

COACHELLA VALLEY WATER DISTRICT

FISCAL YEAR **2021-22**

OPERATING & CAPITAL IMPROVEMENT BUDGET





COACHELLA VALLEY WATER DISTRICT OPERATING & CAPITAL IMPROVEMENT BUDGET FISCAL YEAR 2021 – 22



John Aguilar
Division One



Anthony Bianco
Division Two



John Powell Jr.
Division Three
Board President



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Division Four



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Division Five
Board Vice President

SENIOR ADMINISTRATION

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General Manager

Robert Cheng
Assistant General Manager

Dan Charlton
Assistant General Manager

CVWD MISSION STATEMENT

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



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Coachella Valley Water District
California**

For the Fiscal Year Beginning

July 1, 2020

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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*The Fiscal Year 2021-22 Budget is available on our website:
www.cvwd.org/budget*

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Environmental Services..... Steve Bigley
Finance Geoffrey Kiehl
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Information Systems..... Luis Maciel
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BUDGET MESSAGE





COACHELLA VALLEY WATER DISTRICT

GENERAL MANAGER | JIM BARRETT

ASSISTANT GENERAL MANAGERS | ROBERT CHENG & DAN CHARLTON

JULY 1, 2021

To the Board of Directors:

I am pleased to present the adopted fiscal year 2022 budget for the Coachella Valley Water District (CVWD). The budget is the financial plan used to provide services that enable us to continue our century old commitment to meet the water-related needs of the people through dedicated employees, providing high quality water at a reasonable cost.

Each year, the District goes through an extensive review and analysis of the operational needs, along with projecting the long-term financing of capital improvement projects to support the replacement and development of infrastructure. The budget focuses on identifying and estimating financial resources and spending. It also serves as a policy document that drives management decisions for fiscal year 2022, and plays a significant role in influencing future needs.

The District continues to navigate its way through the COVID-19 crisis, and has budgeted revenues and expenditures in a conservative manner in order to remain flexible to changing needs. 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

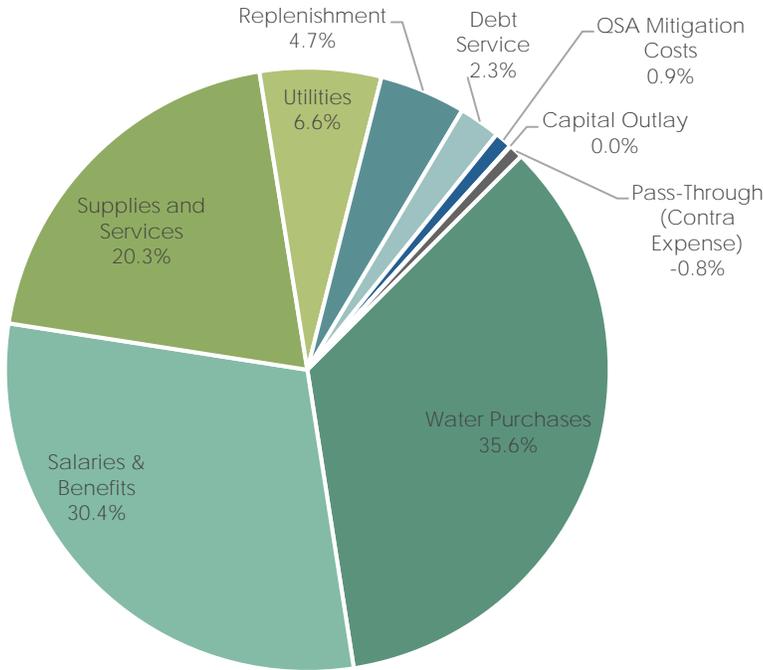
The fiscal year 2022 operating and debt service budget amounts to \$286.2 million and is supplemented with \$165.6 million in capital improvements to provide a total financial program of \$451.8 million.

Total District Expenses	FY 2020 Actual	FY 2021 Actual*	FY 2021 Budget	FY 2022 Budget	Budget Change	% Change
Operating and Debt Service	\$ 276,639,863	\$ 256,014,090	\$ 278,471,270	\$ 286,229,307	\$ 7,758,037	2.8%
Capital Improvement Projects	115,536,000	96,352,728	103,759,309	165,598,000	61,838,691	59.6%
Total Budget	\$ 392,175,863	\$ 352,366,818	\$ 382,230,579	\$ 451,827,307	\$ 69,596,728	18.2%

* Unaudited

OPERATING AND DEBT SERVICE BUDGET

The operating and debt service budget increased by \$7.8 million, or 2.8% when compared to the fiscal year 2021 budget. Expenditures for fiscal year 2021 came in well below budget, particularly in the highly variable area of water purchases (\$15.1 million under budget), and salaries and benefits (\$5.7 million under budget). Savings in the water purchases category reflect budgeted expenses for several large State Water Project expenses that did not materialize during the anticipated timeline for fiscal year 2021, including the Delta Conveyance Project. Salaries and benefit savings are the result of vacancies, and the time it takes to recruit new employees. The District developed a review process and committee to evaluate the need of each vacancy prior to recruitment, in its ongoing commitment to monitor expenditures and capitalize on efficiencies. While the recruitment process continues to take additional time due to the pandemic, the District expects to fill vacancies in fiscal year 2022. Increases in utility expenditures (\$3.9 million over budget) due to a billing correction and increased rates were offset by savings in supplies and services (\$3.6 million under budget).



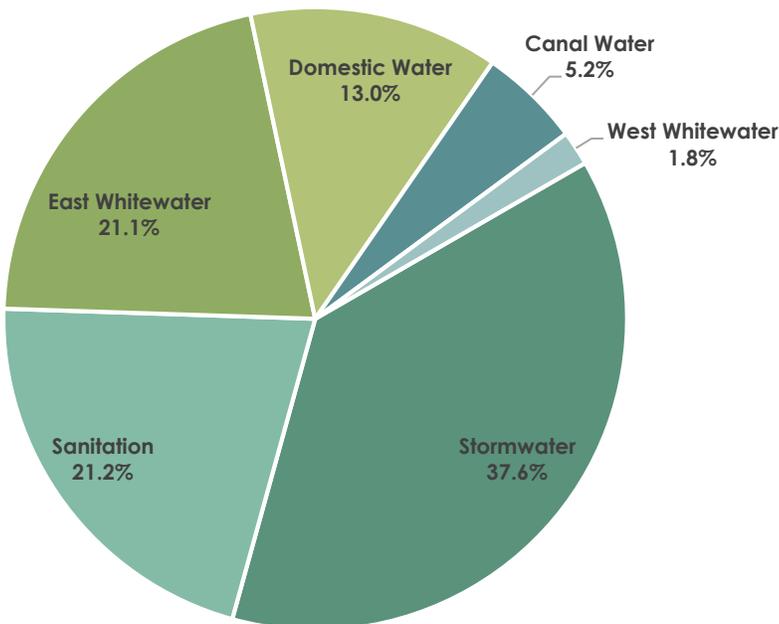
For fiscal year 2022, the budget includes 569 full-time equivalent positions, with no increase in positions from the previous year. Salaries and benefits net of capitalized labor reflect a \$1.6 million increase, or 2% from the previous budget. Supplies and services are increasing 1.1% to \$58.1 million for fiscal year 2022. Utilities are increasing by 2.7 million, or 16.9% over the previous budget, reflecting anticipated rates for the fiscal year.

Water purchases, which include State Water Project anticipated costs, reflect an \$8.4 million, or 9% increase. Payments related to the Quantitative Settlement Agreement (QSA) mitigation expenses increase by \$1.9 million for fiscal year 2022, based on contractual agreement.

CAPITAL IMPROVEMENT BUDGET

The fiscal year 2022 Capital improvement budget reflects an increase of \$61.8 million, or 59.6% over the prior year. The increase includes several major projects, and the use of \$54.6 million in loan proceeds, a \$26 million draw on the Bank of the West credit line, \$11.4 million in restricted funds, \$4.8 million in grant funds, and \$31.1 million in unrestricted reserves.

Major projects planned in fiscal year 2022 include \$34.8 million for the Oasis Recharge Phase 2 Project, \$27.0 million for the North Indio Regional Flood Control System, \$26.0 million in Stormwater Channel Improvements, and \$20.8 million in Nonpotable Connections. For fiscal year 2021, the capital improvement project execution rate was 92.3%. Engineering staff intends to maintain an execution rate above 70% in FY 2022 for these critical infrastructure projects.

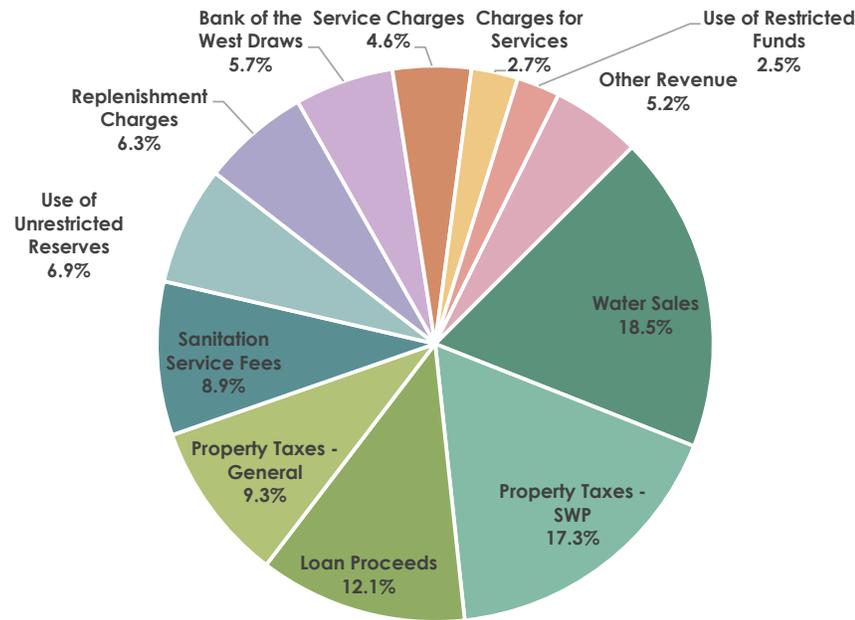


In an effort to maintain long-term financing needs, the District continues to aggressively pursue grant and loan financing options to help with the ongoing need to replace aging infrastructure. To date, the District has approximately 20 active applications for various funding programs, including but not limited to grants, bond issuance, and pay-go. Detailed funding information can be found in the Capital Improvement Section of this document.

REVENUES AND OTHER SOURCES

Fiscal year 2022 revenues and other sources, which include loan proceeds, grants, restricted funds, and unrestricted reserves, total \$451.8 million. Of that total, \$320.8 million are operating revenues, and reflect a 7.5% increase over fiscal year 2021. 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. Rates approved and adopted by the Board are reflected in the fiscal year 2022 budget.

The District receives funding from a variety of sources: domestic water sales, sanitation service charges, groundwater replenishment charges, ad valorem



property taxes, state water project property taxes, monthly domestic water service charges, sales of irrigation water, grants, investment income, assessments that support future development, charges for miscellaneous services and loan proceeds.

Water sales, including sales from domestic water, recycled or nonpotable water, and canal irrigation water are 18.5% of total revenues for fiscal year 2022. In addition, proceeds from State Water Project taxes are 17.3%, and include a \$0.01 per \$100 of assessed value increase in the tax rate approved by the Board in April 2021. General ad valorem property taxes are 9.3% of total revenues.

To support the District’s capital improvement plan, loan proceeds reflect 12.1% of total revenues, use of unrestricted reserves total 6.9%, bank draws are 5.7%, and use of restricted funds are 2.5%.

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 State Water Project (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 2022 budget includes \$101.8 million for water purchases. The calendar year 2021 SWP delivery schedule includes a 5% allocation, compared to a 20% allocation in calendar year 2020.

CVWD is a member agency of the State Water Project Contractor group that services portions of Riverside, Imperial, and San Diego Counties. As mentioned above, 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 State 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 providing reliable water while protecting the environment. The cost for this project will be paid by the SWP contractors group and the participating agencies.

DROUGHT UPDATES

In April 2021, Governor Newsom declared drought emergencies in more than 50 counties, and signed an executive order calling on Californians to voluntarily reduce water use by 15%. Coachella Valley water supplies remain stable despite drought conditions in California. On October 19, 2021 Governor Newsom expanded the Drought Emergency statewide.

Additionally, for the first time in history, 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 Drought Contingency Plan (DCP).

The DCP is an action plan generated in 2019 to address ongoing historic drought conditions and reduce the risk of Lakes Powell and Mead declining to critical elevations. USBR expects Lake Mead to hit the elevation threshold of the DCP of 1,090 feet in January 2022, triggering Tier 1 cuts that will affect Arizona, Nevada and Mexico.

Deeper reductions (Tier 2 and Tier 3) may be necessary if declines in Lake Mead continue. California does not take cuts in either Tiers 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.

COST OF SERVICE STUDIES

In fiscal year 2021, the District worked with Carollo Engineers, Inc. to develop comprehensive Cost of Service Studies (COSS) for the Canal, Replenishment, and Domestic Water Funds. The purpose of each study included 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. The development of the fiscal year 2022 Operating and Capital Improvement Budget was in conjunction with the COSS. A summary of the adopted and proposed increases are included below.

Cost of Service Rate Summary	FY 2022 Adopted	FY 2023 Proposed	FY 2024 Proposed	FY 2025 Proposed	FY 2026 Proposed
Domestic Water Overall Increase	5.0%	5.0%	11.0%	9.0%	7.0%
Replenishment					
West Whitewater Replenishment	15.0%	20.0%	20.0%	20.0%	20.0%
East Whitewater Replenishment	9.5%	9.5%	3.0%	3.0%	3.0%
Mission Creek Replenishment	0.0%	0.0%	0.0%	0.0%	0.0%
Canal					
Irrigation Water Consumption Charge	0.0%	2.6%	2.6%	2.6%	2.6%
Supply Surcharge	0.0%	2.6%	2.6%	2.6%	2.6%
Quagga Surcharge	14.4%	14.2%	14.3%	1.7%	2.1%
Outside ID1 Surcharge	6.2%	6.4%	6.2%	2.0%	2.2%
Construction Water Commodity Charge	8.3%	4.8%	3.2%	3.1%	2.6%
Scheduled Gate Visits	18.8%	18.8%	18.9%	5.8%	5.9%
Unscheduled Gate Visits	18.8%	18.9%	18.9%	5.8%	5.9%

In addition, CVWD worked with Matrix Consulting Group to develop an appropriate Overhead Cost Allocation plan and a comprehensive review of the existing Miscellaneous Fees and Charges. The Overhead Cost Allocation Plan was completed in fiscal year 2019 and the Miscellaneous Service Fees study was completed in fiscal year 2021. Overall, the study showed that CVWD recovers about 72% for developmental related activities. Therefore, CVWD approved the new Miscellaneous Service Fees to recover 100% of the cost on the majority of the fees. The new rates are effective as of September 1, 2021.

Also, CVWD will complete additional cost of service studies in fiscal year 2022 for Sanitation Services and restricted developer fees related to the Water Back-up Facility Charges and the Sanitation Capacity Charge.

INVESTMENT IN INFRASTRUCTURE AND ASSET MANAGEMENT

CVWD's planned capital improvement budget for fiscal year 2022 is \$165.6 million utilizing various funding sources such as pay-go, grant, debt, and use of available restricted developer fee funds. To ensure that adequate reserves are maintained, CVWD has been actively pursuing different financing options such as grants and loans with over twenty (20) active applications and twenty-three (23) approved grants and/or issued debt. Detailed information can be found in the Capital Improvement Budget section.

CVWD is faced with the ongoing challenge of replacing aging infrastructure and building new improvements to support continued growth, improve water deliveries, and support ongoing needs in the stormwater channels and sanitation systems. For the last five years, CVWD has been working on a Comprehensive Asset Management Plan which includes procuring a new Computerized Maintenance Management System (CMMS). The purpose of the CMMS software program is to capture asset locations through the Geographical Information Systems (GIS), catalog asset infrastructure, and track condition assessments of each asset, which will in turn allow CVWD to prioritize the replacement of aging infrastructure. To date, CVWD has located, photographed, scored condition, and valued over 300,000 physical assets. The implementation of the CMMS software program is progressing with the majority of the planned tasks completed, including but not limited to finalizing the Preventative Maintenance Module; completion of the Training/eLearning Development materials; and completion of physical asset data input. Currently, CVWD is testing the workflows between the existing ERP and payroll system with the new CMMS to ensure that the integration will be successful.

PENSION COSTS

The District provides retirement benefits to District employees through the California Public Employees Retirement System (CalPERS). Although the District pays what is billed annually, over the years the District has incurred a significant unfunded liability. The primary causes for the unfunded liability have been periodic shortfalls of CalPERS' return on investments versus projections, and the cost of retirement obligations exceeding actuarial projections. Since September 2018, Finance staff have been working with the District's assigned CalPERS senior actuary to revise the actuarial valuation assumptions and utilize more current data in order for the normal cost, unfunded liability, and recommended District annual contributions be more accurate and reflective of what needs to be contributed to CalPERS to significantly reduce the unfunded liability over time.

For example, CalPERS' ability to accurately project the District's retirement funding obligations on our behalf because their employee is limited means that the last complete year of information is over a year older than ours, and for the future, they use the same 2.75% growth factor statewide. We have the benefit of our much better salary expense projections which includes future obligation with our employee bargaining groups. Also, we make a more conservative estimate of what we believe CalPERS investments will earn on our behalf to help fund our current and future obligations.

This approach is helping staff guard against actuarial surprises which have the potential of causing rate spikes. Ultimately, this approach also leads to greater financial stability and credit worthiness.

FINANCIAL STABILITY

While the District is expecting to maintain strong reserves in fiscal year 2022, there is increasing pressure on reserves in the short-term. On January 26, 2021, the Board approved revisions to the District's Reserve Policy to align targets with the overall financial plans to maintain fiscal responsibility and stability. With the emphasis on improving the execution rate of the Capital Improvement Program, more of the unobligated cash is being used. In addition, the preceding issues (above) all put pressure on reserves and rates. Rate increases approved by the Board for fiscal year 2022, as well as utilization of debt proceeds to fund large capital improvements, will help to ensure reserves are maintained per the District's updated reserve policy.

CONCLUSION

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

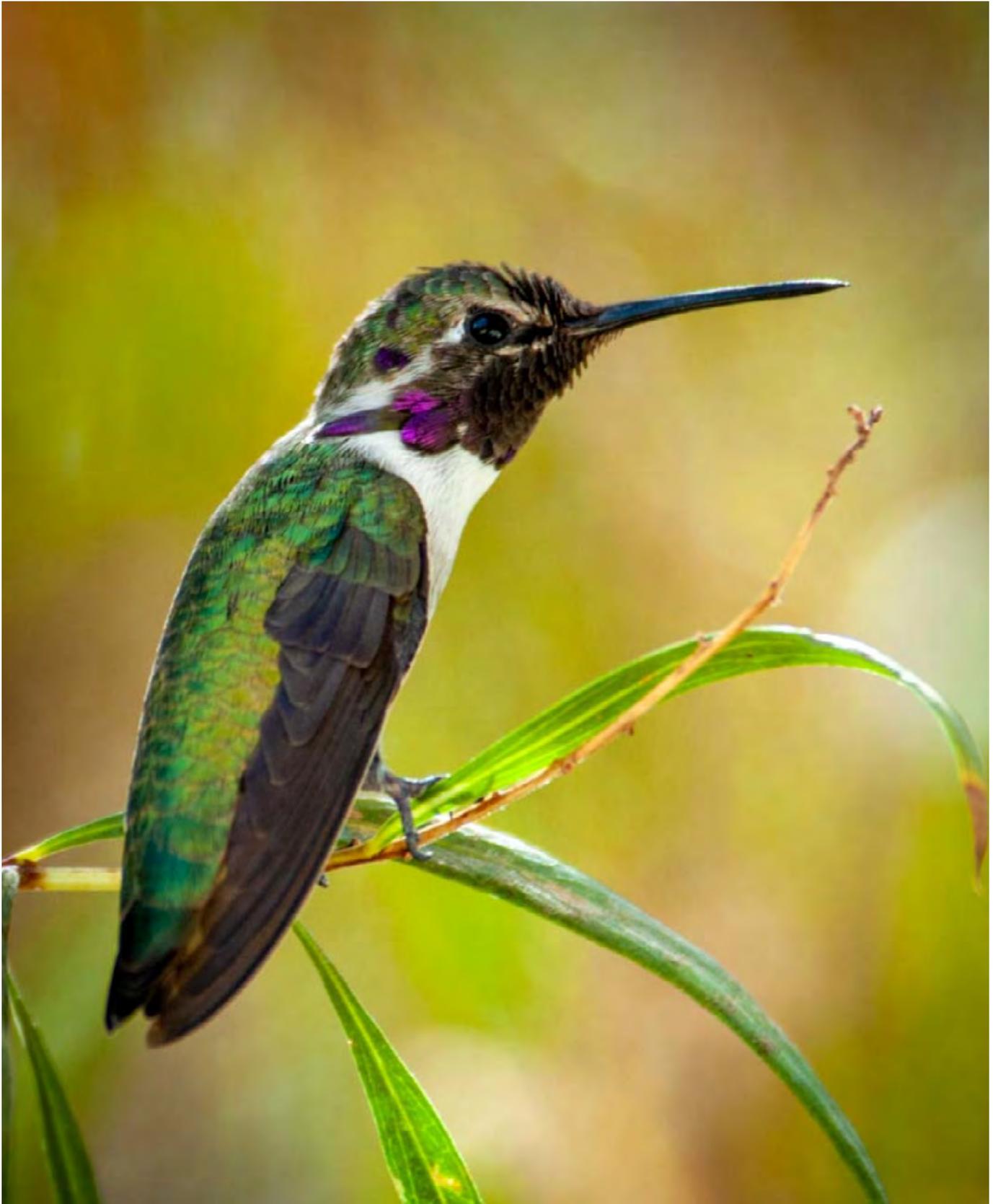
I have confidence that this budget document accurately reflects the policies, priorities and direction of the Board of Directors, and provides a sound financial plan for fiscal year 2022.

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jim Barrett", written in a cursive style.

JIM BARRETT
General Manager



Hummingbird captured in a stationary moment.

OVERVIEW



ABOUT THE COMMUNITY

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

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



Aerial View of a Portion of the Coachella Valley

COACHELLA VALLEY DISTRICT BOUNDARY MAP



ATTRACTIONS

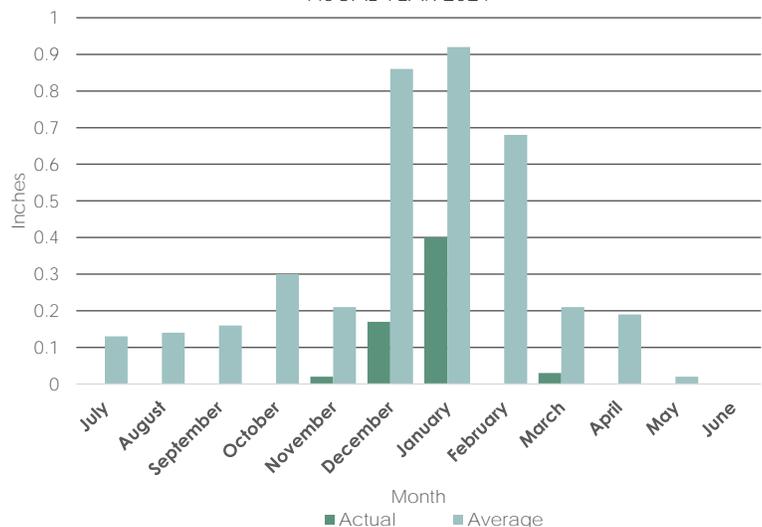
With more than 350 days of sunshine per year and the warmest winters in the western US, the Valley is recognized as the golf, tennis, and polo capital of the West. Recreational hiking and horseback riding are popular in the many accessible canyon and mountain areas. The Valley draws a significant numbers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

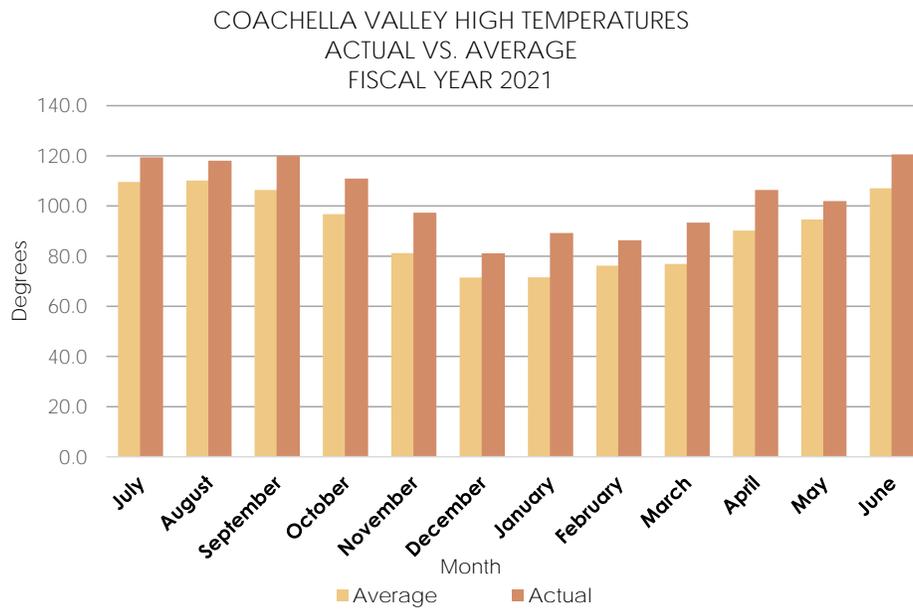
- American Documentary Film Festival
- BNP Paribas Open Tennis Tournament
- Cinema Diverse LGBTQ Film Festival
- Coachella Music Festival
- Coachella Valley Wildflower Festival
- College of the Desert Street Fair (Sat-Sun)
- Fashion Week at El Paseo
- International Tamale Festival
- Joshua Tree Music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

WEATHER

The mountains surrounding our 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 this year was well below the average of 3.8 inches, at only 0.6 inches. The actual high temperature average of 103.7 degrees exceeded the average high temperature of 91 degrees that was expected.

COACHELLA VALLEY PRECIPITATION
ACTUAL vs. AVERAGE
FISCAL YEAR 2021





ECONOMIC INDICATORS

The Coachella Valley has a very seasonal economy. The majority of festivals, tournaments, and events happen in the most temperate months of the year from October through April. Cancellation of major activities due to the Coronavirus pandemic (COVID-19) has had a dramatic impact on the Valley economy, although vaccine availability in late FY 2021 has allowed for some events to return. It remains unclear how soon economic activity will return to normal levels.

TOURISM: Tourism is the Valley’s major industry, the largest employer, and the number one contributor to the local economy. In normal times, it generates over 51,000 jobs and infuses more than \$7 billion into the local economy, according to a Tourism Economics study commissioned by the Greater Palm Springs Convention and Visitors Bureau (CVB). Approximately 22% of total employment, 1 in every 4 jobs, is sustained by the tourism industry. The hospitality scene has over 200 resorts and hotels throughout the Valley, with over 6,000 vacation home rentals.

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 120 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. Turf rebates have spurred courses to convert parts of the irrigated rough to native plantings.

CROP PRODUCTION: Irrigation of over 77,100 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 2020, listed in CVWD’s annual crop report, is valued at close to \$575 million with an average gross value per acre of over \$9,700. The most lucrative crops are dates, grapes, bell peppers, and lemons/limes. California is the leading date



Coachella Valley Agriculture

growing state, producing 90% of the nation’s total. Most of that production takes place here in the Valley.

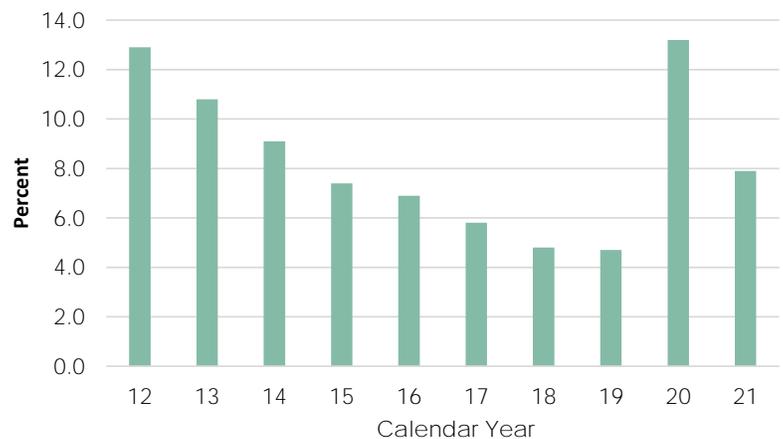
CANNABIS CULTIVATION: California voters approved Proposition 64 in November 2016, allowing the retail sale of marijuana to adults for recreational purposes. Since then, several cities in the Coachella Valley have moved to embrace industrial-scale marijuana growing. Cathedral City, Coachella, Palm Springs, and Desert Hot Springs have adopted ordinances to regulate cannabis cultivation, manufacturing, and testing in an effort to bring tax revenue

and economic stability to their cities. Since cannabis is still a federally controlled substance, care must be taken to ensure growers do not use the Colorado River water, a federal water source, as their source of irrigation. Growers are using well water to irrigate their crop. All commercial cannabis activities/businesses must be entitled by the County and licensed by the State to operate within the unincorporated areas of the County of Riverside. The fiscal and social impacts of cannabis commerce in the Valley continues to evolve.

