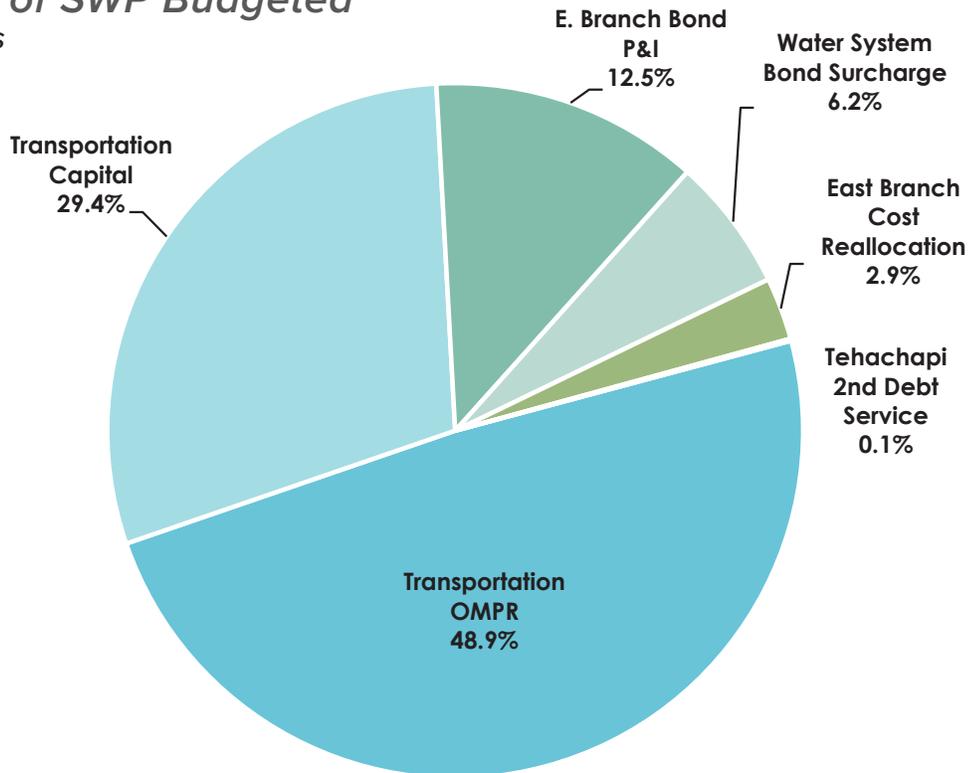
**Expenses**  
**Operating Expenses**  
**\$73,159,388**

**TOTAL OPERATING EXPENSES** are budgeted at \$73.2 million, an increase of \$10.7 million compared to the fiscal year 2022 budget. Fiscal year 2022 actual expenses came in significantly lower than budget, due to the variability of water deliveries, and several large State Water Project expenditures that were not charged within the fiscal year, including the Delta Conveyance project, Lake Perris Seepage Recovery, East Branch, and Oroville Dam.

**SWP WATER PURCHASE COSTS**, totaling \$72.2 million, are divided into two categories: fixed and variable. The fixed expenses are for debt service on bonds and fixed operating expenses of the system, which are paid whether or not the District receives any water.

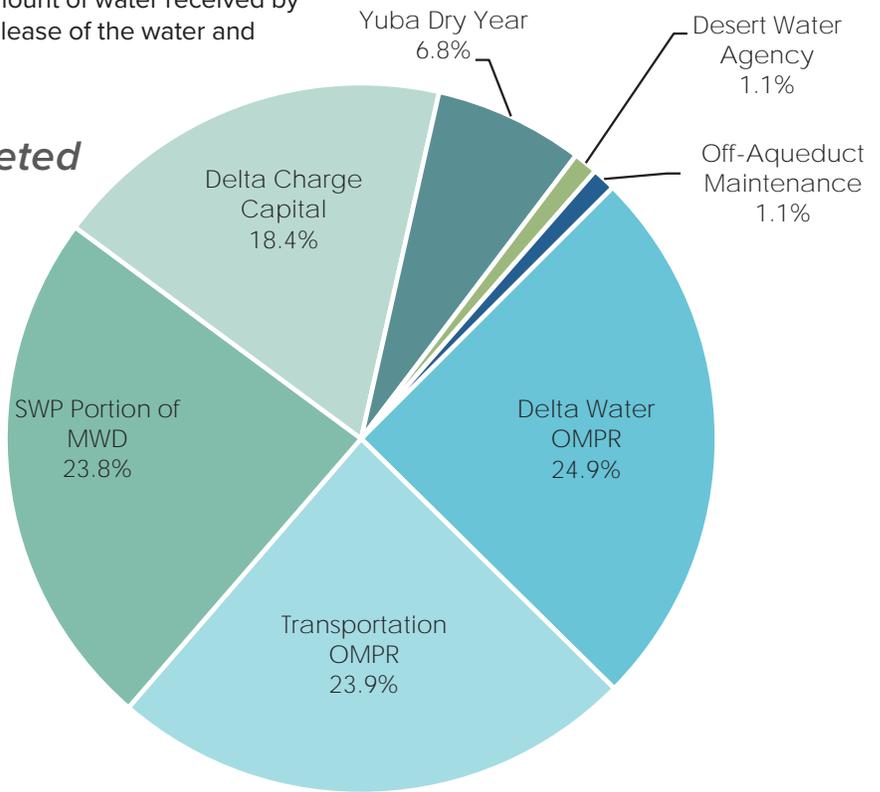


**Distribution of SWP Budgeted**  
**Fixed Expenses**  
**\$39,885,862**



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

**Distribution of SWP Budgeted Variable Expenses**  
**\$32,360,095**

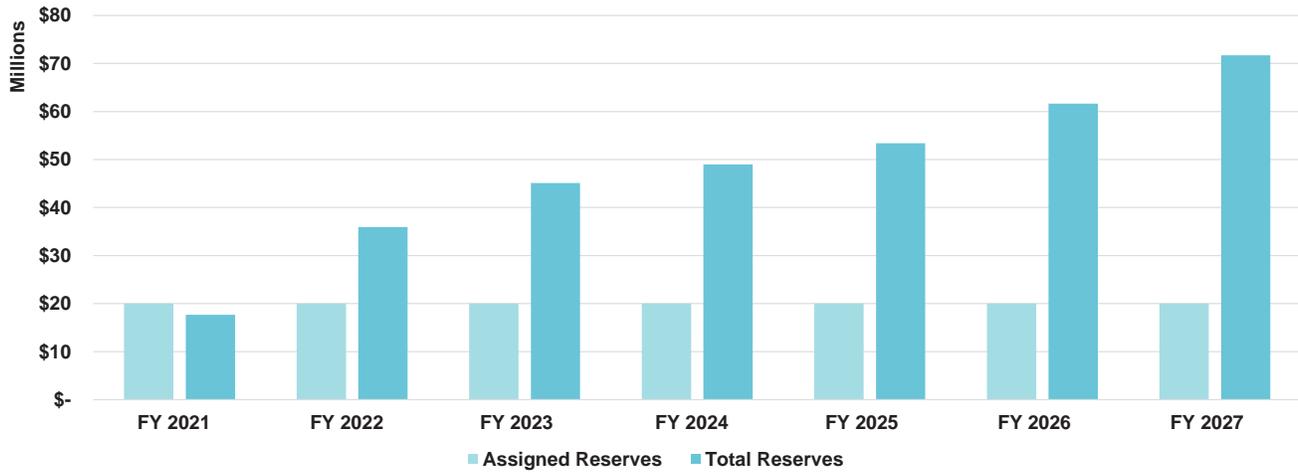


**Five-Year Forecast**

The five-year forecast includes projected increases in assessed value of approximately 3% per year, and no increase to the current \$0.11 per \$100 of AV tax rate. Table A water allocations are budgeted at 50% for fiscal years 2024 through 2027, but are highly variable due to changes in hydrology. Large projects, including the Delta Conveyance Project, Sites Reservoir, and Perris Dam Seepage Recovery will require evaluation when cost estimates become clearer in future years.

State Water Project Five-Year Forecast	FY 2023 Budget	FY 2024	FY 2025	FY 2026	FY 2027
		Forecast			
<b>Revenues</b>					
Property Taxes - SWP	\$ 82,079,284	\$ 84,541,663	\$ 87,077,913	\$ 89,690,250	\$ 92,380,958
Investment Income	251,638	451,275	612,609	800,951	1,232,735
<b>Total Revenues</b>	<b>\$ 82,330,922</b>	<b>\$ 84,992,938</b>	<b>\$ 87,690,522</b>	<b>\$ 90,491,201</b>	<b>\$ 93,613,693</b>
<b>Expenses</b>					
Salaries & Benefits (Net of Capitalized Labor)	\$ 306,555	\$ 320,350	\$ 334,766	\$ 349,830	\$ 363,473
Supplies and Services	606,301	619,414	632,683	646,098	659,798
Utilities	75	81	87	94	101
Water Purchases	72,245,957	80,171,310	82,334,413	81,254,598	82,508,094
Capital Outlay	500	525	551	579	608
<b>Total Expenses</b>	<b>\$ 73,159,388</b>	<b>\$ 81,111,680</b>	<b>\$ 83,302,500</b>	<b>\$ 82,251,199</b>	<b>\$ 83,532,074</b>
<b>Operating Income (Loss)</b>	<b>\$ 9,171,534</b>	<b>\$ 3,881,258</b>	<b>\$ 4,388,022</b>	<b>\$ 8,240,002</b>	<b>\$ 10,081,619</b>
<b>Total Nonoperating Revenues (Expenses)</b>	<b>\$ -</b>				
<b>Increase (Decrease) in Cash Flow</b>	<b>\$ 9,171,534</b>	<b>\$ 3,881,258</b>	<b>\$ 4,388,022</b>	<b>\$ 8,240,002</b>	<b>\$ 10,081,619</b>
<b>Beginning Reserve</b>	<b>\$ 35,955,925</b>	<b>\$ 45,127,459</b>	<b>\$ 49,008,717</b>	<b>\$ 53,396,739</b>	<b>\$ 61,636,741</b>
<b>Ending Reserve</b>	<b>\$ 45,127,459</b>	<b>\$ 49,008,717</b>	<b>\$ 53,396,739</b>	<b>\$ 61,636,741</b>	<b>\$ 71,718,360</b>
<b>Assigned Reserve</b>	<b>\$ 20,000,000</b>				
<b>Unassigned Reserve</b>	<b>\$ 25,127,459</b>	<b>\$ 29,008,717</b>	<b>\$ 33,396,739</b>	<b>\$ 41,636,741</b>	<b>\$ 51,718,360</b>
<i>Days Cash on Hand</i>	225	221	234	274	313

District Reserves - State Water Project



Reserve Type	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
	Actual	Actual*	Budget	Forecast			
Assigned Reserves	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000
Unassigned Reserves	(2,321,753)	15,955,925	25,127,459	29,008,717	33,396,739	41,636,741	51,718,360
<b>Total Reserves</b>	<b>\$ 17,678,247</b>	<b>\$ 35,955,925</b>	<b>\$ 45,127,459</b>	<b>\$ 49,008,717</b>	<b>\$ 53,396,739</b>	<b>\$ 61,636,741</b>	<b>\$ 71,718,360</b>

Assigned Reserves by Type	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
	Actual	Actual*	Budget	Forecast			
State Water Project (SWP)	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000
<b>Total Assigned Reserves</b>	<b>\$ 20,000,000</b>						

\* Unaudited

## WATER REPLENISHMENT FUNDS

### Background

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

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

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

### Overdraft

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

### Groundwater Replenishment

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

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

### *Colorado River Water*

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

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



*Whitewater Replenishment Ponds*

## WEST WHITEWATER REPLENISHMENT FUND

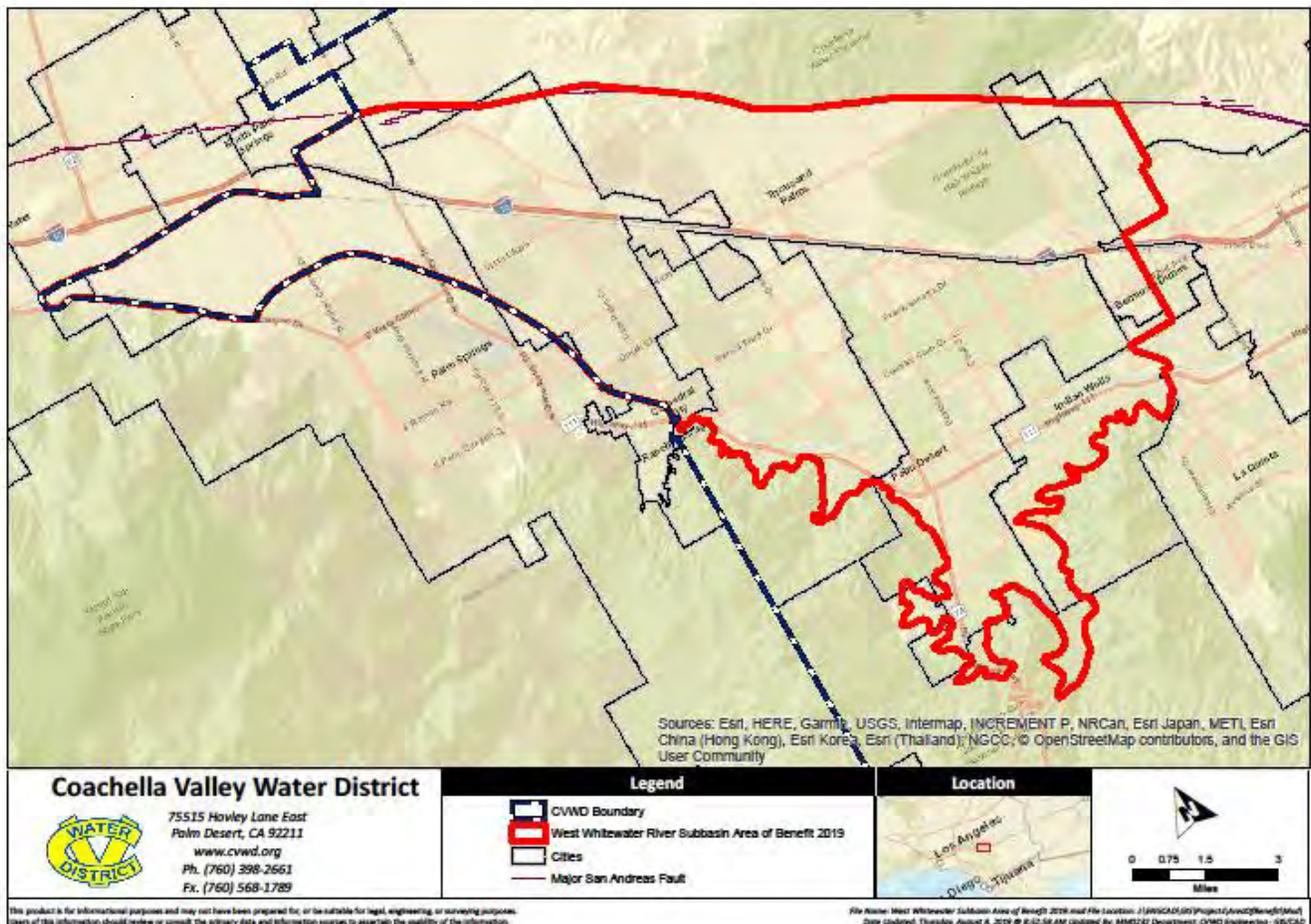
### Background

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

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

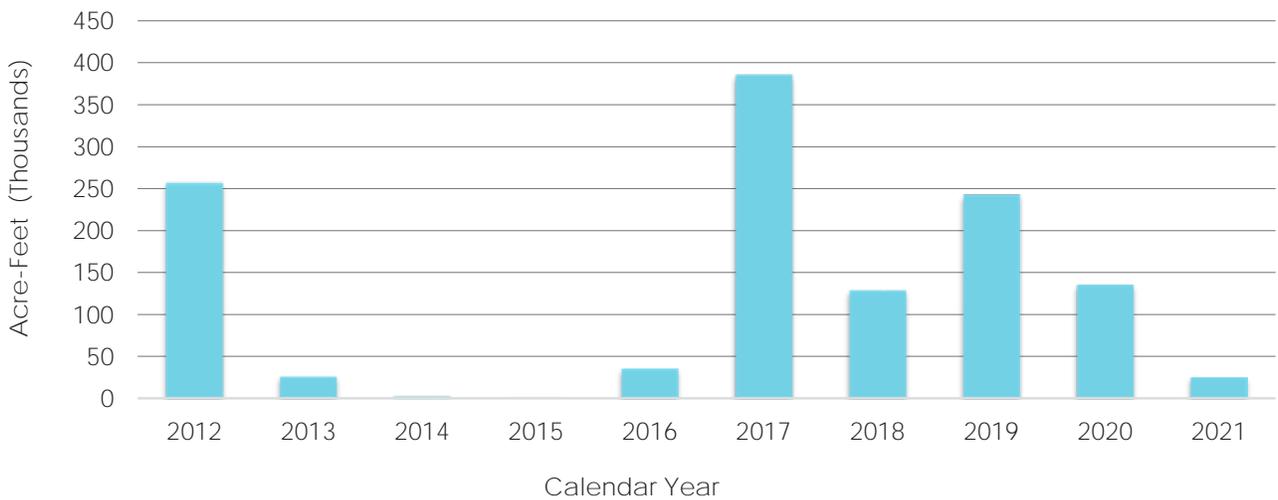
The following map shows the West Whitewater AOB, along with CVWD Boundaries.

West Whitewater River Subbasin Area of Benefit



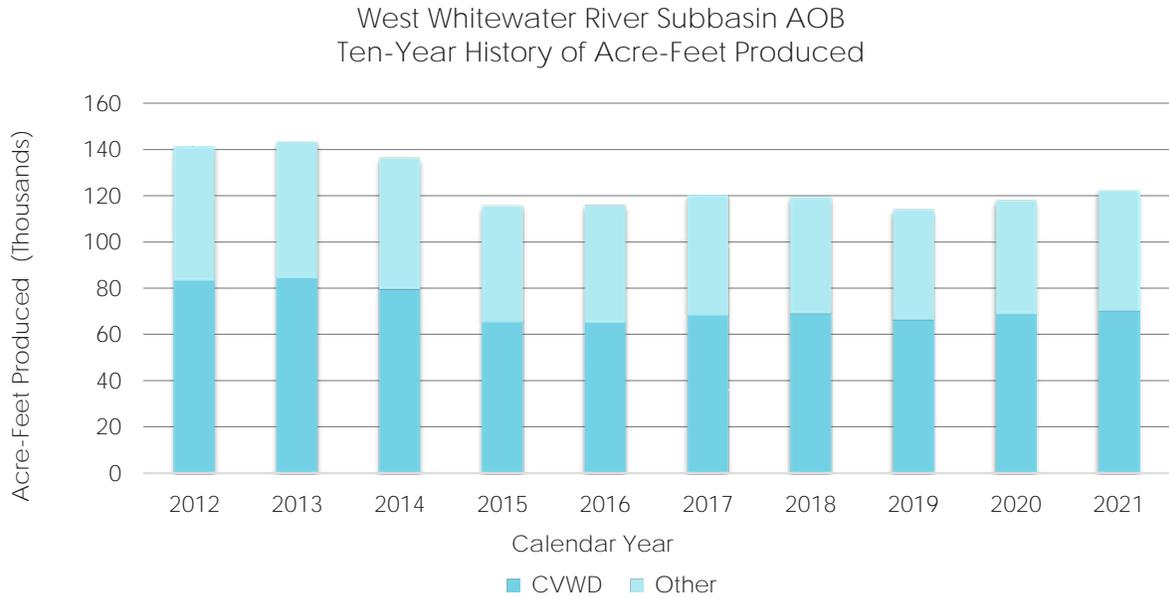
The chart below shows the amount of water CVWD and DWA have replenished over the last ten calendar years. It also shows the variability of the supply of SWP water. To date, CVWD, DWA, and MWD have replenished approximately 3.8 maf of water in the West Whitewater River Subbasin AOB. The amount of water replenished varies year to year. This is due in part to the 1984 Advance Delivery Agreement between CVWD, DWA, and MWD, whereby the District allows MWD to predeliver up to 800,000 af of water in the Whitewater River Subbasin. MWD predelivered, or delivered in advance, a total of over 300,000 af of water from 2010 through 2012. In 2017 and 2018, MWD predelivered an additional 285,000 af and 90,083 af of water, respectively, which is reflected in the chart below. In years where an advanced delivery balance exists, MWD may deliver less than CVWD’s and DWA’s SWP allocations to the Coachella Valley and instead draw down the advance delivery account. This agreement provides flexibility by allowing MWD to store Colorado River water in the Whitewater River Subbasin in wet years and draw on that storage in dry years. During critically dry years, this agreement also allows water to be predelivered into MWD’s service area, under specified repayment conditions.

West Whitewater River Subbasin AOB  
Ten-Year History of Acre-Feet Replenished



There were 70 producers subject to the RAC in the West Whitewater River Subbasin AOB that pumped 122,413 af of water from the aquifer in calendar year 2021, an increase of 4,643 af from 2020. Of the total af produced in 2021, CVWD’s wells produced 70,822 af for use as domestic water compared to 69,255 af in 2020, an increase of 1,567 af. The chart below shows the amount of water produced in the subbasin over the last ten calendar years.

The chart below shows the five-year history of replenishment rates for the West Whitewater Replenishment Fund. As part of the 2021 Cost of Service Study, the Board approved a 15% rate increase for fiscal year 2022. For fiscal year 2023, the Board elected to hold the rate at \$165.37 per af with no increase.



### *Nonpotable Water*

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

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

Previously, nonpotable water was strictly reclaimed wastewater (recycled water). Currently, nonpotable water includes not only recycled water, but also Colorado River water (canal water) via the Mid-Valley Pipeline (MVP), or a blend of recycled water and canal water.

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

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

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

In fiscal year 2020, water sales and related expenses incurred in delivering and promoting the use of recycled water and Colorado River water delivered by the MVP were incorporated into the West Whitewater fund. The change reflects the benefit to customers served by that fund of the availability of these additional nonpotable supplies for uses such as golf course and large landscape irrigation.

West Whitewater Replenishment	FY 2021 Actual	FY 2022 Actual*	FY 2022 Budget	FY 2023 Budget	Budget Change	% Change
<b>Revenues</b>						
Water Sales	\$ 3,397,784	\$ 3,634,759	\$ 3,431,762	\$ 4,673,725	\$ 1,241,963	36.2%
Replenishment Charges	17,771,679	20,607,437	19,580,173	18,830,682	(749,491)	-3.8%
Property Taxes - General	2,104,963	2,214,076	2,147,000	2,280,498	133,498	6.2%
Property Taxes - SWP	(458,357)	-	-	-	-	-
Charges for Services	30,828	26,073	5,000	5,000	-	-
Intergovernmental	393,635	6,526	660,000	-	(660,000)	-100.0%
Investment Income	624,216	406,165	712,274	228,771	(483,503)	-67.9%
Other Revenue	115,644	52,758	10,000	10,000	-	-
<b>Total Revenues</b>	<b>\$ 23,980,393</b>	<b>\$ 26,947,793</b>	<b>\$ 26,546,209</b>	<b>\$ 26,028,676</b>	<b>\$ (517,533)</b>	<b>-1.9%</b>
<b>Expenses</b>						
Salaries & Benefits (Net of Capitalized Labor)	\$ 3,392,596	\$ 3,247,945	\$ 3,655,930	\$ 3,977,531	\$ 321,601	8.8%
Supplies and Services	3,824,150	2,652,917	5,186,300	4,283,887	(902,413)	-17.4%
Utilities	926,566	870,149	590,633	816,560	225,927	38.3%
Water Purchases	12,642,624	17,456,083	19,982,773	12,966,587	(7,016,186)	-35.1%
QSA Mitigation Costs	191,000	1,287,788	1,288,000	1,494,000	206,000	16.0%
Pass-Through (Contra Expense)	-	(271,052)	(400,000)	(490,000)	(90,000)	22.5%
Capital Outlay	44,986	49,351	56,370	1,782	(54,588)	-96.8%
<b>Total Expenses</b>	<b>\$ 21,021,922</b>	<b>\$ 25,293,179</b>	<b>\$ 30,360,006</b>	<b>\$ 23,050,347</b>	<b>\$ (7,309,659)</b>	<b>-24.1%</b>
<b>Operating Income (Loss)</b>	<b>\$ 2,958,471</b>	<b>\$ 1,654,613</b>	<b>\$ (3,813,797)</b>	<b>\$ 2,978,329</b>	<b>\$ 6,792,126</b>	<b>-178.1%</b>
<b>Nonoperating Revenues (Expenses)</b>						
<b>Interfund Transfers</b>						
Debt Service - Interfund	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (3,500,000)	\$ (2,300,000)	191.7%
<b>Sources</b>						
Use of Restricted Funds	-	-	-	4,139,173	4,139,173	-
Grant Revenue	76,885	23,109	-	-	-	-
<b>Uses</b>						
Capital Improvement Budget	(216,242)	(297,459)	(395,600)	(5,466,535)	(5,070,935)	1281.8%
Contribution to Motorpool CIP	(21,204)	(4,623)	(3,000)	(18,642)	(15,642)	521.4%
Other Revenue (Expenses)	305,516	-	-	-	-	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>\$ (1,055,046)</b>	<b>\$ (1,478,973)</b>	<b>\$ (1,598,600)</b>	<b>\$ (4,846,004)</b>	<b>\$ (3,247,404)</b>	<b>203.1%</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>\$ 1,903,425</b>	<b>\$ 175,640</b>	<b>\$ (5,412,397)</b>	<b>\$ (1,867,675)</b>	<b>\$ 3,544,722</b>	<b>-65.5%</b>
<b>Beginning Reserve</b>	<b>\$ 34,013,315</b>	<b>\$ 35,916,740</b>	<b>\$ 35,916,740</b>	<b>\$ 36,092,380</b>	<b>\$ 175,640</b>	<b>0.5%</b>
<b>Ending Reserve</b>	<b>\$ 35,916,740</b>	<b>\$ 36,092,380</b>	<b>\$ 30,504,343</b>	<b>\$ 34,224,705</b>	<b>\$ 3,720,362</b>	<b>12.2%</b>
<b>Assigned Reserve</b>	<b>\$ 9,035,000</b>	<b>\$ 11,472,000</b>	<b>\$ 11,472,000</b>	<b>\$ 9,590,000</b>	<b>\$ (1,882,000)</b>	<b>-16.4%</b>
<b>Unassigned Reserve</b>	<b>\$ 26,881,740</b>	<b>\$ 24,620,380</b>	<b>\$ 19,032,343</b>	<b>\$ 24,634,705</b>	<b>\$ 5,602,362</b>	<b>29.4%</b>
* Unaudited						
Days Cash on Hand	624	521	367	542	175	47.8%

## Budget Summary

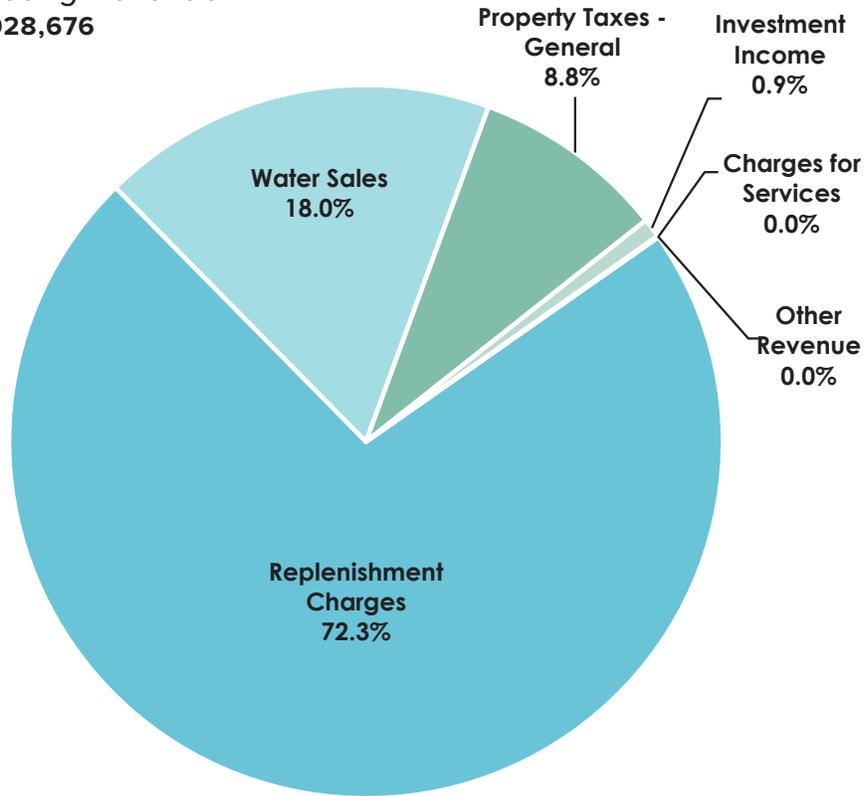
West Whitewater total revenues are budgeted to decrease by \$518,000, or 1.9% compared to fiscal year 2022 primarily due to lower production due to drought reductions.

Total operating expenses are decreasing by \$7.3 million, or 24.1%. The largest decrease is for water purchases, as availability of GLC water is limited in fiscal year 2023, and not budgeted.

Nonoperating expenses include capital improvements totaling \$5.5 million to continue work on the Palm Desert Replenishment Facility, \$3.5 million in debt service for an internal loan to the Domestic fund, and a \$19,000 transfer to the Motorpool fund for its share of equipment purchases.

Ending reserves for fiscal year 2023 are budgeted at \$34.2 million.

**Revenues**  
*Operating Revenue*  
**\$26,028,676**



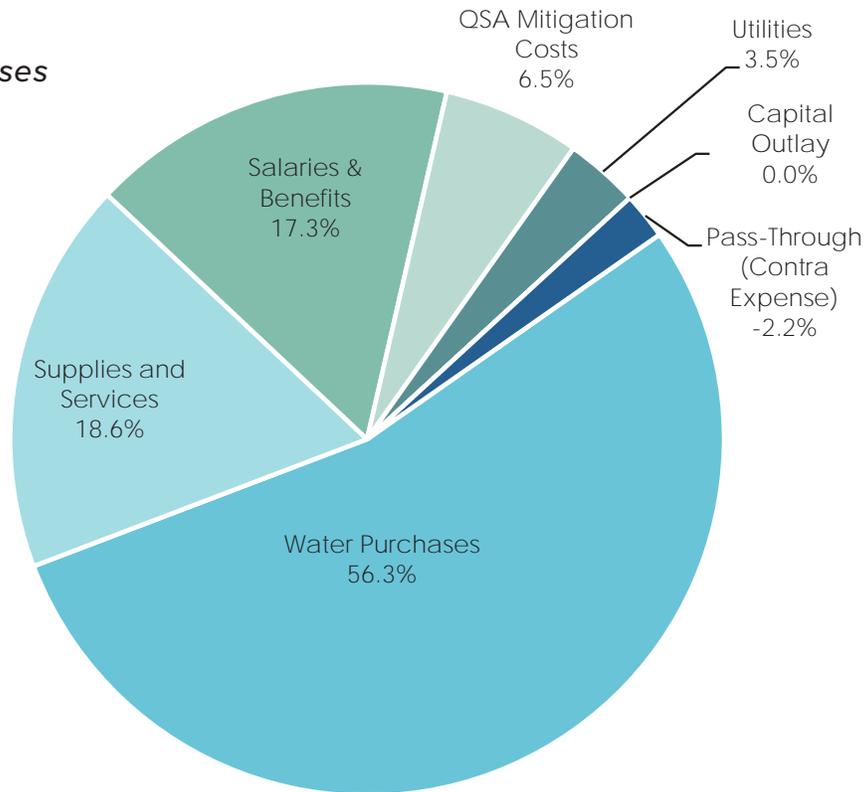
**REPLENISHMENT CHARGES** comprise 72.3% of the revenue. Replenishment charge revenues are budgeted based on the amount of water expected to be pumped from the aquifer (well production) multiplied by the RAC rate.

**WATER SALES** comprise 18% of total revenue. Water sales are revenues generated from the sale of reclaimed wastewater (recycled) and Colorado River water (canal water) via the Mid-Valley Pipeline, or a blend of recycled water and canal water.

**PROPERTY TAXES - GENERAL** revenues make up 8.8% of revenues. These property taxes are part of the District's general discretionary tax revenue and may be allocated as determined by the Board of Directors.

**INVESTMENT INCOME** is budgeted at \$229,000. Investment income is based on the cash balance in the fund and is generated at the return of investment rate of the combined investments of the District.

**Expenses**  
**Operating Expenses**  
**\$23,050,347**



**SALARIES & BENEFITS** total \$4 million, an increase of \$322,000 compared to fiscal year 2022. The increase reflects anticipated salary and benefit increases in fiscal year 2023.

**SUPPLIES & SERVICES** are budgeted at \$4.3 million, a decrease of \$902,000. The decrease is based on estimated reallocations between funds for legal and professional services.

**WATER PURCHASES** are budgeted at \$13 million, compared to \$20 million budgeted in fiscal year 2022. The District will not receive GLC water in fiscal year 2023, resulting in the \$7 million difference.

**QSA MITIGATION** costs are budgeted at \$1.5 million. The QSA Mitigation costs are based on the amount of QSA water used for West Whitewater AOB recharge, with the overall payment increasing for fiscal year 2023 per the contract payment schedule. See the East Replenishment fund for more information on the QSA Mitigation Costs.

**PASS-THROUGH (CONTRA EXPENSE)** reflects a total expense offset of \$490,000 for fiscal year 2023. The total represents offsets for shared expenses with Desert Water Agency (DWA) at the West Whitewater Replenishment Facility and the fund's allocation of expected reimbursements for project expenditures.

**Five-Year Forecast**

The District completed a comprehensive Cost of Service Study (COSS) for the West Replenishment fund in fiscal year 2021, and established maximum Proposition 218 rate increases for fiscal years 2022 through 2026. The Board has the ability to adopt rates up to the maximum rate each year as part of the budget process. Based on fiscal year 2022 performance, the reduction of water purchases for fiscal year 2023, and projected ending reserves, the Board elected to hold the RAC rate at the fiscal year 2022 level with no increase for fiscal year 2023.

The five-year forecast includes rate assumptions based on anticipated expenditures, and reflects the balance of ensuring positive operating income for the long-term, and drawing down unassigned reserves over time to the assigned reserve target. Projected rates are based on current assumptions, and will be revised during the next budget process. The following table compares the projected forecast rates to the Proposition 218 maximum rates.

Forecast Rate Comparison West Replenishment (Per AF)	FY 2023 Rate	FY 2024 Rate	FY 2025 Rate	FY 2026 Rate	FY 2027* Rate
<u>Proposition 218 Maximum Rates</u>					
West Replenishment Rate	\$ 198.45	\$ 238.14	\$ 285.76	\$ 342.91	\$ 342.91
Year-Over-Year % Change	20.0%	20.0%	20.0%	20.0%	0.0%
<u>Forecast Projected Rates</u>					
West Replenishment Rate	\$ 165.37	\$ 181.91	\$ 249.21	\$ 274.13	\$ 282.36
Year-Over-Year % Change	0.0%	10.0%	37.0%	10.0%	3.0%

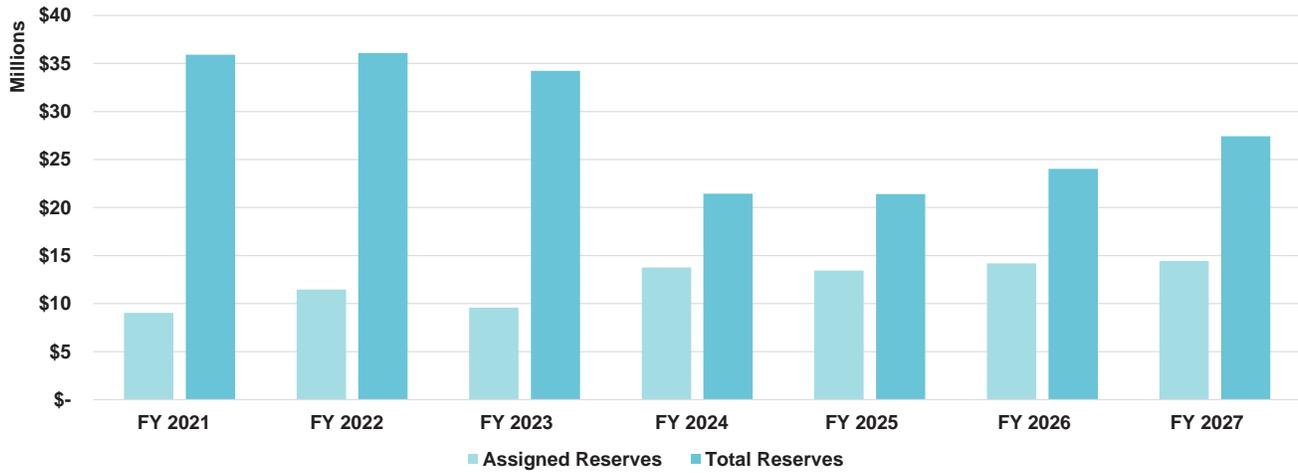
\* Proposition 218 Rates are only adopted through FY 2026.

Nonpotable water sales are expected to grow throughout the forecast period as additional customers are connected, and property tax revenue is expected to increase by approximately 2% to 3% per year. Operating expenses show a significant increase beginning in fiscal year 2024, as water purchase expenses increase with the expected return of GLC/Rosedale Rio Bravo water purchases. Salaries and benefits increase at a rate of 4.5% to 5% due to expected cost of living and merit increases. Debt service payments for the internal loan from the Domestic Water fund for the Mid-Valley Pipeline project increase to \$4.2 million per year beginning in fiscal year 2024.

# WATER REPLENISHMENT FUNDS

West Whitewater Replenishment Five-Year Forecast	FY 2023 Budget	FY 2024	FY 2025	FY 2026	FY 2027
		Forecast			
<b>Revenues</b>					
Water Sales	\$ 4,673,725	\$ 5,628,153	\$ 8,262,886	\$ 10,058,338	\$ 10,596,381
Replenishment Charges	18,830,682	20,538,210	27,896,857	30,422,004	31,062,189
Property Taxes - General	2,280,498	2,326,108	2,372,630	2,420,083	2,468,485
Charges for Services	5,000	5,150	5,305	5,464	5,628
Investment Income	228,771	342,247	267,944	320,957	480,687
Other Revenue	10,000	10,300	10,609	10,927	11,255
<b>Total Revenues</b>	<b>\$ 26,028,676</b>	<b>\$ 28,850,168</b>	<b>\$ 38,816,231</b>	<b>\$ 43,237,773</b>	<b>\$ 44,624,625</b>
<b>Expenses</b>					
Salaries & Benefits (Net of Capitalized Labor)	\$ 3,977,531	\$ 4,030,615	\$ 4,462,758	\$ 4,721,316	\$ 4,905,626
Supplies and Services	4,283,887	4,422,582	4,548,697	4,661,940	4,778,103
Utilities	816,560	881,882	952,430	1,028,619	1,110,907
Water Purchases	12,966,587	24,543,814	24,474,214	25,951,535	26,555,636
QSA Mitigation Costs	1,494,000	1,577,000	92,000	343,000	-
Pass-Through (Contra Expense)	(490,000)	(490,000)	(490,000)	(490,000)	(490,000)
Capital Outlay	1,782	1,871	1,965	2,063	2,166
<b>Total Expenses</b>	<b>\$ 23,050,347</b>	<b>\$ 34,967,764</b>	<b>\$ 34,042,064</b>	<b>\$ 36,218,473</b>	<b>\$ 36,862,438</b>
<b>Operating Income (Loss)</b>	<b>\$ 2,978,329</b>	<b>\$ (6,117,596)</b>	<b>\$ 4,774,167</b>	<b>\$ 7,019,300</b>	<b>\$ 7,762,187</b>
<b>Nonoperating Revenues (Expenses)</b>					
<b>Interfund Transfers</b>					
Debt Service - Interfund	\$ (3,500,000)	\$ (4,200,000)	\$ (4,200,000)	\$ (4,200,000)	\$ (4,200,000)
<b>Sources</b>					
Use of Restricted Funds	4,139,173	7,457,338	1,403,511	-	-
<b>Uses</b>					
Capital Improvement Budget	(5,466,535)	(9,909,800)	(1,997,134)	(162,500)	(162,500)
Contribution to Motorpool CIP	(18,642)	(19,107)	(18,980)	(19,549)	(19,107)
<b>Total Nonoperating Revenues (Expenses)</b>	<b>\$ (4,846,004)</b>	<b>\$ (6,671,569)</b>	<b>\$ (4,812,602)</b>	<b>\$ (4,382,049)</b>	<b>\$ (4,381,607)</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>\$ (1,867,675)</b>	<b>\$ (12,789,165)</b>	<b>\$ (38,435)</b>	<b>\$ 2,637,251</b>	<b>\$ 3,380,580</b>
<b>Beginning Reserve</b>	<b>\$ 36,092,380</b>	<b>\$ 34,224,705</b>	<b>\$ 21,435,541</b>	<b>\$ 21,397,105</b>	<b>\$ 24,034,356</b>
<b>Ending Reserve</b>	<b>\$ 34,224,705</b>	<b>\$ 21,435,541</b>	<b>\$ 21,397,105</b>	<b>\$ 24,034,356</b>	<b>\$ 27,414,936</b>
<b>Assigned Reserve</b>	<b>\$ 9,590,000</b>	<b>\$ 13,761,000</b>	<b>\$ 13,437,000</b>	<b>\$ 14,200,000</b>	<b>\$ 14,424,000</b>
<b>Unassigned Reserve</b>	<b>\$ 24,634,705</b>	<b>\$ 7,674,541</b>	<b>\$ 7,960,105</b>	<b>\$ 9,834,356</b>	<b>\$ 12,990,936</b>
<i>Days Cash on Hand</i>	542	224	229	242	271

District Reserves - West Whitewater Replenishment



Reserve Type	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
	Actual	Actual*	Budget	Forecast			
Assigned Reserves	\$ 9,035,000	\$ 11,472,000	\$ 9,590,000	\$ 13,761,000	\$ 13,437,000	\$ 14,200,000	\$ 14,424,000
Unassigned Reserves	26,881,740	24,620,380	24,634,705	7,674,541	7,960,105	9,834,356	12,990,936
<b>Total Reserves</b>	<b>\$ 35,916,740</b>	<b>\$ 36,092,380</b>	<b>\$ 34,224,705</b>	<b>\$ 21,435,541</b>	<b>\$ 21,397,105</b>	<b>\$ 24,034,356</b>	<b>\$ 27,414,936</b>

Assigned Reserves by Type	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
	Actual	Actual*	Budget	Forecast			
Operating	\$ 5,503,000	\$ 7,310,000	\$ 5,762,000	\$ 8,741,000	\$ 8,510,000	\$ 9,054,000	\$ 9,215,000
Rate Stabilization	641,000	2,924,000	2,305,000	3,497,000	3,404,000	3,622,000	3,686,000
Capital	2,201,000	600,000	885,000	885,000	885,000	885,000	885,000
Emergency	671,000	619,000	619,000	619,000	619,000	619,000	619,000
Vehicle	19,000	19,000	19,000	19,000	19,000	20,000	19,000
<b>Total Assigned Reserves</b>	<b>\$ 9,035,000</b>	<b>\$ 11,472,000</b>	<b>\$ 9,590,000</b>	<b>\$ 13,761,000</b>	<b>\$ 13,437,000</b>	<b>\$ 14,200,000</b>	<b>\$ 14,424,000</b>

\* Unaudited

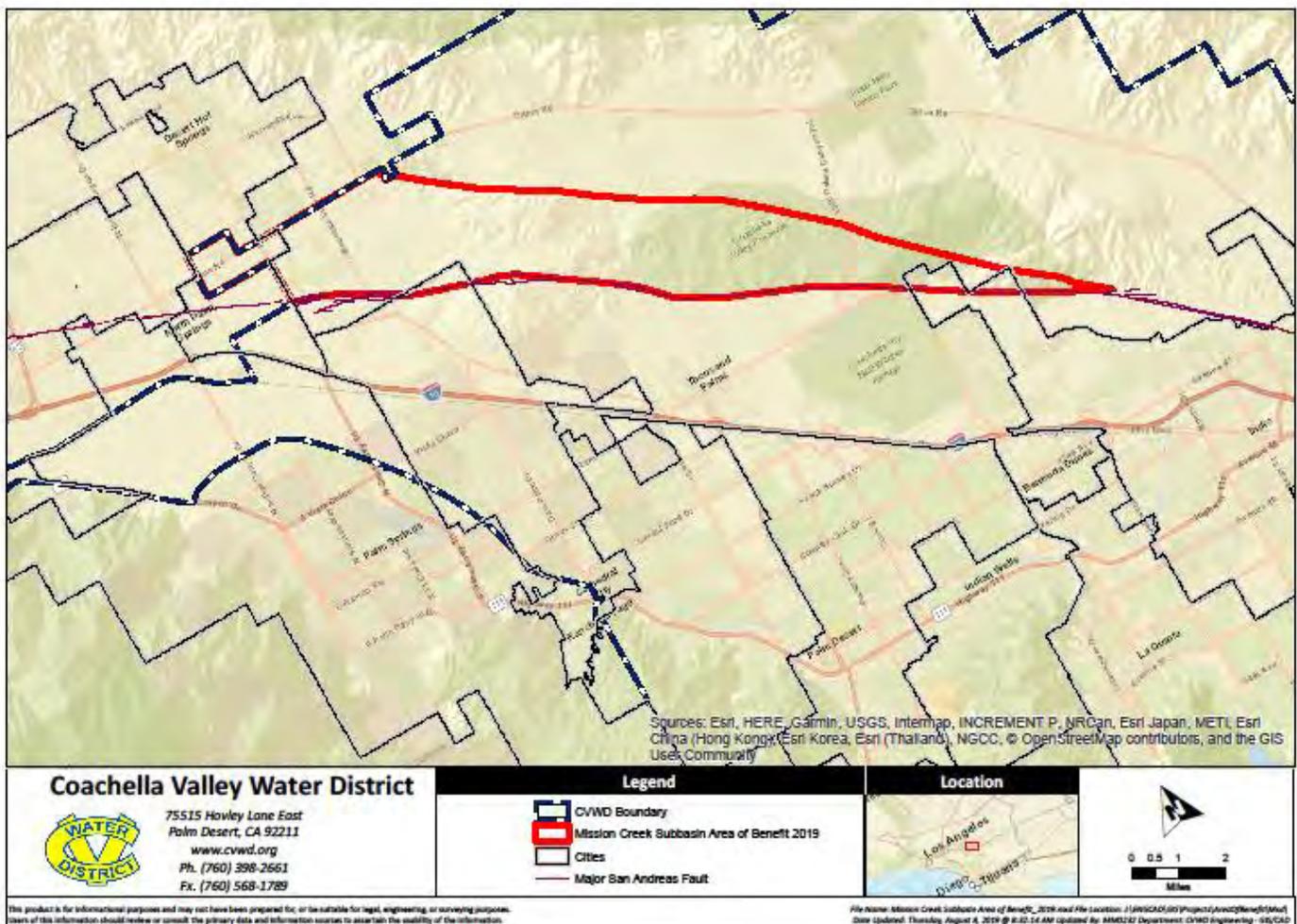
## MISSION CREEK REPLENISHMENT FUND

### Background

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

The following map shows the Mission Creek Area of Benefit, along with CVWD boundaries.

Mission Creek Subbasin Area of Benefit



To date, CVWD and DWA have replenished 167,044 af in the Mission Creek Subbasin AOB. The chart below shows the annual volume replenished at the Mission Creek Replenishment facility over the last ten calendar years. The amount of water replenished varies each year, due in part to the 1984 Advance Delivery Agreement between CVWD, DWA, and MWD, whereby MWD is allowed to pre-deliver water in the Mission Creek Subbasin. There were no water deliveries to the Mission Creek Replenishment facility in calendar 2021, down from 1,768 af in 2020.

Mission Creek Subbasin AOB  
Ten-Year History of Acre-Feet Replenished



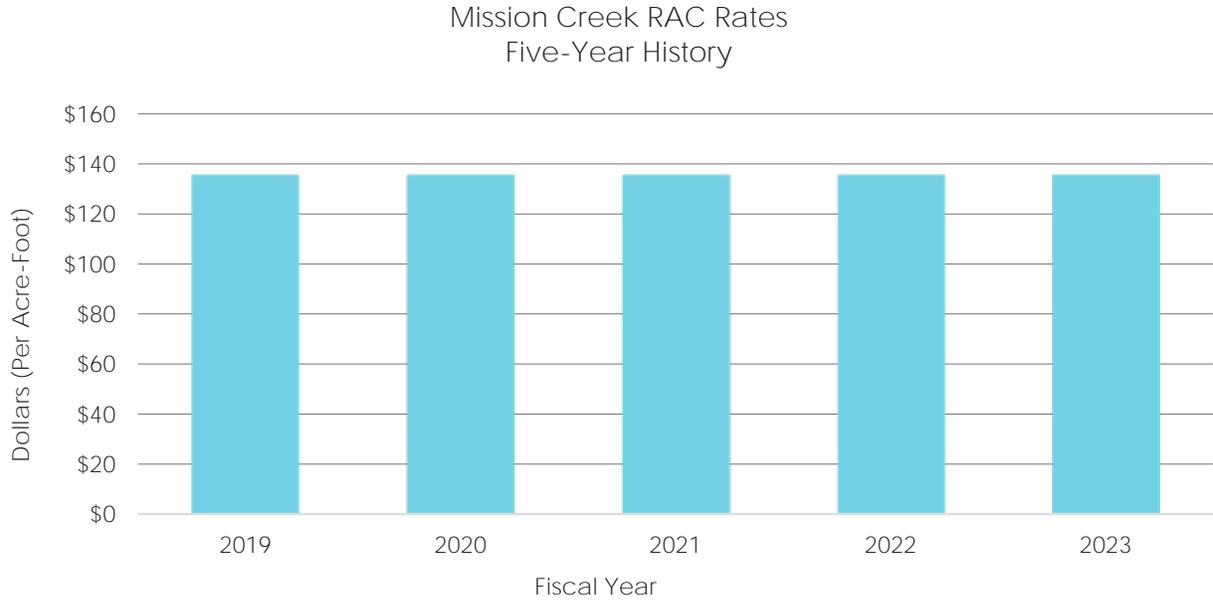
In calendar year 2021, there were 4 producers subject to the RAC in CVWD’s Mission Creek Subbasin AOB that pumped 4,582 af of water. Of the total production, 3,062 af were produced by CVWD wells for use as domestic water.

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

Mission Creek Subbasin AOB  
Ten-Year History of Acre-Feet Produced



The chart below shows the five-year history of replenishment rates for the Mission Creek Replenishment Fund. The Cost of Service Study completed in fiscal year 2021 recommended no new rates for fiscal years 2022 through 2026. The rate has remained at \$135.52 per af since fiscal year 2018.



# WATER REPLENISHMENT FUNDS

Mission Creek Replenishment	FY 2021 Actual	FY 2022 Actual*	FY 2022 Budget	FY 2023 Budget	Budget Change	% Change
<b>Revenues</b>						
Replenishment Charges	\$ 675,743	\$ 601,875	\$ 606,484	\$ 569,402	\$ (37,082)	-6.1%
Property Taxes - SWP	(54,312)	-	-	-	-	-
Charges for Services	1,086	1,268	-	-	-	-
Investment Income	62,763	44,311	90,000	32,438	(57,562)	-64.0%
Other Revenue	121,284	76,317	-	-	-	-
<b>Total Revenues</b>	<b>\$ 806,565</b>	<b>\$ 723,772</b>	<b>\$ 696,484</b>	<b>\$ 601,840</b>	<b>\$ (94,644)</b>	<b>-13.6%</b>
<b>Expenses</b>						
Salaries & Benefits (Net of Capitalized Labor)	\$ 198,023	\$ 268,885	\$ 249,269	\$ 341,266	\$ 91,997	36.9%
Supplies and Services	495,356	305,819	218,723	309,256	90,533	41.4%
Utilities	1,375	1,368	1,097	1,243	146	13.3%
Water Purchases	11,563	17,485	-	-	-	-
Pass-Through (Contra Expense)	-	-	-	(80,000)	(80,000)	-
Capital Outlay	2,101	823	-	1,000	1,000	-
<b>Total Expenses</b>	<b>\$ 708,418</b>	<b>\$ 594,378</b>	<b>\$ 469,089</b>	<b>\$ 572,765</b>	<b>\$ 103,676</b>	<b>22.1%</b>
<b>Operating Income (Loss)</b>	<b>\$ 98,147</b>	<b>\$ 129,394</b>	<b>\$ 227,395</b>	<b>\$ 29,075</b>	<b>\$ (198,320)</b>	<b>-87.2%</b>
<b>Nonoperating Revenues (Expenses)</b>						
<b>Sources</b>						
Grant Revenue	\$ 168,533	\$ 31,859	\$ -	\$ -	\$ -	-
<b>Uses</b>						
Contribution to Motorpool CIP	(1,466)	-	-	-	-	-
Other Revenue (Expenses)	9,349	-	-	-	-	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>\$ 176,417</b>	<b>\$ 31,859</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>\$ 274,564</b>	<b>\$ 161,253</b>	<b>\$ 227,395</b>	<b>\$ 29,075</b>	<b>\$ (198,320)</b>	<b>-87.2%</b>
<b>Beginning Reserve</b>	<b>\$ 3,823,135</b>	<b>\$ 4,097,699</b>	<b>\$ 4,097,699</b>	<b>\$ 4,258,952</b>	<b>\$ 161,253</b>	<b>3.9%</b>
<b>Ending Reserve</b>	<b>\$ 4,097,699</b>	<b>\$ 4,258,952</b>	<b>\$ 4,325,094</b>	<b>\$ 4,288,027</b>	<b>\$ (37,067)</b>	<b>-0.9%</b>
<b>Assigned Reserve</b>	<b>\$ 249,000</b>	<b>\$ 184,000</b>	<b>\$ 184,000</b>	<b>\$ 208,000</b>	<b>\$ 24,000</b>	<b>13.0%</b>
<b>Unassigned Reserve</b>	<b>\$ 3,848,699</b>	<b>\$ 4,074,952</b>	<b>\$ 4,141,094</b>	<b>\$ 4,080,027</b>	<b>\$ (61,067)</b>	<b>-1.5%</b>
* Unaudited						
Days Cash on Hand	2,111	2,615	3,365	2,733	(633)	-18.8%

## Budget Summary

Mission Creek revenues are budgeted to decrease by \$95,000 as compared to fiscal year 2022. Replenishment revenue is expected to decline due to lower production as a result of drought restrictions. Operating expenses are budgeted to increase by \$104,000 compared to fiscal year 2022, due to higher expenses for salaries and benefits and supplies and services.

Ending reserves for fiscal year 2023 are budgeted at \$4.3 million.

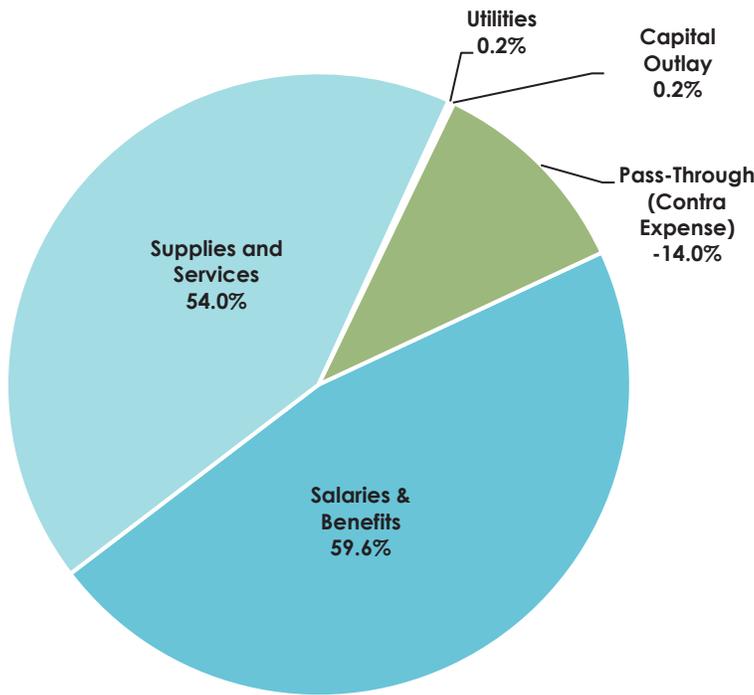
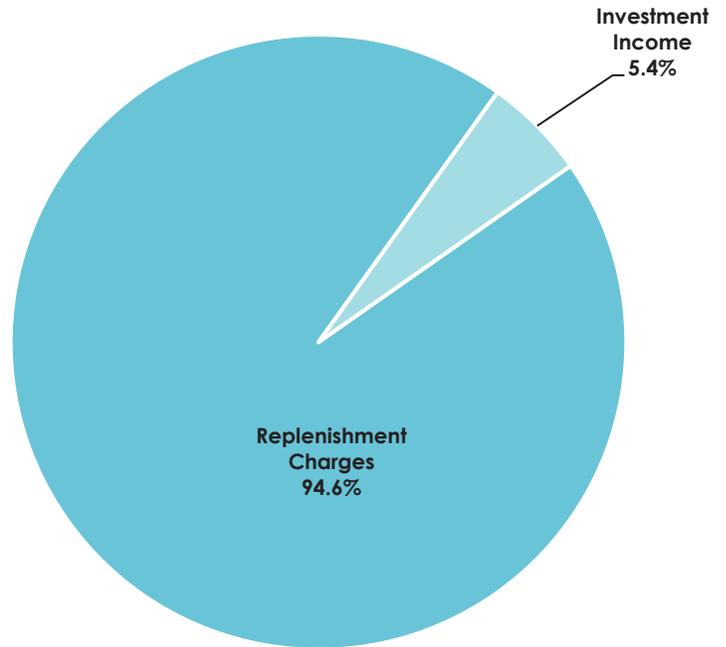
## Revenues

### Operating Revenues

**\$601,840**

**REPLENISHMENT CHARGES** account for 94.6% of total fund revenues, and reflects a decrease of \$37,000 when compared to fiscal year 2022 revenue. Replenishment charge revenues are based on the amount of water expected to be pumped from the aquifer (well production) multiplied by the RAC rate.

**INVESTMENT INCOME** is budgeted at \$32,000. Investment income is based on the cash balance in the fund and is generated by the combined investments of the District.



## Expenses

### Operating Expenses

**\$572,765**

**SALARIES & BENEFITS** total \$341,000 for fiscal year 2023, and reflect an increase of \$92,000 compared to fiscal year 2022 due to expected increases in wages and benefits.

**SUPPLIES & SERVICES** are budgeted at \$309,000, an increase of \$91,000 from fiscal year 2022. Increased prices for supplies and contract services are the primary causes of the variance.

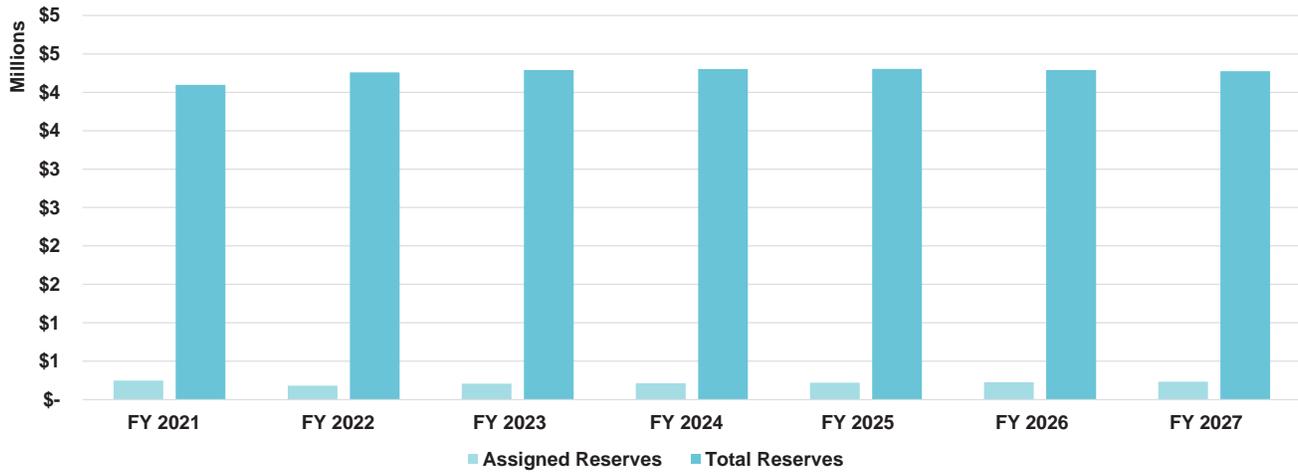
**PASS-THROUGH (CONTRA EXPENSE)** reflects a total expense offset of \$80,000 for fiscal year 2023. The total represents offsets for shared expenses with Desert Water Agency (DWA) at the Mission Creek Replenishment Facility and the fund's allocation of expected reimbursements for project expenditures.

## Five-Year Forecast

The District completed a comprehensive Cost of Service Study for the Mission Creek Replenishment fund in fiscal year 2021. The study reviewed existing rate structures, evaluated the adequacy of projected revenues under the existing rates, and provided recommendations for revenue adjustments. Rate setting procedures in California require that agencies responsible for imposing property related charges demonstrate a nexus between the cost of providing the service and the services or benefits received. The five-year forecast reflects no annual rate increases. Reserves are fully funded through fiscal year 2027 per the District's Reserve Policy.

Mission Creek Replenishment Five-Year Forecast	FY 2023 Budget	FY 2024	FY 2025	FY 2026	FY 2027
		Forecast			
<b>Revenues</b>					
Replenishment Charges	\$ 569,402	\$ 569,402	\$ 569,402	\$ 569,402	\$ 569,402
Investment Income	32,438	42,880	53,782	64,548	85,789
<b>Total Revenues</b>	<b>\$ 601,840</b>	<b>\$ 612,282</b>	<b>\$ 623,184</b>	<b>\$ 633,950</b>	<b>\$ 655,191</b>
<b>Expenses</b>					
Salaries & Benefits (Net of Capitalized Labor)	\$ 341,266	\$ 356,622	\$ 372,671	\$ 389,443	\$ 404,630
Supplies and Services	309,256	318,704	327,358	335,532	343,921
Utilities	1,243	1,341	1,449	1,564	1,687
Pass-Through (Contra Expense)	(80,000)	(80,000)	(80,000)	(80,000)	(80,000)
Capital Outlay	1,000	1,050	1,103	1,158	1,216
<b>Total Expenses</b>	<b>\$ 572,765</b>	<b>\$ 597,717</b>	<b>\$ 622,581</b>	<b>\$ 647,697</b>	<b>\$ 671,454</b>
<b>Operating Income (Loss)</b>	<b>\$ 29,075</b>	<b>\$ 14,565</b>	<b>\$ 603</b>	<b>\$ (13,747)</b>	<b>\$ (16,263)</b>
<b>Total Nonoperating Revenues (Expenses)</b>	<b>\$ -</b>				
<b>Increase (Decrease) in Cash Flow</b>	<b>\$ 29,075</b>	<b>\$ 14,565</b>	<b>\$ 603</b>	<b>\$ (13,747)</b>	<b>\$ (16,263)</b>
<b>Beginning Reserve</b>	<b>\$ 4,258,952</b>	<b>\$ 4,288,027</b>	<b>\$ 4,302,592</b>	<b>\$ 4,303,195</b>	<b>\$ 4,289,448</b>
<b>Ending Reserve</b>	<b>\$ 4,288,027</b>	<b>\$ 4,302,592</b>	<b>\$ 4,303,195</b>	<b>\$ 4,289,448</b>	<b>\$ 4,273,185</b>
<b>Assigned Reserve</b>	<b>\$ 208,000</b>	<b>\$ 214,000</b>	<b>\$ 221,000</b>	<b>\$ 227,000</b>	<b>\$ 233,000</b>
<b>Unassigned Reserve</b>	<b>\$ 4,080,027</b>	<b>\$ 4,088,592</b>	<b>\$ 4,082,195</b>	<b>\$ 4,062,448</b>	<b>\$ 4,040,185</b>
<i>Days Cash on Hand</i>	<i>2,733</i>	<i>2,627</i>	<i>2,523</i>	<i>2,417</i>	<i>2,323</i>

District Reserves - Mission Creek Replenishment



Reserve Type	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
	Actual	Actual*	Budget	Forecast			
Assigned Reserves	\$ 249,000	\$ 184,000	\$ 208,000	\$ 214,000	\$ 221,000	\$ 227,000	\$ 233,000
Unassigned Reserves	3,848,699	4,074,952	4,080,027	4,088,592	4,082,195	4,062,448	4,040,185
<b>Total Reserves</b>	<b>\$ 4,097,699</b>	<b>\$ 4,258,952</b>	<b>\$ 4,288,027</b>	<b>\$ 4,302,592</b>	<b>\$ 4,303,195</b>	<b>\$ 4,289,448</b>	<b>\$ 4,273,185</b>

Assigned Reserves by Type	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
	Actual	Actual*	Budget	Forecast			
Operating	\$ 177,000	\$ 117,000	\$ 143,000	\$ 149,000	\$ 156,000	\$ 162,000	\$ 168,000
Rate Stabilization	71,000	59,000	57,000	57,000	57,000	57,000	57,000
Emergency	1,000	8,000	8,000	8,000	8,000	8,000	8,000
<b>Total Assigned Reserves</b>	<b>\$ 249,000</b>	<b>\$ 184,000</b>	<b>\$ 208,000</b>	<b>\$ 214,000</b>	<b>\$ 221,000</b>	<b>\$ 227,000</b>	<b>\$ 233,000</b>

\* Unaudited

## EAST WHITEWATER REPLENISHMENT FUND

### Background

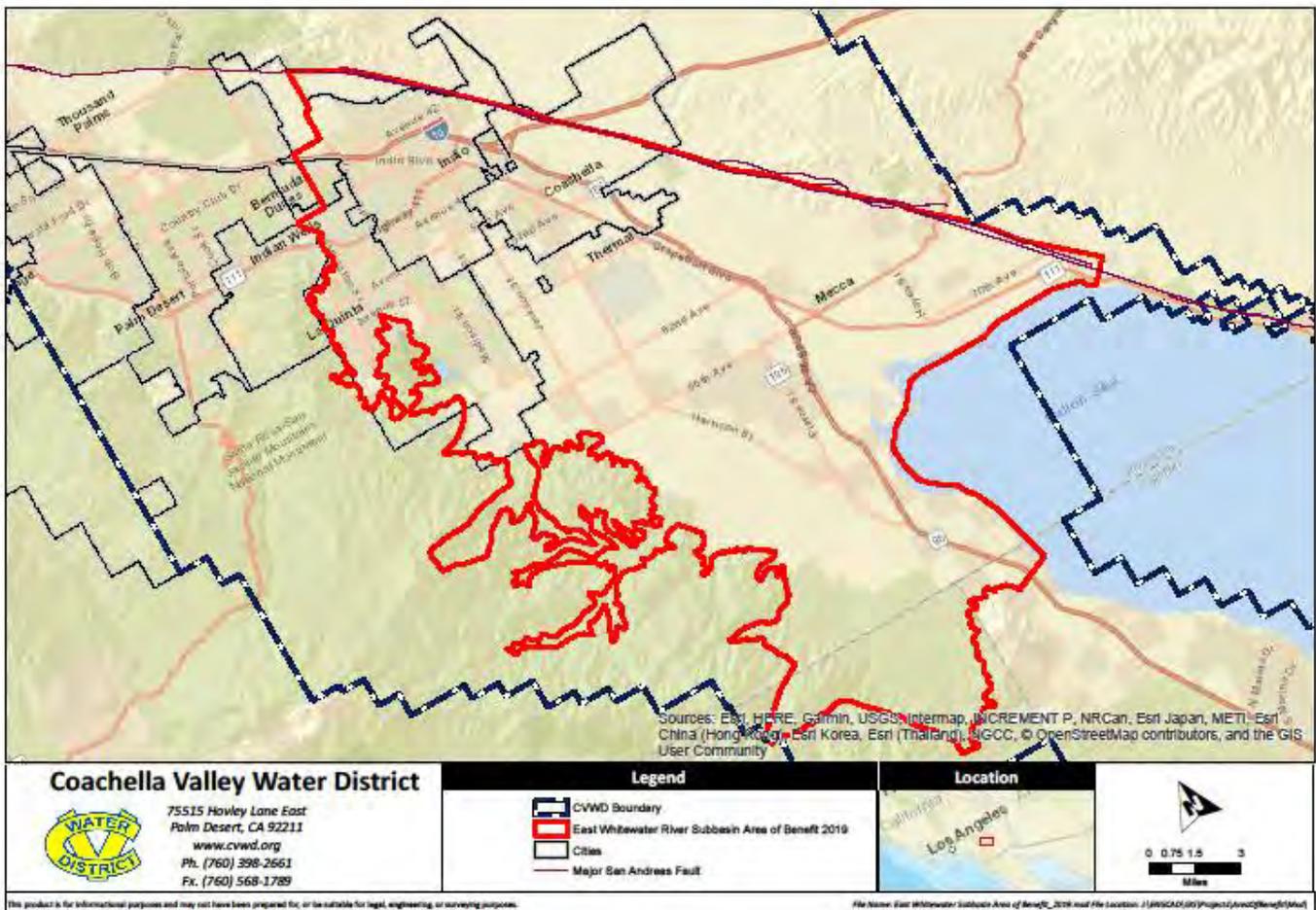
The eastern boundary of the Whitewater River Subbasin is formed primarily by the watershed of the Mecca Hills and by the northwest shoreline of the Salton Sea, running between the Santa Rosa Mountains and Mortmar. The southern boundary roughly coincides with the Riverside/Imperial County line. The western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

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

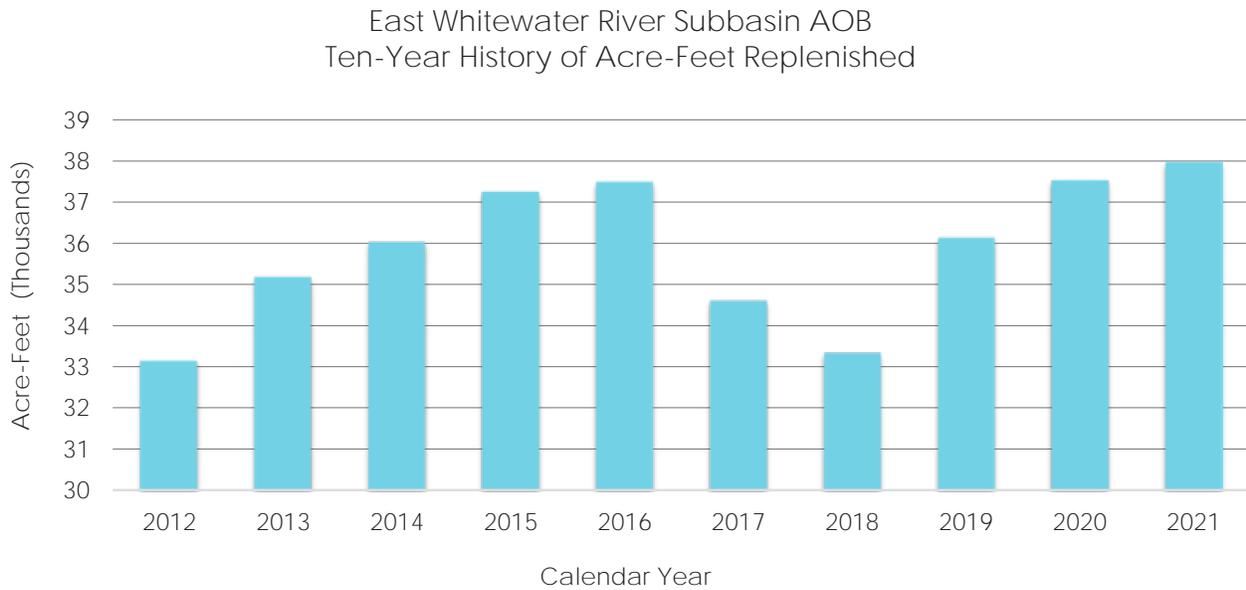
Since 2010, groundwater levels have been elevated an average of 35 feet in the eastern Coachella Valley and as much as 70 feet near the TEL facility. According to a 2014 study released by the U.S. Geological Survey (USGS), average subsidence rates decreased at five locations in the city of La Quinta, near the TEL facility, and in one case, USGS measured ground uplift. These measurements were taken in 2010, after only one full year of operation of the TEL facility.

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

East Whitewater River Subbasin Area of Benefit



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



To date, CVWD has replenished 488,396 af of water in this AOB. The water is supplied from the Colorado River via the Coachella Branch of the All American Canal.

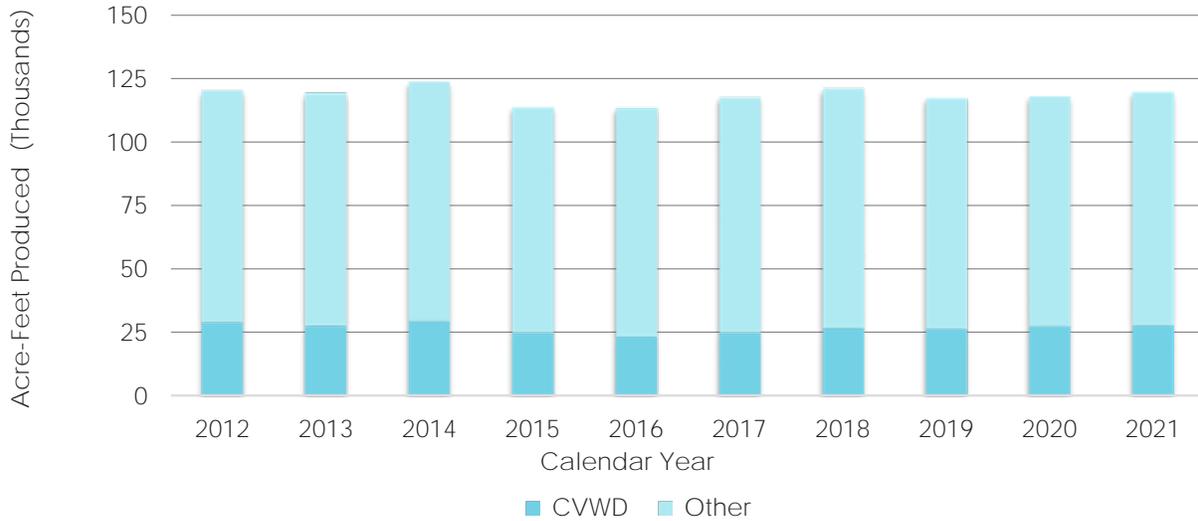
Of the 113 producers subject to the RAC in CVWD’s East Whitewater River Subbasin AOB in 2020, 27 were “self-reporters.” Self-reporters are producers that read their own water meter and report their own groundwater production to the District, rather than entering into an agreement with the District to allow District staff to read their meter and report their production. The District requires these producers to accurately and timely report the volume of water they pump from all their wells located within the AOB on a monthly basis. The District performs audits on self-reporters, along with aggressively identifying producers that do not accurately report the amount of water produced. If, after investigation, it is determined that groundwater production is under-reported, the District invoices the producers for the past under-reported production.

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

Producers subject to the RAC in CVWD’s East Whitewater River Subbasin AOB pumped 119,700 af of water from the aquifer in calendar year 2021, an increase of 1,775 af from 2020. CVWD’s wells produced 27,662 af for use as domestic water compared to 27,407 af in 2020, an increase of 255 af.