EMPLOYMENT: The Unemployment rate in Riverside County hit a low of 3.9% in December 2019, to a peak of 16% in April 2020. The rate as of July 2021 is 7.9%, which is a dramatic improvement since the height of the pandemic. The Valley is continuing to navigate the ongoing impacts of COVID-19, and the impact on the tourism economy.

HOUSING PRICES: The Riverside County single family median home price is \$546,000 as of July 2021, a 25.8% increase from the prior year. Housing inventory remains low, and the market continues to see steady growth.

RIVERSIDE COUNTY UNEMPLOYMENT RATE TEN-YEAR HISTORY



COACHELLA VALLEY CITY PROFILES

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

Coachella Valley 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, Coachella, and La Quinta are leading the way in growth over the past 10 years. Indio saw growth of 15.9%, Coachella saw growth of 12.4%, and La Quinta had an increase of 11.4%.

CATEGORY	CATHEDRAL CITY	COACHELLA	DESERT HOT SPRINGS	INDIAN WELLS	INDIO	LA QUINTA
<u>Population</u>						
Population	55,007	45,743	28,878	5,370	91,765	41,748
Population Growth since 2010	7.4%	12.4%	6.7%	8.3%	15.9%	11.4%
<u>Housing</u>						
Number of housing units	23,620	16,099	12,849	5,782	38,996	25,990
Owner-occupied housing units	14,337	11,495	5,705	4,840	27,531	19,181
Owner-occupied housing unit rate	60.7%	71.4%	44.4%	83.7%	70.6%	73.8%
Median value owner-occupied	\$279,500	\$219,400	\$194,500	\$722,500	\$281,400	\$398,200
<u>Gender</u>						
Female	49.9%	52.1%	50.3%	52.4%	51.4%	49.6%
Male	50.1%	47.9%	49.7%	47.6%	48.6%	50.4%
<u>Age</u>						
Under 18 years	23.2%	23.9%	25.0%	5.0%	22.3%	19.5%
65 years and over	17.0%	8.2%	13.6%	59.0%	19.2%	26.0%
<u>Education</u>						
High school graduate or higher	78.3%	58.2%	75.2%	97.0%	80.3%	90.7%
Bachelor's degree or higher	21.6%	3.6%	12.4%	56.0%	17.2%	36.2%
<u>Income (\$)</u>						
Median household income	\$46,521	\$34,224	\$33,046	\$107,500	\$53,669	\$77,839

CATEGORY	PALM DESERT	PALM SPRINGS	RANCHO MIRAGE	THOUSAND PALMS	MECCA	OASIS
<u>Population</u>						
Population	53,275	48,518	18,528	6,794	6,635	2,857
Population Growth since 2010	10.0%	8.9%	8.1%	-11.9%	-22.6%	-59.0%
<u>Housing</u>						
Number of housing units	39,751	38,421	15,844	3,738	2,159	1,363
Owner-occupied housing units	24,964	23,398	12,992	2,770	1,146	1,037
Owner-occupied housing unit rate	62.8%	60.9%	82.0%	74.1%	53.1%	76.1%
Median value owner-occupied	\$350,400	\$389,800	\$498,700	\$181,600	\$158,500	\$15,400
<u>Gender</u>						
Female	51.9%	41.1%	49.1%	48.0%	47.0%	48.8%
Male	48.1%	58.9%	50.9%	52.0%	53.0%	51.2%
<u>Age</u>						
Under 18 years	14.4%	12.2%	7.6%	19.1%	34.3%	35.5%
65 years and over	36.0%	31.7%	51.7%	27.1%	6.8%	15.0%
<u>Education</u>						
High school graduate or higher	92.3%	90.8%	95.7%	83.2%	24.3%	28.0%
Bachelor's degree or higher	36.8%	39.9%	45.1%	12.3%	0.8%	3.0%
<u>Income (\$)</u>						
Median household income	\$59,977	\$53,441	\$78,682	\$52,697	\$23,600	\$19,457

CATEGORY	INDIO HILLS	SKY VALLEY	THERMAL	SALTON CITY
<u>Population</u>				
Population	782	2,227	1,333	6,250
Population Growth since 2010	-19.5%	-7.0%	-53.5%	66.1%
<u>Housing</u>				
Number of housing units	299	1,848	620	2,928
Owner-occupied housing units	261	1,425	366	2,178
Owner-occupied housing unit rate	87%	77%	59%	74.4%
Median value owner-occupied	\$191,300	\$150,300	\$119,300	\$132,100
<u>Gender</u>				
Female	53.8%	46.9%	47.2%	47.7%
Male	46.2%	53.1%	52.8%	52.3%
<u>Age</u>				
Under 18 years	28.5%	16.0%	29.9%	24.0%
65 years and over	9.9%	29.0%	7.0%	16.0%
<u>Education</u>				
High school graduate or higher	55.0%	86.0%	38.0%	67.0%
Bachelor's degree or higher	4.0%	16.0%	0.0%	10.0%
<u>Income (\$)</u>				
Median household income	\$45,729	\$32,367	\$30,433	\$34,087

Source: US Census Bureau; Towncharts.com

ABOUT THE COACHELLA VALLEY WATER DISTRICT



Check Station on the Coachella Canal

District Governance

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

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

BOARD OF DIRECTORS	DIVISION REPRESENTED	TERM EXPIRATION
John Powell, Jr., President	Division 3	December 2022
Cástulo 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

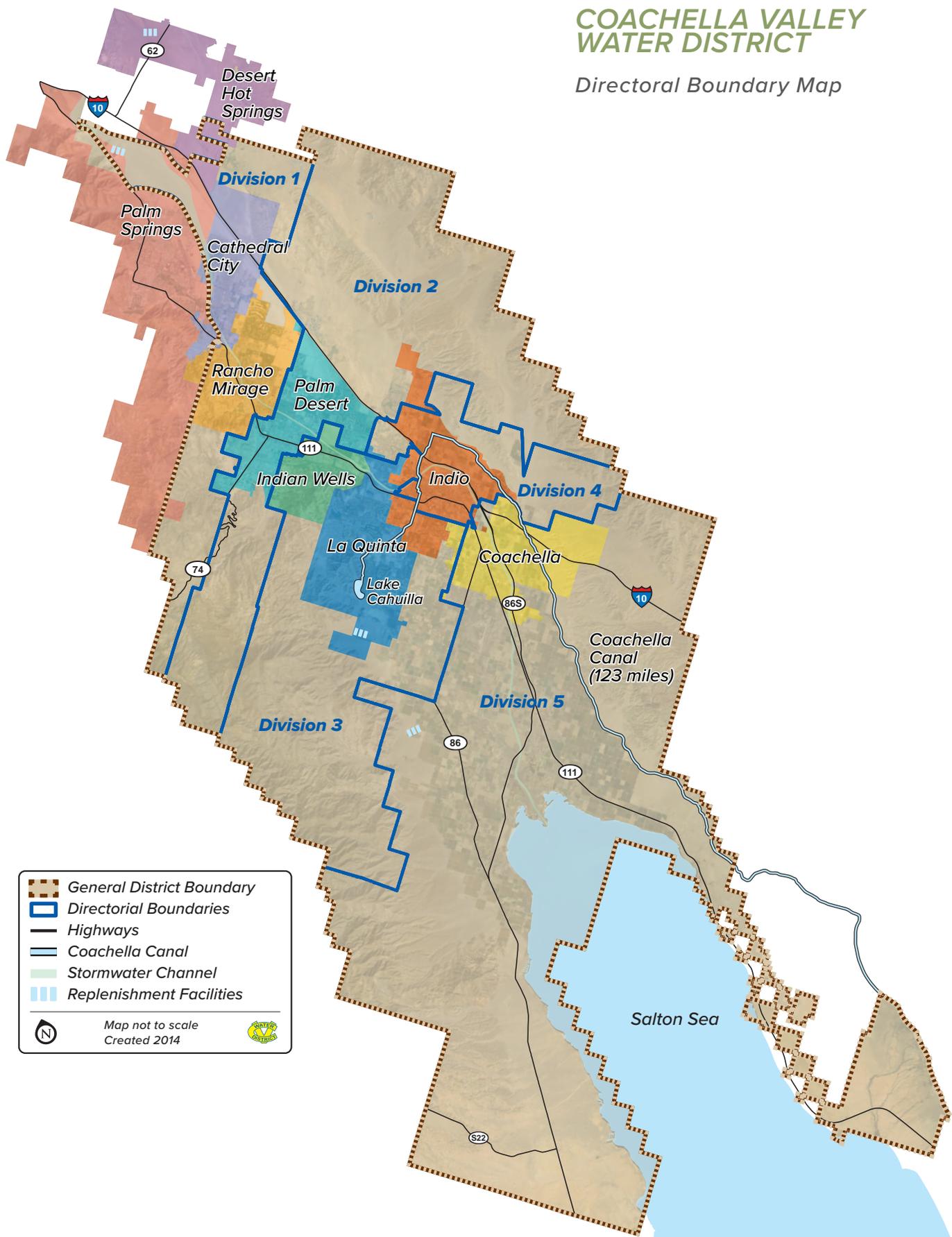
Division boundaries are overall equal in population, and take into consideration geography, cohesiveness, and communities of interest, among other criteria. A directional boundary map showing the boundaries is on the following page.

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.

COACHELLA VALLEY WATER DISTRICT

Directorial Boundary Map



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 about 300,000 people in the Valley. All domestic water is supplied from one of the District's 97 active wells. To ensure water supplies remain available, the District implemented various initiatives, including securing additional water resources, banking unused resources, water conservation programs, water budget-based tiered rates, water-use restrictions, and recycling water. In fiscal year 2021, CVWD invested over \$2.9 million to fund rebate and incentive programs that support permanent reductions in water use.

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

NONPOTABLE WATER: The Valley is home to more than 120 golf courses. Unfortunately, the amount of wastewater that is recycled cannot meet the 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 36.5 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 two different funds. Golf courses receiving strictly Colorado River water from the Mid-Valley pipeline and those receiving a blend of Colorado River water and recycled water are customers of the West Whitewater Replenishment Fund. Golf courses receiving Colorado River water strictly off of the Canal are customers of the Canal Fund.

CANAL WATER: The District provides water to 77,103 irrigable acres of farmland in the Valley. The 123-mile Coachella Canal provides Colorado River water to local farmers, which has helped transform the Coachella Valley into California's third largest agricultural region. Although geographically the Valley is in the northwestern portion of the Sonoran Desert, irrigation allows widespread agriculture. Crop values exceeded \$575 million in 2020.

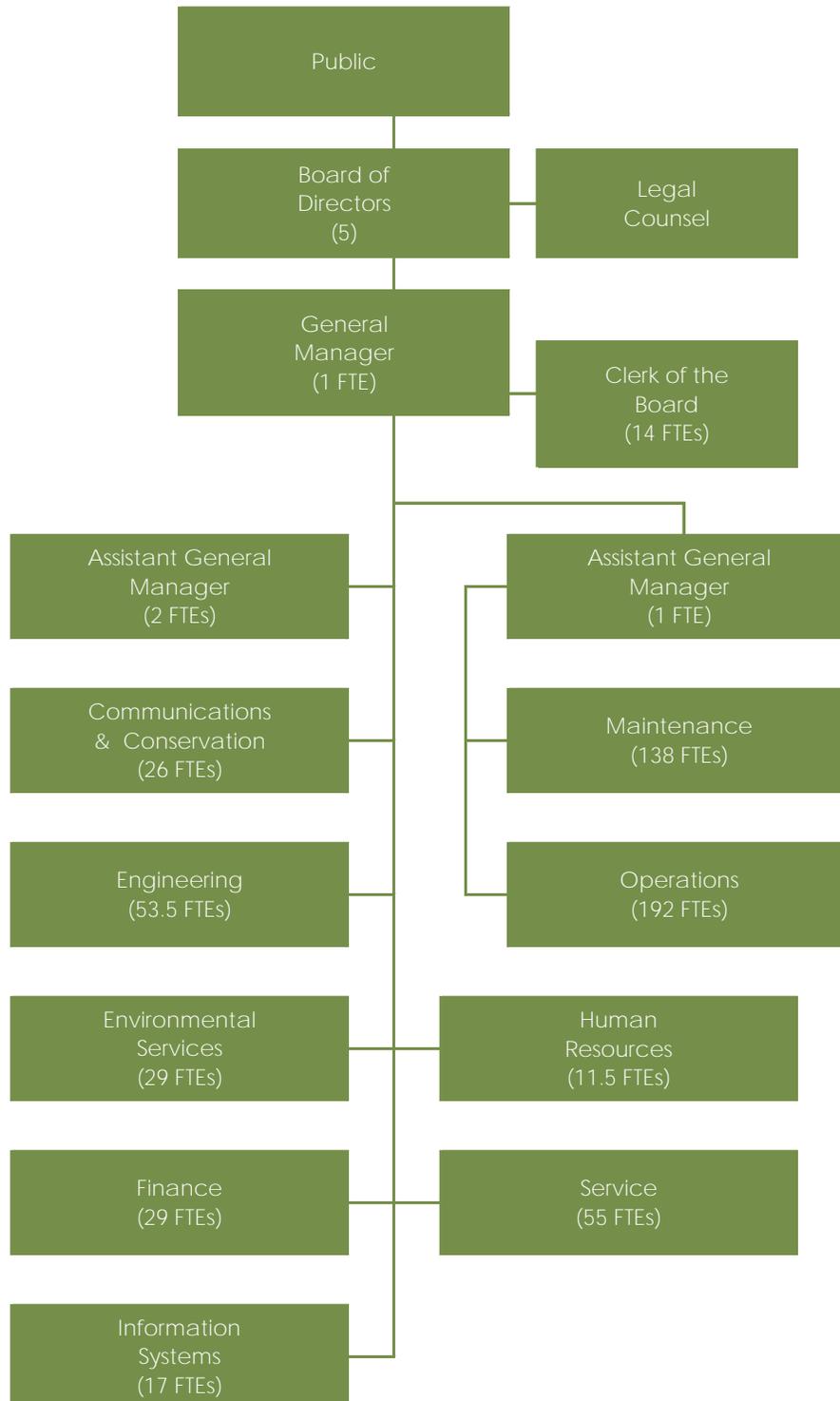
Canal water is also used to irrigate golf courses and to replenish the aquifer.

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 17 stormwater protection channels. The entire system includes approximately 183 miles of channels built along the natural alignment of dry creeks that flow from the surrounding mountains into the Whitewater River.

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

DISTRICT MANAGEMENT

The General Manager and legal counsel are appointed by and report to the Board of Directors. The General Manager’s administrative responsibilities include two Assistant General Managers, the Clerk of the Board, and nine departments: Administration, Communications & Conservation, Engineering, Environmental Services, Finance, Human Resources, Information Systems, Operations & Maintenance, and Service. 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 2022

DEPARTMENT DIVISION	POSITION TITLE	FY 2021 BUDGET	FY 2022 BUDGET	CHANGE	
<u>ADMINISTRATION</u>					
GM Administration	General Manager	1.00	1.00	-	
	Assistant General Manager	1.00	1.00	-	
Clerk of The Board	Assistant General Manager, Operations & Maintenance	1.00	1.00	-	
	Water Program Manager	1.00	-	(1.00)	
	Financial Analyst II	-	1.00	1.00	
	Clerk Of The Board	1.00	1.00	-	
	Executive Assistant	1.00	1.00	-	
Administrative Services	Deputy Clerk Of The Board	1.00	1.00	-	
	Administrative Assistant II	-	1.00	1.00	
	Administrative Assistant I	2.00	1.00	(1.00)	
	Office Assistant I	1.00	1.00	-	
	Administrative Services Manager	1.00	-	(1.00)	
	Records Manager	-	1.00	1.00	
	Assistant Records Supervisor	1.00	1.00	-	
	Office Assistant II	1.00	1.00	-	
Administrative Services	Records Clerk II	3.00	3.00	-	
	Records Clerk I	1.00	1.00	-	
	Switchboard Operator/Receptionist	1.00	1.00	-	
	<i>Total Administration</i>		18.00	18.00	-
	<u>COMMUNICATIONS & CONSERVATION</u>				
Administration	Director of Communications & Conservation	1.00	1.00	-	
	Administrative Assistant II	1.00	-	(1.00)	
	Administrative Assistant I	-	1.00	1.00	
Outreach & Education	Government Affairs Specialist	1.00	-	(1.00)	
	Government & Regional Affairs Coordinator	-	1.00	1.00	
	Multimedia Specialist	1.00	1.00	-	
	Education Specialist	2.00	1.00	(1.00)	
	Education Associate	-	1.00	1.00	
Water Management	Communications Assistant	1.00	1.00	-	
	Communications Specialist	4.00	4.00	-	
	Conservation Manager	1.00	1.00	-	
	Office Assistant II	1.00	1.00	-	
	Water Management Supervisor	1.00	1.00	-	
	Water Management Specialist II (Lead)	3.00	3.00	-	
	Water Management Specialist I	5.00	7.00	2.00	
	Water Management Technician	3.00	1.00	(2.00)	
Water Management Aide	1.00	1.00	-		
<i>Total Communications & Conservation</i>		26.00	26.00	-	
<u>ENGINEERING</u>					
Administration	Director of Engineering	1.00	1.00	-	
	Supervising Management Analyst	1.00	1.00	-	
	Administrative Assistant I	2.00	2.50	0.50	
Stormwater/Irrigation	Engineering Aide III	-	1.00	1.00	
	Engineering Manager	1.00	1.00	-	
	Sr. Stormwater Engineer	1.00	1.00	-	
	Associate Stormwater Engineer	2.00	1.00	(1.00)	
	Assistant Stormwater Engineer	-	1.00	1.00	
	Sr. Irrigation Engineer	1.00	1.00	-	
	Assistant Irrigation Engineer	1.00	1.00	-	
Domestic Water/General District	Associate Irrigation Engineer	1.00	1.00	-	
	Engineering Manager	1.00	1.00	-	
	Sr. Domestic Water Engineer	2.00	2.00	-	
	Associate Domestic Water Engineer	1.00	2.00	1.00	

AUTHORIZED POSITION LISTING
FISCAL YEARS 2021 THROUGH 2022

DEPARTMENT DIVISION	POSITION TITLE	FY 2021 BUDGET	FY 2022 BUDGET	CHANGE
	Assistant Domestic Water Engineer	3.00	2.00	(1.00)
Sanitation/Nonpotable Water/Electrical	Engineering Manager	1.00	1.00	-
	Sr. Supervising Sanitation Engineer	1.00	1.00	-
	Sr. Nonpotable Water / Sanitation Engineer	1.00	1.00	-
	Sr. Sanitation Engineer	2.00	2.00	-
	Sr. Supervising Electrical & Energy Engineer	-	1.00	1.00
	Sr. Electrical & Energy Engineer	1.00	-	(1.00)
	Associate Electrical & Energy Engineer	2.00	1.00	(1.00)
	Assistant Electrical & Energy Engineer	-	1.00	1.00
Engineering Services	Assistant Director of Planning Development	1.00	-	(1.00)
	Assistant Director of Engineering-Services & Planning	-	1.00	1.00
Construction Inspection	Chief Inspector	1.00	1.00	-
	Lead Construction Inspector II	1.00	1.00	-
	Construction Inspector II	3.00	3.00	-
	Construction Inspector Trainee	4.00	4.00	-
Development Services	Development Services Supervisor	1.00	1.00	-
	Development Services Technician II	3.00	3.00	-
	Development Services Aide	1.00	1.00	-
	Utility Coordinator	-	1.00	1.00
	Engineering Technician II	-	1.00	1.00
Right-of-Way	Right-of-Way Supervisor	1.00	1.00	-
	Right-of-Way Assistant	2.00	2.00	-
Survey	Chief Surveyor	1.00	1.00	-
	Assistant Chief Surveyor	1.00	1.00	-
	Survey Party Chief	1.00	1.00	-
	Engineering Aide III	1.00	1.00	-
	CAD Systems Specialist	-	1.00	1.00
	Engineering Technician II	-	1.00	1.00
Technical Services ¹	Technical Services Supervisor	1.00	-	(1.00)
	Utility Coordinator	1.00	-	(1.00)
	Engineering Technician II	2.00	-	(2.00)
	CAD Systems Specialist	1.00	-	(1.00)
	Engineering Aide III	1.00	-	(1.00)
	Total Engineering	54.00	53.50	(0.50)
ENVIRONMENTAL SERVICES				
Administration	Director of Environmental Services	1.00	1.00	-
	Water Resources Manager	1.00	1.00	-
Environmental	Environmental Supervisor	1.00	1.00	-
	Environmental Safety Specialist	1.00	1.00	-
	Environmental Specialist	1.00	1.00	-
	Associate Biologist	1.00	1.00	-
Water Quality	Water Quality Supervisor	1.00	1.00	-
	Environmental Services Specialist	1.00	1.00	-
	Environmental Services Coordinator	1.00	1.00	-
	Environmental Services Aide I	1.00	1.00	-
Laboratory	Laboratory Director	1.00	2.00	1.00
	Chemist	2.00	2.00	-
	Water Quality Analyst II	1.00	2.00	1.00
	Water Quality Analyst I	1.00	1.00	-
	Laboratory Aide I	1.00	1.00	-
Monitoring	Water Resources Coordinator	1.00	1.00	-
	Environmental Services Technician	2.00	2.00	-
	Environmental Services Aide III	-	-	-
	Environmental Services Aide II	1.00	1.00	-
	Environmental Services Aide I	1.50	-	(1.50)

AUTHORIZED POSITION LISTING
FISCAL YEARS 2021 THROUGH 2022

DEPARTMENT DIVISION	POSITION TITLE	FY 2021 BUDGET	FY 2022 BUDGET	CHANGE
Source Control	Environmental Compliance Inspector II - Lead	1.00	-	(1.00)
	Source Control Coordinator	-	1.00	1.00
Water Resources	Environmental Compliance Inspector I	1.00	2.00	1.00
	Environmental Compliance Aide	1.00	-	(1.00)
	Water Resources Supervisor	-	1.00	1.00
	Water Resources Associate	1.00	1.00	-
	Environmental Services Specialist	1.00	-	(1.00)
	Environmental Services Coordinator	1.00	1.00	-
	Environmental Services Technician	1.00	1.00	-
	Total Environmental Services	28.50	29.00	0.50
FINANCE				
Administration	Director of Finance	1.00	1.00	-
	Administrative Assistant	1.00	1.00	-
Accounting, Budget & Financing	Controller	1.00	1.00	-
	Finance Manager	-	2.00	2.00
	Budget Manager	1.00	-	(1.00)
	Accountant, Senior	1.00	1.00	-
	Accountant	2.00	1.00	(1.00)
	Accounting Technician II	2.00	2.00	-
	Accounting Technician I	4.00	4.00	-
	Financial Analyst III	2.00	1.00	(1.00)
	Financial Analyst II	1.00	2.00	1.00
	Financial Analyst I	1.00	1.00	-
Procurement & Contracts/ Warehouse	Procurement & Contracts Manager	1.00	1.00	-
	Contracts Administrator	1.00	1.00	-
	Purchasing Technician I	3.00	3.00	-
	Warehouse Supervisor	1.00	1.00	-
	Senior Storekeeper (Lead)	1.00	1.00	-
	Storekeeper III	1.00	1.00	-
	Storekeeper	3.00	3.00	-
	Accounting Technician I	1.00	1.00	-
		Total Finance	29.00	29.00
HUMAN RESOURCES				
Administration	Director of Human Resources	1.00	1.00	-
Human Resources	Human Resources Administrator	1.00	1.00	-
	Sr. Human Resources Specialist	2.00	2.00	-
	Human Resources Assistant	1.00	1.00	-
Risk Management	Human Resources Assistant	0.50	0.50	-
	Risk Manager	1.00	1.00	-
	Risk Management Specialist	1.00	1.00	-
Safety	Claims Manager	1.00	1.00	-
	Safety & Training Manager	1.00	1.00	-
	Safety & Training Specialist	1.00	1.00	-
	Safety & Training Assistant	1.00	1.00	-
	Total Human Resources	11.50	11.50	-
INFORMATION SYSTEMS				
Administration	Director of Information Systems	1.00	1.00	-
Business Applications	Business Applications Manager	1.00	1.00	-
	Information Systems Analyst III	2.00	2.00	-
	Information Systems Analyst II	2.00	2.00	-
	Gis Specialist II	2.00	1.00	(1.00)
	Gis Specialist I	-	1.00	1.00
Desktop Support	Information Systems Analyst II	1.00	1.00	-

AUTHORIZED POSITION LISTING
FISCAL YEARS 2021 THROUGH 2022

DEPARTMENT DIVISION	POSITION TITLE	FY 2021 BUDGET	FY 2022 BUDGET	CHANGE
Network & Systems	Information Systems Analyst I	1.00	1.00	-
	Information Systems Specialist II	1.00	1.00	-
	Network & Systems Manager	1.00	1.00	-
	Information Systems Analyst III	2.00	2.00	-
	Senior Scada System Analyst III	1.00	1.00	-
	Scada System Analyst I	1.00	1.00	-
	Information Security Analyst	1.00	1.00	-
	<i>Total Information Systems</i>	17.00	17.00	-
SERVICE				
Administration	Director of Service	1.00	1.00	-
	Management Analyst	1.00	1.00	-
	Administrative Assistant I	1.00	1.00	-
Customer Billing	Revenue Manager	1.00	1.00	-
	Assistant Revenue Manager	1.00	1.00	-
	Accountant	1.00	1.00	-
	Accounts Receivable Technician	7.00	7.00	-
Customer Service	Sr. Accounts Receivable Assistant	1.00	1.00	-
	Accounts Receivable Assistant	3.00	3.00	-
	Customer Service Supervisor	1.00	1.00	-
	Customer Service Representative III	2.00	2.00	-
	Customer Service Representative II	7.00	8.00	1.00
	Customer Service Representative I	5.00	4.00	(1.00)
Meter Readers	Office Assistant II	1.00	1.00	-
	Meter Reader Manager	1.00	1.00	-
	Meter Reader Crew Chief	2.00	2.00	-
	Field Service Representative	3.00	3.00	-
	Meter Reader II	4.00	4.00	-
	Meter Reader I	10.00	11.00	1.00
	Meter Reader Trainee	2.00	1.00	(1.00)
	<i>Total Service</i>	55.00	55.00	-
OPERATIONS AND MAINTENANCE ²				
Administration	Assistant General Manager of Operations & Maintenance ³	-	-	-
	Management Analyst ⁴	1.00	1.00	-
	Asset Mgmt. Program Coordinator ⁴	1.00	1.00	-
	Operations & Maintenance Scheduler II	1.00	1.00	-
	Operations & Maintenance Scheduler I ⁴	1.00	1.00	-
	Administrative Assistant I ⁴	2.00	2.00	-
	<i>Sub-total Operations & Maintenance - Administration</i>	6.00	6.00	-
Operations & Maintenance - Domestic	Assistant Director of Operations & Maintenance - Domestic	1.00	1.00	-
	Operations Manager	1.00	1.00	-
Domestic Production & Metering Systems	Water System Analyst	-	1.00	1.00
	Domestic Water Supervisor	1.00	1.00	-
	Date Palm Crew Chief	1.00	1.00	-
	Date Palm Serviceworker III	1.00	1.00	-
	Date Palm Water Quality Operator II	1.00	-	(1.00)
	Date Palm Water Quality Operator I	1.00	1.00	-
	Date Palm Serviceworker I	2.00	2.00	-
	Date Palm Serviceworker Trainee	1.00	2.00	1.00
	Valley Senior Serviceworker	1.00	1.00	-
	Valley Water Quality Operator III	1.00	1.00	-
	Valley Water Quality Operator II	2.00	2.00	-
	Valley Water Treatment Operator II	1.00	1.00	-
	Valley Serviceworker II	1.00	1.00	-

AUTHORIZED POSITION LISTING
FISCAL YEARS 2021 THROUGH 2022

DEPARTMENT DIVISION	POSITION TITLE	FY 2021 BUDGET	FY 2022 BUDGET	CHANGE
	Valley Serviceworker I	1.00	1.00	-
	La Quinta Water Treatment Crew Chief	1.00	1.00	-
	La Quinta Serviceworker III	1.00	1.00	-
	La Quinta Water Treatment Operator II	2.00	2.00	-
	La Quinta Water Quality Operator II	1.00	1.00	-
	La Quinta Serviceworker II	2.00	1.00	(1.00)
	West Shores Crew Chief	1.00	1.00	-
	West Shores Serviceworker III	1.00	1.00	-
	West Shores Distribution Operator II	3.00	4.00	1.00
	West Shores Distribution Operator I	2.00	1.00	(1.00)
	West Shores Distribution Utility Worker III	1.00	1.00	-
	West Shores Meter & Valve Tech Trainee	1.00	1.00	-
Domestic Metering Systems	Domestic Water Supervisor	1.00	1.00	-
	Backflow/Cross Connection Crew Chief	1.00	1.00	-
	Cross Connection Technician III	1.00	1.00	-
	Cross Connection Technician I	2.00	2.00	-
	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	-
	Meter Repair Meter & Valve Tech III	1.00	1.00	-
	Meter Repair Meter & Valve Tech II	2.00	2.00	-
	Meter Repair Meter & Valve Tech I	3.00	3.00	-
	Meter Repair Meter & Valve Tech Trainee	1.00	-	(1.00)
	PCD/Air Vac Crew Chief	1.00	1.00	-
	PCD/Air Vac Meter & Valve Tech III	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	-
	PCD/Air Vac Meter & Valve Tech Trainee	2.00	2.00	-
Domestic Construction & Maintenance	Operations Manager	1.00	1.00	-
	Emergency Response Administrator	1.00	1.00	-
Domestic Maintenance	Domestic Water Supervisor	1.00	1.00	-
	System Maintenance Crew Chief	1.00	1.00	-
	System Maintenance Distribution Operator II	2.00	1.00	(1.00)
	System Maintenance Distribution Operator I	1.00	2.00	1.00
	System Maintenance Distribution Operator Trainee	1.00	1.00	-
	Valve Repair Crew Chief	1.00	1.00	-
	Valve Repair Equipment Operator I	1.00	1.00	-
	Valve Repair Distribution Operator III	-	1.00	1.00
	Valve Repair Distribution Operator II	1.00	1.00	-
	Valve Repair Distribution Operator I	2.00	2.00	-
	Valve Repair Distribution Operator Trainee	1.00	-	(1.00)
	Hydrant Maintenance Crew Chief	1.00	1.00	-
	Hydrant Maintenance Distribution Operator III	1.00	-	(1.00)
	Hydrant Maintenance Distribution Operator II	-	1.00	1.00
	Hydrant Maintenance Distribution Operator I	2.00	2.00	-
	Hydrant Maintenance Distribution Operator Trainee	1.00	1.00	-
	Domestic Maintenance Crew Chief	1.00	1.00	-
	Domestic Maintenance Distribution Operator III	1.00	1.00	-
	Domestic Maintenance Distribution Operator II	1.00	1.00	-
	Domestic Maintenance Distribution Operator I	3.00	3.00	-
Domestic Construction	Domestic Water Supervisor	1.00	1.00	-
	Leak Repair Crew Chief	1.00	1.00	-
	Leak Repair Distribution Operator III	1.00	1.00	-
	Leak Repair Distribution Operator II	1.00	2.00	1.00
	Leak Repair Distribution Operator I	1.00	-	(1.00)
	Leak Repair Distribution Operator Trainee	1.00	1.00	-

AUTHORIZED POSITION LISTING
FISCAL YEARS 2021 THROUGH 2022

DEPARTMENT DIVISION	POSITION TITLE	FY 2021 BUDGET	FY 2022 BUDGET	CHANGE
	Leak Repair Distribution Utility Worker I	1.00	1.00	-
	Service Installation Crew Chief	1.00	1.00	-
	Service Installation Distribution Operator III	1.00	1.00	-
	Service Installation Equipment Operator	1.00	1.00	-
	Service Installation Distribution Operator I	2.00	2.00	-
	Service Installation Distribution Utility Worker II	1.00	1.00	-
	Leak Detection Crew Chief	1.00	1.00	-
	Leak Detection Meter & Valve Tech III	1.00	1.00	-
	Leak Detection Meter & Valve Tech II	3.00	3.00	-
	Facilities Location Technician III	2.00	2.00	-
	Facilities Location Technician II	1.00	1.00	-
	Construction Crew Chief	1.00	1.00	-
	Construction Distribution Operator II	1.00	2.00	1.00
	Construction Distribution Operator I	2.00	3.00	1.00
	Construction Distribution Operator Trainee	2.00	-	(2.00)
	Sub-total Operations & Maintenance - Domestic	105.00	105.00	-
Operations & Maintenance - Facilities & Maintenance	Assistant Director of Operations & Maintenance - Facilities & Mair	1.00	1.00	-
Operations	Operations Manager	1.00	1.00	-
Canal & Irrigation Distribution	Canal & Irrigation Distribution Supervisor	1.00	1.00	-
	Irrigation Distribution Supervisor	1.00	-	(1.00)
	Canal Crew Chief	1.00	1.00	-
	Irrigation Distribution Crew Chief	1.00	1.00	-
	Meter Repair Worker I	-	1.00	1.00
	Meter Repair Worker II	1.00	-	(1.00)
	Irrigation Utility Worker II	1.00	2.00	1.00
	Irrigation Utility Worker I	5.00	3.00	(2.00)
	Irrigation System Worker III	1.00	1.00	-
	Irrigation System Worker II	2.00	3.00	1.00
	Irrigation System Worker I	5.00	4.00	(1.00)
Facilities Maintenance	Facilities Maintenance Supervisor	1.00	1.00	-
	Facilities Maintenance Crew Chief	1.00	1.00	-
	Senior Facilities Worker	1.00	1.00	-
	Facilities Worker	4.00	4.00	-
Zanjeros	Zanjero Supervisor	1.00	-	(1.00)
	Zanjero Crew Chief	1.00	2.00	1.00
	Zanjero III	3.00	4.00	1.00
	Zanjero II	5.00	2.00	(3.00)
	Zanjero I	3.00	1.00	(2.00)
	Zanjero Trainee	3.00	8.00	5.00
	Irrigation Technician	1.00	1.00	-
	Department Aide/Crop Reporter	1.00	1.00	-
Building Maintenance	Building Maintenance Supervisor	1.00	1.00	-
	Maintenance Crew Chief	1.00	1.00	-
	Building Maintenance Trades Worker	6.00	6.00	-
	Maintenance Worker	4.00	4.00	-
	Welding Crew Chief	1.00	1.00	-
	Welder II	2.00	2.00	-
	Welder I	3.00	3.00	-
Electrical	Electrical Supervisor	1.00	1.00	-
	Assistant Electrical Supervisor	1.00	1.00	-
	Electrical Crew Chief	1.00	1.00	-
	Electrician IV	1.00	2.00	1.00
	Electrician III	3.00	2.00	(1.00)
	Electrician II	8.00	7.00	(1.00)
	Electrician I	2.00	3.00	1.00

AUTHORIZED POSITION LISTING
FISCAL YEARS 2021 THROUGH 2022

DEPARTMENT DIVISION	POSITION TITLE	FY 2021 BUDGET	FY 2022 BUDGET	CHANGE
	HVAC Technician II	2.00	2.00	-
	HVAC Technician I	1.00	1.00	-
	Pump Maintenance Crew Chief	1.00	1.00	-
	Maintenance Worker	3.00	3.00	-
	Maintenance Worker/Operator	1.00	1.00	-
Stormwater & Drainage	Stormwater & Drainage Maint. Supv.	1.00	1.00	-
	Stormwater & Drainage Crew Chief	1.00	1.00	-
	Equipment Operator II	5.00	4.00	(1.00)
	Equipment Operator I	8.00	9.00	1.00
Electronics	Electronics Supervisor	1.00	1.00	-
	Assistant Electronics Supervisor	1.00	1.00	-
	Electronics Technician III	1.00	1.00	-
	Electronics Technician II	4.00	4.00	-
	Electronics Technician I	8.00	9.00	1.00
	Electronics Technician Trainee	1.00	1.00	-
Motorpool - Auto Shop	Fleet Manager	1.00	1.00	-
	Autoshop Supervisor	1.00	1.00	-
	Crew Chief	2.00	2.00	-
	Automotive Technician III	2.00	2.00	-
	Automotive Technician II	4.00	4.00	-
	Automotive Technician I	4.00	4.00	-
	Automotive Technician Trainee	1.00	1.00	-
	Parts Specialist II	1.00	1.00	-
	Parts Specialist I	1.00	1.00	-
	Auto Shop Attendant	1.00	1.00	-
	Sub-total Operations & Maintenance - Facilities & Maint.	138.00	138.00	-
Operations & Maintenance - Sanitation	Assistant Director of Operations & Maintenance - Sanitation	1.00	1.00	-
Wastewater	Operations Manager	-	1.00	1.00
Sanitation Collections	Collections Supervisor	1.00	1.00	-
	Collections Construction Crew Chief	1.00	1.00	-
	Collection Systems III	2.00	1.00	(1.00)
	Collection Systems I	2.00	1.00	(1.00)
	Collection Systems Trainee	1.00	3.00	2.00
	Collections Maintenance Crew Chief	1.00	1.00	-
	Collection Systems III	2.00	2.00	-
	Collection Systems II	1.00	1.00	-
	Collection Systems I	1.00	-	(1.00)
	Collection Systems Trainee	2.00	2.00	-
	Collections Operations Crew Chief	1.00	1.00	-
	Collection Systems II	2.00	2.00	-
	Collection Systems I	3.00	3.00	-
	Collection Systems Trainee	1.00	1.00	-
Mechanical	Mechanical Supervisor	1.00	1.00	-
	Mechanical Crew Chief	1.00	1.00	-
	Mechanical Technician III	2.00	2.00	-
	Mechanical Technician II	7.00	7.00	-
Nonpotable Water/ Control	Nonpotable Ops Water Manager	1.00	1.00	-
	Nonpotable Crew Chief	1.00	1.00	-
	Nonpotable Water Technician II	1.00	1.00	-
	Cross-Connection Technician III	1.00	1.00	-
	Cross-Connection Technician II	1.00	1.00	-
	Control Crew Chief	1.00	1.00	-
	Control Operator II	4.00	3.00	(1.00)
	Control Operator I	2.00	1.00	(1.00)
	Control Operator Trainee	3.00	5.00	2.00

AUTHORIZED POSITION LISTING
FISCAL YEARS 2021 THROUGH 2022

DEPARTMENT DIVISION	POSITION TITLE	FY 2021 BUDGET	FY 2022 BUDGET	CHANGE
Wastewater Reclamation Plant 1, 2, 4	Wastewater Reclamation Plant Supervisor	1.00	1.00	-
	WRP Assistant Supervisor	2.00	2.00	-
	WRP Operator II	3.00	2.00	(1.00)
	WRP Operator I	1.00	1.00	-
	WRP Operator In Training	-	1.00	1.00
Wastewater Reclamation Plant 7	Wastewater Reclamation Plant Supervisor	1.00	1.00	-
	WRP Assistant Supervisor	2.00	2.00	-
	WRP Operator III	2.00	2.00	-
	WRP Operator II	3.00	4.00	1.00
	WRP Operator I	1.00	-	(1.00)
Wastewater Reclamation Plant 10	WRP Chief Operator	1.00	1.00	-
	WRP Shift Supervisor	2.00	2.00	-
	WRP Assistant Shift Supervisor	4.00	4.00	-
	WRP Operator III	3.00	3.00	-
	WRP Operator II	1.00	2.00	1.00
	WRP Operator I	4.00	2.00	(2.00)
	WRP Operator In Training	2.00	3.00	1.00
Sub-total Operations & Maintenance - Sanitation		81.00	81.00	-
Total Operations & Maintenance		330.00	330.00	-
TOTAL DISTRICT		569.00	569.00	-

¹ FY 22 Technical Services division merged with Survey

² FY 22 Facilities & Maintenance merged with Operations. Renamed Department "Operations & Maintenance"

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

⁴ FY 21 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, 2021

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

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

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.



Oasis In-Lieu Recharge, Phase 2

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.



Ballistics Glass Installation in CVWD’s Coachella Office

WHAT IS A BUDGET?

The fiscal year 2022 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 usually starts in January. At that time, the groundwork for the upcoming year is laid out. Each department starts determining what their requirements are for the following fiscal year. Based upon those requirements, budget requests are submitted and reviewed for approval. One of the key foundations to an enterprise fund budget is a solid projection of reserves, revenues, and expenses. Below is the budget calendar for fiscal year 2022.

Fiscal Year 2022 Budget Calendar	
Date	Description
January 4, 2021	Create Budget Book Design Documents
February 5, 2021	Budget Worksheet Design Completed
February 9, 2021	Budget Kickoff Meetings with Departments
March 1, 2021	Budget Worksheets due to Finance Department
March 24, 2021	Department Overview Meetings with Finance
March 30, 2021	Budget Meetings with the General Manager
April 13, 2021	State Water Project Tax Rate Approval (\$0.11 per \$100 of AV)
April 21, 2021	Board Study Session for Capital Improvement Plan
April 27, 2021	Canal Water Proposition 218 Public Hearing for Rate Adoption
May 24, 2021	Board Study Session for the Fiscal Year 2022 Operating Budget
June 2, 2021	Replenishment Proposition 218 Public Hearing for Rate Adoption
June 8, 2021	Domestic Water Proposition 218 Public Hearing for Rate Adoption
June 15, 2021	Adoption of the Fiscal Year 2022 Operating and Capital Budget
July 1, 2021	Beginning of Budget Year

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. The proposed fee or increase is prohibited, if written protests constitute a simple majority.

Substantive requirements of Proposition 218 include restrictions on expenses that may be included in the fee or rate. For example, revenues cannot exceed the costs required to provide 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.

In fiscal year 2021, the District completed cost of service studies for the Canal, Domestic Water, and Replenishment funds. CVWD notified impacted customers in accordance with the Proposition 218 requirements, and held public hearings. The rate increases adopted by the Board are included in the FY 2022 budget. Because no increases are beyond those proposed in the 5-year COSS approved in 2021, no Proposition 218 majority protest proceeding is required for fiscal year 2022.

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 2022 budget targets were established at fiscal year 2021 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 2022. 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 2022 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 2023 Operating and Capital Improvement Budgets in December 2021. The budget calendar, board meeting dates, and agendas will be available for review online at 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.



Gate Screen Canal Maintenance

General Financial Goals

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

Cash and Investments Goals

- Maintain cash and investment programs in accordance with the 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 the nonresidential rate revenues.

3. **CAPITAL IMPROVEMENT PROGRAM (CIP):** Ongoing replacement of capital facilities and additional investment in capital is essential to maintain the desired level of service for District customers and to meet increased demand upon services. This reserve is designated for funding the capital improvement program and unforeseen capital projects. It is designed to stabilize funding for capital by accumulated “pay-as-you-go” reserves 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%) of the replacement cost of fixed assets. 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.

6. **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 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 2022. Quarterly updates are provided 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.

Coachella Valley Water District Strategic Plan

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



Reservoir 4606-2 Construction

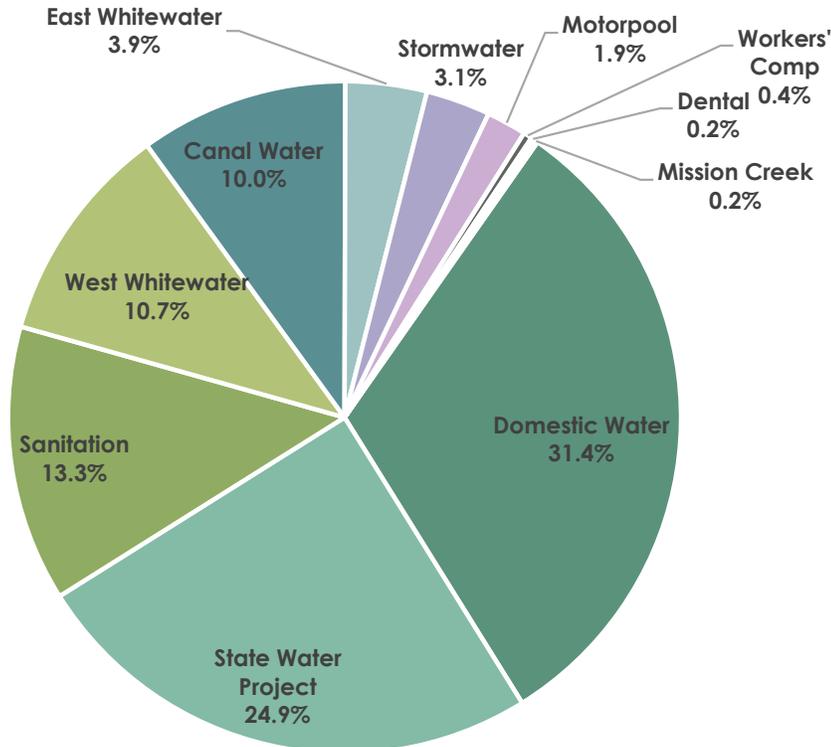
ALL FUNDS SUMMARY



Operating and Debt Service

Budget by Fund

\$286,229,000



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

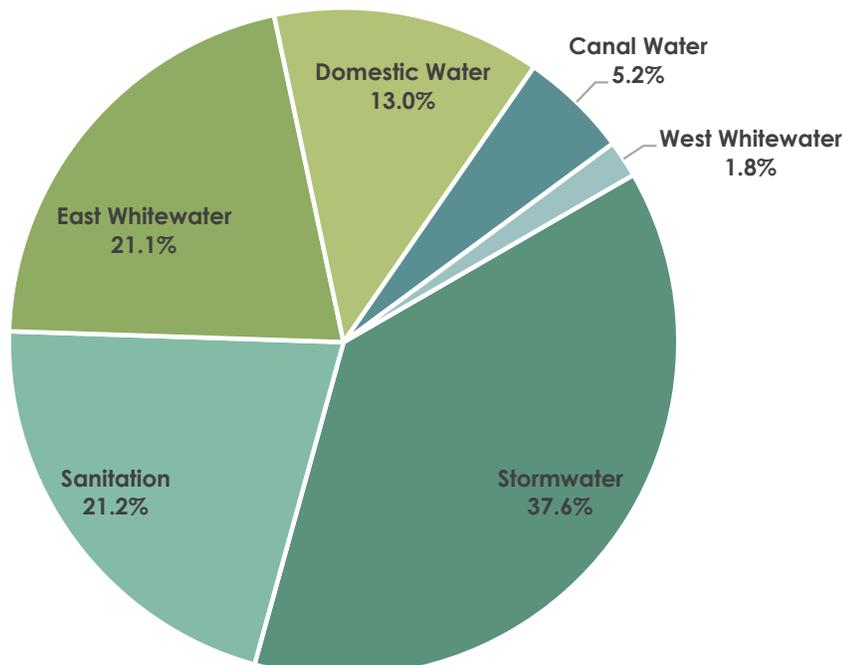
The adopted budget for each proprietary fund does not include depreciation, but includes capital acquisitions and debt service payments, which impact cash flows.

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

Capital Improvement

Budget by Fund

\$165,598,000



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

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

The following charts depict the fiscal year 2022 operating and debt service budget by fund, and the capital improvement budget by fund.

The Total Expenses by Fund summary illustrates the total operating, debt service, and capital improvement budgets by fund. Operating and Debt Service expenditures reflect a 2.8% increase over the fiscal year 2021 budget. The Capital Improvements budget increased by \$61.8 million when compared to the fiscal year 2021 budget due to major projects planned for fiscal year 2022.

Total Expenses by Fund	FY 2020 Actual	FY 2021 Actual*	FY 2021 Budget	FY 2022 Budget	Budget Change	% Change
<u>Operating and Debt Service</u>						
Domestic Water	\$ 82,577,325	\$ 82,000,634	\$ 84,284,559	\$ 89,949,123	\$ 5,664,564	6.7%
State Water Project	65,049,406	57,450,877	69,695,000	71,360,359	1,665,359	2.4%
Sanitation	35,348,988	35,170,198	36,562,193	38,016,192	1,453,999	4.0%
West Whitewater	24,555,219	21,862,826	23,302,535	30,488,368	7,185,833	30.8%
Canal Water	26,894,855	25,699,673	29,034,658	28,697,448	(337,210)	-1.2%
East Whitewater	27,042,159	18,707,656	18,849,393	11,191,194	(7,658,199)	-40.6%
Stormwater	8,222,481	8,112,968	9,063,426	8,868,097	(195,329)	-2.2%
Motorpool	4,911,085	5,032,001	5,037,102	5,476,643	439,541	8.7%
Workers' Comp	872,384	816,833	1,482,611	1,181,078	(301,533)	-20.3%
Dental	465,371	451,977	524,534	531,716	7,182	1.4%
Mission Creek	700,589	708,447	635,259	469,089	(166,170)	-26.2%
Total Operating and Debt Service	\$ 276,639,863	\$ 256,014,090	\$ 278,471,270	\$ 286,229,307	\$ 7,758,037	2.8%
<u>Capital Improvement Projects</u>						
Domestic Water	\$ 37,454,000	\$ 27,350,242	\$ 29,038,870	\$ 21,471,000	\$ (7,567,870)	-26.1%
Sanitation	43,115,000	24,401,357	28,273,305	35,162,000	6,888,695	24.4%
West Whitewater	445,000	237,447	282,370	2,963,000	2,680,630	949.3%
Canal Water	20,000,000	12,067,320	13,394,550	8,687,000	(4,707,550)	-35.1%
East Whitewater	669,000	13,912,981	13,655,544	35,019,000	21,363,456	156.4%
Stormwater	13,846,000	18,381,916	19,113,670	62,296,000	43,182,330	225.9%
Mission Creek	7,000	1,466	1,000	-	(1,000)	-100.0%
Total Capital Improvement Projects	\$ 115,536,000	\$ 96,352,728	\$ 103,759,309	\$ 165,598,000	\$ 61,838,691	59.6%
Total Expenses	\$ 392,175,863	\$ 352,366,818	\$ 382,230,579	\$ 451,827,307	\$ 69,596,728	18.2%

* Unaudited

ALL FUNDS SUMMARY — FISCAL 2021 - 22 BUDGET

The following table displays Districtwide revenues and expenses by type.

Revenue and Expense Summary	FY 2020 Actual	FY 2021 Actual*	FY 2021 Budget	FY 2022 Budget	Budget Change	% Change
Revenues						
Water Sales	\$ 79,851,791	\$ 89,303,170	\$ 83,048,000	\$ 83,567,000	\$ 519,000	0.6%
Sanitation Service Fees	39,922,586	39,591,523	40,347,000	40,347,000	-	-
Service Charges	16,439,408	16,393,666	16,514,000	20,612,000	4,098,000	24.8%
Availability Charges	2,044,364	2,723,132	2,425,000	2,725,000	300,000	12.4%
Replenishment Charges	24,830,752	26,492,016	25,478,000	28,310,000	2,832,000	11.1%
Surcharges	1,009,831	1,079,281	1,035,000	1,198,000	163,000	15.7%
Property Taxes - General	40,516,490	45,983,648	38,983,000	42,032,600	3,049,600	7.8%
Property Taxes - SWP	67,807,730	71,951,912	69,850,000	78,198,000	8,348,000	12.0%
Charges for Services	11,314,224	12,354,182	11,570,500	12,239,500	669,000	5.8%
Intergovernmental	5,760,819	2,224,021	625,000	2,360,000	1,735,000	277.6%
Investment Income	10,598,994	7,721,144	7,704,000	8,183,000	479,000	6.2%
Interfund Revenues	15,238,000	10,023,906	10,478,000	3,279,000	(7,199,000)	-68.7%
Loan Proceeds	16,203,491	17,089,983	27,458,475	54,566,000	27,107,525	98.7%
Loan Forgiveness	5,000,000	-	-	-	-	-
Bank of the West Draws	2,744,000	7,000,000	12,400,000	25,970,000	13,570,000	109.4%
Capital Improvement Reimbursements	511,426	4,098,710	-	-	-	-
Use of Restricted Funds	13,513,496	9,505,199	10,934,000	11,358,000	424,000	3.9%
Grant Revenue	2,613,406	6,089,648	4,904,000	4,752,000	(152,000)	-3.1%
Use of Unrestricted Reserves	34,676,589	(21,056,446)	17,506,407	31,067,707	13,561,300	77.5%
Other Revenue	2,124,468	3,800,609	987,500	1,062,500	75,000	7.6%
Total Revenues	\$ 392,721,863	\$ 352,369,303	\$ 382,247,882	\$ 451,827,307	\$ 69,579,425	18.2%
Expenses						
Salaries & Benefits (Net of Capitalized Labor)	\$ 78,661,361	\$ 79,611,740	\$ 85,268,578	\$ 86,943,440	\$ 1,674,862	2.0%
Supplies and Services	57,197,956	53,889,845	57,524,437	58,141,680	617,243	1.1%
Utilities	16,518,178	20,010,509	16,126,205	18,852,142	2,725,937	16.9%
Replenishment	11,653,928	12,719,362	12,520,000	13,394,000	874,000	7.0%
Water Purchases	88,182,862	78,342,451	93,421,000	101,841,499	8,420,499	9.0%
QSA Mitigation Costs	5,745,350	738,869	739,000	2,698,000	1,959,000	265.1%
Debt Service - Interfund	15,238,000	10,023,906	10,478,000	3,278,300	(7,199,700)	-68.7%
Debt Service - External	-	151,493	1,723,280	3,168,246	1,444,966	83.8%
Capital Improvement Budget	116,082,000	96,355,214	103,776,612	165,598,000	61,821,388	59.6%
Pass-Through (Contra Expense)	-	-	-	(2,200,000)	(2,200,000)	-
Capital Outlay	3,442,229	525,915	670,770	112,000	(558,770)	-83.3%
Total Expenses	\$ 392,721,863	\$ 352,369,303	\$ 382,247,882	\$ 451,827,307	\$ 69,579,425	18.2%

* Unaudited

All Fund Summary

Fiscal year 2022 Total Revenues are increasing by \$22.3 million, or 7.5% over fiscal year 2021. Revenues were budgeted in a conservative manner in fiscal year 2021, due to the unknown impacts of the COVID-19 pandemic. Despite impacts to regional tourism, Domestic water consumption was up 10.6% from the previous year, as the valley experienced a warmer and drier year. Rate increases approved by the Board for the Domestic, Canal, and Replenishment Funds are included in the fiscal year 2022 budget. Property tax revenue is increasing by \$11.4 million due to an increase in the State Water Project Tax, as well as assessed value growth. Budgeted operating expenses are increasing by \$13.5 million, or 5.1% over fiscal year 2021. Increases in Water purchase costs, and utility rates 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 2020 Actual	FY 2021 Actual*	FY 2021 Budget	FY 2022 Budget	Budget Change	% Change
Revenues						
Water Sales	\$ 79,851,791	\$ 89,303,170	\$ 83,048,000	\$ 83,567,000	\$ 519,000	0.6%
Sanitation Service Fees	39,922,586	39,591,523	40,347,000	40,347,000	-	-
Service Charges	16,439,408	16,393,666	16,514,000	20,612,000	4,098,000	24.8%
Availability Charges	2,044,364	2,723,132	2,425,000	2,725,000	300,000	12.4%
Replenishment Charges	24,830,752	26,492,016	25,478,000	28,310,000	2,832,000	11.1%
Surcharges	1,009,831	1,079,281	1,035,000	1,198,000	163,000	15.7%
Property Taxes - General	40,516,490	45,983,648	38,983,000	42,032,600	3,049,600	7.8%
Property Taxes - SWP	67,807,730	71,951,912	69,850,000	78,198,000	8,348,000	12.0%
Charges for Services	11,314,224	12,354,182	11,570,500	12,239,500	669,000	5.8%
Intergovernmental	5,760,819	2,224,021	625,000	2,360,000	1,735,000	277.6%
Investment Income	10,598,994	7,721,144	7,704,000	8,183,000	479,000	6.2%
Other Revenue	2,093,925	2,089,782	987,500	1,062,500	75,000	7.6%
Total Revenues	\$ 302,190,912	\$ 317,907,475	\$ 298,567,000	\$ 320,834,600	\$ 22,267,600	7.5%
Expenses						
Salaries & Benefits (Net of Capitalized Labor)	\$ 78,661,361	\$ 79,611,740	\$ 85,268,578	\$ 86,943,440	\$ 1,674,862	2.0%
Supplies and Services	57,197,956	53,889,845	57,524,437	58,141,680	617,243	1.1%
Utilities	16,518,178	20,010,509	16,126,205	18,852,142	2,725,937	16.9%
Replenishment	11,653,928	12,719,362	12,520,000	13,394,000	874,000	7.0%
Water Purchases	88,182,862	78,342,451	93,421,000	101,841,499	8,420,499	9.0%
QSA Mitigation Costs	5,745,350	738,869	739,000	2,698,000	1,959,000	265.1%
Pass-Through (Contra Expense)	-	-	-	(2,200,000)	(2,200,000)	-
Capital Outlay	3,442,229	525,915	670,770	112,000	(558,770)	-83.3%
Total Expenses	\$ 261,401,863	\$ 245,838,690	\$ 266,269,990	\$ 279,782,761	\$ 13,512,771	5.1%
Operating Income (Loss)	\$ 40,789,049	\$ 72,068,785	\$ 32,297,010	\$ 41,051,839	\$ 8,754,829	27.1%
Nonoperating Revenues (Expenses)						
Interfund Transfers						
Interfund Revenues	\$ 15,238,000	\$ 10,023,906	\$ 10,478,000	\$ 3,279,000	\$ (7,199,000)	-68.7%
Debt Service - Interfund	(15,238,000)	(10,023,906)	(10,478,000)	(3,278,300)	7,199,700	-68.7%
Sources						
Loan Proceeds	16,203,491	17,089,983	27,458,475	54,566,000	27,107,525	98.7%
Loan Forgiveness	5,000,000	-	-	-	-	-
Bank of the West Draws	2,744,000	7,000,000	12,400,000	25,970,000	13,570,000	109.4%
Capital Improvement Reimbursements	511,426	4,098,710	-	-	-	-
Use of Restricted Funds	13,513,496	9,505,199	10,934,000	11,358,000	424,000	3.9%
Grant Revenue	2,613,406	6,089,648	4,904,000	4,752,000	(152,000)	-3.1%
Uses						
Debt Service - External	-	(151,493)	(1,723,280)	(3,168,246)	(1,444,966)	83.8%
Capital Improvement Budget	(116,082,000)	(96,355,214)	(103,776,612)	(165,598,000)	(61,821,388)	59.6%
Other Revenue (Expenses)	30,543	1,710,828	-	-	-	-
Total Nonoperating Revenues (Expenses)	\$ (75,465,638)	\$ (51,012,340)	\$ (49,803,417)	\$ (72,119,546)	\$ (22,316,129)	44.8%
Increase (Decrease) in Cash Flow	\$ (34,676,589)	\$ 21,056,446	\$ (17,506,407)	\$ (31,067,707)	\$ (13,561,300)	77.5%
Beginning Reserve	\$ 386,155,137	\$ 351,478,548	\$ 351,478,548	\$ 372,534,994	\$ 21,056,446	6.0%
Ending Reserve	\$ 351,478,548	\$ 372,534,994	\$ 333,972,141	\$ 341,467,287	\$ 7,495,146	2.2%
Assigned Reserve	\$ 195,266,000	\$ 180,617,000	\$ 193,021,000	\$ 195,944,000	\$ 2,923,000	1.5%
Unassigned Reserve	\$ 156,212,548	\$ 191,917,994	\$ 140,951,141	\$ 145,523,287	\$ 4,572,146	3.2%

* Unaudited

Property Taxes

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

In fiscal year 2022, the District will receive approximately \$42 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, \$19.4 million is earmarked for the Stormwater Fund. The Stormwater Fund is almost entirely funded by property taxes.