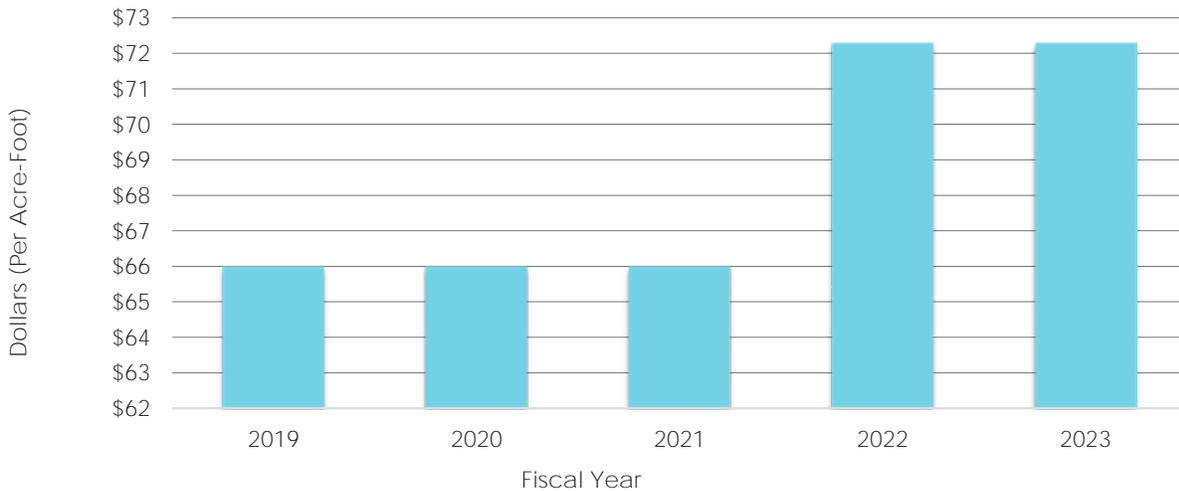
The chart below shows the amount of water produced for the last ten calendar years.

East Whitewater River Replenishment AOB  
Ten-Year History of Acre-Feet Produced



The chart below shows the five-year history of replenishment rates for the East Whitewater Replenishment fund. As part of the 2021 Cost of Service Study, the Board approved a 9.5% rate increase for fiscal year 2022. For fiscal year 2023, the Board elected to hold the rate at \$72.27 per af with no increase.

East Whitewater RAC Rates  
Five-Year History



East Whitewater Replenishment	FY 2021 Actual	FY 2022 Actual*	FY 2022 Budget	FY 2023 Budget	Budget Change	% Change
<b>Revenues</b>						
Water Sales	\$ 282,632	\$ 396,017	\$ 336,000	\$ 403,808	\$ 67,808	20.2%
Replenishment Charges	8,044,593	8,796,744	8,914,283	7,531,979	(1,382,304)	-15.5%
Property Taxes - General	4,879,179	7,580,009	6,876,421	7,654,383	777,962	11.3%
Property Taxes - SWP	(64,895)	-	-	-	-	-
Charges for Services	27,804	91,389	-	-	-	-
Investment Income	(36,028)	323,267	47,310	36,508	(10,802)	-22.8%
Other Revenue	105,815	52,420	10,000	10,000	-	-
<b>Total Revenues</b>	<b>\$ 13,239,100</b>	<b>\$ 17,239,846</b>	<b>\$ 16,184,014</b>	<b>\$ 15,636,678</b>	<b>\$ (547,336)</b>	<b>-3.4%</b>
<b>Expenses</b>						
Salaries & Benefits (Net of Capitalized Labor)	\$ 1,757,499	\$ 1,763,588	\$ 956,693	\$ 1,725,214	\$ 768,521	80.3%
Supplies and Services	1,871,378	1,317,223	1,653,310	1,365,540	(287,770)	-17.4%
Utilities	1,215,980	1,505,293	1,214,819	1,547,369	332,550	27.4%
Water Purchases	4,106,059	4,120,981	4,110,000	4,231,285	121,285	3.0%
QSA Mitigation Costs	547,869	1,409,767	1,410,000	1,212,000	(198,000)	-14.0%
Pass-Through (Contra Expense)	-	-	-	(135,000)	(135,000)	-
Capital Outlay	12,395	2,458	6,370	1,157	(5,213)	-81.8%
<b>Total Expenses</b>	<b>\$ 9,511,179</b>	<b>\$ 10,119,311</b>	<b>\$ 9,351,192</b>	<b>\$ 9,947,565</b>	<b>\$ 596,373</b>	<b>6.4%</b>
<b>Operating Income (Loss)</b>	<b>\$ 3,727,922</b>	<b>\$ 7,120,536</b>	<b>\$ 6,832,822</b>	<b>\$ 5,689,113</b>	<b>\$ (1,143,709)</b>	<b>-16.7%</b>
<b>Nonoperating Revenues (Expenses)</b>						
<b>Interfund Transfers</b>						
Debt Service - Interfund	\$ (9,201,113)	\$ (2,079,000)	\$ (2,079,000)	\$ (2,045,535)	\$ 33,465	-1.6%
<b>Sources</b>						
Loan Proceeds	14,129,181	34,316,434	34,000,000	5,500,000	(28,500,000)	-83.8%
Grant Revenue	76,885	23,109	-	-	-	-
<b>Uses</b>						
Debt Service - External	-	-	-	(1,143,646)	(1,143,646)	-
Capital Improvement Budget	(13,905,156)	(34,694,554)	(34,970,000)	(5,916,440)	29,053,560	-83.1%
Contribution to Motorpool CIP	(7,825)	(137)	(16,766)	(16,895)	(129)	0.8%
Other Revenue (Expenses)	(165,607)	-	-	-	-	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>\$ (9,073,635)</b>	<b>\$ (2,434,148)</b>	<b>\$ (3,065,766)</b>	<b>\$ (3,622,516)</b>	<b>\$ (556,750)</b>	<b>18.2%</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>\$ (5,345,713)</b>	<b>\$ 4,686,388</b>	<b>\$ 3,767,056</b>	<b>\$ 2,066,597</b>	<b>\$ (1,700,459)</b>	<b>-45.1%</b>
<b>Beginning Reserve</b>	<b>\$ 6,447,928</b>	<b>\$ 1,102,215</b>	<b>\$ 1,102,215</b>	<b>\$ 5,788,602</b>	<b>\$ 4,686,388</b>	<b>425.2%</b>
<b>Ending Reserve</b>	<b>\$ 1,102,215</b>	<b>\$ 5,788,602</b>	<b>\$ 4,869,271</b>	<b>\$ 7,855,199</b>	<b>\$ 2,985,929</b>	<b>61.3%</b>
<b>Assigned Reserve</b>	<b>\$ 3,861,000</b>	<b>\$ 3,865,000</b>	<b>\$ 3,865,000</b>	<b>\$ 5,383,000</b>	<b>\$ 1,518,000</b>	<b>39.3%</b>
<b>Unassigned Reserve</b>	<b>\$ (2,758,785)</b>	<b>\$ 1,923,602</b>	<b>\$ 1,004,271</b>	<b>\$ 2,472,199</b>	<b>\$ 1,467,929</b>	<b>146.2%</b>
* Unaudited						
Days Cash on Hand	42	209	190	288	98	51.7%

### Budget Summary

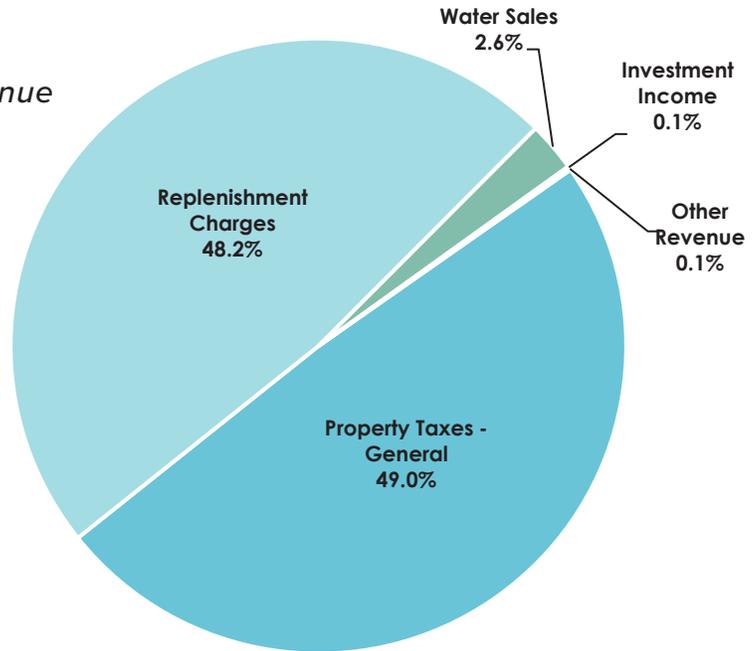
East Whitewater total revenues reflect a decrease of \$547,000, or 3.4% over fiscal year 2022. Replenishment revenues reflect a 15.5% decrease due to anticipated drought reductions, and reductions in groundwater production as Oasis customers begin to switch to canal water. Property tax revenue reflects a \$778,000 increase due to growth in assessed value.

Total operating expenses are budgeted to increase by 6.4% compared to fiscal year 2022 primarily due to a reduction in the amount of labor that is capitalized. Labor expenses are capitalized based on the size of the CIP, and the East Replenishment fund had \$35 million in budgeted CIP expenditures for fiscal year 2022 due to the Oasis project, with only \$5.9 million in fiscal year 2023 as the project nears completion.

**Revenues**  
**Operating Revenue**  
**\$15,636,678**

**REPLENISHMENT CHARGES** comprise 48.2% of total revenue. The replenishment charge budget is based on the amount of water expected to be pumped from the aquifer (well production), multiplied by the RAC rate. The RAC rate for fiscal year 2023 reflects no rate increase.

**PROPERTY TAX – GENERAL** revenues total 49% of total revenue. Property taxes for this fund are part of the District’s general discretionary tax revenue.



**SALARIES & BENEFITS** total \$1.7 million, an increase of \$769,000 compared to fiscal year 2022. This is related to the size of the East Replenishment CIP budget for fiscal year 2022. District salaries are capitalized based on anticipated CIP project costs, and less labor will be capitalized in fiscal year 2023 as the Oasis project nears completion.

**SUPPLIES & SERVICES** are budgeted at \$1.4 million, a decrease of \$288,000 over fiscal year 2022, primarily due to allocation changes between funds for legal and professional services.

**WATER PURCHASES** are budgeted at \$4.2 million, which is a 3% increase from fiscal year 2022. The fund uses canal water and reimburses that fund for costs initially accounted for in that fund which benefit the East Whitewater AOB at the nonagricultural rate, which consists of the Class 1 rate, plus the Water Supply Surcharge, plus the Quagga Mussel surcharge. The Canal reimbursement calculation rates can be found in the Canal Water fund section of this chapter.

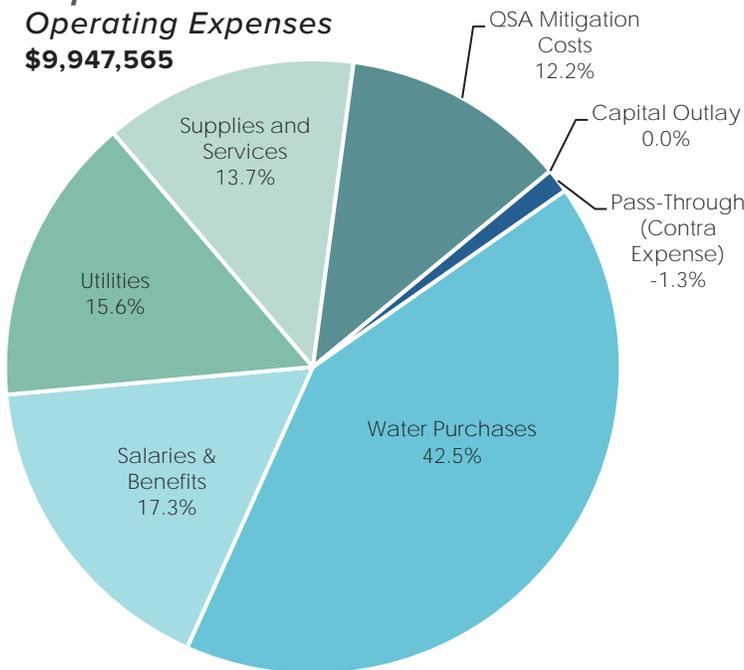
**UTILITIES** are budgeted at \$1.5 million, an increase of \$333,000 from fiscal year 2022 due to projected increases in energy rates.

**DEBT SERVICE (INTERFUND)** reflects payment of the interfund loan from the Domestic Water fund. The final payment is scheduled for fiscal year 2023.

**PASS-THROUGH (CONTRA EXPENSE)** reflects a total expense offset of \$135,000 for fiscal year 2023. The total represents offsets for the fund’s allocation of expected reimbursements for project expenditures.

**QSA MITIGATION** costs are budgeted at \$1.2 million for fiscal year 2023 per the contract payment schedule. The QSA Mitigation costs are based on the amount of QSA water purchased for the benefit of the East Whitewater AOB. A portion is also paid by the West Replenishment fund. The following table details the full contract payment schedule by calendar year.

**Expenses**  
**Operating Expenses**  
**\$9,947,565**



QSA Mitigation Payment Schedule

Calendar Year	Current Schedule	Advances	Payments
2022	\$2,706,745	-	\$2,706,745
2023	6,953,711	(4,220,705)	2,733,006
2024	2,748,523	(2,596,647)	151,876
2025	1,446,565	(881,435)	565,130

**Five-Year Forecast**

The District completed a comprehensive Cost of Service Study (COSS) for the East Replenishment fund in fiscal year 2021, and established maximum Proposition 218 rate increases for fiscal years 2022 through 2026. The Board has the ability to adopt rates up to the maximum rate each year as part of the budget process. Based on fiscal year 2022 performance and projected ending reserves, the Board elected to hold the rate at the fiscal year 2022 level with no increase for fiscal year 2023.

The five-year forecast includes rate assumptions based on anticipated expenditures, and reflects the balance of ensuring positive operating income for the long-term, maintaining debt service coverage of at least 1.25x as required under the master resolution, and drawing down unassigned reserves over time to the assigned reserve target. Projected rates are based on current assumptions, and will be revised during the next budget process. The following table compares the projected forecast rates to the Proposition 218 maximum rates.

Forecast Rate Comparison East Replenishment (Per AF)	FY 2023 Rate	FY 2024 Rate	FY 2025 Rate	FY 2026 Rate	FY 2027* Rate
<b>Proposition 218 Maximum Rates</b>					
East Replenishment Rate	\$ 79.14	\$ 81.51	\$ 83.96	\$ 86.48	\$ 86.48
Year-Over-Year % Change	9.5%	3.0%	3.0%	3.0%	0.0%
<b>Forecast Projected Rates</b>					
East Replenishment Rate	\$ 72.27	\$ 72.27	\$ 72.27	\$ 72.27	\$ 72.27
Year-Over-Year % Change	0.0%	0.0%	0.0%	0.0%	0.0%

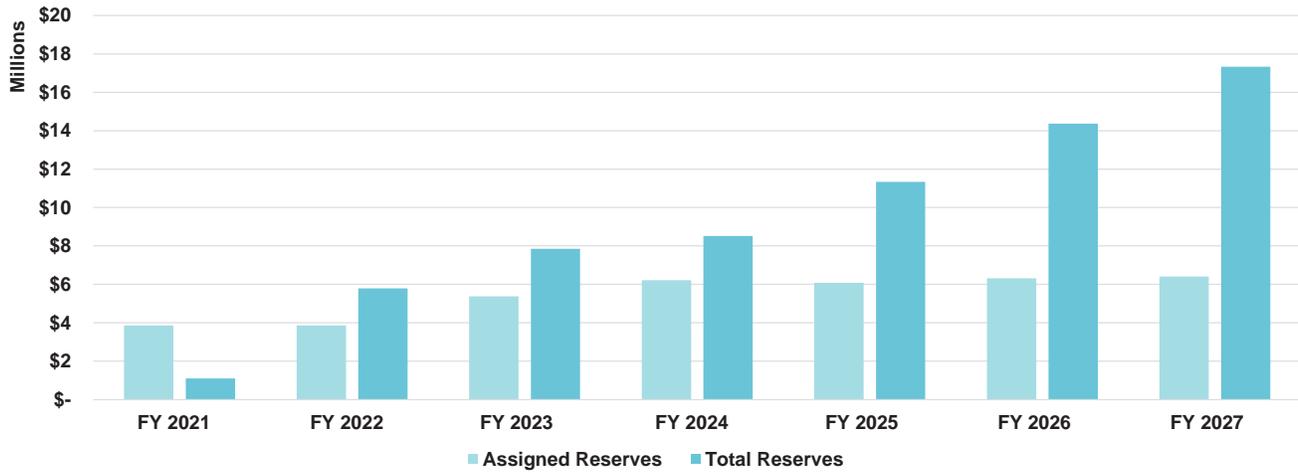
\* Proposition 218 Rates are only adopted through FY 2026.

Property tax revenue is expected to grow by approximately 2% to 3% during the forecast period due to increases in assessed value. Operating expenses are forecasted to grow at approximately 5.5% per year due to anticipated increases in wages and benefits. Total operating expenses are forecasted to grow at approximately 2% per year. QSA mitigation costs decrease during the forecast period, with the final payment due in fiscal year 2026. Debt service payments for the Oasis project increase to \$1.9 million per year beginning in fiscal year 2024.

# WATER REPLENISHMENT FUNDS

East Whitewater Replenishment Five-Year Forecast	FY 2023 Budget	FY 2024	FY 2025	FY 2026	FY 2027
		Forecast			
<b>Revenues</b>					
Water Sales	\$ 403,808	\$ 412,985	\$ 412,985	\$ 412,985	\$ 412,985
Replenishment Charges	7,531,979	7,218,147	6,904,314	6,729,963	6,590,482
Property Taxes - General	7,654,383	7,807,471	7,963,620	8,122,892	8,285,350
Investment Income	36,508	78,552	106,486	170,057	287,464
Other Revenue	10,000	10,300	10,609	10,927	11,255
<b>Total Revenues</b>	<b>\$ 15,636,678</b>	<b>\$ 15,527,455</b>	<b>\$ 15,398,014</b>	<b>\$ 15,446,824</b>	<b>\$ 15,587,536</b>
<b>Expenses</b>					
Salaries & Benefits (Net of Capitalized Labor)	\$ 1,725,214	\$ 1,904,350	\$ 2,049,316	\$ 2,166,418	\$ 2,251,096
Supplies and Services	1,365,540	1,411,539	1,452,939	1,489,919	1,527,874
Utilities	1,547,369	1,671,158	1,804,852	1,949,237	2,105,175
Water Purchases	4,231,285	4,148,143	4,490,067	4,646,539	4,808,115
QSA Mitigation Costs	1,212,000	1,156,000	60,000	222,000	-
Pass-Through (Contra Expense)	(135,000)	(135,000)	(135,000)	(135,000)	(135,000)
Capital Outlay	1,157	1,215	1,276	1,340	1,407
<b>Total Expenses</b>	<b>\$ 9,947,565</b>	<b>\$ 10,157,405</b>	<b>\$ 9,723,450</b>	<b>\$ 10,340,453</b>	<b>\$ 10,558,667</b>
<b>Operating Income (Loss)</b>	<b>\$ 5,689,113</b>	<b>\$ 5,370,050</b>	<b>\$ 5,674,564</b>	<b>\$ 5,106,371</b>	<b>\$ 5,028,869</b>
<b>Nonoperating Revenues (Expenses)</b>					
<b>Interfund Transfers</b>					
Debt Service - Interfund	\$ (2,045,535)	\$ -	\$ -	\$ -	\$ -
<b>Sources</b>					
Loan Proceeds	5,500,000	-	-	-	-
<b>Uses</b>					
Debt Service - External	(1,143,646)	(1,890,085)	(1,890,085)	(1,890,085)	(1,890,085)
Capital Improvement Budget	(5,916,440)	(2,799,000)	(949,000)	(162,500)	(162,500)
Contribution to Motorpool CIP	(16,895)	(17,316)	(17,201)	(17,717)	(17,316)
<b>Total Nonoperating Revenues (Expenses)</b>	<b>\$ (3,622,516)</b>	<b>\$ (4,706,401)</b>	<b>\$ (2,856,286)</b>	<b>\$ (2,070,302)</b>	<b>\$ (2,069,901)</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>\$ 2,066,597</b>	<b>\$ 663,649</b>	<b>\$ 2,818,278</b>	<b>\$ 3,036,069</b>	<b>\$ 2,958,968</b>
<b>Beginning Reserve</b>	<b>\$ 5,788,602</b>	<b>\$ 7,855,199</b>	<b>\$ 8,518,848</b>	<b>\$ 11,337,126</b>	<b>\$ 14,373,196</b>
<b>Ending Reserve</b>	<b>\$ 7,855,199</b>	<b>\$ 8,518,848</b>	<b>\$ 11,337,126</b>	<b>\$ 14,373,196</b>	<b>\$ 17,332,164</b>
<b>Assigned Reserve</b>	<b>\$ 5,383,000</b>	<b>\$ 6,219,000</b>	<b>\$ 6,084,000</b>	<b>\$ 6,319,000</b>	<b>\$ 6,412,000</b>
<b>Unassigned Reserve</b>	<b>\$ 2,472,199</b>	<b>\$ 2,299,848</b>	<b>\$ 5,253,126</b>	<b>\$ 8,054,196</b>	<b>\$ 10,920,164</b>
<i>Days Cash on Hand</i>	288	306	426	507	599

District Reserves - East Whitewater Replenishment



Reserve Type	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
	Actual	Actual*	Budget	Forecast			
Assigned Reserves	\$ 3,861,000	\$ 3,865,000	\$ 5,383,000	\$ 6,219,000	\$ 6,084,000	\$ 6,319,000	\$ 6,412,000
Unassigned Reserves	(2,758,785)	1,923,602	2,472,199	2,299,848	5,253,126	8,054,196	10,920,164
<b>Total Reserves</b>	<b>\$ 1,102,215</b>	<b>\$ 5,788,602</b>	<b>\$ 7,855,199</b>	<b>\$ 8,518,848</b>	<b>\$ 11,337,126</b>	<b>\$ 14,373,196</b>	<b>\$ 17,332,164</b>

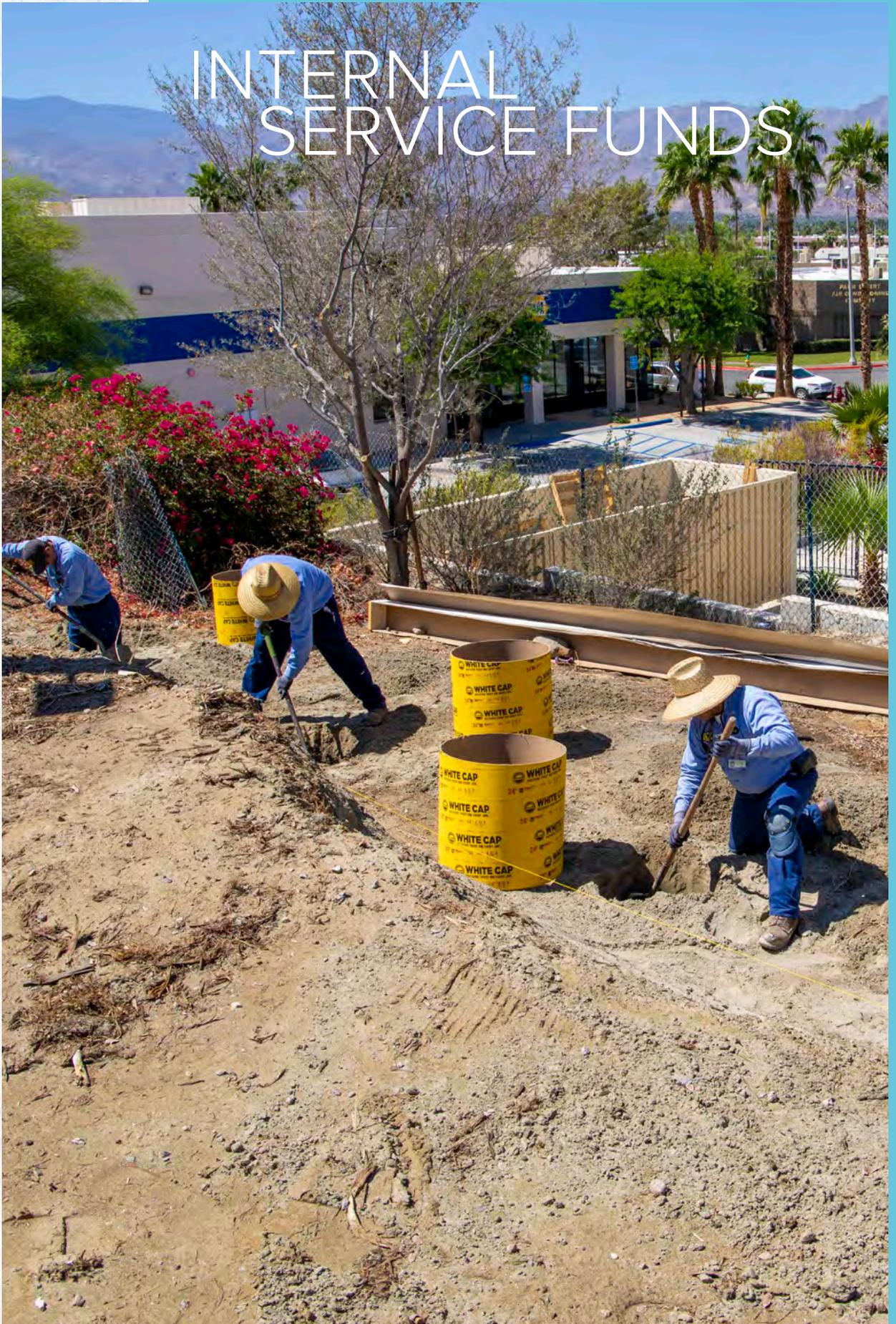
Assigned Reserves by Type	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
	Actual	Actual*	Budget	Forecast			
Operating	\$ 2,236,000	\$ 2,278,000	\$ 2,487,000	\$ 2,539,000	\$ 2,431,000	\$ 2,585,000	\$ 2,639,000
Rate Stabilization	387,000	911,000	995,000	1,016,000	972,000	1,034,000	1,056,000
Capital	895,000	100,000	181,000	181,000	181,000	181,000	181,000
Emergency	327,000	559,000	559,000	576,000	593,000	611,000	629,000
Vehicle	16,000	17,000	17,000	17,000	17,000	18,000	17,000
Debt Service	-	-	1,144,000	1,890,000	1,890,000	1,890,000	1,890,000
<b>Total Assigned Reserves</b>	<b>\$ 3,861,000</b>	<b>\$ 3,865,000</b>	<b>\$ 5,383,000</b>	<b>\$ 6,219,000</b>	<b>\$ 6,084,000</b>	<b>\$ 6,319,000</b>	<b>\$ 6,412,000</b>

\* Unaudited



*Whitewater Replenishment Facility*

# INTERNAL SERVICE FUNDS



# INTERNAL SERVICE FUNDS

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

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

## MOTORPOOL

Motor Pool Fund	FY 2021 Actual	FY 2022 Actual*	FY 2022 Budget	FY 2023 Budget	Budget Change	% Change
<b>Revenues</b>						
Charges for Services	\$ 5,131,776	\$ 5,458,249	\$ 5,424,000	\$ 4,941,757	\$ (482,243)	-8.9%
Investment Income	19,526	19,687	28,000	7,046	(20,954)	-74.8%
Other Revenue	15,841	9,257	25,000	7,215	(17,785)	-71.1%
<b>Total Revenues</b>	<b>\$ 5,167,142</b>	<b>\$ 5,487,193</b>	<b>\$ 5,477,000</b>	<b>\$ 4,956,018</b>	<b>\$ (520,982)</b>	<b>-9.5%</b>
<b>Expenses</b>						
Salaries & Benefits (Net of Capitalized Labor)	\$ 3,011,062	\$ 3,307,529	\$ 3,341,179	\$ 3,688,509	\$ 347,330	10.4%
Supplies and Services	1,968,215	2,514,242	2,448,759	1,264,509	(1,184,250)	-48.4%
Utilities	4,639	4,568	4,705	3,000	(1,705)	-36.2%
Capital Outlay	48,085	241,839	169,282	-	(169,282)	-100.0%
<b>Total Expenses</b>	<b>\$ 5,032,001</b>	<b>\$ 6,068,177</b>	<b>\$ 5,963,925</b>	<b>\$ 4,956,018</b>	<b>\$ (1,007,907)</b>	<b>-16.9%</b>
<b>Operating Income (Loss)</b>	<b>\$ 135,141</b>	<b>\$ (580,985)</b>	<b>\$ (486,925)</b>	<b>\$ -</b>	<b>\$ 486,925</b>	<b>-100.0%</b>
<b>Nonoperating Revenues (Expenses)</b>						
<b>Uses</b>						
Capital Improvement Budget	\$ (2,219,257)	\$ (106,833)	\$ (794,000)	\$ (2,488,000)	\$ (1,694,000)	213.4%
Contribution to Motorpool CIP	2,216,772	106,833	794,000	2,488,000	1,694,000	213.4%
Other Revenue (Expenses)	107,226	-	-	-	-	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>\$ 104,741</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>\$ 239,882</b>	<b>\$ (580,985)</b>	<b>\$ (486,925)</b>	<b>\$ -</b>	<b>\$ 486,925</b>	<b>-100.0%</b>
<b>Beginning Reserve</b>	<b>\$ 1,225,247</b>	<b>\$ 1,465,129</b>	<b>\$ 1,465,129</b>	<b>\$ 884,144</b>	<b>\$ (580,985)</b>	<b>-39.7%</b>
<b>Ending Reserve</b>	<b>\$ 1,465,129</b>	<b>\$ 884,144</b>	<b>\$ 978,204</b>	<b>\$ 884,144</b>	<b>\$ (94,060)</b>	<b>-9.6%</b>

\* Unaudited

### ***Background***

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

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

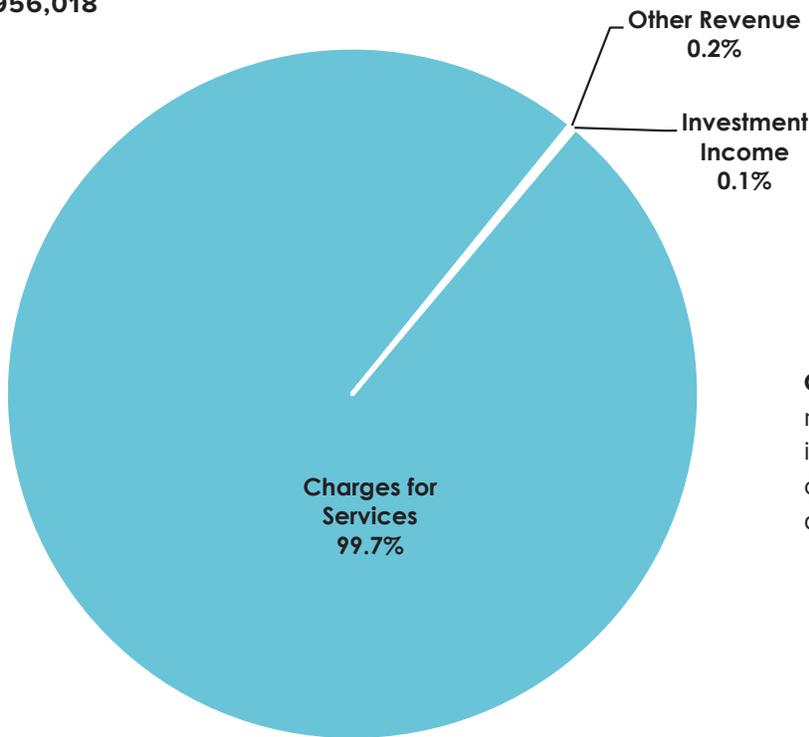
### ***Budget Summary***

The fiscal year 2023 budget shows reserves decreasing by \$94,000, compared to the fiscal year 2022 budget. While there is not a formal reserve policy for internal service funds, reserves are generally maintained to smooth out year over year variances in expenses.

The Motorpool Fund includes capital expenses for vehicle replacements, but all replacements are actually funded by the appropriate enterprise fund. Instead of accumulating reserves in the Motorpool Fund, each enterprise fund established a designated reserve for vehicle replacements or additions. In fiscal year 2023, approximately \$2.5 million is being transferred to the Motorpool Fund to reimburse the fund for capital purchases.

### Revenues

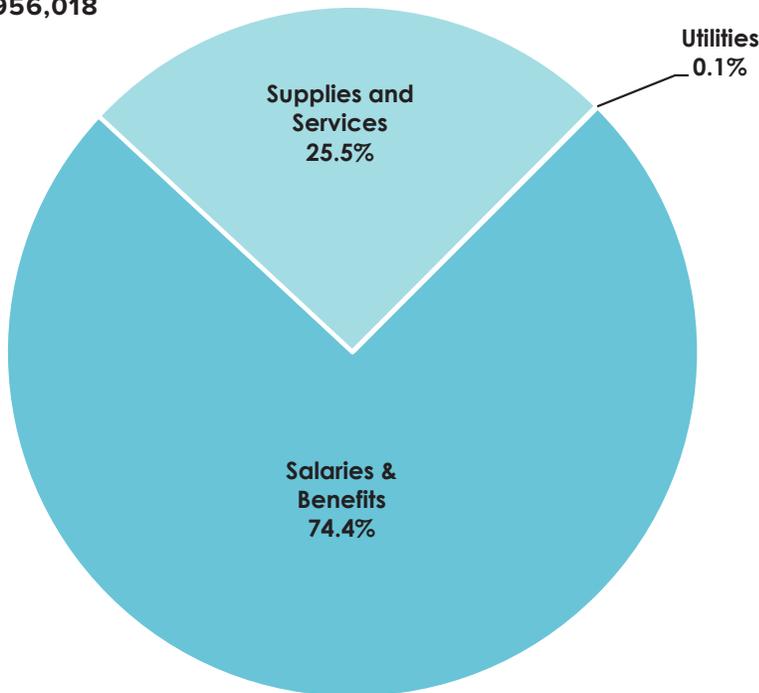
Operating Revenue  
\$4,956,018



**CHARGES FOR SERVICES** amount to \$4.9 million in fiscal year 2023. This amount includes operation and maintenance (O&M) costs, which are charged to user departments.

### Expenses

Operating Expenses  
\$4,956,018



Budgeted operating expenses are \$5 million in fiscal year 2023. Supplies & services reflects a decrease of \$1.2 million compared to fiscal year 2022, primarily due to vehicle self-insurance costs now being reflected in the enterprise funds and not billed through the Motorpool fund.

In addition, there are \$2.5 million in vehicle capital improvements budgeted in fiscal year 2023. Additional details regarding vehicle equipment replacements are located in the Capital Improvements chapter.

## WORKERS' COMPENSATION SELF-INSURANCE FUND

Workers' Compensation Fund	FY 2021 Actual	FY 2022 Actual*	FY 2022 Budget	FY 2023 Budget	Budget Change	% Change
<b>Revenues</b>						
Charges for Services	\$ 1,389,693	\$ 890,467	\$ 1,313,000	\$ 1,262,470	\$ (50,530)	-3.8%
Investment Income	(3,585)	10,143	8,000	15,842	7,842	98.0%
<b>Total Revenues</b>	<b>\$ 1,386,107</b>	<b>\$ 900,609</b>	<b>\$ 1,321,000</b>	<b>\$ 1,278,312</b>	<b>\$ (42,688)</b>	<b>-3.2%</b>
<b>Expenses</b>						
Salaries & Benefits (Net of Capitalized Labor)	\$ 154,049	\$ 125,252	\$ 165,517	\$ 178,312	\$ 12,795	7.7%
Supplies and Services	662,604	846,601	1,015,301	1,100,000	84,699	8.3%
Utilities	180	138	260	-	(260)	-100.0%
<b>Total Expenses</b>	<b>\$ 816,833</b>	<b>\$ 971,991</b>	<b>\$ 1,181,078</b>	<b>\$ 1,278,312</b>	<b>\$ 97,234</b>	<b>8.2%</b>
<b>Operating Income (Loss)</b>	<b>\$ 569,274</b>	<b>\$ (71,382)</b>	<b>\$ 139,922</b>	<b>\$ -</b>	<b>\$ (139,922)</b>	<b>-100.0%</b>
<b>Nonoperating Revenues (Expenses)</b>						
<b>Uses</b>						
Other Revenue (Expenses)	\$ 112,127	\$ -	\$ -	\$ -	\$ -	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>\$ 112,127</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>\$ 681,401</b>	<b>\$ (71,382)</b>	<b>\$ 139,922</b>	<b>\$ -</b>	<b>\$ (139,922)</b>	<b>-100.0%</b>
<b>Beginning Reserve</b>	<b>\$ 341,413</b>	<b>\$ 1,022,815</b>	<b>\$ 1,022,815</b>	<b>\$ 951,433</b>	<b>\$ (71,382)</b>	<b>-7.0%</b>
<b>Ending Reserve</b>	<b>\$ 1,022,815</b>	<b>\$ 951,433</b>	<b>\$ 1,162,737</b>	<b>\$ 951,433</b>	<b>\$ (211,304)</b>	<b>-18.2%</b>

\* Unaudited

**Background**

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

**Budget Summary**

The budget for workers' compensation rates was derived from an actuarial analysis conducted in 2020. Estimated outstanding liabilities, including allocated loss adjustment expenses (ALAE), as of June 30, 2020, totals \$1.6 million. The outstanding liabilities represent the estimated cost of unpaid claims. The District conducts actuarial valuations every three (3) years, with the next valuation to be completed in fiscal year 2023.

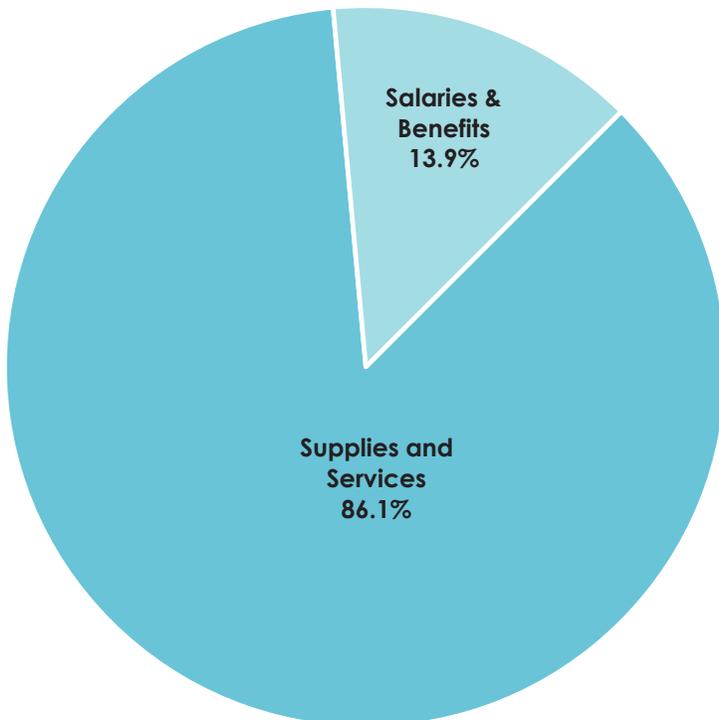
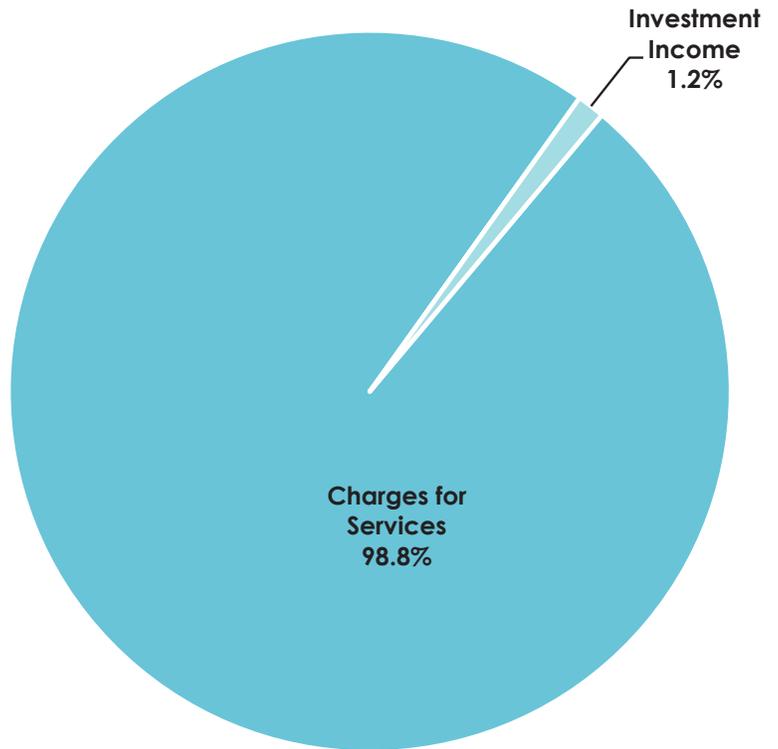
Estimated outstanding liabilities include: case reserves, development of known claims, and incurred, but not reported claims. ALAE are direct expenses for settling specific claims. These amounts are limited to the self-insured retention. Case reserves are an estimate of unpaid amounts established by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

## Revenues

Operating Revenue  
\$1,278,312

**CHARGES FOR SERVICES** total \$1.3 million for fiscal year 2023. This revenue represents an expense to each of the departments based upon salaries of employees and type of work performed. Adjusting the experience modification factor used to calculate workers' compensation, along with the rate associated classification impacts revenues in the Workers' Compensation fund.

In addition, there is \$16,000 in investment income.



**Expenses**  
Operating Expenses  
\$1,278,312

Overall budgeted expenses for fiscal year 2023 are projected to increase by \$97,000 from fiscal year 2022.

## DENTAL SELF-INSURANCE FUND

Dental Self-Insurance Fund	FY 2021 Actual	FY 2022 Actual*	FY 2022 Budget	FY 2023 Budget	Budget Change	% Change
<b>Revenues</b>						
Charges for Services	\$ 439,152	\$ 448,668	\$ 565,000	\$ 523,820	\$ (41,180)	-7.3%
Investment Income	227	6	-	58	58	-
<b>Total Revenues</b>	<b>\$ 439,379</b>	<b>\$ 448,674</b>	<b>\$ 565,000</b>	<b>\$ 523,878</b>	<b>\$ (41,122)</b>	<b>-7.3%</b>
<b>Expenses</b>						
Salaries & Benefits (Net of Capitalized Labor)	\$ 2,209	\$ 776	\$ 9,992	\$ 146	\$ (9,846)	-98.5%
Supplies and Services	449,750	567,218	521,686	523,694	2,008	0.4%
Utilities	18	18	38	38	-	-
<b>Total Expenses</b>	<b>\$ 451,977</b>	<b>\$ 568,012</b>	<b>\$ 531,716</b>	<b>\$ 523,878</b>	<b>\$ (7,838)</b>	<b>-1.5%</b>
<b>Operating Income (Loss)</b>	<b>\$ (12,597)</b>	<b>\$ (119,338)</b>	<b>\$ 33,284</b>	<b>\$ -</b>	<b>\$ (33,284)</b>	<b>-100.0%</b>
<b>Nonoperating Revenues (Expenses)</b>						
<b>Uses</b>						
Other Revenue (Expenses)	\$ 101	\$ -	\$ -	\$ -	\$ -	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>\$ 101</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>\$ (12,496)</b>	<b>\$ (119,338)</b>	<b>\$ 33,284</b>	<b>\$ -</b>	<b>\$ (33,284)</b>	<b>-100.0%</b>
<b>Beginning Reserve</b>	<b>\$ (12,806)</b>	<b>\$ (25,302)</b>	<b>\$ (25,302)</b>	<b>\$ (144,640)</b>	<b>\$ (119,338)</b>	<b>471.7%</b>
<b>Ending Reserve</b>	<b>\$ (25,302)</b>	<b>\$ (144,640)</b>	<b>\$ 7,982</b>	<b>\$ (144,640)</b>	<b>\$ (152,622)</b>	<b>-1912.1%</b>

\* Unaudited

## Background

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

## Budget Summary

Fiscal year 2023 revenues are based on the average number of active employees, and the average number of retirees, and COBRA participants participating in the plan, multiplied by the annual premium.

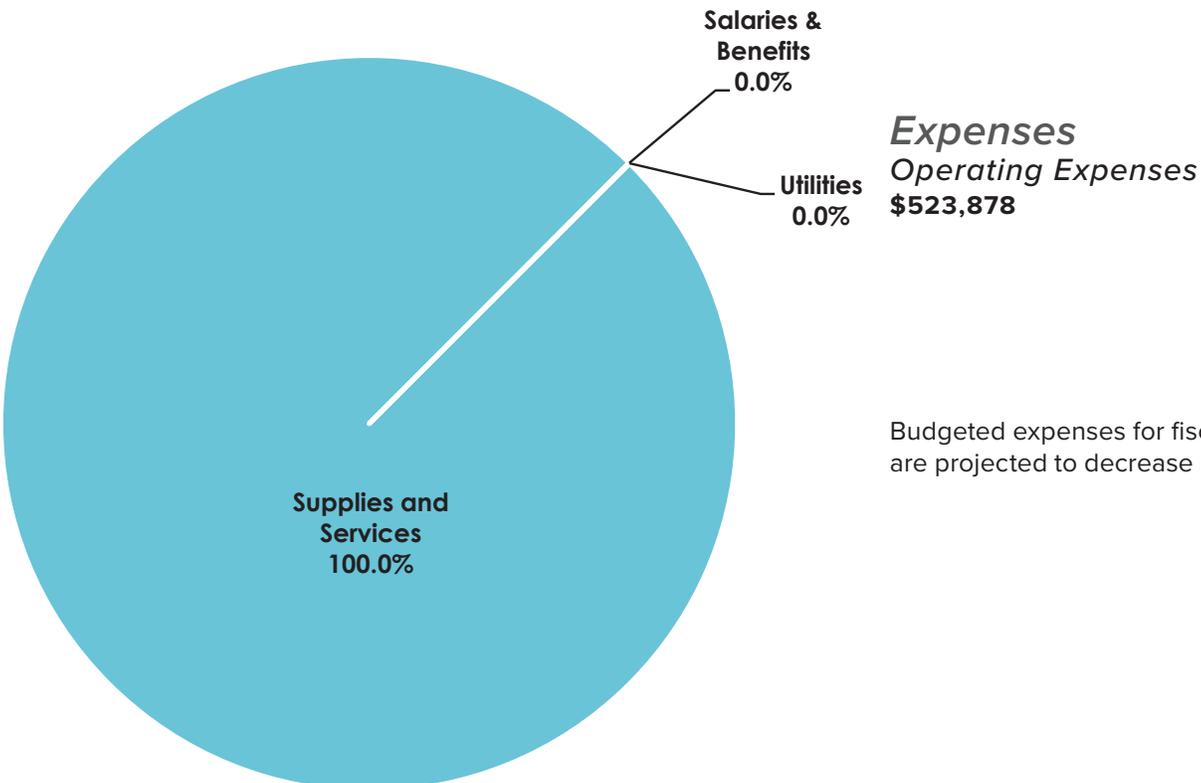
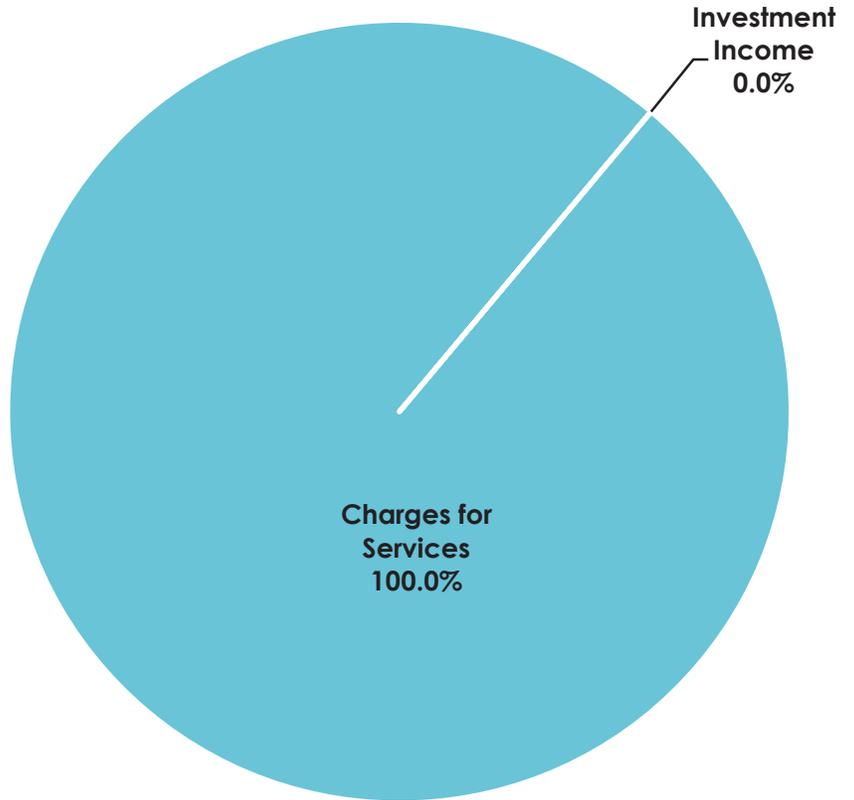
The expense budget is projected actual costs, based on the cost of administering the program and the District's average claims history.

This fund was established in January 2016, without any required reserves. The District's Reserve Policy does not require reserves for the Dental Self-Insurance fund as rates are adjusted when deficits occur.

**Revenues**

*Operating Revenue*  
**\$523,878**

**CHARGES FOR SERVICES** total \$524,000 in fiscal year 2023. This revenue represents an expense to each of the departments based upon the number of active employees and the benefit coverage level selected: Employee only, Employee + one, or Employee + Family, etc. In addition, this revenue includes the average number of retirees and COBRA participants participating in the plan, multiplied by the annual premium.



**Expenses**  
*Operating Expenses*  
**\$523,878**

Budgeted expenses for fiscal year 2023 are projected to decrease by \$8,000.

# BUDGET BY DEPARTMENT



### MISSION STATEMENT

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

### DEPARTMENT DESCRIPTION

Each department is an organizational unit of the District, and provides distinct services to CVWD customers.

- Department sections include:
- An organizational chart
- Description of the function of each division within the department
- Applicable workload measures and metrics
- Accomplishments for the fiscal year 2022
- Goals for the fiscal year 2023

Where applicable, goals and accomplishments specifically related to the Strategic Plan are listed. Each section includes a financial trend summary detailing department expenses.

Operating expenses are controlled at the department level and are managed within the adopted appropriations limit. Budget transfers within a department may be made administratively, if the transfer is within the same fund. However, budget amendments between funds, or increases to the budget, are brought to the Board for approval.

Departments and specific non-departmental expenses are grouped into three distinct sections: Support Services, Operations and Maintenance, and Non-Departmental. The majority of CVWD's departments are grouped in the Support Services section, and provide overall administration and services to support the District. The Operations and Maintenance section includes the Operations, Maintenance, and Motorpool Departments, which are managed by the Assistant General Manager as a functional group. The Non-Departmental section includes expenses that may be managed by a particular department, but are separated from department expense budgets in order to provide clarity.



*CVWD Trades Employee*

# BUDGET BY DEPARTMENT

Expenses by Department	FY 2021 Actual	FY 2022 Actual*	FY 2022 Budget	FY 2023 Budget	Budget Change	% Change
<b>Support Services</b>						
Administration	\$ 8,700,557	\$ 9,014,129	\$ 9,241,255	\$ 10,471,766	\$ 1,230,511	13.3%
<i>Engineering Pass-Through (Contra Expense)</i>	11,847,445 -	13,142,088 -	13,520,753 -	14,099,073 (950,000)	578,320 (950,000)	4.3% -
<b>Engineering</b>	<b>11,847,445</b>	<b>13,142,088</b>	<b>13,520,753</b>	<b>13,149,073</b>	<b>(371,680)</b>	<b>-2.7%</b>
<i>Environmental Services Pass-Through (Contra Expense)</i>	8,767,279 -	8,356,282 -	9,275,643 -	9,681,569 (800,000)	405,926 (800,000)	4.4% -
<b>Environmental Services</b>	<b>8,767,279</b>	<b>8,356,282</b>	<b>9,275,643</b>	<b>8,881,569</b>	<b>(394,074)</b>	<b>-4.2%</b>
<i>Finance Pass-Through (Contra Expense)</i>	7,466,330 -	7,349,130 -	6,382,157 -	7,766,832 (500,000)	1,384,675 (500,000)	21.7% -
<b>Finance</b>	<b>7,466,330</b>	<b>7,349,130</b>	<b>6,382,157</b>	<b>7,266,832</b>	<b>884,675</b>	<b>13.9%</b>
Human Resources	6,508,087	7,979,533	9,208,311	10,849,014	1,640,703	17.8%
Information Systems	6,016,851	6,726,971	6,521,905	7,156,579	634,674	9.7%
Service & Communication	16,316,710	16,466,445	18,572,378	19,170,675	598,297	3.2%
<b>Total Support Services</b>	<b>\$ 65,623,260</b>	<b>\$ 69,034,580</b>	<b>\$ 72,722,402</b>	<b>\$ 76,945,508</b>	<b>\$ 4,223,106</b>	<b>5.8%</b>
<b>Operations and Maintenance</b>						
<i>Operations Pass-Through (Contra Expense)</i>	\$ 56,164,372 -	\$ 61,120,275 (679,517)	\$ 59,017,845 (500,000)	\$ 63,738,062 (600,000)	\$ 4,720,217 (100,000)	8.0% 20.0%
<b>Operations</b>	<b>56,164,372</b>	<b>60,440,758</b>	<b>58,517,845</b>	<b>63,138,062</b>	<b>4,620,217</b>	<b>7.9%</b>
<i>Maintenance Pass-Through (Contra Expense)</i>	31,359,578 -	33,647,444 (271,052)	34,320,199 (400,000)	39,540,915 (300,000)	5,220,716 100,000	15.2% -25.0%
<b>Maintenance</b>	<b>31,359,578</b>	<b>33,376,392</b>	<b>33,920,199</b>	<b>39,240,915</b>	<b>5,320,716</b>	<b>15.7%</b>
Motorpool	4,281,538	4,421,890	4,666,580	4,360,985	(305,595)	-6.5%
<b>Total Operations and Maintenance</b>	<b>\$ 91,805,488</b>	<b>\$ 98,239,040</b>	<b>\$ 97,104,624</b>	<b>\$ 106,739,962</b>	<b>\$ 9,635,338</b>	<b>9.9%</b>
<b>Non-Departmental</b>						
Dental Self-Insurance	\$ 387,320	\$ 497,216	\$ 435,900	\$ 445,900	\$ 10,000	2.3%
QSA Mitigation Costs	738,869	2,697,555	2,698,000	2,706,000	8,000	0.3%
Replenishment	12,719,362	14,274,750	14,184,940	13,657,027	(527,913)	-3.7%
<i>Water Purchases Pass-Through (Contra Expense)</i>	78,342,451 -	91,474,080 (4,210,418)	93,963,690 (1,300,000)	98,632,114 (1,300,000)	4,668,424 -	5.0% -
<b>Water Purchases</b>	<b>78,342,451</b>	<b>87,263,662</b>	<b>92,663,690</b>	<b>97,332,114</b>	<b>4,668,424</b>	<b>5.0%</b>
Workers' Comp	1,073,284	890,590	1,200,000	1,300,000	100,000	8.3%
Capitalized Labor	(5,048,854)	(3,938,291)	(4,354,770)	(5,327,665)	(972,895)	22.3%
<b>Total Non-Departmental</b>	<b>\$ 88,212,431</b>	<b>\$ 101,685,482</b>	<b>\$ 106,827,760</b>	<b>\$ 110,113,376</b>	<b>\$ 3,285,616</b>	<b>3.1%</b>
<b>Total</b>	<b>\$ 245,641,179</b>	<b>\$ 268,959,101</b>	<b>\$ 276,654,786</b>	<b>\$ 293,798,846</b>	<b>\$ 17,144,060</b>	<b>6.2%</b>

\* Unaudited

## COST ALLOCATION

The District is a multifaceted entity, with eight different enterprise funds or business units, sharing a common workforce. With the exception of Operations, each department performs services that benefit all enterprise funds.

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

For example, the Domestic Operations Maintenance Division only performs services for the Domestic Water Fund; therefore, all of its expenses are charged directly to that fund. In contrast, the Safety Division of Human Resources performs services for all of the enterprise funds; therefore, expenses for Safety are distributed to all funds based upon the average distribution of the entire workforce.

Expenses for each department are allocated to the appropriate fund, based on the services provided. The following table illustrates how department expenses are allocated to each fund.

Interfund Allocation by Department									
Department	Stormwater	Canal	Domestic	Replenishment	SWP	Sanitation	Motorpool	Self-Insurance	Total
Administration	7.5%	31.9%	14.2%	24.0%	8.7%	13.5%	0.1%	-	100.0%
Engineering	19.2%	14.2%	29.2%	7.1%	-	30.3%	-	-	100.0%
Environmental Services	6.1%	16.9%	28.9%	24.0%	-	24.1%	0.1%	-	100.0%
Finance	11.1%	17.8%	34.6%	9.9%	-	22.7%	3.9%	-	100.0%
Human Resources	9.6%	11.8%	44.2%	5.5%	-	25.6%	0.9%	2.4%	100.0%
Information Systems	5.9%	15.7%	39.7%	11.3%	-	26.0%	1.5%	-	100.0%
Service & Communication	1.1%	6.9%	83.4%	4.9%	-	3.6%	-	-	100.0%
Operations	0.1%	1.4%	61.5%	3.5%	-	33.5%	-	-	100.0%
Maintenance	12.6%	35.5%	27.6%	8.8%	-	14.8%	0.6%	-	100.0%
Motorpool	-	0.5%	1.7%	0.1%	-	1.9%	95.8%	-	100.0%

## SALARIES & BENEFITS

The personnel budget reflects 569 full-time equivalent (FTE) positions, with no additional positions added for fiscal year 2023. Total payroll and related costs, net of capitalized labor, are budgeted at \$94.4 million, which is an increase of \$6.9 million or 7.9%, as compared to the fiscal year 2022 Budget. Capitalized labor, or labor costs that are eligible to be capitalized under the District’s Capital Improvement Plan, are included in the department salaries and benefits budget, but removed at the fund level since they are included within the Capital Improvement Budget.

The following table depicts a five-year history of the budgeted number of positions by Department for fiscal years 2019 through 2023.

Personnel Summary by Department					
Department	FY 2019 Budget	FY 2020 Budget	FY 2021 Budget	FY 2022 Budget	FY 2023 Budget
<b><u>Support Services</u></b>					
Administration	17	18	18	18	18
Engineering	48	54	54	53.5	53.5
Environmental Services	28.5	28.5	28.5	29	30
Finance	28	29	29	29	29
Human Resources	10.5	10.5	11.5	11.5	12.5
Information Systems	16	17	17	17	18
Service & Communication	111	82	81	81	79
<b><u>Operations and Maintenance</u></b>					
Operations	179	188	188	188	185
Maintenance	124	142	142	142	144
<b>Total</b>	<b>562</b>	<b>569</b>	<b>569</b>	<b>569</b>	<b>569</b>

The District has three separate bargaining units operating under multi-year Memorandums of Understanding (MOUs):

Association of Coachella Valley Water District Managers (ACVWDM) – Expires December 31, 2024

Association of Supervisory Support Evaluation Team (ASSET) – Expires December 31, 2023

Coachella Valley Water District Employees Association (CVWDEA) – Expires December 31, 2022

Bargaining unit MOUs provide for an annual Cost of Living Adjustment (COLA), based on the actual Riverside, San Bernardino, Ontario Consumer Price Index-U with a minimum of two (2%) and maximum of five (5%).

## MEDICAL BENEFITS

The District offers four medical plans to eligible employees. There are two health maintenance organizations (HMOs), one preferred provider organization (PPO), and one High Deductible Health Plan (HDHP) with a Health Savings Account (HSA). All employee medical plans are cost-sharing plans.

Employee contributions are based on

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

Medical/Dental/Vision Premium Contribution Split		
Bargaining Unit	Employer	Employee
ACVWDM	75%	25%
ASSET	75%	25%
CVWDEA	80%	20%

## CALIFORNIA PUBLIC EMPLOYEE RETIREMENT SYSTEM (CALPERS)

The District contributes to CalPERS, a multiple-employer defined benefit pension plan. Effective fiscal year 2008, the District contracted for the retirement formula of 2.5% @ 55. All employees hired before January 1, 2013 are covered under this retirement formula, and are referred to as Classic Members. The Public Employees’ Pension Reform Act (PEPRA) went into effect on January 1, 2013, with a retirement formula of 2% @ 62. All employees hired after December 31, 2012 and not a prior Classic Member of CalPERS, are covered under the PEPRA retirement formula.

The following table depicts employer and employee contributions based on the participant’s hire date. Classic Member participants are required to contribute up to 8% of their annual covered salary, and PEPRA members will contribute 6.75% in FY 2023.

Member Type	Hire Date	CalPERS Contribution Split			Employee Contribution	Combined Contribution
		Retirement Formula	Employer Normal Cost Distribution	Employer Unfunded Liability Contribution		
Classic	Before 01/01/13	2.5% @ 55	9.540%	24.580%	8.000%	42.120%
PEPRA	After 12/31/12*	2% @ 62	9.540%	24.580%	6.750%	40.870%

\*Not previous members of CalPERS

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

The District offers post-employment medical benefits, with benefits and employee/employer contributions based on years of service, hire date, and date of retirement. The coverage will continue for the retiree, their spouse or registered domestic partner, and their eligible dependents until they become eligible for Medicare benefits.

Historically, benefits were funded on a pay-as-you-go basis. In fiscal year 2014, the District established an OPEB Trust Fund to reduce the actuarial accrued OPEB liability, and deposited \$10 million. An additional \$10 million was deposited in fiscal year 2015. As a part of the annual budget process, the District reviews the actuarial liability to determine if future trust payments are needed. Annual OPEB costs are calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statements 74 and 75. The District conducts an actuarial valuation every other year. ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal expenses each year and to amortize any unfunded actuarial liabilities over a period not to exceed 30 years.

## WORKERS’ COMPENSATION

The District utilizes a self-insurance program for workers’ compensation claims. In order to limit the District’s loss exposure, CVWD purchases excess insurance coverage through a commercial insurer. This program is accounted for in the Workers’ Compensation Self-Insurance Fund.

The rate is reviewed annually as a part of the budget process and is assessed on gross salaries as a means of providing revenue to pay current claims and an established accrued liability to cover any outstanding claims. The District last conducted an actuarial analysis on the workers’ compensation program in 2020. The new actuarial valuation reflected a reduction in estimated outstanding losses, and a reduction in claims being received. The District conducts an actuarial valuation every three (3) years, with the next valuation scheduled for fiscal year 2023. Any updates in rates or actuarial assumptions included in the study will be reflected in the FY 2024 budget.

# ADMINISTRATION



General Manager			
Jim Barrett			
Assistant General Manager	2	Clerk of the Board	6
Assistant General Manager	1	Clerk of the Board	1
Financial Analyst II	1	Executive Assistant	1
Assistant General Manager	1	Deputy Clerk of the Board	1
Assistant General Manager, Operations and Maintenance	1	Administrative Assistant II	1
		Administrative Assistant I	1
		Office Assistant I	1
		<b>Administrative Services</b>	<b>8</b>
		Records Manager	1
		Assistant Records Supervisor	1
		Office Assistant II	1
		Records Clerk II	3
		Records Clerk I	1
		Office Assistant I-II	1
<b>Total FTE</b>			
18			

## DEPARTMENT DESCRIPTION

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

### Mission

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

## DIVISION DESCRIPTIONS

### Executive Staff

This division consists of five full-time positions: the General Manager, who is selected by and reports directly to the Board, an Assistant General Manager, an Assistant General Manager for Operations & Maintenance, and the Clerk of the Board who all report to the General Manager. The Executive Staff is responsible for maintaining effective and timely communications between the Board and the District’s departments, with a particular focus on the following functions and activities:

## General Manager

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

- Policies
- Strategic initiatives
- Assets and resources
- Administrative, operational, and functional activities of Coachella Valley Water District
- Adheres to and implements policies of the elected five-member Board of Directors
- Prioritizes items that require Board authorization and approval

Assists staff in the development and conduct of consistent practices.

Integrates the Strategic Plan.

Monitoring performance efforts and decision-making processes.

Creates accountability and transparency within the District.

## Assistant General Manager

Principal representative in all matters related to the District's sources of existing and future imported water (including management and negotiations).

- Water is used directly for irrigation and groundwater replenishment purposes and is critical to the overall stability and sustainability of the Coachella Valley
- Sources include State Water Project water (contracted through the State of California) and Colorado River Water (contracted through the Federal Government)

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

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

The Assistant General Manager supervises a Financial Analyst II to assist in the responsibilities above.

## Assistant General Manager, Operations & Maintenance

Provides global oversight in all matters related to the operations, maintenance, and repair to eight of CVWD's enterprise funds including Domestic Water, Sanitation (including Non-Potable Water), Stormwater, Canal Water, Replenishment, and Motorpool. Explores opportunities to optimize resource allocation more effectively and efficiently while striving for continuous improvement in performance and levels of service.

Additional responsibilities also include:

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

The Assistant General Manager for Operations and Maintenance supervises a team of 329 employees to assist in the responsibilities above.

*Clerk of the Board /Administrative Services*

The Clerk’s Office is responsible for supporting the Board of Directors, General Manager and Assistant General Managers, ensuring adherence to established policies and procedures, serves as a liaison with other District staff, outside agencies, and the public; serves as the District’s custodian of records, and manages and maintains the District’s Records Management Program. In addition, the Clerk of the Board:

- Prepares, publishes, and distributes the Board of Directors’ Meeting agenda and back-up materials in accordance with legal requirements for public meetings (Govt. Code Section 54950-54962)
- Prepares and maintains official records of Board actions including meeting minutes, resolutions, and ordinances
- Processes all requests for information pursuant to the California Public Records Act on behalf of the District
- Supports and coordinates general District elections in accordance with state and local election and campaign financing laws; and administers oath of office to newly elected directors
- Coordinates the filing of Conflict-of-Interest Statements, Annual Campaign Disclosure Statements, Statement of Facts, and election materials for Board of Director candidates and other filings
- Records, preserves, researches, and provides for public access to the District’s records
- Coordinates all travel arrangements for Board members and District personnel
- Provides photocopy and mailroom services to District departments
- Greets and receives visitors in Palm Desert and Coachella Administration, and ensures visitors are screened and escorted to their destination

*Administration Department Metrics*

Administration Department Workload Measures					
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
<b>Clerk of the Board</b>					
District Documents Recorded	289	184	152	704	354
Board/Special Meeting Agendas Compiled	22	32	23	26	24
Board/Special Meeting Minutes Compiled	22	32	23	26	23
General Manager’s Report of Activities	12	12	12	12	12
Secretary’s Report of Documents Recorded	12	12	12	12	12
General Manager’s Report of Authorizations/Executions	12	12	12	12	12
District Travel Requests Processed	634	462	170	32	15
Administration/Board Travel Requests Processed	131	100	83	6	45
Documents Notarized	302	223	216	377	468
Incoming Mail Processed	3,937	17,275	12,706	8,584	8,289
Outgoing Mail Processed	11,700	15,740	11,683	10,928	11,338
Documents Scanned for FileNet Entry	2,450	2,170	2,057	2,447	2,415
Visitors Badges Issued at Reception Counter	3,136	1,601	1,539	261	680
Public Records Act Requests	84	256	323	360	409
<b>Administrative Services</b>					
Calls Answered	89,584	71,605	69,205	25,080	21,202
Incoming Mail Processed	29,560	18,027	17,252	13,216	12,022
Outgoing Mail Processed	122,393	22,399	20,457	20,257	15,815
Documents Processed for FileNet	11,288	11,079	10,754	9,637	10,384
Boxes Destroyed in Accordance with Records Retention	634	1,730	1,000	-	479

## FISCAL YEAR 2021-22 ACCOMPLISHMENTS

### *Administration*

Continued to advance CVWD's efforts of securing its imported supply by securing Board approvals for continued funding through 2024 for new water supply planning projects, including the Delta Conveyance Project (Delta Conveyance) and Sites Reservoir Project (Sites Reservoir).

Created a new agricultural water conservation program (Colorado River Water Conservation Program) in response to help mitigate conditions on the Colorado River system.

Continued to protect CVWD's imported water interests by holding Board seats in the State Water Contractors, Delta Conveyance Finance Joint Powers Authority, and Delta Conveyance Design and Construction Authority.

Continued to promote CVWD's voice in the water industry by holding leadership positions on American Water Works Association's (AWWA) Water Utility Council (Vice-chair) and Partnership for Clean Water Program (Steering Committee Chair).

Enhanced CVWD's visibility in the water industry by moderating or presenting at various conferences, including the Partnership for Safe Water 25th Anniversary Conference, Canadian Water and Wastewater Association Annual Conference, and AWWA's Cybersecurity webinar.

### *Operations & Maintenance*

Completed a Preventative Maintenance Gap Assessment Report and Remediation Program.

Completed the construction of the Programmable Logic Control Implementation Plan, Phase I.

Finalized a comprehensive Standard Operating Procedures/Job Safety Analysis Guidebook.

Completed the Facilities Security and Safety Remodel for the Palm Desert Operations Building.

Completed the implementation of Geotab GPS Program, Phase I.

### *Clerk of the Board*

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

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

### *Clerk of the Board / Administrative Services*

Issued a request for proposal (RFP) and implemented a new agenda management platform.

Completed updates and training for the new Forbes AV room and equipment.

Codified and published nine new Ordinances.

Destroyed 479 archive boxes in accordance with the Records Retention Schedule.

Scanned and indexed historical Board Meeting Minutes for years 1915 to 2008.

Contracted with DocuData for records center operations software that incorporates a barcode technology.

Provided records and information management training to staff and departments.

Inventoried and catalogued historical records in vaults into a searchable database.

## FISCAL YEAR 2022-23 GOALS

### *Administration*

Preserve CVWD's Colorado River water supply through actively participating in negotiations of drought response planning and operating agreement (2007 Interim Guidelines).

Continue to promote CVWD's Colorado River Water Conservation Program through active engagement with the agricultural community and funding partners.

Continue to preserve CVWD's State Water Project-related water supply interests through active participation in the Delta Conveyance and Sites Reservoir and work with Metropolitan Water District of Southern California and Desert Water Agencies to find opportunities to deliver more water to the service areas.

Reinitiate Fiscal Year 2023 Strategic Planning Process.

### *Operations & Maintenance*

Complete the "GO LIVE" implementation of the Asset Management Program (Computerized Maintenance and Management System).

Complete a Preventative Maintenance Gap Assessment Report and Remediation Program.

Complete the construction of the Programmable Logic Control Implementation Plan, Phase I.

Develop and implement a comprehensive Standard Operating Procedures/Job Safety Analysis Guidebook.

Complete the Facilities Security and Safety Remodel for the Palm Desert Operations Building.

### *Clerk of the Board / Administrative Services*

Implement an online system automating the District's Public Records Act process.

Develop a Facilities Use policy, including fee schedule for use of CVWD rooms by external agencies.

Implement online ethics training and tracking module for District officials.

Destroy 500 archive boxes in accordance with the Records Retention Schedule by 06/30/2023.

Develop and implement records and information management training for District staff and complete training by June 2023.

Continue the scanning of the District's historical records.

Research and consider a partnership and interlocal agreements with entities engaged in historical preservation and the presentation of archival material.

Develop an interactive user-friendly database to generate Specification (Spec) and CVWD File Numbers.