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

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

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

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

The following table depicts by fund, a history of the allocation of discretionary property tax revenue. The change in the allocation percentage from fiscal year 2021 to fiscal year 2022 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 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Domestic Water	50%	-	-	10.9%	11.4%	11.1%
Canal Water	50%	50%	50%	50.0%	51.0%	40.2%
Sanitation	-	-	-	-	-	-
Stormwater	-	-	-	-	-	-
Nonpotable Water	-	-	-	-	-	-
West Replenishment	-	50%	50%	11.5%	11.2%	11.3%
East Replenishment	-	-	-	27.6%	26.4%	37.4%

Benefits

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

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 \$93 per acre-foot in fiscal year 2022.

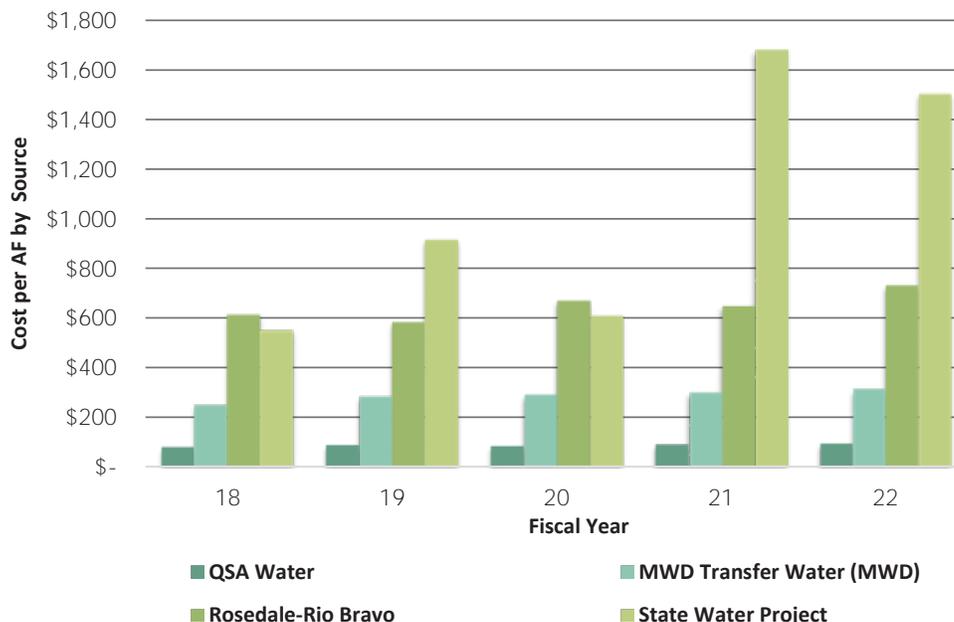
Metropolitan Water District

In addition to the QSA water that is Colorado River water, the District receives water from the State Water Project as part of the QSA. This water is identified as Metropolitan Water District QSA Transfer water and is currently being delivered to the West Whitewater Replenishment Fund. 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 2022 is estimated at \$310 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. The cost of the water for fiscal year 2022 is estimated at \$728 per acre-foot.

CVWD SOURCES AND COST PER AF OF WATER



State Water Project

The SWP is the nation's largest state-built water and power development conveyance system. The primary purpose of the SWP is to provide a water supply and delivery system to distribute water to areas of need in California. In 1963, the District entered into a water supply agreement with the State of California Department of Water Resources (DWR), becoming one of the original State Water Contractors. Each SWP contractor pays in proportion to their water supply allocations to cover the cost of constructing and operating facilities which store and transport the SWP water supply. Full payments are made each year for fixed SWP costs. Contractors also pay costs that vary depending on the amount of water delivered during the year. Availability of the water supply is highly variable based on the snowpack in the Sierras. As such, the cost per acre-foot is extremely variable. As shown in the graph on the previous page, the cost of SWP water has fluctuated between \$552 per acre-foot in 2018 to \$1,680 per acre-foot in 2021. The cost of SWP is budgeted at \$1,504 per acre-foot in fiscal year 2022, 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.

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 2022 are \$7.5 million more than the fiscal year 2021 budget.

The District has historically financed capital projects on a pay-as-you-go basis, utilizing excess reserves. This has allowed for the avoidance of interest and other debt issuance expenses. Both the Sanitation and Stormwater Funds have numerous large capital projects in future years that will use reserves and require financing. The five-year forecast includes over \$608.7 million in proposed capital improvement projects. The largest projects are in the Domestic, Sanitation, Stormwater, and East Whitewater Replenishment Funds, which results in a significant impact to their budget and reserves. Numerous alternative 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 table below illustrates the projected ending operating reserves, as compared with targets established by the District's Reserve Policy, which was updated in January 2021. It also shows the total District unrestricted reserves, as well as the total days of cash on hand. The Reserve Policy has two benchmarks, (1) minimum reserve targets for each type of reserve, and (2) a Districtwide target of 365 days of cash on hand.

Total Reserves by Fund	FY 2020 Actual	FY 2021 Actual*	FY 2021 Budget	FY 2022 Budget	Budget Change	% Change	FY 2022 Assigned Reserve
Stormwater	\$ 119,371,464	\$ 126,170,834	\$ 125,576,368	\$ 106,405,737	\$ (19,170,631)	-15.3%	\$ 48,020,000
Sanitation	84,763,082	72,086,672	81,589,584	64,151,980	(17,437,604)	-21.4%	34,183,000
Domestic Water	47,199,436	57,581,622	47,661,007	54,008,999	6,347,991	13.3%	45,839,000
Canal Water	51,522,762	54,609,777	41,281,554	51,935,329	10,653,775	25.8%	32,381,000
West Whitewater	34,013,315	36,066,987	33,933,410	27,964,619	(5,968,791)	-17.6%	11,472,000
State Water Project	2,758,327	17,622,257	2,991,327	24,617,898	21,626,571	723.0%	20,000,000
East Whitewater	6,473,171	1,196,329	(4,739,291)	4,797,735	9,537,025	-201.2%	3,865,000
Mission Creek	3,823,134	4,110,338	3,962,875	4,321,249	358,374	9.0%	184,000
Motorpool	1,225,248	2,092,665	1,297,843	2,093,022	795,180	61.3%	-
Workers' Comp	341,413	1,022,815	366,802	1,162,737	795,935	217.0%	-
Dental	(12,806)	(25,302)	50,660	7,982	(42,679)	-84.2%	-
Total Reserves	\$ 351,478,548	\$ 372,534,994	\$ 333,972,141	\$ 341,467,287	\$ 7,495,146	2.2%	\$ 195,944,000
Days Cash on Hand	491	553	458	445	(13)	-2.7%	

* 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.

Reserve Type	Domestic	Canal	Sanitation	Stormwater	Replenishment	Other	Total
Designated							
Operating	\$ 22,215,000	\$ 7,174,000	\$ 9,178,000	\$ 2,008,000	\$ 9,705,000	\$ -	\$ 50,280,000
Rate Stabilization	8,886,000	2,870,000	4,035,000	-	3,894,000	-	19,685,000
Capital Improvement	7,109,000	2,184,000	15,683,000	27,324,000	700,000	-	53,000,000
Emergency	5,180,000	19,595,000	3,738,000	17,600,000	1,186,000	-	47,299,000
Vehicle Replacement	1,418,000	558,000	248,000	252,000	36,000	-	2,512,000
Total Designated Reserves	\$ 44,808,000	\$ 32,381,000	\$ 32,882,000	\$ 47,184,000	\$ 15,521,000	\$ -	\$ 172,776,000
Restricted							
Debt Service Coverage	1,031,000	-	1,301,000	836,000	-	-	3,168,000
State Water Project	-	-	-	-	-	20,000,000	20,000,000
Total Restricted Reserves	\$ 1,031,000	\$ -	\$ 1,301,000	\$ 836,000	\$ -	\$ 20,000,000	\$ 23,168,000
Total Assigned Reserves	\$ 45,839,000	\$ 32,381,000	\$ 34,183,000	\$ 48,020,000	\$ 15,521,000	\$ 20,000,000	\$ 195,944,000

Cost of Service Studies

In fiscal year 2021, the District completed Cost of Service Studies (COSS) for the Domestic Water, Canal Water, West Replenishment, Mission Creek Replenishment, and East Replenishment Funds. Each 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 2022 budget, and proposed rates are included in the five-year forecast. The Board will review proposed rates each year as part of the budget adoption process. 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 will complete a Sanitation Cost of Service Study during fiscal year 2022, with any proposed rate

increases included in the fiscal year 2023 adopted budget subject to a Proposition 218 majority protest proceeding.

The Five-Year Forecast

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

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

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

ALL FUNDS SUMMARY — FISCAL 2021 - 22 BUDGET

All Fund Summary Five-Year Forecast	FY 2022 Budget	FY 2023	FY 2024 Forecast	FY 2025	FY 2026
Revenues					
Water Sales	\$ 83,567,000	\$ 92,293,000	\$ 104,158,000	\$ 115,196,000	\$ 122,537,000
Sanitation Service Fees	40,347,000	42,364,000	44,482,000	46,706,000	49,041,000
Service Charges	20,612,000	21,257,000	23,887,000	26,405,000	28,505,000
Availability Charges	2,725,000	2,727,000	2,729,000	2,731,000	2,733,000
Replenishment Charges	28,310,000	32,554,000	37,127,000	42,622,000	49,398,000
Surcharges	1,198,000	1,436,000	1,657,000	1,731,000	1,776,000
Property Taxes - General	42,032,600	46,673,000	47,387,000	48,163,000	48,956,000
Property Taxes - SWP	78,198,000	80,544,000	82,960,000	85,448,000	88,011,000
Charges for Services	12,239,500	12,739,000	13,326,000	13,767,000	14,227,000
Intergovernmental	2,360,000	2,360,000	2,360,000	2,360,000	2,360,000
Investment Income	8,183,000	2,562,000	2,916,000	3,449,000	3,786,000
Other Revenue	1,062,500	871,000	880,000	889,000	898,000
Total Revenues	\$ 320,834,600	\$ 338,380,000	\$ 363,869,000	\$ 389,467,000	\$ 412,228,000
Expenses					
Salaries & Benefits (Net of Capitalized Labor)	\$ 86,943,440	\$ 92,684,000	\$ 100,356,000	\$ 106,731,000	\$ 113,886,000
Supplies and Services	58,141,680	60,457,000	62,047,000	63,660,000	64,928,000
Utilities	18,852,142	19,444,000	20,058,000	20,690,000	21,344,000
Replenishment	13,394,000	15,791,000	18,512,000	21,768,000	25,663,000
Water Purchases	101,841,499	122,684,000	124,442,000	129,671,000	128,346,000
QSA Mitigation Costs	2,698,000	2,706,000	2,733,000	152,000	565,000
Pass-Through (Contra Expense)	(2,200,000)	(2,200,000)	(900,000)	(900,000)	(900,000)
Capital Outlay	112,000	112,000	112,000	112,000	112,000
Total Expenses	\$ 279,782,761	\$ 311,678,000	\$ 327,360,000	\$ 341,884,000	\$ 353,944,000
Operating Income (Loss)	\$ 41,051,839	\$ 26,702,000	\$ 36,509,000	\$ 47,583,000	\$ 58,284,000
Nonoperating Revenues (Expenses)					
Interfund Transfers					
Interfund Revenues	\$ 3,279,000	\$ 3,281,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000
Debt Service - Interfund	(3,279,000)	(3,281,000)	(1,200,000)	(1,200,000)	(1,200,000)
Sources					
Loan Proceeds	54,566,000	87,151,500	38,629,000	29,589,000	12,590,000
Bank of the West Draws	25,970,000	(25,970,000)	-	-	-
Use of Restricted Funds	11,358,000	14,754,000	9,911,407	8,543,000	13,043,000
Grant Revenue	4,752,000	7,907,250	6,915,000	2,025,000	11,500,000
Uses					
Debt Service - External	(3,168,246)	(5,710,874)	(10,807,244)	(12,324,878)	(13,720,814)
Capital Improvement Budget	(165,598,000)	(154,744,000)	(96,818,000)	(98,736,000)	(92,849,000)
Other Revenue (Expenses)	-	-	-	-	-
Total Nonoperating Revenues (Expenses)	\$ (72,120,246)	\$ (76,612,124)	\$ (52,169,837)	\$ (70,903,878)	\$ (69,436,814)
Increase (Decrease) in Cash Flow	\$ (31,068,407)	\$ (49,910,124)	\$ (15,660,837)	\$ (23,320,878)	\$ (11,152,814)
Beginning Reserve	\$ 372,534,994	\$ 341,466,587	\$ 291,556,463	\$ 275,895,626	\$ 252,574,748
Ending Reserve	\$ 341,466,587	\$ 291,556,463	\$ 275,895,626	\$ 252,574,748	\$ 241,421,934
Assigned Reserve	\$ 195,944,000	\$ 206,658,860	\$ 218,167,536	\$ 224,855,800	\$ 232,392,372
Unassigned Reserve	\$ 145,522,587	\$ 84,897,603	\$ 57,728,090	\$ 27,718,948	\$ 9,029,562
<i>Days Cash on Hand</i>	<i>445</i>	<i>341</i>	<i>308</i>	<i>270</i>	<i>249</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. Reality will be different. The forecast serves as a general guideline and requires regular adjustment, as actual results may vary from the forecast.

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

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

Major Assumptions in the Five-Year Forecast

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

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

Major Revenues

Due to the ongoing COVID-19 pandemic, conservative revenue assumptions have been used, and rates adopted by the Board as part of the cost of service studies have been included.

Fiscal year 2021 Domestic and Canal water sales revenues showed strong growth. Forecasted sales are consistent with the cost of service studies, and are closer to historical averages.

Replenishment revenues include Board adopted rate increases for fiscal year 2022, and recommended

increases for the remaining forecast years. The Board will reevaluate increases in future years as part of the budget adoption process.

Property tax revenues are forecast with a 1.5% to 3% per year growth factor in assessed valuation, with redevelopment revenues forecast flat. Median home sales prices continue to show strong growth in most of the communities served by the District.

Investment income is a function of the cash balance in each fund. The Investment rate of return is forecasted at 2% of total reserves for fiscal year 2021, but is expected to remain low throughout the forecast period.

Major Expenses

After larger increases in fiscal year 2021, utility rates are forecasted to increase by approximately 3.2% per year for the forecast period. Changes in consumption and additional rate increases may impact future forecasts.

Supplies & services are estimated to increase by 2.8% throughout the forecast period. The District will be monitoring recent increases in inflation to determine if adjustments will be needed in future years.

Water purchases and replenishment charges account for 41.2% of the total operating expense. 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 goes into greater detail on how weather conditions determine water supply availability.

Quantification Settlement Agreement Mitigation payments follow the schedule set in the agreement.

Salaries & benefits comprise 31.1% of fiscal year 2021 operating expenses. Key components of this category are anticipated wage increases, retirement, and health insurance. Budgeted staffing levels remain at 569 full time equivalents (FTEs) throughout the forecast period. Salaries & benefits for fiscal year 2022 are based on current Memorandums of Understanding (MOUs). The five-year forecast includes an average 7% per year increase for salaries and benefits.



WRP 10 Aeration Pumps

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 of water.

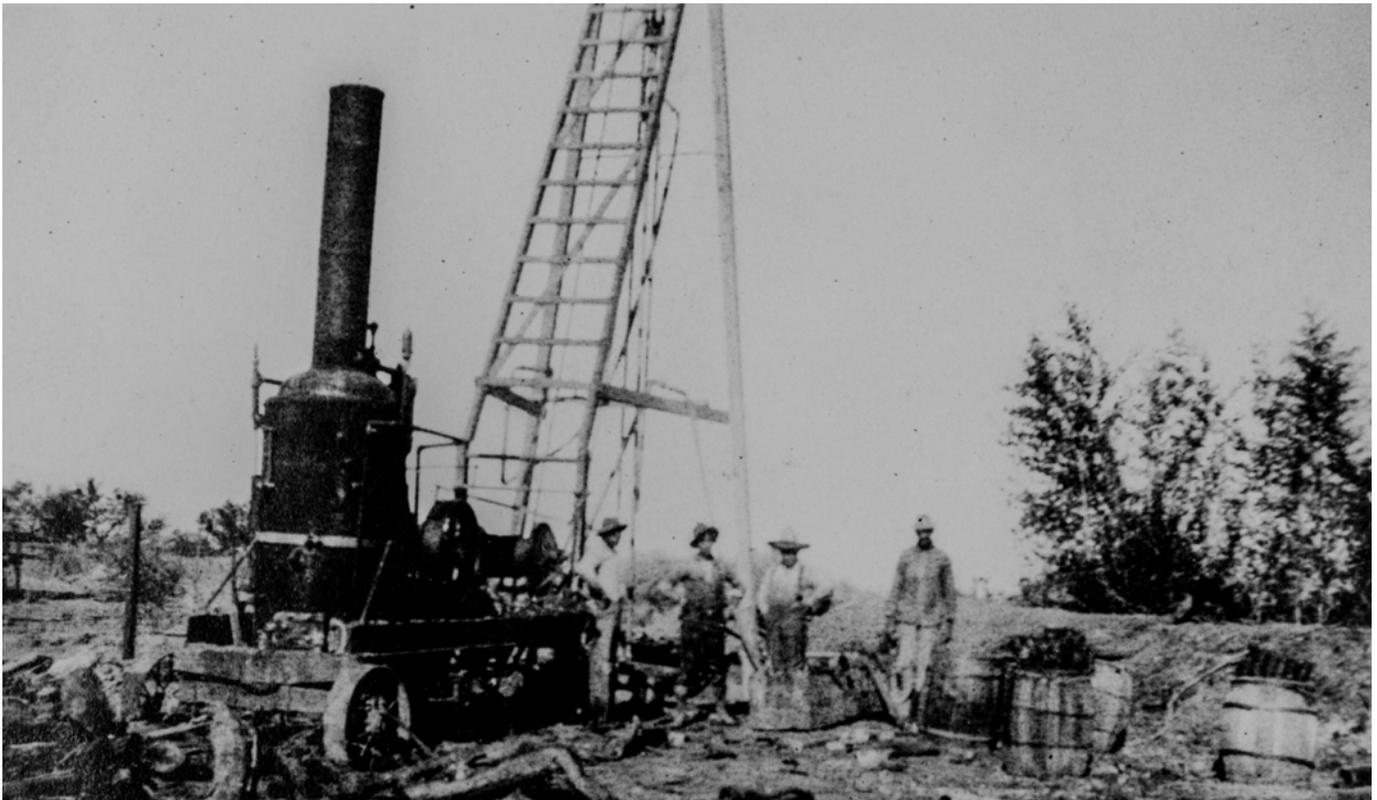
Coachella Valley County Water District (CVCWD) started providing domestic water service with the acquisition of Palm Desert Water Company in 1961. The district considered Palm Desert Water Company to be "a well-engineered system, possessing good wells and storage facilities" that served more than 700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

CVCWD also acquired two other domestic water systems serving El Dorado 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 110,000 accounts, representing a population served of approximately 300,000.



Drilling a Well in the Early 1900s.



CVWD Crew Installs Pipe

Background

Drinking water, also known as domestic water, comes from the Coachella Valley's vast aquifer. Groundwater, pumped from wells up to 1,200 feet deep, is stored in one of the District's 64 enclosed reservoirs for later use. While the aquifer has an estimated capacity of 39 million acre-feet (af), the Coachella Valley must manage its water supplies to avoid overdraft. The California Department of Water Resources defines overdraft as "the condition of a groundwater basin in which the amount of water withdrawn by pumping over the long term exceeds the amount of water that recharges the basin." That is, more water has been pumped from the groundwater basin than has been naturally or artificially replenished. Over the 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 2022 is budgeted at \$1,504 per af, based on a 27.5% allocation from the SWP.

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 \$93.39 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 97 wells, with the ability to pump 244 million gallons per day (MGD). The combined reservoir storage capacity is approximately 153.2 million gallons. Reservoirs are secured sites primarily located in elevated areas, using gravity to bring water to homes and businesses. Water is delivered via a network of 2,025 miles of distribution piping. Daily demand for drinking water in 2021 averaged 79.4 million gallons, equal to 88,911 af per year.



Ben Laflin Sr at His Artesian Well in Thermal Circa 1915



Construction of Reservoir 4606-2

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.

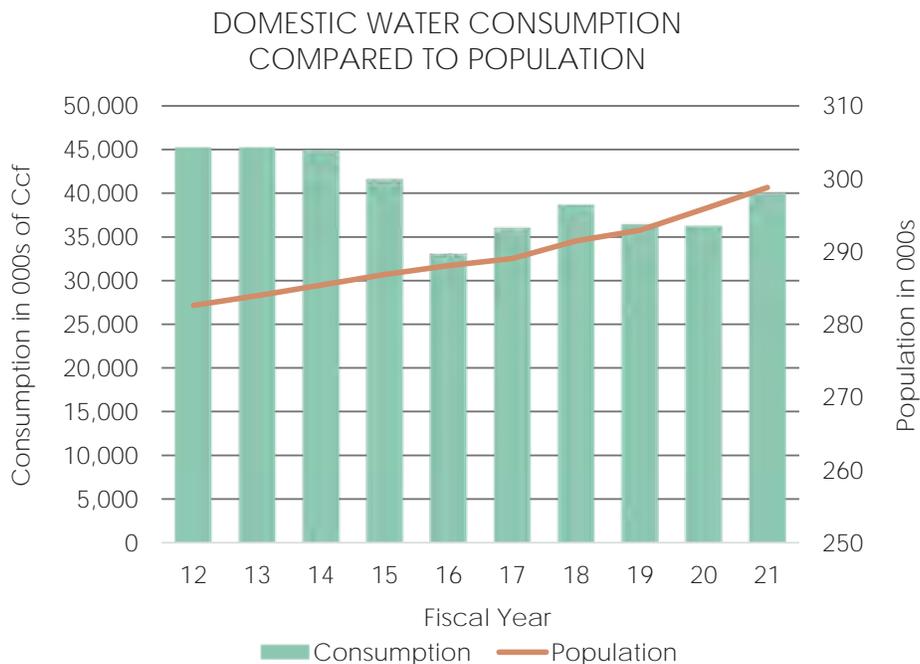
What is an acre-foot?

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 2021 was 10.6% higher than fiscal year 2020, as shown in the graph below. Major reasons for the increase in consumption include warmer than normal (average) temperatures, along with lower than normal (average) precipitation in all 12 months.



Account growth also has an impact consumption. As depicted in the table below, over the past eight years the number of domestic water accounts increased by 6.3%. Although the District has experienced account growth and population growth, as evidenced by the graph on the previous page, the consumption per capita has been 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 2021, the District installed 163 residential and 218 large landscape smart controllers. This program has saved an estimated 66.4 billion gallons of water, or over 203,705 acre-feet. Over 6,900 controllers have been installed to date.

Another popular program the District has to help reduce outdoor irrigation is the Desert Landscaping rebate program. The District pays residential customers \$2 per square foot, up to a maximum of 10,000 square feet. For commercial customers, rebates are available at \$2 per square foot, up to a maximum of 25,000 square feet. In fiscal year 2021, an additional 735,000 square feet of turf was replaced with desert-friendly landscape. To date through CVWD’s rebate program, desert landscaping has replaced more than 19.4 million square feet of grass. This results in an estimated savings of 6.8 billion gallons, or over 20,927 acre-feet.

In addition, the High-Efficiency Toilet Replacement Program has saved over 436 acre-feet of water, with almost 10,700 toilets replaced.

Water Management’s budget for fiscal year 2022 is \$5.9 million, with \$2.9 million budgeted for conservation programs. Interest in conservation programs have declined over the last few years, with the elimination of the previous drought declaration. With renewed discussions of drought in FY 2022 and beyond, the importance of these programs will continue to grow.

YEAR	ACTIVE ACCOUNTS			
	NUMBER OF ACCOUNTS	QTY. INCREASE	% INCREASE	CUMULATIVE % INCREASE
2012	104,292			
2013	104,800	508	0.5%	0.5%
2014	105,472	672	0.6%	1.1%
2015	106,055	583	0.6%	1.7%
2016	106,409	354	0.3%	2.0%
2017	106,967	558	0.5%	2.6%
2018	107,856	889	0.8%	3.4%
2019	108,582	726	0.7%	4.1%
2020	109,489	907	0.8%	5.0%
2021	110,899	1,410	1.3%	6.3%

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 23.9% 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 (or the property is mapped)

Weather data is based on a daily five-year average

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

TIERED RATE STRUCTURE					
TIER	RATE	SINGLE-FAMILY	MULTI-FAMILY	COMMERCIAL	LANDSCAPE IRRIGATION
Tier 1 – Excellent	\$ 0.94	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.

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.

The cost of service study includes five years beginning in fiscal year 2022 and the subsequent four years. The tiered consumption rates for fiscal year 2022 are listed in the table below.

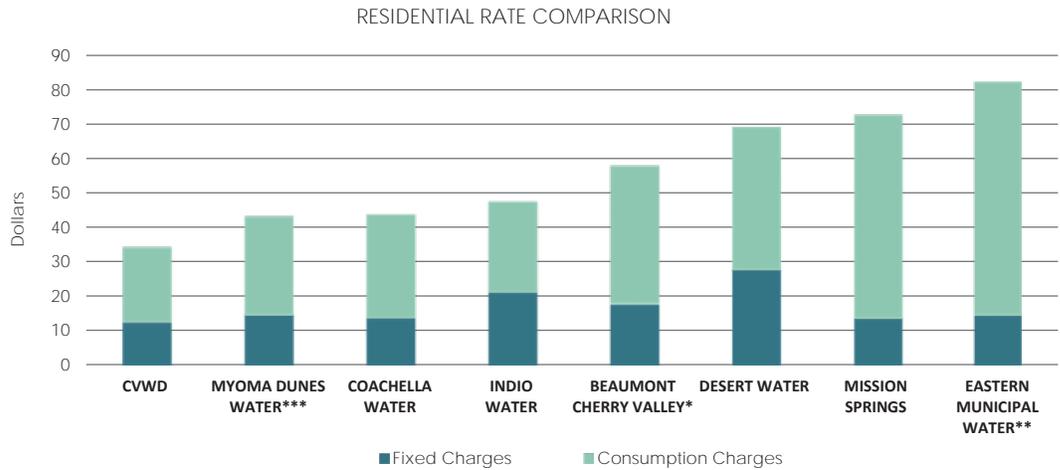
Fixed Rates

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 difference in the cost of providing service to them. All fixed charge rates were adjusted in 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.