Administration Department	FY 2021 Actual	FY 2022 Actual*	FY 2022 Budget	FY 2023 Budget	Budget Change	% Change
<b>Expenses by Type</b>						
Salaries and Wages	\$ 2,300,525	\$ 2,386,269	\$ 2,377,675	\$ 2,522,281	\$ 144,606	6.1%
Employee Benefits	1,120,535	1,226,182	1,324,429	1,425,366	100,937	7.6%
Outside Labor	-	-	100	-	(100)	-100.0%
Professional Development	857,016	1,077,772	744,230	1,225,000	480,770	64.6%
Professional Services	3,129,544	2,816,390	3,214,000	3,329,131	115,131	3.6%
Advertising and Media	8,143	12,223	17,000	16,000	(1,000)	-5.9%
Election Costs	20,339	-	-	300,000	300,000	-
Utilities	9,629	7,145	8,040	8,500	460	5.7%
Materials and Supplies	108,740	111,871	149,600	206,100	56,500	37.8%
Motorpool	41,143	38,094	29,381	39,688	10,307	35.1%
Contract Services	47,395	61,610	34,500	52,500	18,000	52.2%
Miscellaneous Expense	1,029,702	1,260,122	1,342,300	1,337,200	(5,100)	-0.4%
Capital Outlay	27,848	16,451	-	10,000	10,000	-
Pass Through (Contra Expense)	-	-	-	-	-	-
<b>Total</b>	<b>\$ 8,700,557</b>	<b>\$ 9,014,129</b>	<b>\$ 9,241,255</b>	<b>\$ 10,471,766</b>	<b>\$ 1,230,511</b>	<b>13.3%</b>
<b>Expenses by Division</b>						
Board of Directors	\$ 128,735	\$ 146,038	\$ 218,550	\$ 216,100	\$ (2,450)	-1.1%
Board of Secretary	937,194	971,713	970,163	1,422,935	452,772	46.7%
Administration	4,950,674	4,292,760	5,176,352	5,331,476	155,124	3.0%
Colorado River and Other	1,524,521	1,961,857	1,565,187	1,532,008	(33,179)	-2.1%
State Water Project	108,882	606,716	80,000	620,131	540,131	675.2%
Reprographics	136,329	-	-	-	-	-
Records Management	914,223	1,035,044	1,231,003	1,349,116	118,113	9.6%
Pass Through (Contra Expense)	-	-	-	-	-	-
<b>Total</b>	<b>\$ 8,700,557</b>	<b>\$ 9,014,129</b>	<b>\$ 9,241,255</b>	<b>\$ 10,471,766</b>	<b>\$ 1,230,511</b>	<b>13.3%</b>
<b>Expenses by Fund</b>						
Domestic Water	\$ 1,143,909	\$ 1,115,206	\$ 1,131,273	\$ 1,492,113	\$ 360,840	31.9%
Canal Water	3,071,969	3,397,704	2,782,676	3,343,029	560,353	20.1%
West Whitewater Replenishment	2,208,500	1,815,796	3,517,625	1,927,813	(1,589,812)	-45.2%
Mission Creek Replenishment	12,516	19,353	16,146	116,072	99,926	618.9%
East Whitewater Replenishment	388,107	338,373	247,608	474,457	226,849	91.6%
State Water Project	719,753	1,103,776	289,445	913,431	623,986	215.6%
Sanitation	757,335	809,601	824,056	1,411,912	587,856	71.3%
Stormwater Fund	384,319	400,288	421,665	780,743	359,078	85.2%
Motor Pool Fund	14,149	14,032	10,761	12,196	1,435	13.3%
Pass Through (Contra Expense)	-	-	-	-	-	-
<b>Total</b>	<b>\$ 8,700,557</b>	<b>\$ 9,014,129</b>	<b>\$ 9,241,255</b>	<b>\$ 10,471,766</b>	<b>\$ 1,230,511</b>	<b>13.3%</b>

\* Unaudited

Water-Related Costs	FY 2021 Actual	FY 2022 Actual*	FY 2022 Budget	FY 2023 Budget	Budget Change	% Change
<b><u>Water Purchases</u></b>						
IID CVWD QSA Water	\$ 5,114,223	\$ 9,224,410	\$ 7,751,000	\$ 9,188,285	\$ 1,437,285	18.5%
MWD 15,000 AF Conservation	1,391,324	5,940,440	4,672,500	4,885,445	212,945	4.6%
MWD 35,000 AF Non SWP	2,541,007	2,053,909	3,964,000	3,365,187	(598,813)	-15.1%
GLC/Rosedale	6,147,156	6,000,539	6,919,273	-	(6,919,273)	-100.0%
<b>Total Non-SWP Water Purchases</b>	<b>\$ 15,193,710</b>	<b>\$ 23,219,298</b>	<b>\$ 23,306,773</b>	<b>\$ 17,438,917</b>	<b>\$ (5,867,856)</b>	<b>-25.2%</b>
<b><u>State Water Project Water</u></b>						
Delta Charge Capital (V)	\$ 4,539,815	\$ 5,231,513	\$ 4,617,392	\$ 5,949,250	\$ 1,331,858	28.8%
Transportation Capital (F)	11,382,652	11,203,862	11,890,943	11,719,062	(171,881)	-1.4%
Delta Water OMPR (V)	6,952,605	7,637,511	7,218,856	8,058,408	839,552	11.6%
Transportation OMPR (F)	17,686,957	17,997,132	16,912,513	19,521,017	2,608,504	15.4%
Water System Bond Surcharge (F)	1,003,478	428,625	2,298,750	2,462,906	164,156	7.1%
East Branch Bond P&I (F)	4,075,972	4,028,486	5,384,896	5,004,488	(380,408)	-7.1%
Off-Aqueduct Maintenance (V)	78,061	18,785	30,003	346,837	316,834	1056.0%
Transportation OMPR (V)	2,033,813	3,838,659	5,784,000	7,747,600	1,963,600	33.9%
Techachapi 2nd Debt Service (F)	7,305	(440)	59,248	58,775	(473)	-0.8%
SWP Portion of MWD	7,888,993	8,691,092	6,886,000	7,700,000	814,000	11.8%
Yuba Dry Year	197,568	1,233,979	478,666	2,200,000	1,721,334	359.6%
Article 21	-	-	108,650	-	(108,650)	-100.0%
Sites Reservoir	990,786	1,000,000	1,000,000	1,400,000	400,000	40.0%
East Branch Cost Reallocation	-	-	-	1,119,614	1,119,614	-
<b>Total SWP Water Purchases</b>	<b>\$ 56,838,005</b>	<b>\$ 61,309,204</b>	<b>\$ 62,669,917</b>	<b>\$ 73,287,957</b>	<b>\$ 10,618,040</b>	<b>16.9%</b>
<b><u>Other Water-Related Costs</u></b>						
Canal Water (Interfund Sales)	\$ 6,669,196	\$ 6,582,176	\$ 7,457,000	\$ 7,547,240	\$ 90,240	1.2%
Desert Water Agency Shared Costs	(358,461)	363,403	530,000	358,000	(172,000)	-32.5%
QSA Mitigation Costs	738,869	2,697,555	2,698,000	2,706,000	8,000	0.3%
	<b>\$ 7,049,604</b>	<b>\$ 9,643,134</b>	<b>\$ 10,685,000</b>	<b>\$ 10,611,240</b>	<b>\$ (73,760)</b>	<b>-0.7%</b>
<b>Total Water-Related Costs</b>	<b>\$ 79,081,320</b>	<b>\$ 94,171,635</b>	<b>\$ 96,661,690</b>	<b>\$ 101,338,114</b>	<b>\$ 4,676,424</b>	<b>4.8%</b>

\* Unaudited

# ENGINEERING



Director of Engineering	
Carrie Oliphant	
<b>Administration</b>	<b>4</b>
Supervising Management Analyst	1
Administrative Assistant I	2
Engineering Aide III	1
<b>Stormwater/Irrigation</b>	<b>7</b>
Engineering Manager	1
Sr. Stormwater Engineer	1
Associate Stormwater Engineer	1
Assistant Stormwater Engineer	1
Sr. Irrigation Engineer	1
Associate Irrigation Engineer	1
Assistant Irrigation Engineer	1
<b>Domestic Water/General District</b>	<b>7</b>
Engineering Manager	1
Sr. Domestic Water Engineer	2
Associate Domestic Water Engineer	2
Assistant Domestic Water Engineer	2
<b>Sanitation/Nonpotable Water/Electrical</b>	<b>8</b>
Engineering Manager	1
Sr. Supervising Sanitation Engineer	1
Sr. Nonpotable Water / Sanitation Engineer	1
Sr. Sanitation Engineer	1
Assistant Sanitation Engineer	1
Sr. Supervising Electrical & Energy Engineer	1
Associate Electrical & Energy Engineer	1
Assistant Electrical & Energy Engineer	1
<b>Engineering Services</b>	<b>1</b>
Assistant Director of Engineering - Services and Planning	1
<b>Construction Inspection</b>	<b>9</b>
Chief Inspector	1
O & M Scheduler I	1
Lead Construction Inspector II	1
Construction Inspector II	2
Construction Inspector Trainee	4
<b>Development Services</b>	<b>7</b>
Development Services Supervisor	1
Development Services Technician II	2
Development Services Technician I	2
Utility Coordinator	1
Engineering Technician II	1
<b>Right-of-Way</b>	<b>3</b>
Right-of-Way Supervisor	1
Right-of-Way Assistant	2
<b>Survey</b>	<b>6.5</b>
Chief Surveyor	1
Assistant Chief Surveyor	1
Survey Party Chief	1
CAD Systems Specialist	1
Engineering Technician II	1
Engineering Aide III	1
GIS Specialist I	0.5
<b>Total FTE</b>	<b>53.5</b>

## DEPARTMENT DESCRIPTION

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

### Mission

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

## Core Values

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

## DIVISION DESCRIPTIONS

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

### Administration

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

### Stormwater/Irrigation

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

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

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

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

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

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

### Domestic Water/General District

Responsible for the planning, budgeting, design, and construction of the District's Domestic Water and General District facilities.

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

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

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

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

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

Provides support to the Environmental Services Department for the preparation of California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA) documents and permits for capital projects.

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

## *Sanitation/Nonpotable Water/Electrical*

Oversees planning, design, and construction of sanitation, nonpotable water, and electrical facilities.

Develops and implements CVWD's Nonpotable Water and Sanitation System Master Plans.

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

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

Supports Environmental & Water Quality Division regarding California Environmental Quality Act (CEQA), National Environmental Policy Act (NEPA) and permitting issues to ensure compliance with the Safe Drinking Water Act, Clean Water Act, National Pollution Discharge Elimination System permits, and others.

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

Develops and implements developer connection fees, including the Sanitation Capacity Charge (SCC).

Leads and conducts studies in automation and instrumentation control of water reclamation plant processes and initiates treatment performance tests for telemetry systems, electrical systems, process control, and instrumentation components.

Prepares control descriptions, outlining operation, control, and telemetry of treatment processes.

Performs as a lead project manager and construction manager for expansions/renovations of sanitation and nonpotable water facilities, including water reclamation plants, pump stations, pipelines, lift stations, and water treatment facilities, through conceptual scope development, preliminary engineering, design construction, and start-up.

## *Engineering Services*

Provides overall management support and leadership to the following:

### **CONSTRUCTION INSPECTION**

Inspects all Capital Improvement Projects.

Inspects all water/sewer installations for developer projects in the District's service area.

Inspects all single sewer lateral installations.

Inspects all street resurfacing projects to ensure CVWD's valve/manholes are adjusted as part of the process.

Inspects work authorized via Encroachment Permits.

Coordinate receipt of record drawings and asset register upon completion of projects.

### **DEVELOPMENT SERVICES**

Tracks all new development within the District service area (8 cities, 2 counties).

Prepares development review letters and developer agreements.

Coordinates developer meetings.

Establishes new customer accounts.

Tracks infrastructure plan submittals.

Processes developer fees and deposits.

Provides utility coordination and planning, including management of valve and manhole adjustment contract.

Performs development plan check and review.

**RIGHT-OF-WAY**

Monitors, reviews, and approves activities related to the District’s fee-owned land and easements (managing over 7,000 acres of land and over 3,500 easements).

Manages and researches District and United States Bureau of Reclamation right-of-way.

Conveys and acquires right-of-way.

Processes encroachment permits, noninterference review letters, and leases.

Supports Development Services and Survey in review of development packages.

**SURVEY**

Provides office and field survey support to all District departments.

Stakes existing utilities and easements.

Performs topographic and boundary surveys.

Reviews tract and parcel maps.

Reviews and prepares legal descriptions and plat depictions.

Prepares record of surveys.

Prepares exhibits and plans using AutoCAD/Civil 3D and Geographic Information System (GIS).

Responsible for Infrastructure mapping of District facilities with plat sheet maintenance and record drawing management.

*Engineering Metrics*

Capital Projects Budget vs. Spend					
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Amended Budget	\$ 104,734,000	\$ 127,404,000	\$ 127,250,000	\$ 103,777,000	\$ 143,072,123
Actual Spend	73,913,000	117,772,940	116,082,000	96,355,214	131,234,137
% of Budget	70.6%	92.4%	91.2%	92.8%	91.7%

Engineering Workload Measures	FY 2020	FY 2021	FY 2022
<b>Administration</b>			
Engineering Letters Processed	807	931	1,154
Environmental Services Letters Processed	147	75	277
Bids Processed	22	41	18
Documents Routed for Electronic Signature	-	1,459	1,420
<b>Stormwater/Irrigation</b>			
Achieved a minimum of 70% CIP Execution Rate	Yes	Yes	Yes
Processed a minimum 90% of Development Review Letters within 2 Weeks	Yes	Yes	Yes
Processed a minimum 90% of Hydraulics and Hydrology Requests within 4 Weeks	Yes	Yes	Yes
Elevation Certificates Processed	104	81	45
Flood Management Reviews Processed	60	5	17
Development Review Letters Processed	158	66	72
Developer Meetings Attended	141	82	139
Number of Installation Agreements	10	2	3
Encroachment Permits/Noninterference Review Letters (NIRLs) Reviewed	76	16	17
Change Orders	18	13	30
<b>Domestic Water/General District</b>			
Achieved a minimum of 70% CIP Execution Rate	Yes	Yes	Yes
Processed a minimum 90% of Development Review Letters within 2 Weeks	Yes	Yes	Yes
Processed a minimum 90% of Water Meter Sizing Requests within 1 Week	Yes	Yes	No
Change Orders	67	60	26
Customer Phone Calls	284	183	113
Development Review Letters	55	66	72
Hydraulic Models, Trench Calculations, Water Meter Sizing	865	556	978
Developer Meetings Attended	67	93	96
Support Meetings with Other Departments	118	148	164
Other Meetings Attended	228	469	1,175
Board Action Items	21	21	17
<b>Sanitation/Nonpotable Water/Electrical</b>			
Achieved a minimum of 70% CIP Execution Rate	Yes	Yes	Yes
Processed a minimum 90% of Development Review Letters within 2 Weeks	Yes	Yes	Yes
Developer Plan Reviews Received	43	66	72
Developer Meetings Attended	37	33	30
Right-of-Way Reviews	66	23	51
Hydraulic Models Assigned	21	20	30
Trench Calculations Assigned	29	25	37
Sanitation - Submittals Received	529	139	67
Sanitation - Requests for Information	232	163	52
Sanitation - Change Orders	82	54	18
Nonpotable Water - Submittals Received	12	56	158
Nonpotable Water - Requests for Information	8	15	107
Nonpotable Water - Change Orders	5	1	51
Electrical - Sanitation/Nonpotable Water Submittals Reviewed	194	146	50
Electrical - Domestic Water Submittals Reviewed	40	117	36
Electrical - Stormwater/Irrigation Submittals Reviewed	17	59	82
Electrical - General District Submittals Reviewed	3	32	1
Electrical - Sanitation/Nonpotable Water Inspections	139	110	119
Electrical - Domestic Water Inspections	37	55	28
Electrical - Stormwater/Irrigation Inspections	139	9	5
Electrical - General District Inspections	1	25	42
Electrical - Requests for Information - Sanitation/Nonpotable Water	126	82	34
Electrical - Requests for Information - Domestic Water	27	55	8
Electrical - Requests for Information - Stormwater/Irrigation/Canal	2	12	17
Electrical - Requests for Information - General District	2	-	2
Electrical - Utility Coordination	197	237	231

Engineering Workload Measures	FY 2020	FY 2021	FY 2022
<b>Engineering Services</b>			
<b>Construction Inspection</b>			
Customer Contacts Walk-Ins/Phone Calls/Emails	14,483	15,879	15,181
Pre Cons Attended	78	93	81
Tract Inspections	110	135	101
CIP Inspections	53	27	33
Existing Facilities Inspections	46	37	45
Single Sewer Laterals Inspections & Sewer Video Tract Inspections	32	31	45
<b>Development Services</b>			
Produce a Minimum 90% of Cost Notification for Service Invoices within 10 Business Days of Receipt	Yes	No	No
Approved a minimum 90% of Landscape Plans within 7 – 10 Business Days	Yes	Yes	Yes
Process Development Review Letters within 7-10 business days	Yes	Yes	Yes
Landscape Plans approved	124	163	239
Additional Water Meters Installed	755	1,063	1,418
Domestic and Sanitation Cost Notifications	966	1,202	1,691
Plans Released	18	35	55
Customer Contacts Phone Calls/Emails	25,792	30,496	35,308
Customers at Counter	1,327	128	610
Development Meetings	85	83	69
Development Security Deposit Processed	21	27	29
Plan Checks (1st, 2nd, 3rd Checks)	114	426	403
Customer Contact	2,979	1,893	2,010
Correspondence	5,006	3,010	3,892
Phone Calls	1,360	591	720
<b>Right-of-Way (ROW)</b>			
Percent of Right-of-Way Permit Requests Processed Within 30 Days of Receipt of a Complete Submittal	100	100	100
Walk-in Customers	49	-	17
Research Requests/Initial Inquiries	4,284	3,447	5,080
Issuance of ROW Numbers for ROW Docs	484	651	278
Issuance of ROW Numbers for Others	192	390	394
New Permits/Noninterference Review Letters (NIRLs)	95	211	152
Permit Extensions	71	185	82
CIB Projects	53	73	26
Developer Meetings Attended	83	29	46
Developer Acquisitions/Conveyances	33	62	37
Encroachments	4	8	11
Vacation Requests	3	2	9
Leases Researched	23	11	9
Bureau of Land Management/Bureau of Indian Affairs Rights	5	5	3
United States Bureau of Reclamation (USBR) Processes	14	34	15
ROW Acquisitions/Conveyances	39	100	40
Land Sale Requests	11	14	21
Tax Default Parcels Researched	7	8	4
<b>Survey</b>			
Percent of Requests for Field Survey Processed within 3 Days of Receipt	100	100	100
Completed Reviews of Maps/Easements	38	31	29
Legal and Plats Reviewed	221	193	85
Exhibit A Legals Written	112	219	198
Staking Plans/Survey Processing Projects	405	494	407
Plotting Requests	13	22	23
Internal Easement Legal and Plats Completed	65	62	55
Meetings/Training Sessions Attended	237	189	220
Requests for Information/Research/Material	304	399	355
Preliminary Title Reports Reviewed	93	104	27
CIP Computer-Aided Design (CAD) Hours	401	620	1,734
Board Agenda Item Maps	176	338	296
Plat Updates	336	412	456
Process Plat Update Requests within 5 Business Days	Yes	Yes	Yes
GIS Viewer Updates Hours	-	199	579

## FISCAL YEAR 2021-22 ACCOMPLISHMENTS

### *Strategic Plan*

- SG 3.6** Mid-canal storage project (began Agreement discussions with other agencies).
- SG 3.8** Initiated construction of the Oasis Phase 2 In-Lieu Recharge project.
- SG 4.11** Installation of Emergency Standby Generator for Well No. 6808-1 is under construction.

### *Administration*

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

### *Stormwater/Irrigation*

- Achieved a minimum 75% CIP execution rate.
- Achieved an average 5% or less for change orders as a % of project total.
- Achieved a turnaround time of 2 weeks or less for a minimum of 90% of development review letters.
- Maintained an average turnaround time of 3 weeks or less for a minimum of 90% of Riverside County flood management reviews.
- Achieved an average turnaround time of 4 weeks or less for a minimum of 90% of developer plan reviews.
- Completed the Check Structure at MP 88.6 Replacement Project.
- Completed the East Side Dike Improvement Project – Phase 1 (Dune Palms to Interstate 10).
- Completed the West Salton Sea Stormwater Master Plan.

### *Domestic Water/General District*

- Achieved a minimum 75% CIP execution rate.
- Achieved an average 5% or less for change orders as a % of project total.
- Maintained a turnaround time of 2 weeks or less for a minimum of 90% of development review letters.
- Achieved a turnaround time of 2 weeks or less for a minimum of 90% of fire flow analysis requests.
- Maintained a turnaround time of 2 weeks or less for a minimum of 90% of trench review requests.
- Continued to process a minimum 90% of water meter sizing requests within 1 week.
- Completed the Reservoir 4602-2 Design and Construction Project.
- Completed the Demolition of Reservoir (Tower Tank) No. 6858 Project.
- Completed the Coachella Campus Fire and Irrigation System Improvement Project, Phase 2.
- Completed the Reservoir 4606-2 Design and Construction Project.
- Completed the Avenue 66 Transmission Main Project, Phase 1A.
- Completed 100% design of the Sun City Palm Desert Water Main Replacement Project, Phase 3A.
- Completed 100% design of the IXTP 7991 Improvements Project.
- Completed 100% design of the Avenue 66 Transmission Main, Phase 1B Project.

### *Sanitation/Nonpotable Water/Electrical*

- Achieved a minimum 75% CIP execution rate.
- Achieved an average 5% or less for change orders as a % of project total.

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

Achieved a turnaround time of 3 weeks or less for a minimum of 90% of trench review requests.

Completed the First Tee Junction Box and Sewer Manhole Rehabilitation Project.

Completed the Sewer Manhole Rehabilitation Project – Rancho Mirage, Palm Desert, and La Quinta.

Completed the WRP 10 Secondary Effluent Pump Station and Storage Ponds Project.

Completed the Sewer Pipeline Rehabilitation Project – Fairway Drive.

Completed the WRP 2 Monitoring Wells Project.

Completed the Avenue 66 Grade Separation Project.

Completed the Automated Delivery for the Palm Desert Groundwater Replenishment Facility Project.

Completed the Palm Desert Campus Solar/Parking Lot Share Structure Project.

### *Engineering Services (Construction Inspection, Development Services, Right-of-Way, Survey, Technical Services)*

Processed requests for Field Survey within 3 days of receipt.

Attained a 5-day processing time for Plat Update requests.

## **FISCAL YEAR 2022-23 GOALS**

### *Stormwater/Irrigation*

Continue to achieve a minimum 75% CIP execution rate.

Achieve an average 5% or less for change orders as a % of project total.

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

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

Maintain an average turnaround time of 3 weeks or less for a minimum of 90% of Riverside County flood management reviews.

Achieve an average turnaround time of 4 weeks or less for a minimum of 90% of developer plan reviews.

### *Domestic Water/General District*

Achieve a minimum 75% CIP execution rate.

Achieve an average 5% or less for change orders as a % of project total.

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

Achieve a turnaround time of 4 weeks or less for 90% of hydraulic model requests.

Achieve a turnaround time of 2 weeks or less for a minimum of 90% of fire flow analysis requests.

Maintain a turnaround time of 2 weeks or less for a minimum of 90% of trench review requests.

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

### *Sanitation/Nonpotable Water/Electrical*

Achieve a minimum 75% CIP execution rate.

Achieve an average 5% or less for change orders as a % of project total.

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

Achieve a turnaround time of 4 weeks or less for 90% of hydraulic model requests.

Achieve a turnaround time of 3 weeks or less for a minimum of 90% of trench review requests.

**Engineering Services (Construction Inspection, Development Services, Right-of-Way, Survey, Technical Services)**

Process requests for Field Survey within 3 days of receipt.

Achieve a turnaround time of 4 weeks or less for 90% of encroachment permits.

Process the release of Performance Guarantee Deposits within 12 weeks of the warranty period ending.

Transition to GIS as the database of record for assets.

Engineering Department	FY 2021 Actual	FY 2022 Actual*	FY 2022 Budget	FY 2023 Budget	Budget Change	% Change
<b>Expenses by Type</b>						
Salaries and Wages	\$ 6,651,657	\$ 7,238,531	\$ 6,978,250	\$ 7,443,535	\$ 465,285	6.7%
Employee Benefits	3,567,554	3,943,766	4,114,338	4,444,222	329,884	8.0%
Professional Development	14,993	16,906	68,657	67,945	(712)	-1.0%
Professional Services	827,415	1,441,006	1,562,000	1,428,000	(134,000)	-8.6%
Utilities	29,831	28,733	24,014	24,014	-	-
Materials and Supplies	34,157	19,800	46,892	47,950	1,058	2.3%
Motorpool	139,047	169,534	136,642	179,547	42,905	31.4%
Contract Services	514,186	262,355	549,500	425,200	(124,300)	-22.6%
Safety	3,735	3,000	3,360	3,360	-	-
Miscellaneous Expense	51,617	18,457	37,100	35,300	(1,800)	-4.9%
Capital Outlay	13,253	-	-	-	-	-
Pass Through (Contra Expense)	-	-	-	(950,000)	(950,000)	-
<b>Total</b>	<b>\$ 11,847,445</b>	<b>\$ 13,142,088</b>	<b>\$ 13,520,753</b>	<b>\$ 13,149,073</b>	<b>\$ (371,680)</b>	<b>-2.7%</b>
<b>Expenses by Division</b>						
Administration	\$ 1,612,752	\$ 2,116,074	\$ 1,903,252	\$ 2,082,035	\$ 178,783	9.4%
Stormwater	992,319	1,565,280	1,193,309	1,275,638	82,329	6.9%
Irrigation	661,980	685,110	692,435	951,721	259,286	37.4%
Electric Energy	632,792	706,399	764,673	802,886	38,213	5.0%
Domestic Water	1,817,543	1,717,970	1,809,307	1,815,071	5,764	0.3%
Sanitation	1,290,527	1,488,797	1,760,743	1,378,423	(382,320)	-21.7%
Right of Way	428,978	441,619	497,488	549,165	51,677	10.4%
Survey	1,084,227	1,208,848	1,134,894	1,328,809	193,915	17.1%
Development Services	1,685,823	1,472,384	1,684,327	1,782,401	98,074	5.8%
Inspection	1,640,504	1,739,606	2,080,325	2,132,924	52,599	2.5%
Pass Through (Contra Expense)	-	-	-	(950,000)	(950,000)	-
<b>Total</b>	<b>\$ 11,847,445</b>	<b>\$ 13,142,088</b>	<b>\$ 13,520,753</b>	<b>\$ 13,149,073</b>	<b>\$ (371,680)</b>	<b>-2.7%</b>
<b>Expenses by Fund</b>						
Domestic Water	\$ 3,865,137	\$ 3,689,993	\$ 4,177,374	\$ 4,113,288	\$ (64,086)	-1.5%
Canal Water	1,349,247	1,365,571	1,759,867	2,005,276	245,409	13.9%
West Whitewater Replenishment	311,889	398,609	723,058	846,811	123,753	17.1%
Mission Creek Replenishment	45,687	61,799	70,448	68,987	(1,461)	-2.1%
East Whitewater Replenishment	291,099	501,972	154,862	82,108	(72,754)	-47.0%
Sanitation	3,807,896	4,176,065	4,168,896	4,274,737	105,841	2.5%
Stormwater Fund	2,176,401	2,948,079	2,466,248	2,707,866	241,618	9.8%
Motor Pool Fund	90	-	-	-	-	-
Pass Through (Contra Expense)	-	-	-	(950,000)	(950,000)	-
<b>Total</b>	<b>\$ 11,847,445</b>	<b>\$ 13,142,088</b>	<b>\$ 13,520,753</b>	<b>\$ 13,149,073</b>	<b>\$ (371,680)</b>	<b>-2.7%</b>

\* Unaudited

# ENVIRONMENTAL SERVICES



Director of Environmental Services																							
Steve Bigley																							
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## DEPARTMENT DESCRIPTION

The Environmental Services Department is organized into seven divisions that develop and implement programs to comply with local, state, and federal regulations protecting water quality and environmental resources.

### Mission

Providing professional environmental services that protect water quality and availability, achieves sustainable groundwater supplies, provides sound environmental compliance, and natural resources protection.

### Core Values

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

## DIVISION DESCRIPTIONS

Environmental Services' primary responsibilities include: water quality, groundwater replenishment monitoring and reporting, biological resource management, environmental assessments and permitting, water management planning, and advocating for water quality and environmental regulations based on good science, with particular focus on the following functions and activities:

### *Environmental*

Ensures District projects and activities are evaluated and comply with local, state, and federal environmental protection requirements such as National Environmental Policy Act (NEPA) and California Environmental Quality Act (CEQA), the Coachella Valley Multiple Species Habitat Conservation Plan (CVMSHCP), and other applicable regulations and guidelines.

Oversees the biological and cultural resources surveys used in the assessment of project impacts.

Analyzes CVWD projects for avoidance, minimization, and mitigation of environmental impacts.

Develops and implements compliance plans and mitigation monitoring plans for CVWD projects.

Coordinates mitigation requirements and compliance work for project habitat conservation and monitoring plans.

Ensures CVWD facilities, equipment, and operations are permitted according to State guidelines including:

- Backup power generators (air quality)
- CVWD staff training and employee safety (environmental safety)
- Materials storage, disposal, and risk management (hazardous waste)
- Storm Channel maintenance (biological / hydrological)

Works with regulatory agency staff to obtain and satisfy Clean Water Act permits for District facilities and covered activities.

Participates in environmental and biological workgroups and committees focusing on regional environmental challenges (i.e. Salton Sea, Dos Palmas).

Works with outside departments to develop and implement CVWD's Climate Adaption and Action Plan.

### *Water Quality*

Develops water quality monitoring programs for the District's domestic water, wastewater, recycled water, irrigation/drainage, and regional stormwater protection services and implements reporting programs for the same.

Evaluates proposed regulations.

Surveys and tests new water treatment technologies.

Works with regulators and the regulated water community to develop reasonable, beneficial, and cost-effective water quality regulations.

Provides customer service related to water quality including customer requests for information and assistance.

### *Laboratory*

Maintains a state-certified laboratory to perform timely and high-quality sample analysis and reporting needed to determine compliance with water quality regulations.

Implements a Laboratory Information Management System (LIMS) needed to meet state and federal electronic reporting requirements and provides an effective data storage system for performing water quality evaluations.

Provides laboratory analytical services to regulatory agencies (such as Riverside County Department of Environmental Health), State Small Systems, and private well owners.

Reports drinking water compliance data to State Water Board.

Trains District staff to perform sample collection and water quality analyses.

## Administration

Administration's Water Resources Manager oversees and directs activities of the following divisions:

### MONITORING

Implements water-quality monitoring programs for District domestic water, wastewater, recycled water, irrigation/drainage, and regional stormwater protection services.

Performs sample collection services supporting water replenishment.

Performs field sampling and analysis at District facilities, including: domestic water and wastewater treatment plants.

Provides customer service in the field related to water quality, including: visiting customer residences, providing assistance, and information.

Monitors water levels in wells throughout the Coachella Valley to produce reports needed to evaluate water supply conditions and make water management decisions.

### SOURCE CONTROL

Evaluates, inspects, and permits commercial use of District wastewater collection and treatment facilities.

Develops and implements programs that enforce sanitation regulations protecting District wastewater collection and treatment facilities.

Evaluates proposed wastewater discharges and supports the assessment of Sanitation Capacity Charges (SCC).

### WATER RESOURCES

Responsible for water resource planning, including:

- Indio Subbasin Sustainable Groundwater Management Act Alternative Plan
- Mission Creek Subbasin Sustainable Groundwater Management Act Alternative Plan
- Regional Urban Water Management Plan
- Integrated Regional Water Management/Stormwater Resources (IRWM / SWR) Plan
- Other water resources planning activities involving coordination with various stakeholders

Develops, implements, monitors, and reports District groundwater replenishment and water rights programs.

Works with private well operators to locate and inventory water wells to measure and report groundwater production as part of the District's Replenishment Assessment Charge (RAC) Program.

Administers the following: Artesian Well Rebate Program and State Well Numbering Program.

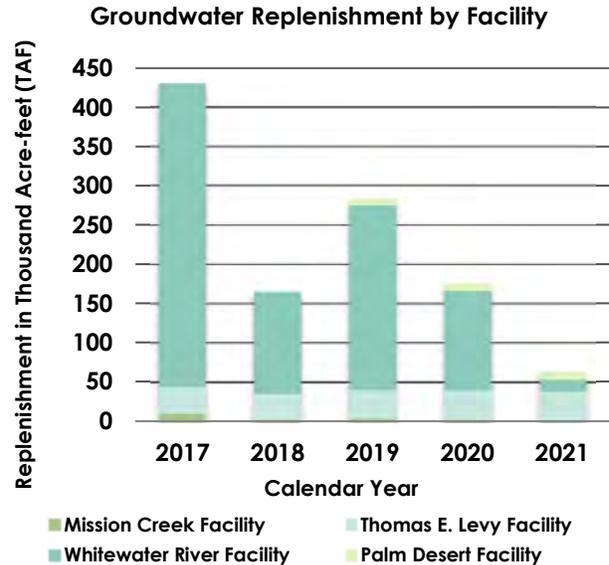
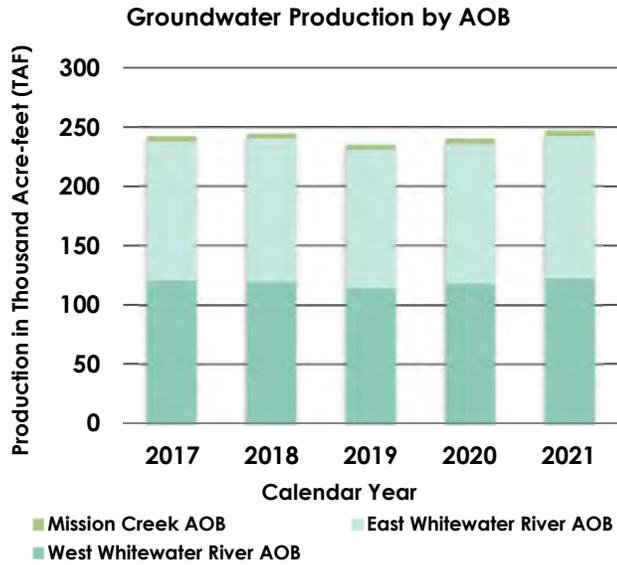
Coordinates the District's compliance with the State's Sustainable Groundwater Management Act (SGMA).

Manages the District's evaluation of expanding groundwater replenishment activities in the mid and east portions of the Coachella Valley.

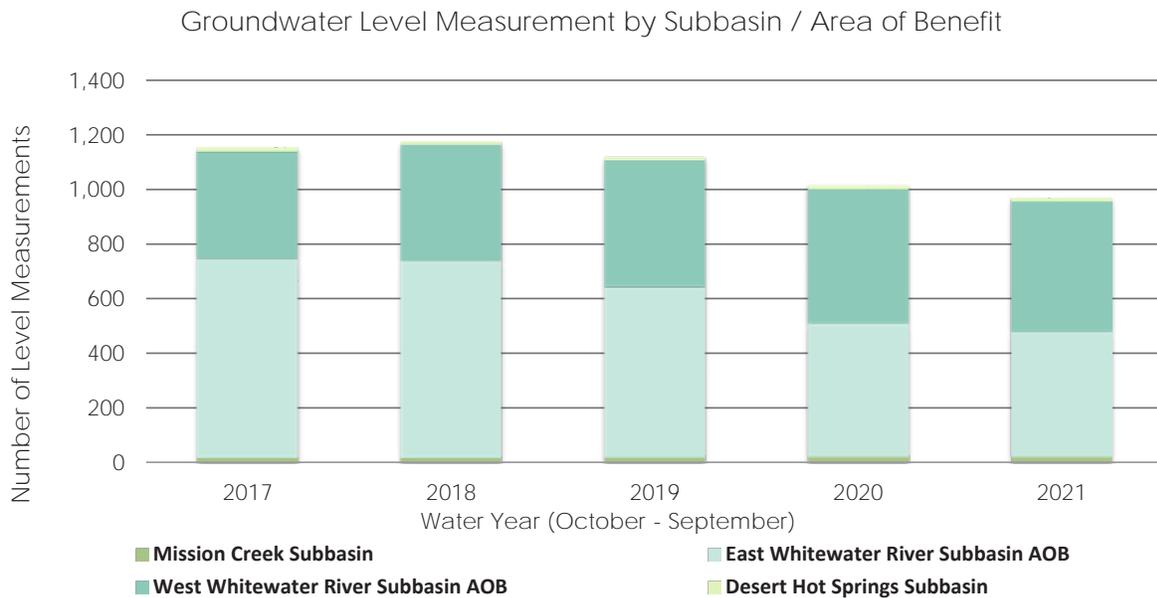
Manages the District's participation in the Coachella Valley Salt and Nutrient Manage Plan Update and Groundwater Monitoring Program.

**Environmental Services Metrics**

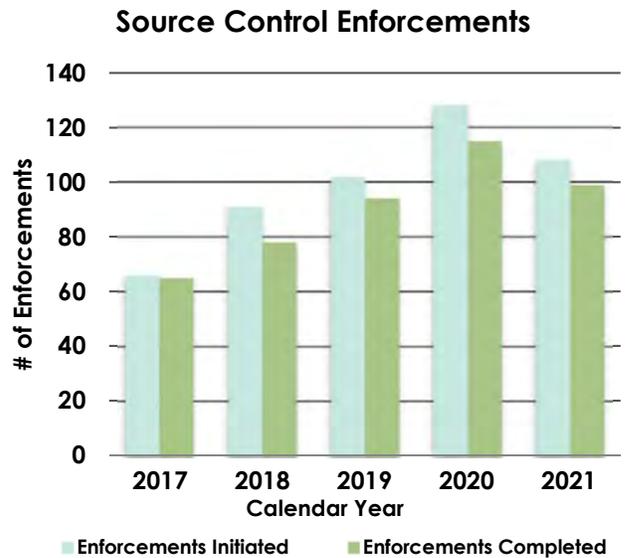
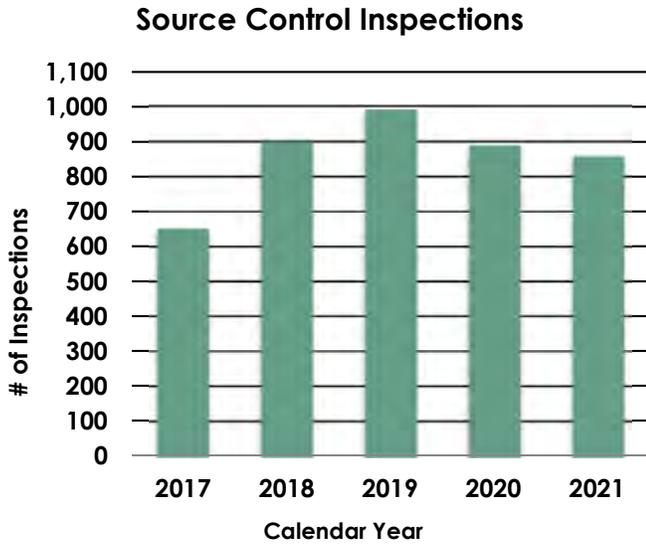
Environmental Services’ metrics are reflected in calendar year (CY) versus fiscal year (FY) due to existing state reporting requirements. The first graph shows the last five years of groundwater production for the three CVWD Areas of Benefit (AOB), while the second graph depicts water delivered to each replenishment facility.



The following graph shows water level measurements for each subbasin in the Coachella Valley over the last five years. Starting in 2019, water level measurements are reported based on the Water Year (October 1-September) as required for annual SGMA reporting.



Source Control metrics for inspections and enforcements for the past five calendar years are reflected in the following graphs.



Environmental Services Workload Measures					
	CY 2017	CY 2018	CY 2019	CY 2020	CY 2021
<b>Environmental</b>					
Greenhouse Gas Emissions (metric tons)	73,342	65,234	61,825	61,405	60,030
<b>Water Quality</b>					
Taste/Odor Complaints	24	35	15	10	17
Appearance Complaints	15	6	27	15	29
Health Concern Complaints	10	10	3	2	8
Total Complaints	49	51	45	27	54
Drinking Water Compliance Rate - Days in Compliance	100%	100%	100%	100%	100%
<b>Laboratory</b>					
Proficiency Testing Performance	97%	100%	100%	100%	96%
# Total Analyses Completed	10,660	14,141	10,583	11,412	13,354
# of Drinking Water Compliance Analyses Reported Electronically to State				963	1,702
# of Analyses Completed for Laboratory Analytical Services Customers				401	526
<b>Source Control</b>					
Commercial Sites Inspected	803	899	993	890	858
% of Sites Out of Compliance	8%	10%	10%	10%	13%
% of Sites Returned to Compliance	100%	86%	92%	90%	92%
<b>Water Resource</b>					
Short-Term Water Supply Adequacy	100%	100%	100%	100%	100%
Long-Term Water Supply Adequacy	100%	100%	100%	100%	100%
<b>Monitoring</b>					
Total Coliform Rule Samples Collected	-	-	2,279	2,204	2,088
Title 22 Bacteriological Well Samples Collected	-	-	378	384	392
Water Level Readings Performed	-	-	1,119	1,017	972

## FISCAL YEAR 2021-22 ACCOMPLISHMENTS

### *Environmental*

- Completed a draft environmental review for the Sanitation Master Plan Update.
- Completed a draft environmental review for the Thousand Palms Flood Control Project.
- Completed a draft environmental review for the North Cathedral City Improvements Project.
- Completed environmental review for Reservoirs 4711-3 and 4711- 4.
- Completed environmental review for the IXTP 7991 Improvement Project.
- Completed environmental review for the Booster station 5513 and Reservoir 5514 Improvement Project.
- Completed environmental review for the Airport Boulevard Sewer Project.
- Completed subsequent environmental review for the Valley View Domestic Water Consolidation Project.
- Obtained Clean Water Act permits for the construction of the Palm Desert Groundwater Replenishment Facility - Phase 2.
- Developed and implemented CVWD's first Climate Adaption and Action Plan guidance document.
- Maintained applicable permitting for air quality compliance on CVWD facilities and equipment.
- Maintained applicable permitting for hazardous materials compliance on CVWD facilities.
- Updated CVWD's guidelines for implementing the California Environmental Quality Act.
- Implemented capital project Habitat Mitigation Monitoring Plans and Nesting Bird Management Plans.
- Attended Habitat Plan Resource Management Unit Committee and Biological Workgroup meetings.

### *Water Quality*

- Completed 2021 annual report of systems and consumer confidence report.
- Completed annual Environmental Protection Agency Sludge Report.
- Completed annual Municipal Separate Storm Sewer System (MS4) Stormwater Report.
- Completed Unregulated Contaminant Monitoring Rule 4 Reporting.
- Completed five Standard Operating Procedures for water quality staff.
- Completed Lead and Copper Monitoring compliance reports and customer notifications for the Cove Public Water System.
- Completed the 2022 Drinking Water Public Health Goal Report for the Cove Public Water System.

### *Laboratory*

- Completed onsite assessment of laboratory by third party assessor (TPA) per new State Board Environmental Laboratory Accreditation Program (ELAP) regulations.
- Implemented use of State Board's new California Laboratory Intake Portal (CLIP) to upload drinking water compliance results to State database.
- Completed and submitted application to ELAP to renew Laboratory certification. Certification renewed to 2024.

### *Monitoring*

- Completed Phase 2 and 3 (Start-up, Stabilization Monitoring) of Improvement District 11 Public Water System Integration Monitoring Plan.
- Completed first year monitoring for the Salt and Nutrient Management Plan Groundwater Monitoring Program.

Completed trimester water level monitoring in wells throughout the Coachella Valley.

Collected all required samples to maintain compliance with CVWD Domestic and Sanitation permits.

### *Source Control*

Completed process for ensuring compliance with data reporting requirements for cooling tower dischargers.

Completed coordination with Desert Water Agency (DWA) to ensure that their program requirements for cannabis industry businesses and cooling towers within the area flowing to Water Reclamation Plant 10 complies with CVWD regulations governing sanitation service.

Completed contacting local agencies conducting plan check activities for facilities within CVWD sanitation service area to help integrate CVWD requirements into their processes and improve interagency communication.

### *Water Resources*

Participated in the Coachella Valley Regional Water Management Group to secure grant funding for projects and programs that benefit the Coachella Valley Integrated Regional Water Management Region. The Region was awarded \$4.1 million by the Department of Water Resources (DWR) for the Round 2 Proposition 1 IRWM Implementation Grant Solicitation.

Submitted to DWR the Indio Subbasin and Mission Creek Subbasin Alternative Plan Updates by the January 1, 2022 deadline, and the Annual Reports by April 1, 2022 deadline, to comply with requirements of SGMA.

Completed the annual Water Supply and Replenishment Assessment Report for CVWD's three Areas of Benefit.

Completed pending and new groundwater production audits within the groundwater management areas.

Implemented the Coachella Valley Salt and Nutrient Management Plan (SNMP) Groundwater Monitoring Program and coordinated with the SNMP agencies to submit the first Annual Progress Report to the RWQCB by the March 31, 2022 deadline.

## **FISCAL YEAR 2022-23 GOALS**

### *Environmental*

Complete environmental review for the Mid-Canal Storage Project.

Complete environmental review for the Thousand Palms Flood Control Project.

Complete environmental review for the Sanitation Master Plan Update.

Complete environmental review for the North Cathedral City Flood Control Project.

Complete environmental review for the Whitewater Groundwater Replenishment Facility Lease Renewal.

Complete an environmental review Addendum for the Valley View Domestic Water Consolidation Project.

Obtain Clean Water Act permits for the construction of Reservoirs 4711-3&4.

Obtain Clean Water Act permits for the Cook Street Slope Lining Project.

Provide environmental services to obtain resource agency work plan approval for created habitat projects for CVWD's permittee responsibility in the Coachella Valley Multiple Species Habitat Conservation Plan.

Maintain applicable permitting for air quality compliance on CVWD facilities and equipment.

Maintain applicable permitting for hazardous materials compliance on CVWD facilities.

Update CVWD's Guidelines for implementing the California Environmental Quality Act.

Implement capital project Habitat Mitigation Monitoring Plans and Nesting Bird Management Plans.

Attend Habitat Plan Resource Management Unit Committee and Biological Workgroup meetings.

### *Water Quality*

- Complete 2022 annual report of systems and consumer confidence report.
- Complete public hearing for 2022 Public Health Goal (PHG) Report.
- Complete annual Environmental Protection Agency Sludge Report.
- Complete annual Municipal Separate Storm Sewer System (MS4) Stormwater Report.
- Complete comments for proposed changes to MS4 National Pollutant Discharge Elimination System (NPDES) permit.
- Complete Long-Term Safe Drinking Water Quality Master Plan.
- Complete Lead and Copper Monitoring compliance reports and customer notifications for Improvement District 8 Public Water System.
- Complete five Standard Operating Procedures for water quality staff.
- Respond to new and proposed water quality control requirements including those anticipated for hexavalent chromium, perchlorate, and per- and polyfluoroalkyl substances (PFAS).

### *Laboratory*

- Complete simulated distribution system bench study using stannous chloride addition for chromium-6 reduction for Cove Public Water System (PWS).
- Implement newest version of laboratory information management system (LIMS) including functionality of electronic sampling process and electronic reporting to State Board's Division of Drinking Water.
- Prepare implementation plan for action items identified in 2021 pre-assessment for The NELAC Institute (TNI) 2016 standards adopted by regulation and effective on January 1, 2024.
- Complete training of new laboratory staff positions as a result of 1 Chemist retirement in 2022.

### *Monitoring*

- Collect all required samples to maintain compliance with CVWD Domestic and Sanitation permits.
- Complete trimester water level monitoring in wells throughout the Coachella Valley.
- Implement Phase 4: Long-Term Monitoring of Improvement District 11 Public Water System Integration Monitoring Plan.
- Finalize second year of Salt and Nutrient Management Plan Groundwater Monitoring Program Workplan sampling.

### *Source Control*

- Complete Standard Operating Procedures for each field equipment/instrumentation used by Source Control Staff and continue to provide monitoring support to other Departments.
- Coordinate and collaborate with Collections/Sanitation on this year's sectional audits of the Sanitary Sewer Management Plan (SSMP) pertaining to Source Control.
- Continue implementing the Cooling Tower permitting and reporting program.

### *Water Resources*

- Participate in the Coachella Valley Regional Water Management Group to secure grant funding for projects and programs that benefit the Coachella Valley Integrated Regional Water Management Region.

Submit to DWR the Indio Subbasin and Mission Creek Subbasin Annual Reports by April 1, 2023 to comply with requirements of SGMA.

Complete the annual Water Supply and Replenishment Assessment Report for the Groundwater Replenishment Areas of Benefit by May 1, 2023.

Complete pending and new groundwater production audits within the groundwater management areas.

Work collaboratively with other participating agencies to implement the Salt and Nutrient Management Plan (SNMP) Development Work Plan to update the Coachella Valley SNMP.

Work collaboratively with Finance and other Departments to evaluate a SGMA Fee and implementation of a well registration program to support SGMA implementation.

Work collaboratively with other participating agencies to implement the Coachella Valley SNMP Groundwater Monitoring Workplan for year two of triennial monitoring.

Environmental Services Department	FY 2021 Actual	FY 2022 Actual*	FY 2022 Budget	FY 2023 Budget	Budget Change	% Change
<b>Expenses by Type</b>						
Salaries and Wages	\$ 2,564,398	\$ 2,824,311	\$ 2,850,593	\$ 3,142,761	\$ 292,168	10.2%
Employee Benefits	1,411,853	1,678,776	1,701,858	1,909,835	207,977	12.2%
Professional Development	74,120	77,813	113,835	116,495	2,660	2.3%
Professional Services	2,429,100	1,332,833	1,985,945	1,565,000	(420,945)	-21.2%
Utilities	14,709	13,628	14,023	13,413	(610)	-4.3%
Materials and Supplies	155,132	183,650	219,280	226,900	7,620	3.5%
Motorpool	49,925	124,876	112,304	118,338	6,034	5.4%
Contract Services	367,422	355,054	551,905	681,127	129,222	23.4%
Safety	5,013	4,698	5,100	5,100	-	-
Miscellaneous Expense	1,677,353	1,760,644	1,720,800	1,902,600	181,800	10.6%
Capital Outlay	18,255	-	-	-	-	-
Pass Through (Contra Expense)	-	-	-	(800,000)	(800,000)	-
<b>Total</b>	<b>\$ 8,767,279</b>	<b>\$ 8,356,282</b>	<b>\$ 9,275,643</b>	<b>\$ 8,881,569</b>	<b>\$ (394,074)</b>	<b>-4.2%</b>
<b>Expenses by Division</b>						
Administration	\$ 1,578,679	\$ 1,595,507	\$ 1,668,998	\$ 1,777,594	\$ 108,596	6.5%
Source Control	385,068	432,241	419,645	458,821	39,176	9.3%
Environmental	842,892	664,332	926,185	997,895	71,710	7.7%
Water Resources	2,886,531	2,233,658	2,781,424	2,689,627	(91,797)	-3.3%
Monitoring	722,053	868,681	925,885	932,249	6,364	0.7%
Water Quality	1,337,161	1,424,496	1,428,545	1,600,210	171,665	12.0%
Laboratory	1,014,894	1,137,367	1,124,961	1,225,173	100,212	8.9%
Pass Through (Contra Expense)	-	-	-	(800,000)	(800,000)	-
<b>Total</b>	<b>\$ 8,767,279</b>	<b>\$ 8,356,282</b>	<b>\$ 9,275,643</b>	<b>\$ 8,881,569</b>	<b>\$ (394,074)</b>	<b>-4.2%</b>
<b>Expenses by Fund</b>						
Domestic Water	\$ 2,304,763	\$ 2,672,231	\$ 2,705,697	\$ 2,800,842	\$ 95,145	3.5%
Canal Water	1,319,094	1,446,173	1,603,072	1,634,676	31,604	2.0%
West Whitewater Replenishment	1,178,357	546,312	1,051,293	1,062,644	11,351	1.1%
Mission Creek Replenishment	538,890	404,725	286,210	357,992	71,782	25.1%
East Whitewater Replenishment	888,231	459,406	879,879	899,368	19,489	2.2%
State Water Project	174	-	-	-	-	-
Sanitation	2,044,811	2,338,232	2,153,594	2,330,384	176,790	8.2%
Stormwater Fund	488,714	483,253	589,745	587,079	(2,666)	-0.5%
Motor Pool Fund	4,246	5,950	6,153	8,584	2,431	39.5%
Pass Through (Contra Expense)	-	-	-	(800,000)	(800,000)	-
<b>Total</b>	<b>\$ 8,767,279</b>	<b>\$ 8,356,282</b>	<b>\$ 9,275,643</b>	<b>\$ 8,881,569</b>	<b>\$ (394,074)</b>	<b>-4.2%</b>

\* Unaudited

FINANCE



Director of Finance			
Rick Aragon			
<b>Accounting, Budget, and Financing</b>		<b>15</b>	
Controller	1		
Finance Manager	2		
Accountant, Senior	1		
Accountant	1		
Accounting Technician II	2		
Accounting Technician I	4		
Financial Analyst II	3		
Financial Analyst I	1		
			<b>Administrative Assistant</b>
			1
			<b>Administrative Assistant I</b>
			1
			<b>Procurement &amp; Contracts / Warehouse</b>
			<b>12</b>
			Procurement & Contracts Manager
			1
			Contracts Administrator
			1
			Purchasing Technician I
			3
			Warehouse Supervisor
			1
			Senior Storekeeper (Lead)
			1
			Storekeeper III
			1
			Storekeeper
			3
			Accounting Technician I
			1
		<b>Total FTE</b>	
			<b>29</b>

## DEPARTMENT DESCRIPTION

The Finance Department keeps fiscal responsibility at the forefront of all we do, and is committed to managing the financial affairs of the District in accordance with the highest standards of ethical and professional conduct.

### Mission

With integrity, excellence, and dedication, the Finance Department is committed to providing fair, accurate, complete, and timely information to all we serve while adhering to all legal requirements.



CVWD Palm Desert Offices

## DIVISION DESCRIPTIONS

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

### *Accounting, Budgeting, & Financing*

Develops financial analysis, revenue forecasts, and rates for the Domestic Water, Canal Water, Sanitation, Stormwater, and Replenishment Funds.

Coordinates, develops, and monitors the District's annual operating and capital improvement budgets, along with preparing and monitoring the five-year forecast.

Maintains, reconciles, and reports on Capital Improvement Projects (CIP) and Non-CIP Projects.

Develops financial funding plans to support long-term needs.

Administers grant programs, prepares applications, coordinates compliance with other departments and other agencies, and prepares necessary reports.

Administers debt management programs and post-issuance compliance, prepares applications, coordinates reporting requirements with other departments and other agencies, and prepares necessary reports.

Prepares monthly and annual financial reports, including the preparation of the Annual Comprehensive Financial Report.

Maintains the general ledger, including account and subsidiary ledger reconciliations.

Manages general accounting, financial analysis and reporting, payroll preparation and reporting, accounts payable and receivable functions, grant accounting, along with cash and investments reporting.

Ensures that the District meets all Internal Revenue Service, federal, and state agency reporting requirements.

Administers fiscal controls and policies, including monitoring internal controls over all financial transactions.

Oversees special assessment district administration.

Develops and coordinates the cost of service study process to ensure appropriate rates are set for services.

### *Procurement, Contracts, & Warehouse*

Assists District personnel in acquiring required goods, services, equipment, and supplies from reliable sources following the District's Procurement Policy.

Ensures a competitive process by publicly soliciting formal bids and requests for proposal for the District.

Receives and inspects goods, equipment, and supplies ordered by District personnel.

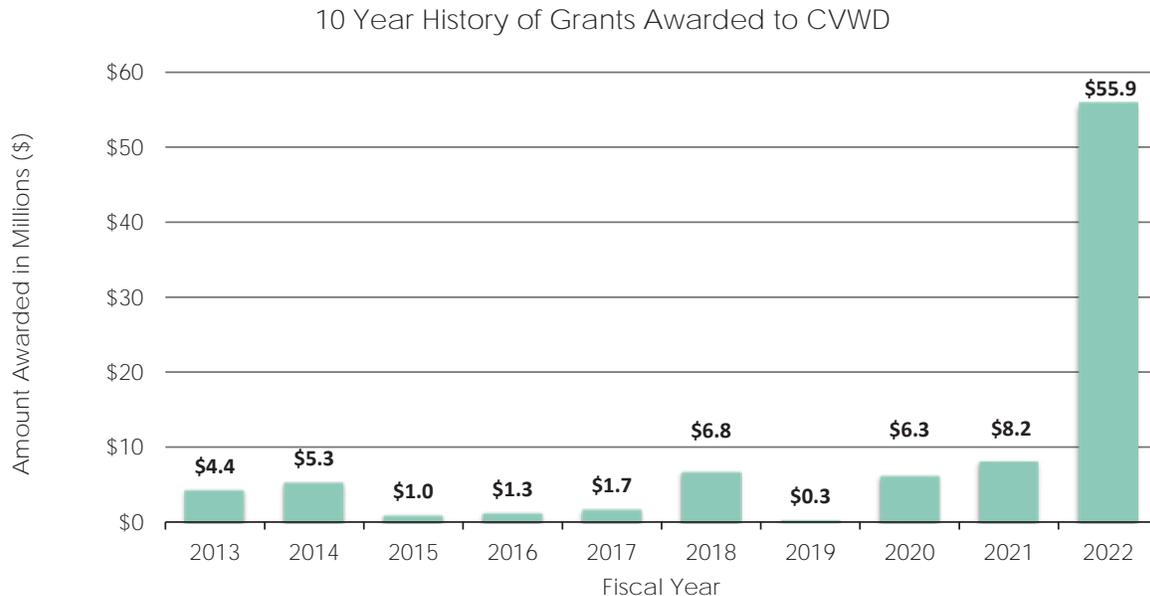
Responsible for inventory controls to ensure supplies are available and ready when needed by District personnel.

Provides mail delivery between CVWD offices in Coachella and Palm Desert, records retrieval, inventory, and lab sample delivery.

Finance Workload Measures					
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
<b>Financial Reporting and Analysis</b>					
Complete Cost of Service Studies	1 of 1	-	-	5 of 5	1 of 1
Produce Distinguished Budget Document within Deadline Established by GFOA	Yes	Yes	Yes	Yes	Yes
Produce Budget in Brief Document within 90 days of Board Adoption	-	Yes	Yes	Yes	Yes
Produce Annual Comprehensive Financial Report by December 31	Yes	Yes	Yes	Yes	Expected
Have Financial Policies and Procedures Available	Yes	Yes	Yes	Yes	Yes
Audit Financial Results and Internal Controls	Yes	Yes	Yes	Yes	Yes
Correct Control Deficiencies and Material Weaknesses from Previous Audits	Yes	-	-	-	-
Maintain Rate Stabilization Reserves to Sustain Operations During Revenue Fluctuations, in Addition to 60 or 90 Days of Operating Reserves	Yes	Yes	Yes	Yes	Yes
<b>Cash Management</b>					
Average TPIF Interest Rate (%)	1.42%	2.17%	1.82%	0.46%	0.41%
Average Rate of Return on Investments (%)	1.66%	2.32%	2.44%	1.61%	1.00%
Average Investment Portfolio	\$ 513,288,529	\$ 464,397,191	\$ 417,625,455	\$ 379,063,398	\$ 391,958,730
<b>Billing, Collections, and Disbursement</b>					
Average Accounts Receivable	\$ 2,505,211	\$ 1,721,895	\$ 2,054,669	\$ 3,600,775	\$ 4,801,972
Payroll	\$ 47,684,786	\$ 50,553,927	\$ 53,030,712	\$ 54,894,661	\$ 56,742,194
Amount Paid Through Accounts Payable	\$ 147,207,941	\$ 169,973,249	\$ 191,159,794	\$ 165,654,680	\$ 219,367,497
Amount Paid Through Wire Transfers	\$ 77,977,849	\$ 60,803,390	\$ 112,398,362	\$ 109,669,977	\$ 98,966,217
Number of Accounts Payable Checks & EFTs	7,295	11,750	5,926	7,361	9,552
Number of Purchasing Card Transactions	10,077	11,053	9,793	9,234	8,679
<b>Procurement &amp; Contracts</b>					
Amount of Inventory Received	\$ 7,080,056	\$ 7,462,983	\$ 7,479,171	\$ 7,247,573	\$ 11,837,561
Amount of Inventory Issued	\$ 6,973,005	\$ 7,344,453	\$ 7,016,099	\$ 7,393,881	\$ 9,288,824
Incoming Warehouse Transactions	21,057	21,379	18,053	17,198	14,406
Outgoing Warehouse Transactions	100,701	97,792	93,636	98,040	89,001
Number of Competitive Bids and Quotes	368	371	277	350	334
Number of Purchase Orders Issued	3,795	3,795	3,249	3,333	3,112

## Finance Metrics

The graph below depicts grant awards that the District has received over the past ten years.



## FISCAL YEAR 2021 – 22 ACCOMPLISHMENTS

### Accounting, Budgeting, & Financing

Completed the Cost of Service Study (COSS) for the Sanitation Fund.

Completed a \$35.2 million short-term debt issuance for the Domestic Water Fund.

Completed a \$53.3 million debt issuance for the Stormwater Fund.

Received grant funding from the Budget Act of 2021 for the Avenue 66 Water Transmission Project for the East Coachella Valley project from the Department of Water Resources for \$7 million.

Completed a loan funding agreement with the State Water Resources Control Board for the Non-Potable Water Connection Project 8470-110 for \$28.0 million in a low interest loan at 1.1% for 30 years along with \$5.0 million in grant funding.

Completed a loan funding agreement with the State Water Resources Control Board for the Non-Potable Water Connection Project 8580-110 for \$10.5 million in a low interest loan at 0.8% for 30 years along with \$5.0 million in grant funding.

Received and completed a grant funding agreement with the United States Department of Agriculture for the Monroe Street-Avenue 64 project for \$1.3 million.

Received the GFOA Distinguished Budget Award for fiscal year beginning July 1, 2021.

Obtained an Unqualified “Clean” opinion for the fiscal year 2021 audit.

Received GFOA Certificate of Achievement for Excellence in Financial Reporting for the Annual Comprehensive Financial Report for the year ended June 30, 2021.

Revised the annual operating and capital budget process, including budget worksheets and reports, and completed a formal mid-year budget adjustment.

Published and revised the monthly financial report, allowing other departments to run it at any time.

Revised the monthly financial report related to grants and loans information.

Reconciled and cleaned up old outstanding receivables related to tract inspections and planning.

Revamped the billing and collection process related to developer work such as tract inspection, planning and others.

Revised and updated several payroll reports to streamline the process and reconciliation.

Received grant funding of \$235,000 through Coachella Valley Mountain Conservancy for the Groundwater Monitoring Wells Project.

Received grant funding from SWRCB for \$500,000 for the Highway 86 Phase 3 and 4 project.

### *Procurement, Contracts, & Warehouse*

Revised the Procurement Policy and updated limits on P-cards for regular and emergency situations which limits the liability on various procurements and P-card transactions.

## **FISCAL YEAR 2022-23 GOALS**

### *Accounting, Budgeting, & Financing*

Issue an RFP for replacement/upgrade of the District's financial Enterprise Resource Planning (ERP) and Utility Billing (UB) systems (Strategic Plan item SG 6.19).

Create a funding plan for the CIP including an appropriate mix of grants, loans, pay-go cash, cash reserves, and debt issuance in order to minimize the adverse impact on rates.

Create a formal funding policy for Pension and Other Post-Employment Benefits (OPEB).

Prepare and publish the fiscal year 2023 Operating and Capital Budget, including a budget in brief document, and receive a GFOA Distinguished Budget Presentation Award.

Obtain an Unqualified "Clean" opinion for the fiscal year 2022 audit.

Prepare and publish an Annual Comprehensive Financial Report and receive a GFOA Certificate of Achievement for Excellence in Financial Reporting.

Prepare and submit the State Controller's Annual Transaction Report and Annual Compensation Report.

Prepare and submit required grant reports on a quarterly and semi-annual basis.

Continue to revise monthly and quarterly reporting to make it more reader friendly.

Compliance and timely filing of reports and all required disclosures related to debt.

Review and revamp the billing and collection process related to leases and other non-utility related items.

Review and update financial policies as needed.

Continue to pursue grant and other low cost financing to fund the CIP.

### *Procurement, Contracts, & Warehouse*

Review and update the Procurement Policy.

Work with purchasing staff to implement standard rules and regulation guidelines.

Evaluate online bidding companies and do a cost/benefit comparison to our current vendor.

Finance Department	FY 2021 Actual	FY 2022 Actual*	FY 2022 Budget	FY 2023 Budget	Budget Change	% Change
<b>Expenses by Type</b>						
Salaries and Wages	\$ 2,839,002	\$ 2,786,131	\$ 2,929,062	\$ 3,184,594	\$ 255,532	8.7%
Employee Benefits	1,576,722	1,648,254	1,739,276	1,921,632	182,356	10.5%
Outside Labor	19,001	45,178	10,000	18,000	8,000	80.0%
Professional Development	10,398	13,171	39,050	28,190	(10,860)	-27.8%
Professional Services	1,279,070	958,616	1,270,000	1,379,035	109,035	8.6%
Utilities	4,626	4,003	4,581	3,200	(1,381)	-30.1%
Materials and Supplies	26,211	30,763	33,325	33,600	275	0.8%
Motorpool	64,146	68,966	73,453	47,181	(26,272)	-35.8%
Contract Services	129,026	83,590	113,310	125,100	11,790	10.4%
Safety	2,087	1,915	2,100	2,100	-	-
Miscellaneous Expense	1,516,041	1,708,545	168,000	1,024,200	856,200	509.6%
Pass Through (Contra Expense)	-	-	-	(500,000)	(500,000)	-
<b>Total</b>	<b>\$ 7,466,330</b>	<b>\$ 7,349,130</b>	<b>\$ 6,382,157</b>	<b>\$ 7,266,832</b>	<b>\$ 884,675</b>	<b>13.9%</b>
<b>Expenses by Division</b>						
Administration	\$ 1,082,980	\$ 1,155,765	\$ 1,337,657	\$ 1,072,555	\$ (265,102)	-19.8%
Accounting	3,072,444	2,617,718	2,991,557	3,691,308	699,751	23.4%
Purchasing	825,658	857,794	887,085	955,535	68,450	7.7%
Warehouse	933,964	1,000,833	1,017,858	989,934	(27,924)	-2.7%
Non-Departmental	1,551,285	1,717,020	148,000	1,057,500	909,500	614.5%
Pass Through (Contra Expense)	-	-	-	(500,000)	(500,000)	-
<b>Total</b>	<b>\$ 7,466,330</b>	<b>\$ 7,349,130</b>	<b>\$ 6,382,157</b>	<b>\$ 7,266,832</b>	<b>\$ 884,675</b>	<b>13.9%</b>
<b>Expenses by Fund</b>						
Domestic Water	\$ 3,218,691	\$ 3,253,587	\$ 2,177,048	\$ 2,690,718	\$ 513,670	23.6%
Canal Water	1,039,650	904,440	919,966	1,379,108	459,142	49.9%
West Whitewater Replenishment	399,953	357,272	345,222	473,046	127,824	37.0%
Mission Creek Replenishment	36,664	22,966	34,340	44,028	9,688	28.2%
East Whitewater Replenishment	339,606	197,138	293,865	248,534	(45,331)	-15.4%
State Water Project	262,968	276,702	73,188	-	(73,188)	-100.0%
Sanitation	1,134,322	1,254,711	1,484,993	1,761,951	276,958	18.7%
Stormwater Fund	739,938	763,317	723,298	863,297	139,999	19.4%
Motor Pool Fund	287,390	315,673	309,407	305,953	(3,454)	-1.1%
Worker's Compensation	4,929	2,547	10,838	131	(10,707)	-98.8%
Self Insurance Dental	2,220	777	9,992	66	(9,926)	-99.3%
Pass Through (Contra Expense)	-	-	-	(500,000)	(500,000)	-
<b>Total</b>	<b>\$ 7,466,330</b>	<b>\$ 7,349,130</b>	<b>\$ 6,382,157</b>	<b>\$ 7,266,832</b>	<b>\$ 884,675</b>	<b>13.9%</b>

\* Unaudited



*CVWD water conservation lawn sign*

# HUMAN RESOURCES



Director of Human Resources			
Scott Hunter			
<b>Human Resources</b>	<b>5.5</b>	<b>Risk Management</b>	<b>3</b>
Human Resources Administrator	1	Risk and Safety Manager	1
Sr. Human Resources Specialist	2	Senior Risk Management Specialist	1
HR Specialist Training and Development	1	Risk Management Specialist	1
Human Resources Assistant	1		
Human Resources Office Assistant	0.5	<b>Safety</b>	<b>3</b>
		Emergency Response Administrator	1
		Safety & Training Assistant	1
		Safety & Training Specialist	1
		<b>Total FTE</b>	
		<b>12.5</b>	

## DEPARTMENT DESCRIPTION

Human Resources provides administrative and operational human resources support to District employees, retirees, directors, and all eligible dependents by providing services in five core areas: human resources, benefits, risk management, safety, and claims.

### Mission

The Human Resources department is committed to providing effective customer service to all departments and employees of CVWD. We actively attract, retain, and develop our workforce to provide quality public service to residents of the Coachella Valley. We believe that we have a moral obligation to send all employees home healthy and injury free at the end of every day. We will promote a work environment that encourages professionalism, pride, and respect.

### Core Values

- **Integrity** - We will interact among ourselves and with employees honestly and ethically, thereby building relationships based on trust. We will always respect the confidentiality entrusted to us.
- **Respect** - We will exercise patience and sensitivity in dealing with the concerns and problems of others. We will be open-minded and fair in our interactions with employees and with one another.
- **Communication** - We will actively seek to understand the perspectives of others by listening with an open mind and communicating honestly and with appropriate discretion.
- **Collaboration and Teamwork** - We will encourage diversity of ideas and experiences, and strive to be a trusted strategic partner.
- **Innovation** - We are open to change and are committed to continuous improvement while meeting the needs of the District and workforce. We believe those we serve deserve excellent service, and a safe, productive, and healthy work environment.

## *DIVISION DESCRIPTIONS*

Human Resources provides a variety of services related to employees, retirees, Board of Directors, and eligible dependents, with particular focus on the following functions and activities:

### *Human Resources*

Develops District workforce to empower employees to provide quality services to their customers.

Streamlines processes related to facilitating and managing employees, in compliance with federal and state laws, and current Memorandum of Understanding (MOU) guidelines through:

- Recruitment
- Development and training
- Competitive rewards and compensation packages
- Negotiating MOUs with District bargaining units

Administers the mandatory and voluntary health and welfare benefits for employees, retirees, Board of Directors, and their eligible dependents including:

- Medical
- Dental
- Vision
- Employee Assistance Program (EAP)
- Supplemental and group term life insurance
- Short and long-term disability
- Consolidated Omnibus Budget Reconciliation Act (COBRA), medical and dependent care
- Flexible spending accounts (FSA)
- Wellness program
- 401(a) and 457 deferred compensation plans

### *Risk Management*

Analyzes and evaluates the District's risk management and insurance programs, including, but not limited to:

- Securing insurance to limit the District's exposure to financial risk
- Administering the District's self-insured workers' compensation program
- Administering the District's insured and self-insured property and casualty program including self-administered claims
- Ensuring contractor insurance compliance

Serves as consultant to management in a wide range of risk, insurance, and claim matters.

Identifies procedures to avoid or minimize negative fiscal impact to the District.

## Claims

Investigates, analyzes, evaluates, and resolves internal and external claims involving potential or present damages to person and/or property.

Interprets state and federal law to ensure that claims are handled in accordance with the applicable law.

Protects the Coachella Valley Water District from undue liability and ensures that claims are resolved efficiently and justly.

## Safety

Plans, implements, monitors, and evaluates the District’s Injury and Illness Prevention Program.

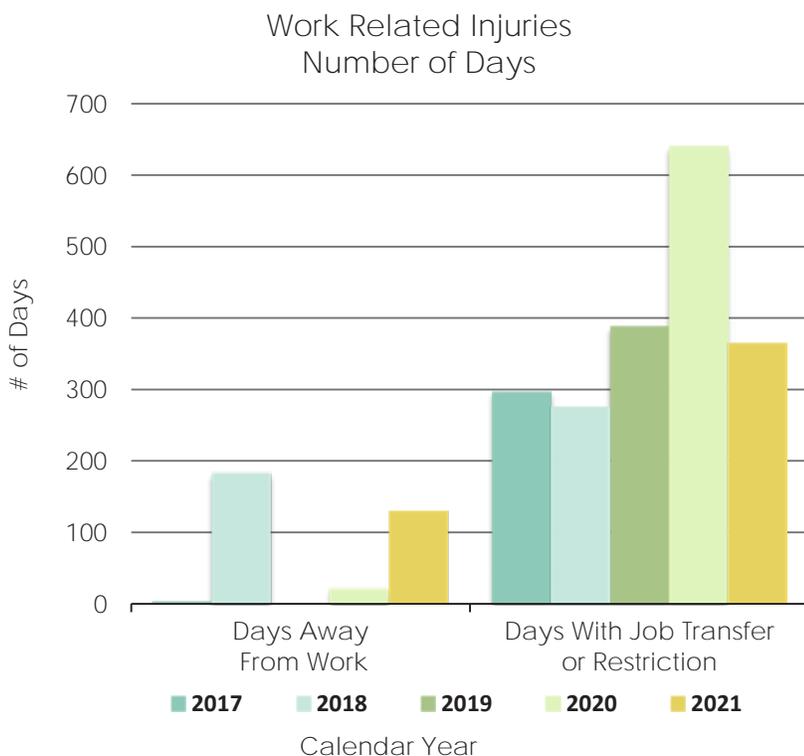
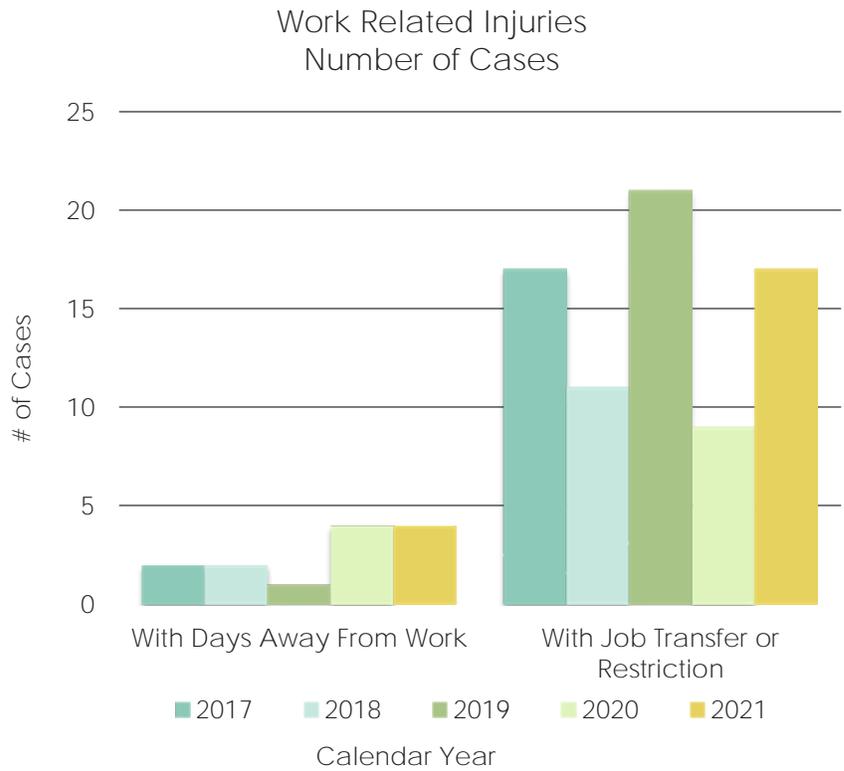
Develops proactive training programs that actively and effectively communicate to employees the District’s safety policies and standards, as they pertain to Occupational Safety and Health Administration (OSHA) compliance.

Works in tandem with Risk Management to investigate and report incidents and claims according to federal and state statutes and codes.

## Human Resources Metrics

Human Resources Workload Measures					
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
<b>Human Resources</b>					
Critical-Skill Positions Filled Internally vs. Outside Recruitment	50.0%	52.0%	59.0%	55.0%	52.0%
Average Days Vacant Due to Staff Departures	59.0	51.2	60.6	54.1	46.46
Voluntary Departures*	6.8%	5.9%	6.4%	3.8%	10.8%
Retirement Departures	4.4%	2.2%	4.6%	2.4%	5.6%
Turnover Rate	7.6%	7.0%	7.3%	5.3%	12.9%
Experience in Years Lost to Retirement	498	307	520	374	642
Experience in Years Lost to Turnover*	598	475	593	497	831
Certifications Achieved or Maintained	100.0%	100.0%	100.0%	100.0%	100.0%
<b>Risk Management</b>					
Supplemental Workers' Compensation Lost Time Benefit	\$5,194	\$3,089	\$6,420	\$1,766	\$8,934
<b>Claims</b>					
Total Number General Liability & Auto Insurance Claims Per 200,000 Employee Hours Worked	1.37	3.85	4.15	2.7	1.8
Total Amount of General Liability & Auto Insurance Claims Per 200,000 Employee Hours Worked	\$146,384	\$10,904	\$10,976	\$44,910	\$1,777
<b>Safety</b>					
Number of days away from work due to work-related injury (Calendar Year)	183	1	23	62	131
Number of days with restrictions or job transfer due to work-related injury (Calendar Year)	275	388	640	426	364
* Includes retirements and resignations					

The first graph on this page reflects the five-year history of the number of work-related injury cases with days away from work and with job transfer or restriction. In the past five-years, there has been an overall reduction in the number of cases with days away from work and an increase in the number of cases with job transfer or restriction, with the exception of 2018.



The second graph reflects a five-year history of the number of days away from work associated with work-related injuries and the number of days with job transfer or restriction. In 2018, the number of days away from work due to work related injuries increased significantly, but was relatively flat the remaining four years. In 2019, there was a significant increase in the number of days with job transfer or restriction, and a decrease in the number of days away from work.

Overall, the number of cases with days away from work and the number of actual days away from work are significantly lower than the number of cases with job transfer or restriction and the number of days with job transfer or restriction.

## FISCAL YEAR 2021-2022 ACCOMPLISHMENTS

### *Strategic Plan*

- SG 5.16** Operational Optimization: Initiated the establishment of a Human Resources Development Program.
- SG 5.17** Operational Optimization: Administered the first portion of the Comprehensive Class and Compensation Study.

### *Human Resources*

- Established LEARN platform through NEOGOV.
- Completing 18-month Comprehensive Classification and Compensation Study.
- Established a Reasonable Accommodation Process and Protocol.
- Negotiated MOU with ACVWDM.
- Implemented the Vehicle Accident and Incident Prevention Policy.
- Established best practices and policy related to COVID-19.

### *Risk Management*

- Completed a Request for Proposal (RFP) for insurance broker services.
- Amended workers' compensation third party administrator professional services agreement to include auto claims.

### *Claims*

- Prepared Standard Operating Procedures for 1) Reviewing the legal interest a person has upon receiving a claim form, and 2) Processing Insured Auto Accidents.
- Board of Directors approved an updated Government Tort Claims Act policy and procedure.
- Secured a third-party administrator for the self-insured automobile liability program.

### *Safety*

- Conducted in person trainings for multiple employees and divisions including, Fork Lift/Scissor Lift, Confined Space Rescue & Entry, and Hazardous Waste Operations and Emergency Response (HAZWOPER).
- Updated the Safety Orientation Slide Deck used during the new hire onboarding process.
- Updated and finalized the District's Heat Illness Prevention Plan.
- Established a new Safety@cvwd.org email and standardized processes to provide better support to Supervisors and their employees.
- Secured the services of an industrial hygienist to perform permissible exposure limit (PEL) readings for the silica and asbestos safety programs.

## FISCAL YEAR 2022-2023 GOALS

### Strategic Plan

- SG 5.16** Operational Optimization: Complete the necessary steps to establish a Human Resources Development Program.
- SG 5.17** Operational Optimization: Continue administering the Comprehensive Class and Compensation Study.

### Human Resources

- Negotiate successor MOU with CVWDEA.
- Develop a comprehensive Active Shooter Safety Training Action Plan for CVWD Employees.
- Create a leadership bootcamp for Supervisors and Managers.
- Create and implement a Defined Benefit and Compensation Plan for unrepresented, confidential, and at-will Classifications.
- Establish full time representation in Coachella Offices.

### Risk Management

- Secure fully insured automobile liability insurance.
- Conduct workers' compensation supervisor training.
- Renew directors and officers policy.
- Secure an agreement for third party administrator services for contract and insurance compliance.