CUSTOMER CLASS	MONTHLY SERVICE CHARGE PER MONTH			
	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 to the right and below illustrate rate comparisons between CVWD and other water agencies in the region based upon usage of 20 Ccf per month. Even with the rate increase for fiscal year 2022, the District's rates remain the lowest in the area. The dark portion of the bars in the chart to the right indicate the monthly fixed charge; the lighter portion indicates the consumption charge.



*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
 ***Energy cost adjustment of \$1.93 and replenishment fee of \$2.38 included in consumptive rate

RESIDENTIAL RATE COMPARISON

	CVWD	MYOMA DUNES WATER***	COACHELLA WATER	INDIO WATER	BEAUMONT CHERRY VALLEY*	DESERT WATER	MISSION SPRINGS	EASTERN MUNICIPAL WATER**
Fixed Charges	\$ 12.65	\$ 14.67	\$ 13.80	\$ 21.16	\$ 17.83	\$ 27.60	\$ 13.63	\$ 14.60
Consumption Charges	\$ 21.56	\$ 28.56	\$ 30.00	\$ 26.30	\$ 40.05	\$ 41.60	\$ 59.14	\$ 67.67
Total per 20 Ccf Usage	\$ 34.21	\$ 43.23	\$ 43.80	\$ 47.46	\$ 57.88	\$ 69.20	\$ 72.77	\$ 82.27

*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
 ***Energy cost adjustment of \$1.93 and replenishment fee of \$2.38 included in consumptive rate



Tap Water In Perspective
Still the Best Deal Around

A gallon of tap water is only

\$0.0023

A Gallon of Each of These Costs



\$55.00



\$17.00



\$1.00



\$4.41



\$4.76

Strategic Initiatives

The District has continued to complete initiatives identified in the Strategic Plan, which was adopted by the Board on May 26, 2020. Items for the Domestic Water Fund include the following accomplishments:

SG4.11: Installation of emergency generators at well sites. This initiative improves operational reliability for the domestic water supply. The project has been awarded and is under construction.

SG4.12: Implement Phase 1 of the surge tank protection program at domestic water booster station sites. This initiative improves operational reliability for domestic water well sites. The project has been completed.

SG4.13: Implement Risk & Resilience Assessment Recommendations, Phase 1. This initiative focuses on domestic facilities in regards to updating the emergency response plan to address critical risks identified in the Risk & Resiliency Plan. The fiscal year 2022 budget includes critical grant and loan projects, and the related reservoir construction projects are underway.

SG5.16: Participate in Partnership for Safe Water Distribution System. Optimize distribution system operations, pressure management, chlorine residual, and main breaks for better operational controls. The preliminary report has been completed and submitted to AWWA, and the annual data collection process is underway.



CVWD Employee Collects Water for Testing

DOMESTIC WATER FUND — FISCAL 2021 - 22 BUDGET

Domestic Water Fund	FY 2020 Actual	FY 2021 Actual*	FY 2021 Budget	FY 2022 Budget	Budget Change	% Change
Revenues						
Water Sales	\$ 60,008,656	\$ 67,956,153	\$ 62,778,000	\$ 62,742,000	\$ (36,000)	-0.1%
Service Charges	16,439,408	16,393,666	16,514,000	20,612,000	4,098,000	24.8%
Availability Charges	637,169	643,365	645,000	645,000	-	-
Property Taxes - General	2,002,743	2,340,102	2,207,000	2,276,000	69,000	3.1%
Charges for Services	3,754,899	2,901,775	3,175,000	3,175,000	-	-
Investment Income	1,185,048	925,658	1,171,000	1,203,000	32,000	2.7%
Other Revenue	278,781	498,329	125,000	150,000	25,000	20.0%
Total Revenues	\$ 84,306,704	\$ 91,659,048	\$ 86,615,000	\$ 90,803,000	\$ 4,188,000	4.8%
Expenses						
Salaries & Benefits (Net of Capitalized Labor)	\$ 36,234,724	\$ 35,912,065	\$ 38,019,655	\$ 40,432,420	\$ 2,412,765	6.3%
Supplies and Services	23,436,899	21,086,103	23,022,147	23,240,278	218,131	0.9%
Utilities	9,947,749	12,019,758	10,051,781	11,792,525	1,740,744	17.3%
Replenishment	11,653,928	12,719,362	12,520,000	13,394,000	874,000	7.0%
Capital Outlay	1,304,025	111,852	215,696	58,900	(156,796)	-72.7%
Total Expenses	\$ 82,577,325	\$ 81,849,140	\$ 83,829,279	\$ 88,918,123	\$ 5,088,844	6.1%
Operating Income (Loss)	\$ 1,729,379	\$ 9,809,908	\$ 2,785,721	\$ 1,884,877	\$ (900,844)	-32.3%
Nonoperating Revenues (Expenses)						
Interfund Transfers						
Interfund Revenues	\$ 15,238,000	\$ 10,023,906	\$ 10,478,000	\$ 3,279,000	\$ (7,199,000)	-68.7%
Sources						
Loan Proceeds	16,203,491	2,960,802	2,603,000	2,478,000	(125,000)	-4.8%
Loan Forgiveness	5,000,000	-	-	-	-	-
Capital Improvement Reimbursements	98,493	1,047,498	-	-	-	-
Use of Restricted Funds	2,122,885	7,818,347	9,810,000	10,060,500	250,500	2.6%
Grant Revenue	1,681,900	5,340,372	4,279,000	1,227,000	(3,052,000)	-71.3%
Uses						
Debt Service - External	-	(151,493)	(455,280)	(1,031,000)	(575,720)	126.5%
Capital Improvement Budget	(36,201,000)	(26,278,564)	(27,862,870)	(20,078,000)	7,784,870	-27.9%
Contribution to Motorpool CIP	(1,253,000)	(1,071,678)	(1,176,000)	(1,393,000)	(217,000)	18.5%
Other Revenue (Expenses)	(1,329,295)	883,088	-	-	-	-
Total Nonoperating Revenues (Expenses)	\$ 1,561,475	\$ 572,278	\$ (2,324,150)	\$ (5,457,500)	\$ (3,133,350)	134.8%
Increase (Decrease) in Cash Flow	\$ 3,290,853	\$ 10,382,185	\$ 461,571	\$ (3,572,623)	\$ (4,034,194)	-874.0%
Beginning Reserve	\$ 43,908,583	\$ 47,199,436	\$ 47,199,436	\$ 57,581,622	\$ 10,382,185	22.0%
Ending Reserve	\$ 47,199,436	\$ 57,581,622	\$ 47,661,007	\$ 54,008,999	\$ 6,347,991	13.3%
Assigned Reserve	\$ 48,991,000	\$ 43,909,000	\$ 45,212,000	\$ 45,839,000	\$ 627,000	1.4%
Unassigned Reserve	\$ (1,791,564)	\$ 13,672,622	\$ 2,449,007	\$ 8,169,999	\$ 5,720,991	233.6%

* Unaudited

Budget Summary

Total Domestic Water revenues are budgeted at \$90.8 million, or 4.8% higher than the fiscal year 2021 budget. The largest increase is revenues from service charges, which reflect the new fixed rates adopted by the Board in June 2021. Water sales reflect revised consumptive rates and historical consumption trends, and property taxes reflect estimated growth in assessed value.

Expenses are budgeted to increase by \$5.1 million, or 6.1% from the prior year’s budget. Budgeted increases in salaries & benefits and supplies & services are included, along with a 17.3% increase in utilities, primarily due to electricity increases. Capital outlay reflects a budgeted decrease for fiscal year 2022.

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 loan proceeds. Expenses include debt service for a State Water Resource Control Board loan, \$20.1 million in capital improvements, and a \$1.4 million contribution to the Motorpool fund for new vehicles.

Ending reserves for fiscal year 2022 are budgeted at \$54 million, an increase of \$6.3 million from the fiscal year 2021 budget. The increase is primarily due to increased water sales in FY 2021.

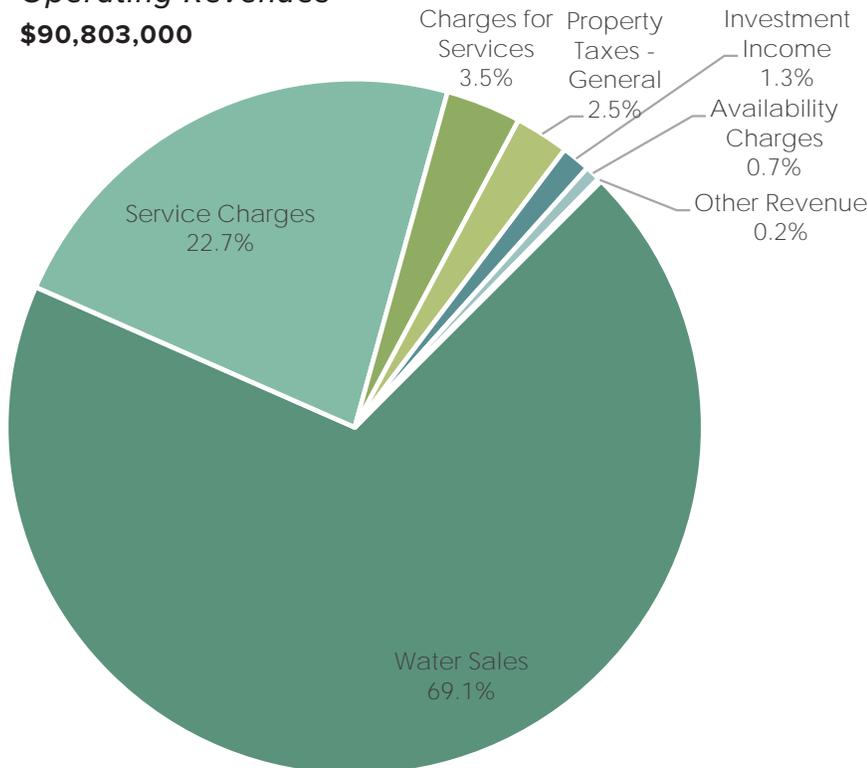
Revenues

Domestic Water Fund revenues total \$90.8 million, an increase of \$4.2 million from fiscal year 2021. The chart below shows a breakdown by type.

Revenues

Operating Revenues

\$90,803,000



WATER SALES represent 69.1% of the Domestic Water Fund operating revenues. Revenues from water sales are budgeted at \$62.8 million. The budget is based on the assumption that water consumption will be approximately 42.3 million Ccf, or 97,000 acre feet, which represents an average year of consumption for the District’s customers. Rate increases based on the cost of service study are included in the fiscal year 2022 budget.

Water sales revenue is based on water consumption at the customer’s meter. Customers pay for the amount of water used according to the tiered rate structure. Budgeted revenues are based on the rates and consumption projections for each of the customer classes.

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 22.7% of the operating revenues of the Domestic Water Fund and are based on the rates adopted in June 2021.

CHARGES FOR SERVICES account for 3.5% 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 represent the dedicated share of the 1% Riverside and Imperial Counties’ secured property tax levy pursuant to the California Revenue and Taxation Code. Property values have been increasing and recent sales of single-family homes have shown price increases. Assessed property values reset each time there is a change in ownership, with the value being established at the new sales price. The Domestic fund is anticipating approximately \$300,000 in non-discretionary property taxes in fiscal year 2022, as well as a share of the District’s non-discretionary general property taxes, which are allocated to the enterprise funds at the discretion of the Board. For fiscal year 2022, the Domestic Water Fund will receive an 11.1% allocation, which equates to \$2 million of the total \$2.3 million budgeted.

INVESTMENT INCOME is earned based on the cash balance in the fund. For fiscal year 2022, the rate of return is budgeted at 2.3%.

Expenses

Domestic Water Fund expenses total \$88.9 million, an increase of \$5.1 million from fiscal year 2021. The chart shows a breakdown of expenses by type.

SALARIES & BENEFITS total \$40.4 million, an increase of 6.3% compared to fiscal year 2021. The increase reflects the impact of increases in employee salaries and budgeted benefits, including an increase in CalPERS budgeted expenses.

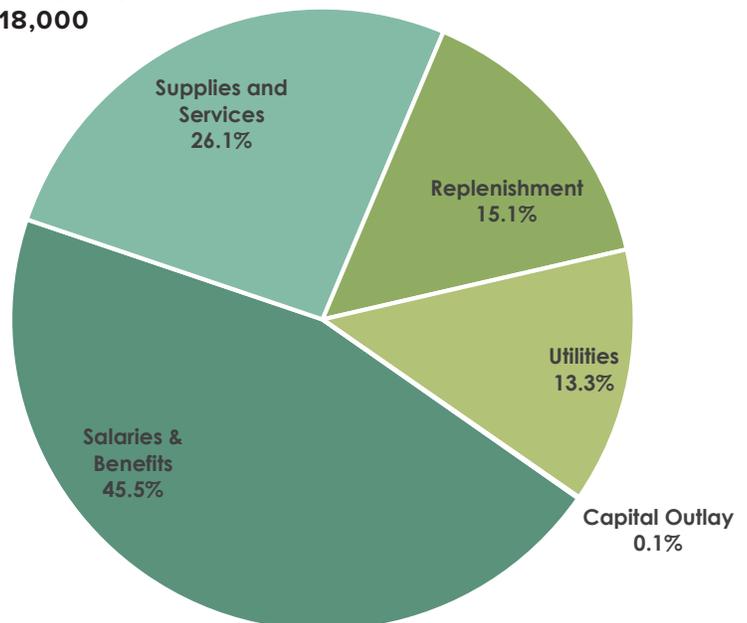
SUPPLIES & SERVICES are budgeted at \$23.2 million, which is an increase of \$218,000 compared to fiscal year 2021.

UTILITIES are budgeted at \$11.8 million, a 17.3% increase due to rate increases from utility providers.

TRANSFERS TO REPLENISHMENT FUNDS are budgeted at \$13.4 million, which is approximately \$874,000 more than fiscal year 2021. This is due to an increase in the District’s cost to replenish pumped water in fiscal year 2022. The District’s three replenishment funds completed cost of service studies in fiscal year 2021, demonstrating cost increases for the East Whitewater and West Whitewater Replenishment Funds.

Expenses

Operating Expenses
\$88,918,000



CAPITAL OUTLAY is budgeted at \$59,000 for fiscal year 2022, which is a decrease of \$157,000 compared to fiscal year 2021.

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 \$10.1 million in restricted funds is budgeted to fund domestic water projects in fiscal year 2022.

The District is currently completing a Cost of Service Study for the WSBFC, with the objective of evaluating current and alternative methodologies for calculating charges, and recommending the most appropriate method.

Capital Improvements

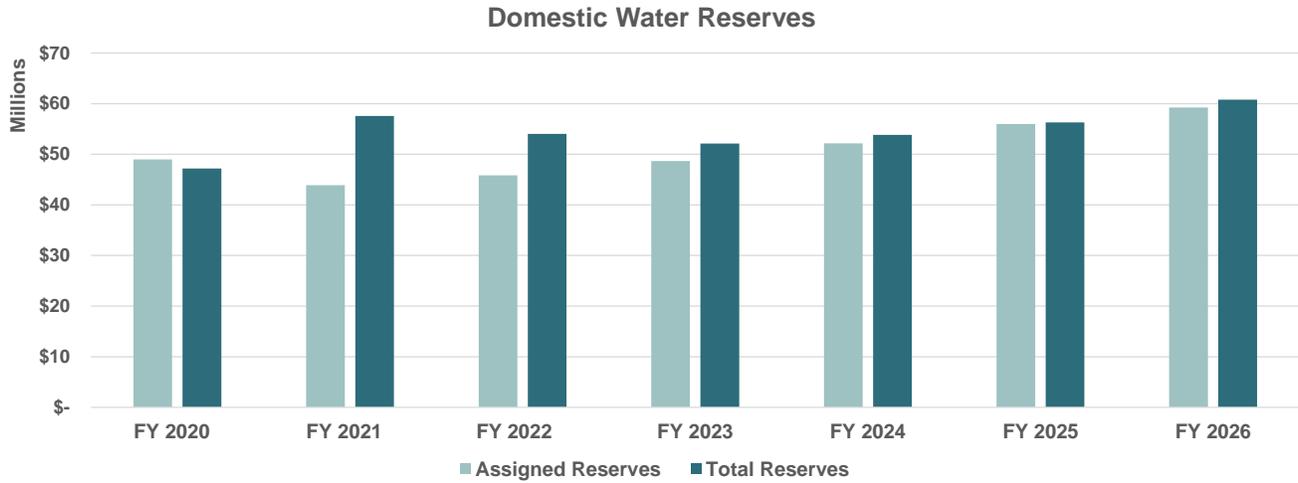
There are \$20.1 million in capital improvements budgeted for fiscal year 2022. The budget includes projects for the rehabilitation of aging well sites, water main extensions to underserved areas, numerous water main replacement projects, the design and replacement of the ion-exchange treatment plants, and installation of a transmission main. Funding of the fiscal year 2022 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 for the Domestic Water fund in fiscal year 2021. The study reviewed existing rate structures, allocated revenue requirements to the various customer classes, 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 forecast provides for a 5% overall revenue increase in fiscal year 2022, followed by maximum increases of 5% in fiscal year 2023, 11% in fiscal year 2024, 9% in fiscal year 2025, and 7% in fiscal year 2026. The District will reevaluate the need for future rate increases during the budget process each year.

DOMESTIC WATER FUND — FISCAL 2021 - 22 BUDGET

Domestic Water Fund Five-Year Forecast	FY 2022 Budget	FY 2023	FY 2024	FY 2025	FY 2026
		Forecast			
Revenues					
Water Sales	\$ 62,742,000	\$ 67,301,000	\$ 75,906,000	\$ 83,610,000	\$ 90,042,000
Service Charges	20,612,000	21,257,000	23,887,000	26,405,000	28,505,000
Availability Charges	645,000	645,000	645,000	645,000	645,000
Property Taxes - General	2,276,000	2,375,000	2,415,000	2,461,000	2,508,000
Charges for Services	3,175,000	3,175,000	3,175,000	3,175,000	3,175,000
Investment Income	1,203,000	405,000	521,000	673,000	844,000
Other Revenue	150,000	-	-	-	-
Total Revenues	\$ 90,803,000	\$ 95,158,000	\$ 106,549,000	\$ 116,969,000	\$ 125,719,000
Expenses					
Salaries and Benefits	\$ 41,034,420	\$ 43,459,000	\$ 46,114,000	\$ 48,993,000	\$ 52,119,000
Capitalized Labor	(602,000)	(958,000)	(779,000)	(601,000)	(438,000)
Salaries & Benefits (Net of Capitalized Labor)	\$ 40,432,420	\$ 42,501,000	\$ 45,335,000	\$ 48,392,000	\$ 51,681,000
Supplies and Services	23,240,278	23,705,000	24,179,000	24,663,000	25,156,000
Utilities	11,792,525	12,157,000	12,534,000	12,922,000	13,323,000
Replenishment	13,394,000	15,791,000	18,512,000	21,768,000	25,663,000
Capital Outlay	58,900	59,000	59,000	59,000	59,000
Total Expenses	\$ 88,918,123	\$ 94,213,000	\$ 100,619,000	\$ 107,804,000	\$ 115,882,000
Operating Income (Loss)	\$ 1,884,877	\$ 945,000	\$ 5,930,000	\$ 9,165,000	\$ 9,837,000
Nonoperating Revenues (Expenses)					
Interfund Transfers					
Interfund Revenues	\$ 3,279,000	\$ 3,281,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000
Sources					
Loan Proceeds	2,478,000	18,200,000	14,590,000	13,200,000	11,015,000
Use of Restricted Funds	10,060,500	3,730,000	3,300,000	2,550,000	2,500,000
Grant Revenue	1,227,000	7,090,000	6,840,000	1,700,000	-
Uses					
Debt Service - External	(1,031,000)	(1,780,860)	(2,803,956)	(3,834,948)	(4,038,312)
Capital Improvement Budget	(20,078,000)	(31,936,000)	(25,971,000)	(20,041,000)	(14,590,000)
Contribution to Motorpool CIP	(1,393,000)	(1,404,000)	(1,410,000)	(1,458,000)	(1,425,000)
Other Revenue (Expenses)	-	-	-	-	-
Total Nonoperating Revenues (Expenses)	\$ (5,457,500)	\$ (2,819,860)	\$ (4,254,956)	\$ (6,683,948)	\$ (5,338,312)
Increase (Decrease) in Cash Flow	\$ (3,572,623)	\$ (1,874,860)	\$ 1,675,044	\$ 2,481,052	\$ 4,498,688
Beginning Reserve	\$ 57,581,622	\$ 54,008,999	\$ 52,134,139	\$ 53,809,183	\$ 56,290,235
Ending Reserve	\$ 54,008,999	\$ 52,134,139	\$ 53,809,183	\$ 56,290,235	\$ 60,788,923
Assigned Reserve	\$ 45,839,000	\$ 48,667,860	\$ 52,167,000	\$ 55,956,000	\$ 59,238,000
Unassigned Reserve	\$ 8,169,999	\$ 3,466,279	\$ 1,642,183	\$ 334,235	\$ 1,550,923



Domestic	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
	Actual	Actual*	Budget	Forecast			
Assigned Reserves	\$ 48,991,000	\$ 43,909,000	\$ 45,839,000	\$ 48,667,860	\$ 52,167,000	\$ 55,956,000	\$ 59,238,000
Total Reserves	\$ 47,199,436	\$ 57,581,622	\$ 54,008,999	\$ 52,134,139	\$ 53,809,183	\$ 56,290,235	\$ 60,788,923

* Unaudited



Reservoir 4602-2 Construction

CANAL WATER FUND



Background

CVWD provides canal water to more than 1,300 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 65% of area farms use drip or other micro-irrigation, which reduces water use, allows pesticides and herbicides to be added directly into irrigation lines, and contributes to increased crop yields. These irrigation practices place area farms among the most efficient agricultural water users in the state.

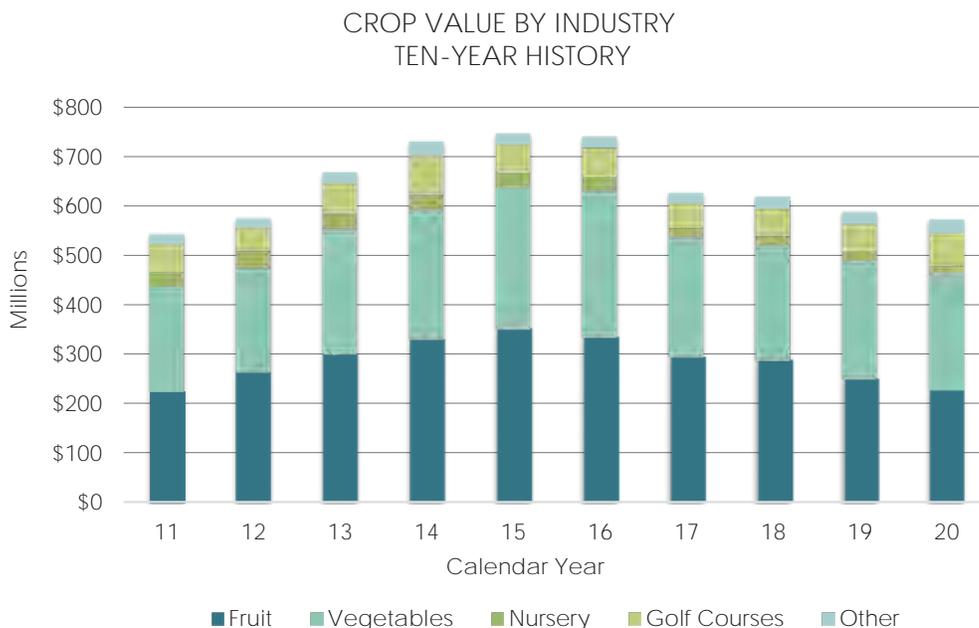
The Coachella Canal

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



As depicted in the chart above, crop production for 2020 exceeded \$575 million. This represents a \$14.5 million decrease, or 2.5% decline when compared to 2019. The top ten crops by value are dates, grapes, bell peppers, lemons/limes, lettuce, carrots, cauliflower, oranges & tangerines, broccoli, and artichokes.

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?

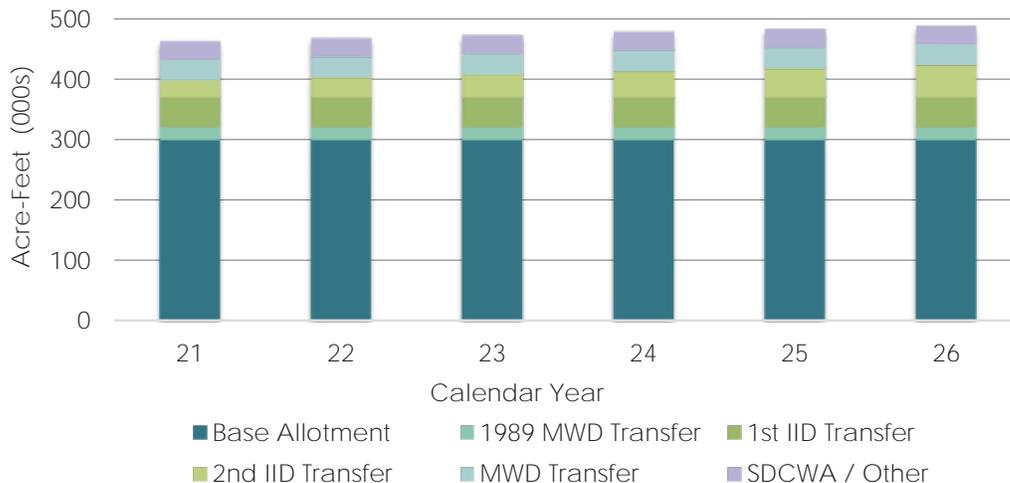
The QSA quantified CVWD’s entitlement to Colorado River water, which ensured that other agencies could not use its allotment. The QSA also gave CVWD the rights to additional, significant amounts of imported water.

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
2021 - 2026



The graph above shows QSA water supply allotments through 2026.

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 drought conditions for over 15 years. If 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 would trigger 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, districts have engaged in voluntary water conservation efforts in order to prevent other states from experiencing the mandatory cutbacks. Most recently, the Drought Contingency Plan (DCP) Authorization Act signed into law by the President on April 16, 2019, is a program that, through voluntary contributions of conserved water, will delay or eliminate shortage conditions in Lake Mead. In early 2019, CVWD executed the Companion Agreement to the DCP, the Lower Basin DCP Agreement, and the necessary California interagency agreements associated with the voluntary contributions schedule. Together with the other Upper and Lower Basin States, California’s participation in the DCP demonstrates the best path forward to reduce risks facing the Colorado River and to limit state cutbacks in the coming years is through collaborative measures.

The U.S. Bureau of Reclamation (USBR) recently announced a water shortage on the Colorado River resulting in mandatory water consumption cuts as stated in the DCP. USBR expects Lake Mead to hit the elevation threshold of the DCP of 1,090 feet in January 2022 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.

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 were \$90 per acre-foot in 2021. 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 fiscal years outside the five-year budget.

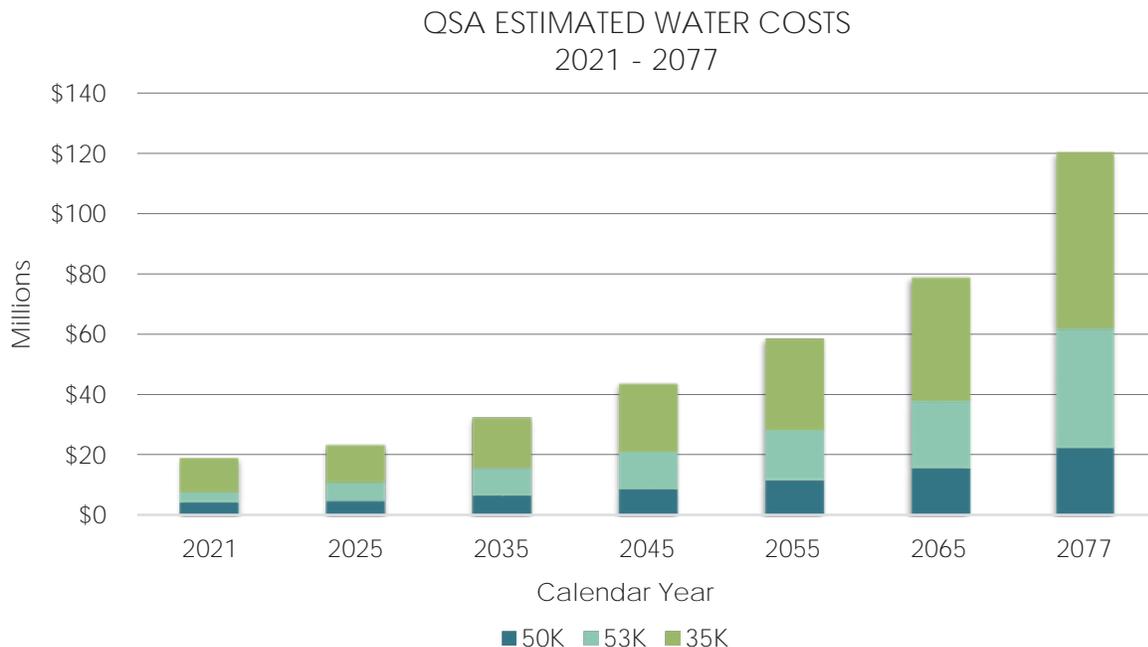
The table below depicts acre-feet to be received, along with the estimated IID water transfer costs over the remaining term of the contract.