### Claims

- Establish standard operating procedures and protocols for the self-insured automobile liability program.

### Safety

- Cal/OSHA standards – Finalize seven (7) safety programs that were rewritten and currently in draft format for: Injury Illness Prevention Program (IIPP), Hazard Communication, Emergency Action Plan, Electrical Safety - below 600V, Excavation Safety, Respiratory Protection, and Silica.
- Established and implemented a digital safety tool which will facilitate job site safety audits, tool box talks, and provide streamlined reporting, including safety trends and metrics.

# HUMAN RESOURCES

Human Resources Department	FY 2021 Actual	FY 2022 Actual*	FY 2022 Budget	FY 2023 Budget	Budget Change	% Change
<b>Expenses by Type</b>						
Salaries and Wages	\$ 1,108,844	\$ 1,114,199	\$ 1,349,170	\$ 1,676,930	\$ 327,760	24.3%
Employee Benefits	588,178	635,603	766,597	976,039	209,442	27.3%
Outside Labor	32,346	111,360	-	127,000	127,000	-
Professional Development	186,391	172,752	285,150	383,450	98,300	34.5%
Professional Services	742,688	772,258	1,375,000	1,022,500	(352,500)	-25.6%
Self-Insurance Costs	1,400,638	1,719,847	1,751,292	2,207,109	455,817	26.0%
Utilities	3,867	4,391	6,250	6,250	-	-
Workers' Comp	-	507,929	-	900,000	900,000	-
Materials and Supplies	104,581	114,195	154,930	174,900	19,970	12.9%
Motorpool	14,303	21,699	23,122	16,916	(6,206)	-26.8%
Contract Services	56,271	55,823	211,100	215,720	4,620	2.2%
Safety	21,074	44,250	89,000	80,000	(9,000)	-10.1%
Miscellaneous Expense	2,248,906	2,705,227	3,196,700	3,062,200	(134,500)	-4.2%
Pass Through (Contra Expense)	-	-	-	-	-	-
<b>Total</b>	<b>\$ 6,508,087</b>	<b>\$ 7,979,533</b>	<b>\$ 9,208,311</b>	<b>\$ 10,849,014</b>	<b>\$ 1,640,703</b>	<b>17.8%</b>
<b>Expenses by Division</b>						
Administration	\$ 3,901,759	\$ 4,583,685	\$ 5,357,780	\$ 5,129,180	\$ (228,600)	-4.3%
Safety	572,873	596,100	1,016,681	1,397,980	381,299	37.5%
Claims	220,477	730,959	646,309	1,598,394	952,085	147.3%
Risk Management	1,812,979	2,068,789	2,187,541	2,723,460	535,919	24.5%
Pass Through (Contra Expense)	-	-	-	-	-	-
<b>Total</b>	<b>\$ 6,508,087</b>	<b>\$ 7,979,533</b>	<b>\$ 9,208,311</b>	<b>\$ 10,849,014</b>	<b>\$ 1,640,703</b>	<b>17.8%</b>
<b>Expenses by Fund</b>						
Domestic Water	\$ 2,815,283	\$ 3,185,729	\$ 4,128,255	\$ 4,799,505	\$ 671,250	16.3%
Canal Water	647,495	842,193	1,024,384	1,281,462	257,078	25.1%
West Whitewater Replenishment	262,854	307,057	331,839	312,616	(19,223)	-5.8%
Mission Creek Replenishment	2,340	6,369	5,654	14,143	8,489	150.1%
East Whitewater Replenishment	130,391	161,242	179,087	267,814	88,727	49.5%
Sanitation	1,766,749	1,976,048	2,320,526	2,776,547	456,021	19.7%
Stormwater Fund	441,116	540,810	591,507	1,041,731	450,224	76.1%
Motor Pool Fund	221,066	756,896	370,995	99,103	(271,892)	-73.3%
Worker's Compensation	158,360	133,170	170,240	178,181	7,941	4.7%
Self Insurance Dental	62,437	70,019	85,824	77,912	(7,912)	-9.2%
Pass Through (Contra Expense)	-	-	-	-	-	-
<b>Total</b>	<b>\$ 6,508,087</b>	<b>\$ 7,979,533</b>	<b>\$ 9,208,311</b>	<b>\$ 10,849,014</b>	<b>\$ 1,640,703</b>	<b>17.8%</b>

\* Unaudited

# INFORMATION SYSTEMS



Director of Information Systems				
Luis Maciel				
<b>Business Applications</b>	<b>7</b>		<b>Network &amp; Systems</b>	<b>7</b>
Business Applications Manager	1		Network & Systems Manager	1
Information Systems Analyst III	2		Information Systems Analyst III	1
Information Systems Analyst II	2		Information Systems Analyst II	2
GIS Specialist II	1		Senior SCADA System Analyst III	1
GIS Specialist I	1		SCADA System Analyst I	1
			Information Security Analyst	1
<b>Desktop Support</b>	<b>3</b>			
Information Systems Analyst II	1			
Information Systems Specialist II	2			
		<b>Total FTE</b>		
				18

## DEPARTMENT DESCRIPTION

Information Systems (IS) provides information technologies to enable efficiency, productivity, and innovation to the various District departments.

The main objective of this department is to meet the technological challenges of the District. Information Systems provides strategic technology direction, manages information technology, supports cross-departmental priorities, and implements operational policies and standards.

### Mission

The mission of Information Systems is to uphold the values of CVWD by fostering innovation through technologies and processes that improve efficiency and productivity.

### Core Values

- **Dedication** - Deliver the best possible services to our customers and stakeholders
- **Integrity** - Operate with the objective of providing high-quality water and protecting our resources
- **Fiscal responsibility** - Manage funds efficiently to continue to provide affordable water

## ***DIVISION DESCRIPTIONS***

Information Systems is responsible for the design, development, analysis, implementation, integration, and maintenance of new and existing applications, such as the Finance and Supervisory Control and Data Acquisition (SCADA) systems.

Other critical responsibilities of IS include the development of specialized computer applications, workstation customization, installation and configuration of new and existing IS related equipment, server and network management, network security, voice networks, email, internet access, audio/visual equipment, and end-user support, with particular focus on the following functions and activities:

### ***Business Applications***

Provides an integrated and complete set of services that include analysis, design, development, testing, implementation, and maintenance.

Works closely with project managers and department liaisons to develop specifications and make recommendations on the use of new and emerging technologies.

Determines the appropriate architecture and other technical solutions to reduce non-value-added work.

Determines application data access requirements, transaction rates, volume analysis, and other pertinent data required to develop and maintain integrated databases.

### **DEVELOPMENT**

Develops and implements data analyses, data collection systems, and other strategies that optimize statistical efficiency and quality.

Develops and implements databases, data collection systems, data analytics, and other strategies that optimize statistical efficiency and quality.

Responsible for the following:

- Produce clean, efficient code-based specifications
- Integrate software components and third-party programs
- Verify and deploy programs and systems
- Troubleshoot, debug, and upgrade existing software
- Gather and evaluate user feedback
- Recommend and execute improvements
- Create technical documentation for reference and reporting

### **GEOGRAPHIC INFORMATION SYSTEMS (GIS)**

Develops comprehensive GIS that provide valuable tools including:

- More efficient and effective access
- Linking
- Analyses
- Maintenance of information for and about the District and its ratepayers

## *Desktop Support*

Provides maintenance and support for every aspect of electronic equipment such as:

- Computer hardware
- Software
- Networking
- Mobile technologies
- Telephony

Works directly with end-users to provide technical support and training.

Develops methods, practices, and procedures in an effective and efficient manner to ensure maximum access to technology services and resources.

## *Network & Systems*

Implements and maintains network infrastructure.

Plans, designs, and maintains servers and data.

Administers day-to-day operations of networks and servers.

Implements Local Area Network (LAN) and Wide Area Network (WAN) maintenance and server administration procedures.

Secures all systems and network related equipment such as firewalls, switches, and routers.

Evaluates security trends, evolving threats, risks, vulnerabilities, and implements solutions to mitigate risk as necessary.

Ensures that the disaster recovery, risk management, and access control needs of the District are addressed.

Coordinates continuity of operations plans and teams.

Responsible for improvements to and upgrades of:

- Email system
- Virtual infrastructure
- File systems
- Unified messaging
- Mobility systems
- Domain controllers
- Databases
- Security systems
- Network infrastructure

## *Supervisory Control and Data Acquisition*

Oversees the operation, support, maintenance, analysis, databases, graphic display, and external system interface requirements, adhering to SCADA technology standards.

Evaluates the effectiveness of systems.

Develops specifications for new technologies or prototype systems to improve production and/or workflow.

Information Systems Metrics

Information Systems Workload Measures					
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
<b>Information Systems - Infrastructure and Systems</b>					
Critical Systems Availability - Goal 99% or more	99%	99%	99%	99%	99%
Network Availability - Goal 99% or more	99%	99%	99%	99%	99%
Unscheduled Infrastructure Downtime Across All Applications - Goal 0.1% or less	3.0%	2.6%	2.8%	2.5%	2.8%
Quarterly Verification Backups - Goal 99%	99%	99%	99%	99%	99%
<b>Information Systems - Service</b>					
Help Desk Tickets	5,630	5,714	5,540	5,275	5,450
Tickets resolved according to Service Level Agreement (SLA) - Goal 90% or more	90%	93%	90%	94%	93%
Tickets Completed - Goal 90% or more	90%	92%	93%	92%	92%
Average First Response Time to Ticket - Goal less than 24 hours	10	9	9	9	9
Average Days to Ticket Resolution - Goal less than 3 days	2.5	2.5	2.0	2.0	2.5
<b>Information Systems - Employee Development</b>					
Training per Team Member - Goal more than 6 hours per month	6	8	8	10	9
<b>Information Systems - System Update</b>					
Quarterly Systems Updates - Goal 90%	88%	90%	90%	93%	94%
<b>Information Systems - Projects</b>					
Projects Completed - Goal 90% or more	87%	90%	93%	94%	92%

FISCAL YEAR 2021-22 ACCOMPLISHMENTS

Strategic Plan

**SG 6.19** ERP and Billing Upgrade: Completed business needs assessment and RFP development.

Business Applications

Assisted with the implementation of the new Board Agenda Management System. The system is in production and working as expected.

Completed Office 365 integration. Teams is now available to all CVWD staff.

The Forbes Board Room in Coachella was retrofitted and upgraded with new audio and video equipment.

Several adopted rates were implemented successfully.

A new process was developed to facilitate the implementation of future rate changes.

The legacy ERP system was updated to support new business rules.

New workflows were implemented to support the effective management of Electronic Records.

The IT service desk system was upgraded successfully. More complex processes and workflows are now supported.

## **GIS**

- Successfully implemented the AutoCad and GIS integration.
- Supported several functions of the Asset Management System implementation (phase III).
- Implemented a new process to continuously update outdated parcel and property data services.
- A new GIS viewer based on the ESRI platform was successfully implemented.
- Completed the implementation of a GIS document index web application.
- Implemented the Water Management Rebates and Appeals web app (phase II).
- Upgraded several outdated AGOL apps.
- Procured and implemented new aerial photography for GIS.

## *Desktop Support*

- Assisted with the implementation of a “Distracted Driving Prevention” system.
- Change and problem management processes are now implemented in IT.
- 40 mobile field devices were upgraded as per the end-of-life replacement program.
- 50 PCs were replaced as per the end-of-life replacement program.
- Completed phase I of the mobile device management (MDM system) cloud migration.
- 20 Toughbooks (field laptops) were replaced as per the end-of-life replacement program.

## *Network & Systems*

- Implemented a self-service password reset system.
- Completed an internal vulnerability scan.
- Upgraded the current digital workspace software to support additional cloud services.
- Completed implementation of cybersecurity platform (phase II).
- Upgraded physical ISE application servers to virtual appliances.
- Expanded current virtual environment to support WRP systems.
- Replaced several legacy network switches in Palm Desert.
- Implemented multiple tabletop exercises to test the resiliency of the critical systems.
- Implemented a new VPN for mobile devices.
- Implemented a new video streaming solution to ensure reliability and high-quality video for Board Rooms.

## **SCADA**

- Completed SCADA rollout of domestic and irrigation sites.
- Implemented phase I of the WRPs 4,7, and 10 migrations to the new SCADA system.
- Completed upgrade of Coachella control room with video wall capabilities.
- Implemented reconfiguration of field automation to increase reliability by implementing site-to-site communications.
- Implemented infrastructure to support future integrations between GIS and Asset Management Systems.
- Developed several new SCADA reports to assist with operations optimization.

## FISCAL YEAR 2022-23 GOALS

### Strategic Plan

**SG 6.19** Assist with selection and procurement of the ERP and billing system.

### Business Applications

Implement phase II of the new IT Asset Discovery system to ensure mobile assets are automatically discovered and managed.

Upgrade the AV equipment in the Coachella Rummonds training room.

Implement phase II of the AV equipment upgrade in the Steve Robbins Administration Building (including the board room, training rooms, and conference rooms).

Upgrade intranet site to support new integration with Office 365.

Develop a strategy to migrate legacy applications to a new platform.

Upgrade the IT Service Catalog and continue to implement new IT workflows and processes.

Update the Business Continuity Plan for all business units.

### GIS

Replace legacy GIS field applications with new versions that utilize authoritative data and participate in active workflows.

Develop workflows to capture additions and corrections to existing data.

Continue implementation support for the Enterprise Asset Management system.

Implement tighter data integrity standards with increased reporting.

Transition non-GIS data for consistency across business lines.

Actively seek and remove outdated information from AGOL and the internal network.

### Desktop Support

Replace 20 Toughbooks (field laptops) as per the end-of-life replacement program.

Replace 40 PCs as per the end-of-life replacement program.

Replace older iPhones and iPads no longer supported by Apple.

Implement a new vulnerability remediation system for PCs, including laptops.

Replace several outdated multi-functional printers.

Continue migration of mobile devices to cloud-based MDM platform.

### Network & Systems

Upgrade Coachella core routing and switching gear.

Continue work on cybersecurity strategy to improve security posture.

Restructure and improve system patching and improvability management program.

Implement an emergency offline collaboration system.

Migrate several servers to the most current versions.

Install and configure new edge firewalls.

Replace virtual backup servers.

Complete final phases of wide area network firewall installation.

**SCADA**

Install new core SCADA Servers, Workstations, and networking for WRP 7 and WRP 10.

Complete testing of new WRP4 SCADA system and additional scopes of work to implement WRPs 7 and 10 SCADA systems.

Finalize integration of 22 non-potable sites associated with WRP cutovers.

Upgrade field automation at 15 domestic and sanitation sites and integrate with the new SCADA system.

Update strategy for service recovery configuration and testing for SCADA services, including failover of datacenters and control rooms between Coachella and Palm Desert.

Develop water usage reports for the new SCADA system to support regulatory compliance.

Cutover all remaining security, gates, and miscellaneous control devices from Coachella and Palm Desert to the new SCADA system.

Close out the 7-year SCADA master plan.

Information Systems Department	FY 2021 Actual	FY 2022 Actual*	FY 2022 Budget	FY 2023 Budget	Budget Change	% Change
<b>Expenses by Type</b>						
Salaries and Wages	\$ 2,069,797	\$ 2,243,005	\$ 2,138,919	\$ 2,467,961	\$ 329,042	15.4%
Employee Benefits	1,158,056	1,299,162	1,266,623	1,513,195	246,572	19.5%
Professional Development	2,916	9,998	31,500	31,500	-	-
Professional Services	75,206	69,231	90,000	90,000	-	-
Utilities	87,067	77,477	46,000	56,000	10,000	21.7%
Materials and Supplies	480,637	422,550	436,500	436,500	-	-
Motorpool	11,538	2,369	2,363	1,423	(940)	-39.8%
Contract Services	2,105,240	2,603,178	2,500,000	2,550,000	50,000	2.0%
Miscellaneous Expense	483	-	10,000	10,000	-	-
Capital Outlay	25,910	-	-	-	-	-
Pass Through (Contra Expense)	-	-	-	-	-	-
<b>Total</b>	<b>\$ 6,016,851</b>	<b>\$ 6,726,971</b>	<b>\$ 6,521,905</b>	<b>\$ 7,156,579</b>	<b>\$ 634,674</b>	<b>9.7%</b>
<b>Expenses by Division</b>						
Information Systems	\$ 6,016,851	\$ 6,726,971	\$ 6,521,905	\$ 7,156,579	\$ 634,674	9.7%
Pass Through (Contra Expense)	-	-	-	-	-	-
<b>Total</b>	<b>\$ 6,016,851</b>	<b>\$ 6,726,971</b>	<b>\$ 6,521,905</b>	<b>\$ 7,156,579</b>	<b>\$ 634,674</b>	<b>9.7%</b>
<b>Expenses by Fund</b>						
Domestic Water	\$ 2,343,500	\$ 2,617,653	\$ 2,537,182	\$ 2,838,356	\$ 301,174	11.9%
Canal Water	938,048	1,044,449	1,013,422	1,120,501	107,079	10.6%
West Whitewater Replenishment	351,094	388,347	376,733	434,139	57,406	15.2%
Mission Creek Replenishment	50,620	55,776	54,291	38,289	(16,002)	-29.5%
East Whitewater Replenishment	286,941	317,235	307,873	337,448	29,575	9.6%
Sanitation	1,531,978	1,719,670	1,666,919	1,861,668	194,749	11.7%
Stormwater Fund	342,525	393,526	380,760	418,975	38,215	10.0%
Motor Pool Fund	172,146	190,315	184,725	107,203	(77,522)	-42.0%
Pass Through (Contra Expense)	-	-	-	-	-	-
<b>Total</b>	<b>\$ 6,016,851</b>	<b>\$ 6,726,971</b>	<b>\$ 6,521,905</b>	<b>\$ 7,156,579</b>	<b>\$ 634,674</b>	<b>9.7%</b>

\* Unaudited

# SERVICE & COMMUNICATION



Director of Service and Communication			
Scott Burritt			
<b>Administration</b>	<b>2</b>	<b>Customer Service</b>	<b>15</b>
Management Analyst	1	Customer Service Supervisor	1
Administrative Assistant I	1	Customer Service Representative III	2
		Customer Service Representative II	5
		Customer Service Representative I	6
		Office Assistant II	1
<b>Outreach &amp; Education</b>	<b>10</b>	<b>Customer Billing</b>	<b>14</b>
Communication Manager	1	Revenue Manager	1
Government and Regional Affairs Coordinator	1	Assistant Revenue Manager	1
Multimedia Specialist	1	Accountant	1
Education Specialist	2	Accounts Receivable Technician	6
Communications Specialist	4	Sr. Accounts Receivable Assistant	2
Communications Assistant	1	Accounts Receivable Assistant	3
<b>Water Management</b>	<b>15</b>	<b>Meter Readers</b>	<b>22</b>
Conservation Manager	1	Meter Reader Manager	1
Office Assistant II	1	Meter Reader Crew Chief	2
Administrative Assistant I	1	Field Service Representative	3
Water Management Supervisor	1	Meter Reader II	5
Water Management Specialist II (Lead)	1	Meter Reader I	8
Water Management Specialist I	7	Meter Reader Trainee	3
Water Management Technician	1		
Water Management Aide	2		
<b>Total FTE</b>			
79			

## DEPARTMENT DESCRIPTION

The Service and Communication Department has a variety of roles focusing on customer interaction on the phones, in the field, over the counter, and external communications through written correspondence, public outreach, education, and media relations. Water Management is responsible for the District’s conservation programs, along with assisting customers in improving water use efficiency. The Outreach and Education division is also responsible for internal communications. Every division strives to promote a customer-friendly experience that covers the complete life cycle of the customer’s account. Working closely within the department, as well as the entire District, the department plays a significant role in ensuring overall customer satisfaction, promoting internal communication, and maintaining a positive public image.

### Mission

To exceed public expectations, through dedicated, knowledgeable, and professional employees who impart a sense of integrity, innovation, and support.

## *DIVISION DESCRIPTIONS*

The Service and Communication Department is organized into six divisions that provide customer-related services to the District's entire customer base and manage communications internally and externally. The department has a particular focus on the following functions and activities:

### *Administration*

Supports the District's efforts to improve the customer experience by developing recommendations for new policies, policy changes, and improved procedures based upon research, data analysis, and best practices.

### *Customer Billing*

Completes billing for all water-related services, including: domestic water, sanitation, well replenishment, nonpotable, canal, and canal water availability.

Receives and processes all customer payments and billing adjustments on a daily basis.

Performs collection activities, customer notification of past due accounts, liens, and promissory notes.

### *Customer Service*

Manages more than 500 incoming telephone calls, counter interactions, and customer emails per day (120,000+ per year).

Assists customers to establish new accounts, make payments, place canal irrigation orders, and to answer billing and high consumption questions.

Makes outbound calls to customers to inform them about delinquent balances and customer assistance programs.

Works across the District to support our customers.

### *Meter Readers*

Collects manual and automated meter reads, along with monthly reading of construction meters and replenishment assessment charge (RAC) well meters.

Responsible for customer turn-ons, final reads, and delinquent turn-offs.

Work with customers to perform meter accuracy tests and resolve complaints.

Investigate possible causes of high consumption.

Investigate possible crossed meters and meter discrepancies.

Investigate accounts with low consumption, including identifying failed meters and researching accounts in the field.

### *Outreach & Education*

Provides education and information to customers, employees and the community on topics including customer services, conservation programs, water policy and capital improvement projects through various methods.

Provides internal communication to employees by producing and distributing bi-weekly Water Drop newsletter, quarterly CVWD Connect magazine, and managing internal digital information monitors.

Provides government and legislative leadership by analyzing draft legislation at state and federal levels, engaging directly with policy makers and elected officials, and managing the District's contract advocates in Sacramento and Washington D.C.

Educates local students and residents through classroom presentations and tours of District facilities to improve the communities' understanding of issues such as canal safety, conservation and sustainability, history of water and development in the Coachella Valley, the power of water, and more.

### *Water Management*

Provides assistance to customers to improve water use efficiency through a number of conservation programs, including, numerous rebate programs, free installation of smart irrigation controllers, free indoor conservation kits for homeowners, and free water brooms and pre-rinse nozzles for restaurants and Home Owner Associations (HOAs).

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

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

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

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

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

Reviews customer appeals regarding their water budget.

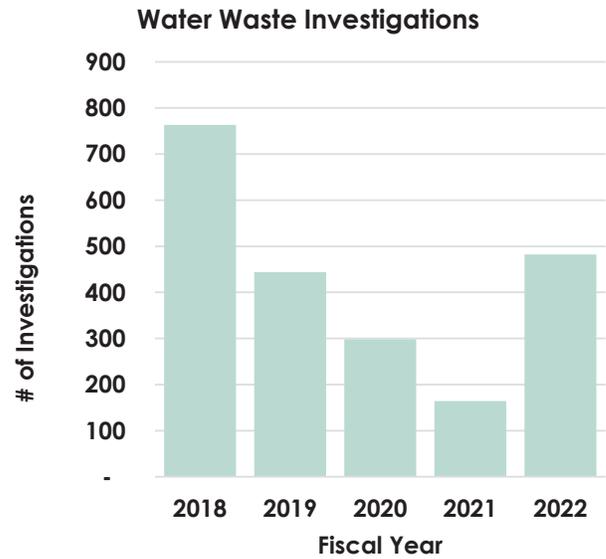
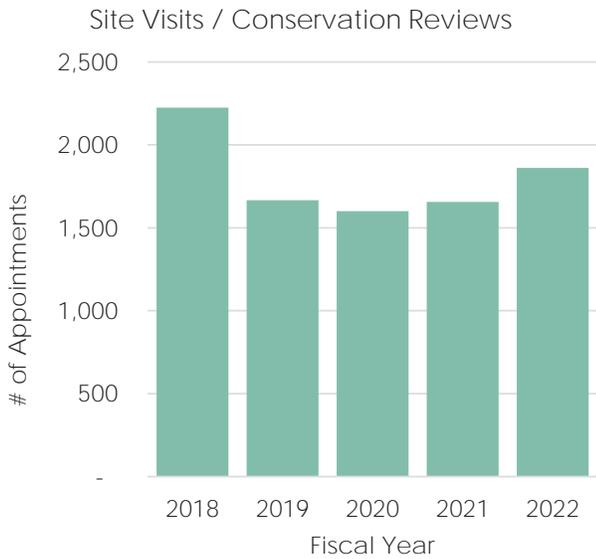


*Well station tank*

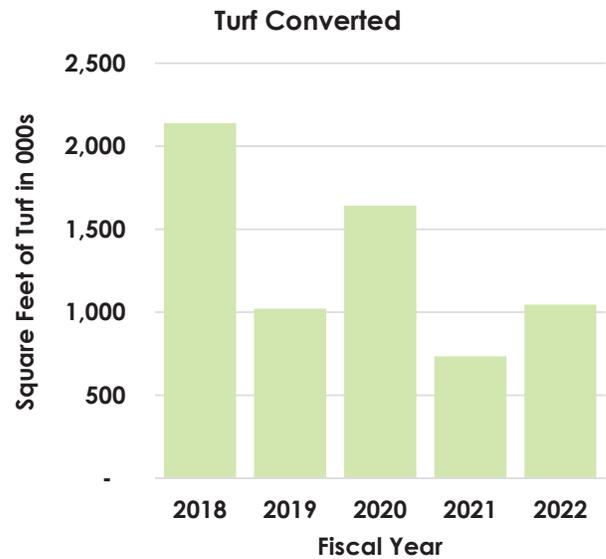
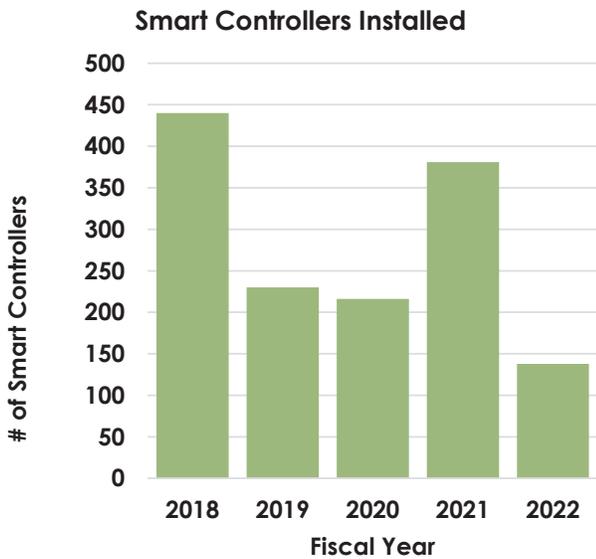
Service and Communication Metrics

Service & Communication Workload Measures	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
<b>Customer Billing</b>					
Maintain Average Receivables Over 90 Days - Goal 6.26% or Less	4.92%	5.00%	4.00%	6.00%	6.32%
Maintain Assessor's Parcel Number (APN) Rejection Rate of 2% or Less	0.0%	0.0%	0.0%	0.0%	0.0%
Complete Daily Bank Deposit by 3:30 PM - Goal 80% or more	91.0%	92.0%	97.0%	98.0%	98.0%
Requests for Account Review	1,720	1,647	1,616	1,224	1,209
Met Established Training Standards	Yes	Yes	Yes	Yes	Yes
<b>Customer Service</b>					
Calls Received	116,000	104,500	105,671	109,783	91,608
Calls Answered	114,000	103,000	104,937	109,455	91,153
Calls Answered Within 3 Minutes or Less - Goal 90% or More	91.0%	93.7%	97.4%	98.2%	98.1%
Average Abandon Rate - Goal 5% or less	1.7%	1.5%	0.7%	0.3%	0.5%
Average Call Handle Time - Goal 4 minutes or less	2:57	2:42	2:50	2:53	2:51
Average Wait Time - Goal 2 minutes or less	1:59	1:33	0:58	0:34	0:50
Met Established Training Standards	Yes	Yes	Yes	Yes	Yes
<b>Meter Readers</b>					
AMR Meters Read Manually to Assure Accuracy & Function - Goal 3,000	4,282	4,760	4,238	14,155	16,183
Average Number of Meters Read Monthly	110,533	111,255	112,208	113,259	114,270
Average Number of AMR Meters Read Monthly using Drive-By System	18,319	19,038	19,137	19,214	19,146
Met Reading and Billing Deadlines, Cycle Standards (28 to 32 days)	Yes	Yes	Yes	Yes	Yes
Direct Read Meters Upgraded to AMR Meters	522	62	21	41	112
Nonrecurring Work Orders Completed	50,713	40,423	32,816	46,315	39,274
Met Established Training Standards	Yes	Yes	Yes	Yes	Yes
<b>Outreach &amp; Education</b>					
Media Stories (newspaper, TV, radio, etc.) Concerning CVWD Per Year	98	231	125	155	251
Students Receiving Educational Presentations	6,171	7,996	5,174	197 *	80*
News Releases	21	35	39	31	35
Tours Provided	49	52	56	- *	2*
Informative Presentations to Community Groups	17	10	15	- *	148
Informational Booths Staffed at Community Events	36	25	13	- *	1*
Informational & Educational Workshops Hosted or Presented	9	15	8	- *	4
Number of Active Contacts with Stakeholders in Key Areas (e.g., from local government, business, education, nongovernmental groups)	26	43	24	10 *	64
Number of Topic Letters Submitted in Regards to Legislation Affecting the District	10	14	14	4	19
<i>* Outreach &amp; Education numbers impacted by COVID-19 restrictions.</i>					
<b>Water Management</b>					
Residential Smart Controllers Installed	334	211	117	163	107
Large Landscape Smart Controllers Installed	106	19	16	218	31
Rebates Issued to Homeowners for Landscape Conversion	268	226	160	263	378
Square Feet of Grass Replaced with Desert-Friendly Landscape - Homeowners	377,197	378,125	203,327	375,392	519,006
Rebates Issued to Large Landscape Customers for Landscape Conversion	170	108	64	73	69
Square Feet of Grass Replaced with Desert-Friendly Landscape - Large Landscape Customers	1,761,876	643,591	634,044	359,738	526,248
Rebates Issued Toilet Replacement Program	721	869	1,411	1,310	540
Rebates Issued Residential Hot Water Recirculating Pump Program	-	-	16	37	51
Rebates Issued High Efficiency Washing Machine Rebate Program	-	-	25	263	223
Water Waste Investigations	763	444	262	164	482
Nozzles Replaced	673	1,628	651	1,082	373
Plan Checks	332	402	264	466	624
Appeals	1,645	1,197	456	1,646	1,614

The first graph reflects a five-year history of site visits/conservation reviews completed by Water Management. The second graph reflects a five-year history of water waste investigations. Both graphs reflect a sharp decrease beginning in fiscal year 2019. This is due in part to the lifting of the statewide mandate to conserve water.

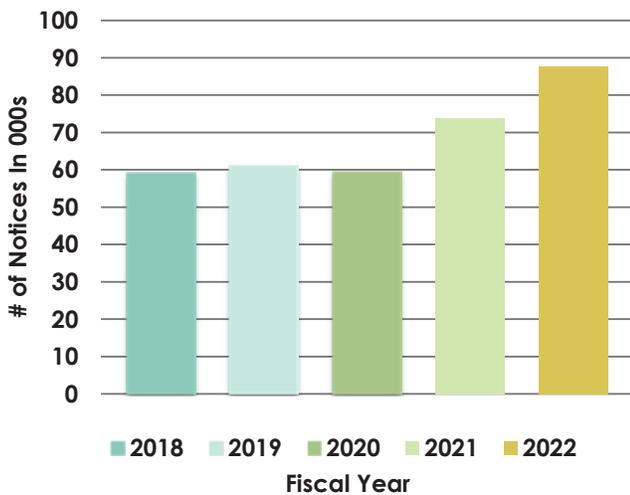


The graphs below reflect a five-year history of the number of residential and large landscape smart controllers installed and a five-year history of the total square feet of turf that has been converted to desert friendly landscape.

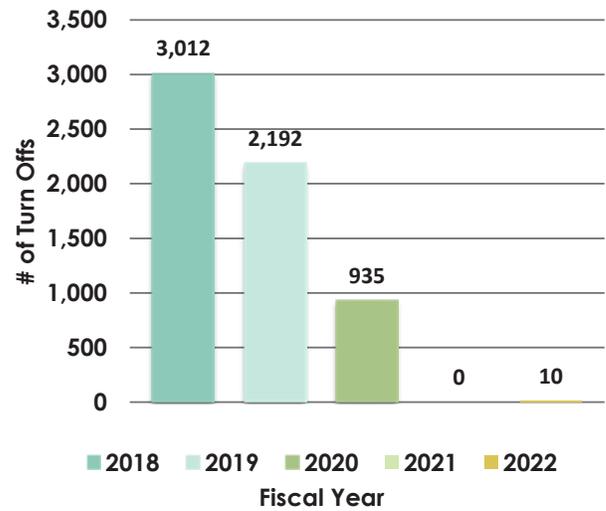


The following graphs show a five-year history of meter reader activities completed each fiscal year. The Governor’s Executive Order because of the COVID-19 pandemic significantly affected fiscal year 2020 and all but eliminated turn-offs for fiscal year 2021. In addition, the stay in place orders issued because of COVID-19 continued to impact meter tampering and work orders in fiscal year 2021.

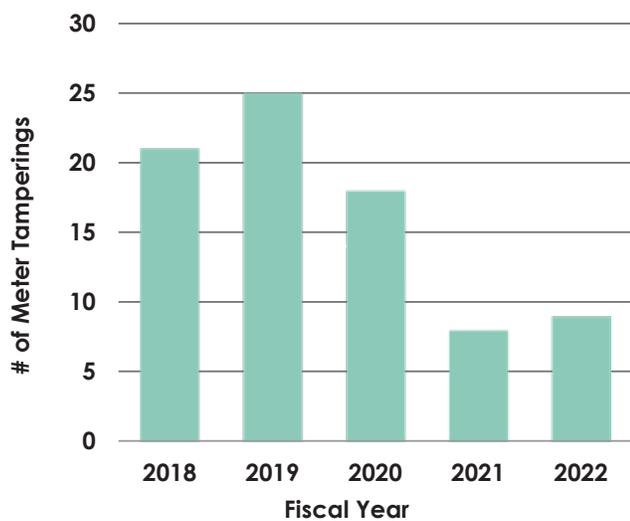
**Past Due/Turn-Off Notices Sent**



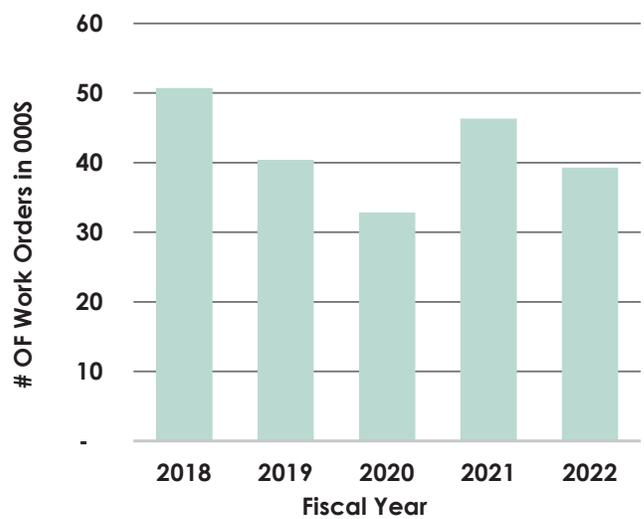
**Turn-Offs Completed**



**Meter Tamperings**



**Miscellaneous Work Orders**



## FISCAL YEAR 2021-22 ACCOMPLISHMENTS

### *Strategic Plan*

Completed AMI pilot project and submitted informational report to Board of Directors summarizing the findings from the AMI pilot.

### *Administration*

Coordinated across District departments the development of proposals to update the Regulations Governing Domestic Water Service that were adopted by the Board of Directors.

Worked with division managers and Information Systems to develop GIS maps to assist with revenue assurance projects related to the Sanitation Fund and Irrigation Water Availability Assessment (IWAA).

### *Customer Billing*

Purchased new check remittance processing equipment and upgraded RTL software.

Implemented new procedures to identify accounts with failed meters which resulted in the following:

- In collaboration with Meter Readers, identified approximately 1,300 accounts with failed meters
- Recovered approximately \$140K of lost revenue and improved revenue moving forward

Evaluated billing processes to identify areas to improve efficiencies across the division including identifying accounts with missing services.

Transferred existing reference documents and procedures to SharePoint's knowledge management system QuickGuide+.

Improved the timely collection of delinquent accounts and developed new processes and procedures to decrease the 90-day aging rate by dedicating one full time employee to collections.

### *Customer Service*

Exceeded all call center goals by achieving 98.1% service level, 2:51 minute average handling time, average waiting time of 0.50, and 0.5% abandon rate.

Participated with several teams to enhance conservation outreach and communication.

### *Meter Readers*

Completed the review and procurement of new meter reading handhelds and meter reading software in order to improve operational effectiveness and customer service.

Researched available technology and studied the feasibility of deploying new pilot tools to read RAC Wells to create efficiencies and improve employee safety.

### *Outreach & Education*

Organized three press conferences highlighting grant funding awarded to the District for clean water projects in Disadvantaged Communities in the Eastern Coachella Valley.

Created a webpage for local drought updates including state mandates, water conservation information and customer rebates.

Re-designed the Annual Review & Water Quality Report to provide customers with more statistics and information on the services provided in the past fiscal year.

Launched a survey to understand customer perceptions of the District, its services, water issues, and what types of media customers consume to test public outreach campaigns and messaging.

Updated the CVWD mobile app for better customer service.

### *Water Management*

Updated the Water Management SharePoint page, and integrated into the overall Department's page.

Created online applications for all residential indoor rebate programs.

Completed the training required for a commercial audit program, and prepared a draft of the program.

Completed the design phase of the Palm Desert demonstration garden expansion project.

Developed a water waste restrictions enforcement plan for each stage of the updated Water Shortage Contingency Plan.

Compiled all Water Management policies and procedures into one location, and identified missing documents and those in need of updating.

Conducted meetings with local landscapers to better establish a relationship and improve outdoor rebate programs.

## **FISCAL YEAR 2022-23 GOALS**

### *Administration*

Lead process improvement initiatives to develop or improve policies, procedures, internal controls and data accuracy within Department divisions.

### *Customer Billing*

Use GIS maps to identify lost revenue related to IWAA and Sanitation to ensure parcels are charged annual assessments.

Implement drought penalties and participate in the Cost of Service process for reduction of water budgets and drought surcharges.

Ongoing monitoring of potential undersized meters to identify potential lost revenue.

### *Customer Service*

Transition QuickGuide online reference to Teams OneNote pages. This will make creating, maintaining and finding information easier.

Use Teams and Office 365 tools to improve internal communication so that Customer Service staff is better prepared to support our customers.

Work with Communications to create and/or reorganize online resources to better answer customer questions.

Support the District's conservation efforts through customer resources and staff training.

### *Meter Readers*

Implement a RAC Meter Testing Program to identify accounts with faulty or under-registering meters, evaluate effectiveness of the RAC Meter Testing program by identifying recaptured revenue and utilize all data to make a recommendation for future RAC Meter testing.

Implement new meter reading handhelds and meter reading software in order to improve operational effectiveness and customer service.

Create procedures that enable Meter Readers to identify non-functional turf, water waste, over-seeding, and drought restriction violations to encourage conservation and assist Water Management in efforts to establish new conservation programs, such as water monitoring devices.

Develop a research report detailing primary factors that lead to non-registering and under-registering meters, with a focus on factors that lead to failures in our distribution system and continue the meter replacement process created as part of the revenue assurance program.

### *Outreach & Education*

Provide customers with drought and conservation information to meet the state's goal to reduce overall water use by 10 percent and to encourage water-use efficiency as a way of life.

Streamline website content with an emphasis on efficiency and convenience for customers.

Update advertising and outreach campaign based on customer survey results.

Expand social media reach with a strong presence on LinkedIn, Facebook and Instagram.

Participate in regional and statewide public outreach campaigns.

### *Water Management*

Improve conservation program offerings and efficiency.

Update to the newest version of Droplet, CVWD's rebate portal.

Fully implement a comprehensive commercial customer audit program.

Better support large landscape customers through the development of liaison program.

Create an annual workshop geared towards better supporting HOAs.

Finish developing and release a Request for Proposal for the construction portion of the Palm Desert demonstration garden expansion project.

Draft missing policy and procedures documents and update those deemed outdated.

Create a "preferred vendors list" of local landscapers for customer use.

Service & Communication Department	FY 2021 Actual	FY 2022 Actual*	FY 2022 Budget	FY 2023 Budget	Budget Change	% Change
<b>Expenses by Type</b>						
Salaries and Wages	\$ 7,012,549	\$ 6,955,404	\$ 7,430,595	\$ 7,846,078	\$ 415,483	5.6%
Employee Benefits	4,090,256	4,296,291	4,558,354	5,070,160	511,806	11.2%
Outside Labor	-	35,021	27,000	17,000	(10,000)	-37.0%
Professional Development	95,290	94,839	194,044	203,241	9,197	4.7%
Professional Services	305,161	251,895	229,000	229,000	-	-
Advertising and Media	215,046	212,374	190,600	190,600	-	-
Utilities	33,766	29,784	30,314	40,883	10,569	34.9%
Materials and Supplies	561,848	672,137	886,111	816,750	(69,361)	-7.8%
Motorpool	267,971	433,015	422,672	323,605	(99,067)	-23.4%
Contract Services	1,237,605	961,855	1,501,851	1,335,173	(166,678)	-11.1%
Safety	8,148	6,628	7,350	7,350	-	-
Miscellaneous Expense	2,373,923	2,517,201	3,032,487	3,090,835	58,348	1.9%
Capital Outlay	115,146	-	62,000	-	(62,000)	-100.0%
Pass Through (Contra Expense)	-	-	-	-	-	-
<b>Total</b>	<b>\$ 16,316,710</b>	<b>\$ 16,466,445</b>	<b>\$ 18,572,378</b>	<b>\$ 19,170,675</b>	<b>\$ 598,297</b>	<b>3.2%</b>
<b>Expenses by Division</b>						
Outreach and Education	\$ 2,414,881	\$ 2,258,426	\$ 2,728,202	\$ 2,705,763	\$ (22,439)	-0.8%
Water Management	5,046,363	5,151,306	5,887,755	6,185,412	297,657	5.1%
Administration	552,042	626,028	610,097	695,174	85,077	13.9%
Customer Service	1,958,893	2,047,181	2,225,626	2,398,545	172,919	7.8%
Meter Reading	2,853,142	3,240,803	3,459,240	3,410,057	(49,183)	-1.4%
Customer Billing	3,491,389	3,142,702	3,661,458	3,775,724	114,266	3.1%
Pass Through (Contra Expense)	-	-	-	-	-	-
<b>Total</b>	<b>\$ 16,316,710</b>	<b>\$ 16,466,445</b>	<b>\$ 18,572,378</b>	<b>\$ 19,170,675</b>	<b>\$ 598,297</b>	<b>3.2%</b>
<b>Expenses by Fund</b>						
Domestic Water	\$ 13,439,693	\$ 13,729,846	\$ 15,365,470	\$ 15,996,007	\$ 630,537	4.1%
Canal Water	1,334,012	1,271,596	1,628,954	1,322,360	(306,594)	-18.8%
West Whitewater Replenishment	395,768	359,354	401,874	476,363	74,489	18.5%
Mission Creek Replenishment	4,872	4,722	-	11,254	11,254	-
East Whitewater Replenishment	446,387	354,572	350,237	460,593	110,356	31.5%
Sanitation	558,707	599,282	669,246	698,725	29,479	4.4%
Stormwater Fund	137,270	147,073	156,597	205,373	48,776	31.1%
Pass Through (Contra Expense)	-	-	-	-	-	-
<b>Total</b>	<b>\$ 16,316,710</b>	<b>\$ 16,466,445</b>	<b>\$ 18,572,378</b>	<b>\$ 19,170,675</b>	<b>\$ 598,297</b>	<b>3.2%</b>

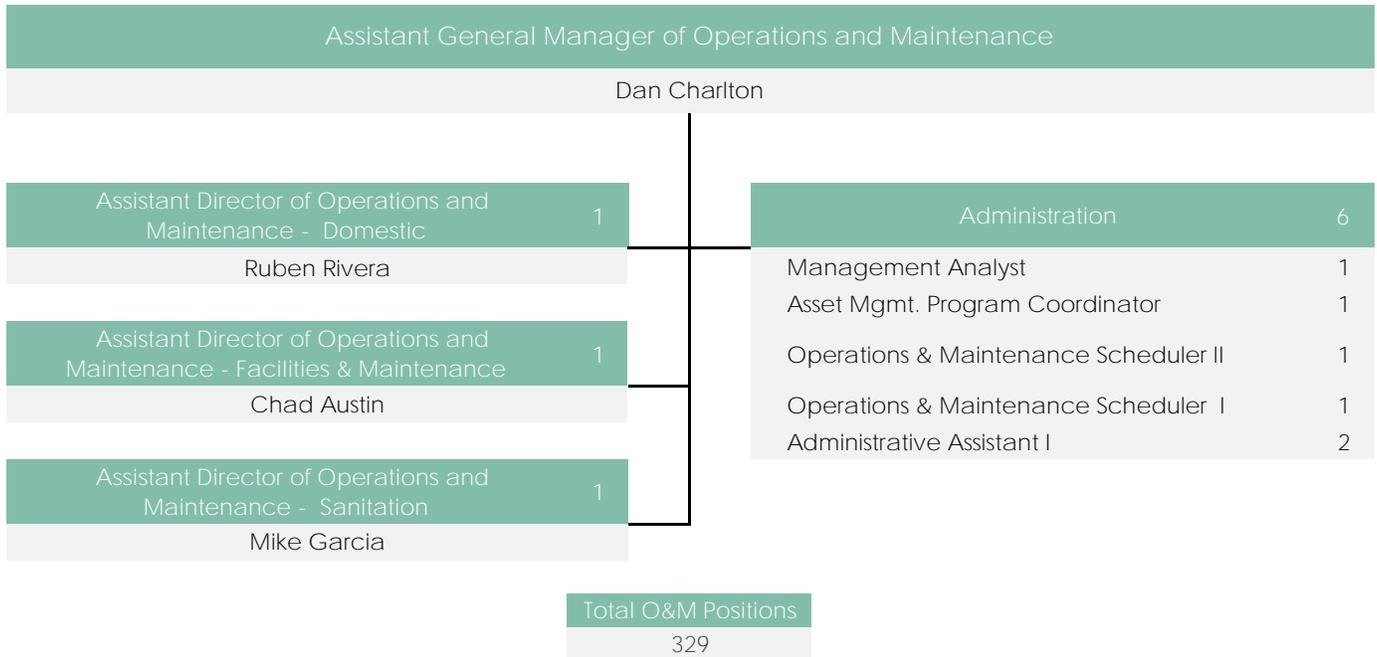
\* Unaudited



CVWD Board Vice President Cástulo Estrada speaking at a press conference with Congressman Raul Ruiz, M.D.

# OPERATIONS & MAINTENANCE





## DEPARTMENT DESCRIPTION

The Operations and Maintenance Department (Operations and Maintenance) is the largest department at the Coachella Valley Water District (CVWD), with 329 employees. Operations and Maintenance consists of 3 departmental branches with 32 divisions that are responsible for the operations, maintenance, and repair of all CVWD’s infrastructure, including Domestic Water, Sanitation, Nonpotable Water, Canal Water, Storm water, and Groundwater Replenishment facilities. Operations and Maintenance is also responsible for the maintenance of all CVWD’s campuses and the Motorpool (maintenance and procurement).

### Mission

The Operations & Maintenance Department is dedicated to providing proactive, courteous, and professional services to our internal and external customers by developing and deploying a staff of skilled technicians, operators, and craftsmen who are committed to providing superior workmanship and outstanding service. We strive to exceed the expectations of our fellow departments by providing our customers with exceptional service while furthering the mission of the Coachella Valley Water District.

### Core Values

- Integrity
- Accountability
- Teamwork
- Loyalty

## DIVISION DESCRIPTION

### *Administration*

The Operations and Maintenance Administrative Team (Administration) provides organizational oversight to facilitate interdivisional relationships and creates efficiencies to ensure safe, reliable, and economical services to CVWD's customers. Administration defines clear expectations to the various divisions and provides the tools and guidance to accomplish the goals, including funding, staffing, equipment, training, standardization, and accountability.

Administration develops and implements strategic programs and provides the support and resources to the skilled technicians, tradesmen, and operators, who provide superior workmanship and outstanding service to our internal and external customers.

Administration is also developing and implementing CVWD's Asset Management Program (AMP), which is critical to the long-term sustainability of CVWD. The Asset Management Master Plan (AMMP) laid the foundation for the development of a comprehensive AMP, including a computerized maintenance management system (CMMS) that will capture GIS information, catalog asset infrastructure, and track condition assessment to help prioritize capital improvements. The CMMS will also prioritize maintenance needs by criticality and consequence of failure, schedule recurring preventative maintenance and track non-recurring (reactive) work activity.

Administration finalized a comprehensive Preventative Maintenance Program (PM Program) that tracks performance metric by division and facility. The PM Program has developed weekly, monthly, quarterly, and annual preventative maintenance needs by the hour, and through comprehensive reporting, will outline areas of strength, as well as gaps that require improvement.

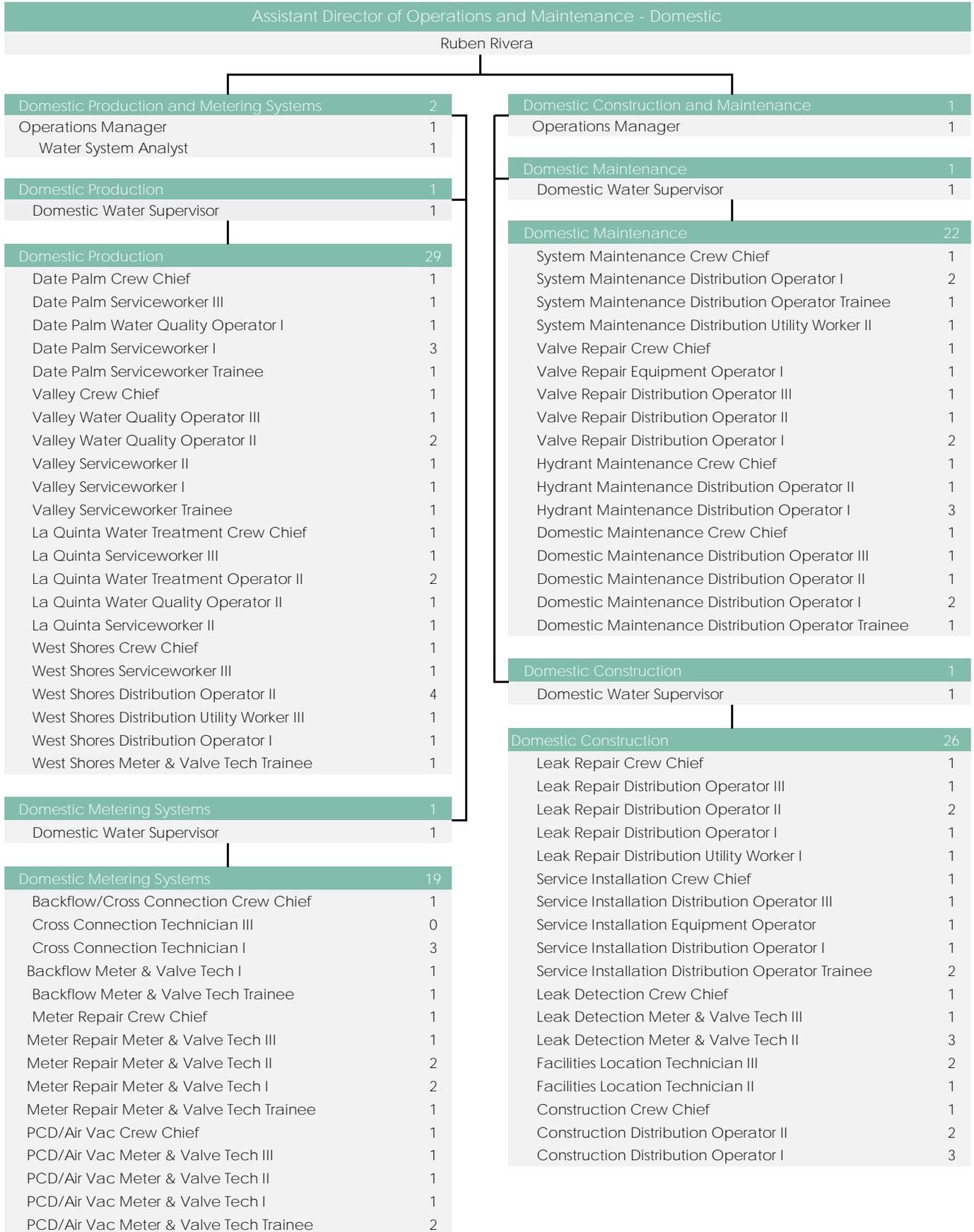
The guiding principle of Operations and Maintenance is to stay true to CVWD's Mission Statement, "To meet the water-related needs of the people through dedicated employees, providing high-quality water at a reasonable cost."

## FISCAL YEAR 2021-22 ACCOMPLISHMENTS

### *Administration*

- Complete the Steve Robbins Administration Building Customer Lobby Ballistics Remodel Project.
- Complete the State mandated Sanitary Sewer Master Plan (SSMP) self-assessment audit.
- Improve the Preventative Maintenance Baseline Tracking Report and increase the overall preventative maintenance by 10%.
- Complete and implement the Sodium Bisulfite (SBS) de-chlorination upgrade for WRP 4.
- Develop and Implement a Zero Emission Fleet Program, Phase I.
- Complete the Implementation of the SCADA Instrumentation Upgrades for the Wastewater Plants.

# OPERATIONS & MAINTENANCE



## DOMESTIC WATER DIVISION DESCRIPTIONS

Domestic Water Operations is responsible for the daily operation, maintenance, and repair of the domestic water system to ensure supply meets demand, pressures are adequate, and deliveries comply with water quality standards. Domestic Water Operations maintains their focuses on the following functions and activities:

### *Domestic Production*

#### **SERVICE WORKERS / WATER QUALITY / WATER TREATMENT**

Provides first responder services for all domestic water customer related issues while maintaining operations 24 hours/day and 7 days/week.

Evaluates and coordinates remedies for pumping facilities alarms, thefts, and vandalism for over 220 domestic water facilities.

Records monthly production data and inspections for all sites regularly to ensure operational availability, adequate pressures, and the safety of infrastructure.

Maintains, repairs, and operates two Ion Exchange Treatment Plants (IXTPs) and provides disinfection of the District's drinking water supply, which consists of wellhead chlorination.

#### **WEST SHORES**

The West Shores Crew maintains the West Shores area by performing some or all the duties of the service workers, leak repair, meter repair, maintenance, and construction divisions.

### *Domestic Metering Systems*

#### **BACKFLOW**

Performs testing, repair, and replacement of all backflow devices as required by the State.

Conducts field investigations, Hazard Assessments, and Cross-Connection Tests as required.

Installs, relocates, removes, and repairs temporary construction meters throughout the service area.

#### **METER REPAIR**

Maintains well and customer meters throughout the distribution system.

Maintains, repairs, and replaces CVWD's customer meters, well meters, and RAC meters.

Performs random customer water meter testing and production well meter testing annually to ensure accuracy (data collected is used in the water loss audit report mandated by the State).

Coordinates the completion of the Annual Water Loss Audit Report and the submittal to the State.

#### **PRESSURE CONTROL DEVICE/AIR-VAC**

Maintains, repairs, and troubleshoots air-vacuum/air-release (Air-Vacs) valves and hydraulic and automatic control valves.

Maintains, repairs, and tests hydro pneumatic tanks, and air compressors to ensure the distribution system is protected from pressure surges and spikes.

### *Domestic Maintenance*

#### **SYSTEM MAINTENANCE**

Exercises, flushes, inspects, and maintains valves and blow-offs within the domestic water system.

#### **VALVE REPAIR**

Repairs and replaces domestic water mainline valves within the distribution system.

### **HYDRANT MAINTENANCE**

Exercises, flushes, inspects, and maintains fire hydrants in the domestic water system, including hydrant flow testing.

Maintains and provides water tenders for use in the event of an emergency water outage and for community events promoted by the District's public outreach group.

### **DOMESTIC MAINTENANCE**

Performs all asphalt repairs, as well as well site, reservoir, and booster site maintenance.

## *Domestic Construction*

### **LEAK REPAIR**

Repairs domestic water mainlines and service lines up to the customer's meter.

### **SERVICE INSTALLATION**

Repairs domestic water mainlines and service lines to the customer's meter. In addition, constructs and/or installs new detector check valve assemblies, point of connections for new development, water services, meters, and backflow devices.

### **FACILITIES / LEAK DETECTION**

Surveys the domestic distribution system for non-surfacing leaks to help determine leak locations and documents leakage volume.

Assists Wastewater Reclamation Plants (WRPs), Collections, and Nonpotable Crews in tracing the source of possible leaks.

Locates, identifies, and marks all CVWD owned and operated underground infrastructure for the general public, contractors, other municipalities, and internal departments.

Communicates necessary plat sheet updates with Engineering.

### **CONSTRUCTION**

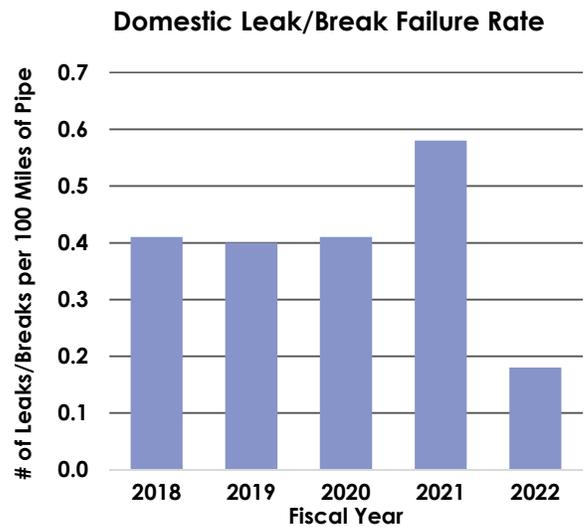
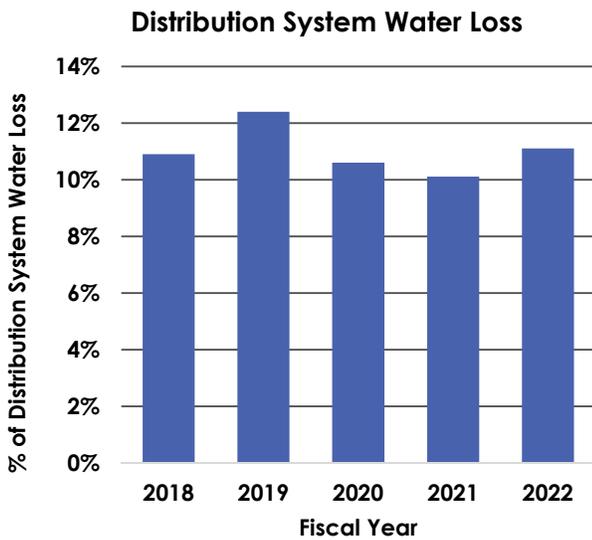
Constructs all new domestic water well ancillary improvements, installs new appurtenances (detector check valve assemblies, fire hydrants, stub-out connections, point of connections for new development, water services, meters, backflow devices, and service lines).

Domestic Water Metrics

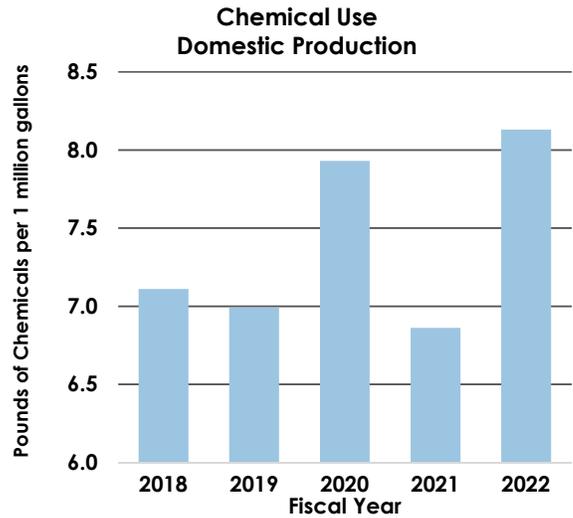
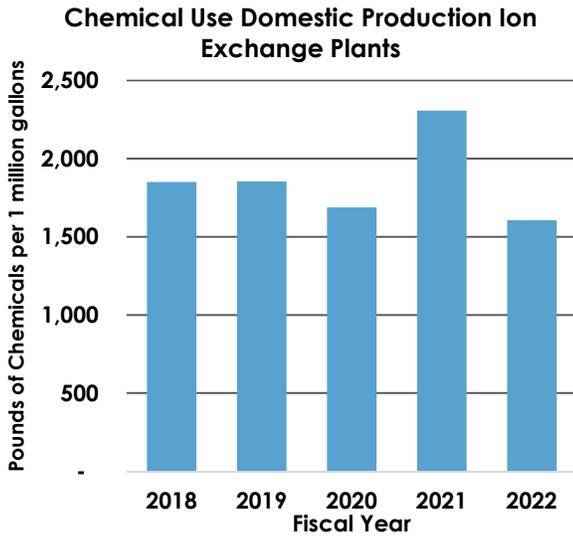
Domestic Operations Workload Measures					
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Repaired/Replaced Fire Hydrants	216	271	411	638	406
Repaired/Replaced Main Line Valves	196	235	186	400	399
Concrete Collars Replaced	83	141	85	133	168
Proactive Meter Replacements*	1,745	1,998	465	4,299	7,460
Meter Installations	476	574	668	1,040	1,323
Meter Exchanges	2,065	2,351	1,471	2,364	873
Meter Register and Box Repairs	3,801	3,934	5,900	2,957	5,224
Automated Meter Reading (AMR) Meter Upgrades*	643	151	56	57	101
Customer Service Calls	4,893	4,144	3,331	4,008	4,778
Facilities Maintained (Wells, Boosters, IXTP's, Reservoirs)	17,869	11,355	13,772	17,075	22,008
Facilities Repaired/Replaced (Wells, Boosters, IXTP's, Reservoirs)	975	617	563	866	794
Backflow Devices Tested	9,836	9,107	9,403	12,513	11,475

\* Includes replacements and upgrades completed by Contractor for FY 2018

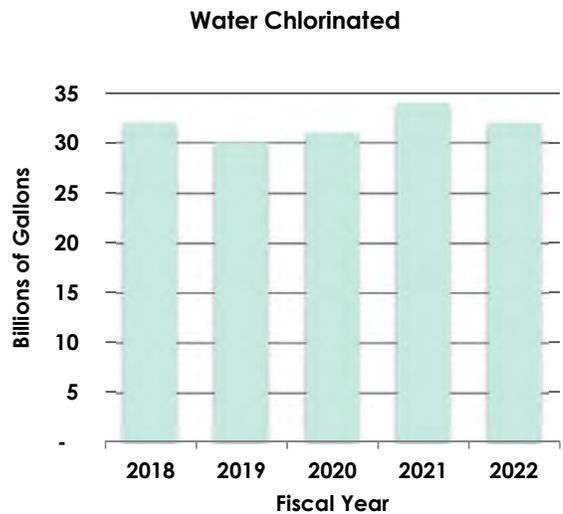
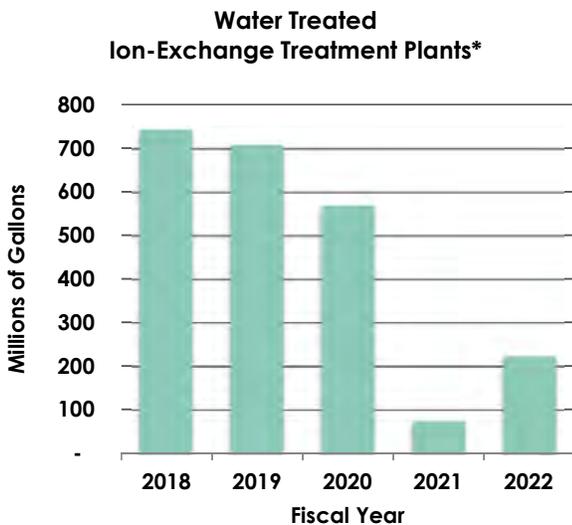
The first graph depicts the percentage of water loss that the District experiences in a given fiscal year. The second graph depicts the domestic distribution failure rate, or the number of leaks/ breaks the District has experienced per 100 miles of pipe. The District's total distribution system includes 2,024 miles of pipe.



CVWD treats the distribution system with chemicals to ensure that service meets all water quality standards, including disinfection/chlorination of domestic water. The District operates two Ion Exchange Treatment Plants (IXTPs) which treat drinking water through a resin media that removes undesired constituents. Operational data is collected and used to optimize treatment processes and practices. Below are graphs depicting chemical usage at the IXTP and well sites over the past five years.

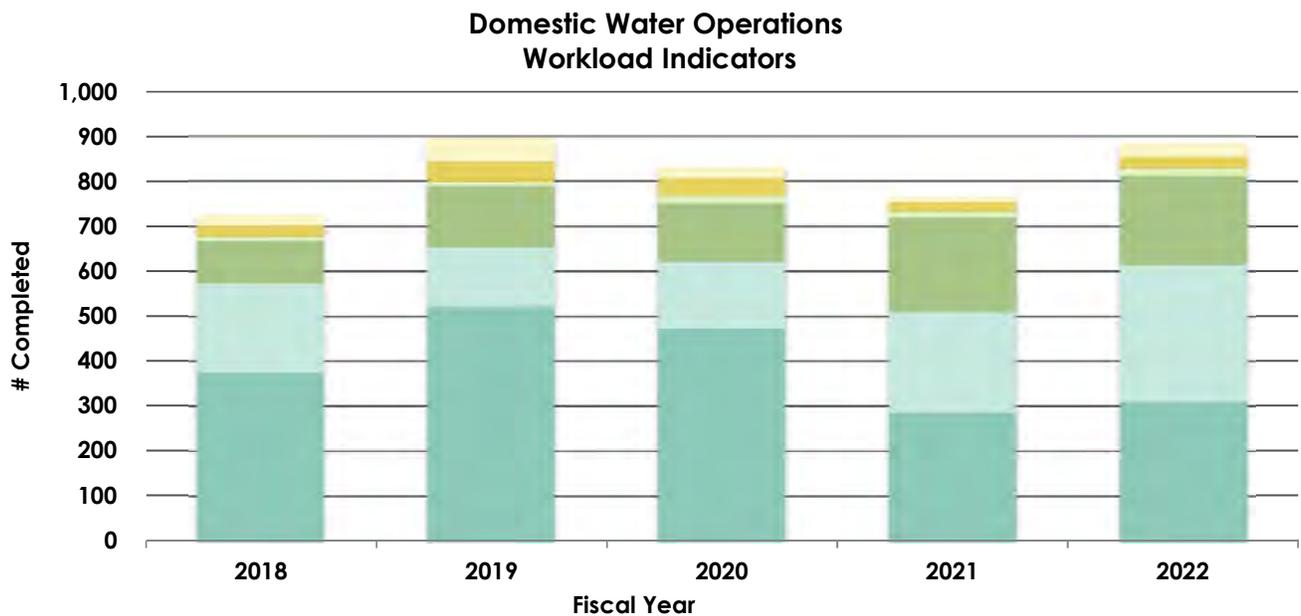
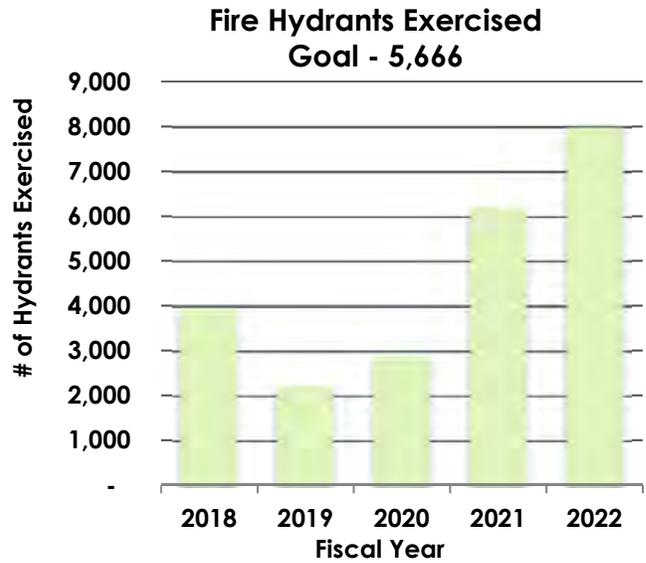
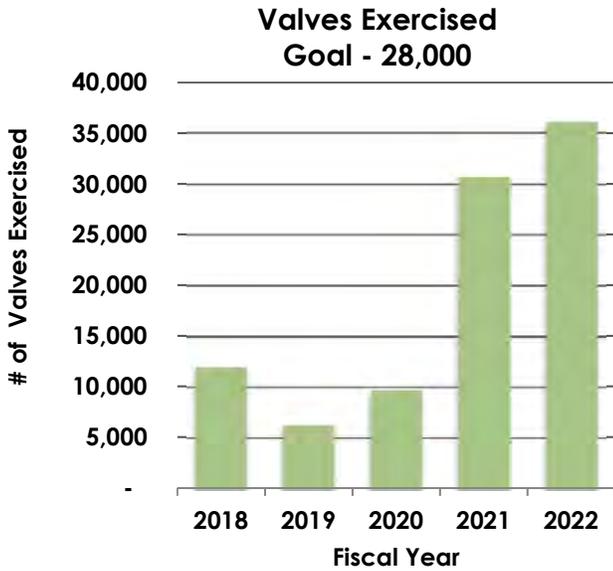


The first graph depicts the amount of water treated at the ion-exchange plants. The second graph shows the amount of water chlorinated. Changes in consumption have a direct correlation to the amount of water chlorinated.



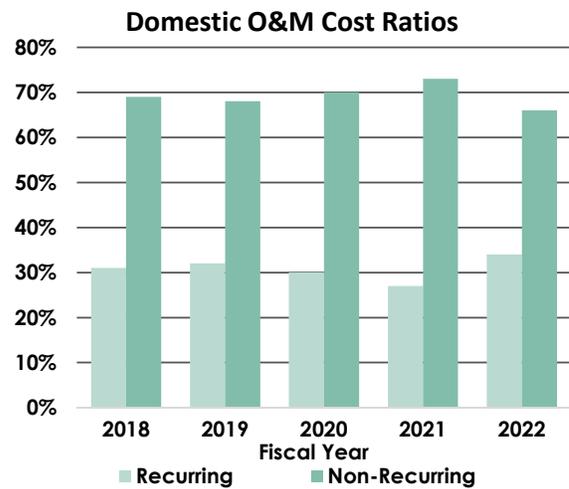
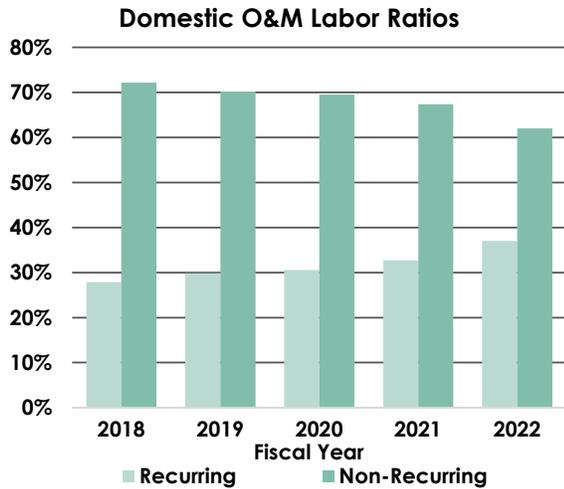
\*Treatment Plants did not operate for most of 2021.

The following graphs show the number of valves and hydrants exercised by the Operations Domestic Water Department. American Water Works Association (AWWA) standards state that all system valves and fire hydrants should be exercised, flushed, and maintained annually.



- Service Line Repairs
- Water Main Repairs
- Service Line Installations
- Fire Hydrant Installations
- Stub-Out Connections
- Detector Check Installations

The following graphs reflect the percentage of costs incurred on recurring and nonrecurring expenses for maintenance activities, along with the percentage of hours worked on recurring and nonrecurring activities.



## FISCAL YEAR 2021-22 ACCOMPLISHMENTS

### Domestic Water

- Completed Phase (I) of the new Comprehensive Proactive Meter Replacement Program.
- Completed the Annual Consumption Meter Testing Program.
- Completed the Annual Backflow Testing Program.
- Completed Update to the Emergency Response Plan.
- Completed FY 2022 Reservoir Inspections.
- Initiated PLC Upgrades project (milestone achieved).

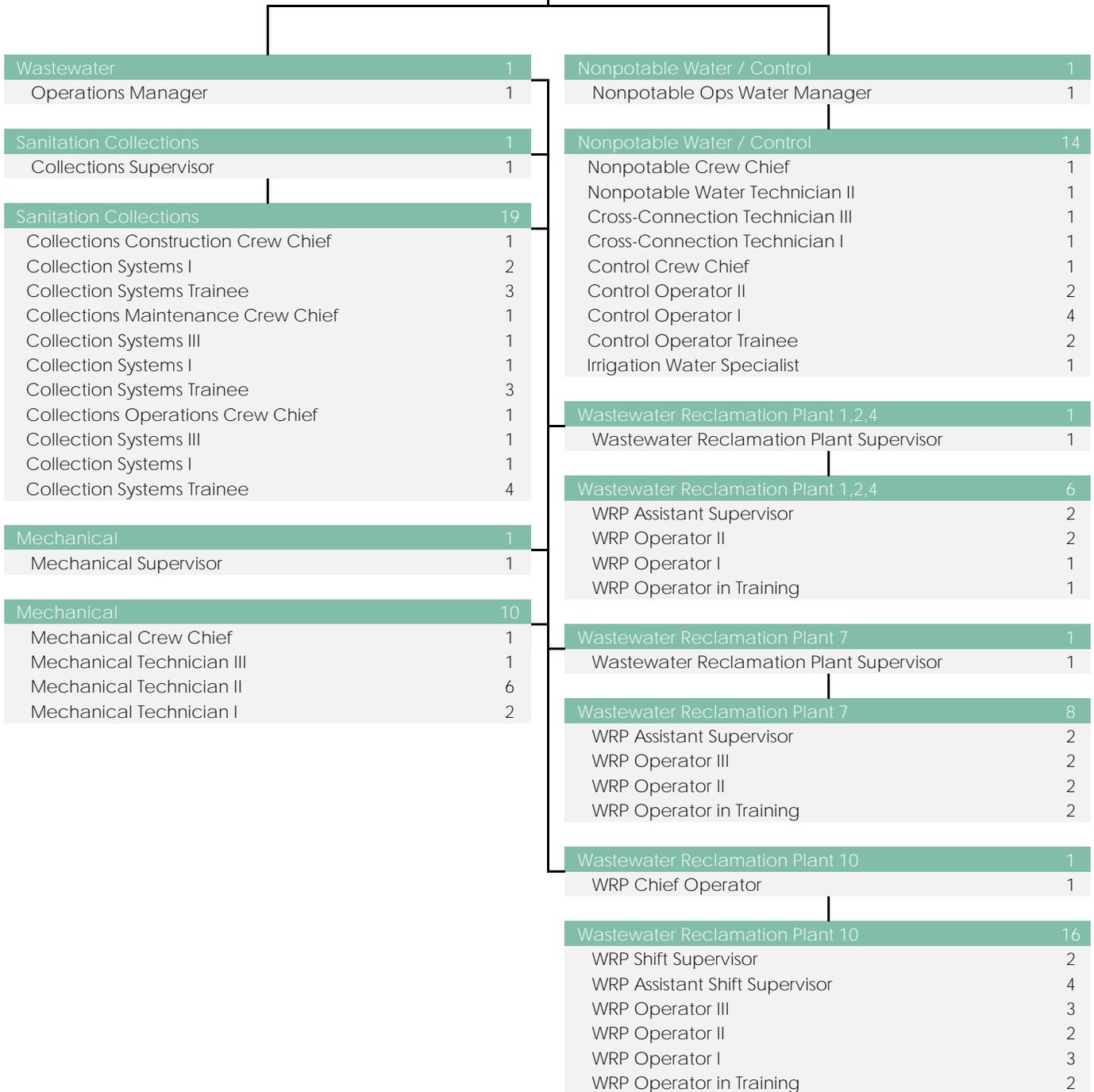
## FISCAL YEAR 2022-23 GOALS

### Domestic Water

- Complete Comprehensive Proactive Meter Replacement Program (Phase II).
- Complete the Annual Consumption Meter Testing Program.
- Complete the Combination Air Valve Upgrade Project (Phase IV).
- Complete the Pressure Regulating Stations Upgrade Project (Phase III).
- Complete the PLC Upgrades Project (Phases I and II).
- Complete Valley Production Zone analysis and improve system operations.