IID WATER TRANSFER COSTS
2022 - 2077

Year	IID Water Transfer Ramp-Up Schedule			Cost	Cost Per AF
	50,000 (af)	53,000 (af)	Total (af)		
2022	50,000	33,000	83,000	\$ 7,751,000	\$ 93.39
2025	50,000	48,000	98,000	\$ 11,068,000	\$ 112.94
2035	50,000	53,000	103,000	\$ 15,757,181	\$ 152.98
2045	50,000	53,000	103,000	\$ 21,176,334	\$ 205.60
2055	50,000	53,000	103,000	\$ 28,459,222	\$ 276.30
2065	50,000	53,000	103,000	\$ 38,246,816	\$ 371.33
2077	50,000	53,000	103,000	\$ 62,311,076	\$ 604.96

In fiscal year 2022, 83,000 af of IID water transfer costs are budgeted in the Canal Fund at an estimated cost of \$93.39 per acre-foot. The 83,000 af of water transfer is comprised of 50,000 af from the First 50,000 af Transfer Agreement and 33,000 af from the Second 50,000 af Transfer Agreement. The 35,000 af of Metropolitan Water District water transfers are budgeted in the West Replenishment Fund at a total estimated cost (including transportation) of \$310 per af, since the water is delivered to the West Whitewater Replenishment Area.

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

Canal Rate History

In fiscal year 2021, the District completed a comprehensive cost of service study for the Canal fund. The fiscal year 2022 budget includes rate increases for the Quagga Surcharge, Construction Water Commodity Charge, Outside ID 1 Surcharge, and Gate Visits. These charges are being increased incrementally to achieve full cost recovery over the next three years. Proposed increases for Class 1 and 2 rates, and the Water Supply Surcharge will be reviewed for implementation in fiscal year 2023.

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

CANAL 5-YEAR RATE HISTORY

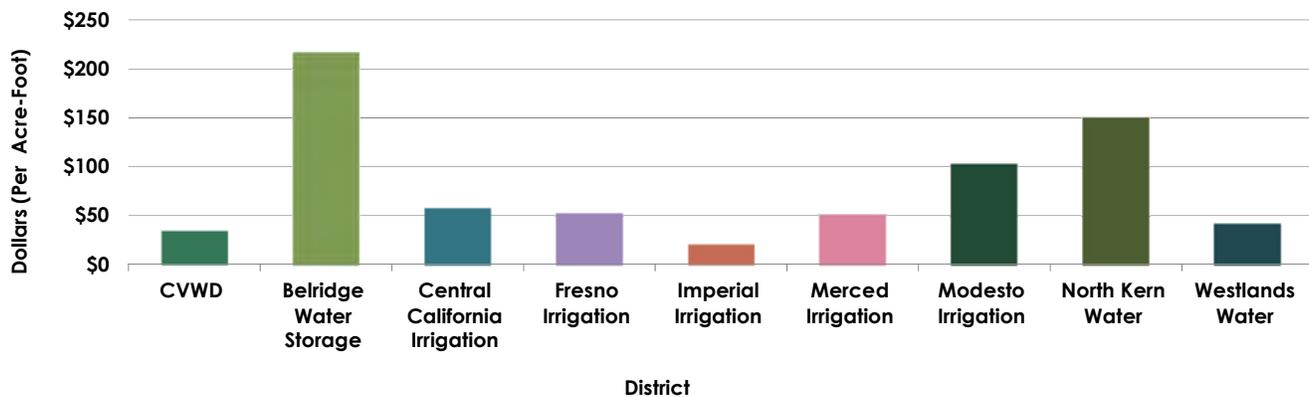
Service	FY 18	FY 19	FY 20	FY 21	FY 22
Water, per acre-foot, Class 1: Agriculture	\$34.32	\$34.32	\$34.32	\$34.32	\$34.32
Water, per acre-foot, Class 2: Nonagriculture (1)	34.32	34.32	34.32	34.32	34.32
Water, per acre-foot, Temporary Construction Meters (1)	47.41	47.41	47.41	47.41	51.33
Water Supply Surcharge	67.80	67.80	67.80	67.80	67.80
Quagga Mussel Surcharge, per acre-foot	2.78	2.78	2.78	2.78	3.18
Gate Charge - Scheduled, per visit	16.66	16.66	16.66	16.66	19.80
Gate Charge - Unscheduled, per visit	33.32	33.32	33.32	33.32	39.60
Outside ID 1 Surcharge (\$/acre/month)	3.69	3.69	3.69	3.69	3.92

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

Canal Rate Comparison

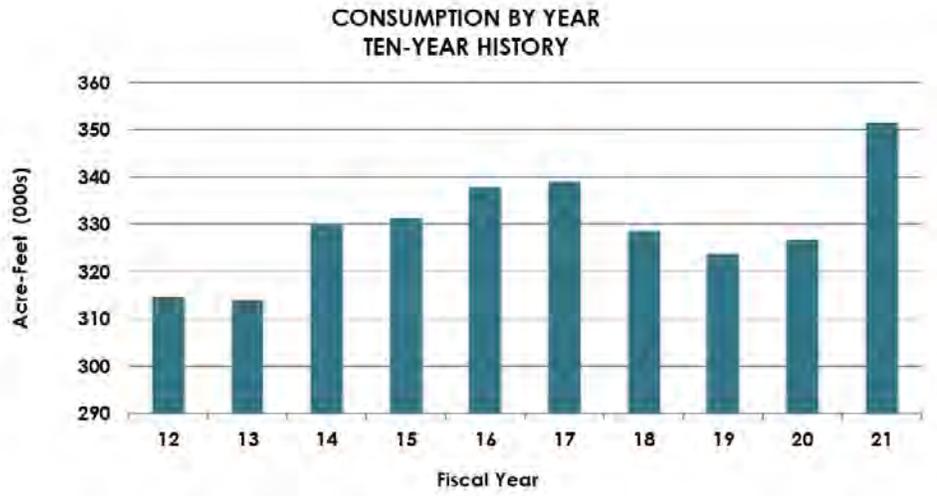
The graph below shows the District’s agriculture rate, as compared to other irrigation districts in California. The District’s rate is among the lowest in the state. This is due in part to the large amount of Colorado River water received at no cost. Imperial Irrigation is the only other district on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

AGRICULTURE WATER RATE COMPARISON



Consumption

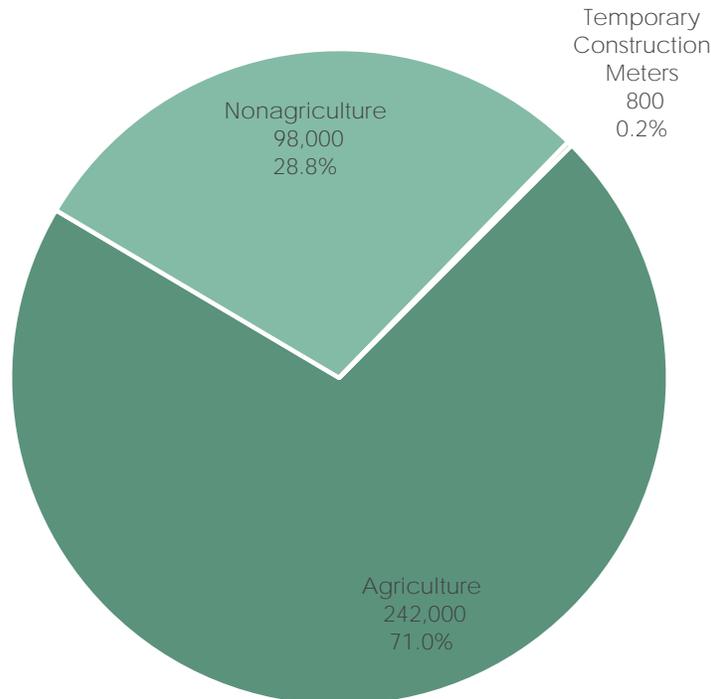
Total consumption in fiscal year 2021 was 351,452 af, compared to 326,850 af in fiscal year 2020, a 7.5% increase, as shown in the chart the below.



As depicted in the chart below, Class 1 - Agriculture consumes the largest amount of canal water, approximately 242,000 acre-feet, reflecting the longstanding reliance of this economic sector on this resource.

Budgeted Consumption by Rate Class

340,800 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. Items for the Canal Water Fund include the following accomplishments:

WATER SUPPLY SUSTAINABILITY

SG 3.05: Improve agricultural open drain monitoring network infrastructure. The costs in this initiative are borne by the Canal and Replenishment Funds with the objective to improve flow measurements to aid as modeling inputs. Implementation work plan has been finalized, a pilot monitoring project has been initiated, and a plan has been generated for drain and meter maintenance.

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.



Coachella Canal Concrete Lining Repair

CANAL WATER FUND — FISCAL 2021 – 22 BUDGET

Canal Water Fund	FY 2020 Actual	FY 2021 Actual*	FY 2021 Budget	FY 2022 Budget	Budget Change	% Change
Revenues						
Water Sales	\$ 16,461,030	\$ 17,666,601	\$ 16,697,000	\$ 17,721,000	\$ 1,024,000	6.1%
Availability Charges	1,342,298	2,017,748	1,700,000	2,000,000	300,000	17.6%
Surcharges	1,009,831	1,079,281	1,035,000	1,198,000	163,000	15.7%
Property Taxes - General	11,311,286	13,004,251	10,375,000	9,500,000	(875,000)	-8.4%
Charges for Services	1,096,925	1,199,843	977,000	1,535,000	558,000	57.1%
Intergovernmental	5,491,150	1,924,473	375,000	1,700,000	1,325,000	353.3%
Investment Income	1,726,809	1,261,334	1,004,000	1,051,000	47,000	4.7%
Other Revenue	25,296	86,048	-	5,000	5,000	-
Total Revenues	\$ 38,464,625	\$ 38,239,580	\$ 32,163,000	\$ 34,710,000	\$ 2,547,000	7.9%
Expenses						
Salaries & Benefits (Net of Capitalized Labor)	\$ 11,133,202	\$ 11,195,225	\$ 11,975,611	\$ 12,426,150	\$ 450,539	3.8%
Supplies and Services	8,700,667	8,672,259	9,349,382	9,642,213	292,831	3.1%
Utilities	638,325	691,807	583,847	678,085	94,238	16.1%
Water Purchases	6,048,450	5,114,223	7,041,000	7,751,000	710,000	10.1%
Pass-Through (Contra Expense)	-	-	-	(1,800,000)	(1,800,000)	-
Capital Outlay	374,212	26,159	84,818	-	(84,818)	-100.0%
Total Expenses	\$ 26,894,855	\$ 25,699,673	\$ 29,034,658	\$ 28,697,448	\$ (337,210)	-1.2%
Operating Income (Loss)	\$ 11,569,770	\$ 12,539,907	\$ 3,128,342	\$ 6,012,552	\$ 2,884,210	92.2%
Nonoperating Revenues (Expenses)						
Sources						
Capital Improvement Reimbursements	\$ 353,000	\$ 2,490,970	\$ -	\$ -	\$ -	-
Grant Revenue	-	38,442	25,000	-	(25,000)	-100.0%
Uses						
Capital Improvement Budget	(19,634,000)	(11,763,111)	(13,095,550)	(8,138,000)	4,957,550	-37.9%
Contribution to Motorpool CIP	(366,000)	(304,209)	(299,000)	(549,000)	(250,000)	83.6%
Other Revenue (Expenses)	621,279	85,016	-	-	-	-
Total Nonoperating Revenues (Expenses)	\$ (19,025,721)	\$ (9,452,892)	\$ (13,369,550)	\$ (8,687,000)	\$ 4,682,550	-35.0%
Increase (Decrease) in Cash Flow	\$ (7,455,951)	\$ 3,087,015	\$ (10,241,208)	\$ (2,674,448)	\$ 7,566,760	-73.9%
Beginning Reserve	\$ 58,978,713	\$ 51,522,762	\$ 51,522,762	\$ 54,609,777	\$ 3,087,015	6.0%
Ending Reserve	\$ 51,522,762	\$ 54,609,777	\$ 41,281,554	\$ 51,935,329	\$ 10,653,775	25.8%
Assigned Reserve	\$ 30,123,000	\$ 31,024,000	\$ 31,789,000	\$ 32,381,000	\$ 592,000	1.9%
Unassigned Reserve	\$ 21,399,762	\$ 23,585,777	\$ 9,492,554	\$ 19,554,329	\$ 10,061,775	106.0%

* Unaudited

Budget Summary

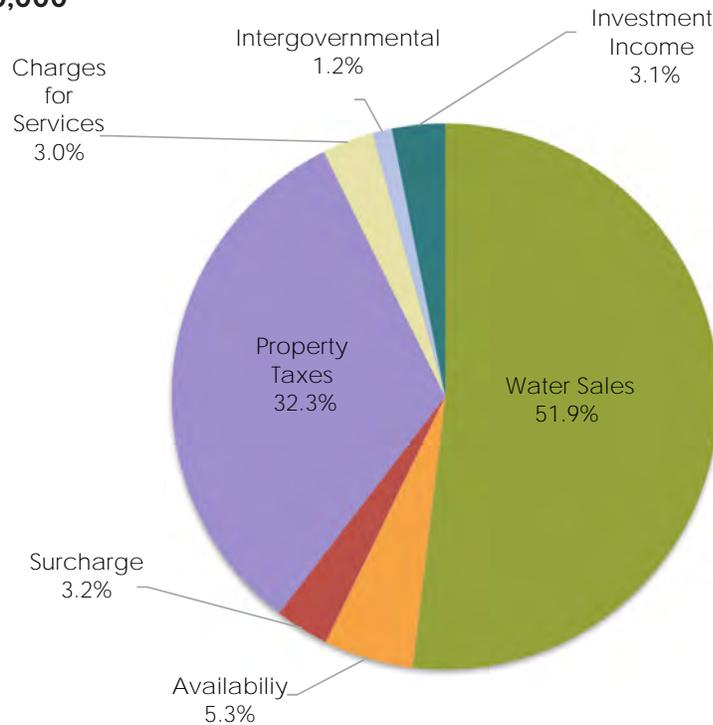
The Coachella Canal was completed over 70 years ago. Currently, the District is challenged with maintaining an aging asset, while promoting water conservation, and maintaining rates that do not disrupt the agriculture industry. As with all assets, proper maintenance and repair ensure reliable performance at the lowest operating cost. Underfunded canal systems lead to lost water, higher operating costs, and unreliable water deliveries. The replacement cost of the system, which includes the 123-mile Coachella Canal, 485 miles of distribution pipelines, and 2,298 miles of drainage, is estimated to be over \$1.6 billion.

Revenues are budgeted at 34.7 million, or 7.9% higher than the fiscal year 2021 budget. Water sales are budgeted to increase by 6.1%, and surcharges are budgeted to increase by \$163,000 as the first round of rate increases take effect. Property tax revenues remain strong due to assessed value growth, however the fiscal year 2022 budget includes a \$2.2 million transfer of discretionary property tax revenue from the Canal fund to the East Whitewater Replenishment Fund to prepare for debt service payments for the Oasis project. Total Operating expenses are budgeted to decrease by \$337,000, or -1.2%. For fiscal year 2022, \$1.8 million is budgeted for Pass-Through (Contra Expense) for ongoing projects related to the Coachella Canal Lining Project and Desert Water Agency projects. These are reimbursement, or pass-through projects for the District, so the reimbursement revenue received will be treated as an offset to the expenditures going forward. Contributions to the Motorpool Fund consists of \$549,000 to fund the purchase of vehicles or equipment related to the Canal Water Fund. Ending reserves total \$51.9 million.

Revenues

Canal Water Fund revenues total \$34.7 million, an increase of \$2.5 million from fiscal year 2021. The chart below shows a breakdown by type.

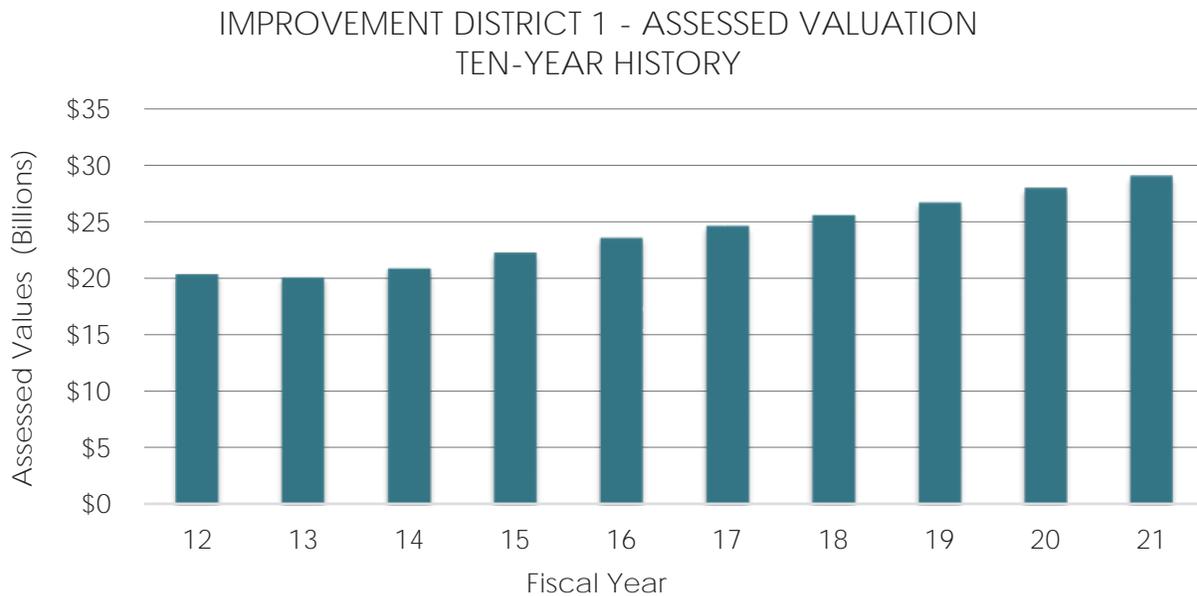
Revenues
Operating Revenues
\$34,710,000



WATER SALES are commodity sales, or the sale of water based on consumption in af. Water sales represent 51.1% of the operating revenues, and are budgeted to increase by 6.1% for fiscal year 2022.

PROPERTY TAXES account for 27.4% of the revenues in the Canal Water Fund. Property tax revenues include redevelopment revenues that represent pass-through agreements of former Redevelopment Agencies (RDAs), along with the District’s allocated share of the 1% Riverside and Imperial County secured property tax levy pursuant to the California Revenue and Taxation Code. Revenues from property taxes are budgeted at \$9.5 million, a decrease of 8.4% from fiscal year 2021, due to a \$2.2 million transfer of discretionary property tax revenue to the East Whitewater Replenishment Fund in preparation of debt service payments for the Oasis In-Lieu Recharge Facility.

The graph below shows the assessed valuation in 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. Improvement District 1 boundaries are depicted in the map below.



Improvement District 1 Boundaries

AVAILABILITY CHARGES are budgeted at \$2 million, and account for 5.8% of the revenues of the Canal Water Fund. The District levies an annual per-acre charge on all parcels or groups of parcels located in ID 1, which can be served with canal water.

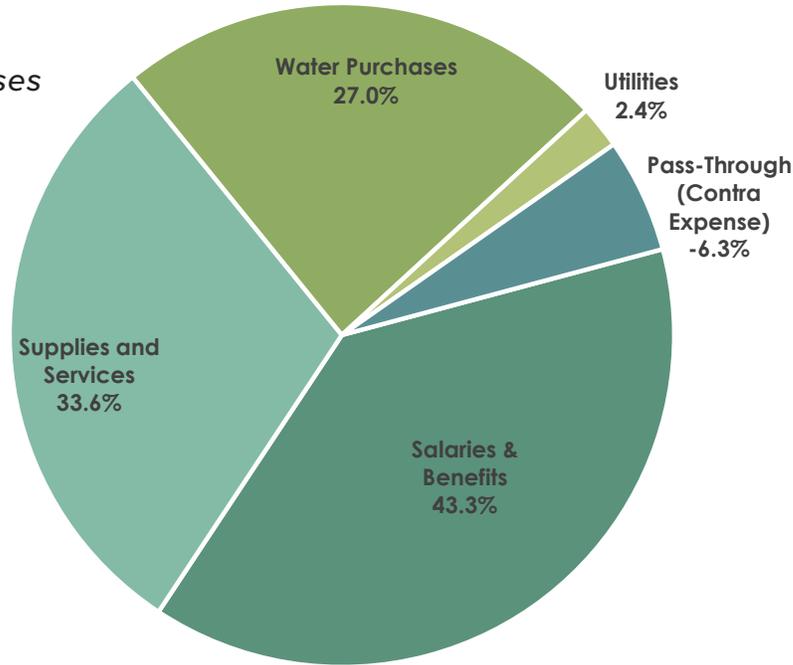
The per-acre charge is the Class 1 rate multiplied by 3.8, which is the 10-year average water demand per acre. The charge can be satisfied each year in one of three ways: (1) by paying the amount of the levy in full, (2) by paying water service charges equal to or in excess of the levy for that parcel,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

SURCHARGES total \$1.2 million for fiscal year 2021 and represent 3.5% of total revenues. Surcharge revenues include Quagga and Outside ID 1 surcharge revenue. The Quagga surcharge is \$3.18 per af of water purchased from the Canal Fund while the Outside ID 1 surcharge is a per acre charge of \$3.92 per acre per month.

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

Expenses

Operating Expenses
\$29,109,000



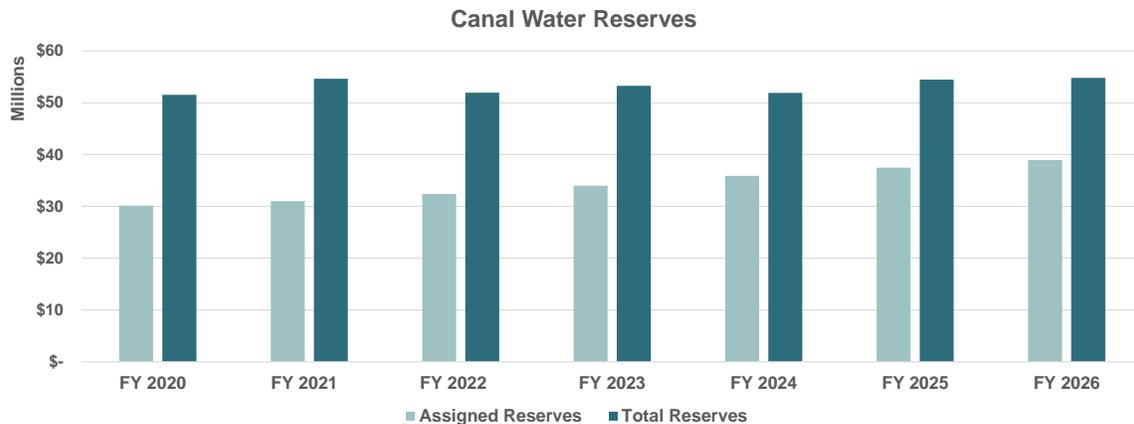
SALARIES & BENEFITS (NET OF CAPITALIZED LABOR) amount to \$12.4 million, an increase of \$451,000 compared to fiscal year 2021. This increase reflects the impacts of labor contracts and increases in CalPERS contributions.

SUPPLIES & SERVICES are budgeted at \$9.6 million, a 3.1% increase from the fiscal year 2021 budget. The increase is primarily due to an increase in contract services for fiscal year 2022.

WATER PURCHASES are budgeted at \$7.8 million, an increase of \$710,000. This reflects 5,000 af of additional water the District is entitled to receive, per the QSA. This allotment will augment the supply of canal water available for farming, golf courses, other urban uses, as well as groundwater replenishment which benefits all users of groundwater.

UTILITIES are budgeted at \$678,000, an increase of \$94,000 over fiscal year 2021 due to increased energy costs.

Canal Water Fund Five-Year Forecast	FY 2022 Budget	FY 2023	FY 2024	FY 2025	FY 2026
		Forecast			
Revenues					
Water Sales	\$ 17,721,000	\$ 20,570,000	\$ 21,947,000	\$ 23,700,000	\$ 24,524,000
Availability Charges	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Surcharges	1,198,000	1,436,000	1,657,000	1,731,000	1,776,000
Property Taxes - General	9,500,000	11,018,472	10,483,000	10,722,000	10,968,000
Charges for Services	1,535,000	1,753,000	2,015,000	2,110,000	2,212,000
Intergovernmental	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000
Investment Income	1,051,000	390,000	533,000	649,000	817,000
Other Revenue	5,000	-	-	-	-
Total Revenues	\$ 34,710,000	\$ 38,867,472	\$ 40,335,000	\$ 42,612,000	\$ 43,997,000
Expenses					
Salaries & Benefits (Net of Capitalized Labor)	\$ 12,426,150	\$ 13,250,000	\$ 14,053,000	\$ 15,070,000	\$ 15,989,000
Supplies and Services	9,642,213	10,635,000	11,232,000	11,833,000	12,070,000
Utilities	678,085	702,000	727,000	753,000	780,000
Water Purchases	7,751,000	8,662,000	9,634,000	10,629,000	11,615,000
Pass-Through (Contra Expense)	(1,800,000)	(1,800,000)	(500,000)	(500,000)	(500,000)
Total Expenses	\$ 28,697,448	\$ 31,449,000	\$ 35,146,000	\$ 37,785,000	\$ 39,954,000
Operating Income (Loss)	\$ 6,012,552	\$ 7,418,472	\$ 5,189,000	\$ 4,827,000	\$ 4,043,000
Nonoperating Revenues (Expenses)					
Uses					
Capital Improvement Budget	\$ (8,138,000)	\$ (5,527,000)	\$ (6,022,000)	\$ (1,692,000)	\$ (3,155,000)
Contribution to Motorpool CIP	(549,000)	(553,000)	(555,000)	(574,000)	(561,000)
Total Nonoperating Revenues (Expenses)	\$ (8,687,000)	\$ (6,080,000)	\$ (6,577,000)	\$ (2,266,000)	\$ (3,716,000)
Increase (Decrease) in Cash Flow	\$ (2,674,448)	\$ 1,338,472	\$ (1,388,000)	\$ 2,561,000	\$ 327,000
Beginning Reserve	\$ 54,609,777	\$ 51,935,329	\$ 53,273,801	\$ 51,885,801	\$ 54,446,801
Ending Reserve	\$ 51,935,329	\$ 53,273,801	\$ 51,885,801	\$ 54,446,801	\$ 54,773,801
Assigned Reserve	\$ 32,381,000	\$ 33,960,000	\$ 35,889,000	\$ 37,467,000	\$ 38,900,000
Unassigned Reserve	\$ 19,554,329	\$ 19,313,801	\$ 15,996,801	\$ 16,979,801	\$ 15,873,801



Canal Water	FY 2020 Actual	FY 2021 Actual*	FY 2022 Budget	FY 2023	FY 2024	FY 2025	FY 2026
	Forecast						
Assigned Reserves	\$ 30,123,000	\$ 31,024,000	\$ 32,381,000	\$ 33,960,000	\$ 35,889,000	\$ 37,467,000	\$ 38,900,000
Total Reserves	\$ 51,522,762	\$ 54,609,777	\$ 51,935,329	\$ 53,273,801	\$ 51,885,801	\$ 54,446,801	\$ 54,773,801

* Unaudited



Coachella Canal

SANITATION FUND



Background

CVWD began wastewater collections and treatment services in 1968. The Sanitation Fund provides sanitation (sewer) service to approximately 97,000 accounts, serving an estimated population of 262,217. 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 16.58 million gallons, which is over 6.1 billion gallons per year. The District has the capacity at its reclamation plants to increase wastewater treatment as the Valley’s population grows. CVWD also maintains 1,159 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 table below 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 2021 WASTEWATER RECLAMATION PLANT EFFICIENCIES

Plant	Type	Influent	Effluent	% Removed
WRP 4	TSS	2,640	292	88.9%
	BOD	1,722	110	93.6%
WRP 7	TSS	3,146	47	98.5%
	BOD	5,134	21	99.6%
WRP 10	TSS	3,566	104	97.1%
	BOD	2,215	50	97.7%
Total	TSS	9,352	442.8	95.3%
	BOD	9,072	181.7	98.0%

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 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 following table outlines the rates that are in effect for fiscal year 2022.

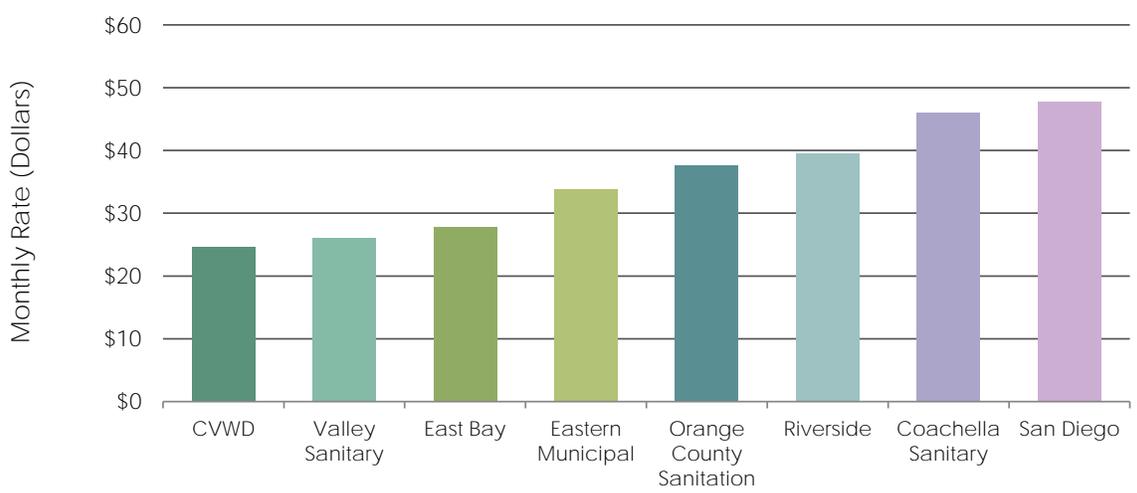
MONTHLY SEWER RATES

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

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 adjacent graph.

RESIDENTIAL SEWER RATE COMPARISON



SANITATION FUND — FISCAL 2021 – 22 BUDGET

Sanitation Fund	FY 2020 Actual	FY 2021 Actual*	FY 2021 Budget	FY 2022 Budget	Budget Change	% Change
Revenues						
Sanitation Service Fees	\$ 39,922,586	\$ 39,591,523	\$ 40,347,000	\$ 40,347,000	\$ -	-
Availability Charges	64,897	62,018	80,000	80,000	-	-
Property Taxes - General	1,983,686	2,180,725	2,049,000	2,075,000	26,000	1.3%
Charges for Services	223,731	237,851	136,000	109,000	(27,000)	-19.9%
Investment Income	2,610,550	1,774,224	1,626,000	1,972,000	346,000	21.3%
Other Revenue	114,314	224,739	-	-	-	-
Total Revenues	\$ 44,919,764	\$ 44,071,080	\$ 44,238,000	\$ 44,583,000	\$ 345,000	0.8%
Expenses						
Salaries & Benefits (Net of Capitalized Labor)	\$ 19,079,461	\$ 19,317,132	\$ 20,865,500	\$ 21,455,568	\$ 590,068	2.8%
Supplies and Services	10,906,727	10,536,272	10,573,443	10,617,878	44,435	0.4%
Utilities	4,242,612	5,042,304	3,977,067	4,638,646	661,579	16.6%
Capital Outlay	1,120,188	274,491	220,183	3,100	(217,083)	-98.6%
Total Expenses	\$ 35,348,988	\$ 35,170,198	\$ 35,636,193	\$ 36,715,192	\$ 1,078,999	3.0%
Operating Income (Loss)	\$ 9,570,776	\$ 8,900,881	\$ 8,601,807	\$ 7,867,808	\$ (733,999)	-8.5%
Nonoperating Revenues (Expenses)						
Sources						
Loan Proceeds	\$ -	\$ -	\$ 16,000,000	\$ 18,088,000	\$ 2,088,000	13.1%
Capital Improvement Reimbursements	43,933	10,242	-	-	-	-
Use of Restricted Funds	11,390,611	1,686,852	1,124,000	1,297,500	173,500	15.4%
Grant Revenue	820,185	335,075	300,000	1,275,000	975,000	325.0%
Uses						
Debt Service - External	-	-	(926,000)	(1,301,000)	(375,000)	40.5%
Capital Improvement Budget	(41,778,000)	(23,779,004)	(27,581,305)	(34,918,000)	(7,336,695)	26.6%
Contribution to Motorpool CIP	(1,337,000)	(622,353)	(692,000)	(244,000)	448,000	-64.7%
Other Revenue (Expenses)	(202,504)	791,896	-	-	-	-
Total Nonoperating Revenues (Expenses)	\$ (31,062,776)	\$ (21,577,292)	\$ (11,775,305)	\$ (15,802,500)	\$ (4,027,195)	34.2%
Increase (Decrease) in Cash Flow	\$ (21,492,000)	\$ (12,676,410)	\$ (3,173,498)	\$ (7,934,692)	\$ (4,761,194)	150.0%
Beginning Reserve	\$ 106,255,082	\$ 84,763,082	\$ 84,763,082	\$ 72,086,672	\$ (12,676,410)	-15.0%
Ending Reserve	\$ 84,763,082	\$ 72,086,672	\$ 81,589,584	\$ 64,151,980	\$ (17,437,604)	-21.4%
Assigned Reserve	\$ 32,328,000	\$ 29,521,000	\$ 30,512,000	\$ 34,183,000	\$ 3,671,000	12.0%
Unassigned Reserve	\$ 52,435,082	\$ 42,565,672	\$ 51,077,584	\$ 29,968,980	\$ (21,108,604)	-41.3%

* Unaudited

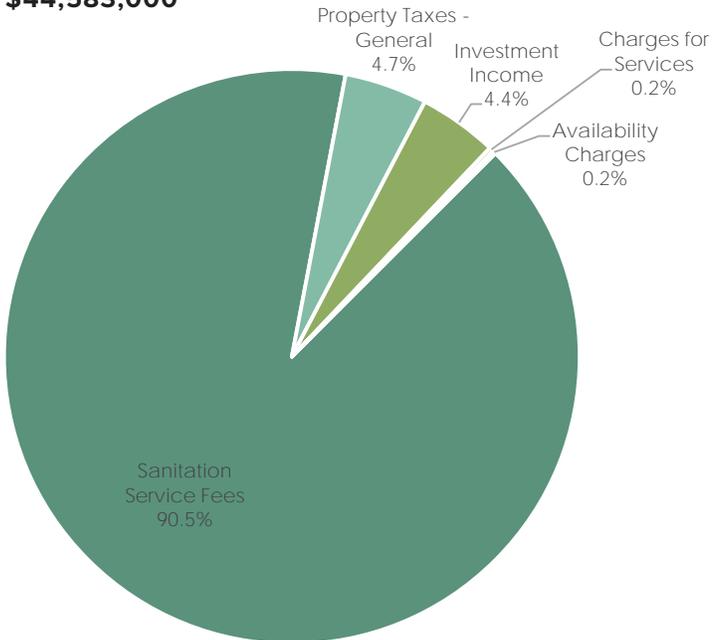
Budget Summary

The revenue budget for fiscal year 2022 is \$44.6 million, which is a \$345,000 increase from the fiscal year 2021 budget. No rate increase for Sanitation Service Fees is budgeted for fiscal year 2022, however, the District will be completing a comprehensive cost of service study for the Sanitation fund during the fiscal year. The results of the study will impact the fiscal year 2023 budget.

Expenses for fiscal year 2022 are budgeted at \$36.7 million, which is a 3% increase over fiscal year 2021. Salaries & benefits reflect a 2.8% increase, and utilities reflect a 16.6% increase due to anticipated rate increases.

Reserves are budgeted at \$64.2 million, a decrease of \$17.4 million compared to fiscal year 2021.

Revenues
Operating Revenues
\$44,583,000



Revenues

Sanitation Fund revenues total \$44.6 million, which is a 0.8% increase from fiscal year 2021. The chart shows a breakdown by type.

SANITATION SERVICE FEES are budgeted at \$40.3 million and represent 90.5% 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 are estimated based on current rates, and projected growth for the coming year. Commercial revenues are budgeted flat and are billed monthly along with the customer’s domestic water bill.

PROPERTY TAXES account for 4.7% of operating revenues and are projected to increase in fiscal 2022, based on the expected increases in assessed value.

INVESTMENT INCOME is budgeted at \$2 million and represents 4.4% 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 \$36.7 million, which is a 0.9% increase from the fiscal year 2021 budget. The chart shows a breakdown of expenses by type.

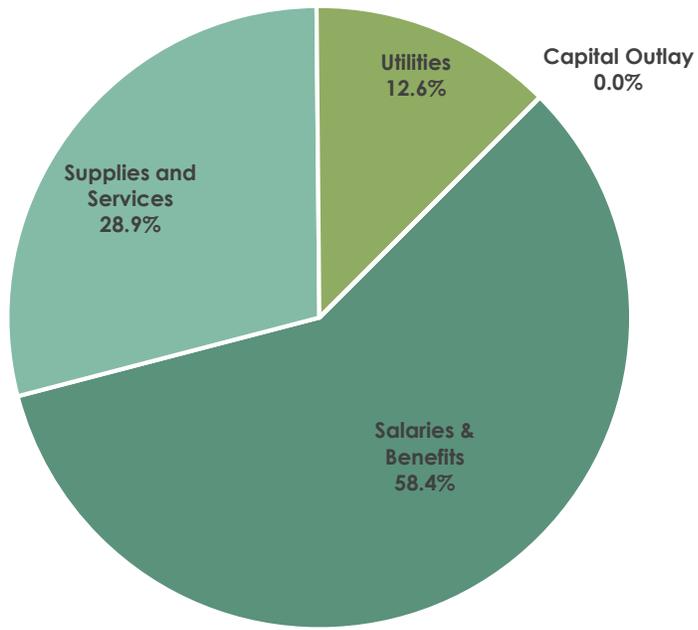
SALARIES & BENEFITS increased by 2.8% due to anticipated increases in salaries, benefits, and CalPERS expenses.

SUPPLIES & SERVICES are budgeted at \$10.6 million, an increase of \$44,000 over fiscal year 2021.

UTILITIES are budgeted at \$4.6 million, an increase of 16.6%, due to increases in utility rates for fiscal year 2022.

CAPITAL OUTLAY is budgeted at \$3,100, a decrease of 98.6% compared to the prior year.

Expenses
Operating Expenses
\$36,715,192



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 2022 capital program requires the use of \$1.3 million in Treatment funds.

The District is currently completing an SCC Cost of Service Study to analyze the current fee structure and update methodology for future planning.

Five-Year Forecast

A key factor for the Sanitation Fund forecast will be the Cost of Service Study (COSS) that will be completed during fiscal year 2022. The COSS will develop a sustainable five-year financial plan and rate structure that can support the operating and capital needs for the fund.

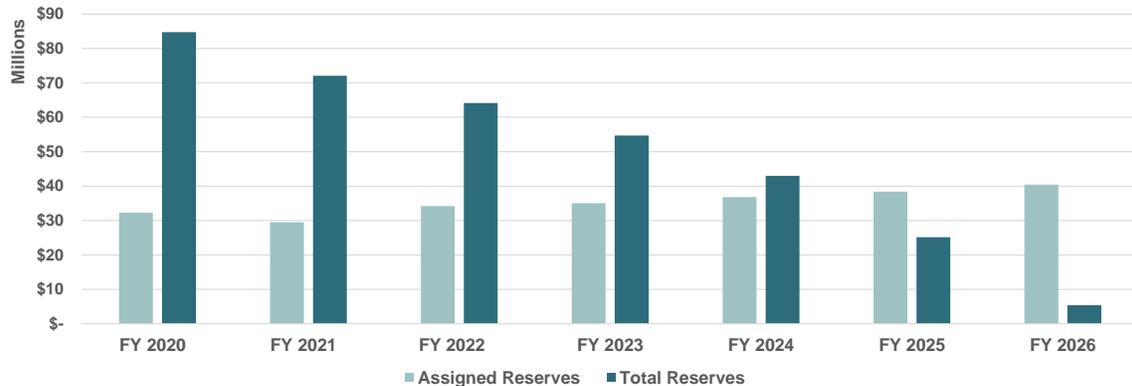
The current forecast reflects no increase in Sanitation Service Fee rates for fiscal year 2022, followed by 5% rate increases per year for fiscal years 2023 through 2026 (actual rates will be determined as part of the COSS). These rates, along with the use of loan proceeds, restricted funds, and potential grant funds, allow the fund to maintain positive ending reserves throughout the forecast period, however ending reserves are significantly below target by fiscal year 2025. Total expenses are forecasted to grow by approximately 5% per year for the forecast period.



Collections System Division Won First Place in the California Water Environment Association Competition

Sanitation Fund Five-Year Forecast	FY 2022 Budget	FY 2023	FY 2024 Forecast	FY 2025	FY 2026
Revenues					
Sanitation Service Fees	\$ 40,347,000	\$ 42,364,000	\$ 44,482,000	\$ 46,706,000	\$ 49,041,000
Availability Charges	80,000	82,000	84,000	86,000	88,000
Property Taxes - General	2,075,000	2,213,000	2,248,000	2,288,000	2,329,000
Charges for Services	109,000	112,000	115,000	118,000	122,000
Investment Income	1,972,000	481,000	547,000	537,000	377,000
Total Revenues	\$ 44,583,000	\$ 45,252,000	\$ 47,476,000	\$ 49,735,000	\$ 51,957,000
Expenses					
Salaries & Benefits (Net of Capitalized Labor)	\$ 21,455,568	\$ 22,637,000	\$ 23,863,000	\$ 25,510,000	\$ 27,166,000
Supplies and Services	10,617,878	10,830,000	11,047,000	11,268,000	11,493,000
Utilities	4,638,646	4,787,000	4,940,000	5,098,000	5,262,000
Capital Outlay	3,100	3,000	3,000	3,000	3,000
Total Expenses	\$ 36,715,192	\$ 38,257,000	\$ 39,853,000	\$ 41,879,000	\$ 43,924,000
Operating Income (Loss)	\$ 7,867,808	\$ 6,995,000	\$ 7,623,000	\$ 7,856,000	\$ 8,033,000
Nonoperating Revenues (Expenses)					
Sources					
Loan Proceeds	\$ 18,088,000	\$ 13,630,500	\$ 24,039,000	\$ 16,389,000	\$ 1,575,000
Use of Restricted Funds	1,297,500	11,024,000	6,611,407	5,993,000	10,543,000
Grant Revenue	1,275,000	350,000	75,000	325,000	11,500,000
Uses					
Debt Service - External	(1,301,000)	(1,401,744)	(2,458,752)	(3,187,800)	(4,380,372)
Capital Improvement Budget	(34,918,000)	(39,812,000)	(47,365,000)	(44,956,000)	(46,752,000)
Contribution to Motorpool CIP	(244,000)	(246,000)	(247,000)	(255,000)	(250,000)
Total Nonoperating Revenues (Expenses)	\$ (15,802,500)	\$ (16,455,244)	\$ (19,345,345)	\$ (25,691,800)	\$ (27,764,372)
Increase (Decrease) in Cash Flow	\$ (7,934,692)	\$ (9,460,244)	\$ (11,722,345)	\$ (17,835,800)	\$ (19,731,372)
Beginning Reserve	\$ 72,086,672	\$ 64,151,980	\$ 54,691,736	\$ 42,969,391	\$ 25,133,591
Ending Reserve	\$ 64,151,980	\$ 54,691,736	\$ 42,969,391	\$ 25,133,591	\$ 5,402,219
Assigned Reserve	\$ 34,183,000	\$ 34,995,000	\$ 36,792,000	\$ 38,382,800	\$ 40,456,372
Unassigned Reserve	\$ 29,968,980	\$ 19,696,736	\$ 6,177,391	\$ (13,249,209)	\$ (35,054,153)

Sanitation Reserves



Sanitation	FY 2020 Actual	FY 2021 Actual*	FY 2022 Budget	FY 2023	FY 2024 Forecast	FY 2025	FY 2026
Assigned Reserves	\$ 32,328,000	\$ 29,521,000	\$ 34,183,000	\$ 34,995,000	\$ 36,792,000	\$ 38,382,800	\$ 40,456,372
Total Reserves	\$ 84,763,082	\$ 72,086,672	\$ 64,151,980	\$ 54,691,736	\$ 42,969,391	\$ 25,133,591	\$ 5,402,219

* Unaudited



Nonpotable Pipe



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 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.

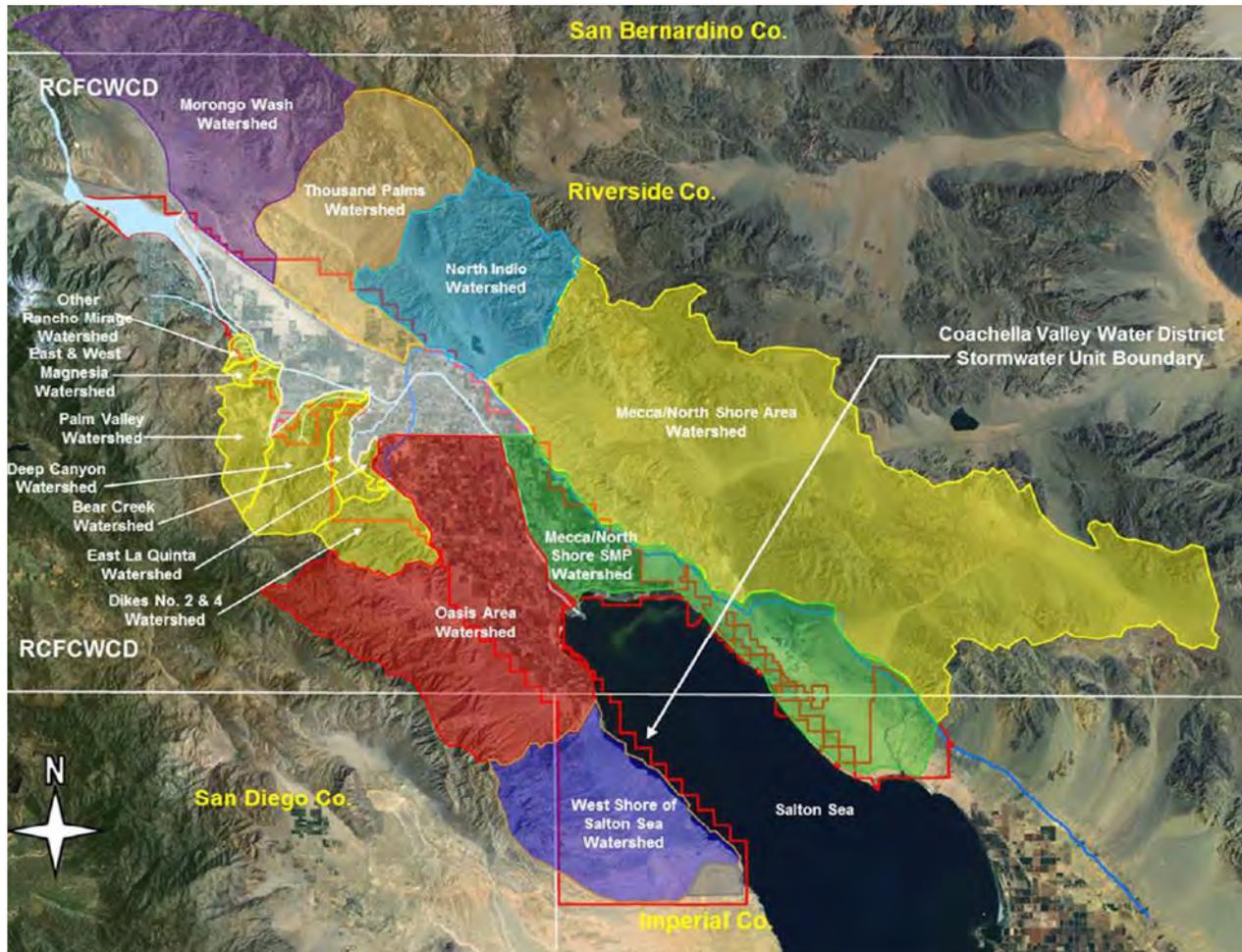
Background

CVWD protects over 590 square miles from flooding, with Riverside County Flood Control District responsible for the remaining areas of the valley. There are 17 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 2021, assessed values increased 2.4% from fiscal year 2020 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 2020 Actual	FY 2021 Actual*	FY 2021 Budget	FY 2022 Budget	Budget Change	% Change
Revenues						
Property Taxes - General	\$ 18,774,346	\$ 21,474,427	\$ 18,227,000	\$ 19,361,000	\$ 1,134,000	6.2%
Charges for Services	118,394	373,468	113,500	113,500	-	-
Investment Income	3,527,318	2,894,308	2,779,000	2,842,000	63,000	2.3%
Other Revenue	933,478	922,082	862,500	862,500	-	-
Total Revenues	\$ 23,353,536	\$ 25,664,285	\$ 21,982,000	\$ 23,179,000	\$ 1,197,000	5.4%
Expenses						
Salaries & Benefits (Net of Capitalized Labor)	\$ 4,301,753	\$ 4,671,880	\$ 5,033,750	\$ 4,013,269	\$ (1,020,481)	-20.3%
Supplies and Services	3,623,397	3,327,360	3,573,066	3,929,232	356,166	10.0%
Utilities	93,811	107,881	92,770	89,350	(3,420)	-3.7%
Capital Outlay	203,519	5,847	21,840	-	(21,840)	-100.0%
Total Expenses	\$ 8,222,481	\$ 8,112,968	\$ 8,721,426	\$ 8,031,851	\$ (689,575)	-7.9%
Operating Income (Loss)	\$ 15,131,055	\$ 17,551,317	\$ 13,260,574	\$ 15,147,149	\$ 1,886,575	14.2%
Nonoperating Revenues (Expenses)						
Sources						
Bank of the West Draws	\$ 2,744,000	\$ 7,000,000	\$ 12,400,000	\$ 25,970,000	\$ 13,570,000	109.4%
Capital Improvement Reimbursements	-	550,000	-	-	-	-
Grant Revenue	111,321	53,455	-	2,250,000	2,250,000	-
Uses						
Debt Service - External	-	-	(342,000)	(836,246)	(494,246)	144.5%
Capital Improvement Budget	(13,165,000)	(18,193,880)	(18,931,670)	(62,048,000)	(43,116,330)	227.7%
Contribution to Motorpool CIP	(681,000)	(188,037)	(182,000)	(248,000)	(66,000)	36.3%
Other Revenue (Expenses)	(131,136)	26,515	-	-	-	-
Total Nonoperating Revenues (Expenses)	\$ (11,121,815)	\$ (10,751,947)	\$ (7,055,670)	\$ (34,912,246)	\$ (27,856,576)	394.8%
Increase (Decrease) in Cash Flow	\$ 4,009,241	\$ 6,799,370	\$ 6,204,904	\$ (19,765,097)	\$ (25,970,001)	-418.5%
Beginning Reserve	\$ 115,362,223	\$ 119,371,464	\$ 119,371,464	\$ 126,170,834	\$ 6,799,370	5.7%
Ending Reserve	\$ 119,371,464	\$ 126,170,834	\$ 125,576,368	\$ 106,405,737	\$ (19,170,631)	-15.3%
Assigned Reserve	\$ 43,404,000	\$ 43,084,000	\$ 45,995,000	\$ 48,020,000	\$ 2,025,000	4.4%
Unassigned Reserve	\$ 75,967,464	\$ 83,086,834	\$ 79,581,368	\$ 58,385,737	\$ (21,195,631)	-26.6%

* Unaudited

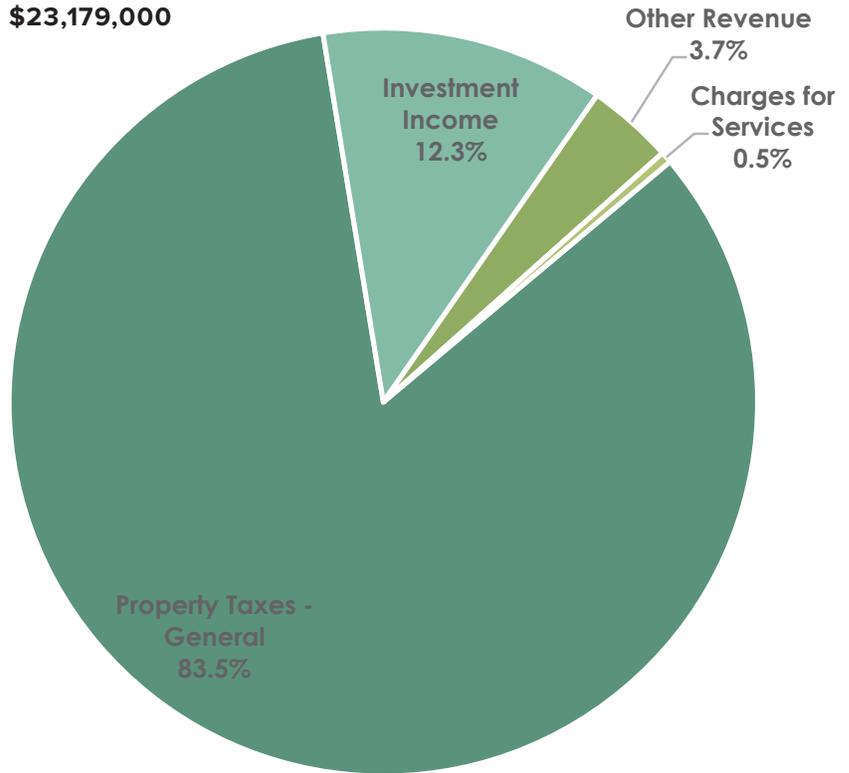
Budget Summary

Ending reserves are budgeted at \$106.4 million, a decrease of 15.3%. The decrease is based on additional capital expenditures for fiscal year 2022, totaling \$62 million. Property tax revenue remains strong due to growth in assessed value, with a budgeted increase of \$1.1 million or 6.2%. Total expenses are decreasing by \$690,000 due to a higher amount of anticipated capitalized labor.

Revenues

Stormwater revenues total \$23.2 million, an increase of \$1.2 million from fiscal year 2021. The chart below shows a breakdown by type.

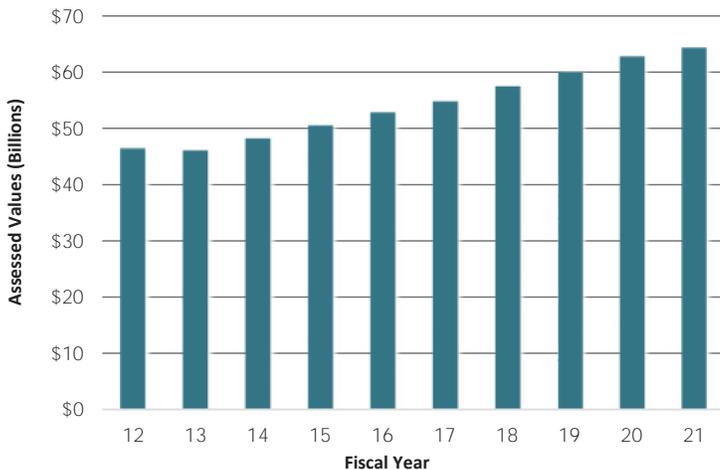
Revenues
Operating Revenues
\$23,179,000



PROPERTY TAXES account for 83.5% of revenues in the Stormwater Fund. Property tax revenues represent the District’s dedicated share of the 1% Riverside and Imperial Counties secured property tax levy for the Stormwater Unit, pursuant to the California Revenue and Taxation Code. Assessed values and resale values have continued to increase, which accounts for the increase in budgeted revenue.

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

STORMWATER ASSESSED VALUES
 TEN-YEAR HISTORY



INVESTMENT INCOME is generated on available cash balances in the fund and is a function of the reserve balance and interest rates. Interest rates have been relatively low for a number of years. Revenue totals \$2.8 million for fiscal year 2022.