Assistant Director of Operations and Maintenance - Sanitation

Mike Garcia



## SANITATION / NONPOTABLE WATER DIVISION DESCRIPTIONS

Sanitation is responsible for the daily operation of CVWD’s wastewater collection and treatment, which includes optimizing treatment processes, recycling of wastewater, and biosolids to ensure safe and effective handling of wastewater in accordance with all standards. Nonpotable Water is responsible for the daily operation of the nonpotable water system, which includes testing required by the State Water Resources Control Board and maintenance of the distribution system. The Sanitation branch also manages and operates CVWD’s Control Room, including all alarms, after-hour emergencies, and operates the Coachella Canal. Sanitation/Nonpotable/Control Operations concentrates on the following functions and activities:

### Sanitation Collections

Provides first responder services for all sanitary/collection system related issues while maintaining operations 24 hours/day and 7 days/week.

Collects and safely conveys wastewater through 1,129 miles of pipeline to one of five wastewater reclamation plants for treatment.

#### COLLECTIONS CONSTRUCTION

Installs, repairs, reconstructs, and relocates collection systems and nonpotable water distribution system infrastructure.

Assists with the maintenance and repairs of infrastructure at all Water Reclamation Plants.

#### COLLECTIONS MAINTENANCE

Responsible for Jetting/Cleaning Preventative Maintenance Program for the Collections System.

Cleans lift station wet wells, performs manhole maintenance, and responds to customer service calls related to the Collections System.

#### COLLECTIONS OPERATIONS

Completes lift station inspections and cleaning, air relief valve maintenance and repair, and video inspection of the Collection System.

Performs dredging operations, installs bypass protection systems, and troubleshoots problem areas.

Sanitation Operations Workload Measures					
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Vactor/Jetting of Lines - Linear Feet*	563,334	443,740	1,229,409	1,310,484	931,767
Manholes Inspected	20,691	13,321	7,097	13,453	10,633
Air Vac Maintenance	1,180	1,540	1,442	1,785	1,696
Video Assessment of Lines - Linear Feet*	329,717	161,693	437,425	566,310	343,430

\* Includes combined footage completed by CVWD forces & Contractor for FY 2020

**Mechanical**

Performs maintenance, repair and replacement of mechanical equipment at CVWD’s wastewater reclamation plants, lift stations, and pumping plants.

Coordinates the design and construction requirements for mechanical equipment pertaining to the various wastewater systems.

**Nonpotable Water**

Assists customers in maximizing the use of recycled and canal water to reduce reliance on groundwater pumping in order to protect the Coachella Valley’s potable water supply.

Markets and promotes the use of nonpotable water throughout the community and holds an annual training event for recycled water customers.

Performs cross-connection testing for each site that uses recycled water, as regulated by State Water Resource Control Board and Regional Water Quality Control Board.

Ensures that customers irrigating with recycled water are abiding by recycled water regulations.

Operates and maintains the nonpotable water distribution system and appurtenances.

Operates the Palm Desert Replenishment facility.

**CONTROL**

Provides SCADA system monitoring and analysis of all enterprises, including domestic, sanitation, irrigation, stormwater, nonpotable, and other related security systems.

Operates the Coachella Canal, including conveyance, balancing water orders, and water deliveries to the irrigation distribution system.

Provides emergency phone service, dispatch call-outs, system troubleshooting, and public access to CVWD 24 hours/day, 7 days/week.

Control Workload Measures					
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Average Number of Alarms per Shift	432	290	258	846	530
Average Number of Critical Alarms per Shift	41	22	16	45	37
Number of SCADA Alarms per Year	473,246	318,046	282,661	641,920	581,325

**Wastewater Reclamation Plants (WRPs)**

Operates CVWD’s wastewater reclamation plants including the following:

WRPs 1 and 2 treat wastewater by utilizing sludge lagoons and treated effluent percolation ponds which helps replenish the area’s ground water supply.

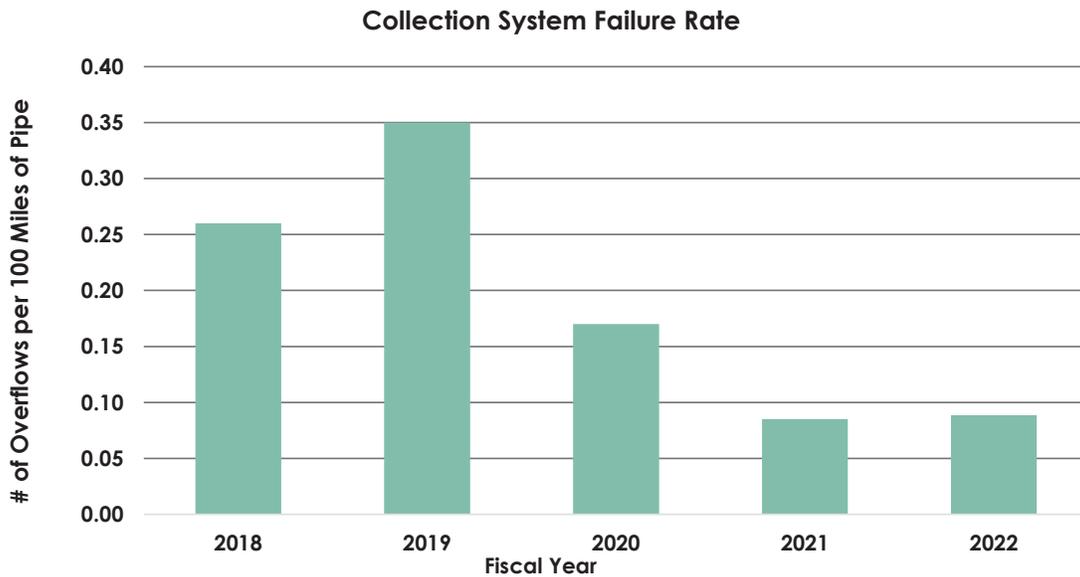
WRP 4 consists of two secondary treatment processes to treat wastewater which include Biolac activated sludge and sludge lagoon treatment. Disinfection is achieved through chlorination and the final effluent is de-chlorinated prior to discharge to meet strict regulatory standards. In addition to the treatment of the wastewater, WRP 4 produces unclassified Biosolids for beneficial reuse.

WRP 4 discharges into the Coachella Valley Stormwater Channel and is the District’s only plant with a National Pollutant Discharge Elimination System (NPDES) permit.

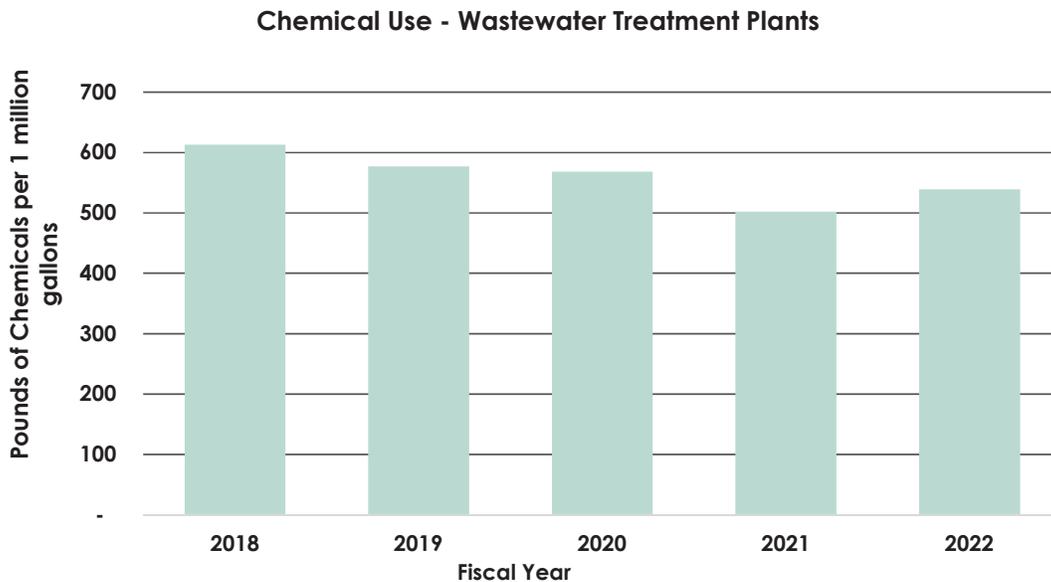
WRPs 7 and 10 are Conventional Activated Sludge Plants that produce secondary and tertiary treated effluent disinfected with chlorine gas to meet CCR Title 22 state standards for nonpotable water for golf course and landscape irrigation. In addition to the treatment of the wastewater, WRP 7 and 10 produce unclassified Biosolids for beneficial reuse. WRP 7 and 10 both operate under Waste Discharge Requirement (WDR) Permits.

**Sanitation Metrics**

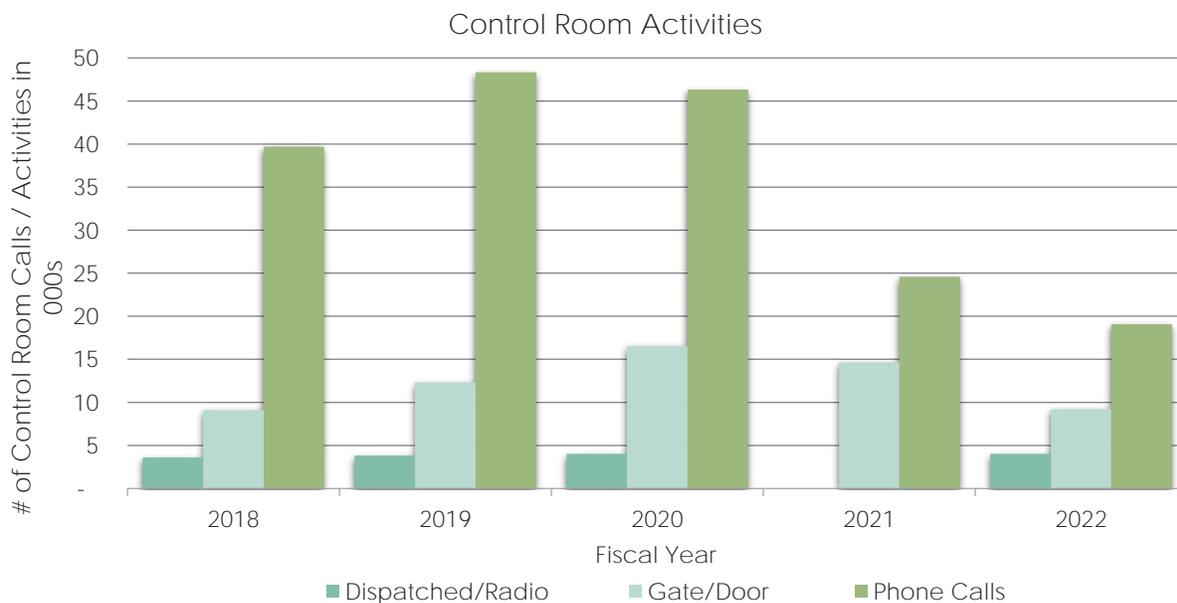
The following graph depicts the District’s collection system fail rate, or the number of overflows the District has experienced per 100 miles of pipe. The District’s collection system includes 1,129 miles of pipe.



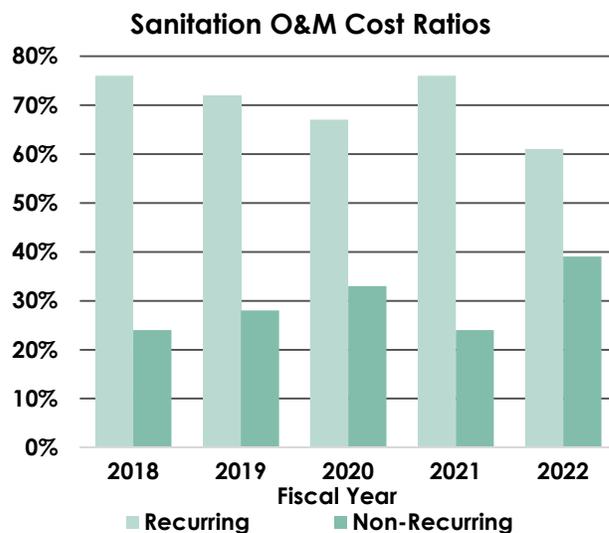
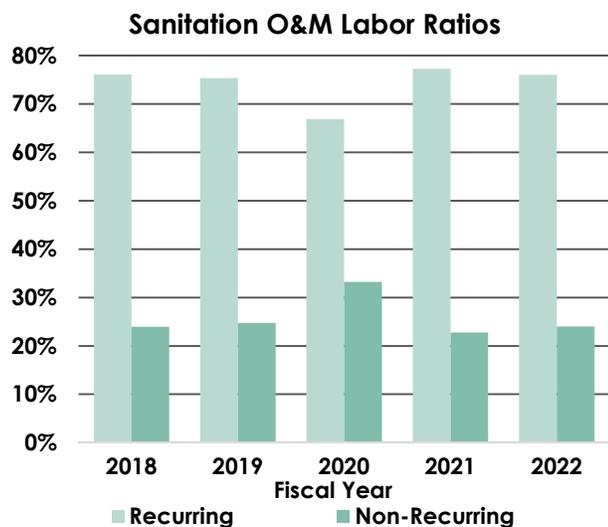
At wastewater treatment plants, chemicals are used in a variety of treatment processes to clean the water to ensure that it can be safely released to the environment. CVWD collects data on the operations to optimize treatment processes and practices. The graph depicts chemical usage at the wastewater treatment plants over the past five-years.



The following graph reflects total calls received, number of gate/door entries facilitated, along with the number of dispatched/radio calls placed by Control annually.



The following graphs reflect the percentage of costs incurred on recurring and nonrecurring expenses for maintenance activities, along with the percentage of hours worked on recurring and nonrecurring activities.



### **FISCAL YEAR 2021-22 ACCOMPLISHMENTS**

#### *Sanitation*

- Completed the B Plant Clarifier Chain and Flights Retrofit Project.
- Completed the Valve Maintenance Exercise and Tracking Program.
- Completed the implementation of the Clean Line Maintenance Optimization Program.
- Completed the Aeration Control System Ammonia Upgrade Project.
- Implemented the regulations for the new recycled water statewide permit.
- Completed the Control Room Standard Operating Procedures and Training Program.

### **FISCAL YEAR 2022-23 GOALS**

#### *Sanitation*

- Develop and implement the Collection System Sewer Odor Control Master Plan.
- Develop and implement a WIMs Collections Program for CCTV, CLM, and system inspection.
- Complete the WRP10 Chlorine vacuum and Polymer Injection Upgrade Project.
- Complete the Underground Piping Composite Plan for all Wastewater Plants.
- Initiate a Pump Efficiency Overhaul Program for all pumps at the Mid-Valley Pump Station and Palm Desert Ground Water Replenishment Facility.
- Develop a canal operating guideline manual to be used for daily operations in the Control Center.

Operations Department	FY 2021 Actual	FY 2022 Actual*	FY 2022 Budget	FY 2023 Budget	Budget Change	% Change
<b>Expenses by Type</b>						
Salaries and Wages	\$ 16,341,044	\$ 17,239,543	\$ 17,527,731	\$ 18,638,850	\$ 1,111,119	6.3%
Employee Benefits	10,135,415	10,830,433	11,337,438	12,521,126	1,183,688	10.4%
Professional Development	47,186	54,975	106,230	107,130	900	0.8%
Professional Services	1,421	2,930	800	800	-	-
Utilities	17,137,743	18,275,592	17,725,441	19,595,466	1,870,025	10.5%
Materials and Supplies	6,797,613	8,546,485	6,428,668	7,142,518	713,850	11.1%
Motorpool	2,661,170	2,975,930	2,678,117	2,787,769	109,652	4.1%
Contract Services	2,577,797	3,104,451	3,041,650	2,722,750	(318,900)	-10.5%
Safety	64,034	60,708	56,750	106,750	50,000	88.1%
Miscellaneous Expense	171,034	11,957	50,020	51,038	1,018	2.0%
Capital Outlay	229,916	17,271	65,000	63,865	(1,135)	-1.7%
Pass Through (Contra Expense)	-	(679,517)	(500,000)	(600,000)	(100,000)	20.0%
<b>Total</b>	<b>\$ 56,164,372</b>	<b>\$ 60,440,758</b>	<b>\$ 58,517,845</b>	<b>\$ 63,138,062</b>	<b>\$ 4,620,217</b>	<b>7.9%</b>
<b>Expenses by Division</b>						
Administration	\$ 913,643	\$ 1,079,269	\$ 941,701	\$ 1,251,038	\$ 309,337	32.8%
Emergency Response	191,397	123,808	199,178	-	(199,178)	-100.0%
Control	1,217,894	1,376,476	1,299,731	1,555,637	255,906	19.7%
Nonpotable Admin	210,422	219,921	227,531	246,275	18,744	8.2%
Production Admin	247,124	561,478	431,565	546,939	115,374	26.7%
Construction Admin	288,053	301,605	297,455	306,481	9,026	3.0%
Wastewater Admin	74,967	284,628	301,927	368,200	66,273	22.0%
Nonpotable Operations	1,673,812	1,522,502	1,253,686	1,514,201	260,515	20.8%
Administration	12,492,285	14,084,125	14,300,432	15,242,705	942,273	6.6%
Date Palm	1,120,566	1,245,554	1,148,691	1,277,358	128,667	11.2%
Valley	1,534,001	1,251,658	1,362,366	1,301,353	(61,013)	-4.5%
Leak Repair	1,208,152	1,274,975	1,324,589	1,330,182	5,593	0.4%
Service Installation	1,180,428	1,270,796	1,180,165	1,323,297	143,132	12.1%
Ops Met Sys - Leak Detect	(20,481)	144	-	-	-	-
La Quinta	1,067,974	1,276,052	1,207,362	1,242,458	35,096	2.9%
Back Flow	816,479	1,297,942	882,079	1,217,125	335,046	38.0%
Ops Met Sys - Meter Rpr	2,492,850	2,875,226	2,505,953	2,428,294	(77,659)	-3.1%
Treatment Administration	272,241	249,194	245,864	277,444	31,580	12.8%
West Shore	1,870,687	2,292,252	2,028,138	2,208,020	179,882	8.9%
Facility/Leak Detection	1,241,885	1,304,089	1,260,999	1,371,216	110,217	8.7%
System Maintenance	776,833	733,924	786,028	780,684	(5,344)	-0.7%
Maintenance Admin	400,070	481,210	482,671	518,338	35,667	7.4%
Valve Repair	965,310	1,212,499	1,050,668	1,135,778	85,110	8.1%
Hydrant Maintenance	1,022,644	955,623	959,795	1,050,205	90,410	9.4%
Pressure Control Devices	1,197,979	1,303,587	1,481,333	1,417,199	(64,134)	-4.3%
Domestic Maintenance	1,405,827	1,356,188	1,398,288	1,490,252	91,964	6.6%
Construction Admin	185,869	269,342	262,974	301,002	38,028	14.5%
Construction Crew 1	1,358,762	1,773,404	1,260,931	1,497,790	236,859	18.8%
Emergency Response Crew	404,177	673,875	356,908	444,307	87,399	24.5%
Collections Admin	478,171	466,112	505,207	507,309	2,102	0.4%
Collections Construction	843,092	884,994	934,938	923,297	(11,641)	-1.2%
Collections Maintenance	1,713,603	1,429,915	1,521,730	1,584,312	62,582	4.1%
Collections Operations	1,102,142	849,693	1,076,729	1,109,776	33,047	3.1%
1,2,4 Administration	1,520,281	1,824,337	1,615,112	1,781,934	166,822	10.3%
WRP 7,9 Administration	1,181,435	1,080,614	908,448	1,116,970	208,522	23.0%
WRP 10 Administration	2,472,990	2,441,543	2,703,414	2,699,118	(4,296)	-0.2%
WRP 1,2,4 Operations	1,524,952	1,432,291	1,460,845	1,694,466	233,621	16.0%
WRP 7,9 Operators	1,468,846	1,606,080	1,663,147	1,859,826	196,679	11.8%
WRP 10 Operators	3,214,460	3,676,861	3,468,243	3,921,614	453,371	13.1%
Administration	200,954	212,268	211,252	227,259	16,007	7.6%
Mechanical Technicians	2,631,599	2,564,224	2,509,772	2,668,403	158,631	6.3%
Pass Through (Contra Expense)	-	-	(500,000)	(600,000)	(100,000)	20.0%
<b>Total</b>	<b>\$ 56,164,372</b>	<b>\$ 61,120,275</b>	<b>\$ 58,517,845</b>	<b>\$ 63,138,062</b>	<b>\$ 4,620,217</b>	<b>7.9%</b>

# OPERATIONS & MAINTENANCE

Operations Department	FY 2021 Actual	FY 2022 Actual*	FY 2022 Budget	FY 2023 Budget	Budget Change	% Change
<b>Expenses by Fund</b>						
Domestic Water	\$ 34,371,057	\$ 39,128,579	\$ 37,268,289	\$ 39,197,151	\$ 1,928,862	5.2%
Canal Water	473,311	541,594	528,638	889,138	360,500	68.2%
West Whitewater Replenishment	1,776,958	1,578,402	1,351,181	2,213,562	862,381	63.8%
East Whitewater Replenishment	86,508	65,723	86,636	44,484	(42,152)	-48.7%
Sanitation	19,406,124	19,763,367	19,736,900	21,343,720	1,606,820	8.1%
Stormwater Fund	50,413	42,611	46,201	50,007	3,806	8.2%
Pass Through (Contra Expense)	-	-	(500,000)	(600,000)	(100,000)	20.0%
<b>Total</b>	<b>\$ 56,164,372</b>	<b>\$ 61,120,275</b>	<b>\$ 58,517,845</b>	<b>\$ 63,138,062</b>	<b>\$ 4,620,217</b>	<b>7.9%</b>

\* Unaudited

## Assistant Director of Operations and Maintenance - Facilities and Maintenance

Chad Austin

<b>Operations</b>	<b>1</b>	<b>Electrical</b>	<b>25</b>
Operations Manager	1	Electrical Supervisor	1
<b>Canal &amp; Irrigation Distribution</b>	<b>17</b>	Electrical Crew Chief	2
Canal & Irrigation Distribution Sup.	1	Electrician IV	1
Canal Crew Chief	1	Electrician III	2
Irrigation Distribution Crew Chief	1	Electrician II	7
Meter Repair Worker I	1	Electrician I	4
Irrigation Utility Worker II	1	HVAC Technician II	2
Irrigation Utility Worker I	2	HVAC Technician I	1
Irrigation System Worker III	1	Pump Maintenance Crew Chief	1
Irrigation System Worker II	3	Maintenance Worker	3
Irrigation System Worker I	6	Maintenance Worker/Operator	1
<b>Facilities Maintenance</b>	<b>7</b>	<b>Stormwater &amp; Drainage</b>	<b>15</b>
Facilities Maintenance Supervisor	1	Stormwater & Drainage Maint. Supv.	1
Facilities Maintenance Crew Chief	1	Stormwater & Drainage Crew Chief	1
Senior Facilities Worker	1	Equipment Operator II	3
Facilities Worker	4	Equipment Operator I	10
<b>Zanjeros</b>	<b>19</b>	<b>Electronics</b>	<b>17</b>
Zanjero Supervisor	1	Electronics Supervisor	1
Zanjero Crew Chief	1	Assistant Electronics Supervisor	1
Zanjero III	3	Electronics Technician III	1
Zanjero II	1	Electronics Technician II	3
Zanjero I	1	Electronics Technician I	9
Zanjero Trainee	10	Electronics Technician Trainee	2
Irrigation Technician	1	<b>Motorpool - Auto Shop</b>	<b>18</b>
Department Aide/Crop Reporter	1	Fleet Manager	1
<b>Building Maintenance</b>	<b>18</b>	Autoshop Supervisor	1
Building Maintenance Supervisor	1	Crew Chief	2
Maintenance Crew Chief	1	Automotive Technician III	2
Building Maintenance Trades Worker	6	Automotive Technician II	3
Maintenance Worker	4	Automotive Technician I	4
Welding Crew Chief	1	Automotive Technician Trainee	2
Welder II	2	Parts Specialist II	1
Welder I	3	Parts Specialist I	1
		Auto Shop Attendant	1

## FACILITIES & MAINTENANCE DIVISION DESCRIPTIONS

Facilities & Maintenance performs a wide range of technical and support services including the following:

### *Stormwater & Drainage*

Maintains the Whitewater River and Coachella Valley Stormwater Channels, their tributaries, the drainage system, and the protective dikes.

Operates and maintains the Whitewater Groundwater Replenishment Facility.

Provides large equipment support services throughout CVWD.

### *Canal*

Maintains the Coachella Canal, including radial gates, canal access roads, slopes, and lateral turnouts.

Operates and maintains the Quagga Mussel Treatment Facility.

### *Irrigation Distribution*

Maintains the Irrigation Distribution System, including 485 miles of pipeline and over 1,200 irrigation meters.

Performs valve replacement, pipe repair, replacement of distribution laterals through coordinated outages.

### *Facilities Maintenance*

Maintains the landscaping for all CVWD campuses and CVWD owned facilities throughout the service area.

Manages on-call maintenance contracts for well sites and undeveloped CVWD properties.

### *Zanjeros*

Delivers canal water to the farming community, golf courses, and other customers through the irrigation delivery system and Mid-Valley pipeline.

Conveys canal water to the Water Reclamation Plants (WRPs) 7 and 10 for blending purposes, and to the Palm Desert and the Thomas E. Levy Groundwater Replenishment Facilities.

### *Electrical*

Maintains all electrical equipment for all CVWD facilities.

Provides electrical design review for capital improvement projects.

#### **HVAC MAINTENANCE**

Maintains all heating, ventilating, and air conditioning (HVAC) equipment for all CVWD facilities.

Maintains CVWD's Climatec software program to ensure optimization of heating/cooling of facilities.

#### **PUMP MAINTENANCE**

Maintains all domestic, irrigation, drainage, and recharge pumps and motors.

Responsible for deep-well video recording and analysis, as well as pump troubleshooting and vibration analysis.

### *Building Maintenance*

Maintains all CVWD Campuses and provides support services for all Departments.

Performs all steel design and fabrications, concrete work, and special coatings/sealants for all CVWD infrastructure.

### *Electronics*

Provides electronic and instrumentation design review for capital improvement projects.

Maintains all programmable logic control systems and related instrumentation for all domestic, sanitation, irrigation, and nonpotable facilities.

### *Motorpool – Auto Shop*

Maintains and services all 971 vehicles and equipment within the CVWD fleet.

Manages all CVWD vehicles and equipment, including procurement and disposal.



*CVWD employee works in the Auto Shop.*

**Facilities & Maintenance Metrics**

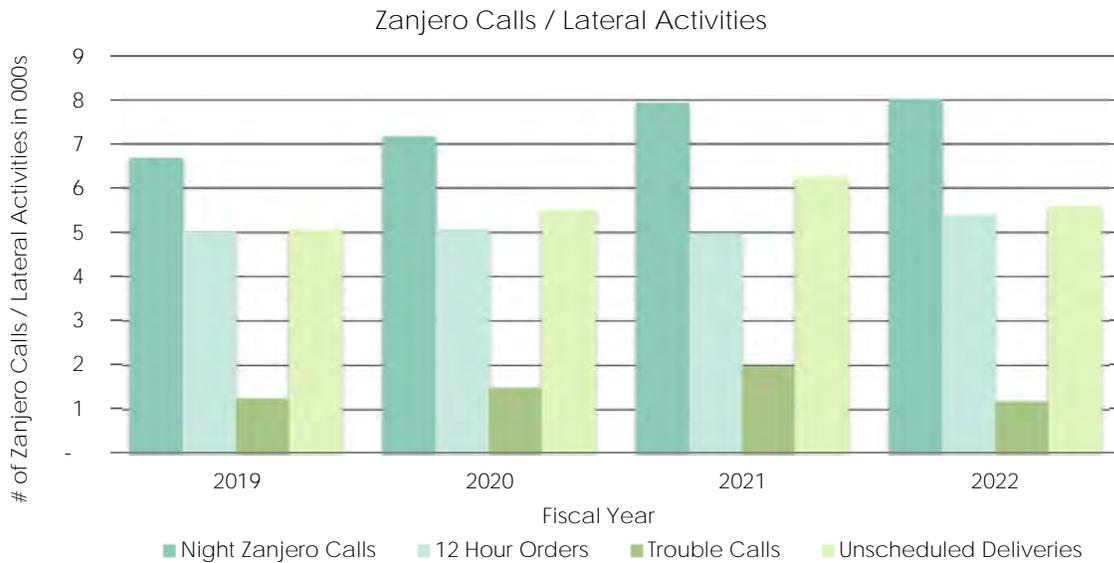
Facilities & Maintenance Workload Measures					
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
<b>Stormwater &amp; Drainage</b>					
Vegetation Maintenance of Stormwater Channel (Linear Feet)	288,535	313,760	453,666	317,381	115,752
Percolation Ponds Ripped	22	9	20	33	28
Percolation Pond Sediment Excavation (Cubic Yards)	178,551	103,509	142,910	37,665	-
Maintenance of Service Roads (Miles)	115	119	70	87	206
<b>Canal</b>					
Concrete Panel Replacement	35	-	-	4	5
Maintenance of Radial Gates	2	4	2	1	2
Maintenance of Canal Service Roads (Miles)	132	142	235	270	84
<b>Distribution</b>					
Replacement of Distribution Valves	30	25	25	48	31
Repair of Distribution Valves	69	80	72	88	69
Distribution Leak Repairs	58	89	69	85	82
Replacement of Distribution Laterals (Linear Feet)	1,222	533	1,093	639	1,726
<b>Facilities Maintenance</b>					
Maintenance of District Facilities	815	812	705	717	926
Inspection of District Facilities	3,698	2,768	1,825	2,024	1,958
Weed Abatement of Facilities	532	253	219	231	165
<b>Electronics</b>					
Plant Instrumentation Calibrations	696	671	471	744	822
Preventative Maintenance of Communication Systems	116	135	68	63	92
Maintenance of Weather Stations	46	31	39	37	48
<b>Electrical</b>					
Electrical Site Maintenance	270	213	140	94	849
HVAC Maintenance					
Maintenance of HVAC Systems	1,241	2,254	2,202	1,950	1,212
Pump Maintenance					
Pump Maintenance	1,433	1,460	1,320	1,243	1,888
Preventative Maintenance of Pump Generators	748	303	301	290	889
<b>Building Maintenance</b>					
Graffiti Removal	44	40	27	120	65
Replacement of Domestic Water Meter Boxes	43	37	19	17	13
Irrigation Meter Can Locking Devices	82	88	86	80	85
Extension of Irrigation Valve Stems	79	72	65	68	68
<b>Zanjeros</b>					
Valves Exercised Annually - Goal 1,000	1,052	1,032	1,230	1,008	1,240
Acre-feet Recharged at TEL	28,290	30,485	36,075	38,016	38,092
Irrigable Acres (calendar year)	76,364	77,103	77,121	78,046	N/A
<b>Motorpool - Auto Shop</b>					
Fleet Capital Improvement Projects Completed	74%	100%	100%	99%	8%
Vehicle Out of Service Percentage - Goal 8% or less	-	4.9%	3.7%	2.0%	9.0%

The following tables reflect the percentage of costs incurred on recurring and nonrecurring expenses for maintenance activities, along with the percentage of hours worked on recurring and nonrecurring activities by division, for the past five years.

Facilities & Maintenance O&M Cost Ratios										
<i>Rec = Recurring Expense</i>	FY 2018		FY 2019		FY 2020		FY 2021		FY 2022	
<i>Non = Non-Recurring Expense</i>	Rec	Non								
<b>Stormwater &amp; Drainage</b>										
Stormwater & Drainage	83%	17%	57%	43%	19%	81%	69%	31%	54%	46%
<b>Canal &amp; Distribution System Maintenance</b>										
Canal Distribution Maintenance	22%	78%	14%	86%	6%	94%	13%	87%	18%	72%
Canal Maintenance	70%	30%	76%	24%	84%	16%	81%	19%	89%	11%
<b>Facilities Maintenance</b>										
Carpenter Shop	3%	97%	5%	95%	6%	94%	18%	82%	21%	79%
Welding Shop	4%	96%	0%	100%	14%	86%	4%	96%	12%	88%
Facilities Maintenance	86%	14%	87%	13%	80%	20%	74%	26%	74%	26%
<b>Electronics</b>										
Electronic Technicians	11%	89%	8%	92%	5%	95%	11%	89%	16%	84%
<b>Electrical</b>										
Electricians	17%	83%	21%	79%	19%	81%	15%	85%	24%	76%
HVAC	53%	47%	51%	49%	58%	42%	51%	49%	50%	50%
<b>Pump Maintenance</b>										
Pump Maintenance	26%	74%	15%	85%	30%	70%	32%	68%	30%	70%
<b>Combined Ratio Facilities &amp; Maintenance</b>	<b>45%</b>	<b>55%</b>	<b>39%</b>	<b>61%</b>	<b>43%</b>	<b>57%</b>	<b>47%</b>	<b>53%</b>	<b>46%</b>	<b>54%</b>

Facilities & Maintenance O&M Labor Hour Ratios										
<i>Rec = Recurring Expense</i>	FY 2018		FY 2019		FY 2020		FY 2021		FY 2022	
<i>Non = Non-Recurring Expense</i>	Rec	Non								
<b>Stormwater &amp; Drainage</b>										
Stormwater & Drainage	67%	33%	53%	47%	37%	63%	59%	41%	42%	58%
<b>Canal &amp; Distribution System Maintenance</b>										
Canal Distribution Maintenance	26%	74%	19%	81%	9%	91%	17%	83%	32%	68%
Canal Maintenance	60%	40%	61%	39%	67%	33%	66%	34%	54%	46%
<b>Facilities Maintenance</b>										
Carpenter Shop	4%	96%	8%	92%	6%	94%	22%	78%	27%	73%
Welding Shop	3%	97%	0%	100%	14%	86%	4%	96%	14%	86%
Facilities Maintenance	86%	14%	87%	13%	80%	20%	75%	25%	75%	25%
<b>Electrical</b>										
Electricians	19%	81%	19%	81%	18%	82%	14%	86%	29%	71%
HVAC	54%	46%	56%	44%	59%	41%	54%	46%	61%	39%
<b>Pump Maintenance</b>										
Pump Maintenance	43%	57%	56%	44%	67%	33%	59%	41%	67%	33%
<b>Electronics</b>										
Electronic Technicians	8%	92%	8%	92%	4%	96%	7%	93%	13%	87%
<b>Combined Ratio Facilities &amp; Maintenance</b>	<b>34%</b>	<b>66%</b>	<b>35%</b>	<b>65%</b>	<b>42%</b>	<b>58%</b>	<b>44%</b>	<b>56%</b>	<b>44%</b>	<b>56%</b>

The following graph depicts the various Zanjero calls and lateral activities that are responded to annually.



## FISCAL YEAR 2021-22 ACCOMPLISHMENTS

### Facilities and Maintenance

- Completed the Ballistics Protection Project at the Palm Desert Operations Facility.
- Completed the upgrade of the SCADA Polling radio system to Ethernet radios.
- Maintained Fleet Vehicle availability above 91%.
- Completed the WRP 10 Headworks Alarm Redundancy Project.
- Completed the replacement of A/C units at eleven (11) MCC Buildings along the Canal.
- Completed the WRP-7 RAS Pumps VFD's Replacement Project.

## FISCAL YEAR 2022-23 GOALS

### Facilities and Maintenance

- Complete the Coachella Canal Panel Maintenance/Replacement Project, Phase 2.
- Complete the planned replacement of three in-line Irrigation Distribution Meters.
- Complete well rehabilitation and new pump installation at Well No. 5711.
- Complete Coachella Roof Safety Project- Phase 1.
- Complete Coachella Board Conference Room Remodel Project.
- Replace the Halon Fire Suppression systems at WRP-10 and Coachella.

# OPERATIONS & MAINTENANCE

Maintenance Department	FY 2021 Actual	FY 2022 Actual*	FY 2022 Budget	FY 2023 Budget	Budget Change	% Change
<b>Expenses by Type</b>						
Salaries and Wages	\$ 10,964,699	\$ 10,953,191	\$ 11,420,488	\$ 12,069,542	\$ 649,054	5.7%
Employee Benefits	6,604,103	6,841,653	7,304,929	8,018,528	713,599	9.8%
Professional Development	35,731	81,286	87,500	85,300	(2,200)	-2.5%
Professional Services	182,811	438,225	521,000	720,000	199,000	38.2%
Utilities	2,688,227	3,178,537	2,778,793	3,339,823	561,030	20.2%
Materials and Supplies	4,110,376	4,565,042	3,668,100	4,990,800	1,322,700	36.1%
Motorpool	2,517,833	3,049,479	2,911,209	2,702,136	(209,073)	-7.2%
Contract Services	3,842,803	3,974,749	4,935,730	7,198,556	2,262,826	45.8%
Safety	71,907	73,376	66,600	66,600	-	-
Miscellaneous Expense	292,539	203,987	334,000	334,000	-	-
Capital Outlay	48,550	287,920	291,850	15,630	(276,220)	-94.6%
Pass Through (Contra Expense)	-	(271,052)	(400,000)	(300,000)	100,000	-25.0%
<b>Total</b>	<b>\$ 31,359,578</b>	<b>\$ 33,376,392</b>	<b>\$ 33,920,199</b>	<b>\$ 39,240,915</b>	<b>\$ 5,320,716</b>	<b>15.7%</b>
<b>Expenses by Division</b>						
Administration	\$ 1,495,096	\$ 2,037,470	\$ 2,141,988	\$ 2,298,310	\$ 156,322	7.3%
Buildings and Facilities	1,439,325	1,488,799	1,548,556	1,610,111	61,555	4.0%
Administration	596,994	648,219	630,943	677,543	46,600	7.4%
Carpentry	1,675,027	1,869,093	1,622,737	1,927,754	305,017	18.8%
Welding	901,240	980,813	901,017	970,827	69,810	7.7%
Administration	629,990	672,585	642,559	685,042	42,483	6.6%
FM Workers	659,075	693,600	721,165	758,851	37,686	5.2%
Administrative	668,177	707,931	891,568	934,312	42,744	4.8%
Electricians	3,233,165	3,213,161	3,718,302	5,264,400	1,546,098	41.6%
Pump Maintenance	1,013,530	1,152,362	1,153,797	1,443,875	290,078	25.1%
Air Conditioners	570,764	596,070	563,198	607,625	44,427	7.9%
Administration	1,318,427	1,264,958	1,212,920	1,406,989	194,069	16.0%
Distribution Maintenance	1,110,641	1,373,806	1,263,345	1,286,747	23,402	1.9%
Canal Maintenance	2,967,726	3,337,253	2,924,729	4,183,269	1,258,540	43.0%
Administration	926,299	1,049,827	1,018,886	1,078,953	60,067	5.9%
Electronic Technicians	2,772,721	2,960,473	2,881,263	3,181,735	300,472	10.4%
Administration	538,827	439,746	478,775	507,344	28,569	6.0%
Stormwater Drainage Crew	4,567,623	4,680,806	5,288,965	5,552,406	263,441	5.0%
Administration	220,732	807,302	1,145,391	1,066,650	(78,741)	-6.9%
Zanjeros	4,054,200	3,673,169	3,570,095	4,098,172	528,077	14.8%
Pass Through (Contra Expense)	-	-	(400,000)	(300,000)	100,000	-25.0%
<b>Total</b>	<b>\$ 31,359,578</b>	<b>\$ 33,647,444</b>	<b>\$ 33,920,199</b>	<b>\$ 39,240,915</b>	<b>\$ 5,320,716</b>	<b>15.7%</b>
<b>Expenses by Fund</b>						
Domestic Water	\$ 7,517,099	\$ 8,004,104	\$ 8,241,342	\$ 10,917,511	\$ 2,676,169	32.5%
Canal Water	11,215,024	12,078,856	11,810,174	14,047,789	2,237,615	18.9%
West Whitewater Replenishment	1,333,460	1,133,330	1,466,728	1,488,762	22,034	1.5%
Mission Creek Replenishment	5,266	1,184	-	-	-	-
East Whitewater Replenishment	2,208,574	2,570,962	2,263,645	1,993,767	(269,878)	-11.9%
Sanitation	4,929,553	5,307,193	5,518,022	5,863,599	345,577	6.3%
Stormwater Fund	3,814,349	3,976,411	4,634,984	4,984,793	349,809	7.5%
Motor Pool Fund	336,253	575,405	385,304	244,694	(140,610)	-36.5%
Pass Through (Contra Expense)	-	-	(400,000)	(300,000)	100,000	-25.0%
<b>Total</b>	<b>\$ 31,359,578</b>	<b>\$ 33,647,444</b>	<b>\$ 33,920,199</b>	<b>\$ 39,240,915</b>	<b>\$ 5,320,716</b>	<b>15.7%</b>

\* Unaudited

Motorpool Department	FY 2021 Actual	FY 2022 Actual*	FY 2022 Budget	FY 2023 Budget	Budget Change	% Change
<b>Expenses by Type</b>						
Salaries and Wages	\$ 1,564,381	\$ 1,691,441	\$ 1,645,264	\$ 1,740,078	\$ 94,814	5.8%
Employee Benefits	991,027	1,072,380	1,074,851	1,173,578	98,727	9.2%
Professional Development	9,389	6,500	15,000	14,500	(500)	-3.3%
Self-Insurance Costs	236,268	-	400,000	-	(400,000)	-100.0%
Utilities	1,045	1,288	2,500	3,000	500	20.0%
Materials and Supplies	871,510	950,363	762,350	861,500	99,150	13.0%
Motorpool	228,319	173,949	152,550	140,000	(12,550)	-8.2%
Contract Services	321,523	534,585	608,465	421,229	(187,236)	-30.8%
Safety	8,180	10,000	5,600	5,600	-	-
Miscellaneous Expense	2,859	(18,615)	-	1,500	1,500	-
Capital Outlay	47,037	-	-	-	-	-
Pass Through (Contra Expense)	-	-	-	-	-	-
<b>Total</b>	<b>\$ 4,281,538</b>	<b>\$ 4,421,890</b>	<b>\$ 4,666,580</b>	<b>\$ 4,360,985</b>	<b>\$ (305,595)</b>	<b>-6.5%</b>
<b>Expenses by Division</b>						
Auto Shop	\$ 3,373,786	\$ 3,234,059	\$ 3,480,609	\$ 3,111,700	\$ (368,909)	-10.6%
Service Station	228,795	269,591	258,690	265,326	6,636	2.6%
Administration	678,958	918,239	927,281	983,959	56,678	6.1%
Pass Through (Contra Expense)	-	-	-	-	-	-
<b>Total</b>	<b>\$ 4,281,538</b>	<b>\$ 4,421,890</b>	<b>\$ 4,666,580</b>	<b>\$ 4,360,985</b>	<b>\$ (305,595)</b>	<b>-6.5%</b>
<b>Expenses by Fund</b>						
Domestic Water	\$ 94,771	\$ 93,936	\$ -	\$ 73,500	\$ 73,500	-
Canal Water	14,243	16,061	-	21,000	21,000	-
West Whitewater Replenishment	6	-	-	-	-	-
East Whitewater Replenishment	1,416	2,382	-	4,200	4,200	-
State Water Project	-	-	-	-	-	-
Sanitation	111,828	88,445	-	84,000	84,000	-
Stormwater Fund	1,391	723	-	-	-	-
Motor Pool Fund	4,057,884	4,220,343	4,666,580	4,178,285	(488,295)	-10.5%
Pass Through (Contra Expense)	-	-	-	-	-	-
<b>Total</b>	<b>\$ 4,281,538</b>	<b>\$ 4,421,890</b>	<b>\$ 4,666,580</b>	<b>\$ 4,360,985</b>	<b>\$ (305,595)</b>	<b>-6.5%</b>

\* Unaudited



*Leak repair*

# CAPITAL IMPROVEMENTS



### *What are Capital Improvements?*

Capital improvements include the purchase, construction, replacement, addition, or major repair of public facilities, infrastructure, and equipment. The selection and evaluation of capital projects involves analysis of District requirements, growth assumptions, evaluation of age/risk of failure, and the consideration of historical perspectives. A capital project has a monetary value of at least \$10,000, a useful life of more than a year, and results in the creation or revitalization of a fixed asset. A capital project is relatively large compared to other smaller capital outlay items included in the annual operating budget. Vehicles and heavy equipment are considered capital assets by the District for the purpose of financial planning.

### *Capital Asset Policy*

The Coachella Valley Water District has a significant investment in a variety of capital assets, which are used to provide services to customers. Per the District's Capital Asset Policy, an asset costing \$10,000 or more, and with a useful life of more than one year is depreciated for financial accounting purposes. A capital asset acquired with federal grant funds is capitalized if it has a cost greater than \$5,000. Land is not subject to capitalization thresholds. All land purchases, regardless of cost, are capitalized and are non-depreciable. In addition, water rights are not subject to capitalization thresholds. All water right purchases, regardless of cost, are capitalized and are non-depreciable.

### *What is the Capital Improvement Plan (CIP)?*

The CIP is the multiyear plan used to identify and coordinate public facility and equipment needs in a way that maximizes the return to ratepayers. Planning for District projects helps the Board, staff, and public make choices based on anticipated need, rather than reacting to events as they occur. The CIP represents improvements or replacements that are viewed as critical and have a funding plan. This system of CIP management is important because: (1) the consequences of investments in capital improvements extend far into the future; (2) decisions to invest are often irreversible; and (3) such decisions significantly influence a community's ability to grow and prosper.

### *The CIP Process*

The development and update of the CIP is an ongoing activity, and is included in the budget process since current year capital improvements are implemented through adoption of the annual budget. Specific activities in the process include:

**ESTABLISHING TIMETABLES, GOALS, AND OBJECTIVES:** At the onset of the budgeting process, the CIP update begins with formal budget planning discussions between management, department heads, and the Board of Directors. Timetables are set that extend through development and final adoption of the budget. District goals and objectives are reviewed to ensure that they are being met through the budget cycle.

**TAKING INVENTORY AND DEVELOPING PROPOSALS:** Staff gathers information and assesses the condition of District capital facilities and equipment. After review, staff carefully considers the need for construction, repair, replacement, and additions. From there, a list of proposed projects and equipment is developed.

**CONDUCTING FINANCIAL ANALYSIS:** Finance staff conducts analysis of historic and projected revenues and expenses in order to estimate the District's cash flow and long-term financial condition. Capital financing alternatives are identified, and recommendations are prepared to match the type of funding most appropriate for specific capital improvements.

### *How are Capital Improvements Funded?*

Various funding sources are available, including pay-as-you-go, reimbursements, grants, debt, restricted developer fees such as Sanitation Capacity Charges (SCC), and Water System Backup Facility Charges (WSBFC). Each project is reviewed to determine the appropriate financing for it. The following list provides additional information on typical funding sources:

**PAY-AS-YOU-GO (PAY-GO):** To the extent that there is available cash within an enterprise fund, the District generally funds capital projects on a pay-as-you-go basis.

**REIMBURSEMENTS:** The District often enters into agreements with other entities whereby certain projects will be built by CVWD with the understanding that all, or a portion of the project, will be reimbursed by that entity.

**GRANTS:** The District actively pursues eligible state and federal grant programs to help finance much needed capital improvement projects. Most grants are received on a reimbursement basis and may require a District match, meaning the District must initially pay for the cost of the project and seek reimbursement from the granting agencies, and contribute to any required match with pay-go funding.

**DEBT:** As the need for large capital improvement projects has increased, the District has pursued alternative financing options including federal and state loans and the issuance of public debt to fund needed projects.

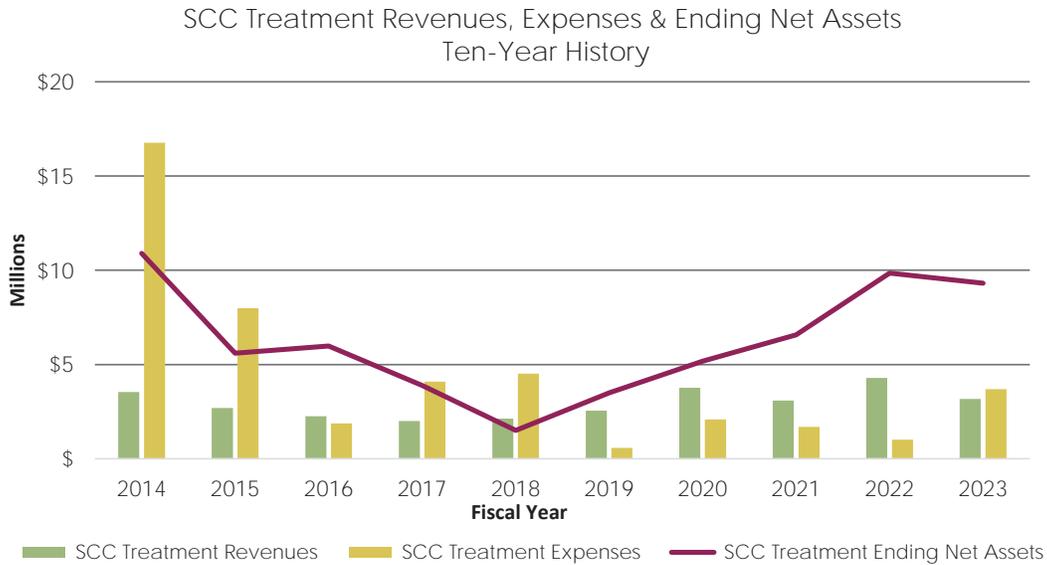
**SUPPLEMENTAL WATER SUPPLY CHARGE (SWSC):** These restricted funds are used to fund supplemental water projects to ensure the District has adequate water supplies. Fiscal year 2023 projects partially funded by SWSC include various nonpotable water connection projects and the Palm Desert Ground Water Replenishment Facility, Phase 2 project. This charge is being replaced by the Water Demand Offset Fee.

**WATER DEMAND OFFSET FEE:** The Water Demand Offset Fee is a new stand-alone charge intended to fund the construction of new nonpotable water facilities and conservation programs that reduce groundwater pumping. Implementation will mitigate impacts due to new developments by funding source substitution and conservation projects, thereby reducing demand for potable groundwater and relieving some pressure on the Sanitation Fund for construction of nonpotable water systems. The proposed approach, based on projected potable demands, encourages dual-plumbed systems and the use of nonpotable water. With these efforts, CVWD will be better able to achieve the goal of groundwater basin sustainability.

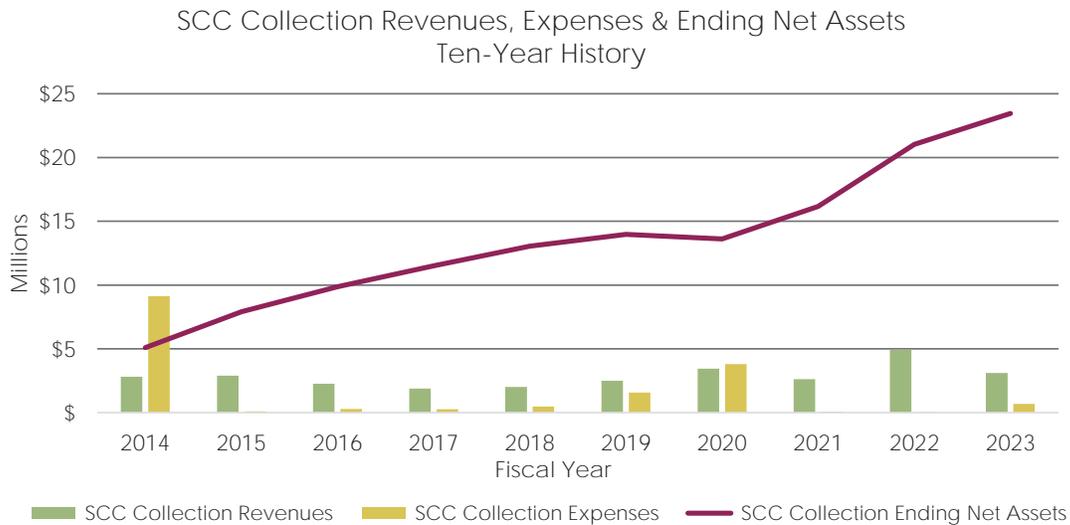
**SANITATION CAPACITY CHARGES (SCC):** The District assesses SCC-Collection and SCC-Treatment fees on all new development, redevelopment projects, connections to existing residential units, and upgrades of existing commercial units within the District's sanitation service area. These restricted funds can only be used for constructing backbone facilities for collection and treatment of wastewater to provide additional sanitation service.

## CAPITAL IMPROVEMENTS |

The following charts display fiscal year 2014 through 2022 and projected 2023 SCC Treatment and Collection revenues, expenses, and ending net assets. SCC-Treatment projected expenses for fiscal year 2023 are higher than projected revenues, which results in a decrease in year-end net assets.

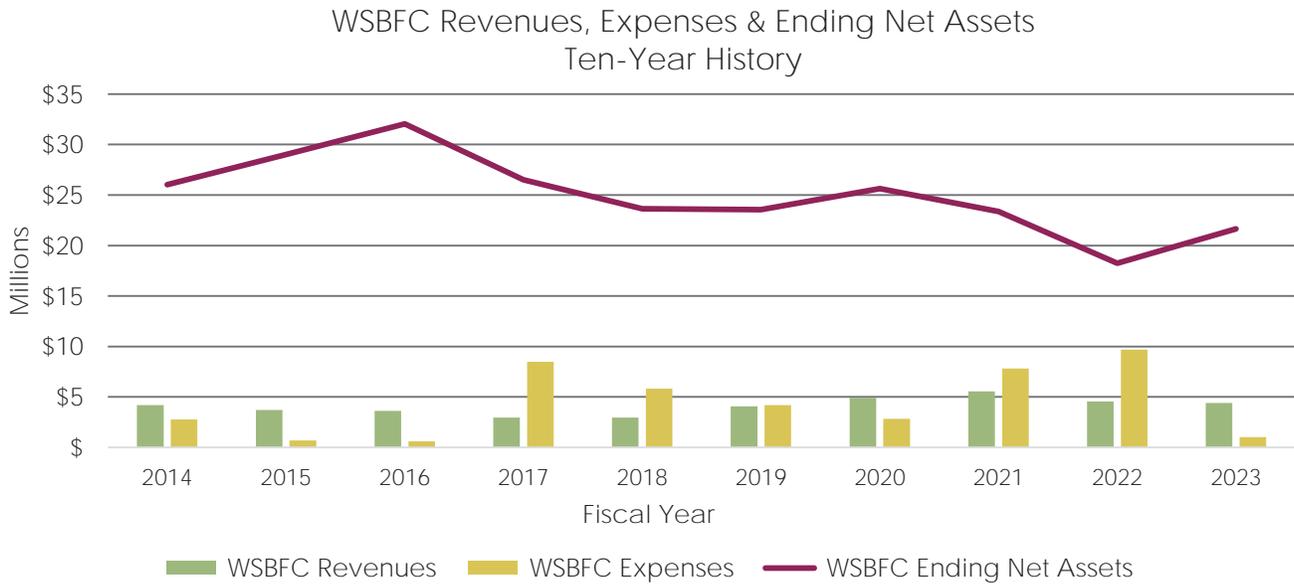


SCC-Collection projected revenues for 2023 are projected to be higher than estimated expenditures, resulting in an increase in year-end net assets.



**WATER SYSTEM BACKUP FACILITY CHARGES (WSBFC):** The District assesses the WSBFC on all new development and redevelopment projects within the District’s domestic water service area. These restricted funds can only be used for constructing backup water facilities to ensure domestic water availability for new development projects. Backup facilities include wells, treatment facilities, booster stations, reservoirs, and large diameter transmission mains. The following chart shows actual fiscal year 2014 through 2022 and projected 2023 Water System Backup Facility Charge revenues, expenses, and ending net assets.

Projected revenues for fiscal year 2023 are greater than budgeted expenses, which will result in an increase in year-end net assets.



**The Five-Year CIP**

The fiscal year 2023-2027 Capital Improvement Plan totals \$594.4 million. The District expects to fund projects with Pay-Go funding, grants, and restricted developer fees such as Sanitation Capacity Charges and Water System Backup Facility Charges. Debt includes the Water Infrastructure Finance Innovation Act (WIFIA) loan, State Revolving Fund loan, Stormwater debt proceeds, and short-term notes for the Domestic fund.

**Five-Year Capital Improvement Plan**

Fund	Budget	Planned				Total
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	
Domestic Water	\$32,931,700	\$32,279,350	\$29,790,350	\$23,898,750	\$15,693,750	\$134,593,900
Canal Water	14,363,400	13,181,050	10,510,050	9,446,250	6,403,250	53,904,000
Sanitation	37,621,145	46,032,653	38,117,237	41,195,482	32,738,564	195,705,081
Stormwater	81,289,622	58,064,236	10,150,350	10,581,250	9,731,250	169,816,708
West Whitewater Replenishment	5,466,535	9,909,800	1,997,134	162,500	162,500	17,698,469
East Whitewater Replenishment	5,916,440	2,799,000	949,000	162,500	162,500	9,989,440
Motorpool	2,488,000	2,550,000	2,533,000	2,609,000	2,550,000	12,730,000
<b>Total Five-Year CIP</b>	<b>\$180,076,842</b>	<b>\$164,816,089</b>	<b>\$94,047,121</b>	<b>\$88,055,732</b>	<b>\$67,441,814</b>	<b>\$594,437,598</b>

**GENERAL DISTRICT** projects total \$17.6 million over the next five fiscal years. These projects are districtwide in nature and not specific to any fund. Expenses are charged to the following enterprise funds: Domestic Water, Canal Water, Sanitation, Stormwater, East Whitewater Replenishment and West Whitewater Replenishment on an allocation methodology based on districtwide labor costs. Funding will be primarily provided by Pay-Go funds with the exception of two partially funded grant projects.

**DOMESTIC WATER** projects total approximately \$134.6 million over the next five fiscal years. The focus for the Domestic Water Fund includes approximately \$110.3 million in water main improvements and booster station upgrades. Reservoir construction combined with the well drilling and upgrades program amount to approximately \$10 million. General District CIP projects require a \$7.8 million allocation to the Domestic Water Fund. Approximately 70% of the five-year CIP budget will be spent over the next three years. Pay-Go funding, Water System Backup Facility Charges, grants, and debt financing will provide the necessary funding for these projects.

**CANAL WATER** projects total \$53.9 million over the next five fiscal years. Canal projects include irrigation lateral replacements and improvements for over \$36.6 million, and drain replacement projects for approximately \$2.1 million. Construction of canal storage and pump station relocation projects total \$10.7 million, and the Canal fund's share of General District CIP projects is \$4.5 million. Debt financing will be the primary source of funding, subsidized by Pay-Go.

**SANITATION** projects total approximately \$195.7 million over the next five fiscal years. This includes approximately \$30.9 million for Water Reclamation Plant (WRP) 10 treatment upgrades, \$40.1 million for WRP 7, over \$4.1 million for WRP 4 and \$50,000 for WRP 2. In addition, there is over \$51 million in collection system and lift station upgrades. Nonpotable Water Pipeline (NPW) connections total \$63.9 million. A Clean Water SRF loan will fund the first phase of these projects, and a Water Infrastructure Improvements for the Nation Act (WIIN) grant application has been submitted to augment funding. Sanitation projects will be funded with a combination of Pay-Go funding, Sanitation Capacity Charge fees, Supplemental Water Supply Charge fees, grants, and debt financing over the next five years.

**STORMWATER** projects total approximately \$169.8 million over the next five fiscal years. Approximately \$605,000 is allocated to General District projects in the CIP. Projects will be funded using Pay-Go funding, grants, and debt financing.

**REPLENISHMENT** projects amount to approximately \$27.7 million over the next five fiscal years. \$17.7 million of this amount is budgeted for the West Whitewater Replenishment Fund and approximately \$10 million for the East Whitewater Replenishment Fund. A combination of Pay-Go funding, Supplemental Water Supply Charge revenue, and debt financing will provide necessary funding over the next five years.

**MOTORPOOL** projects amount to over \$12.7 million for the next five fiscal years, and consist of vehicle and other equipment replacements. All funding is provided from Pay-Go funds. At year-end, funds are transferred into the Motorpool Fund from the District's enterprise funds based on the actual benefit of equipment received.

**SIGNIFICANT MULTI-YEAR CAPITAL IMPROVEMENT PROJECTS** The District's five-year CIP includes several significant multi-year capital improvement projects. These projects have a considerable impact on the five-year forecast, and/or rarely occur. For detailed information on each of the projects listed below, please refer to the corresponding funds in this chapter.

- Automated Delivery for the Palm Desert Ground Water Replenishment Facility - West Replenishment
- Avenue 66 Transmission Main, Phase 1B & 2 - Domestic Water
- Coachella Valley Stormwater Channel Improvements - Avenue 54 to the Thermal Drop Structure - Stormwater
- North Indio Regional Flood Control System, Phase 2 - Stormwater
- Sun City Palm Desert Water Main Replacement, Phase 2B - Domestic Water
- T1 Pump Station Replacement - Sanitation
- Valley View Transmission Main Consolidation - Domestic Water
- WRP 10 Headwork's Improvements (Storage and Controls) - Sanitation
- WRP 7 Aeration Improvements - Sanitation
- WRP 7 Phase 1 Recycled Water Expansion - Sanitation
- WRP 7 Recycled Water Expansion - Sanitation

## FISCAL YEAR 2023 CAPITAL IMPROVEMENT BUDGET (CIB)

The fiscal year 2023 Capital Improvement Budget was adopted by the Board with the operating budget, and amounts to over \$180 million. Approximately \$5.3 million in District labor that will be capitalized with the projects is included. The Salaries & Benefits line item within in the Operating Budget is presented net of capitalized labor in order to accurately reflect project costs. Fiscal year 2023 capital improvements consist of projects in each of the District’s enterprise funds, as well as the Motorpool internal service fund. All projects are accounted for and funded by each individual fund.

The District plans to spend over \$68.9 million in Pay-Go funds in fiscal year 2023. Funding from SCC-Collection and SCC-Treatment revenues are budgeted at \$675,000 and \$3.7 million, respectively. Funding from WSBFC fees total over \$1 million; grants are \$20.6 million; and debt proceeds include \$73.6 million in funding.

The following ongoing projects have a significant impact to the fiscal year 2023 Capital Improvement Budget since the majority of expenses will be incurred in 2023.

- Adams Street Water Main Replacement, Phase I – Domestic Water
- Automated Delivery for the Palm Desert Ground Water Replenishment Facility – West Replenishment
- Avenue 66 Transmission Main, Phase 1B & 2 – Domestic Water
- Coachella Valley Stormwater Channel Improvements-Avenue 54 to the Thermal Drop Structure - Stormwater
- Irrigation Lateral 123.45-1.3-2.2 and Lateral 123.45-1.3-2.8 Division Box Replacement – Canal Water
- North Indio Regional Flood Control System, Phase 2 - Stormwater
- North Shore Water Main Replacements – Domestic Water
- Oasis In-Lieu Recharge, Phase 2 – East Replenishment
- T1 Pump Station Replacement - Sanitation
- WRP 7 Aeration Improvements - Sanitation

The following table and charts show planned improvements by fund and funding sources for fiscal year 2023.

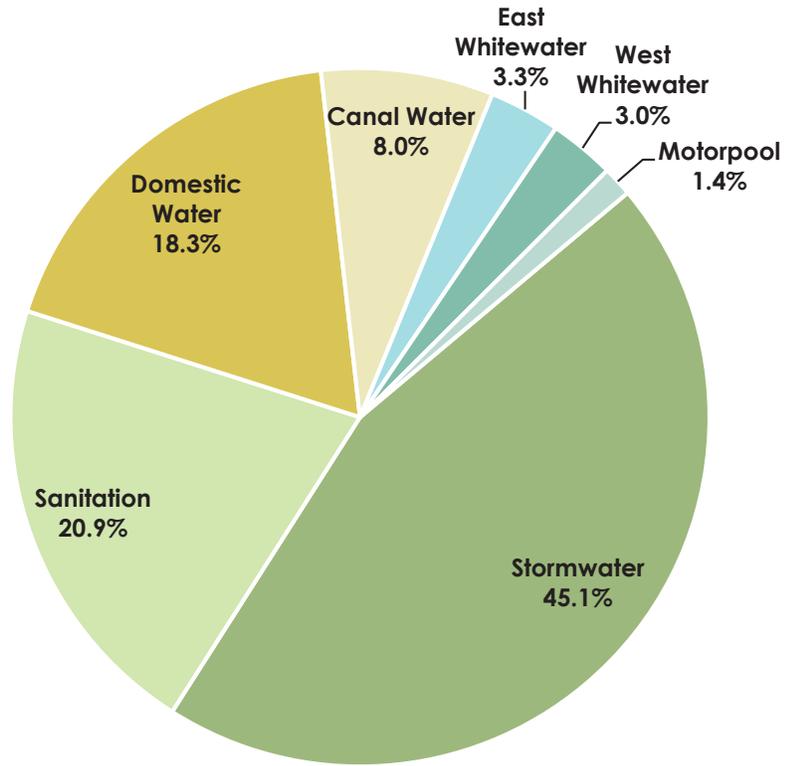
**Fiscal Year 2023 Capital Improvement Budget - Projects by Fund**

Fund	Funding Sources				Restricted Reserves				Total
	Pay-Go	Grant	Other	Debt	WSBFC	SCC	SCC	SWSC	
						Treatment	Collection		
Domestic Water	\$4,735,100	\$15,319,600	\$ -	\$11,857,000	\$1,020,000	\$ -	\$ -	\$ -	\$32,931,700
Canal Water	7,725,900	-	1,887,500	4,750,000	-	-	-	-	14,363,400
Sanitation	17,548,895	5,484,250	-	8,821,800	-	3,700,000	675,000	1,391,200	37,621,145
Stormwater	32,957,371	75,000	-	48,257,251	-	-	-	-	81,289,622
West Whitewater	1,327,362	-	-	-	-	-	-	4,139,173	5,466,535
East Whitewater	416,440	-	-	5,500,000	-	-	-	-	5,916,440
Motorpool	2,488,000	-	-	-	-	-	-	-	2,488,000
<b>Total Budget</b>	<b>\$67,199,068</b>	<b>\$20,878,850</b>	<b>\$1,887,500</b>	<b>\$79,186,051</b>	<b>\$1,020,000</b>	<b>\$3,700,000</b>	<b>\$675,000</b>	<b>\$5,530,373</b>	<b>\$180,076,842</b>

**Capital Improvements**

*Projects by Fund*

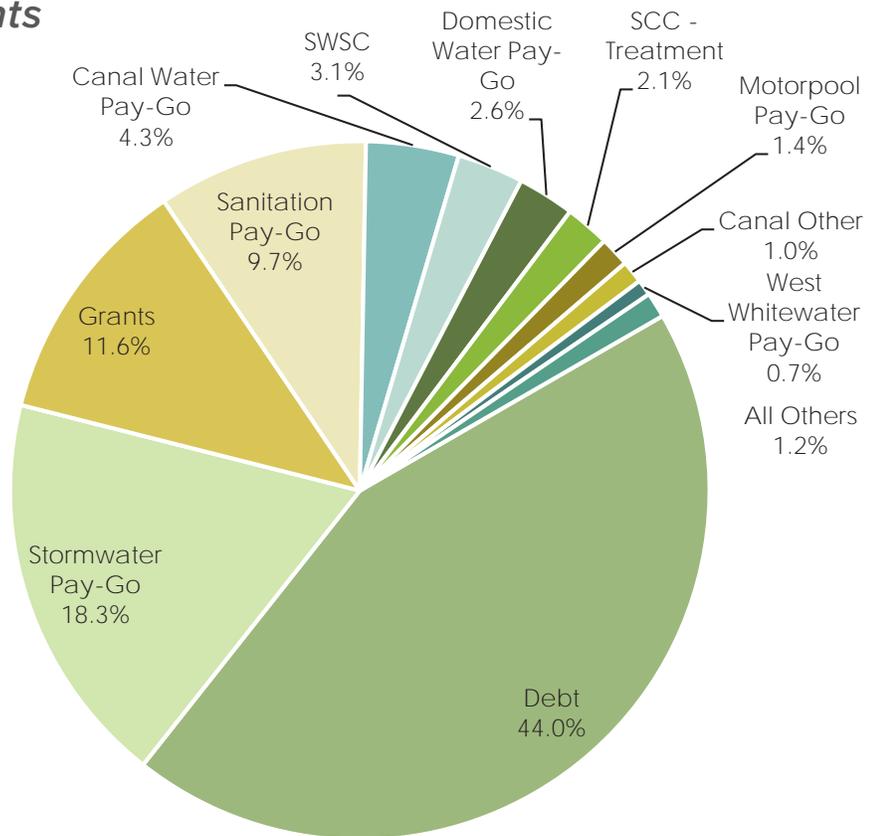
**\$180,076,842**



**Capital Improvements**

*Projects by Source*

**\$180,076,842**



## GRANTS

CVWD continually reviews and pursues Grant opportunities from state and federal agencies. The primary advantage of grants is they do not have to be repaid. Grant reimbursements include funds from various sources including Federal, State, and County programs and may contain pass-through funding for other local government agencies. The District has been successful in securing funding for many capital improvement, sustainability, drought, and hazard mitigation efforts.

Grants are a valuable funding source to help finance eligible projects at the District. Planning and construction needs are matched with funding opportunities throughout the year. Due to the amount of time and preparation of a grant application and their competitive nature, the District considers the probability of award, the amount of matching funds required, level of effort, operation and maintenance post award, and requirements for reporting prior to applying for each grant opportunity.

The grant lifecycle can be a long process between the pre-award and the award stage, and can span multiple fiscal years before project costs are fully expensed. Grant revenues are based on incurred eligible capital project expenses. Projected versus actual grant revenues at year end can vary significantly based on timing of the final grant agreement approval and the start date of the project.

The impact of COVID-19 has touched our economy, environment, communities and families. Additional state and federal funding sources have been available which CVWD has benefited from. California Senate Bill 170 was made available through the Budget Act of 2021 which allowed additional appropriations for the support of state government's 2021-22 fiscal year. The State of California included an allocation of \$7 million toward CVWD's Avenue 66 Transmission Main Project.

Additional funds have been made available to the District through the ARPA program. Although special districts such as CVWD are not direct recipients of ARPA, these funds can be used by special districts to improve water and sewer infrastructure through transfers from city, county, and state governments. CVWD has been awarded funds from the County of Riverside for two of their capital improvement projects.

## CAPITAL IMPROVEMENTS |

The following tables show the projected Fiscal year 2023 Awarded Grant amounts and projected revenues by fund.

### Grant Funding and Revenues - Domestic Water

Granting Agency	Grant Name	Purpose of Grant	Awarded	Projected Revenue 2023
State Water Resources Control Board and Department of Water Resources - SB170	Avenue 66 Transmission Main, Phase 1B & 2	Provide a secondary water supply to the Mecca and Eastern Coachella Valley which will increase water supply reliability to existing customers in these disadvantaged communities.	\$23,400,000 7,000,000	\$12,000,000 -
Department of Water Resources	CV Water Counts - Demonstration Garden in Palm Desert	Replace approximately 1,700 Square feet of area with water efficient irrigation systems, various ground covers, and desert-friendly varieties of plants and materials.	141,800	141,800
Coachella Valley Mountain Conservancy	Salt Nutrient Management Plan Monitoring Wells	Construct monitoring wells identified as gaps within CVWD's groundwater Sustainability Agency (GSA) boundary to comply with the Groundwater Monitoring Program Workplan.	235,000	127,800
County of Riverside - ARPA funds	IXTP 7991 Replacement Project	Procure and install a permanent onsite emergency backup generator to provide temporary power in the event of a power outage.	6,059,000	2,000,000
State Water Resources Control Board	Preliminary Design Report for Highway 86 Transmission Main, Phase 3	Prepare a Preliminary Design Report for alternative alignments, right of way, and construction costs for the proposed transmission main.	499,781	300,000
Total Awarded Grant Funding and Revenues - Domestic Water			\$37,335,581	\$14,569,600

Grant Funding and Revenues - Sanitation

Granting Agency	Grant Name	Purpose of Grant	Awarded	Projected Revenue 2023
County of Riverside - ARPA funds	Lift Station 55-11 Capacity Upgrade	Upgrade existing lift station within the community of Mecca to increase capacity, provide redundancy, and provide for better odor control.	\$3,100,000	\$375,000
United States Department of Agriculture - USDA	Monroe Street Trunk Sewer	A septic-to-sewer conversion within the disadvantaged community (DAC). The project will result in significant cost savings for the sanitation services of the community. USDA has provided additional funding source to Indian Health Services which will allow grant finding for the total project.	2,600,000	2,600,000
State Water Resources Control Board	2017/2018 Nonpotable Water Connections Project and T1 Pump Station	Construction and operation of approximately 9.5 miles of nonpotable water pipeline segments and connections and replacement of existing pump station. The project will reduce the amount of imported surface water currently needed for groundwater replenishment and free up groundwater for potable use.	5,000,000	1,710,000
State Water Resources Control Board	2020/2021 Nonpotable Water Connections Project	Eight new nonpotable connections will be constructed to offset groundwater pumping and protect the drinking water supply.	5,000,000	530,250
Total Awarded Grant Funding and Revenues - Sanitation			\$15,700,000	\$5,215,250

Grant Funding and Revenues - Stormwater

Granting Agency	Grant Name	Purpose of Grant	Awarded	Projected Revenue 2023
California Office of Emergency Services - CalOES	East Side Dike Improvement Project, Phase 1	The project will construct the proposed improvements and certify the East Side Dike for compliance with FEMA's 100-year flood design standard.	\$2,925,000	\$75,000
Total Awarded Grant Funding and Revenues - Stormwater			\$2,925,000	\$75,000

## CAPITAL IMPROVEMENTS |

The following table shows fiscal year 2023 grant applications that are in process with projected revenue totaling \$1,019,000.

### Grant Applications (In-Process)

Granting Agency	Grant Name	Purpose of Grant	Requested	Projected Revenue
State Water Resources Control Board	Valley View Consolidation Project	Domestic Water - Consolidation of nine small water systems (SWSs) into CVWD's public water system. The project will also improve the water supply reliability, water quality, and water security to the SWSs which are located in small disadvantaged communities.	\$12,850,000	\$750,000
State Water Resources Control Board	2022-2023 NPW Connections	Sanitation - will focus on increasing use of recycled water at WRP 7, design and construct new pipelines for WRP 10's distribution system expansion and include four new nonpotable connections.	5,200,000	219,000
State Water Resources Control Board	Valley View Trunk Sewer	Sanitation - preliminary engineering, plan design, and environmental report for new pipeline within disadvantaged communities.	4,650,000	25,000
State Water Resources Control Board	Avenue 66 Trunk Sewer	Sanitation - construct new sewer pipeline along Avenue 66 which will extend the District's wastewater collection system to provide additional capacity to connect and serve disadvantaged community residences.	5,750,000	25,000
Total Applications in Process for Grant Funding and Revenues			\$28,450,000	\$1,019,000

## DEBT MANAGEMENT

Article XTTB of the California Constitution, commonly referred to as the Gann Appropriations Limit, adopted by California voters in 1980, placed limits on the amount of tax proceeds that the state and local agencies can appropriate and spend each year. The District is required to calculate the limit for each upcoming fiscal year, which the governing body must adopt by resolution. The amount of the limit is based on the amount of tax proceeds authorized to be spent in fiscal year 1978-1979, modified for changes in per capita income and population. The appropriation limit applies to non-voter taxes; therefore, the State Water Project is exempt from the calculation.

The District's appropriation limit for fiscal year 2022-23 is \$60,158,348. Based upon the estimated general tax receipts of \$47,580,537 the District is under the required limit and is able to appropriate 100% of its general taxes for fiscal year 2023.

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

Each debt issuance is evaluated on an individual basis within the context of the District's overall financing objectives, integration with the Capital Improvement Program, and current market conditions. The District will evaluate alternative debt structures (and timing considerations) to ensure the most cost-efficient financing under prevailing market conditions.

## LINE OF CREDIT

In 2019, the District obtained a \$75 million revolving credit agreement with Bank of the West which expired July 1, 2022. The District had \$9.7 million drawn under the revolving credit agreement, proceeds of which were utilized to provide interim financing for a portion of constructions costs on the Stormwater Channel Improvement Project and North Indio Regional Flood Control System Project. Proceeds from the Stormwater Bond financing was utilized to pay-off the Bank of the West obligation in June 2022.

In advance of the revolving credit agreement expiration, the District negotiated an extension of the revolving

credit agreement for three years to July 1, 2025, at a modified size of \$25 million. Within the amendment to extend the agreement, the District negotiated new terms with Bank of the West to make the revolving credit agreement's terms and provisions more flexible and in-line with the short-term financing needs of the District moving forward. Key changes include the reduction in size from \$75 million to \$25 million, and limiting use to three operating funds with the greatest need for interim short-term financing (Domestic, Sanitation, and Stormwater). Revisions were also made to the terms governing draws on the credit agreement to make the calculation of debt service more in-line with the District's Master Resolution.

Similar to the District's outstanding bonds, loans, certificates of participation and notes, the revolving credit agreement contains certain terms relating to future debt service coverage levels and the issuance of new debt. The Master Resolution contains a rate covenant which requires the District to set rates for Domestic Water Service and Sanitation Service at the start of the fiscal year that are expected to result in debt service coverage of at least 1.25x on the respective senior obligations payable from the Domestic Water Fund and the Sanitation Fund. The revolving credit agreement contains a provision requiring the same action and assurances.

In addition, the Master Resolution contains a requirement to perform Additional Bond Tests for the Domestic Water, Sanitation and Stormwater Funds, when needed. Under this test, the District must be able to show debt service coverage of at least 1.25x on a look-back and look-forward basis for the fund entering into debt. The revolving credit agreement contains a provision requiring the same action and assurances.

## LOANS

The District approaches loan financing as a tool to fund long-term construction projects that are typically included in the District's Capital Improvement Program. Borrowing allows the District to spread the costs of capital projects over the life of the asset and avoid sharp increases in rates.

Debt service represents the repayment of principal and interest costs on bonds and loans issued to finance construction projects and other major capital assets. Debt service payments are charged to the operating budget.

# CAPITAL IMPROVEMENTS |

## Loans by Program

Program	Fund	Project Name	Principal Amount	Annual Debt Service 2023	Interest Rate	Outstanding Principal as of 06/30/2022
Water Infrastructure Finance and Innovation Act - WIFIA	Stormwater	Coachella Valley Stormwater Channel Improvement Project and North Indio Flood Control	\$59,140,612	-	1.96%	\$33,366,014
State Water Resource Control Board	Domestic	Highway 86 Transmission Main Phase 2	19,391,505	838,852	1.80%	18,684,879
State Water Resource Control Board	Sanitation	2017/2018 Nonpotable Water Connections Project and T1 Pump Station	28,000,000	-	1.10%	-
State Water Resource Control Board	Sanitation	2020/2021 Nonpotable Water Connections	10,530,000	-	0.80%	-
<b>Total</b>			<b>\$117,062,117</b>	<b>\$838,852</b>	<b>-</b>	<b>\$52,050,893</b>

The projects listed in the table above reflect debt service only for the State Water Resources Control Board. The Highway 86 Transmission Main Phase 2 project was completed in July of 2021.

The two projects with the WIFIA loan are still under construction and the first draw request was received in June of 2022. Debt service payments will begin in fiscal year 2024.

The 2017/2018 Nonpotable Water Connections and T1 Pump Station project did not received any loan proceeds in fiscal year 2022. The Final Budget Amendment (FBA) delayed the reimbursement process. The project continues to move forward and the costs will be reimbursed once the FBA is finalized.

The 2020/2021 Nonpotable Water Connections Project will be going out to bid for construction in early fiscal year 2023. It is expected construction will take approximately one year to complete.

## BONDS

The following table details the District’s outstanding debt issuances.

Outstanding Debt Issuances								
Fund	Par Amount	S&P	Fitch	True Interest Cost (TIC)	Maturity	First Call Date	2023 Total Debt Service	All-In DSCR <sup>(3)</sup>
East Replenishment <sup>(1)</sup>	\$42,890,000	AA-	-	2.71%	2051	2031	\$1,143,646	4.97
Domestic <sup>(2)</sup>	35,225,000	AA+	-	1.31%	2025	-	838,852	2.01
Stormwater	53,340,000	AA+	AAA	3.85%	2047	2032	3,272,836	5.01
<b>Total</b>	<b>\$131,455,000</b>						<b>\$5,255,334</b>	

<sup>(1)</sup> Excludes amounts on deposit in the trustee-held Capitalized Interest Account through August 2022.

<sup>(2)</sup> Excludes amounts on deposit in the trustee-held Capitalized Interest Account through June 2025.

<sup>(3)</sup> Debt Service Coverage Ratio (DSCR) coverage revenue includes Budgeted Net Operating Income and revenue from Interfund Transfers.

In fiscal year 2021, the District began the process of issuing public debt through the Series 2021A and 2021B Certificates of Participation (COP). These issuances were used to finance the cost of improvements benefiting the East Whitewater Replenishment System. Debt service repayment begins in fiscal year 2023.

In January 2022, the District approved the sale and issuance of Series 2022A Drinking Water System Revenue Notes for the Domestic fund. These short-term notes were issued to provide interim financing for projects that are expected to be funded through a loan with the United States Department of Agriculture (USDA). The USDA loan requires interim financing since funds are not available for cost reimbursement during the construction period. The 2022 Notes are secured and will be payable from the net revenues of the Domestic fund. If the USDA loans are secured for one or more of the projects, to the extent the conditions for drawing on one or more of the USDA loans are not met prior to the maturity of the 2022 Notes, the District will utilize interim financing or the issuance of long-term Bonds to repay that portion of the 2022 Notes.

In May 2022, Stormwater COP Series 2022A was issued to finance additional costs not covered under the WIFIA loan for the North Indio Flood Control Project Phase 2. The issuance is secured by the net revenues of the Stormwater fund.

## DEBT RATINGS

Credit rating agencies assign letter grades to indicate ratings. Standard & Poor’s (S&P) Global, for example, has a credit rating scale ranging from AAA, which would be deemed excellent to C and D grades. Credit ratings are based on the due diligence conducted by a rating agency who must take a balanced and objective view of the borrower’s financial situation and capacity to repay debt. This can impact approval of debt and the interest rate that is assigned.

Credit ratings play a large role in a potential investor’s decision as to purchase bonds. A strong credit rating allows better access to capital markets, lower interest rates, better terms on debt and a wider variety of debt products. Prudent financial policies have contributed to the District’s strong ratings.

## DEBT SERVICE SCHEDULES

The following tables reflect the full debt service schedules for the District’s outstanding loans and debt issuances.

# CAPITAL IMPROVEMENTS |

Payment Date	Interest Rate	Loan Draws <sup>1,2</sup>	Capitalized Interest <sup>1</sup>	Principal Payments <sup>1,2</sup>	Interest Payments <sup>1,2</sup>	Total Debt Service <sup>1,2</sup>	Principal Balance <sup>1,2</sup>
Project Fund: Stormwater							
Project Name: N. Indio Regional Flood Control & Stormwater Channel Improvement							
U.S. Environmental Protection Agency - Original Loan \$59,140,612							
06/01/20	1.96	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12/01/20	1.96	-	-	-	-	-	-
06/01/21	1.96	-	-	-	-	-	-
12/01/21	1.96	-	-	-	-	-	-
06/01/22	1.96	33,366,014	-	-	-	-	33,366,014
12/01/22	1.96	-	326,987	-	-	-	33,693,000
06/01/23	1.96	-	330,191	-	-	-	34,023,192
12/01/23	1.96	-	-	-	333,427	333,427	34,023,192
06/01/24	1.96	-	-	685,625	333,427	1,019,053	33,337,566
12/01/24	1.96	-	-	-	326,708	326,708	33,337,566
06/01/25	1.96	-	-	699,064	326,708	1,025,772	32,638,503
12/01/25	1.96	-	-	-	319,857	319,857	32,638,503
06/01/26	1.96	-	-	712,765	319,857	1,032,623	31,925,737
12/01/26	1.96	-	-	-	312,872	312,872	31,925,737
06/01/27	1.96	-	-	726,736	312,872	1,039,608	31,199,002
12/01/27	1.96	-	-	-	305,750	305,750	31,199,002
06/01/28	1.96	-	-	740,980	305,750	1,046,730	30,458,022
12/01/28	1.96	-	-	-	298,489	298,489	30,458,022
06/01/29	1.96	-	-	755,503	298,489	1,053,991	29,702,520
12/01/29	1.96	-	-	-	291,085	291,085	29,702,520
06/01/30	1.96	-	-	770,311	291,085	1,061,395	28,932,209
12/01/30	1.96	-	-	-	283,536	283,536	28,932,209
06/01/31	1.96	-	-	785,409	283,536	1,068,944	28,146,800
12/01/31	1.96	-	-	-	275,839	275,839	28,146,800
06/01/32	1.96	-	-	800,803	275,839	1,076,641	27,345,998
12/01/32	1.96	-	-	-	267,991	267,991	27,345,998
06/01/33	1.96	-	-	816,498	267,991	1,084,489	26,529,499
12/01/33	1.96	-	-	-	259,989	259,989	26,529,499
06/01/34	1.96	-	-	832,502	259,989	1,092,491	25,696,998
12/01/34	1.96	-	-	-	251,831	251,831	25,696,998
06/01/35	1.96	-	-	848,819	251,831	1,100,649	24,848,179
12/01/35	1.96	-	-	-	243,512	243,512	24,848,179
06/01/36	1.96	-	-	865,456	243,512	1,108,968	23,982,723
12/01/36	1.96	-	-	-	235,031	235,031	23,982,723
06/01/37	1.96	-	-	882,419	235,031	1,117,449	23,100,304
12/01/37	1.96	-	-	-	226,383	226,383	23,100,304
06/01/38	1.96	-	-	899,714	226,383	1,126,097	22,200,590
12/01/38	1.96	-	-	-	217,566	217,566	22,200,590
06/01/39	1.96	-	-	917,348	217,566	1,134,914	21,283,242
12/01/39	1.96	-	-	-	208,576	208,576	21,283,242
06/01/40	1.96	-	-	935,328	208,576	1,143,904	20,347,914
12/01/40	1.96	-	-	-	199,410	199,410	20,347,914
06/01/41	1.96	-	-	953,661	199,410	1,153,070	19,394,253
12/01/41	1.96	-	-	-	190,064	190,064	19,394,253
06/01/42	1.96	-	-	972,353	190,064	1,162,416	18,421,900
12/01/42	1.96	-	-	-	180,535	180,535	18,421,900

Payment Date	Interest Rate	Loan Draws <sup>1,2</sup>	Capitalized Interest <sup>1</sup>	Principal Payments <sup>1,2</sup>	Interest Payments <sup>1,2</sup>	Total Debt Service <sup>1,2</sup>	Principal Balance <sup>1,2</sup>
06/01/43	1.96	-	-	991,411	180,535	1,171,945	17,430,489
12/01/43	1.96	-	-	-	170,819	170,819	17,430,489
06/01/44	1.96	-	-	1,010,842	170,819	1,181,661	16,419,647
12/01/44	1.96	-	-	-	160,913	160,913	16,419,647
06/01/45	1.96	-	-	1,030,655	160,913	1,191,567	15,388,992
12/01/45	1.96	-	-	-	150,812	150,812	15,388,992
06/01/46	1.96	-	-	1,050,856	150,812	1,201,668	14,338,136
12/01/46	1.96	-	-	-	140,514	140,514	14,338,136
06/01/47	1.96	-	-	1,071,453	140,514	1,211,966	13,266,684
12/01/47	1.96	-	-	-	130,014	130,014	13,266,684
06/01/48	1.96	-	-	1,092,453	130,014	1,222,466	12,174,231
12/01/48	1.96	-	-	-	119,307	119,307	12,174,231
06/01/49	1.96	-	-	1,113,865	119,307	1,233,173	11,060,366
12/01/49	1.96	-	-	-	108,392	108,392	11,060,366
06/01/50	1.96	-	-	1,135,697	108,392	1,244,088	9,924,669
12/01/50	1.96	-	-	-	97,262	97,262	9,924,669
06/01/51	1.96	-	-	1,157,956	97,262	1,255,218	8,766,713
12/01/51	1.96	-	-	-	85,914	85,914	8,766,713
06/01/52	1.96	-	-	1,180,652	85,914	1,266,566	7,586,060
12/01/52	1.96	-	-	-	74,343	74,343	7,586,060
06/01/53	1.96	-	-	1,203,793	74,343	1,278,137	6,382,267
12/01/53	1.96	-	-	-	62,546	62,546	6,382,267
06/01/54	1.96	-	-	1,227,388	62,546	1,289,934	5,154,879
12/01/54	1.96	-	-	-	50,518	50,518	5,154,879
06/01/55	1.96	-	-	1,251,444	50,518	1,301,962	3,903,435
12/01/55	1.96	-	-	-	38,254	38,254	3,903,435
06/01/56	1.96	-	-	1,275,973	38,254	1,314,226	2,627,462
12/01/56	1.96	-	-	-	25,749	25,749	2,627,462
06/01/57	1.96	-	-	1,300,982	25,749	1,326,731	1,326,481
12/01/57	1.96	-	-	-	13,000	13,000	1,326,481
06/01/58	1.96	-	-	1,326,481	13,000	1,339,480	-

Note 1: Dollar amounts are rounded to nearest whole dollar.

Note 2: Preliminary Debt Schedule. Figures subject to change. Current Balance equal to amount disbursed to date.

# CAPITAL IMPROVEMENTS |

Payment Date	Interest Rate	Loan Draws <sup>1</sup>	Principal Forgiveness <sup>1</sup>	Principal Payments <sup>1</sup>	Interest Payments <sup>1</sup>	Total Debt Service <sup>1</sup>	Principal Balance <sup>1</sup>
<b>Project Fund: Domestic Water</b>							
<b>Project Name: Highway 86 Booster Station &amp; Transmission Main</b>							
<b>State of California Water Resource Control Board - Original Loan \$19,391,505</b>							
11/06/19	1.80	\$ 10,338,267	\$ -	\$ -	\$ -	\$ -	\$ 10,338,267
01/01/20	1.80	-	-	-	28,551	28,551	10,338,267
02/07/20	1.80	2,756,882	-	-	-	-	13,095,149
05/07/20	1.80	-	-	-	-	-	13,095,149
06/30/20	1.80	3,108,351	-	-	-	-	16,203,500
07/01/20	1.80	-	3,730,602	-	112,503	112,503	12,472,898
08/17/20	1.80	3,377,835	1,269,398	-	-	-	14,581,335
09/15/20	1.80	1,622,165	-	-	-	-	16,203,500
11/30/20	1.80	690,795	-	-	-	-	16,894,295
01/01/21	1.80	-	-	227,231	138,110	365,341	16,667,064
04/09/21	1.80	363,383	-	-	-	-	17,030,447
06/30/21	1.80	2,133,827	-	-	-	-	19,164,274
07/01/21	1.80	-	-	221,774	151,493	373,268	18,942,499
01/01/22	1.80	-	-	257,620	162,866	420,486	18,684,879
07/01/22	1.80	-	-	252,322	168,164	420,486	18,432,557
01/01/23	1.80	-	-	254,593	165,893	420,486	18,177,965
07/01/23	1.80	-	-	256,884	163,602	420,486	17,921,081
01/01/24	1.80	-	-	259,196	161,290	420,486	17,661,885
07/01/24	1.80	-	-	261,529	158,957	420,486	17,400,356
01/01/25	1.80	-	-	263,883	156,603	420,486	17,136,473
07/01/25	1.80	-	-	266,257	154,228	420,486	16,870,216
01/01/26	1.80	-	-	268,654	151,832	420,486	16,601,562
07/01/26	1.80	-	-	271,072	149,414	420,486	16,330,491
01/01/27	1.80	-	-	273,511	146,974	420,486	16,056,979
07/01/27	1.80	-	-	275,973	144,513	420,486	15,781,006
01/01/28	1.80	-	-	278,457	142,029	420,486	15,502,550
07/01/28	1.80	-	-	280,963	139,523	420,486	15,221,587
01/01/29	1.80	-	-	283,491	136,994	420,486	14,938,096
07/01/29	1.80	-	-	286,043	134,443	420,486	14,652,053
01/01/30	1.80	-	-	288,617	131,868	420,486	14,363,435
07/01/30	1.80	-	-	291,215	129,271	420,486	14,072,221
01/01/31	1.80	-	-	293,836	126,650	420,486	13,778,385
07/01/31	1.80	-	-	296,480	124,005	420,486	13,481,905
01/01/32	1.80	-	-	299,149	121,337	420,486	13,182,756
07/01/32	1.80	-	-	301,841	118,645	420,486	12,880,915
01/01/33	1.80	-	-	304,557	115,928	420,486	12,576,358
07/01/33	1.80	-	-	307,298	113,187	420,486	12,269,059
01/01/34	1.80	-	-	310,064	110,422	420,486	11,958,995
07/01/34	1.80	-	-	312,855	107,631	420,486	11,646,140
01/01/35	1.80	-	-	315,670	104,815	420,486	11,330,470
07/01/35	1.80	-	-	318,511	101,974	420,486	11,011,958
01/01/36	1.80	-	-	321,378	99,108	420,486	10,690,580
07/01/36	1.80	-	-	324,270	96,215	420,486	10,366,310
01/01/37	1.80	-	-	327,189	93,297	420,486	10,039,121
07/01/37	1.80	-	-	330,134	90,352	420,486	9,708,987
01/01/38	1.80	-	-	333,105	87,381	420,486	9,375,883

Payment Date	Interest Rate	Loan Draws <sup>1</sup>	Principal Forgiveness <sup>1</sup>	Principal Payments <sup>1</sup>	Interest Payments <sup>1</sup>	Total Debt Service <sup>1</sup>	Principal Balance <sup>1</sup>
<b>Project Fund: Domestic Water</b>							
<b>Project Name: Highway 86 Booster Station &amp; Transmission Main</b>							
<b>State of California Water Resource Control Board - Original Loan \$19,391,505</b>							
07/01/38	1.80	-	-	336,103	84,383	420,486	9,039,780
01/01/39	1.80	-	-	339,128	81,358	420,486	8,700,652
07/01/39	1.80	-	-	342,180	78,306	420,486	8,358,472
01/01/40	1.80	-	-	345,259	75,226	420,486	8,013,213
07/01/40	1.80	-	-	348,367	72,119	420,486	7,664,846
01/01/41	1.80	-	-	351,502	68,984	420,486	7,313,344
07/01/41	1.80	-	-	354,666	65,820	420,486	6,958,678
01/01/42	1.80	-	-	357,858	62,628	420,486	6,600,821
07/01/42	1.80	-	-	361,078	59,407	420,486	6,239,742
01/01/43	1.80	-	-	364,328	56,158	420,486	5,875,414
07/01/43	1.80	-	-	367,607	52,879	420,486	5,507,807
01/01/44	1.80	-	-	370,915	49,570	420,486	5,136,892
07/01/44	1.80	-	-	374,254	46,232	420,486	4,762,638
01/01/45	1.80	-	-	377,622	42,864	420,486	4,385,016
07/01/45	1.80	-	-	381,021	39,465	420,486	4,003,996
01/01/46	1.80	-	-	384,450	36,036	420,486	3,619,546
07/01/46	1.80	-	-	387,910	32,576	420,486	3,231,636
01/01/47	1.80	-	-	391,401	29,085	420,486	2,840,235
07/01/47	1.80	-	-	394,924	25,562	420,486	2,445,312
01/01/48	1.80	-	-	398,478	22,008	420,486	2,046,834
07/01/48	1.80	-	-	402,064	18,422	420,486	1,644,769
01/01/49	1.80	-	-	405,683	14,803	420,486	1,239,087
07/01/49	1.80	-	-	409,334	11,152	420,486	829,753
01/01/50	1.80	-	-	413,018	7,468	420,486	416,735
07/01/50	1.80	-	-	416,735	3,751	420,485	-

Note 1: Dollar amounts are rounded to nearest whole dollar.

## CAPITAL IMPROVEMENTS |

Payment Date	Interest Rate	Principal Payments <sup>1</sup>	Interest Payments <sup>1</sup>	Total Debt Service <sup>1</sup>	Principal Balance <sup>1</sup>
Project Fund: East Whitewater Replenishment					
Project Name: Oasis-In Lieu-Recharge					
Debt Issuance: Coachella Valley Water District, 2021A-Original Issue \$42,080,000					
08/01/21	5.00	\$ -	\$ 193,135	\$ 193,135	\$ 42,080,000
02/01/22	5.00	-	939,575	939,575	42,080,000
08/01/22	5.00	-	939,575	939,575	42,080,000
02/01/23	5.00	-	939,575	939,575	42,080,000
08/01/23	5.00	-	939,575	939,575	42,080,000
02/01/24	5.00	-	939,575	939,575	42,080,000
08/01/24	5.00	-	939,575	939,575	42,080,000
02/01/25	5.00	-	939,575	939,575	42,080,000
08/01/25	5.00	-	939,575	939,575	42,080,000
02/01/26	5.00	-	939,575	939,575	42,080,000
08/01/26	5.00	-	939,575	939,575	42,080,000
02/01/27	5.00	-	939,575	939,575	42,080,000
08/01/27	5.00	160,000	939,575	1,099,575	41,920,000
02/01/28	5.00	-	935,575	935,575	41,920,000
08/01/28	5.00	1,000,000	935,575	1,935,575	40,920,000
02/01/29	5.00	-	910,575	910,575	40,920,000
08/01/29	5.00	1,055,000	910,575	1,965,575	39,865,000
02/01/30	5.00	-	884,200	884,200	39,865,000
08/01/30	5.00	1,105,000	884,200	1,989,200	38,760,000
02/01/31	5.00	-	856,575	856,575	38,760,000
08/01/31	5.00	1,165,000	856,575	2,021,575	37,595,000
02/01/32	5.00	-	827,450	827,450	37,595,000
08/01/32	5.00	1,225,000	827,450	2,052,450	36,370,000
02/01/33	5.00	-	796,825	796,825	36,370,000
08/01/33	5.00	1,285,000	796,825	2,081,825	35,085,000
02/01/34	5.00	-	764,700	764,700	35,085,000
08/01/34	4.00	1,345,000	764,700	2,109,700	33,740,000
02/01/35	4.00	-	737,800	737,800	33,740,000
08/01/35	4.00	1,400,000	737,800	2,137,800	32,340,000
02/01/36	4.00	-	709,800	709,800	32,340,000
08/01/36	4.00	1,455,000	709,800	2,164,800	30,885,000
02/01/37	4.00	-	680,700	680,700	30,885,000
08/01/37	4.00	1,515,000	680,700	2,195,700	29,370,000
02/01/38	4.00	-	650,400	650,400	29,370,000
08/01/38	4.00	1,580,000	650,400	2,230,400	27,790,000
02/01/39	4.00	-	618,800	618,800	27,790,000

Payment Date	Interest Rate	Principal Payments <sup>1</sup>	Interest Payments <sup>1</sup>	Total Debt Service <sup>1</sup>	Principal Balance <sup>1</sup>
Project Fund: East Whitewater Replenishment					
Project Name: Oasis-In Lieu-Recharge					
Debt Issuance: Coachella Valley Water District, 2021A-Original Issue \$42,080,000					
08/01/39	4.00	1,645,000	618,800	2,263,800	26,145,000
02/01/40	4.00	-	585,900	585,900	26,145,000
08/01/40	4.00	1,710,000	585,900	2,295,900	24,435,000
02/01/41	4.00	-	551,700	551,700	24,435,000
08/01/41	4.00	1,780,000	551,700	2,331,700	22,655,000
02/01/42	4.00	-	516,100	516,100	22,655,000
08/01/42	4.00	1,855,000	516,100	2,371,100	20,800,000
02/01/43	4.00	-	479,000	479,000	20,800,000
08/01/43	4.00	1,930,000	479,000	2,409,000	18,870,000
02/01/44	4.00	-	440,400	440,400	18,870,000
08/01/44	4.00	2,005,000	440,400	2,445,400	16,865,000
02/01/45	4.00	-	400,300	400,300	16,865,000
08/01/45	4.00	2,090,000	400,300	2,490,300	14,775,000
02/01/46	4.00	-	358,500	358,500	14,775,000
08/01/46	4.00	2,175,000	358,500	2,533,500	12,600,000
02/01/47	4.00	-	315,000	315,000	12,600,000
08/01/47	4.00	2,275,000	315,000	2,590,000	10,325,000
02/01/48	4.00	-	258,125	258,125	10,325,000
08/01/48	4.00	2,390,000	258,125	2,648,125	7,935,000
02/01/49	4.00	-	198,375	198,375	7,935,000
08/01/49	4.00	2,515,000	198,375	2,713,375	5,420,000
02/01/50	4.00	-	135,500	135,500	5,420,000
08/01/50	4.00	2,640,000	135,500	2,775,500	2,780,000
02/01/51	4.00	-	69,500	69,500	2,780,000
08/01/51	5.00	2,780,000	69,500	2,849,500	-

Note 1: Dollar amounts are rounded to nearest whole dollar.

## CAPITAL IMPROVEMENTS |

Payment Date	Interest Rate	Principal Payments <sup>1</sup>	Interest Payments <sup>1</sup>	Total Debt Service <sup>1</sup>	Principal Balance <sup>1</sup>
<b>Project Fund: East Whitewater Replenishment</b>					
<b>Project Name: Oasis-In Lieu-Recharge</b>					
<b>Coachella Valley Water District, 2021B Original Issue \$810,000</b>					
08/01/21	1.35	\$ -	\$ 1,124	\$ 1,124	\$ 810,000
02/01/22	1.35	-	5,468	5,468	810,000
08/01/22	1.35	-	5,468	5,468	810,000
02/01/23	1.35	-	5,468	5,468	810,000
08/01/23	1.35	-	5,468	5,468	810,000
02/01/24	1.35	-	5,468	5,468	810,000
08/01/24	1.35	-	5,468	5,468	810,000
02/01/25	1.35	-	5,468	5,468	810,000
08/01/25	1.35	-	5,468	5,468	810,000
02/01/26	1.35	-	5,468	5,468	810,000
08/01/26	1.35	-	5,468	5,468	810,000
02/01/27	1.35	-	5,468	5,468	810,000
08/01/27	1.35	810,000	5,468	815,468	-

Note 1: Dollar amounts are rounded to nearest whole dollar.

Payment Date	Interest Rate	Principal Payments <sup>1</sup>	Interest Payments <sup>1</sup>	Total Debt Service <sup>1</sup>	Principal Balance <sup>1</sup>
<b>Project Fund: Domestic</b>					
<b>Project Names: Reservoir 7101-2 Construction, Dale Kiler and North Shore Water Main Replacement, and Booster Stations 7990, 7101 and 7102 Rehabilitation and Upgrade</b>					
<b>Drinking Water System Revenue Notes - Original Note Amount \$35,225,000</b>					
06/01/22	1.375	\$ -	\$ -	\$ -	\$ 35,225,000
12/01/22	1.375	-	391,511	391,511	35,225,000
06/01/23	1.375	-	242,172	242,172	35,225,000
12/01/23	1.375	-	242,172	242,172	35,225,000
06/01/24	1.375	-	242,172	242,172	35,225,000
12/01/24	1.375	-	242,172	242,172	35,225,000
06/01/25	1.375	35,225,000	242,172	35,467,172	-

Note 1: Dollar amounts are rounded to nearest whole dollar.

Payment Date	Interest Rate	Principal Payments <sup>1</sup>	Interest Payments <sup>1</sup>	Total Debt Service <sup>1</sup>	Principal Balance <sup>1</sup>
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Project Fund: Stormwater

Project Names: North Indio Regional Flood Control

Debt Issuance: Coachella Valley Water District, 2022A-Original Issue \$53,340,000

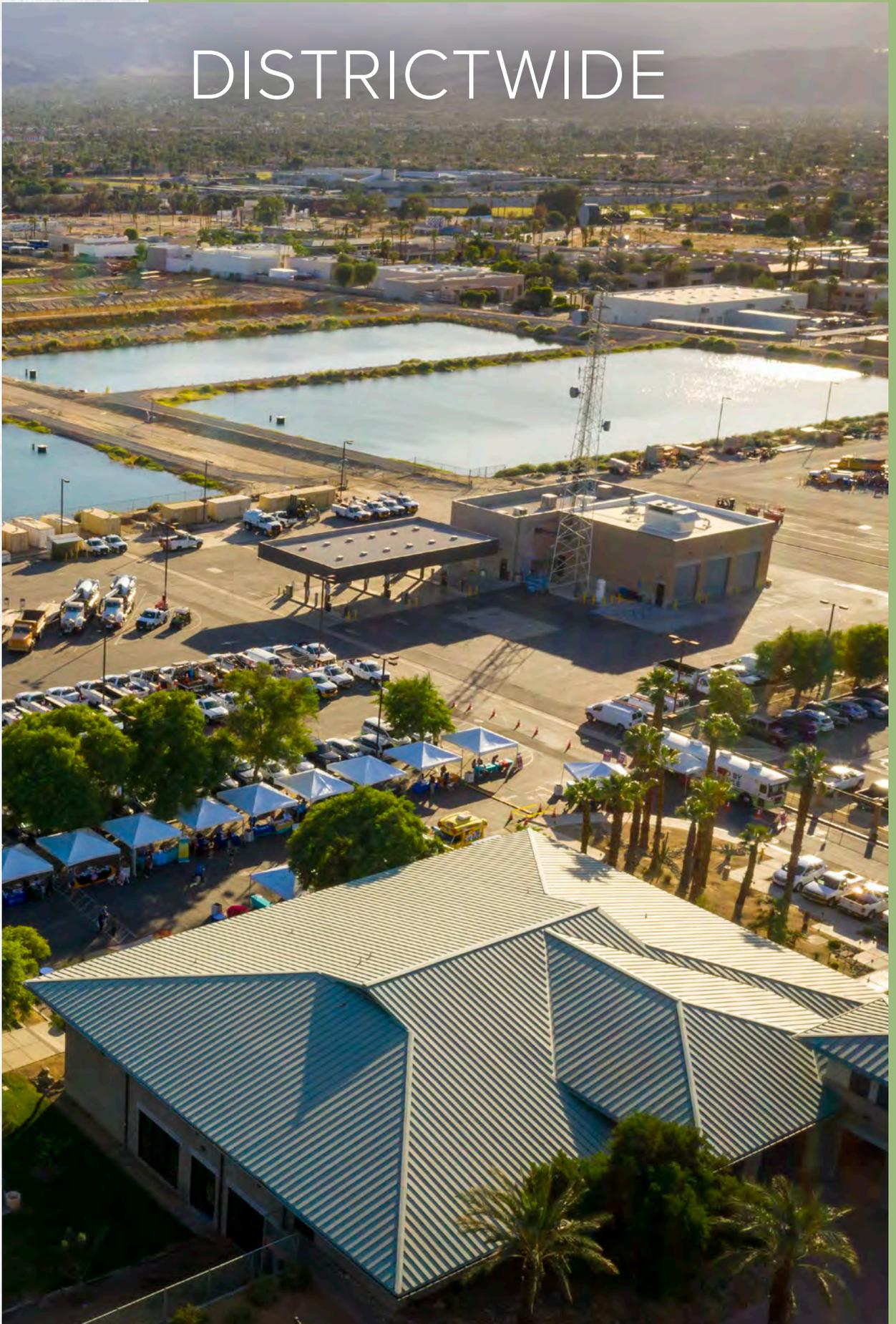
06/30/22	5.00	\$ -	\$ -	\$ -	\$ 53,340,000
08/01/22	5.00	-	585,258	585,258	53,340,000
02/01/23	5.00	-	1,333,500	\$ 1,333,500	53,340,000
08/01/23	5.00	1,095,000	1,333,500	\$ 2,428,500	52,245,000
02/01/24	5.00	-	1,306,125	\$ 1,306,125	52,245,000
08/01/24	5.00	1,155,000	1,306,125	\$ 2,461,125	51,090,000
02/01/25	5.00	-	1,277,250	\$ 1,277,250	51,090,000
08/01/25	5.00	1,215,000	1,277,250	\$ 2,492,250	49,875,000
02/01/26	5.00	-	1,246,875	\$ 1,246,875	49,875,000
08/01/26	5.00	1,275,000	1,246,875	\$ 2,521,875	48,600,000
02/01/27	5.00	-	1,215,000	\$ 1,215,000	48,600,000
08/01/27	5.00	1,340,000	1,215,000	\$ 2,555,000	47,260,000
02/01/28	5.00	-	1,181,500	\$ 1,181,500	47,260,000
08/01/28	5.00	1,410,000	1,181,500	\$ 2,591,500	45,850,000
02/01/29	5.00	-	1,146,250	\$ 1,146,250	45,850,000
08/01/29	5.00	1,480,000	1,146,250	\$ 2,626,250	44,370,000
02/01/30	5.00	-	1,109,250	\$ 1,109,250	44,370,000
08/01/30	5.00	1,560,000	1,109,250	\$ 2,669,250	42,810,000
02/01/31	5.00	-	1,070,250	\$ 1,070,250	42,810,000
08/01/31	5.00	1,640,000	1,070,250	\$ 2,710,250	41,170,000
02/01/32	5.00	-	1,029,250	\$ 1,029,250	41,170,000
08/01/32	5.00	1,720,000	1,029,250	\$ 2,749,250	39,450,000
02/01/33	5.00	-	986,250	\$ 986,250	39,450,000
08/01/33	5.00	1,810,000	986,250	\$ 2,796,250	37,640,000
02/01/34	5.00	-	941,000	\$ 941,000	37,640,000
08/01/34	5.00	1,905,000	941,000	\$ 2,846,000	35,735,000
02/01/35	5.00	-	893,375	\$ 893,375	35,735,000
08/01/35	5.00	2,000,000	893,375	\$ 2,893,375	33,735,000
02/01/36	5.00	-	843,375	\$ 843,375	33,735,000
08/01/36	5.00	2,105,000	843,375	\$ 2,948,375	31,630,000
02/01/37	5.00	-	790,750	\$ 790,750	31,630,000
08/01/37	5.00	2,210,000	790,750	\$ 3,000,750	29,420,000
02/01/38	5.00	-	735,500	\$ 735,500	29,420,000
08/01/38	5.00	2,325,000	735,500	\$ 3,060,500	27,095,000
02/01/39	5.00	-	677,375	\$ 677,375	27,095,000
08/01/39	5.00	2,445,000	677,375	\$ 3,122,375	24,650,000

## CAPITAL IMPROVEMENTS |

Payment Date	Interest Rate	Principal Payments <sup>1</sup>	Interest Payments <sup>1</sup>	Total Debt Service <sup>1</sup>	Principal Balance <sup>1</sup>
Project Fund: Stormwater					
Project Names: North Indio Regional Flood Control					
Debt Issuance: Coachella Valley Water District, 2022A-Original Issue \$53,340,000					
02/01/40	5.00	-	616,250	\$ 616,250	24,650,000
08/01/40	5.00	2,570,000	616,250	\$ 3,186,250	22,080,000
02/01/41	5.00	-	552,000	\$ 552,000	22,080,000
08/01/41	5.00	2,700,000	552,000	\$ 3,252,000	19,380,000
02/01/42	5.00	-	484,500	\$ 484,500	19,380,000
08/01/42	5.00	2,840,000	484,500	\$ 3,324,500	16,540,000
02/01/43	5.00	-	413,500	\$ 413,500	16,540,000
08/01/43	5.00	2,985,000	413,500	\$ 3,398,500	13,555,000
02/01/44	5.00	-	338,875	\$ 338,875	13,555,000
08/01/44	5.00	3,140,000	338,875	\$ 3,478,875	10,415,000
02/01/45	5.00	-	260,375	\$ 260,375	10,415,000
08/01/45	5.00	3,300,000	260,375	\$ 3,560,375	7,115,000
02/01/46	5.00	-	177,875	\$ 177,875	7,115,000
08/01/46	5.00	3,470,000	177,875	\$ 3,647,875	3,645,000
02/01/47	5.00	-	91,125	\$ 91,125	3,645,000
08/01/47	5.00	3,645,000	91,125	\$ 3,736,125	-

Note 1: Dollar amounts are rounded to nearest whole dollar.

# DISTRICTWIDE



**DISTRICTWIDE PROJECTS**

Planned Districtwide projects for fiscal year 2023 amount to \$6.3 million. With the exception of \$269,000 in grant funding, Districtwide projects are funded with Pay-Go funds. These projects are not specific to any fund and the expenses are allocated to the following enterprise funds: Domestic Water, Canal Water, Sanitation, Stormwater, East Whitewater Replenishment and West Whitewater Replenishment.

Capital Improvement Budget - Districtwide

Project Name	Budget	Planned				Total 5-Year
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	
Districtwide - Allocated						
Enterprise Resource Planning and Utility Billing System	\$150,000	\$1,625,000	\$1,625,000	\$1,625,000	\$1,625,000	\$6,650,000
Information Systems Infrastructure Upgrade	350,000	350,000	350,000	-	-	1,050,000
Palm Desert Demonstration Garden	283,600	-	-	-	-	283,600
Palm Desert Operations Parking Lot Rehab, Phase 2	100,000	1,000,000	-	-	-	1,100,000
Palm Desert Upgrade Transfer Switch and Power Distribution	495,000	-	-	-	-	495,000
Salt and Nutrient Management Plan Monitoring Wells (15)	710,000	360,000	260,000	-	-	1,330,000
Steve Robbins Administrative Building Board Room Audio and Video Upgrade	850,000	-	-	-	-	850,000
Supervisory Control and Data Acquisition (SCADA) Master Plan and System Replacement	3,399,000	2,500,000	-	-	-	5,899,000
<b>Total Districtwide</b>	<b>\$6,337,600</b>	<b>\$5,835,000</b>	<b>\$2,235,000</b>	<b>\$1,625,000</b>	<b>\$1,625,000</b>	<b>\$17,657,600</b>

Enterprise Resource Planning and Utility Billing System

Project Number: GD2301

Project Description

This project includes the replacement of CVWD’s Enterprise Resource Planning (ERP) system and Utility Billing/Canal Billing system (UB). The scope of this multi-year project includes the analysis, selection, purchase, and implementation of the software and hardware necessary to replace and integrate these systems. CVWD relies on NavilLine, iSeries, and various third-party systems that have an uncertain future and do not fully leverage current-day technological capabilities to support CVWD’s needs to implement best practice processes. The existing ERP and UB system is further challenged by its inability to fully integrate with other core business and operational systems, resulting in unnecessary redundancy, fragmented information, and increased risk of compromising data integrity.



Project Objectives

The objective of this project is to obtain long-term a stable ERP and UB system that follows best practices for streamlined business processes and provides information that supports improved decision-making. Staff is seeking a system provided by a vendor with a strong commitment to advancement by taking advantage of new technologies and responding to regulatory and industry changes.

Schedule

Start :	07/01/2021	Complete :	06/30/2027	Project Status :	Planning
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Estimated Project Cost (\$)	6,650,000
Capitalized Labor	500,000
Planning/Design	150,000
Software/Hardware	6,000,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
0	0	150,000	1,625,000	1,625,000	1,625,000	1,625,000

Other Financial Impact	Full implementation of the Enterprise Resource Planning system will be performed beyond fiscal 2027, in the estimated amount of \$3 million. Ongoing annual costs for operation, support, and maintenance are expected in the long term.					
Operational Impact	None.					
Discretionary	<input checked="" type="checkbox"/>	Non – Discretionary		<input type="checkbox"/>		

Information Systems Infrastructure Upgrade

Project Number: GD2201

Project Description

This project includes the annual replacement of critical end-of-life computer and network equipment. In FY 2022-23, Information Systems needs to replace the core network gear and the fiber channel switches in Coachella. Both systems have reached end-of-life. In addition, the backup servers have also reached end-of-life.



Project Objectives

The objective of this project is to replace eight physical servers, three network switches, two firewalls, and network storage components.

Schedule

Start :	07/01/2022	Complete :	06/30/2025	Project Status :	Planning
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Estimated Project Cost (\$)	1,050,000
Other	1,050,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
0	0	350,000	350,000	350,000	0	0

Other Financial Impact	None.	
Operational Impact	If the systems stop working, it will impact Information Systems' ability to support critical operations.	
Discretionary	<input type="checkbox"/>	Non – Discretionary <input checked="" type="checkbox"/>

Palm Desert Demonstration Garden

Project Number: GD2206

Project Description

This project includes replacing approximately 12,200 square feet of area with water-efficient irrigation systems, various ground covers, examples of maintaining challenging slopes and microclimates, and a selection of current desert-friendly varieties of plant material reflecting the most recent edition of our Lush and Efficient book. The Demonstration Garden may also be used as an outdoor classroom area. This project includes redesigned parking for ADA compliance. This is a grant-funded project.



Project Objectives

The objective of this project is to maximize stakeholder involvement and stewardship in water resource management by increasing water-use efficiency and water conservation for all within the Coachella Valley Groundwater Basin by providing relief from outdoor watering. This project works to maximize local water supplies because by removing turf, customers will use less water to irrigate within our service areas. The implementation of demonstration gardens will educate the public on efficient outdoor water use, and visitors can apply efficient garden design in their own yards reducing water demand.

Schedule

Start :	11/01/2021	Complete :	06/30/2023	Project Status :	Construction
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Estimated Project Cost (\$)	307,022
Consultant	307,022

Funding Source	%
Grant	50
Pay-as-you-go	50

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
0	23,422	283,600	0	0	0	0

Other Financial Impact	None.					
Operational Impact	None.					
Discretionary	<input checked="" type="checkbox"/>	Non – Discretionary		<input type="checkbox"/>		

Palm Desert Operations Parking Lot Rehab, Phase 2

Project Number: GD2302

Project Description

This project includes the rehabilitation of half of the Palm Desert employees' parking lot located on the west side of the existing Operations & Critical Support Services buildings, also rehabilitation of Palm Desert CVWD vehicle Operations parking lot located on the south side of the existing Operations Building. Rehabilitation includes performing slurry and asphalt crack treatment pavement improvements.



Project Objectives

The objective of this project is to rehabilitate the pavement at the other half of the existing Palm Desert employee's parking lot located on the west side of the existing Operations & Critical Support Services buildings and Palm Desert Operations heavy equipment and trucks parking lot located south of the building and install new pavement with all necessary associated pavement work.

Schedule

Start :	07/01/2022	Complete :	06/30/2024	Project Status :	Planning
---------	------------	------------	------------	------------------	----------

Estimated Project Cost (\$)	1,100,000
Capitalized Labor	10,440
Construction	1,000,000
Planning/Design	89,560

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
0	0	100,000	1,000,000	0	0	0

Other Financial Impact	Reduce operations and maintenance repairs due to pavement failures.	
Operational Impact	This project will need routine repairs and maintenance.	
Discretionary	<input type="checkbox"/>	Non – Discretionary <input checked="" type="checkbox"/>

Palm Desert Upgrade Transfer Switch and Power Distribution

Project Number: GD2303

Project Description

This project includes investigation, field inspection, and design of a new switchboard, stand-alone automatic transfer switch, and 400 kW generator refurbishment.



Project Objectives

The objective of this project is to design the needed upgrades to the existing switchboard and automatic transfer switch and to inspect and determine the needed renovations to the existing generator.

Schedule

Start :	07/01/2022	Complete :	06/30/2023	Project Status :	Design
---------	------------	------------	------------	------------------	--------

Estimated Project Cost (\$)	495,000
Capitalized Labor	10,800
Construction	427,950
Planning/Design	56,250

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
0	0	495,000	0	0	0	0

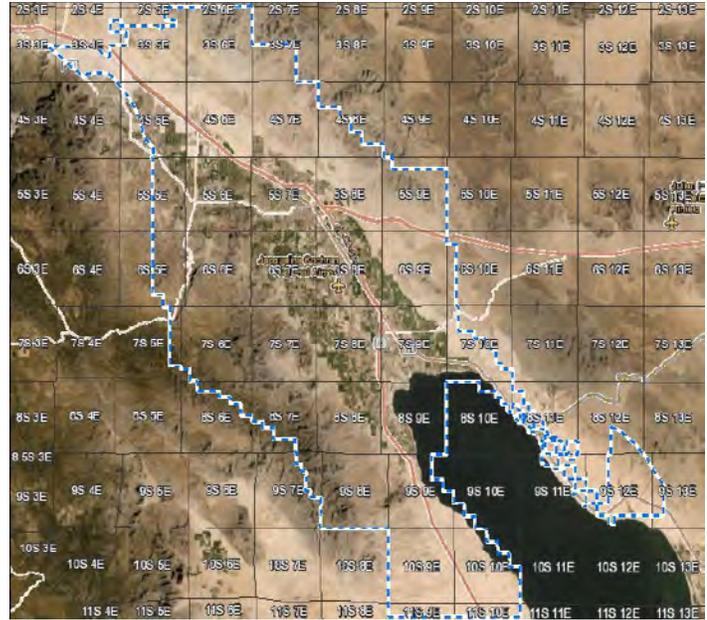
Other Financial Impact	None.					
Operational Impact	None.					
Discretionary	<input checked="" type="checkbox"/>	Non – Discretionary	<input type="checkbox"/>			

Salt and Nutrient Management Plan Monitoring Wells (15)

Project Number: GD2205

Project Description

Pursuant to the Feb. 19, 2020, and April 27, 2020 letters from the Colorado River Basin Regional Water Quality Control Board (Regional Board), the SNMP Agencies (CVWD and seven other water and wastewater agencies) are developing a Coachella Valley Salt and Nutrient Management Plan Development Workplan (SNMP Development Workplan) to define the scope of work that the SNMP Agencies will follow to update the Coachella Valley Salt and Nutrient Management Plan (CV-SNMP). The SNMP Development Workplan required a Groundwater Monitoring Program Workplan that identifies the existing gaps in the monitoring network and a plan to fill these gaps. A final Groundwater Monitoring Program Workplan was submitted to the Regional Board on Dec. 23, 2020, which identified 23 monitoring wells that must be constructed to address monitoring network gaps in the shallow and perched aquifers. CVWD is responsible for constructing and sampling 15 monitoring wells identified as gaps within its Groundwater Sustainability Agency (GSA) boundary by December 2026 to comply with the Groundwater Monitoring Program Workplan.



Project Objectives

The objective of this project is to construct 15 monitoring wells within CVWD's GSA boundary to address monitoring network gaps identified in the Groundwater Monitoring Program Workplan approved by the Regional Board.

Schedule

Start :	01/01/2021	Complete :	06/30/2025	Project Status :	Planning
Estimated Project Cost (\$)	1,530,000			Funding Source	%
Capitalized Labor	311,670			Grant	18
Construction	1,143,330			Pay-as-you-go	82
Planning/Design	75,000				

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
17,000	183,000	710,000	360,000	260,000	0	0

Other Financial Impact	None.					
Operational Impact	None.					
Discretionary	<input type="checkbox"/>	Non - Discretionary		<input checked="" type="checkbox"/>		

Steve Robbins Administration Building Board Room Audio and Video Upgrade

Project Number: GD2204

Project Description

This project includes upgrading and replacing the audio-visual equipment in the Steve Robbins Administration Building because it has reached the end of its useful life. The upgrade and replacement include the Board, training, and conference rooms.



Project Objectives

The objective of this project is to upgrade and replace the audio-visual equipment in the Steve Robbins Administration Building, including the Board, conference, and training rooms.

Schedule

Start :	07/01/2021	Complete :	06/30/2023	Project Status :	Planning
---------	------------	------------	------------	------------------	----------

Estimated Project Cost (\$)	950,000
Consultant	950,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
0	100,000	850,000	0	0	0	0

Other Financial Impact	None.		
Operational Impact	If systems stop working, it will impact our ability to host meetings as normal.		
Discretionary	<input type="checkbox"/>	Non - Discretionary	<input checked="" type="checkbox"/>

Supervisory Control and Data Acquisition (SCADA) Master Plan and System Replacement

Project Number: GD1301

Project Description

The initial phase of this project reviewed and evaluated the existing Supervisory Control and Data Acquisition (SCADA) System in order to develop a Master Plan for replacing the aging and outdated software and equipment with a new and modern SCADA System. The SCADA System Master Plan has created a program of 11 projects to undertake the implementation of the plan. CVWD continuously monitors and operates facilities remotely from a single SCADA Control Room but much of the current SCADA System is obsolete. The new system will also increase security and avoid potential system failures. The upgrade will also allow for easier access to stored information that can be used for "beyond-SCADA" uses such as asset management or engineering design.



Project Objectives

The objective of this project is the modernization and upgrade of the SCADA System that will allow CVWD staff to operate, monitor, and control facilities more efficiently with up-to-date hardware and software.

Schedule

Start :	07/01/2013	Complete :	06/30/2024	Project Status :	Construction
---------	------------	------------	------------	------------------	--------------

Estimated Project Cost (\$)	24,824,000
Capitalized Labor	1,455,000
Construction	10,800,000
Other	12,569,000

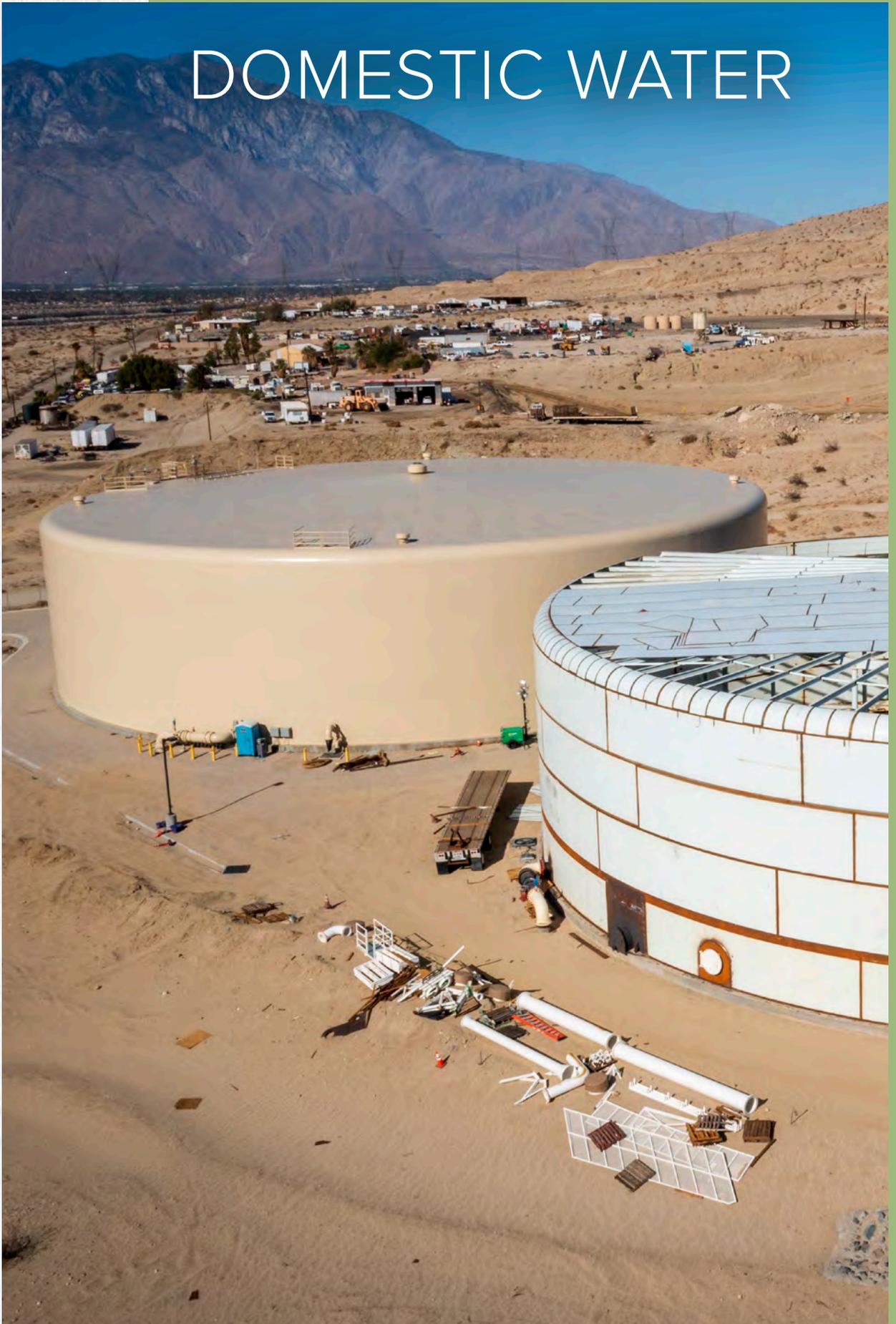
Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
16,125,000	2,800,000	3,399,000	2,500,000	0	0	0

Other Financial Impact	The ongoing costs for operation, support, and maintenance of the new SCADA system is expected, in the long term, to be equivalent to the existing SCADA system. While the system components for the new system will be more powerful than the old components, they will also be more energy efficient. In addition, labor savings realized through increased automation will likely result in improved service rather than reduced cost.					
Operational Impact	None.					
Discretionary	<input type="checkbox"/>	Non – Discretionary		<input checked="" type="checkbox"/>		

# DOMESTIC WATER



**DOMESTIC WATER PROJECTS**

Planned Domestic Water Fund projects for fiscal year 2023 amount to over \$32.9 million. Of this amount, \$4.7 million is funded by Pay-Go funds, \$1 million in Water System Backup Facility Charges, approximately \$11.9 in debt, and over \$15.3 million in grants.

Capital Improvement Budget - Domestic Water

Project Name	Budget	Planned				Total 5-Year
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	
Districtwide Project Allocation	\$3,254,700	\$2,609,350	\$863,350	\$568,750	\$568,750	\$7,864,900
Subtotal Districtwide Project Allocation	\$3,254,700	\$2,609,350	\$863,350	\$568,750	\$568,750	\$7,864,900
Booster Station Construction Program						
Booster Station 07101 Rehabilitation and Upgrade	\$150,000	\$250,000	\$1,250,000	\$1,500,000	\$-	\$3,150,000
Booster Station 07102 Rehabilitation and Upgrade	150,000	250,000	1,250,000	1,350,000	-	3,000,000
Booster Station 07990 Rehabilitation and Upgrade	150,000	250,000	2,500,000	2,100,000	-	5,000,000
Hydropneumatic/Surge Tank Replacement Program	200,000	200,000	200,000	200,000	200,000	1,000,000
Subtotal Booster Station Construction Program	\$650,000	\$950,000	\$5,200,000	\$5,150,000	\$200,000	\$12,150,000
Reservoir Construction Program						
Reservoir 4602-2 Construction - Warranty Work	\$10,000	\$-	\$-	\$-	\$-	\$10,000
Reservoir 4605-2 Design and Construction	700,000	-	-	-	-	700,000
Reservoir 4606-2 Construction - Warranty Work	10,000	-	-	-	-	10,000
Reservoir 4711-3 and 4 Design and Construction	-	-	-	-	25,000	25,000
Reservoir 5514-2 Design and Construction	-	-	-	-	500,000	500,000
Reservoir 7101-2 Design and Construction	407,000	2,157,000	1,077,000	-	-	3,641,000
Reservoir 7802-2 Design and Construction	-	-	-	100,000	50,000	150,000
Reservoir 8121-2 Design and Construction	-	-	-	100,000	50,000	150,000
Subtotal Reservoir Construction Program	\$1,127,000	\$2,157,000	\$1,077,000	\$200,000	\$625,000	\$5,186,000

**Capital Improvement Budget - Domestic Water (Continued)**

Project Name	Budget	Planned				Total 5-Year
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	
<b>Water Main Improvements</b>						
Adams Street Water Main Replacement, Phase I	\$5,000,000	\$5,000,000	\$1,500,000	\$ -	\$ -	\$11,500,000
Avenue 70 and Pierce Street Transmission Main	-	-	-	-	500,000	500,000
Avenue 66 Transmission Main, Phase 1B & 2	12,000,000	7,000,000	7,000,000	7,380,000	-	33,380,000
Dale Klier Road Water Main Replacement	-	4,973,000	3,000,000	2,000,000	-	9,973,000
North Shore Water Main Replacements	6,000,000	2,750,000	-	-	-	8,750,000
Preliminary Design Report for Highway 86 Transmission Main, Phase 3 and 4	600,000	40,000	-	-	-	640,000
Sun City Palm Desert Water Main Replacement, Phase 2B	-	4,000,000	9,000,000	-	-	13,000,000
Talavera Water Main Replacement, Phase 1	-	-	500,000	1,000,000	5,800,000	7,300,000
Valley View Consolidation	750,000	100,000	-	6,000,000	6,000,000	12,850,000
Highway 86 Transmission Main, Lincoln Street	300,000	-	-	-	-	300,000
<b>Subtotal Water Main Improvements</b>	<b>\$24,650,000</b>	<b>\$23,863,000</b>	<b>\$21,000,000</b>	<b>\$16,380,000</b>	<b>\$12,300,000</b>	<b>\$98,193,000</b>
<b>Well Drilling and Upgrade Program</b>						
New Wells (x2 Mecca/ Middleton/ La Quinta/ Valley/ Sky Mountain/ Date Palm /Mission Hills)	\$ -	\$100,000	\$100,000	\$1,000,000	\$1,400,000	\$2,600,000
Well & Booster Station Back-Up Generators x 10	-	-	-	600,000	600,000	1,200,000
Well 4529-1	1,050,000	-	-	-	-	1,050,000
<b>Subtotal Well Drilling and Upgrade Program</b>	<b>\$1,050,000</b>	<b>\$100,000</b>	<b>\$100,000</b>	<b>\$1,600,000</b>	<b>\$2,000,000</b>	<b>\$4,850,000</b>
<b>Treatment</b>						
Chromium 6 Treatment Full Scale Stannous Demonstration Project	\$200,000	\$100,000	\$ -	\$ -	\$ -	\$300,000
IXTP 7991 Replacement Project	2,000,000	2,500,000	1,550,000	-	-	6,050,000
<b>Subtotal Treatment</b>	<b>\$2,200,000</b>	<b>\$2,600,000</b>	<b>\$1,550,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$6,350,000</b>
<b>Total Domestic</b>	<b>\$32,931,700</b>	<b>\$32,279,350</b>	<b>\$29,790,350</b>	<b>\$23,898,750</b>	<b>\$15,693,750</b>	<b>\$134,593,900</b>

Booster Station 07101 Rehabilitation and Upgrade

Project Number: B02202

Project Description

This project includes upgrading all necessary above and underground appurtenances including pumps and motors, piping, valves, mechanical, structural, electrical, instrumentation, telemetry switch, and other miscellaneous work to improve the reliability and efficiency of Booster Station 07101. The booster pump station provides vital domestic water service and fire flow protection to customers in the North Shore community. This project will improve reliability by replacing corroded submersible pump cans and piping.



Project Objectives

The objective of this project is to improve system reliability and efficiency by replacing aging mechanical and electrical equipment.

Schedule

Start :	07/01/2021	Complete :	06/30/2026	Project Status :	Planning
---------	------------	------------	------------	------------------	----------

Estimated Project Cost (\$)	3,150,000
Capitalized Labor	726,400
Construction	2,072,600
Other	26,000
Planning/Design	325,000

Funding Source	%
Loan	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
0	0	150,000	250,000	1,250,000	1,500,000	0

Other Financial Impact	Decreased electrical operating costs due to more efficient pumps and motors.					
Operational Impact	Booster Station 07101 is in need of replacement. This station is required to provide water to a portion of a community in the North Shore area, and if it fails, customers will be without water until it is repaired.					
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary			<input type="checkbox"/>	

Booster Station 07102 Rehabilitation and Upgrade

Project Number: B02203

Project Description

This project includes upgrading all necessary above and underground appurtenances including pumps and motors, piping, valves, mechanical, structural, electrical, instrumentation, telemetry, and other miscellaneous work to improve the reliability and efficiency of the Booster Station 07102. The booster pump station provides vital domestic water service and fire flow protection to customers in the northeastern portion of the North Shore community. This project will improve reliability by replacing corroded submersible pump cans and piping.



Project Objectives

The objective of this project is to improve system reliability and efficiency by replacing aging mechanical and electrical equipment.

Schedule

Start :	01/07/2021	Complete :	06/30/2026	Project Status :	Planning
---------	------------	------------	------------	------------------	----------

Estimated Project Cost (\$)	3,000,000
Capitalized Labor	726,400
Construction	1,897,600
Other	26,000
Planning/Design	350,000

Funding Source	%
Loan	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
0	0	150,000	250,000	1,250,000	1,350,000	0

Other Financial Impact	Decreased electrical operating costs due to more efficient pumps and motors.					
Operational Impact	Booster Station 07102 is in need of replacement. This station is required to provide water to a portion of a community in the North Shore area, and if it fails customers will be without water until it is repaired.					
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary	<input type="checkbox"/>			

Booster Station 07990 Rehabilitation and Upgrade

Project Number: B02201

Project Description

This project includes rehabilitating and upgrading Booster Pump Station 07990 and all necessary above and underground appurtenances, including pumps and motors, piping, valves, mechanical, structural, electrical, instrumentation, telemetry, and other miscellaneous work.



Project Objectives

The objective of this project is to improve system reliability by replacing the aging mechanical and electrical equipment.

Schedule

Start :	07/29/2019	Complete :	06/30/2026	Project Status :	Design
---------	------------	------------	------------	------------------	--------

Estimated Project Cost (\$)	5,010,000
Capitalized Labor	364,800
Construction	4,119,200
Other	26,000
Planning/Design	500,000

Funding Source	%
Loan	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
0	10,000	150,000	250,000	2,500,000	2,100,000	0

Other Financial Impact	Decreased electrical operating costs due to more efficient pumps and motors.	
Operational Impact	Booster Station 07990 is 55 years old and in need of replacement. This station is required to provide water to the communities of North Shore, Bombay Beach, and Hot Mineral Spa. If this booster station were to fail, customers will only have enough water until reservoir storage depletes, which could be a few hours.	
Discretionary	<input checked="" type="checkbox"/>	Non – Discretionary <input type="checkbox"/>

Hydropneumatic Surge/Tank Replacement Program

Project Number: DW2202

Project Description

This project includes replacing aging hydropneumatic tanks in priority on a condition assessment analysis of the domestic water system.



Project Objectives

The objective of this project is to replace the existing hydropneumatic tanks in priority based on a hydraulic surge analysis and a condition assessment. The tanks are aged, corroding, and need to be replaced for safety purposes to avoid failure and disruption of water service. This is a multi-year program to ultimately replace all of the hydropneumatic tanks in the domestic water system.

Schedule

Start :	07/01/2023	Complete :	06/30/2027	Project Status :	Design
---------	------------	------------	------------	------------------	--------

Estimated Project Cost (\$)	1,000,000
Capitalized Labor	76,608
Construction	873,392
Planning/Design	50,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
0	0	200,000	200,000	200,000	200,000	200,000

Other Financial Impact	Reduce unexpected costs to repair damaged tanks.		
Operational Impact	Potentially reduce the number of surge tanks that need to be maintained.		
Discretionary	<input type="checkbox"/>	Non - Discretionary	<input checked="" type="checkbox"/>

Reservoir 4602-2 Construction-Warranty Work

Project Number: R01901

Project Description

This project involves conducting a one-year warranty inspection of the recently constructed new 2 million-gallon above ground steel domestic water reservoir that serves Valley Pressure Zone (VPZ). The reservoir was placed into service on September 30, 2021 (Fiscal Year 2021-2022).



Project Objectives

The objective of this project is to conduct a one-year warranty inspection of the newly constructed 2 million-gallon above ground steel domestic water reservoir to decrease the storage deficiency and improve the reliability in the VPZ.

Schedule

Start : 07/01/2022 Complete : 06/30/2023 Project Status : Construction

Estimated Project Cost (\$)	2,951,000
Capitalized Labor	164,000
Construction	2,468,620
Other	68,380
Planning/Design	250,000

Funding Source	%
WSBFC	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
2,066,000	875,000	10,000	0	0	0	0

Other Financial Impact	None.		
Operational Impact	None.		
Discretionary	<input type="checkbox"/>	Non – Discretionary	<input checked="" type="checkbox"/>

Reservoir 4605-2 Design and Construction

Project Number: R02005

Project Description

This project includes constructing a partially buried 10 million-gallon concrete reservoir to support the Sky Mountain Pressure Zone (SMPZ). Reservoir 4605-1 was constructed in 2019. Reservoir 4605-2 is a duplicate of 4605-1 and is located on the same site. This pressure zone has a storage deficiency of approximately 10.3 million gallons based on a recent storage capacity analysis. This new reservoir will eliminate the zone storage deficiency and improve the reliability of the system. This project is under construction.



Project Objectives

The objective of this project is to construct a second 10 million-gallon concrete domestic water storage tank on our existing tank site. The proposed reservoir will reduce the zone storage deficiency and improve the reliability of the system.

Schedule

Start : 02/18/2019 Complete : 08/31/2023 Project Status : Construction

Estimated Project Cost (\$)	10,623,000
Capitalized Labor	127,200
Construction	8,968,522
Other	1,025,000
Planning/Design	502,278

Funding Source	%
WSBFC	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
2,123,000	7,800,000	700,000	0	0	0	0

Other Financial Impact	Additional storage will allow operations to take advantage of decreased electrical rates for domestic water wells within the pressure zone.		
Operational Impact	The new reservoir will serve current and future water demands on both sides of I-10 within the SMPZ and improve the reliability of the system.		
Discretionary	<input type="checkbox"/>	Non – Discretionary	<input checked="" type="checkbox"/>

Reservoir 4606-2 Construction – Warranty Work

Project Number: R02006

Project Description

This project includes conducting a one-year warranty inspection of the recently constructed 6.5 million gallon above ground steel domestic water storage reservoir that serves customers in Sections 13, 19, and 24 in the area known as CVWD's Mission Hills Pressure Zone. The reservoir was placed into service in March 2022 (Fiscal Year 2021-2022).



Project Objectives

The objective of this project is to construct an additional 6.5 million-gallon above-ground steel domestic water reservoir within the Mission Hills Production Zone.

Schedule

Start :	01/13/2020	Complete :	11/30/2023	Project Status :	Construction
---------	------------	------------	------------	------------------	--------------

Estimated Project Cost (\$)	4,060,000
Capitalized Labor	150,400
Construction	3,412,100
Other	347,500
Planning/Design	150,000

Funding Source	%
WSBFC	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
2,575,000	1,475,000	10,000	0	0	0	0

Other Financial Impact	Enable well operation flexibility to take advantage of reduced electrical rates during off-peak hours.		
Operational Impact	Increase the amount of water storage per customer in the Mission Hills Production Zone and provide redundancy to enable existing Reservoir 4606-1 to be removed from service for rehabilitation.		
Discretionary	<input type="checkbox"/>	Non – Discretionary	<input checked="" type="checkbox"/>

Reservoir 7101-2 Design and Construction

Project Number: R02004

Project Description

This project includes the design and construction of a new 1 million-gallon welded steel above ground domestic water storage reservoir on an existing CVWD reservoir/booster site located in the community of North Shore on 70th Avenue. The new Reservoir 7101-2 will provide additional water storage for the North Shore area and will allow for existing Reservoir 7101-1 to be removed from service for rehabilitation.



Project Objectives

The objective of this project is to construct an additional above ground steel domestic water reservoir at existing CVWD Site 7101 to provide additional water storage for increasing domestic water and fire protection demands within the North Shore Pressure Zone.

Schedule

Start :	07/01/2019	Complete :	06/30/2025	Project Status :	Design
---------	------------	------------	------------	------------------	--------

Estimated Project Cost (\$)	3,817,000
Capitalized Labor	432,000
Construction	2,672,500
Other	562,500
Planning/Design	150,000

Funding Source	%
Loan	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
151,000	25,000	407,000	2,157,000	1,077,000	0	0

Other Financial Impact	Tank will need to be inspected every five years per SWRCB requirements.					
Operational Impact	The construction of new Reservoir 7101-2 will improve the system's reliability by enhancing the water storage capacity for customers within this pressure zone. In addition, the proposed reservoir would allow CVWD to take Reservoir 7101-1 out of service for routine O&M without jeopardizing service to our customers.					
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary		<input type="checkbox"/>		

Adams Street Water Main Replacement, Phase 1

Project Number: DW2004

Project Description

This project includes replacing a portion of the 24-inch diameter and 18-inch diameter ductile iron pipe (DIP) transmission water mains from Reservoir 4730 and along Adams Street in North Indio adjacent to Sun City Palm Desert. These portions of the 24-inch diameter and 18-inch diameter DIP transmission water mains are corroded, at risk for failure, and had a major leak in December 2017.



Project Objectives

The objective of this project is to replace corroded ductile iron pipe from Reservoir 4730 and along Adams Street in North Indio adjacent to Sun City Palm Desert.

Schedule

Start :	07/01/2019	Complete :	06/30/2025	Project Status :	Design
---------	------------	------------	------------	------------------	--------

Estimated Project Cost (\$)	11,860,000
Capitalized Labor	299,220
Construction	10,994,980
Other	165,800
Planning/Design	400,000

Funding Source	%
Loan	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
310,000	50,000	5,000,000	5,000,000	1,500,000	0	0

Other Financial Impact	Reduced pipeline maintenance and repair costs.		
Operational Impact	Replacement of the existing water mains will allow CVWD to continue providing reliable domestic water service and fire protection and reduce unplanned repairs.		
Discretionary	<input type="checkbox"/>	Non - Discretionary	<input checked="" type="checkbox"/>

Avenue 66 Transmission Main, Phase 1B and 2

Project Number: DW2105

Project Description

This project consists of constructing a 30-inch diameter transmission main along Avenue 66 between the County of Riverside’s new Bridge and Highway 86 (with Lincoln Street) (Phase 1B) and along Avenue 66 between Highway 86 and Polk Street (Phase 2). These sections of the transmission main will provide a secondary water supply to Mecca and the Eastern Coachella Valley that will provide a more reliable water supply to existing customers in these disadvantaged communities as well as create opportunities for consolidations and development in these areas.



Project Objectives

The objective of this project is to consolidate small water systems and provide a secondary water supply to Mecca and the Eastern Coachella Valley that will provide a more reliable water supply to existing customers in these disadvantaged communities as well as create opportunities for development and growth in these areas.

Schedule

Start :	07/01/2020	Complete :	06/30/2026	Project Status :	Construction
---------	------------	------------	------------	------------------	--------------

Estimated Project Cost (\$)	34,364,000
Capitalized Labor	453,500
Construction	33,375,500
Other	185,000
Planning/Design	350,000

Funding Source	%
Grant	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
209,000	775,000	12,000,000	7,000,000	7,000,000	7,380,000	0

Other Financial Impact	CVWD will seek grant funding and developer contributions to fund a portion of the design and construction costs.		
Operational Impact	None.		
Discretionary	<input type="checkbox"/>	Non – Discretionary	<input checked="" type="checkbox"/>

North Shore Water Main Replacement

Project Number: DW1622

Project Description

This project includes replacing approximately 14,238 feet of 4-inch, 6-inch, 8-inch, and 10-inch Asbestos Cement (AC) pipeline with new 24-inch and 12-inch zinc-coated ductile iron pipeline in Bay Drive, Vander Veer Road, 70th Avenue, a portion of Lookout Drive, and a portion of Sea View Way in the unincorporated community of North Shore in Riverside County. The new pipelines will eliminate a hydraulic restriction to Reservoir 7101-1, which will benefit the North Shore Pressure Zone. The funding request for FY 2022 is to cover costs for the construction loan.



Project Objectives

The objective of this project is to replace approximately 14,238 feet of various sizes of asbestos-concrete water main with 24-inch and 12-inch zinc-coated ductile iron pipeline.

Schedule

Start :	07/01/2021	Complete :	04/30/2024	Project Status :	Construction
---------	------------	------------	------------	------------------	--------------

Estimated Project Cost (\$)	8,750,000
Capitalized Labor	431,200
Construction	7,116,653
Other	982,147
Planning/Design	220,000

Funding Source	%
Loan	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
0	0	6,000,000	2,750,000	0	0	0

Other Financial Impact	Reduce operational leak repairs and maintenance.					
Operational Impact	Replacing and upsizing the existing deteriorated water main will eliminate an existing hydraulic restriction to Reservoir 7101. The pipeline will allow CVWD to continue providing reliable domestic water service and fire protection to existing customers within Area 23 Pressure Zone.					
Discretionary	<input type="checkbox"/>	Non – Discretionary			<input checked="" type="checkbox"/>	

Preliminary Design Report for Highway 86 Transmission Main, Phase 3 and 4

Project Number: DW2104

Project Description

This project includes the preparation of a Preliminary Design Report to identify alternative alignments, right of way requirements, and project costs for the Highway 86 Transmission Main, Phase 3, and Phase 4 Projects. The proposed pipeline corridor is comprised of State right-of-way and tribal lands and extends from Avenue 86 to Salton City.



Project Objectives

The objective of this project is to evaluate alternate alignments and right of way for the proposed transmission main.

Schedule

Start :	06/30/2020	Complete :	06/30/2024	Project Status :	Planning
---------	------------	------------	------------	------------------	----------

Estimated Project Cost (\$)	1,257,000
Capitalized Labor	242,800
Other	100,000
Planning/Design	914,200

Funding Source	%
WSBFC	50
Grant	50

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
17,000	600,000	600,000	40,000	0	0	0

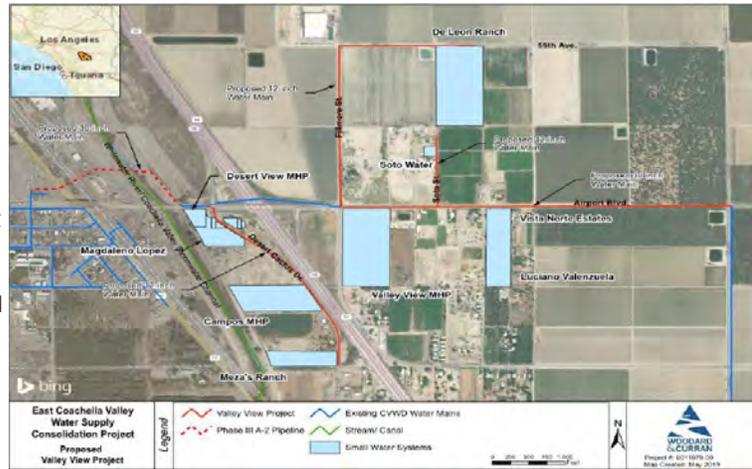
Other Financial Impact	CVWD has obtained planning grant funding.		
Operational Impact	Provide a secondary redundancy to the water system servicing the Salton City communities.		
Discretionary	<input type="checkbox"/>	Non – Discretionary	<input checked="" type="checkbox"/>

Valley View Transmission Main

Project Number: DW2113

Project Description

This project includes the consolidation of nine small water systems with CVWD's public water system by installing approximately 16,955 feet of 30-inch and 12-inch diameter domestic water ductile iron pipe and appurtenances generally located within Airport Boulevard between Fillmore Street and Pierce Street in the unincorporated community of Thermal. This project will improve the water supply reliability, water quality, and water security of the SWs, all of which are small disadvantaged communities.



Project Objectives

This project includes the consolidation of nine SWs with CVWD's public water system by installing approximately 16,955 feet of 30-inch and 12-inch diameter domestic water ductile iron pipe and appurtenances generally located within Airport Boulevard between Fillmore Street and Pierce Street in the unincorporated community of Thermal. This project will improve the water supply reliability, water quality, and water security of the SWs, all of which are small disadvantaged communities.

Schedule

Start :	07/01/2020	Complete :	06/30/2027	Project Status :	Planning
---------	------------	------------	------------	------------------	----------

Estimated Project Cost (\$)	12,931,000
Capitalized Labor	341,500
Construction	12,029,500
Other	60,000
Planning/Design	500,000

Funding Source	%
Grant	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
6,000	75,000	750,000	100,000	0	6,000,000	6,000,000

Other Financial Impact	This project will use grant funding from the SWRCB.		
Operational Impact	Increase operations and maintenance costs.		
Discretionary	<input type="checkbox"/>	Non - Discretionary	<input checked="" type="checkbox"/>

Highway 86 Transmission Main - Lincoln Street

Project Number: DW2204

Project Description

This project includes the installation of slope protection and additional supports along the three washes that cross Lincoln Street within the portion of approximately 850 linear feet of 30-inch DIP that is above ground supported by a 54-inch steel casing and 14 foundations. The slope protection will provide temporary erosion mitigation until Phase 3 is completed and the above ground portion is abandoned within 5 years.



Project Objectives

The project objective is to mitigate the potential erosion at the washes during a storm event along the portion of above ground pipeline.

Schedule

Start : 10/11/2021 Complete : 06/30/2023 Project Status : Construction

Estimated Project Cost (\$)	375,000
Capitalized Labor	15,550
Construction	278,450
Other	6,000
Planning/Design	75,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
0	75,000	300,000	0	0	0	0

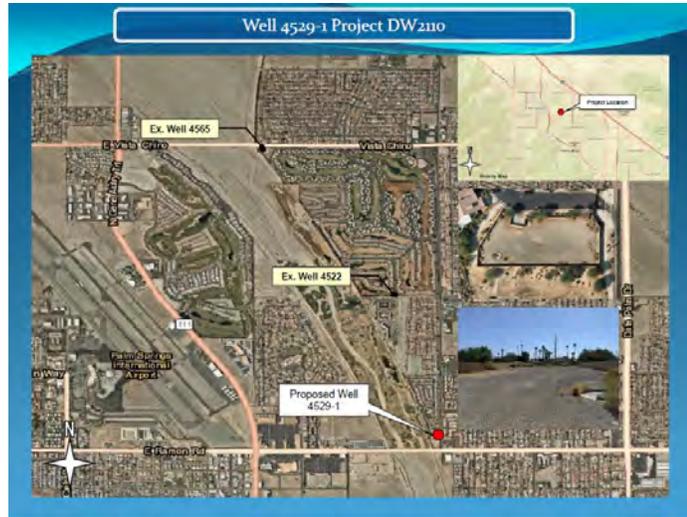
Other Financial Impact	None.	
Operational Impact	CVWD crews are to perform routine and normal repairs and maintenance.	
Discretionary	<input type="checkbox"/>	Non - Discretionary <input checked="" type="checkbox"/>

Well No. 4529-1

Project Number: DW2110

Project Description

This project includes drilling and construction of Well 4529-1, a pumping plant, and an emergency generator. Well 4529-1 will support customer demands within the Date Palm production zone and will provide CVWD with the ability to maintain existing levels of domestic water production in the event another well in the production zone is taken out of service. The emergency backup generator will allow CVWD to continue to provide domestic water service to the local community in the event of commercial power outages. This project is under construction.



Project Objectives

The objective of this project is to drill and outfit a new well to support customer demands in the Date Palm production zone.

Schedule

Start :	10/28/2020	Complete :	09/30/2023	Project Status :	Construction
---------	------------	------------	------------	------------------	--------------

Estimated Project Cost (\$)	3,692,000
Capitalized Labor	180,920
Construction	3,126,709
Other	34,371
Planning/Design	350,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
1,042,000	1,600,000	1,050,000	0	0	0	0

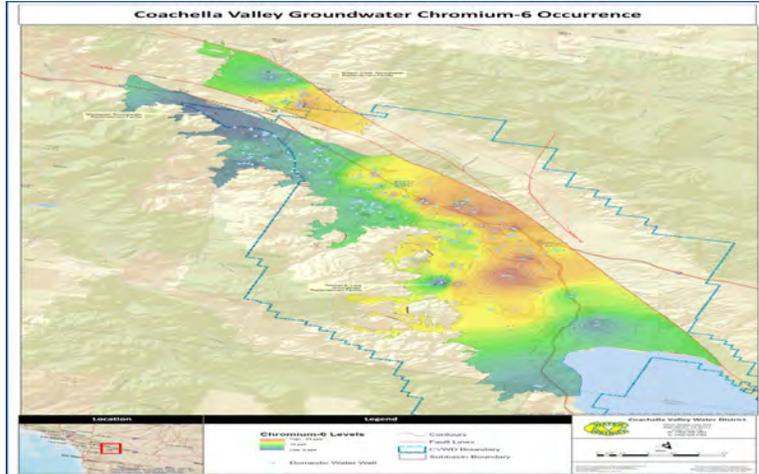
Other Financial Impact	None.		
Operational Impact	This well will allow additional operational flexibility in the Date Palm production zone and greater reliability in the event of a power outage.		
Discretionary	<input type="checkbox"/>	Non - Discretionary	<input checked="" type="checkbox"/>

Chromium 6 Treatment Full-Scale Stannous Demonstration Project

Project Number: DW2301

Project Description

This project includes developing and implementing a full-scale demonstration project to ensure CVWD's compliance with the forthcoming drinking water standards for Hexavalent Chromium (Cr-6). On July 12, 2017, the State Water Resources Control Board, Division of Drinking Water approved a full-scale demonstration plan for CVWD's Improvement District No. 8 (ID No. 8) System. The ID No. 8 System plan included using stannous chloride to reduce Cr-6 to Cr-3 particles. The proposed full-scale demonstration project will use a similar chemical treatment process.



Project Objectives

The objective of this project is to optimize the treatment process, so that it will minimize capital and operating expenses, environmental impacts, and community aesthetic impacts.

Schedule

Start : 07/01/2023 Complete : 06/30/2024 Project Status : Planning

Estimated Project Cost (\$)	300,000
Capitalized Labor	55,600
Construction	229,400
Other	15,000
Planning/Design	0

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
0	0	200,000	100,000	0	0	0

Other Financial Impact	None.					
Operational Impact	None.					
Discretionary	<input checked="" type="checkbox"/>	Non – Discretionary		<input type="checkbox"/>		

IXTP 7991 Improvements

Project Number: IE2001

Project Description

This project includes the design and construction of a new treatment plant that utilizes single pass adsorption technology to treat the water from Well 7991. The existing ion exchange treatment plant is out of service since it has reached the end of its useful life. The treated water will serve customers in the communities of Mecca, North Shore, and Bombay Beach.



Project Objectives

The objective of this project is to replace the existing treatment process that is currently out of service with a robust media adsorption arsenic treatment process.

Schedule

Start :	07/01/2019	Complete :	06/30/2025	Project Status :	Construction
---------	------------	------------	------------	------------------	--------------

Estimated Project Cost (\$)	6,797,000
Capitalized Labor	232,800
Construction	5,404,700
Other	584,500
Planning/Design	575,000

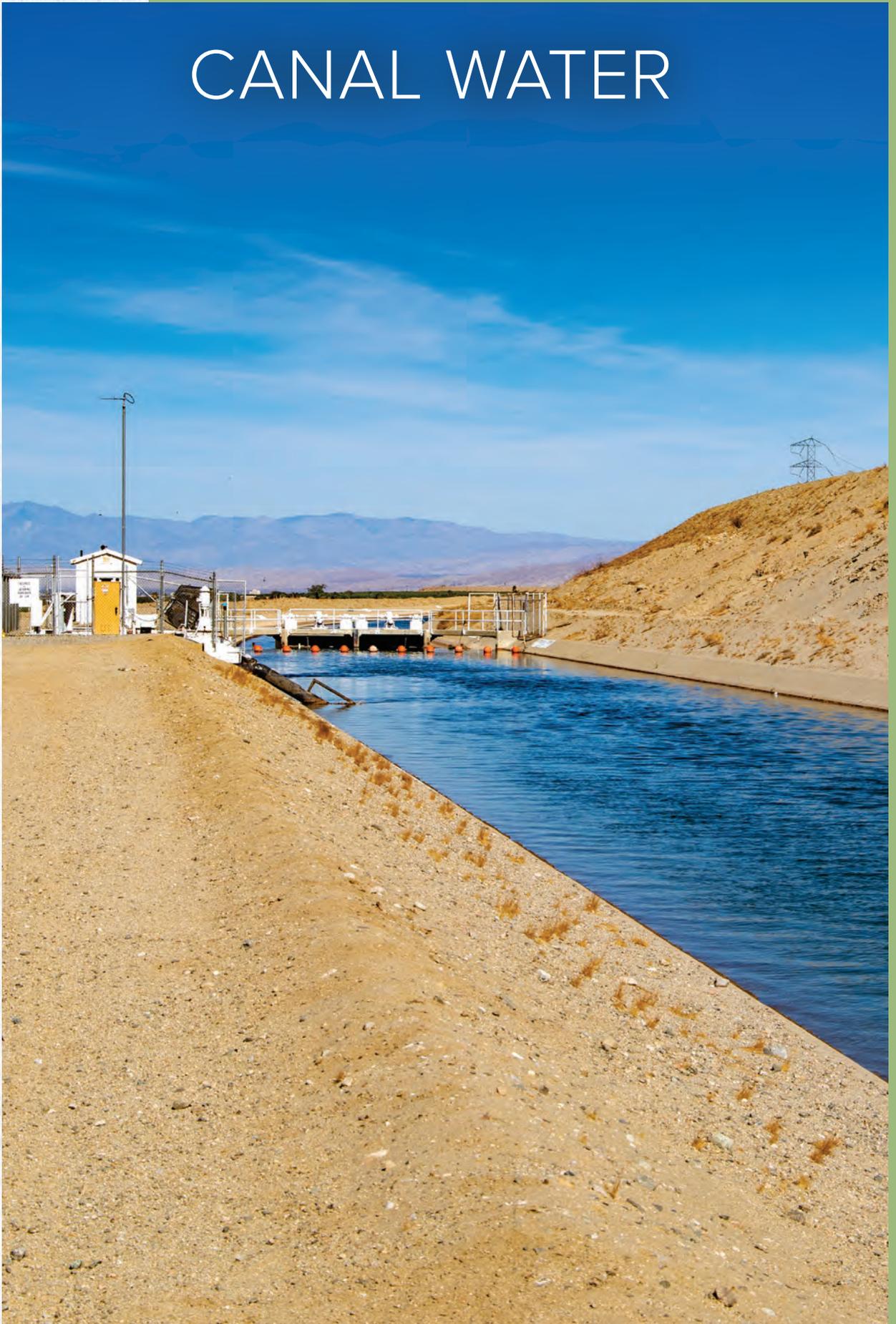
Funding Source	%
Grant	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
247,000	500,000	2,000,000	2,500,000	1,550,000	0	0

Other Financial Impact	The current system is at capacity. As a result, the expansion of housing and commercial activity within Mecca and Area 23 is limited (no new water meters are currently being approved).					
Operational Impact	Without IXTP 7991 there is a single point of failure of the water supply. This facility will provide an emergency reliable source of supply water to the Mecca and Area 23 Pressure Zones.					
Discretionary	<input type="checkbox"/>	Non - Discretionary	<input checked="" type="checkbox"/>			

# CANAL WATER



## CANAL WATER PROJECTS

Planned Canal Water Fund projects for fiscal year 2023 amount to slightly over \$14.3 million. Funding in the amount of \$7.7 million is provided by Pay-Go funds, and over \$4.7 million in debt financing. In addition, San Diego County Water Authority and San Luis Rey River Indian Water Authority provide a cost share agreement totaling approximately \$1.9 million.

### Capital Improvement Budget - Canal Water

Project Name	Budget	Planned				Total 5-Year
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	
Districtwide Allocation	\$1,678,000	\$1,508,050	\$545,050	\$406,250	\$406,250	\$4,543,600
Subtotal Districtwide Project Allocation	\$1,678,000	\$1,508,050	\$545,050	\$406,250	\$406,250	\$4,543,600
<b>Canal</b>						
Coachella Canal Lining Project San Andreas Oasis Pipeline	\$500,000	\$2,000,000	\$ -	\$ -	\$ -	\$2,500,000
L-4 Pump Station Relocation, Phase 2	700,000	-	-	-	-	700,000
Mid-Canal Storage	1,875,000	5,625,000	-	-	-	7,500,000
Subtotal Canal	\$3,075,000	\$7,625,000	\$ -	\$ -	\$ -	\$10,700,000
<b>Drainage</b>						
Avenue 62 Drain Pipeline Replacement	\$ -	\$ -	\$ -	\$50,000	\$1,000,000	\$1,050,000
Johnson Street Drain Improvement	1,000,000	-	-	-	-	1,000,000
Subtotal Drainage	\$1,000,000	\$ -	\$ -	\$50,000	\$1,000,000	\$2,050,000
<b>Irrigation</b>						
Irrigation Lateral 101.3 Replacement	\$ -	\$50,000	\$4,275,000	\$ -	\$ -	\$4,325,000
Irrigation Lateral 102.3 Replacement	-	-	-	-	50,000	50,000
Irrigation Lateral 119.64-4.6 Replacement, Phase 1	-	-	-	-	150,000	150,000
Irrigation Lateral 119.64-7.5 Replacement, Phase 1	3,860,400	-	-	-	-	3,860,400
Irrigation Lateral 119.64-7.5 Replacement, Phase 2	50,000	3,848,000	-	-	-	3,898,000
Irrigation Lateral 123.45-1.3 Division Box Replacement	-	50,000	1,900,000	-	-	1,950,000
Lateral 123.45-1.3-2.8 Division Box Replacement	4,700,000	-	-	-	-	4,700,000
Irrigation Lateral 123.45-1.3-2.2 Replacement, Phase 2	-	50,000	1,500,000	-	-	1,550,000
Irrigation Lateral 123.45-1.3-2.8 Replacement	-	-	-	50,000	4,797,000	4,847,000
Irrigation Lateral 123.45-1.3-3.2 RT Replacement	-	50,000	2,000,000	3,000,000	-	5,050,000
Irrigation Lateral 99.8-0.51-3.0 Replacement	-	-	290,000	5,940,000	-	6,230,000
Subtotal Irrigation	\$8,610,400	\$4,048,000	\$9,965,000	\$8,990,000	\$4,997,000	\$36,610,400
<b>Total Canal</b>	<b>\$14,363,400</b>	<b>\$13,181,050</b>	<b>\$10,510,050</b>	<b>\$9,446,250</b>	<b>\$6,403,250</b>	<b>\$53,904,000</b>

Coachella Canal Lining Project San Andreas Oasis Pipeline

Project Number: C02301

Project Description

This project provides irrigation water to support the development of 106 new acres of Desert Riparian habitat for the San Andreas Oasis Desert Riparian Mitigation Project. Mitigation is a requirement of the Coachella Canal Lining Project (CCLP). The project will include the design, environmental review, permitting, and construction of a turnout at the Coachella Canal, along with approximately 10,837 linear feet of 6-inch PVC pipe. The project will be reimbursed by San Diego County Water Authority for 100% of the project cost.



Project Objectives

The objective of this project is to facilitate compliance with environmental mitigation commitments associated with the Coachella Canal Lining Project. The project will provide Colorado River Water (via a canal turnout and pipeline) to the San Andreas Oasis (SAO) to facilitate the required restoration of the Desert Riparian habitat.

Schedule

Start :	07/01/2022	Complete :	06/28/2024	Project Status :	Design
---------	------------	------------	------------	------------------	--------

Estimated Project Cost (\$)	2,500,000
Capitalized Labor	285,000
Construction	1,700,000
Other	15,000
Planning/Design	500,000

Funding Source	%
San Diego County Water Authority	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
0	0	500,000	2,000,000	0	0	0

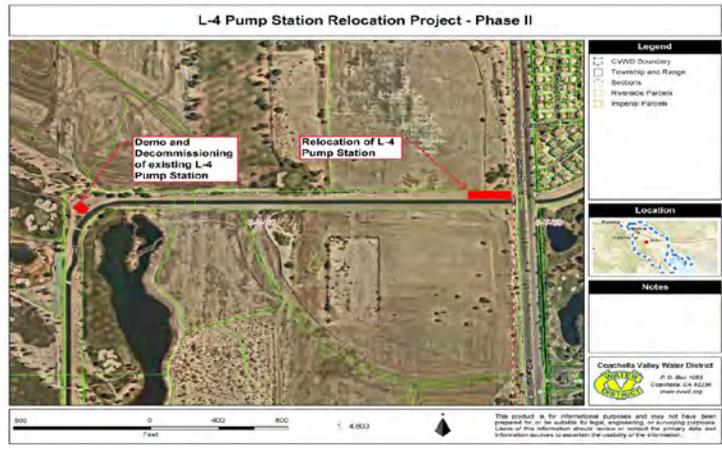
Other Financial Impact	None.		
Operational Impact	O&M costs are funded through the CCLP OM&R.		
Discretionary	<input type="checkbox"/>	Non - Discretionary	<input checked="" type="checkbox"/>

L-4 Pump Station Relocation, Phase 2

Project Number: C02101

Project Description

This project includes the relocation and replacement of the L-4 Pump Station that will improve operational efficiency, add capacity for future customers and improve accessibility for O&M. This project is under construction.



Project Objectives

The objective of this project is to replace the L-4 Pump Station on the Coachella Canal, which is failing, and in need of replacement. The new pump station will supply water to approximately seven La Quinta Area Golf Courses and recreational parks, providing a substitute source for irrigation purposes, and reducing the pumping demands on the aquifer.

Schedule

Start :	07/01/2020	Complete :	06/30/2023	Project Status :	Construction
---------	------------	------------	------------	------------------	--------------

Estimated Project Cost (\$)	6,693,000
Capitalized Labor	375,400
Construction	5,693,000
Other	10,200
Planning/Design	614,400

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
3,693,000	2,300,000	700,000	0	0	0	0

Other Financial Impact	None.	
Operational Impact	The replacement of the L-4 Pump Station will improve operational efficiency, add capacity for future customers and improve accessibility for O&M.	
Discretionary	<input type="checkbox"/>	Non – Discretionary <input checked="" type="checkbox"/>

Mid-Canal Storage

Project Number: C02103

Project Description

This project includes an in-line 728 acre-foot reservoir between Check 11 and 14 (Mile Post 54.6 and 59.5) at the mid-canal. The reservoir will be formed by removing the existing embankment between the existing lined canal with the original earthen canal section to form a single-wide trapezoidal section. The canal undergoes ongoing repairs of cracked concrete panels due to the low permeability of the heavy clay layer behind the liner, which also limits the operating conditions of the canal ponds in the area. This will be a cost-share project between CVWD, San Diego County Water Authority, and San Luis Rey River Indian Water Authority.



Project Objectives

The objective of this project is to convert a portion of the Coachella Canal to an in-line storage reservoir and eliminate the recurring lining repairs due to a heavy clay layer causing ongoing damage to the concrete lining. The reservoir will regulate the flows and provide for improved control for flow/demand mismatches throughout the distribution system.

Schedule

Start :	07/01/2020	Complete :	06/28/2024	Project Status :	Design
---------	------------	------------	------------	------------------	--------

Estimated Project Cost (\$)	8,100,000
Capitalized Labor	356,200
Construction	7,568,800
Other	15,000
Planning/Design	160,000

Funding Source	%
Cost Share	74
Pay-as-you-go	26

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
0	600,000	1,875,000	5,625,000	0	0	0

Other Financial Impact	Elimination of recurring lining repairs that have currently exceeded \$4 million.		
Operational Impact	Water storage to help manage large, rapid delivery flow changes that affect Coachella Canal operations.		
Discretionary	<input type="checkbox"/>	Non – Discretionary	<input checked="" type="checkbox"/>

Johnson Street Drain Improvement

Project Number: IR2101

Project Description

This project includes installing new manholes over the existing drainage line. The drainage line experiences clogging related to silt build-up and is difficult to perform routine maintenance due to lack of access. The installation of manholes will improve customer service and provide access for CVWD forces to help protect and maintain the existing line.



Project Objectives

The objective of this project is to replace aging infrastructure, accommodate increased incoming agricultural flows beyond the pipe's current capacity, and provide access via manholes to maintain the pipe.

Schedule

Start :	07/01/2025	Complete :	06/30/2026	Project Status :	Design
---------	------------	------------	------------	------------------	--------

Estimated Project Cost (\$)	1,292,411
Capitalized Labor	132,400
Construction	1,065,750
Other	19,261
Planning/Design	75,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
151,000	141,411	1,000,000	0	0	0	0

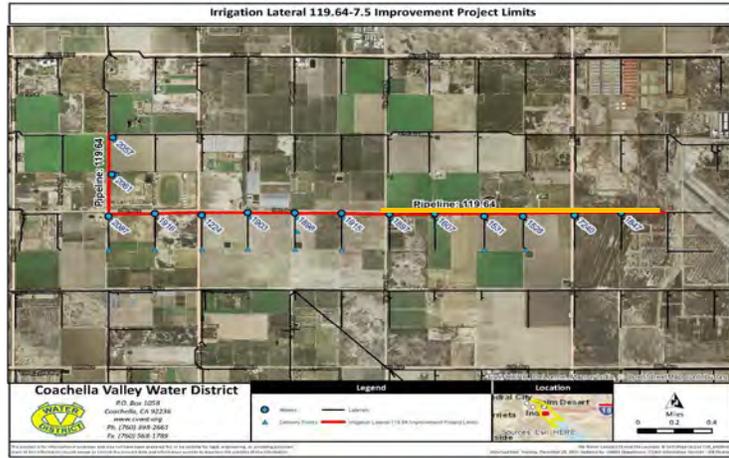
Other Financial Impact	Reduce operation and maintenance costs.
Operational Impact	This project improves O&M access and reduces jetting needs.
Discretionary	<input type="checkbox"/> Discretionary <input checked="" type="checkbox"/> Non - Discretionary

Irrigation Lateral 119.64-7.5 Replacement, Phase 1

Project Number: IR1701

Project Description

This project includes replacing approximately 8,600 linear feet of concrete pipe with polyvinyl chloride (PVC) pipe and removing the existing baffle stand, meter and meter vault installation, regulatory upgrades, street improvements, and jack and boring operation.



Project Objectives

The objective of this project is to improve customer service and replace aging concrete pipelines while minimizing water lost through leakage. Irrigation Lateral 119.64.75 is an old, large-diameter concrete irrigation pipeline delivering water from the Coachella Canal to farmers. The aging gravity system is leaking water from the pipeline joints, surging water out of the baffle stands, and spilling excess water impacting the delivery of canal water to our customers. These improvements will result in increased operational efficiency, water conservation, and improved customer service.

Schedule

Start :	07/01/2019	Complete :	06/30/2023	Project Status :	Construction
---------	------------	------------	------------	------------------	--------------

Estimated Project Cost (\$)	4,958,016	Funding Source	%
Capitalized Labor	396,433	Pay-as-you-go	100
Construction	3,879,963		
Other	281,620		
Planning/Design	400,000		

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
347,616	750,000	3,860,400	0	0	0	0

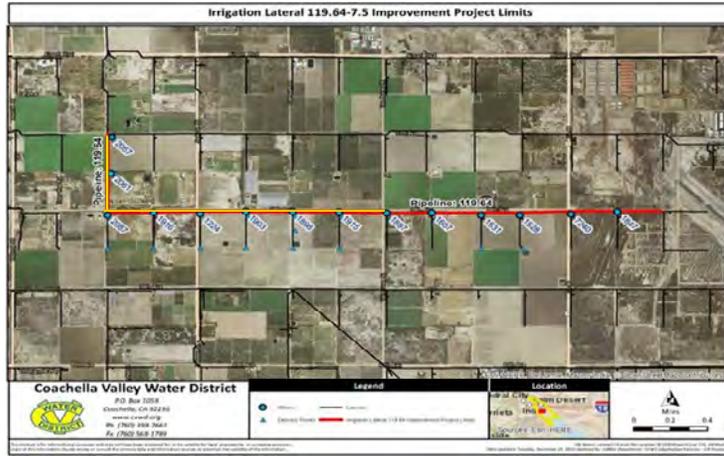
Other Financial Impact	None.	
Operational Impact	The replacement aims to greatly reduce leakage, minimize mainline shutdowns and improve customer service and reliability.	
Discretionary	<input type="checkbox"/>	Non - Discretionary <input checked="" type="checkbox"/>

Irrigation Lateral 119.64-7.5 Replacement, Phase 2

Project Number: IR2301

Project Description

This project includes replacing approximately 9,900 linear feet of concrete pipe with polyvinyl chloride (PVC) pipe and removing the existing baffle stand, meter and meter vault installation, regulatory upgrades, street improvements, and jack and boring operation.



Project Objectives

The objective of this project is to improve customer service and replace aging concrete pipelines while minimizing water loss through leakage. Irrigation Lateral 119.64.75 is an old, large-diameter concrete irrigation pipeline delivering water from the Coachella Canal to farmers. The aging gravity system is leaking water from the pipeline joints, surging water out of the baffle stands, and spilling excess water impacting the delivery of canal water to our customers. These improvements will result in increased operational efficiency, water conservation, and improved customer service.

Schedule

Start :	07/01/2019	Complete :	06/30/2024	Project Status :	Construction
---------	------------	------------	------------	------------------	--------------

Estimated Project Cost (\$)	3,898,000
Capitalized Labor	265,000
Construction	3,568,000
Other	15,000
Planning/Design	50,000

Funding Source	%
Loan	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
0	0	50,000	3,848,000	0	0	0

Other Financial Impact	None.	
Operational Impact	The replacement aims to greatly reduce leakage, minimize mainline shutdowns and improve customer service and reliability.	
Discretionary	<input type="checkbox"/>	Non – Discretionary <input checked="" type="checkbox"/>

Irrigation Lateral 123.45-1.3-2.2 and 123.45-1.3-2.8 Division Box Replacement

Project Number: IR1901

Project Description

This project includes replacing two concrete division box structures and constructing a permanent bypass system for 24-inch to 72-inch concrete pipe while maintaining service to canal water customers. These division boxes are located along Irrigation Lateral 123.45 and are an essential element in serving canal water to 11,000 acres of farmland in the East Valley.



Project Objectives

The objective of this project is to provide reliable canal water customer service in the future by replacing aged distribution system infrastructure which suffers from leaks and is in an overall state of disrepair. Additionally, it is to provide enhanced monitoring and remote operating capabilities. Lastly, it is to establish a structural design standard for future division box replacements as this is the first replacement of its kind.

Schedule

Start :	07/01/2018	Complete :	06/30/2023	Project Status :	Construction
---------	------------	------------	------------	------------------	--------------

Estimated Project Cost (\$)	5,004,000
Capitalized Labor	300,000
Construction	4,380,000
Other	20,000
Planning/Design	304,000

Funding Source	%
Loan	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
304,000	0	4,700,000	0	0	0	0

Other Financial Impact	\$2,500 annually for O&M.	
Operational Impact	The replacement of these two structures will improve CVWD's ability to maximize water delivery.	
Discretionary	<input type="checkbox"/>	Non – Discretionary <input checked="" type="checkbox"/>



*Coachella Canal*

# SANITATION



**SANITATION PROJECTS**

Planned Sanitation Fund projects for fiscal year 2023 amount to \$37.6 million. Funding includes approximately \$17.5 million in Pay-Go funds, \$5.5 million in grants, over \$4.4 million Sanitation Capacity Charges, \$1.4 million in Supplemental Water Supply Charge fees with the balance of approximately \$8.8 million funded with debt.

Capital Improvement Budget - Sanitation

Project Name	Budget	Planned				Total 5-Year
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	
Districtwide Project Allocation	\$1,098,180	\$1,005,450	\$373,450	\$243,750	\$243,750	\$2,964,580
Subtotal Districtwide Project Allocation	\$1,098,180	\$1,005,450	\$373,450	\$243,750	\$243,750	\$2,964,580
WRP 2 Treatment						
WRP 2 Monitoring Wells	\$50,000	\$ -	\$ -	\$ -	\$ -	\$50,000
Subtotal WRP 2 Treatment	\$50,000	\$ -	\$ -	\$ -	\$ -	\$50,000
WRP 4 Treatment						
Chemical System Safety Upgrade	\$42,000	\$ -	\$ -	\$ -	\$ -	\$42,000
Phase 1 Improvements - Nonpotable Water Upgrades, Project Specific CEQA	900,000	100,000	50,000	50,000	1,700,000	2,800,000
Plant Process Improvements, Phase 2	-	-	-	-	1,250,000	1,250,000
Subtotal WRP 4 Treatment	\$942,000	\$100,000	\$50,000	\$50,000	\$2,950,000	\$4,092,000
WRP 7 Treatment						
Aeration Improvements	\$4,980,000	\$6,500,000	\$5,400,000	\$ -	\$ -	\$16,880,000
Chemical System Safety Upgrade	25,000	-	-	-	-	25,000
Phase 1 Recycled Water Expansion	450,000	50,000	5,000,000	9,300,000	11,000,000	25,800,000
Process Optimization	-	50,000	-	-	-	50,000
Subtotal WRP 7 Treatment	\$5,455,000	\$6,600,000	\$10,400,000	\$9,300,000	\$11,000,000	\$42,755,000
WRP 10 Treatment						
Chemical System Safety Upgrade	\$25,000	\$ -	\$ -	\$ -	\$ -	\$25,000
Headwork's Improvements (Storage and Controls)	1,700,000	3,700,000	7,500,000	6,500,000	-	19,400,000
M-1 Twin Backup Generators and Automatic Transfer Switch	-	-	-	175,000	-	175,000
Process Optimization	130,000	-	-	-	-	130,000
T1 Filter Assessment and Repair	4,654,000	6,513,238	-	-	-	11,167,238
Subtotal WRP 10 Treatment	\$6,509,000	\$10,213,238	\$7,500,000	\$6,675,000	\$ -	\$30,897,238

## Capital Improvement Budget - Sanitation (Continued)

Project Name	Budget	Planned				Total 5-Year
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	
<b>Collection</b>						
Avenue 66 Trunk Sewer	\$25,000	\$50,000	\$25,000	\$3,500,000	\$2,150,000	\$5,750,000
Lift Station 55-11 Capacity Upgrade (Mecca)	750,000	4,750,000	450,000	-	-	5,950,000
Lift Station 55-12 Electrical and Site Upgrade (Home Depot)	-	-	-	128,000	902,814	1,030,814
Lift Station 80-03 Upgrade (Cook Street)	600,000	1,200,000	150,000	2,200,000	450,000	4,600,000
Lift Station 80-13 Upgrade (Grand Champion)	-	-	-	-	112,000	112,000
Lift Station 81-07 and Lift Station 55-12 Odor Control Upgrades	350,000	350,000	350,000	350,000	950,000	2,350,000
Lift Station Micro-RTU Replacement	400,000	400,000	400,000	-	-	1,200,000
Mecca Sewer and Manhole Replacement Rehabilitation	-	192,000	192,000	1,773,732	2,000,000	4,157,732
Monroe Street Trunk Sewer	2,600,000	-	-	-	-	2,600,000
Pierce Street Trunk Sewer	-	-	25,000	225,000	3,500,000	3,750,000
Section 31 and Vist Del Sol Sewer Pipeline	545,000	327,000	-	-	-	872,000
Sewer Lift Station Rehabilitation	-	-	-	-	350,000	350,000
Sewer Manhole Rehabilitation	-	-	1,650,000	1,500,000	1,500,000	4,650,000
Sewer Manhole Rehabilitation Project - Palm Desert and Rancho Mirage	337,965	337,965	337,966	-	-	1,013,896
Sewer Pipeline Rehabilitation	-	250,000	1,500,000	1,500,000	1,500,000	4,750,000
Sewer Pipeline Rehabilitation - Palm Desert and Thousands Palms	1,989,000	-	-	-	-	1,989,000
Sewer Pipeline Rehabilitation Project - Cedar Crest	-	36,000	771,106	-	-	807,106
Sewer Pipeline Relocation - Bob Hope Drive	-	96,000	367,715	-	-	463,715
Valley View Trunk Sewer	25,000	50,000	75,000	4,500,000	-	4,650,000
<b>Subtotal Collection</b>	<b>\$7,621,965</b>	<b>\$8,038,965</b>	<b>\$6,293,787</b>	<b>\$15,676,732</b>	<b>\$13,414,814</b>	<b>\$51,046,263</b>

Capital Improvement Budget - Sanitation (Continued)

Project Name	Budget	Planned				Total 5-Year
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	
<b>Nonpotable Water Pipeline Connection</b>						
Annenberg (aka Sunnylands) Golf Club Connection	\$400,000	\$1,600,000	\$1,000,000	\$ -	\$ -	\$3,000,000
Bermuda Dunes Country Club NPW Connection	500,000	-	-	-	-	500,000
Blended Water System Pump Stations	-	-	500,000	300,000	25,000	825,000
Desert Island Country Club (aka The S) Connection	100,000	25,000	500,000	400,000	-	1,025,000
Emerald Desert Country Club Connection	50,000	500,000	-	-	-	550,000
Forest Lawn NPW Connection	-	-	-	-	100,000	100,000
Indian Wells Tennis Garden	10,000	10,000	60,000	1,000,000	-	1,080,000
Jack Ivey Ranch NPW Connection	500,000	1,800,000	1,000,000	-	-	3,300,000
Marriott Desert Springs North Course Connection	100,000	50,000	50,000	250,000	-	450,000
Marriott Shadow Ridge Connection	125,000	50,000	2,500,000	2,500,000	-	5,175,000
Mission Hills Country Club Connection	-	-	100,000	150,000	25,000	275,000
Outdoor Resort RV Park Connection	-	-	-	-	100,000	100,000
Palm Desert Resort Country Club Connection	850,000	-	-	-	-	850,000
Palm Royale Country Club	500,000	1,800,000	1,000,000	-	-	3,300,000
Rancho Mirage Country Club Connection	400,000	1,600,000	1,000,000	-	-	3,000,000
Shadow Hills High School NPW Connection	100,000	10,000	10,000	500,000	195,000	815,000
Shadow Hills North Golf Course	100,000	10,000	10,000	400,000	210,000	730,000
Southwest Community Church/Gerald Ford School	400,000	1,600,000	1,000,000	-	-	3,000,000
Springs Country Club Connection	100,000	25,000	500,000	400,000	-	1,025,000
Suncrest Country Club Connection	400,000	1,600,000	1,000,000	-	-	3,000,000
T-1 Pump Station Replacement	7,400,000	7,500,000	-	-	-	14,900,000
Talavera	100,000	10,000	10,000	500,000	195,000	815,000
Tamarisk Country Club Connection	400,000	1,600,000	1,000,000	-	-	3,000,000
The Eagle (Crystal Lagoon) NPW Connection	-	-	-	50,000	25,000	75,000
The Oasis Country Club Connection	2,500,000	-	-	-	-	2,500,000
Tri-Palms Country Club NPW Connection	50,000	150,000	150,000	150,000	2,800,000	3,300,000
Westin Mission Hills Country Club Connection	-	-	100,000	150,000	25,000	275,000
Woodhaven Country Club Connection	150,000	-	-	-	-	150,000
WRP 10 Low Pressure Capacity Expansion	700,000	125,000	2,000,000	2,000,000	1,000,000	5,825,000
WRP 10 NPW Regional Storage Facility	-	-	-	-	200,000	200,000
Young's Farmland & Garden Fellowship NPW Connection	10,000	10,000	10,000	500,000	230,000	760,000
<b>Subtotal Nonpotable Water Pipeline Connection</b>	<b>\$15,945,000</b>	<b>\$20,075,000</b>	<b>\$13,500,000</b>	<b>\$9,250,000</b>	<b>\$5,130,000</b>	<b>\$63,900,000</b>
<b>Total Sanitation</b>	<b>\$37,621,145</b>	<b>\$46,032,653</b>	<b>\$38,117,237</b>	<b>\$41,195,482</b>	<b>\$32,738,564</b>	<b>\$195,705,081</b>

WRP 2 Monitoring Wells

Project Number: WR0202

Project Description

This project includes the installation of 3 new, 4-inch diameter monitoring wells, 1 up gradient, and 2 down gradient of the disposal ponds at WRP 2 to replace 3 old 2-inch diameter wells.



Project Objectives

The objectives of this project are to replace smaller diameter monitoring wells that have inoperative pumps with larger wells to provide for more efficient maintenance and operation.

Schedule

Start :	03/26/2021	Complete :	09/30/2022	Project Status :	Construction
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Estimated Project Cost (\$)	200,000
Capitalized Labor	11,528
Construction	167,472
Other	1,000
Planning/Design	20,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
0	150,000	50,000	0	0	0	0

Other Financial Impact	None.		
Operational Impact	Pumping will reduce the time to retrieve water samples by eliminating the need for staff to manually bail samples.		
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary	<input type="checkbox"/>

WRP 4 Chemical System Safety Upgrade

Project Number: WR4013

Project Description

The project includes the design and construction upgrades to the chlorination and sulfonation buildings to conform to the chemical system safety requirements of the 2013 California Fire Code. The project will also include the design and installation of CCTV cameras for the chlorine and sulfur buildings, installation of a new fire sprinkler system, access control, and video monitoring system for site security and safety. Project construction completed in FY 2023.



Project Objectives

The objective of this project is to meet the requirements of the 2013 California Fire Code and improve worker safety during the operation and maintenance of the chlorination and sulfonation systems.

Schedule

Start :	06/06/2015	Complete :	12/31/2023	Project Status :	Close-out
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Estimated Project Cost (\$)	5,306,000
Capitalized Labor	191,840
Construction	4,588,280
Other	25,880
Planning/Design	500,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
5,091,400	172,600	42,000	0	0	0	0

Other Financial Impact	\$20,000 per year for the operation of the new chlorine scrubber will increase O&M costs for electricity, material replacement, and labor.		
Operational Impact	The new scrubber system will ensure regulatory compliance and aid worker safety.		
Discretionary	<input type="checkbox"/>	Non – Discretionary	<input checked="" type="checkbox"/>

WRP 4 Phase 1 Improvements - Nonpotable Water Upgrades, Project Specific CEQA

Project Number: WR4016

Project Description

This project includes designing and constructing a new recycled water treatment system at WRP 4. The project includes filters, ultraviolet disinfection, effluent pump station, storage ponds, electrical building, site improvements, and nonpotable water (NPW) distribution piping.



Project Objectives

The objective of this project is to supply East Valley demand with nonpotable water from WRP 4 to support the groundwater substitution program, an element of implementing the Alternative Plan Update to satisfy CVWD's Groundwater Sustainability Agency obligations. In addition, the project will mitigate costs associated with potential advanced treatment of discharges to the Coachella Valley Stormwater Channel.

Schedule

Start :	07/01/2019	Complete :	06/30/2030	Project Status :	Design
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Estimated Project Cost (\$)	20,015,008
Capitalized Labor	682,376
Construction	17,031,332
Other	55,300
Planning/Design	2,246,000

Funding Source	%
SCC Treatment	40
Pay-as-you-go	60

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
665,000	750,000	900,000	100,000	50,000	50,000	1,700,000

Other Financial Impact	Potential to mitigate costs associated with potential advanced treatment facilities for discharges to the Coachella Valley Stormwater Channel. Construction of this project is beyond FY 2027.	
Operational Impact	Increased operational costs including labor, chemicals, and electricity.	
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary <input type="checkbox"/>

WRP 7 Aeration Improvements

Project Number: WR7020

Project Description

This project includes the design and construction of new blowers and a new aeration building at WRP 7. The project also includes the replacement of RAS/WAS pumps, and electrical and instrumentation control equipment. The project will maximize treatment capacity, improve process efficiency, increase redundancy, and provide additional capacity for growth. WRP 7's aeration system has reached capacity and is nearing the end of its useful life.



Project Objectives

The objective of this project is to improve the reliability of the treatment process, increase the efficiency and reliability of the aeration system (blowers), increase operational flexibility, and prepare for possible regulatory changes at WRP 7.

Schedule

Start :	11/18/2019	Complete :	06/30/2025	Project Status :	Design
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Estimated Project Cost (\$)	18,413,000
Capitalized Labor	816,690
Construction	16,165,310
Planning/Design	1,431,000

Funding Source	%
SCC Treatment	50
Pay-as-you-go	50

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
278,000	1,255,000	4,980,000	6,500,000	5,400,000	0	0

Other Financial Impact	Additional labor and electricity costs to operate and maintain the equipment.	
Operational Impact	The implementation of the new process, equipment, and upgrades will allow CVWD to reliably treat projected influent flows and will allow for process flexibility to prepare WRP 7 for potentially stricter discharge limits including nutrient removal.	
Discretionary	<input checked="" type="checkbox"/>	Non – Discretionary <input type="checkbox"/>

WRP 7 Chemical System Safety Upgrade

Project Number: WR7015

Project Description

This project includes the design and construction upgrades to the chlorination building to conform to the chemical system safety requirements of the 2013 California Fire Code. The project will also include the design and installation of CCTV cameras for the chlorine building and the installation of a new fire sprinkler system, access control, and a video monitoring system for site security and safety. Project construction completed in FY 2023.



Project Objectives

The objective of this project is to meet the requirements of the 2013 California Fire Code and improve worker safety during the operation and maintenance of the chlorination system.

Schedule

Start :	06/06/2015	Complete :	12/31/23	Project Status :	Close-out
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Estimated Project Cost (\$)	4,130,000
Capitalized Labor	173,610
Construction	3,480,510
Other	25,880
Planning/Design	450,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
4,016,000	89,000	25,000	0	0	0	0

Other Financial Impact	\$20,000 per year for the operation of the new chlorine scrubber will increase O&M costs for electricity, material replacement, and labor.	
Operational Impact	The new scrubber system will ensure regulatory compliance and aid worker safety.	
Discretionary	<input type="checkbox"/>	<input checked="" type="checkbox"/> Non - Discretionary

WRP 7 Phase 1 Recycled Water Expansion

Project Number: WR7022

Project Description

The project includes an expansion of the tertiary system (recycled water) at WRP 7. The project will increase the tertiary capacity by 2.5 million gallons per day (MGD) for a total capacity of 5.0 MGD, add a 5 million-gallon tertiary water storage bladder, repurpose a land disposal pond to accept secondary effluent for retreatment, and upgrade the capacity of the milepost (MP) 113.2-canal water pump station.



Project Objectives

The objective of this project is to increase the use of recycled water in the WRP 7 service area to meet water management goals for source substitution, reduce land disposal of secondary effluent, improve plant process performance by reducing fluctuations in daily flow by capturing secondary effluent and reintroducing it to the plant process, and upgrade the MP 113.2 canal water pump station to improve the delivery of canal water to WRP 7.

Schedule

Start :	07/01/2020	Complete :	06/30/2030	Project Status :	Design
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Estimated Project Cost (\$)	40,746,000
Capitalized Labor	917,120
Construction	35,778,880
Other	50,000
Planning/Design	4,000,000

Funding Source	%
Pay-as-you-go	25
Loan	60
Grant	15

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
396,000	550,000	450,000	50,000	5,000,000	9,300,000	11,000,000

Other Financial Impact	Increase in chemical, energy, and labor costs. Construction of this project is beyond FY 2027.		
Operational Impact	Improved performance at WRP 7.		
Discretionary	<input checked="" type="checkbox"/>	Non – Discretionary	<input type="checkbox"/>

WRP 10 Chemical System Safety Upgrade

Project Number: WR1030

Project Description

This project includes design and construction upgrades to the chlorination building to conform to chemical system safety requirements of the 2013 California Fire Code. The project will also include the design and installation of CCTV cameras for the chlorine building, installation of a new fire sprinkler system, access control, and video monitoring system for site security and safety. Project construction completed in FY 2023.



Project Objectives

The objective of this project is to meet the requirements of the 2013 California Fire Code and improve worker safety during the operation and maintenance of the chlorination system.

Schedule

Start :	06/06/2015	Complete :	12/31/2023	Project Status :	Close-out
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Estimated Project Cost (\$)	4,631,000
Capitalized Labor	180,610
Construction	3,964,510
Other	35,880
Planning/Design	450,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
4,500,900	105,100	25,000	0	0	0	0

Other Financial Impact	\$20,000 per year for the operation of the new chlorine scrubber will increase O&M costs for electricity, material replacement, and labor.		
Operational Impact	The new scrubber system will ensure regulatory compliance and aid worker safety.		
Discretionary	<input type="checkbox"/>	Non - Discretionary	<input checked="" type="checkbox"/>

WRP 10 Headworks Improvements (Storage and Controls)

Project Number: WR1042

Project Description

The project includes upgrading the Headworks Facility at WRP 10. The project will design and construct preliminary treatment systems, which include site work, influent pumps, vortex grit chamber, influent equalization basin, and odor control. The project will maximize treatment capacity and process performance while increasing redundancy/reliability.



Project Objectives

The objective of the project is to increase capacity at the WRP 10 Headworks Facility, increase process control, improve the reliability of the treatment process, and improve the ability of the plant to treat sewage.

Schedule

Start :	07/01/2020	Complete :	06/30/2026	Project Status :	Design
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Estimated Project Cost (\$)	19,690,000
Capitalized Labor	248,276
Construction	17,241,724
Planning/Design	2,200,000

Funding Source	%
Pay-as-you-go	50
SCC Treatment	50

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
40,000	250,000	1,700,000	3,700,000	7,500,000	6,500,000	0

Other Financial Impact	The financial impact is expected to improve through more efficient treatment that will allow for reduced energy costs.		
Operational Impact	The operational impact will be improved through less pump maintenance, failures, and improved process performance.		
Discretionary	<input checked="" type="checkbox"/>	Non – Discretionary	<input type="checkbox"/>

WRP 10 Process Optimization

Project Number: WR1036

Project Description

This project includes implementing wastewater treatment process recommendations by the Energy Coalition for WRP 10. The optimization project will reduce annual electrical usage by implementing control measures to provide more efficient process operation and provide capacity for additional growth.



Project Objectives

The objective of this project is to install equipment to increase energy efficiency through the replacement of lighting with LED lighting, to optimize control of the activated sludge process by the installation of ammonia and RAS/WAS monitoring equipment, and to refurbish T2 pumps to increase overall pumping efficiency.

Schedule

Start :	07/01/2019	Complete :	06/30/2023	Project Status :	Construction
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Estimated Project Cost (\$)	1,487,000
Capitalized Labor	22,372
Construction	1,464,628

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
1,192,000	165,000	130,000	0	0	0	0

Other Financial Impact	Reduced energy costs.		
Operational Impact	Improved process performance.		
Discretionary	<input checked="" type="checkbox"/>	Non – Discretionary	<input type="checkbox"/>

WRP 10 T1 Filter Assessment and Repair

Project Number: WR1043

Project Description

This project will design and construct a replacement of the tertiary multimedia filters with cloth disk filters that serve the T1 (Non-Potable Water) Pump Station located at WRP 10. The project includes the replacement of backwash pumps and automated valves and chemical dosing to optimize operation and energy consumption.



Project Objectives

The objective of this project is to replace aging multimedia filters with cloth disk filters that are more energy efficient, increase operational reliability, and increase filtration capacity from 10 million gallons per day (MGD) to 15 MGD.

Schedule

Start :	01/26/2021	Complete :	06/28/2024	Project Status :	Design
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Estimated Project Cost (\$)	11,538,238
Capitalized Labor	372,520
Construction	10,486,000
Planning/Design	679,718

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
71,000	300,000	4,654,000	6,513,238	0	0	0

Other Financial Impact	This project will reduce O&M costs due to the high frequency of failure of the existing multimedia filters and the difficulty of obtaining repair parts. The replacement with cloth disk filters will add energy-efficient controls for backwash pumps that will reduce energy consumption.					
Operational Impact	This project is required to ensure WRP 10 has adequate tertiary treatment capacity to process high-season plant influent flows to meet permit requirements.					
Discretionary	<input checked="" type="checkbox"/>	Non – Discretionary		<input type="checkbox"/>		

**Avenue 66 Trunk Sewer**  
Project Number: SA2003

**Project Description**

This project includes constructing a new sewer pipeline along Avenue 66 from Polk Street to Harrison Street and along Harrison Street from Echols Road to Avenue 66. The project will utilize grant funding for the septic-to-sewer conversion and expand CVWD's sanitation service area. New sewer service is also planned along Martinez Road.



**Project Objectives**

The objective of this project is to use 100% grant funding for septic-to-sewer conversions within a disadvantaged community.

**Schedule**

Start :	07/01/2019	Complete :	06/30/2027	Project Status :	Planning
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Estimated Project Cost (\$)	5,828,000
Capitalized Labor	146,560
Construction	5,325,000
Other	6,440
Planning/Design	350,000

Funding Source	%
Grant	100

**Budget**

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
28,000	50,000	25,000	50,000	25,000	3,500,000	2,150,000

Other Financial Impact	The project will provide reliable centralized sewer service to the disadvantaged community and expand CVWD's sewer service through available grant funding.		
Operational Impact	\$10,000 per year for additional O&M costs for the maintenance of pipeline and pump station.		
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary	<input type="checkbox"/>

Lift Station 55-11 Capacity Upgrade (Mecca)

Project Number: LS2202

Project Description

This project includes upgrading the existing Lift Station 55-11 within the community of Mecca through the installation of a new 12-foot diameter wet well, pumps, piping, electrical cabinets, building, generator, controls, perimeter block wall, and other site features. The lift station improvements will accommodate growth in the community of Mecca.



Project Objectives

The objective of this project is to increase lift station capacity, provide redundancy, and provide better odor control.

Schedule

Start :	07/01/2021	Complete :	12/31/2025	Project Status :	Planning
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Estimated Project Cost (\$)	6,025,000
Capitalized Labor	141,720
Construction	5,095,986
Other	106,000
Planning/Design	681,294

Funding Source	%
SCC Collection	50
Grant	50

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
0	75,000	750,000	4,750,000	450,000	0	0

Other Financial Impact	Additional electrical energy will be consumed and additional time to operate and maintain the new equipment on an annual basis.					
Operational Impact	The project will maximize collection capacity and increase redundancy/reliability. The improvements will eliminate the potential for Sanitary System Overflows (SSOs), which may result in Clean Water Act fines of up to \$25,000 per day.					
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary		<input type="checkbox"/>		

Lift Station 80-03 Upgrade (Cook Street)

Project Number: LS2101

Project Description

This project includes upgrading the existing Lift Station 80-03 within Palm Desert through the installation of a new 12-foot diameter wet well, pumps, piping, electrical cabinets, generator, controls, perimeter block wall, and other site features. The lift station improvements will accommodate growth in the city of Palm Desert per the Sewer Collection System Master Plan.



Project Objectives

The objective of this project is to increase lift station capacity and provide redundancy.

Schedule

Start :	07/01/2020	Complete :	06/30/2027	Project Status :	Planning
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Estimated Project Cost (\$)	4,711,000
Capitalized Labor	259,740
Construction	3,574,799
Other	76,461
Planning/Design	800,000

Funding Source	%
Pay-as-you-go	50
SCC Collection	50

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
36,000	75,000	600,000	1,200,000	150,000	2,200,000	450,000

Other Financial Impact	Additional electrical energy will be consumed and additional time to operate and maintain the new equipment on an annual basis.					
Operational Impact	The project will maximize collection capacity and increase redundancy/reliability. The improvements will eliminate the potential for Sanitary System Overflows (SSOs), which may result in Clean Water Act fines of up to \$25,000 per day.					
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary		<input type="checkbox"/>		

Lift Station 81-07 and Lift Station 55-12 Odor Control Upgrades

Project Number: LS2301

Project Description

This project includes replacing existing corroded odor control scrubbers at Lift Station 81-07 located in the city of Indio and Lift Station 55-12 located in the city of La Quinta with new wood chip beds or dry media scrubbers.



Project Objectives

The objective of this project is to replace the existing corroded chemical scrubbers at LS 81-07 and LS 55-12 with wood chip beds or dry media scrubbers and provide redundancy.

Schedule

Start :	07/01/2022	Complete :	07/01/2027	Project Status :	Planning
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Estimated Project Cost (\$)	2,350,000
Capitalized Labor	73,300
Construction	1,882,100
Other	22,000
Planning/Design	372,600

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
0	0	350,000	350,000	350,000	350,000	950,000

Other Financial Impact	The project will reduce maintenance costs and will mitigate potential odor complaints and AQMD permit violations.	
Operational Impact	The project will reduce maintenance calls to the lift station through increased reliability from the redundant Odor Control System.	
Discretionary	<input checked="" type="checkbox"/>	Non – Discretionary <input type="checkbox"/>

Lift Station Micro-RTU Replacement

Project Number: LS2201

Project Description

This project includes the replacement of obsolete micro-RTUs with programmable logic controllers (PLC) and all related appurtenances. It also includes upgrades to the individual communication systems as needed, development and uploading of the new PLC program, and integration of each site to CVWD's SCADA system at 18 existing lift stations.



Project Objectives

The objective of this project is to replace obsolete equipment with reliable programmable logic controllers to provide for a more reliable and robust communications system integrated into the new SCADA system.

Schedule

Start :	07/01/2022	Complete :	06/30/2025	Project Status :	Planning
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Estimated Project Cost (\$)	1,200,000
Capitalized Labor	61,760
Construction	1,138,240

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
0	0	400,000	400,000	400,000	0	0

Other Financial Impact	None.	
Operational Impact	CVWD will provide routine maintenance of equipment.	
Discretionary	<input checked="" type="checkbox"/>	Non – Discretionary <input type="checkbox"/>

**Monroe Street Trunk Sewer**  
Project Number: SA1905

**Project Description**

This project includes the construction of a new sewer pipeline along Monroe Street from Avenue 62 to Avenue 64. This is a septic-to-sewer conversion project and will expand CVWD's sanitation service area using grant funding.



**Project Objectives**

The objective of the project is to use 100% grant funding for septic-to-sewer conversion within a disadvantaged community (DAC).

**Schedule**

Start :	07/01/2019	Complete :	06/30/2023	Project Status :	Design
---------	------------	------------	------------	------------------	--------

Estimated Project Cost (\$)	3,792,000
Capitalized Labor	149,480
Construction	3,360,640
Other	1,880
Planning/Design	280,000

Funding Source	%
Grant	100

**Budget**

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
42,000	1,150,000	2,600,000	0	0	0	0

Other Financial Impact	The project will provide reliable centralized sewer service to the DAC and expand CVWD's sewer service through available grant funding.		
Operational Impact	\$10,000 per year for additional O&M costs for the maintenance of the pipeline and pump station.		
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary	<input type="checkbox"/>

Section 31 and Vista Del Sol Sewer Pipeline

Project Number: SA2201

Project Description

The project includes upsizing developer-installed on-site pipelines as part of Phase I of the new Section 31 Crystal Lagoon Project located between Monterey Avenue and Bob Hope Drive on Frank Sinatra Drive. Upsizing the pipelines will support the abandonment of Lift Stations 80-16 and 80-20. The project includes upsizing pipelines from a range of 8-inch diameter to the 15-inch diameter required for the development to 10-inch diameter to 18-inch diameter to provide the additional capacity required to support the tributary areas of the lift stations.



Project Objectives

The objectives of this project are to abandon Lift Stations 80-16 and 80-20 by upsizing new on-site gravity pipelines.

Schedule

Start :	07/01/2021	Complete :	06/30/2022	Project Status :	Planning
---------	------------	------------	------------	------------------	----------

Estimated Project Cost (\$)	872,000
Planning/Design	872,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
0	0	545,000	327,000	0	0	0

Other Financial Impact	Eliminate energy and labor costs required to operate and maintain Lift Stations 80-16 and 80-20.	
Operational Impact	Reduced operations and maintenance at Lift Stations 80-16 and 80-20.	
Discretionary	<input checked="" type="checkbox"/>	Non – Discretionary <input type="checkbox"/>

Sewer Manhole Rehabilitation - Palm Desert and Rancho Mirage

Project Number: SA2301

Project Description

This project includes replacing 18 deteriorating sewer manholes within the cities of Palm Desert and Rancho Mirage. The deteriorated manholes require complete removal and replacement due to the amount of deterioration.



Project Objectives

The objective of this project is to increase the reliability of the service of CVWD's sanitation collection system in the cities of Palm Desert and Rancho Mirage to reduce the potential of sanitary system overflows (SSOs) and regulatory fines by replacing these manholes.

Schedule

Start : 07/01/2022 Complete : 06/30/2025 Project Status : Construction

Estimated Project Cost (\$)	1,013,896
Capitalized Labor	35,935
Construction	879,680
Other	23,281
Planning/Design	75,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
0	0	337,965	337,965	337,966	0	0

Other Financial Impact	The project will reduce O&M costs associated with frequent manhole cleaning and CCTV assessment.		
Operational Impact	The project will increase the reliability of service and will eliminate the potential for SSOs, which may result in Clean Water Act fines of up to \$25,000 per day.		
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary	<input type="checkbox"/>

Sewer Pipeline Rehabilitation - Palm Desert and Thousands Palms

Project Number: SA2104

Project Description

This project includes installing approximately 4,400 linear feet of cured-in-place pipe within the City of Palm Desert and the community of Thousand Palms. The project will address existing longitudinal cracks and root intrusion within the sewer pipeline.



Project Objectives

The objective of this project is to increase sewer pipeline reliability, prevent potential sewer spills, and repair sags in sewer pipes.

Schedule

Start :	07/01/2020	Complete :	06/30/2023	Project Status :	Planning
---------	------------	------------	------------	------------------	----------

Estimated Project Cost (\$)	2,289,924
Capitalized Labor	125,873
Construction	1,971,298
Other	11,448
Planning/Design	181,305

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
41,724	259,200	1,989,000	0	0	0	0

Other Financial Impact	Reduce annual operating costs for labor and equipment necessary to clean the sewer pipeline to maintain the level of service.
Operational Impact	The project will maximize collection capacity and increase reliability. The improvements will eliminate the potential for sanitary system overflows, which may result in Clean Water Act fines up to \$25,000 per day.
Discretionary	<input checked="" type="checkbox"/> Non - Discretionary <input type="checkbox"/>

Valley View Trunk Sewer

Project Number: SA2006

Project Description

This project includes grant funding support, preliminary engineering, plan design, and the environmental report for a new sewer pipeline within disadvantaged communities (DAC). The Sanitation Master Plan has developed 13 new projects to provide service to disadvantaged communities. The sewer planning efforts are consistent with the East Coachella Valley Water Supply plans. The DAC Task Force will develop a priority listing of sewer projects from these planning efforts. This is a septic-to-sewer conversion project to expand CVWD's service area and utilize available grant funding opportunities.



Project Objectives

The objective of this project is to use 100% grant funding for septic-to-sewer conversion within disadvantaged communities. The project will result in significant cost savings for sanitation services for the communities.

Schedule

Start :	07/01/2019	Complete :	06/30/2026	Project Status :	Design
---------	------------	------------	------------	------------------	--------

Estimated Project Cost (\$)	4,725,000
Capitalized Labor	70,000
Construction	4,340,000
Other	15,000
Planning/Design	300,000

Funding Source	%
Grant	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
0	75,000	25,000	50,000	75,000	4,500,000	0

Other Financial Impact	The project will provide reliable, centralized service to disadvantaged communities.		
Operational Impact	Approximately \$10,000 per year additional operation and maintenance cost for the pipeline and pump station.		
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary	<input type="checkbox"/>

Annenberg (aka Sunnylands) Golf Club NPW Connection

Project Number: NP2004

Project Description

This project includes the design and construction of a nonpotable water (NPW) pipeline, meter connection, and pump capacity upgrade from WRP 10's NPW distribution system to Annenberg (aka Sunnylands) Golf Club. The NPW connection will allow the golf course to reduce its reliance on groundwater for turf irrigation purposes and help CVWD achieve groundwater sustainability goals.



Project Objectives

The objective of this project is to expand CVWD's NPW service area and reduce reliance on groundwater for turf irrigation. Connecting this project to the NPW delivery system will save approximately 1,262 acre-feet of groundwater per year.

Schedule

Start :	01/01/2019	Complete :	06/30/2025	Project Status :	Planning
---------	------------	------------	------------	------------------	----------

Estimated Project Cost (\$)	3,233,950
Capitalized Labor	204,680
Construction	2,772,270
Other	10,000
Planning/Design	247,000

Funding Source	%
Pay-as-you-go	15
Loan	33
Grant	15
SWSC	37

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
130,000	103,950	400,000	1,600,000	1,000,000	0	0

Other Financial Impact	\$5,000 per year for additional electricity and material cost to maintain the new meter vault and monitoring equipment.		
Operational Impact	\$5,000 per year for labor related to maintenance/calibration of control valve and meter.		
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary	<input type="checkbox"/>

Bermuda Dunes Country Club NPW Connection

Project Number: C01506

Project Description

This project includes the construction of a nonpotable water (NPW) pipeline from WRP 10's NPW distribution system to Bermuda Dunes Country Club. The connection will allow the golf course to reduce its reliance on groundwater for turf irrigation purposes and help CVWD achieve groundwater sustainability goals. This project is under construction.



Project Objectives

The objective of this project is to expand CVWD's WRP 10 NPW service area and reduce reliance on groundwater for turf irrigation. Connecting this project to the NPW delivery system will save approximately 1,283 acre-feet of groundwater per year.

Schedule

Start :	01/02/2019	Complete :	10/11/2023	Project Status :	Design
---------	------------	------------	------------	------------------	--------

Estimated Project Cost (\$)	4,036,000
Capitalized Labor	453,240
Construction	3,173,370
Other	59,390
Planning/Design	350,000

Funding Source	%
Pay-as-you-go	25
Loan	60
Grant	15

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
736,000	2,800,000	500,000	0	0	0	0

Other Financial Impact	\$5,000 per year for additional electricity and material cost to maintain the new meter vault and monitoring equipment.				
Operational Impact	\$5,000 per year for labor related to maintenance/calibration of control valve and meter.				
Discretionary	<input type="checkbox"/>	Non - Discretionary		<input checked="" type="checkbox"/>	

Desert Island Country Club (aka The S) NPW Connection

Project Number: NP2005

Project Description

This project includes the design and construction of a nonpotable water (NPW) pipeline, meter connection, and pump capacity upgrade from WRP 10's NPW distribution system to Desert Island Country Club. The connection will allow the golf course to reduce its reliance on groundwater for turf irrigation purposes and help CVWD achieve groundwater sustainability goals.



Project Objectives

The objective of this project is to expand CVWD's NPW service area and reduce reliance on groundwater for turf irrigation. Connecting this project to the NPW delivery system will save approximately 979 acre-feet of groundwater per year.

Schedule

Start :	07/01/2020	Complete :	06/30/2026	Project Status :	Planning
---------	------------	------------	------------	------------------	----------

Estimated Project Cost (\$)	1,035,000
Capitalized Labor	160,620
Construction	614,380
Other	10,000
Planning/Design	250,000

Funding Source	%
Pay-as-you-go	25
Loan	60
Grant	15

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
0	10,000	100,000	25,000	500,000	400,000	0

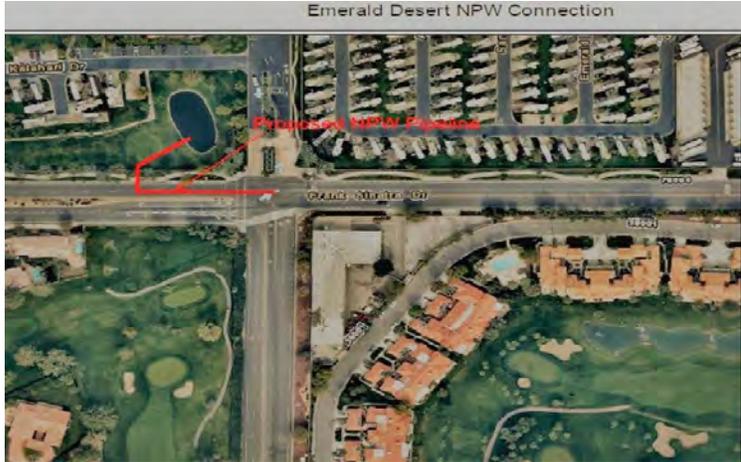
Other Financial Impact	\$5,000 per year for additional electricity and material cost to maintain the new meter vault and monitoring equipment.	
Operational Impact	\$5,000 per year for labor related to maintenance/calibration of control valve and meter.	
Discretionary	<input checked="" type="checkbox"/>	Non – Discretionary <input type="checkbox"/>

Emerald Desert RV Resort NPW Connection

Project Number: NP1602

Project Description

This project includes the design and construction of a nonpotable water (NPW) pipeline and meter connection from WRP 10's NPW distribution system to Emerald Desert RV Resort. The connection will allow the resort to reduce its reliance on groundwater for turf irrigation purposes and help CVWD achieve groundwater sustainability goals.



Project Objectives

The objective of this project is to expand CVWD's NPW service area and reduce reliance on groundwater for turf irrigation. Connecting this project to the NPW delivery system will save approximately 188 acre-feet of groundwater per year.

Schedule

Start :	01/01/2015	Complete :	06/30/2024	Project Status :	Construction
---------	------------	------------	------------	------------------	--------------

Estimated Project Cost (\$)	758,000
Capitalized Labor	85,000
Construction	500,000
Planning/Design	173,000

Funding Source	%
Pay-as-you-go	25
Loan	60
Grant	15

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
202,000	6,000	50,000	500,000	0	0	0

Other Financial Impact	\$5,000 per year for additional electricity and material cost to maintain the new meter vault and monitoring equipment.				
Operational Impact	\$5,000 per year for labor related to maintenance/calibration of control valve and meter.				
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary	<input type="checkbox"/>		

Indian Wells Tennis Gardens NPW Connection

Project Number: NP2006

Project Description

This project includes the design and construction of a nonpotable water (NPW) pipeline and meter connection from the WRP 10 NPW distribution system to the Indian Wells Tennis Garden. The connection will allow the stadium complex to reduce its reliance on groundwater for turf irrigation purposes and help CVWD achieve groundwater sustainability goals.



Project Objectives

The objective of this project is to expand CVWD's NPW service area and reduce reliance on groundwater for turf irrigation. Connecting this project to the NPW delivery system will save approximately 359 acre-feet of groundwater per year.

Schedule

Start :	01/01/2019	Complete :	06/30/2026	Project Status :	Planning
---------	------------	------------	------------	------------------	----------

Estimated Project Cost (\$)	1,220,000
Capitalized Labor	122,082
Construction	887,918
Other	10,000
Planning/Design	200,000

Funding Source	%
Pay-as-you-go	15
Loan	33
Grant	15
SWSC	37

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
115,000	25,000	10,000	10,000	60,000	1,000,000	0

Other Financial Impact	\$5,000 per year for additional electricity and material cost to maintain the new meter vault and monitoring equipment.	
Operational Impact	\$5,000 per year for labor related to maintenance/calibration of control valve and meter.	
Discretionary	<input checked="" type="checkbox"/>	Non – Discretionary <input type="checkbox"/>

Jack Ivey Ranch Country Club NPW Connection

Project Number: NP2007

Project Description

This project includes the design and construction of a nonpotable water (NPW) pipeline, meter connection, and pump capacity upgrade from WRP 10's NPW distribution system to Jack Ivey Ranch Country Club. The connection will allow the golf course to reduce its reliance on groundwater for turf irrigation purposes and help CVWD achieve groundwater sustainability goals.



Project Objectives

The objective of this project is to expand CVWD's NPW service area and reduce reliance on groundwater for turf irrigation. Connecting this project to the NPW delivery system will save approximately 339 acre-feet of groundwater per year.

Schedule

Start :	01/01/2021	Complete :	06/30/2025	Project Status :	Design
---------	------------	------------	------------	------------------	--------

Estimated Project Cost (\$)	3,515,578
Capitalized Labor	130,880
Construction	3,127,698
Other	10,000
Planning/Design	247,000

Funding Source	%
Pay-as-you-go	15
Loan	33
Grant	15
SWSC	37

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
133,000	82,578	500,000	1,800,000	1,000,000	0	0

Other Financial Impact	\$5,000 per year for additional electricity and material cost to maintain the new meter vault and monitoring equipment.	
Operational Impact	\$5,000 per year for labor related to maintenance/calibration of control valve and meter.	
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary <input type="checkbox"/>

Marriott Desert Springs North Course NPW Connection

Project Number: NP1702

Project Description

This project includes the design and construction of a nonpotable water (NPW) pipeline and meter connection from WRP 10's NPW distribution system to Marriott Desert Springs North Course. The connection will allow the golf course to reduce its reliance on groundwater for turf irrigation purposes and help CVWD achieve groundwater sustainability goals.



Project Objectives

The objective of this project is to expand CVWD's NPW service area and reduce reliance on groundwater for turf irrigation. Connecting this project to the NPW delivery system will save approximately 692 acre-feet of groundwater per year.

Schedule

Start :	06/14/2016	Complete :	06/30/2030	Project Status :	Design
---------	------------	------------	------------	------------------	--------

Estimated Project Cost (\$)	5,509,500
Capitalized Labor	201,658
Construction	4,763,840
Other	96,002
Planning/Design	448,000

Funding Source	%
Pay-as-you-go	25
Loan	60
Grant	15

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
47,000	12,500	100,000	50,000	50,000	250,000	0

Other Financial Impact	\$5,000 per year for additional electricity and material cost to maintain the new meter vault and monitoring equipment. Construction of this project is beyond FY 2027.		
Operational Impact	\$5,000 per year for labor related to maintenance/calibration of control valve and meter.		
Discretionary	<input checked="" type="checkbox"/>	Non – Discretionary	<input type="checkbox"/>

Marriott Shadow Ridge NPW Connection

Project Number: NP1701

Project Description

This project includes the design and construction of a nonpotable water (NPW) pipeline and meter connection from WRP 10's distribution piping system to Marriott Shadow Ridge. The connection will allow the golf course to reduce its reliance on groundwater for turf irrigation purposes and help CVWD achieve groundwater sustainability goals.



Project Objectives

The objective of this project is to expand CVWD's NPW service area and reduce reliance on groundwater for turf irrigation. Connecting this project to the NPW delivery system will save approximately 1,375 acre-feet of groundwater per year.

Schedule

Start :	06/16/2016	Complete :	06/30/2026	Project Status :	Design
---------	------------	------------	------------	------------------	--------

Estimated Project Cost (\$)	5,553,000
Capitalized Labor	107,080
Construction	4,936,920
Other	10,000
Planning/Design	499,000

Funding Source	%
Pay-as-you-go	25
Loan	60
Grant	15

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
353,000	25,000	125,000	50,000	2,500,000	2,500,000	0

Other Financial Impact	\$5,000 per year for additional electricity and material cost to maintain the new meter vault and monitoring equipment.		
Operational Impact	\$5,000 per year for labor related to maintenance/calibration of control valve and meter.		
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary	<input type="checkbox"/>

Palm Desert Resort Country Club NPW Connection

Project Number: NP1802

Project Description

This project includes the construction of a nonpotable water (NPW) pipeline from WRP 10's NPW distribution system to Palm Desert Resort Country Club. The connection will allow the golf course to reduce its reliance on groundwater for turf irrigation purposes and help CVWD achieve groundwater sustainability goals. This project is currently under construction.



Project Objectives

The objective of this project is to expand CVWD's WRP 10 nonpotable water (NPW) service area and reduce reliance on groundwater for turf irrigation. Connecting this project to the NPW delivery system will save approximately 798 acre-feet of groundwater per year.

Schedule

Start :	06/13/2017	Complete :	10/11/2022	Project Status :	Construction
---------	------------	------------	------------	------------------	--------------

Estimated Project Cost (\$)	2,443,000
Capitalized Labor	142,420
Construction	2,011,098
Other	50,000
Planning/Design	239,482

Funding Source	%
Pay-as-you-go	25
Loan	60
Grant	15

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
443,000	1,150,000	850,000	0	0	0	0

Other Financial Impact	\$5,000 per year for additional electricity and material cost to maintain the new meter vault and monitoring equipment.	
Operational Impact	\$5,000 per year for labor related to maintenance/calibration of control valve and meter.	
Discretionary	<input type="checkbox"/>	<input checked="" type="checkbox"/> Non – Discretionary

Palm Royale Country Club NPW Connection

Project Number: NP2008

Project Description

This project includes the construction of a nonpotable water (NPW) pipeline, meter connection, and pump capacity upgrade from WRP 10's NPW distribution system to Palm Royale Country Club. The connection will allow the golf course to reduce its reliance on groundwater for turf irrigation purposes and help CVWD achieve groundwater sustainability goals.



Project Objectives

The objective of this project is to expand CVWD's NPW service area and reduce reliance on groundwater for turf irrigation. Connecting this project to the NPW delivery system will save approximately 411 acre-feet of groundwater per year.

Schedule

Start :	01/01/2020	Complete :	06/30/2025	Project Status :	Design
---------	------------	------------	------------	------------------	--------

Estimated Project Cost (\$)	3,517,033
Capitalized Labor	123,200
Construction	3,127,600
Other	10,000
Planning/Design	256,233

Funding Source	%
Pay-as-you-go	15
Loan	33
Grant	15
SWSC	37

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
129,000	88,033	500,000	1,800,000	1,000,000	0	0

Other Financial Impact	\$5,000 per year for additional electricity and material cost to maintain the new meter vault and monitoring equipment.
Operational Impact	\$5,000 per year for labor related to maintenance/calibration of control valve and meter.
Discretionary	<input checked="" type="checkbox"/> Non – Discretionary <input type="checkbox"/>

Rancho Mirage Country Club NPW Connection

Project Number: NP2013

Project Description

This project includes the design and construction of a nonpotable water (NPW) pipeline, meter connection, and pump capacity upgrade from WRP 10's NPW distribution system to Rancho Mirage Country Club. The connection will allow the golf course to reduce its reliance on groundwater for turf irrigation purposes and help CVWD achieve groundwater sustainability goals.



Project Objectives

The objective of this project is to expand CVWD's NPW service area and reduce reliance on groundwater for turf irrigation. Connecting this project to the NPW delivery system will save approximately 387 acre-feet of groundwater per year.

Schedule

Start :	01/01/2020	Complete :	06/30/2025	Project Status :	Planning
---------	------------	------------	------------	------------------	----------

Estimated Project Cost (\$)	3,236,998
Capitalized Labor	212,700
Construction	2,739,298
Other	18,000
Planning/Design	267,000

Funding Source	%
Pay-as-you-go	15
Loan	33
Grant	15
SWSC	37

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
125,000	111,998	400,000	1,600,000	1,000,000	0	0

Other Financial Impact	\$5,000 per year for additional electricity and material cost to maintain the new meter vault and monitoring equipment.		
Operational Impact	\$5,000 per year for labor related to maintenance/calibration of control valve and meter.		
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary	<input type="checkbox"/>



Shadow Hills North Golf Course NPW Connection

Project Number: NP2301

Project Description

This project includes the design and construction of a non-potable water pipeline from WRP 7's NPW distribution system to Shadow Hills North Course. The connection will allow the golf course to reduce its reliance on groundwater for turf irrigation purposes and help CVWD achieve groundwater sustainability goals.



Project Objectives

The objective of this project is to expand CVWD's NPW service area and reduce reliance on groundwater for turf irrigation. Connecting this project to the NPW delivery system will save approximately 1,000 acre-feet of groundwater per year.

Schedule

Start :	01/01/2022	Complete :	06/30/2030	Project Status :	Planning
---------	------------	------------	------------	------------------	----------

Estimated Project Cost (\$)	3,135,000
Capitalized Labor	107,080
Construction	2,767,920
Other	10,000
Planning/Design	250,000

Funding Source	%
Pay-as-you-go	25
Loan	60
Grant	15

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
0	0	100,000	10,000	10,000	400,000	210,000

Other Financial Impact	\$5,000 per year for additional electricity and material costs to maintain the new meter vault and monitoring equipment. Construction of this project is beyond FY 2027.		
Operational Impact	\$5,000 per year - for labor related to maintenance/calibration of control valve and meter.		
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary	<input type="checkbox"/>

Southwest Community Church/Gerald Ford School NPW Connection

Project Number: NP2012

Project Description

This project includes the design and construction of a nonpotable water (NPW) pipeline and meter connections from WRP 10's NPW distribution system to Southwest Community Church and Gerald Ford School. The connection will allow the irrigation users to reduce reliance on groundwater for turf irrigation purposes and help CVWD achieve groundwater sustainability goals.



Project Objectives

The objective of this project is to expand CVWD's NPW service area and reduce reliance on groundwater for turf irrigation. Connecting this project to the NPW delivery system will save approximately 212 acre-feet of groundwater per year.

Schedule

Start :	01/04/2021	Complete :	06/30/2025	Project Status :	Planning
---------	------------	------------	------------	------------------	----------

Estimated Project Cost (\$)	3,240,178
Capitalized Labor	115,960
Construction	2,917,218
Other	10,000
Planning/Design	197,000

Funding Source	%
Pay-as-you-go	15
Loan	33
Grant	15
SWSC	37

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
128,000	112,178	400,000	1,600,000	1,000,000	0	0

Other Financial Impact	\$5,000 per year for additional electricity and material cost to maintain the new meter vault and monitoring equipment.
Operational Impact	\$5,000 per year for labor related to maintenance/calibration of control valve and meter.
Discretionary	<input checked="" type="checkbox"/> Non – Discretionary <input type="checkbox"/>

Springs Country Club NPW Connection

Project Number: NP2201

Project Description

This project includes the design and construction of a nonpotable water (NPW) pipeline, meter connection, and pump capacity upgrade from WRP 10's NPW distribution system to Springs Country Club. The NPW connection will allow the golf course to reduce its reliance on groundwater for turf irrigation purposes and help CVWD achieve groundwater sustainability goals.



Project Objectives

The objective of this project is to expand CVWD's NPW service area and reduce reliance on groundwater for turf irrigation. Connecting this project to the NPW delivery system will save approximately 985 acre-feet of groundwater per year.

Schedule

Start :	01/03/2022	Complete :	06/30/2026	Project Status :	Planning
---------	------------	------------	------------	------------------	----------

Estimated Project Cost (\$)	1,035,000
Capitalized Labor	160,620
Construction	710,000
Other	10,000
Planning/Design	154,380

Funding Source	%
Pay-as-you-go	25
Loan	60
Grant	15

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
0	10,000	100,000	25,000	500,000	400,000	0

Other Financial Impact	\$5,000 per year for additional electricity and material cost to maintain the new meter vault and monitoring equipment.	
Operational Impact	\$5,000 per year for labor related to maintenance/calibration of control valve and meter.	
Discretionary	<input checked="" type="checkbox"/>	Non – Discretionary <input type="checkbox"/>

Suncrest Country Club NPW Connection

Project Number: NP2009

Project Description

This project includes the design and construction of a nonpotable water (NPW) pipeline, meter connection, and pump capacity upgrade from WRP 10's NPW distribution system to Suncrest Country Club. The connection will allow the golf course to reduce its reliance on groundwater for turf irrigation purposes and help CVWD achieve groundwater sustainability goals.



Project Objectives

The objective of this project is to expand CVWD's NPW service area and reduce reliance on groundwater for turf irrigation. Connecting this project to the NPW delivery system will save approximately 410 acre-feet of groundwater per year.

Schedule

Start :	01/01/2021	Complete :	06/30/2025	Project Status :	Design
---------	------------	------------	------------	------------------	--------

Estimated Project Cost (\$)	3,205,153
Capitalized Labor	80,310
Construction	2,907,843
Other	20,000
Planning/Design	197,000

Funding Source	%
Pay-as-you-go	15
Loan	33
Grant	15
SWSC	37

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
127,000	78,153	400,000	1,600,000	1,000,000	0	0

Other Financial Impact	\$5,000 per year for additional electricity and material cost to maintain the new meter vault and monitoring equipment.	
Operational Impact	\$5,000 per year for labor related to maintenance/calibration of control valve and meter.	
Discretionary	<input checked="" type="checkbox"/>	Non – Discretionary <input type="checkbox"/>

T-1 Pump Station Replacement

Project Number: NP1807

Project Description

This project includes replacing an existing, outdated T-1 pump station and constructing a replacement pump station to provide approximately 7,300 GPM additional flow capacity for the low-pressure non-potable water (NPW) system and 9,000 GPM additional flow capacity for the high-pressure NPW delivery system. Both low and high-pressure NPW delivery systems will also be equipped with one standby pump. The new pump station will also require the construction of a new MCC building, wet well, and interconnecting piping between the recycled water pipeline and the existing equalization basin. This project is required to support the expansion of the NPW delivery to five new projects on the NPW high-pressure system and two new projects on the NPW low-pressure system. This project is under construction.



Project Objectives

The objective of this project is to replace the existing, out-of-service T-1 pump station and expand the capacity to support additional customers for the expansion of the NPW distribution system.

Schedule

Start :	06/13/2017	Complete :	06/28/2024	Project Status :	Construction
---------	------------	------------	------------	------------------	--------------

Estimated Project Cost (\$)	30,123,000
Capitalized Labor	702,400
Construction	27,929,140
Other	31,460
Planning/Design	1,460,000

Funding Source	%
Pay-as-you-go	25
Loan	60
Grant	15

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
2,223,000	13,000,000	7,400,000	7,500,000	0	0	0

Other Financial Impact	When fully utilized, the operation and maintenance cost will increase by up to \$200,000/year for electricity and pump maintenance.	
Operational Impact	This project is required to support the expansion of NPW delivery to five new projects on the NPW high-pressure system and two new projects on the NPW low-pressure system.	
Discretionary	<input type="checkbox"/>	Non - Discretionary <input checked="" type="checkbox"/>

Talavera NPW Connection

Project Number: NP2202

Project Description

This project includes the design and construction of an 8-inch diameter nonpotable water (NPW) pipeline and meter connection from WRP 7's NPW distribution system to the Talavera development. The connection will allow the Talavera HOA to reduce its reliance on groundwater for irrigation purposes and help CVWD achieve groundwater sustainability goals.



Project Objectives

The objective of this project is to expand CVWD's NPW service area and reduce reliance on groundwater for turf irrigation. Connecting this project to the NPW delivery system will save approximately 107 acre-feet of groundwater per year.

Schedule

Start :	07/01/2021	Complete :	06/30/2027	Project Status :	Planning
---------	------------	------------	------------	------------------	----------

Estimated Project Cost (\$)	821,000
Capitalized Labor	87,700
Construction	573,300
Other	10,000
Planning/Design	150,000

Funding Source	%
Pay-as-you-go	25
Loan	60
Grant	15

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
0	6,000	100,000	10,000	10,000	500,000	195,000

Other Financial Impact	\$5,000 per year for additional electricity and material cost to maintain the new meter vault and monitoring equipment.				
Operational Impact	\$5,000 per year for labor related to maintenance/calibration of control valve and meter.				
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary	<input type="checkbox"/>		

Tamarisk Country Club NPW Connection

Project Number: NP2010

Project Description

This project includes the design and construction of a nonpotable water (NPW) pipeline, meter connection, and pump capacity upgrade from WRP 10's NPW distribution system to Tamarisk Country Club. The connection will allow the golf course to reduce its reliance on groundwater for turf irrigation purposes and help CVWD achieve groundwater sustainability goals.



Project Objectives

The objective of this project is to expand CVWD's NPW service area and reduce reliance on groundwater for turf irrigation. Connecting this project to the NPW delivery system will save approximately 697 acre-feet of groundwater per year.

Schedule

Start :	01/01/2021	Complete :	06/30/2025	Project Status :	Planning
---------	------------	------------	------------	------------------	----------

Estimated Project Cost (\$)	3,282,733
Capitalized Labor	291,750
Construction	2,673,983
Other	20,000
Planning/Design	297,000

Funding Source	%
Pay-as-you-go	15
Loan	33
Grant	15
SWSC	37

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
127,000	155,733	400,000	1,600,000	1,000,000	0	0

Other Financial Impact	\$5,000 per year for additional electricity and material cost to maintain the new meter vault and monitoring equipment.		
Operational Impact	\$5,000 per year for labor related to maintenance/calibration of control valve and meter.		
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary	<input type="checkbox"/>

The Oasis Country Club NPW Connection

Project Number: NP1803

Project Description

This project includes the construction of a nonpotable water (NPW) pipeline from WRP 10's NPW distribution system to the Oasis Country Club. The connection will allow the golf course to reduce its reliance on groundwater for turf irrigation purposes and help CVWD achieve groundwater sustainability goals. This project is under construction.



Project Objectives

The objective of this project is to expand CVWD's WRP 10 NPW service area and reduce reliance on groundwater for turf irrigation. Connecting this project to the NPW delivery system will save approximately 673 acre-feet of groundwater per year.

Schedule

Start :	06/13/2017	Complete :	10/11/2022	Project Status :	Construction
---------	------------	------------	------------	------------------	--------------

Estimated Project Cost (\$)	7,854,311
Capitalized Labor	103,020
Construction	6,990,094
Other	261,197
Planning/Design	500,000

Funding Source	%
Pay-as-you-go	25
Loan	60
Grant	15

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
832,000	4,522,311	2,500,000	0	0	0	0

Other Financial Impact	\$5,000 per year for additional electricity and material cost to maintain the new meter vault and monitoring equipment.				
Operational Impact	\$5,000 per year for labor related to maintenance/calibration of control valve and meter.				
Discretionary	<input type="checkbox"/>	Non - Discretionary		<input checked="" type="checkbox"/>	

Tri-Palm Country Club NPW Connection

Project Number: NP2011

Project Description

This project includes the design and construction of a nonpotable water (NPW) pipeline, meter connection, and pump capacity upgrade from WRP 10's NPW distribution system to Tri-Palm Country Club. The connection will allow the golf course to reduce its reliance on groundwater for turf irrigation purposes and help CVWD achieve groundwater sustainability goals.



Project Objectives

The objective of this project is to expand CVWD's NPW service area and reduce reliance on groundwater for turf irrigation. Connecting this project to the NPW delivery system will save approximately 755 acre-feet of groundwater per year.

Schedule

Start :	01/01/2021	Complete :	06/30/2027	Project Status :	Design
---------	------------	------------	------------	------------------	--------

Estimated Project Cost (\$)	3,603,824
Capitalized Labor	121,080
Construction	3,225,744
Other	10,000
Planning/Design	247,000

Funding Source	%
Pay-as-you-go	15
Loan	33
Grant	15
SWSC	37

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
133,000	170,824	50,000	150,000	150,000	150,000	2,800,000

Other Financial Impact	\$5,000 per year for additional electricity and material cost to maintain the new meter vault and monitoring equipment.		
Operational Impact	\$5,000 per year for labor related to maintenance/calibration of control valve and meter.		
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary	<input type="checkbox"/>

Woodhaven Country Club NPW Connection

Project Number: NP1804

Project Description

This project includes the construction of a nonpotable water (NPW) pipeline from WRP 10's NPW distribution system to Woodhaven Country Club. The connection will allow the golf course to reduce its reliance on groundwater for turf irrigation purposes and help CVWD achieve groundwater sustainability goals. This project is under construction.



Project Objectives

The objective of this project is to expand CVWD's WRP 10 NPW service area and reduce reliance on groundwater for turf irrigation. Connecting this project to the NPW delivery system will save approximately 870 acre-feet of groundwater per year.

Schedule

Start :	06/13/2017	Complete :	10/11/2022	Project Status :	Construction
---------	------------	------------	------------	------------------	--------------

Estimated Project Cost (\$)	2,360,000
Capitalized Labor	251,020
Construction	1,806,211
Other	50,000
Planning/Design	252,769

Funding Source	%
Pay-as-you-go	25
Loan	60
Grant	15

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
340,000	1,870,000	150,000	0	0	0	0

Other Financial Impact	\$5,000 per year for additional electricity and material cost to maintain the new meter vault and monitoring equipment.		
Operational Impact	\$5,000 per year for labor related to maintenance/calibration of control valve and meter.		
Discretionary	<input type="checkbox"/>	Non - Discretionary	<input checked="" type="checkbox"/>

WRP 10 Low-Pressure Capacity Expansion

Project Number: NP2205

Project Description

This project includes the design and construction of new pipelines for WRP 10's nonpotable water (NPW) distribution system expansion. The new pipelines will be constructed on Hovley Lane East and Portola Avenue to serve new NPW customers along Frank Sinatra Drive and in the western area of the Coachella Valley.



Project Objectives

The objective of this project is to expand CVWD's NPW service area and reduce reliance on groundwater for irrigation purposes.

Schedule

Start :	01/06/2022	Complete :	01/06/2028	Project Status :	Design
---------	------------	------------	------------	------------------	--------

Estimated Project Cost (\$)	7,925,000
Capitalized Labor	419,700
Construction	6,675,000
Other	30,300
Planning/Design	800,000

Funding Source	%
Pay-as-you-go	15
Loan	33
Grant	15
SWSC	37

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
0	100,000	700,000	125,000	2,000,000	2,000,000	1,000,000

Other Financial Impact	\$25,000 per year for additional electricity and material cost to maintain the new meter vault and monitoring equipment. Construction of this project is beyond FY 2027.		
Operational Impact	\$5,000 per year for labor related to maintenance/calibration of control valve and meter.		
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary	<input type="checkbox"/>

Young's Farmland & Garden Fellowship NPW Connection

Project Number: NP2002

Project Description

This project includes the design and construction of a nonpotable water (NPW) pipeline and meter connection from WRP 7's NPW distribution system to The Young's family farms. The connection will allow the agricultural farmland to reduce its reliance on groundwater for irrigation purposes and help CVWD achieve groundwater sustainability goals.



Project Objectives

The objective of this project is to expand CVWD's nonpotable water service area and reduce reliance on groundwater for agricultural irrigation. Connecting this project to the NPW delivery system will save approximately 354 af of groundwater per year.

Schedule

Start :	01/01/2020	Complete :	06/30/2027	Project Status :	Design
---------	------------	------------	------------	------------------	--------

Estimated Project Cost (\$)	904,000
Capitalized Labor	88,402
Construction	555,598
Other	10,000
Planning/Design	250,000

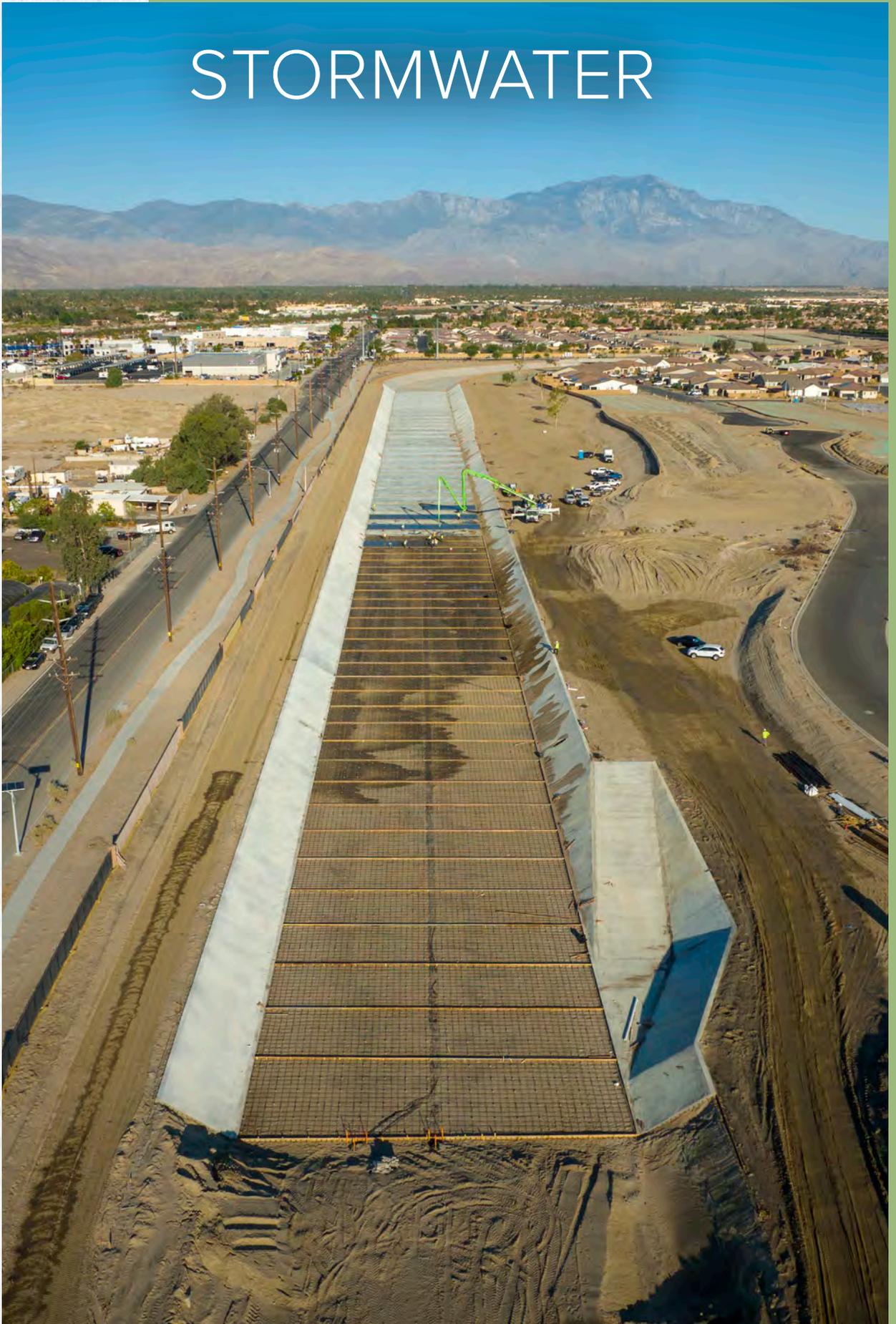
Funding Source	%
Pay-as-you-go	25
Loan	60
Grant	15

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
138,000	6,000	10,000	10,000	10,000	500,000	230,000

Other Financial Impact	\$5,000 per year for additional electricity and material cost to maintain the new meter vault and monitoring equipment.		
Operational Impact	\$5,000 per year for labor related to maintenance/calibration of control valve and meter.		
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary	<input type="checkbox"/>

# STORMWATER



## STORMWATER PROJECTS

Planned Stormwater Fund projects for fiscal year 2023 amount to approximately \$81.3 million. Funding includes approximately \$33 million in Pay-Go funding, \$75,000 in grants, and over \$48.2 million in debt financing.

Capital Improvement Budget - Stormwater

Project Name	Budget	Planned				Total 5-Year
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	
Districtwide Project Allocation	\$111,040	\$231,350	\$100,350	\$81,250	\$81,250	\$605,240
Subtotal Districtwide Project Allocation	\$111,040	\$231,350	\$100,350	\$81,250	\$81,250	\$605,240
Stormwater						
Coachella Valley Multiple Species Habitat Conservation Plan Constructed Wetlands	\$100,000	\$3,300,000	\$3,300,000	\$3,300,000	\$-	\$10,000,000
Coachella Valley Stormwater Channel Improvements - Avenue 54 to the Thermal Drop Structure	27,103,582	5,670,398	-	-	-	32,773,980
East Side Dike Improvement, Phase 1 (Dune Palms to Interstate 10)	100,000	-	-	-	-	100,000
East Side Dike Realignment between Wasteway No. 3 and Dillon Road	1,000,000	1,000,000	-	-	-	2,000,000
East Side Dike, Phase 2 (I-10 to North Shore)	500,000	100,000	-	-	-	600,000
Evaluation and Installation of Rainfall Gages	50,000	50,000	50,000	50,000	50,000	250,000
Flood Easement Renewal - White Water River Stormwater Channel	25,000	130,000	500,000	-	-	655,000
Kings Road Regional Stormwater Facility for the Oasis Area	-	-	500,000	1,000,000	1,300,000	2,800,000
Levee Certification for Whitewater River Stormwater Channel/ Coachella Valley Storm Channel (Vista Chino to Monroe St.)	-	50,000	-	-	-	50,000
Levee Certification for WWRSC from Ramon Road Bridge to Country Club Drive, Phase 2	-	-	300,000	3,000,000	-	3,300,000
Martinez Canyon (Avenue 68) Regional Stormwater Facility for the Oasis Area	-	-	-	-	1,000,000	1,000,000
North Cathedral City Stormwater Master Plan, Phase 1	500,000	3,750,000	4,300,000	150,000	-	8,700,000
North Indio Regional Flood Control System, Phase 2	48,800,000	42,782,488	100,000	-	-	91,682,488
Thousand Palms Channel Improvement Project from Sun City Shadow Hills Channel to the Coachella Valley Storm Channel	-	-	-	2,000,000	4,800,000	6,800,000
Thousand Palms Flood Control Project	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000
Whitewater River Channel Bank Protection Upstream of Cook Street	-	-	-	-	1,500,000	1,500,000
Whitewater River Stormwater Channel Bank Slope Protection Adjacent to WRP 10	2,000,000	-	-	-	-	2,000,000
Subtotal Stormwater	\$81,178,582	\$57,832,886	\$10,050,000	\$10,500,000	\$9,650,000	\$169,211,468
Total Stormwater	\$81,289,622	\$58,064,236	\$10,150,350	\$10,581,250	\$9,731,250	\$169,816,708

Coachella Valley Multiple Species Habitat Conservation Plan Constructed Wetlands

Project Number: SW0044

Project Description

This project includes the design, construction, and establishment of permanent riparian and wetland habitat within the Coachella Valley Stormwater Channel and Delta Conservation Area in accordance with the Coachella Valley Multiple Species Habitat Conservation Plan.



Project Objectives

The objective of this project is to design, construct, and establish permanent riparian and wetland habitat within the Coachella Valley Stormwater Channel and Delta Conservation Area in accordance with the Coachella Valley Multiple Species Habitat Conservation Plan.

Schedule

Start :	07/01/2015	Complete :	06/30/2026	Project Status :	Design
---------	------------	------------	------------	------------------	--------

Estimated Project Cost (\$)	10,639,000
Capitalized Labor	323,270
Construction	9,800,730
Other	15,000
Planning/Design	500,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
539,000	100,000	100,000	3,300,000	3,300,000	3,300,000	0

Other Financial Impact	Project is a design/build project with an establishment criteria.		
Operational Impact	No operational impact. The project will be transferred to the Coachella Valley Conservation Commission upon completion.		
Discretionary	<input type="checkbox"/>	Non – Discretionary	<input checked="" type="checkbox"/>

Coachella Valley Stormwater Channel Improvements – Avenue 54 to the Thermal Drop Structure

Project Number: SW0042

Project Description

This project includes constructing the proposed improvements to the Coachella Valley Stormwater Channel (CVSC) from Avenue 54 to the Thermal Drop Structure in order to increase the conveyance capacity of the CVSC to the 100-year flood design standard (39,000 cfs). The project, when completed, will provide regional flood protection to life and property on adjacent lands in compliance with both FEMA and CVWD design standards. It will also result in revisions of the effective FEMA flood insurance rate maps by removing about 4,577 acres of adjacent land areas from a special flood hazard area. This project is under construction.



Project Objectives

The objective of this project is to increase regional flood conveyance capacity of the CVSC to the 100-year flood design standard and satisfy the requirements of CVWD and FEMA for regional flood protection to life and property.

Schedule

Start :	01/01/2020	Complete :	06/30/2024	Project Status :	Construction
---------	------------	------------	------------	------------------	--------------

Estimated Project Cost (\$)	56,404,204
Capitalized Labor	546,801
Construction	55,822,403
Other	35,000

Funding Source	%
Pay-as-you-go	93
WIFIA Loan	7

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
3,630,224	20,000,000	27,103,582	5,670,398	0	0	0

Other Financial Impact	This project has received a WIFIA loan that covers 49% of the capital improvement cost for the project.				
Operational Impact	The project when constructed will require an additional cost of \$10,000 for O&M to maintain conveyance capacity.				
Discretionary	<input type="checkbox"/>	Non – Discretionary	<input checked="" type="checkbox"/>		

East Side Dike Improvement, Phase 1 (Dune Palms to Interstate 10)

Project Number: SW1601

Project Description

The project includes constructing the proposed improvements to the western portion of the East Side Dike (Dike) levee (~3,500 linear feet) and certifying the Dike from Dune Palms Road to Interstate 10 to the Federal Emergency Management Agency (FEMA) as a regional stormwater facility. This will be followed by the submittal of a Letter of Map Revision report to FEMA to revise FEMA's flood insurance rate maps and remove the Talavera Development and WRP 7 from a Special Flood Hazard Area.



Project Objectives

The objective of this project is to construct the proposed improvements and certify the East Side Dike for compliance with FEMA's 100-year flood design standard. It also helps to remove existing developments such as the Talavera Development and WRP 7 from a special flood hazard area.

Schedule

Start :	00/01/2020	Complete :	12/31/2023	Project Status :	Construction
---------	------------	------------	------------	------------------	--------------

Estimated Project Cost (\$)	3,761,337
Capitalized Labor	83,613
Construction	3,094,724
Other	25,000
Planning/Design	558,000

Funding Source	%
Pay-as-you-go	25
Grant	75

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
661,337	3,000,000	100,000	0	0	0	0

Other Financial Impact	O&M cost expected to increase by about \$10,000 per year following levee certification.		
Operational Impact	Additional O& M and annual levee inspection reports are required to maintain certification.		
Discretionary	<input type="checkbox"/>	Non - Discretionary	<input checked="" type="checkbox"/>

East Side Dike Realignment between Wasteway No. 3 and Dillon Road

Project Number: SW2103

Project Description

This project includes a design to modify and realign a portion of the East Side Dike (Dike) between Wasteway No. 3 and Dillon Road to allow vehicular access and maintenance on the southern slope of the Dike. Currently, about 3,600 linear feet of the Dike have restrictions for access.



Project Objectives

The objective of this project is to realign a portion of the East Side Dike between Wasteway No. 3 and Dillon Road to provide vehicular access for long-term maintenance of the southerly slope of the Dike.

Schedule

Start :	09/15/2020	Complete :	06/30/2024	Project Status :	Design
---------	------------	------------	------------	------------------	--------

Estimated Project Cost (\$)	2,110,000
Capitalized Labor	70,900
Construction	1,829,100
Other	30,000
Planning/Design	180,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
56,000	54,000	1,000,000	1,000,000	0	0	0

Other Financial Impact	No additional financial impact is expected.		
Operational Impact	It improves or makes O&M cost-effective in the long term.		
Discretionary	<input type="checkbox"/>	Non – Discretionary	<input checked="" type="checkbox"/>

East Side Dike, Phase 2 (I-10 to North Shore)

Project Number: SW2001

Project Description

This project includes the completion of the design and environmental documentation that takes into consideration previously finalized hydrology, hydraulic, and scour analyses, and geotechnical investigation for the 17-mile East Side Dike (Dike). The goal is to identify and mitigate required improvements to certify the Dike as a regional stormwater facility to the Federal Emergency Management Agency (FEMA).



Project Objectives

The objective of this project is to identify mitigation needs and construct required improvements to certify the East Side Dike as compliant to FEMA's 100-year flood design standard. It also helps to provide regional stormwater protection to the Coachella Canal and adjacent lands in Mecca and North Shore.

Schedule

Start : 01/01/2020 Complete : 06/30/2028 Project Status : Design

Estimated Project Cost (\$)	15,519,619
Capitalized Labor	168,200
Construction	12,521,800
Other	560,000
Planning/Design	2,269,619

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
646,000	250,000	500,000	100,000	0	0	0

Other Financial Impact	The funding for this phase can be augmented through a WIFIA loan or grants. Construction of this project is beyond 2027.	
Operational Impact	The operation and maintenance cost for the improved facility is not expected to be more than the existing O&M cost.	
Discretionary	<input type="checkbox"/>	Non - Discretionary <input checked="" type="checkbox"/>

**Evaluation and Installation of Rainfall Gauges**

**Project Number: SW1606**

**Project Description**

This project includes installing additional rainfall gauges within the Coachella Valley to increase the coverage of rainfall data collection.



Typical Rain Gauge (Photo Courtesy of CVWD)



Typical Rain Gauge in Remote Location (Photo Courtesy of CVWD)

**Project Objectives**

The objective of this project is to increase the coverage of rainfall gauges in the valley to better analyze storm events that impact the valley, and to develop a database for planning efforts in the future.

**Schedule**

<b>Start :</b>	07/01/2019	<b>Complete :</b>	06/30/2027	<b>Project Status :</b>	Construction
----------------	------------	-------------------	------------	-------------------------	--------------

<b>Estimated Project Cost (\$)</b>	<b>567,000</b>
Capitalized Labor	87,000
Construction	75,000
Other	405,000

<b>Funding Source</b>	<b>%</b>
Pay-as-you-go	100

**Budget**

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
267,000	50,000	50,000	50,000	50,000	50,000	50,000

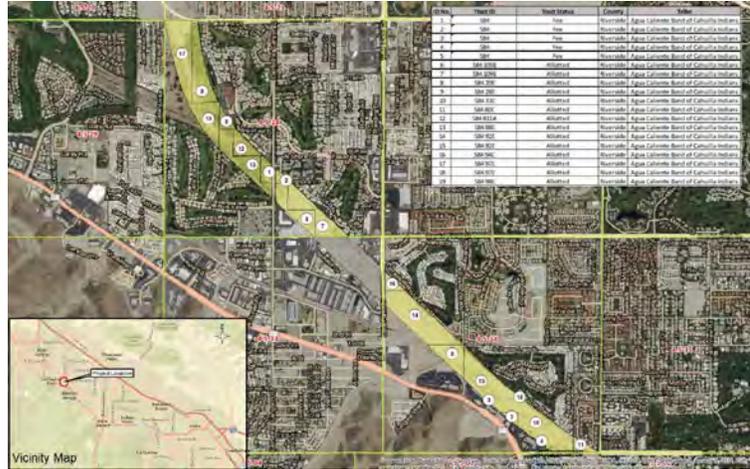
<b>Other Financial Impact</b>	No additional financial impact.	
<b>Operational Impact</b>	The addition of rainfall gauging stations will provide a better representation of the aerial distribution of observed rainfall storms within the Coachella Valley.	
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non – Discretionary</b> <input type="checkbox"/>

Flood Easement Renewal - Whitewater River Stormwater Channel

Project Number: SW0045

Project Description

This project includes coordinating with the Bureau of Indian Affairs for the renewal of flood easements along the Whitewater River Stormwater Channel and other flood conveyance channels within the Coachella Valley.



Project Objectives

The objective of this project is to coordinate the establishment of new flooding easements with the Bureau of Indian Affairs in areas of existing flooding within the valley.

Schedule

Start :	07/01/2019	Complete :	06/30/2025	Project Status :	Complete
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Estimated Project Cost (\$)	1,144,700
Capitalized Labor	17,000
Contracted ROW Consultant	183,700
Legal and Plats	132,000
ROW Easement	792,000
Temporary Access Fees	20,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
249,000	240,700	25,000	130,000	500,000	0	0

Other Financial Impact	Minimal.
Operational Impact	None.
Discretionary	<input type="checkbox"/> Non-Discretionary <input checked="" type="checkbox"/> Discretionary

North Cathedral City Stormwater Master Plan, Phase 1

Project Number: SW0001

Project Description

This project includes the preparation of design plans, specifications, and environmental documentation to construct Phase I of the North Cathedral City Stormwater Master Plan (SMP). The scope includes the design and construction of improvements to convey a portion of the 100-year flood from the Morongo Wash south of Interstate 10 to the Whitewater River Stormwater Channel.



Project Objectives

The objective of this project is to construct a concrete channel beneath the existing Union Pacific Railroad bridge to convey stormwater flows from upstream of I-10 to the Whitewater River Stormwater Channel (WWRSC).

Schedule

Start :	06/26/2018	Complete :	06/30/2026	Project Status :	Design
---------	------------	------------	------------	------------------	--------

Estimated Project Cost (\$)	10,082,591
Capitalized Labor	554,000
Construction	6,392,591
Other	1,630,000
Planning/Design	1,500,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
1,577,000	250,000	500,000	3,750,000	4,300,000	150,000	0

Other Financial Impact	The design, environmental documentation, and construction of Phase 2 of this project are beyond FY 2027.	
Operational Impact	The design and construction of Phase 1 of the SMP will provide protection to existing development in northern Cathedral City from the 100-year flood, including a portion of riverine flows currently conveyed to Thousand Palms. The construction of the project will also provide biological benefits through improved wildlife connectivity and sand transport between the Willow Hole and Whitewater Floodplain Conservation Areas.	
Discretionary	<input type="checkbox"/>	Non – Discretionary <input checked="" type="checkbox"/>

North Indio Regional Flood Control System, Phase 2

Project Number: SW2201

Project Description

The project includes constructing the Phase 2 regional flood control improvements. It consists of constructing regional flood control conveyance channels for the North Indio area to convey the 100-year flood from Sun City Palm Desert to Sun City Shadow Hills. The project, when complete, will remove approximately 2,700 acres of land within the North Indio area from a FEMA designated Special Flood Hazard Area.



Project Objectives

The objective of this project is to construct regional stormwater channels and associated improvements and capture regional stormwater flow from Sun City Palm Desert to convey them through Sun City Shadow Hills for ultimate discharge into the Coachella Valley Stormwater Channel.

Schedule

Start :	07/01/2019	Complete :	06/30/2025	Project Status :	Construction
---------	------------	------------	------------	------------------	--------------

Estimated Project Cost (\$)	97,582,488
Capitalized Labor	1,189,620
Construction	96,392,868

Funding Source	%
Pay-as-you-go	5
WIFIA Loan	30
Bond	65

Budget

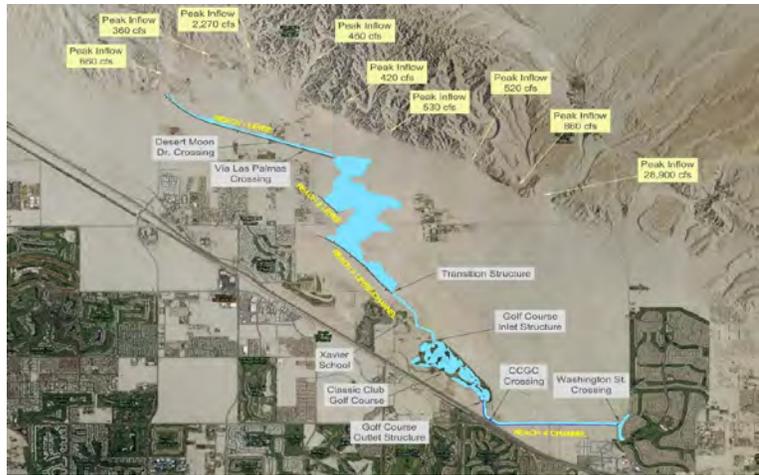
Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
0	4,710,360	48,800,000	42,782,488	100,000	0	0

Other Financial Impact	The project is partially funded through a WIFIA Loan that will cover up to \$32 million of the capital improvement cost.	
Operational Impact	Annual O&M for the stormwater system following construction will be required.	
Discretionary	<input type="checkbox"/>	<input checked="" type="checkbox"/> Non – Discretionary

**Thousand Palms Flood Control**  
Project Number: SW0004

**Project Description**

This project includes designing and constructing a series of levees and channels to protect a portion of the Thousand Palms community. The project will collect flows from the alluvial fans to the north and convey them to the existing Sun City Palm Desert flood control channel system.



**Project Objectives**

The objective of this project is to provide regional flood protection to a portion of the Thousand Palms community and maintain a sand transport system for the Coachella Valley Fringe-Toed lizard Preserve.

**Schedule**

Start :	07/01/2019	Complete :	06/30/2032	Project Status :	Design
---------	------------	------------	------------	------------------	--------

Estimated Project Cost (\$)	120,000,000
Capitalized Labor	1,000,000
Construction	103,500,000
Other	11,000,000
Planning/Design	4,500,000

Funding Source	%
Pay-as-you-go	100

**Budget**

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
4,841,000	500,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000

Other Financial Impact	The project requires land acquisition prior to construction. Construction of this project is beyond 2027.		
Operational Impact	The O & M cost following the construction of the project will increase by more than \$10,000 annually.		
Discretionary	<input type="checkbox"/>	Non - Discretionary	<input checked="" type="checkbox"/>

Whitewater River Stormwater Channel Bank Slope Protection Adjacent to Water Reclamation Plant No. 10

Project Number: SW2002

Project Description

This project consists of constructing 2,750 linear feet of slope protection along the northern bank of the Whitewater River Stormwater Channel (WWRSC) adjacent to Water Reclamation Plant No. 10. This project will be constructed in conjunction with the Palm Desert Groundwater Replenishment Phase 2 Facility.



Project Objectives

The objective of this project is to protect the WRP 10 site from lateral scour and erosion during regional stormwater flooding within the WWRSC. In addition, this project will protect the pipeline extension from the Mid-Valley Pipeline which will be the water source for the Palm Desert Groundwater Replenishment Phase 2 Facility.

Schedule

Start :	07/01/2019	Complete :	06/30/2023	Project Status :	Construction
---------	------------	------------	------------	------------------	--------------

Estimated Project Cost (\$)	2,000,000
Capitalized Labor	100,290
Construction	1,849,710
Other	50,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
0	0	2,000,000	0	0	0	0

Other Financial Impact	Minimal.		
Operational Impact	Minimal.		
Discretionary	<input type="checkbox"/>	Non – Discretionary	<input checked="" type="checkbox"/>



*Coachella Valley Stormwater Improvement Project*

# REPLENISHMENT



**REPLENISHMENT PROJECTS**

The East and West Whitewater Replenishment Fund projects for fiscal year 2023 amount to approximately \$5.9 million and \$5.5 million, respectively. East Replenishment projects include \$5.5 million in debt financing; West Replenishment projects include approximately \$4.1 million in Supplemental Water Service Charges. All other funding utilizes Pay-Go funds.

Capital Improvement Budget - Replenishment

Project Name	Budget	Planned				Total 5-Year
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	
<b>East Whitewater Replenishment</b>						
Districtwide Project Allocation	\$106,440	\$259,000	\$179,000	\$162,500	\$162,500	\$869,440
Subtotal Districtwide Project Allocation	\$106,440	\$259,000	\$179,000	\$ 162,500	\$ 162,500	\$869,440
Eagle Falls Golf Course Connection	\$ -	\$140,000	\$770,000	\$ -	\$ -	\$910,000
Madison Club - Avenue 54 Meter Connection	160,000	-	-	-	-	160,000
Oasis In-Lieu Recharge, Phase 2	5,500,000	-	-	-	-	5,500,000
The Quarry Country Club Nonpotable Water Golf Course Connection	150,000	2,400,000	-	-	-	2,550,000
Subtotal East Whitewater Replenishment	\$5,810,000	\$2,540,000	\$770,000	\$ -	\$ -	\$9,120,000
<b>Total East Whitewater</b>	<b>\$5,916,440</b>	<b>\$2,799,000</b>	<b>\$949,000</b>	<b>\$162,500</b>	<b>\$162,500</b>	<b>\$9,989,440</b>
<b>West Whitewater Replenishment</b>						
Districtwide Project Allocation	\$89,240	\$221,800	\$173,800	\$162,500	\$162,500	\$809,840
Subtotal Districtwide Project Allocation	\$89,240	\$221,800	\$173,800	\$ 162,500	\$ 162,500	\$809,840
Palm Desert Groundwater Replenishment Facility, Phase 2	\$5,377,295	\$9,688,000	\$1,823,334	\$ -	\$ -	\$16,888,629
Subtotal West Whitewater Replenishment	\$5,377,295	\$9,688,000	\$1,823,334	\$ -	\$ -	\$16,888,629
<b>Total West Whitewater</b>	<b>\$5,466,535</b>	<b>\$9,909,800</b>	<b>\$1,997,134</b>	<b>\$162,500</b>	<b>\$162,500</b>	<b>\$17,698,469</b>

Madison Club - Avenue 54 Meter Connection

Project Number: C02104

Project Description

This project includes design and construction of an irrigation meter from Irrigation Lateral 121.6 to the Madison Club Golf Course. The connection will allow Madison Club to reduce its reliance on groundwater for turf irrigation purposes. This project is under construction.



Project Objectives

The objective of this project is to allow the Madison Club Golf Course to reduce the reliance on groundwater for turf irrigation purposes.

Schedule

Start : 07/01/2020 Complete : 06/30/2022 Project Status : Construction

Estimated Project Cost (\$)	1,037,000
Capitalized Labor	89,140
Construction	837,160
Planning/Design	110,700

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
77,000	800,000	160,000	0	0	0	0

Other Financial Impact	No additional impacts.		
Operational Impact	None.		
Discretionary	<input type="checkbox"/>	Non - Discretionary	<input checked="" type="checkbox"/>

**Oasis In-Lieu Recharge, Phase 2**  
Project Number: C02001

**Project Description**

This project includes the design and construction of four reservoirs, five pump stations, approximately 18 miles of distribution pipeline, and an expansion of the irrigation distribution system to serve an additional 4,520 acres of land in the Oasis area. This will provide in-lieu recharge by converting groundwater pumping to Colorado River water. This project is under construction.



**Project Objectives**

The objective of this project is to facilitate in-lieu recharge by providing approximately 32,000 acre-feet per year of Colorado River water as a substitute for groundwater pumping.

**Schedule**

Start :	07/01/2019	Complete :	06/28/2023	Project Status :	Construction
---------	------------	------------	------------	------------------	--------------

Estimated Project Cost (\$)	49,429,000
Capitalized Labor	622,000
Construction	47,000,000
Other	921,000
Planning/Design	886,000

Funding Source	%
Bond	100

**Budget**

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
14,177,000	29,752,000	5,500,000	0	0	0	0

Other Financial Impact	This project will include four reservoirs, five pump stations, and over 18 miles of a pipe distribution system.		
Operational Impact	This project will expand the CVWD's service area for the delivery of Colorado River water and complies with the Source Substitution element (In-Lieu Recharge) within the Coachella Valley Water Management Plan.		
Discretionary	<input type="checkbox"/>	Non - Discretionary	<input checked="" type="checkbox"/>

The Quarry Country Club Nonpotable Water Golf Course Connection

Project Number: C02302

Project Description

This project includes the design and construction of an irrigation pipeline from Lake Cahuilla to the Quarry Country Club. The connection will allow The Quarry Country Club to reduce its reliance on groundwater for turf irrigation purposes.



Project Objectives

The objective of this project is to allow the Quarry Golf Course to reduce the reliance on groundwater for turf irrigation purposes.

Schedule

Start :	07/01/2023	Complete :	06/30/2024	Project Status :	Planning
---------	------------	------------	------------	------------------	----------

Estimated Project Cost (\$)	2,550,000
Capitalized Labor	385,000
Construction	2,000,000
Other	15,000
Planning/Design	150,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
0	0	150,000	2,400,000	0	0	0

Other Financial Impact	None.
Operational Impact	None.
Discretionary	<input type="checkbox"/> Non – Discretionary <input checked="" type="checkbox"/>

Palm Desert Groundwater Replenishment Facility, Phase 2

Project Number: NP2204

Project Description

This project includes constructing ponds to replenish Colorado River water within the Whitewater River Stormwater Channel. A groundwater replenishment facility will serve to help mitigate historical groundwater level declines within the West Whitewater River Subbasin Area. Studies indicate that approximately 15,000 acre-feet per year (AFY) of Colorado River water may be delivered via the Mid-Valley Pipeline for replenishment in the Whitewater River Stormwater Channel.



Project Objectives

The objective of this project is to mitigate historical groundwater level declines and improve groundwater quality within the West Whitewater Subbasin Area, by replenishing 15,000 acre-feet per year of Colorado River water within the Whitewater River Stormwater Channel.

Schedule

Start :	07/16/2018	Complete :	06/27/2025	Project Status :	Construction
---------	------------	------------	------------	------------------	--------------

Estimated Project Cost (\$)	17,749,044
Capitalized Labor	432,403
Construction	11,304,608
Environmental Mitigation	5,612,033
Planning/Design	400,000

Funding Source	%
Pay-as-you-go	23
SWSC	77

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
810,445	49,970	5,377,295	9,688,000	1,823,334	0	0

Other Financial Impact	The project will add labor costs for operation (10-month expected operation period) and maintenance (2-month expected maintenance period) of replenishment ponds.		
Operational Impact	The replenishment ponds will be designed to be operated manually and will add operational costs.		
Discretionary	<input checked="" type="checkbox"/>	Non – Discretionary	<input type="checkbox"/>

# MOTORPOOL



**MOTORPOOL**

Planned purchases for vehicles and heavy equipment for fiscal year 2023 amount to over \$2.4 million. New vehicles and heavy equipment for the various departments are budgeted in the Motorpool Fund. At year-end, funds are transferred into the Motorpool Fund from the District’s enterprise funds, based on the actual benefit of equipment received.

**Capital Improvement Budget - Motorpool**

Department	Division	Vehicle Being Replaced	Replacement Vehicle Type	FY 2023 Budget
<b>Vehicle and Equipment Replacements</b>				
Facilities & Maintenance	Stormwater & Drainage	2004 Sterling Dump Truck 54K	Dump Truck 58K	\$183,778
Operations	Construction Crew	2004 Sterling Fuel Truck 58K	Fuel Truck 58K	183,778
Operations	Service Installation	2005 Freight Liner Crane 15T 56K	Crane 15T 56K	101,881
Facilities & Maintenance	Stormwater & Drainage	2005 Intn'l Harvester Maintainer Truck 35K	F550 Utilibed Truck 26K 2WD w/Crane	166,446
Operations	Construction Crew	2005 Sterling Dump Truck 54K	Dump Truck 58K	166,446
Operations	Service Installation	2005 Sterling Dump Truck 54K	Dump Truck 58K	166,446
Operations	Valve Repairs	2005 Sterling Truck 35K	Tractor 64K	166,446
Operations	West Shore	2006 Freight Line Truck 26K	F550 Utilibed Truck 26K 2WD w/Crane	166,446
Facilities & Maintenance	Canal	2006 Freight Line Truck 26K	F550 Utilibed Truck 26K 2WD w/Crane	121,989
Operations	Service Installation	2006 GMC Maintainer 2WD 25K	F550 Utilibed Truck 26K 2WD w/Crane	121,989
Operations	West Shore	2006 Intn'l Harvester Water Truck 58K	Tractor 64K	121,989
Operations	Construction Crew	2006 Intn'l Harvester Water Truck 58K	Water Truck 58K	121,989
Conservation	Water Management	2016 Ford 1/2 Ton Pickup Truck	1/2 Ton Pickup Truck	41,081
Facilities & Maintenance	Auto Shop	2005 Chevrolet 1/2 Ton Pickup Truck	1/2 Ton Pickup Truck	41,081
Facilities & Maintenance	Auto Shop	2011 Ford 1/2 Ton Pickup Truck	1/2 Ton Pickup Truck	41,081
Facilities & Maintenance	Auto Shop	2006 Chevrolet 1/2 Ton Pickup Truck	1/2 Ton Pickup Truck	41,081
Facilities & Maintenance	Auto Shop	2014 Ford 1/2 Ton Pickup Truck	1/2 Ton Pickup Truck	41,081
Operations	Valve Repairs	2010 Ford 1/2 Ton Pickup Truck	1/2 Ton Pickup Truck	41,081
Environmental Services	Water Quality	2010 Ford 1/2 Ton Pickup Truck	1/2 Ton Pickup Truck	41,081
Service	Meter Reading	2013 Ford 1/2 Ton Pickup Truck	1/2 Ton Pickup Truck	41,081
Service	Meter Reading	2006 Ford 1/2 Ton Pickup Truck	1/2 Ton Pickup Truck	41,081
Engineering	Inspection	2008 Ford 1/2 Ton Pickup Truck	1/2 Ton Pickup Truck	41,081
Facilities & Maintenance	Zanjeros	2016 Ford 1/2 Ton Pickup Truck	1/2 Ton Pickup Truck	41,081
Environmental Services	Environmental	2007 Ford 1/2 Ton Pickup Truck	1/2 Ton Pickup Truck	41,081
Service	Meter Reading	2008 Ford 1/2 Ton Pickup Truck	1/2 Ton Pickup Truck	41,081
Service	Meter Reading	2006 Ford 1/2 Ton Pickup Truck	1/2 Ton Pickup Truck	41,081
Facilities & Maintenance	Auto Shop	2005 Chevrolet 1/2 Ton Pickup Truck	1/2 Ton Pickup Truck	41,081
Facilities & Maintenance	Auto Shop	2005 Chevrolet 1/2 Ton Pickup Truck	1/2 Ton Pickup Truck	41,081
Service	Meter Reading	2013 Ford 1/2 Ton Pickup Truck	1/2 Ton Pickup Truck	41,081
<b>Total Motorpool</b>				<b>\$2,488,000</b>

# ACRONYMS & GLOSSARY



## ACRONYMS |

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ACFR	Annual Comprehensive Financial Report <i>(Formerly Comprehensive Annual Financial Report)</i>	CMMS	Computerized Maintenance Management System
ACVWDM	Association of Coachella Valley Water District Managers	COBRA	Consolidated Omnibus Budget Reconciliation Act
af	Acre-Foot or Acre-Feet	COLAs	Cost-of-Living Adjustments
ALAE	Allocated Loss Adjustment Expenses	COP	Certificates of Participation
AMI	Advanced Meter Infrastructure	CPI	Consumer Price Index
AMMP	Asset Management Master Plan	CPP	COVID-19 Preparedness Plan
AMP	Asset Management Program	Cr3	Chromium-3
AMR	Automated Meter Reading	Cr6	Chromium-6
AMWA	Association of Metropolitan Water Agencies	CVB	Convention and Visitors Bureau
AOB	Area of Benefit	CVCWD	Coachella Valley County Water District
APN	Assessor's Parcel Number	CVMSHCP	Coachella Valley Multiple Species Habitat Conservation Plan
AQMD	Air Quality Management District	CVRWVG	Coachella Valley Regional Water Management Group
ARC	Annual Required Contribution	CVSC	Coachella Valley Stormwater Channel
ASSET	Association of Supervisory Support Evaluation Team	CVWD	Coachella Valley Water District
AWWA	American Water Works Association	CVWDEA	Coachella Valley Water District Employees Association
BDCP	Bay-Delta Conservation Plan	CVWMP	Coachella Valley Water Management Plan
BIA	Bureau of Indian Affairs	CWSRF	Clean Water State Revolving Fund
BLM	Bureau of Land Management	DAC	Disadvantaged Community
BPS	Booster Pump Station	DCP	Drought Contingency Plan
CAD	Computer-Aided Design	DDW	Division of Drinking Water
CAL	Coalition of Accredited Laboratories	DHCCP	Delta Habitat Conservation and Conveyance Program
CalPERS	California Public Employee's Retirement System	DIP	Ductile Iron Pipe
Ccf	One Hundred Cubic Feet	DWA	Desert Water Agency
CCLP	Coachella Canal Lining Project	DWR	Department of Water Resources
CCTV	Closed Circuit Television	DWSRF	Drinking Water State Revolving Fund
CDSM	Cement Deep Soil Mixing	EAP	Employee Assistance Program
CEQA	California Environmental Quality Act	ECM	Enterprise Content Management
CLIP	California Laboratory Intake Portal	EDU	Equivalent Dwelling Unit
CIB	Capital Improvement Budget		
CIP	Capital Improvement Plan		

ELAP	Environmental Laboratory Accreditation Program	IXTP	Ion Exchange Treatment Plant
		KW	Kilowatt
ELTAC	Environmental Laboratory Technical Advisory Committee	L4	La Quinta 4 Pump Station
EOC	Emergency Operation Center	LAN	Local Area Network
EPA	Environmental Protection Agency	LIMS	Laboratory Information Management System
ERP	Enterprise Resource Planning	LOMR	Letter of Map Revision
ESU	Equivalent Sewer Unit	LS	Lift Station
EUM	Effective Utility Management	maf	Million Acre Feet
FEMA	Federal Emergency Management Agency	MCC	Motor Control Center
FSA	Flexible Spending Account	MHPZ	Mission Hills Pressure Zone
FTE	Full-Time Equivalent	MOU	Memorandum of Understanding
GAAP	Generally Accepted Accounting Principles	MP	Mile Post
GASB	Governmental Accounting Standards Board	MS4	Municipal Separate Storm Sewer System
GE	General Electric	MVP	Mid-Valley Pipeline
GFOA	Government Finance Officers Association	MWD	Metropolitan Water District
GIS	Geographic Information System	NEPA	National Environmental Protection Act
GPM	Gallons Per Minute	NFIP	National Flood Insurance Program
GPS	Global Positioning System	NIL	Noninterference Letter per the Subdivision Map Act
GRF	Groundwater Replenishment Facility	NIRLs	Noninterference Review Letters
HAZWOPER	Hazardous Waste Operations and Emergency Response	NPDES	National Pollutant Discharge Elimination System
HDHP	High Deductible Health Plan	NPW	Nonpotable Water
HDPE	High Density Polyethylene	O&M	Operations & Maintenance
HMO	Health Maintenance Organization	OGMHP	Oasis Gardens Mobile Home Park
HSA	Health Savings Account	OMPR	Operation, Maintenance, Power, & Replacement
HVAC	Heating, Ventilation, and Air Conditioning	OPEB	Other Post-Employment Benefits
ID	Improvement District	OSHA	Occupational Safety & Health Administration
IID	Imperial Irrigation District	PC	Personal Computer
IIPP	Injury Illness Prevention Program	PCD	Pressure Control Device
I/O	Input/output	PDR	Preliminary Design Report
IP	Internet Protocol		
IRWM	Integrated Regional Water Management		
IS	Information Systems		

## ACRONYMS |

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PDRF	Palm Desert Replenishment Facility	SSMP	Sanitary Sewer Master Plan
PEL	Permissible Exposure Limit	SSORP	Sanitary Sewer Overflow Response Plan
PEPRA	Public Employee Pension Reform Act	SWP	State Water Project
PFAS	Per- and Polyfluoroalkyl Substances	SWR	Stormwater Resources
PBX	Private Branch Exchange	SWRCB	State Water Resources Control Board
PHG	Public Health Goal	SWSC	Supplemental Water Supply Charge
PLC	Programmable Logic Controller	T1	Tertiary Plant 1
PPB	Parts per Billion	T2	Tertiary Plant 2
PPO	Preferred Provider Organization	TAF	Thousand Acre Feet
PUC	Public Utilities Commission	TEL	Thomas E. Levy Groundwater Replenishment Facility
PUE	Public Utility Easement	TNI	The NELAC Institute
PVC	Polyvinyl Chloride	TOU	Time of Use
QSA	Quantification Settlement Agreement	TPA	Third-Party Assessor
RAC	Replenishment Assessment Charge	UCMR4	Unregulated Contaminant Monitoring Rule 4
RAS	Return Activated Sludge	UPRR	Union Pacific Railroad
RDA	Redevelopment Agency	USBR	United States Bureau of Reclamation
RFP	Request for Proposal	USGS	United States Geological Survey
ROW	Right-of-Way	UWMP	Urban Water Management Plan
RTU	Remote Terminal Unit	VCP	Vitrified Clay Pipe
RWQCB	Regional Water Quality Control Board	VMRS	Vehicle Maintenance Reporting System
SBA	Strong Base Anion	VPN	Virtual Private Network
SBS	Sodium Bisulfate	VPZ	Valley Pressure Zone
SCADA	Supervisory Control and Data Acquisition	WAN	Wide Area Network
SCC	Sanitation Capacity Charge	WAS	Waste Activated Sludge
SCE	Southern California Edison	WDR	Waste Discharge Requirement
SCPD	Sun City Palm Desert	WIFIA	Water Infrastructure Finance and Innovation Act
SDCWA	San Diego County Water Authority	WRP	Wastewater Reclamation Plant
SGMA	Sustainable Groundwater Management Act	WSBFC	Water System Backup Facility Charge
SLA	Service Level Agreement	WWRSC	Whitewater River Stormwater Channel
SMP	Stormwater Master Plan	WWSA	Whitewater Spreading Area
SMPZ	Sky Mountain Pressure Zone		
SNMP	Salt and Nutrient Management Plan		

**ACCRUAL BASIS OF ACCOUNTING.** Method of accounting that recognizes the financial effect of transactions, events and interfund activity when they occur, regardless of the timing of related cash flows. Revenues are recorded when earned and expenses recognized when incurred.

**ACTIVE.** The asset is functioning.

**ACRE-FOOT.** A unit of volume of water in irrigation. The amount covering one acre to a depth of one foot, equal to 43,560 cubic feet or 325,851 gallons.

**ADEQUACY.** 1. When the asset is able to do the job that it is assigned to do (e.g., flow capacity relative to required capacity); 2. Delivery of an acceptable quantity and quality of water at a suitable pressure in response to customer requirements.

**ADVANCED METER INFRASTRUCTURE (AMI).** Provides more information including data from other sensors, extended meter history or unusual patterns captured by the meter.

**ADVANCED TREATMENT.** A treatment process that involves sophisticated methods to bring about high quality water. Advanced treatment is often associated with drinking water, reuse, or wastewater treatment.

**AERATION.** A gas transfer unit process that allows for the absorption of gas (most commonly oxygen) by water.

**AERATOR.** A device that brings air into contact with a liquid for the purpose of mixing or transferring gasses from air into the liquid phase.

**AIR RELIEF VALVE.** A valve that allows accumulating gases to escape at the top of the valve and seal closed when displaced by liquid.

**ALL AMERICAN CANAL.** An 80-mile (130 km) long aqueduct, located in southeastern California. It conveys water from the Colorado River into the Imperial Valley and to nine cities. It is the Imperial Valley's only water source.

**ALLUVIAL FAN.** A fan- or cone-shaped deposit of sediment crossed and built up by streams.

**ALLUVIAL FAN FLOODING.** Flooding occurring on the surface of an alluvial fan or similar landform, which originates at the highest spot and is characterized by high-velocity flows; active processes of erosion, sediment transport, and deposition; and unpredictable flow paths.

**APPROPRIATION.** Authorization of funds restricting expenditure to a designated purpose within a specified time frame.

**APPURTENANCES.** Something added to another, more important thing; an appendage.

**AQUEDUCT.** A conduit, at or above ground level, to convey water by gravity.

**AQUIFER.** An underground layer of water bearing permeable rock or unconsolidated materials (gravel, sand, silt) from which groundwater can be extracted.

**ARCGIS.** A geographic information system (GIS) for working with maps and geographic information. It is used for creating and using maps, compiling geographic data, analyzing mapped information, sharing and discovering geographic information, using maps and geographic information in a range of applications, and managing geographic information in a database.

**ARTESIAN WELL.** A well in which water flows to the surface under natural pressure without pumping.

**ASSET.** Anything of value such as an area of land, or a building, or an item of plant or equipment or infrastructure that provides service potential or future economic benefits over a period greater than one year, and has a cost that is material (at least \$10,000). Assets are typically classified as either physical, financial (e.g., cash, stocks, debt instruments), or intangible (e.g., intellectual property, goodwill).

**AUTOMATED METER READER (AMR).** A method of conveying water meter reading without interfacing directly with the meter or a contact point, normally through radio transmitters.

**BALANCED BUDGET.** The District's current operating expenses will be paid from current revenues and reserves carried forward from the prior year.

**BIOSOLIDS.** Nutrient-rich organic materials resulting from the treatment of domestic sewage in a treatment facility.

**BLOWER.** Mechanical equipment used to pump air.

**BUREAU OF RECLAMATION (USBR).** formerly the United States Reclamation Service. An agency under the U.S. Department of the Interior, which oversees water resource management, specifically as it applies to the oversight and/or operation of numerous diversion, delivery and storage projects it built throughout the western United States for irrigation, water supply, and attendant hydroelectric power generation.

**BYPASS LINE.** A pipe designed to divert flow around a pipe segment, typically to enable maintenance or another activity to be performed.

**CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA).** A California statute passed in 1970, shortly after the United States federal government passed the National

**ENVIRONMENTAL POLICY ACT (NEPA).** to institute a statewide policy of environmental protection. CEQA does not directly regulate land uses, but instead requires state and local agencies within California to follow a protocol of analysis and public disclosure of environmental impacts of proposed projects and adopt all feasible measures to mitigate those impacts.

**CHANNEL.** An open (nonpressurized) waterway that conveys water between two points.

**CHECK VALVE.** A controlling device connected to a pipe that only permits flow in one direction.

**CHLORINATION.** The process of adding the element chlorine to water for oxidation and disinfection. Chlorine systems can use chlorine gas, hypochlorite solution, or onsite hypochlorite generation.

**CHLORINATOR.** A device used to add chlorine to water.

**CHROMIUM-6 (CR-6).** A form of the metallic element chromium that is found naturally in common minerals. Also known as hexavalent chromium.

**CLASSIC MEMBER.** An existing CalPERS member as of December 31, 2012; or a member that has a break in service of more than six months, but returns to service with the same employer.

**COACHELLA CANAL.** A 123-mile (196 km) aqueduct that conveys Colorado River water for irrigation from the All-American Canal to the Coachella Valley in Riverside County, California.

**COLLAPSE.** A failed segment of a sanitary sewer in which a portion of the pipe has broken away and invariably blocks the passage of wastewater.

**CONTROLLER.** A device that controls the starting, stopping, or operation of a device or piece of equipment.

**CONVEYANCE SYSTEM.** The combination of assets used to deliver an adequate supply of the selected material (water) from one point to another. The conveyance can include piping, pumps, controls (valves), and storage.

**COOLING TOWER.** A tower-like device in which atmospheric air circulates and cools warm water, generally by direct contact (evaporation).

**COVID-19.** Coronavirus Pandemic.

**CYBER ATTACK.** Any type of offensive maneuver employed by individuals or whole organizations that target computer information systems, infrastructures, computer networks and/or personal computer devices by various means of malicious acts, usually originating from

an anonymous source that either steals, alters, or destroys a specified target by hacking into a susceptible system.

**DELIVERY SYSTEM.** The piping, valves and related assets that convey water from one point in the operation to another. For example, a delivery system can take water from the intake to the plant or from plant to the customer.

**DEPRECIATION.** The reduction in value of a long lived asset from use or obsolescence. The decline in value is recognized by a periodic allocation of the original cost of the asset to current operations on an income statement. The District does not show depreciation on its budgetary Statement of Revenues, Expenses, and Changes in Reserve because it is not a cash item.

**DIFFUSER.** A device to inject a gas or liquid into water, so that it disperses evenly.

**DOWNTIME.** The time that water mains or service lines are unavailable for use. Can be a function of a failure and the time to restore service, or can refer to the time required to renew the main or service.

**DRAIN.** A gravity system that carries water from a higher level of flow to a lower level, usually via pipe.

**DRY WELL.** A dry compartment of a pumping station where pumps are located.

**EFFECTIVE UTILITY MANAGEMENT (EUM).** A nationally recognized framework designed to help water and wastewater utility managers make practical, systematic changes to achieve excellence in utility performance.

**EFFLUENT.** An outflow or discharge of liquid waste from a sewer or sewage system.

**ENTERPRISE FUND.** Proprietary fund type used to report an activity for which a fee is charged to external users for goods or services.

**ENVIRONMENTAL PROTECTION AGENCY (EPA OR SOMETIMES USEPA).** An agency of the United States federal government which was created for the purpose of protecting human health and the environment by writing and enforcing regulations, based on laws passed by Congress.

**ESTUARY.** An arm of the sea that extends inland to meet the mouth of a river.

**FILTER.** A unit designed with a physical barrier (media or screen) to remove particulate matter from a liquid stream but allows a stream to pass through. May operate by gravity or applied pressure.

**FILTER PRESS.** A device used to dewater sludge by applying pressure between two plates or belts to force water out and leave a sludge cake.

**FLOCCULATION.** A sanitation treatment process that applies gentle stirring to bring suspended particles together so that they will form larger, more settleable clumps called floc.

**FLOCCULATION BASIN.** A tank used for formation of floc by gentle stirring.

**FOREBAY.** A small reservoir at the head of the pipeline that carries water to the consumer.

**FULL-TIME EQUIVALENT (FTE).** A measure of labor requirement equal to the full time use of one worker (e.g., could be one person full time or two people half time).

**FUND.** Fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources; including all related liabilities and residual equities or balances, with changes segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

**GAUGE.** A device or instrument for measuring and registering a physical property (e.g., pressure gauge).

**GEOGRAPHIC INFORMATION SYSTEM (GIS).** A computer system for capturing storing, checking, and displaying data related to positions on the Earth's surface.

**GDP PRICE DEFLATOR.** An economic metric that accounts for inflation by converting output measured at current prices into constant-dollar GDP.

**HEADWORKS.** Structures and devices located at the diversion point of a pipe, channel, or treatment process. The beginning or point of origin of a treatment process.

**HYDRAULIC.** Operated by the pressure created by forcing water through a comparatively narrow pipe or orifice.

**HYDROLOGIC.** Of or dealing with the science of occurrence, circulation, distribution, and properties of the waters of the earth and its atmosphere.

**HYDROPNEUMATIC.** Of, relating to, or operating by means of both water and air or other gas.

**INFLOW.** Sewage that enters into a sewer system at points of direct connection from various sources.

**INFLUENT.** A stream of liquid that enters a location; such as a water plant intake.

**INTAKE.** A structure or device placed in a surface water source to permit the withdrawal of water.

**INTERRUPTION.** An event in which the customer is deprived of a proper level of service. For water service, it typically implies loss of flow and pressure to a few customers for brief periods.

**ION EXCHANGE.** A reversible chemical process to exchange ions in solution with ions from an insoluble solid medium.

**LAGOON.** A detention or holding pond used to contain sludge that may promote evaporation, sedimentation, or biological oxidation.

**MANHOLE.** The opening in a vault to allow access for maintenance, inspections, and operations to pipelines. In sewer lines, this can interface directly with the run of flow through adjacent sewer pipe.

**METER.** A device that measures and records the quantity of a substance, such as water or energy that has passed through it during a specified period.

**METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA (MWD).** The largest supplier of treated water in the US. It is a cooperative of 14 cities and 12 municipal water districts that indirectly provides water to 18 million people in its 5,200-square-mile (13,000 km<sup>2</sup>) service area.

**ODOR CONTROL.** The elimination of odors by aeration, chemical oxidation, adsorption, or other means.

**OFFSET.** A reduction in one or more budget line items (accounts).

**OUTAGE.** An event in which the customer is deprived of a proper level of service. For water service, it typically implies loss of flow and pressure to multiple customers for extended periods.

**OVERFLOW.** A sewer overflow is a discharge of untreated, raw sewage into local waterways. Overflows occur when there is too much wastewater for the sewer system or treatment plants to handle, such as after heavy rainstorms.

**PEAK DEMAND.** The experienced or calculated maximum required to manage wastewater or delivery of water expressed as a unit of time (year, month, day, hour, minute).

**PEPRA MEMBER.** A new hire who has no prior membership in any California public retirement system prior to January 1, 2013; or who is rehired by a different CalPERS employer after a break in service of greater than six months.

**PER-AND POLYFLUOROALKYL SUBSTANCES.** A synthetic organofluorine chemical compounds that have multiple fluorine atoms attached to an alkyl chain.

**PIPE.** A conduit that conducts or diverts water from one location to another.

**PRODUCER PRICE INDEX (PPI).** This program measures the average change over time in the selling prices received by domestic producers for their output.

**PRESSURE ZONE (PZ).** An area within a distribution system in which the pressure is maintained by pumps, tank levels, or regulators independent from any adjacent pressure zone (separated by valves).

**PUMP.** A mechanical device for raising or lifting water, pushing it, and changing flow and pressure.

**PUMP STATION.** A structure containing pumps and appurtenant piping, valves, and other mechanical and electrical equipment for pumping raw water. Also called a lift station.

**QUAGGA MUSSEL.** A subspecies of freshwater mussel, an aquatic bivalve mollusk. It is one of seven Dreissena species and has an average life span of 3 to 5 years. Quagga Mussels were discovered in Lake Mead on January 6, 2007 and all reservoirs, lakes and watersheds receiving raw Colorado River water have been exposed to Quagga Mussels.

**QUALITY.** Measures the performance of assets to perform their function toward meeting regulatory and nonregulatory goals; these are often associated with water quality.

**QUANTIFICATION SETTLEMENT AGREEMENT (QSA).** An agreement ratified in October 2003, quantifies Colorado River water allocations to California water contractors for 75 years, which allows for the transfer of water between agencies. CVWD received a base allocation of 330,000 af/yr under the QSA.

**REDEVELOPMENT AGENCY (RDA).** Created for the purpose of improving, upgrading, and revitalizing areas within the City that had become blighted because of deterioration, disuse, and unproductive economic conditions. It is a legal and separate public body, with separate powers and a separate budget from the City. In February 2012 all Redevelopment Agencies within the State of California were dissolved.

**REGULATOR.** A device for controlling flow, movement, or pressure.

**RELEASE PIPING SYSTEM.** A piping system, including pipes, fittings, and valves, for discharging stored water from a dam or impoundment; as opposed to a spillway

that discharges only when the water level reaches an overflow level.

**RELIABILITY.** The probability that a system performs a specified function or mission under given conditions for a prescribed time.

**REPLENISH.** A hydrologic process where water, usually from an imported source, is moved through layers of sand, dirt, and rock to groundwater.

**RESERVES.** The amount of cash and investments in a fund, plus the accounts receivable, less the accounts payable, and amounts due to others in that fund.

**RESERVOIR.** An impounded body of water or controlled lake, in which water can be collected and stored.

**SACRAMENTO-SAN JOAQUIN RIVER DELTA OR CALIFORNIA DELTA.**

An expansive inland river delta and estuary in Northern California. The Delta is formed at the western edge of the Central Valley by the confluence of the Sacramento and San Joaquin rivers, lying just east of where the rivers enter Suisun Bay.

**SCREEN.** A device to retain or remove debris and suspended solids.

**SECONDARY CLARIFIER.** A process designed to facilitate gravity removal of suspended matter from a liquid by settling (usually after flocculation in water treatment).

**SEPTAGE RECEIVING FACILITY.** A structure used to accept and process septic system waste.

**SERVICE LINE.** Pipe from the common distribution main to provide water to individual customers for domestic or fire service.

**SIPHON.** A closed conduit in which enough pressure is created to permit a fluid to flow upward, then transferred across a higher elevation to a discharge point at a lower elevation.

**SLUDGE.** The by-product of drinking water and wastewater treatment processes that contains most of the solids (residuals). Sludge contains water, and many processes are used to remove the sludge from the liquid treatment, as well as significant portions of the water in the by-product.

**STATE WATER PROJECT (SWP).** The world's largest publicly built and operated water and power development and conveyance system. The original purpose of the project was to provide water for arid Southern California, which lacks adequate local water resources to provide for the growth the region has experienced.

**STORAGE.** A vessel that can provide a readily available water supply and can be used to account for variations in demand.

**STORAGE TANK.** A container for storing liquids or gases.

**SUBBASIN.** A geologic basin formed within or as part of another basin.

**SUBMERSIBLE PUMP.** A device designed to fit inside a tank or well casing used to operate below the water level and lift water to facilities above ground, or directly to customers.

**SUBSIDENCE.** The gradual sinking of landforms to a lower level resulting from earth movements.

**SUPERVISORY CONTROL AND DATA ACQUISITION (SCADA).** A computer monitored alarm, response, control, and data acquisition system used by drinking water facilities to monitor operations.

**SUPPLEMENTAL REQUEST.** A budget request for funds to purchase items that exceed a department's base budget. A supplemental request may be recurring or nonrecurring.

**TANK.** A vessel or container used to hold water or other liquid.

**TAP.** The connection to a main for a lateral service line, hydrant, or other inlet or outlet.

**TELEMETRY.** Communication technologies that allow the remote measurement and status reporting of information.

**TRANSMISSION MAIN.** A large water main that transports water from the main supply or source, to a distant area where the water is then further distributed. Finished water transmission mains usually have no or few connections.

**TUNNEL.** An underground passage for conveyance of water, vehicles, piping, or conduit.

**VALVE.** A device to regulate or isolate the flow of water.

**VAULT.** An underground structure to house pumps, meters, etc.

**WASTEWATER TREATMENT.** The planned actions taken on sewer discharges that may remove solids, particulate matter, chemical contaminants, or render biological organisms inert for placement of water back into the environment and proper handling of sludge.

**WATER DISTRIBUTION.** A network of pipe, pumps, and storage facilities to transport potable water from the source or treatment facility to the consumer.

**WATER METER.** A device designed to accurately measure flow passing through it. Meters are of various types and materials, and function with accuracy within certain flow ranges.

**WATER QUALITY.** Various measures by which materials (contaminants) and appearance (aesthetics) are compared against what are considered appropriate levels for acceptable water.

**WATER QUALITY MONITORING.** Instrumentation for measuring the quality of water.

**WATERSHED.** The area of land that catches rain and snow, and drains or seeps into a marsh, stream, river, lake, or groundwater aquifer.

**WATER TENDER.** A trailer with a small pump used to store water. It is used to provide water to affected customers during emergency water outages.

**WATER TREATMENT.** Any process that intentionally alters and improves the chemical, biological, or physical characteristics of water.

**WELL.** 1. A subsurface source of water that is generally accessed through a drilled casing and pipe into the aquifer; 2. The entire system of the underground water source, pipe casing, pump, etc. Also called a borehole.

**WELLHEAD PROTECTION.** A system of deterrents to guard against potential groundwater contamination through the well casing. Includes well curb or cap, fences, etc.

**WET WELL.** A chamber in which water or wastewater is collected and to which a suction pump is connected.

**WETLAND.** An area saturated by surface or groundwater at sufficient frequency and duration to support vegetation adapted for life in saturated soil conditions.

**WHITewater RIVER.** A small permanent stream in western Riverside County and southwestern San Bernardino County, California.

**WHITewater RIVER STORMWATER CHANNEL.** The naturally occurring portion of the storm channel that runs from the Whitewater area north of Palm Springs to Washington Street.

**WORKING CAPITAL.** The amount of cash and investments in a fund, plus the accounts receivable, less the accounts payable and amounts due to others in that fund. Also referred to as reserves.



# 2021 BY THE NUMBERS

MG: Million gallons | MGD: Million gallons per day | AF: Acre feet

**568** full-time & **2** part-time employees budgeted as of 6/30/2022

**\$72,319,598,665**  
Combined assessed valuation for property within the CVWD service boundaries as of 6/30/2022

## AGRICULTURAL DRAINAGE

Total on-farm drains	2,298 Miles
Acreage with farm drains	37,425 Acres
District open drains	21 Miles
District pipe drains	166 Miles



Bell peppers - Coachella, CA

## BLENDED, MVP, RECYCLED WATER<sup>2</sup>

### SERVICE INFORMATION

Active Accounts	24
Average Daily Flow	18 MGD

### SYSTEM INFORMATION

Wastewater Reclamation Plants	2
Total Daily Tertiary Capacity	17.5 MGD
Distribution Piping System	31 Miles

## CANAL WATER

### SERVICE INFORMATION

Irrigable Acres for Service	76,970
Active Accounts	1,311
Total Water Delivered	338,147 AF
Average Daily Demand	920 AF
Maximum Daily Demand	1,513 AF

### SYSTEM INFORMATION

Reservoirs	2
Storage Capacity	1,361 AF
Distribution System	485 Miles
Pumping Plants	16
Length of Canal	123 Miles

<sup>1</sup> The number of active service connections excludes fire service.

<sup>2</sup> **Blended:** Recycled water blended with Colorado River water  
**MVP:** Colorado River water accessed from the Mid-Valley Pipeline  
**Recycled:** Reclaimed wastewater from Wastewater Reclamation Plants 7 and 10

## DOMESTIC (DRINKING) WATER

### SERVICE INFORMATION

Population Served	270,000
Active Accounts <sup>1</sup>	112,180
Average Daily Demand	83.5 MGD
Total Water Delivered	93,548 AF

### SYSTEM INFORMATION

Active Wells	96
Total Daily Well Pumping Capacity	242 MGD
Distribution Reservoirs	65
Storage Capacity	155.2 MG
Distribution Piping System	2,032 Miles

## GROUNDWATER MANAGEMENT

*In cooperation with Desert Water Agency*

Replenishment facilities	4
Replenishment from imported water	63,610 AF
Imported supply since 1973 through 2021	4,508,530 AF

## STORMWATER PROTECTION

**SERVICE AREA 381,479 ACRES**

### SYSTEM INFORMATION

Stormwater Channels	18
Length of Whitewater River/Coachella Stormwater Channel	50 Miles
Length of all Regional Flood Protection Facilities	169 Miles

## WASTEWATER

### SERVICE INFORMATION

Population Served	240,000
Active Accounts	98,351
Average Daily Flow	16.66 MGD

### SYSTEM INFORMATION

Wastewater Reclamation Plants	5
Total Daily Plant Capacity	33.1 MGD
Collection Piping System	1,162 Miles

# YourWater

is our promise.



**COACHELLA VALLEY WATER DISTRICT**

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