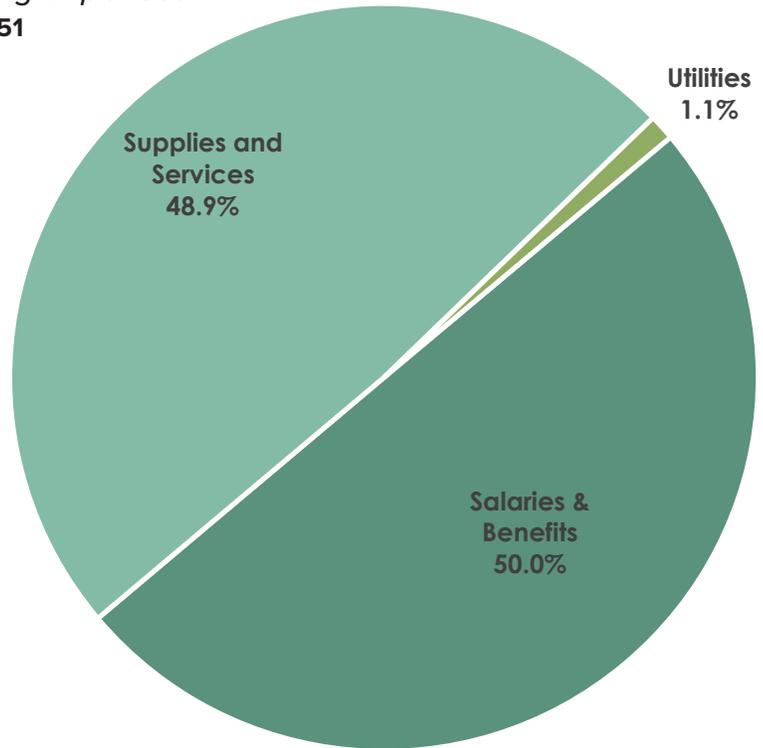
OTHER REVENUE consists mainly of lease revenue from lands owned by the Stormwater Fund. This comprises 3.7% of the revenues of the fund.

Expenses
Operating Expenses
\$8,031,851

SALARIES & BENEFITS (NET OF CAPITALIZED LABOR) are budgeted at \$4 million, a 20.3% decrease over the fiscal year 2021 budget. This decrease reflects a larger portion of allocated salaries being capitalized (reflected in nonoperating expenses) due to the size of the fiscal year 2022 capital budget.

SUPPLIES & SERVICES reflect a 10% increase at \$3.9 million. The increase is primarily due to increased costs for contract services and equipment usage for fiscal year 2022.

UTILITIES are budgeted to decrease 3.7%, which more accurately reflects the actual water used by trucks for dust control when working in the stormwater channel.



Capital Improvements

There are \$62 million in capital improvement projects budgeted in fiscal year 2022, with \$26 million in funding coming from the Bank of the West line of credit, \$2.3 million in grants, and the balance from unrestricted reserves. Projects continue to focus on regional flood control master planning, design of wetlands, replacement of evacuation channels, levee certifications, and flood easement renewals. More details on the Capital Improvement Plan can be found in the Capital Improvements chapter.

Five-Year Forecast

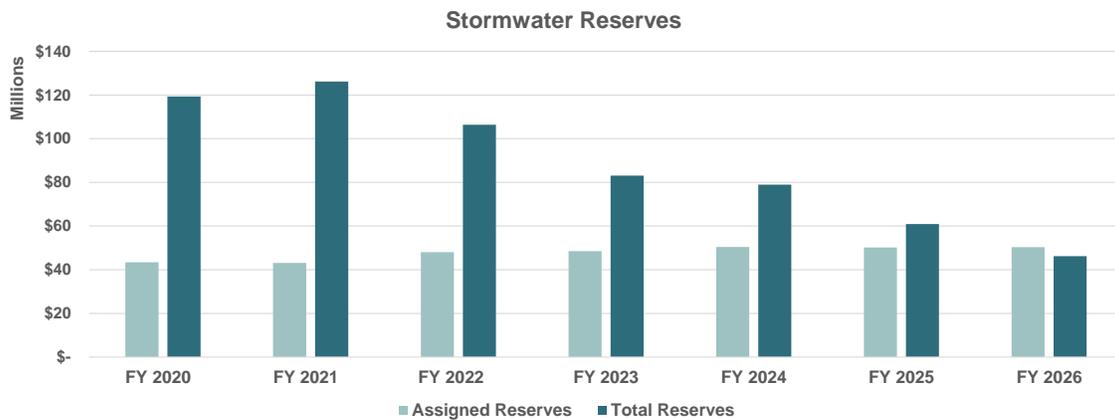
Property taxes are budgeted to increase every year through the forecast period, mainly due to increases in assessed value, which enables property tax revenues to grow each year. Investment income is budgeted to decrease due to anticipated investment returns and substantial capital spending, which significantly reduces reserves. Operating expenses are budgeted to decrease in fiscal year 2022 and then increase slightly the following year. Salaries & benefits are expected to increase in fiscal year 2024 as less labor is capitalized. A large capital improvement program increases the amount of capitalized labor required to complete the projects.

The biggest challenge facing the Stormwater Fund over the next five years is funding the Capital Improvement Plan. There are approximately \$195.6 million in capital improvements in the five-year forecast, with continued construction of major projects planned beyond. Currently, the District has received a Water Infrastructure Finance and Innovation Act (WIFIA) loan that will fund 49% of two projects, with the first draw budgeted the end of fiscal year 2022. The first project is the Coachella Valley Stormwater Channel Improvement Project between Avenue 54 and Thermal Drop Structure, and the second project is the North Indio Regional Flood Control Project. The District is using short-term financing for these two projects, which will be paid off with the initial draw on the WIFIA loan. In addition to short-term borrowing, debt issuance will be considered to ensure the District pursues the best possible option to fund Stormwater projects since the tax rate can only be increased with a 2/3 vote of the populace.

Reserves drop below the recommended target by fiscal year 2026 without additional revenue.

STORMWATER FUND — FISCAL 2021 - 22 BUDGET

Stormwater Fund Five-Year Forecast	FY 2022 Budget	FY 2023	FY 2024 Forecast	FY 2025	FY 2026
Revenues					
Property Taxes - General	\$ 19,361,000	\$ 21,797,000	\$ 22,124,000	\$ 22,456,000	\$ 22,793,000
Charges for Services	113,500	114,000	114,000	114,000	114,000
Investment Income	2,842,000	798,000	831,000	987,000	914,000
Other Revenue	862,500	871,000	880,000	889,000	898,000
Total Revenues	\$ 23,179,000	\$ 23,580,000	\$ 23,949,000	\$ 24,446,000	\$ 24,719,000
Expenses					
Salaries & Benefits (Net of Capitalized Labor)	\$ 4,013,269	\$ 4,317,000	\$ 6,152,000	\$ 6,127,000	\$ 6,681,000
Supplies and Services	3,929,232	4,007,000	4,087,000	4,169,000	4,252,000
Utilities	89,350	93,000	99,000	105,000	111,000
Total Expenses	\$ 8,031,851	\$ 8,417,000	\$ 10,338,000	\$ 10,401,000	\$ 11,044,000
Operating Income (Loss)	\$ 15,147,149	\$ 15,163,000	\$ 13,611,000	\$ 14,045,000	\$ 13,675,000
Nonoperating Revenues (Expenses)					
Sources					
Loan Proceeds	\$ -	\$ 51,940,000	\$ -	\$ -	\$ -
Bank of the West Draws	25,970,000	(25,970,000)	-	-	-
Grant Revenue	2,250,000	467,250	-	-	-
Uses					
Debt Service - External	(836,246)	(1,228,270)	(2,619,536)	(2,377,130)	(2,377,130)
Capital Improvement Budget	(62,048,000)	(63,446,000)	(14,897,000)	(29,399,000)	(25,790,000)
Contribution to Motorpool CIP	(248,000)	(250,000)	(251,000)	(259,000)	(254,000)
Total Nonoperating Revenues (Expenses)	\$ (34,912,246)	\$ (38,487,020)	\$ (17,767,536)	\$ (32,035,130)	\$ (28,421,130)
Increase (Decrease) in Cash Flow	\$ (19,765,097)	\$ (23,324,020)	\$ (4,156,536)	\$ (17,990,130)	\$ (14,746,130)
Beginning Reserve	\$ 126,170,834	\$ 106,405,737	\$ 83,081,717	\$ 78,925,181	\$ 60,935,051
Ending Reserve	\$ 106,405,737	\$ 83,081,717	\$ 78,925,181	\$ 60,935,051	\$ 46,188,921
Assigned Reserve	\$ 48,020,000	\$ 48,508,000	\$ 50,393,536	\$ 50,179,000	\$ 50,354,000
Unassigned Reserve	\$ 58,385,737	\$ 34,573,717	\$ 28,531,645	\$ 10,756,051	\$ (4,165,079)



Stormwater	FY 2020 Actual	FY 2021 Actual*	FY 2022 Budget	FY 2023	FY 2024 Forecast	FY 2025	FY 2026
Assigned Reserves	\$ 43,404,000	\$ 43,084,000	\$ 48,020,000	\$ 48,508,000	\$ 50,393,536	\$ 50,179,000	\$ 50,354,000
Total Reserves	\$ 119,371,464	\$ 126,170,834	\$ 106,405,737	\$ 83,081,717	\$ 78,925,181	\$ 60,935,051	\$ 46,188,921

* Unaudited

STATE WATER PROJECT & WATER REPLENISHMENT FUNDS



STATE WATER PROJECT FUND

What is the State Water Project?

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

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

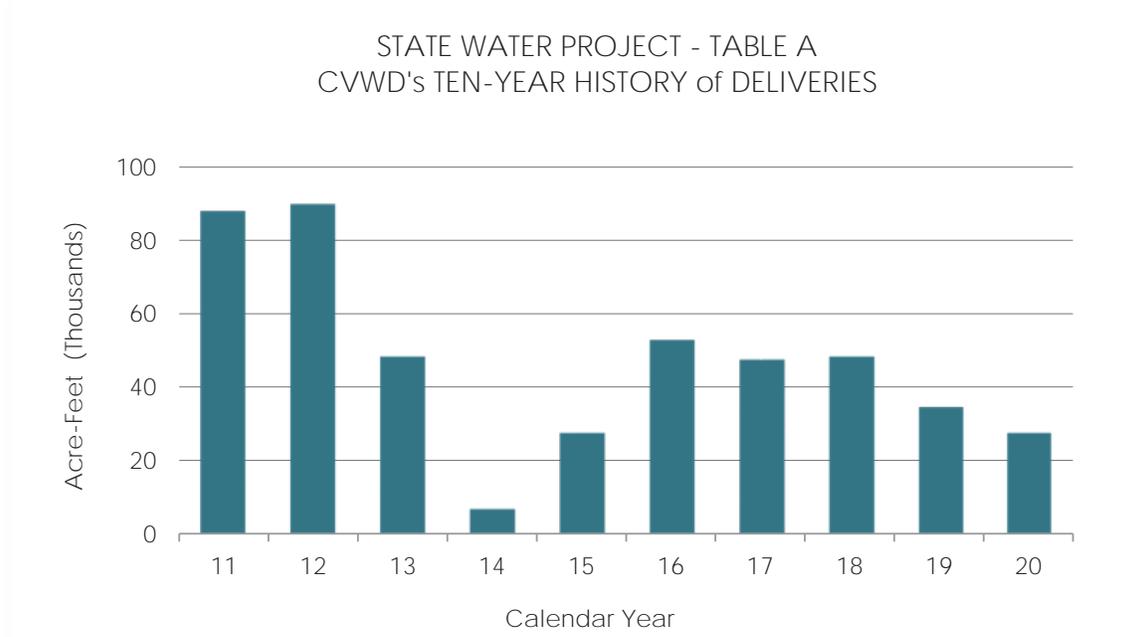
Individual SWP contractors may also incur additional costs associated with water storage or delivery structures unique to their needs. One example is the Perris Dam, which is the terminal reservoir on the East Branch of the SWP. Completed in 1972, this 2.2-mile long earthfill dam has a capacity of 131,450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

State Water Project Water Availability

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

Nevada watersheds on or about the first of January, February, March, April, and May. Forecasts for snowmelt runoff, and thus, available water supply for the coming spring and summer are made. The May 1, 2021 snowpack survey showed the snow water content of the California snowpack was 25%, based on a weighted statewide average, compared to 40% during the previous May.

Table A, which is an exhibit in the State Water Project water supply contract, details the ideal full entitlement of water that a contractor may receive annually, although actual deliveries vary from year to year based on hydrology. The current maximum annual water entitlement for CVWD is 138,350 af, and the final Table A allocation for 2021 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 reliability of water available. The long-term average delivery reliability from DWR is approximately 60% of the total entitlement, but the Coachella Valley Water Management Plan uses 50% average delivery reliability to be more conservative in its long-term projections.



State Water Project 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.

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 2020 Actual	FY 2021 Actual*	FY 2021 Budget	FY 2022 Budget	Budget Change	% Change
Revenues						
Property Taxes - SWP	\$ 67,807,730	\$ 72,529,475	\$ 69,850,000	\$ 78,198,000	\$ 8,348,000	12.0%
Investment Income	3	(214,669)	78,000	158,000	80,000	102.6%
Total Revenues	\$ 67,807,733	\$ 72,314,806	\$ 69,928,000	\$ 78,356,000	\$ 8,428,000	12.1%
Expenses						
Salaries & Benefits (Net of Capitalized Labor)	\$ -	\$ -	\$ -	\$ 362,633	\$ 362,633	-
Supplies and Services	237,058	982,895	-	-	-	-
Water Purchases	64,812,348	56,467,981	69,695,000	70,997,726	1,302,726	1.9%
Total Expenses	\$ 65,049,406	\$ 57,450,877	\$ 69,695,000	\$ 71,360,359	\$ 1,665,359	2.4%
Operating Income (Loss)	\$ 2,758,327	\$ 14,863,930	\$ 233,000	\$ 6,995,641	\$ 6,762,641	2902.4%
Increase (Decrease) in Cash Flow	\$ 2,758,327	\$ 14,863,930	\$ 233,000	\$ 6,995,641	\$ 6,762,641	2902.4%
Beginning Reserve	\$ -	\$ 2,758,327	\$ 2,758,327	\$ 17,622,257	\$ 14,863,930	538.9%
Ending Reserve	\$ 2,758,327	\$ 17,622,257	\$ 2,991,327	\$ 24,617,898	\$ 21,626,571	723.0%
Assigned Reserve	\$ 26,400,000	\$ 20,000,000	\$ 26,400,000	\$ 20,000,000	\$ (6,400,000)	-24.2%
Unassigned Reserve	\$ (23,641,673)	\$ (2,377,743)	\$ (23,408,673)	\$ 4,617,898	\$ 28,026,571	-119.7%

* Unaudited

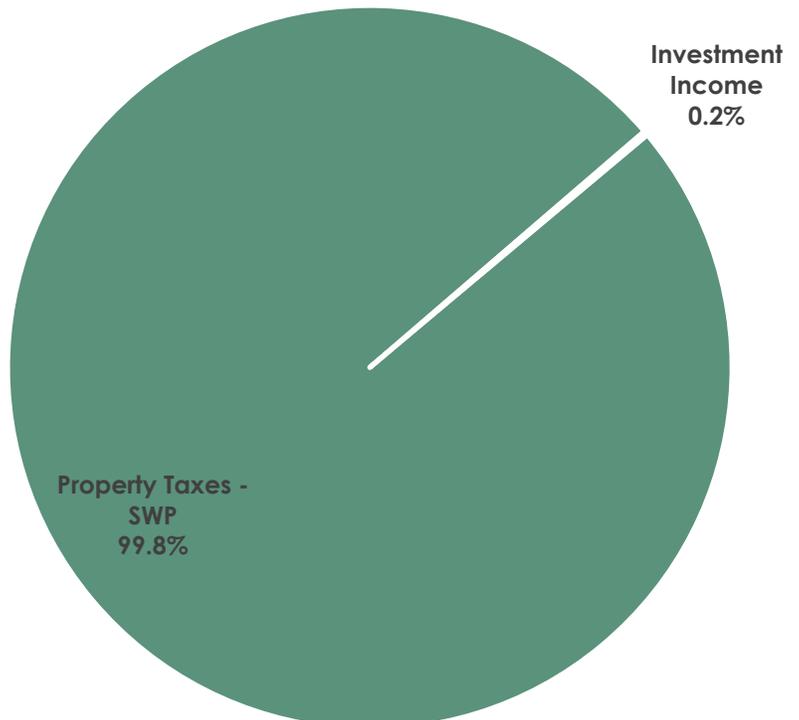
Revenues

Operating Revenues

\$78,356,000

SWP tax revenues are budgeted to increase by \$8.3 million due to projected increases in assessed value (AV), and a \$0.01 per \$100 of AV tax increase approved by the Board in April 2021. 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 2022 is \$0.11/\$100 of AV and is used to pay for State Water Project obligations. As an example, a house valued at \$400,000 would be levied \$440 (\$400,000/100 X \$0.11), or \$36.67 a month. This levy is placed on the property tax roll for all nonexempt parcels within CVWD's boundaries.

INVESTMENT INCOME is budgeted at \$158,000. 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.

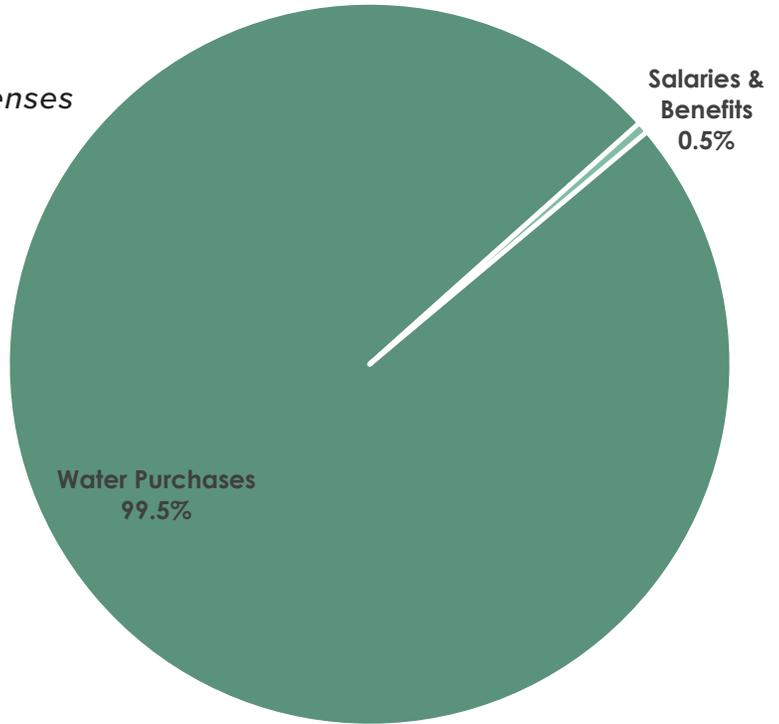


Expenses
Operating Expenses
\$71,360,359

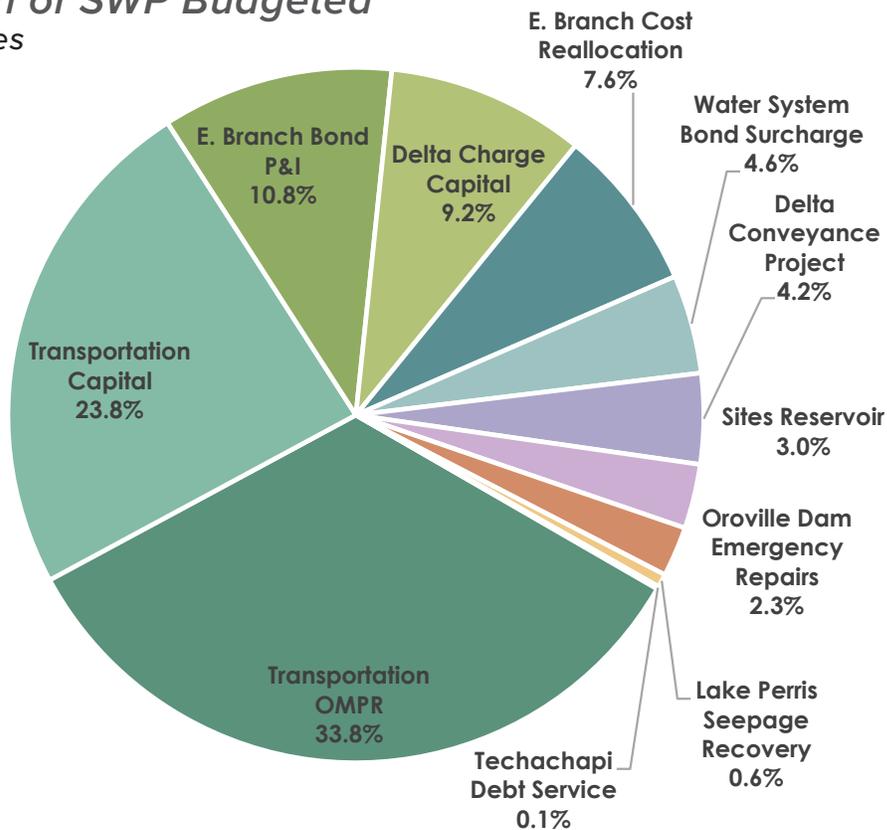
SWP ALLOCATED COSTS are budgeted at \$71.4 million, an increase of \$1.3 million compared to the fiscal year 2021 budget. Overall expenses are 2.4% higher than the fiscal year 2021 budget. Fiscal year 2021 actual expenses came in significantly lower than budget, due to the variability of water deliveries, 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 costs are divided into two categories: fixed and variable. The fixed expenses are for debt service on bonds and fixed operating expenses of the system, which are paid whether or not the District receives any water.

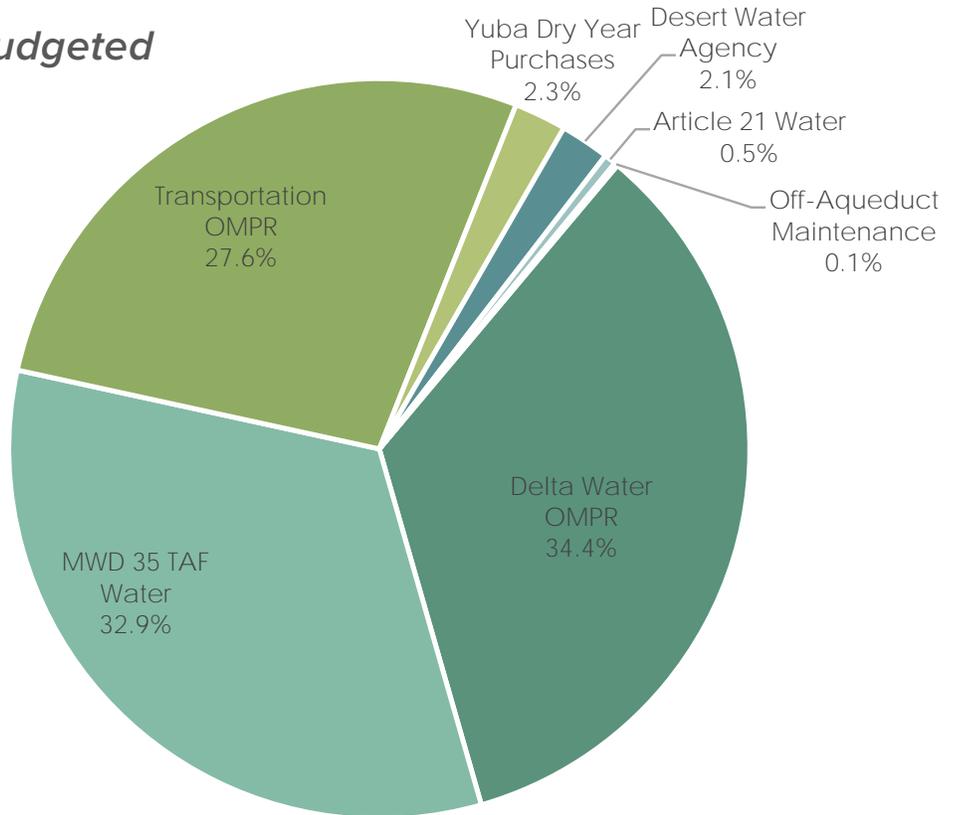
Variable expenses are dependent on the amount of water received by the District and the distance between the release of the water and CVWD's delivery point.



Distribution of SWP Budgeted
Fixed Expenses
\$50,041,551



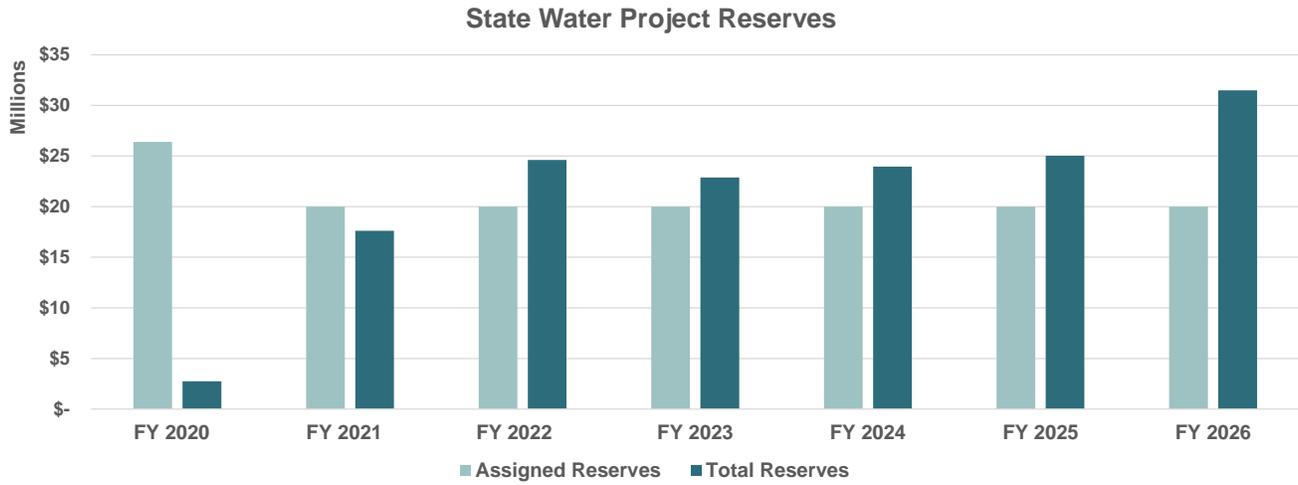
Distribution of SWP Budgeted Variable Expenses \$20,956,175



Five-Year Forecast

The five-year forecast includes projected increases in assessed value along with the \$0.01 per \$100 of AV increase in the SWP tax in fiscal year 2022. As part of the Replenishment Fund Cost of Service Studies, the West Whitewater and Mission Creek Replenishment Funds will begin paying a share of allocable SWP costs in fiscal year 2023, to recognize the benefit that the West Whitewater River Subbasin and Mission Creek Subbasin Areas of Benefit receive by utilizing SWP water for replenishment.

State Water Project Five-Year Forecast	FY 2022 Budget	FY 2023 Forecast	FY 2024 Forecast	FY 2025 Forecast	FY 2026 Forecast
Revenues					
Property Taxes - SWP	\$ 78,198,000	\$ 80,544,000	\$ 82,960,000	\$ 85,448,000	\$ 88,011,000
Investment Income	158,000	185,000	229,000	299,000	375,000
Total Revenues	\$ 78,356,000	\$ 80,729,000	\$ 83,189,000	\$ 85,747,000	\$ 88,386,000
Expenses					
Salaries & Benefits (Net of Capitalized Labor)	\$ 362,633	\$ 384,000	\$ 407,000	\$ 432,000	\$ 459,000
Supplies and Services	-	359,000	366,000	373,000	380,000
Water Purchases	70,997,726	81,723,000	81,342,000	83,867,000	81,087,000
Total Expenses	\$ 71,360,359	\$ 82,466,000	\$ 82,115,000	\$ 84,672,000	\$ 81,926,000
Operating Income (Loss)	\$ 6,995,641	\$ (1,737,000)	\$ 1,074,000	\$ 1,075,000	\$ 6,460,000
Increase (Decrease) in Cash Flow	\$ 6,995,641	\$ (1,737,000)	\$ 1,074,000	\$ 1,075,000	\$ 6,460,000
Beginning Reserve	\$ 17,622,257	\$ 24,617,898	\$ 22,880,898	\$ 23,954,898	\$ 25,029,898
Ending Reserve	\$ 24,617,898	\$ 22,880,898	\$ 23,954,898	\$ 25,029,898	\$ 31,489,898
Assigned Reserve	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000
Unassigned Reserve	\$ 4,617,898	\$ 2,880,898	\$ 3,954,898	\$ 5,029,898	\$ 11,489,898



SWP	FY 2020		FY 2021		FY 2022		FY 2023		FY 2024		FY 2025		FY 2026	
	Actual		Actual*		Budget		Forecast		Forecast		Forecast		Forecast	
Assigned Reserves	\$	26,400,000	\$	20,000,000	\$	20,000,000	\$	20,000,000	\$	20,000,000	\$	20,000,000	\$	20,000,000
Total Reserves	\$	2,758,327	\$	17,622,257	\$	24,617,898	\$	22,880,898	\$	23,954,898	\$	25,029,898	\$	31,489,898

* 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 FY 2004, RACs were levied in the Mission Creek Subbasin AOB, and in fiscal year 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 replenishment assessment charges cover a portion of the costs of importing supplemental water for replenishment, operation and maintenance of the replenishment basins, and various administrative costs, such as billing, meter reading, report preparation, and the costs for programs that provide incentives to use nonpotable water sources in place of groundwater.

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 and the Mission Creek/Garnet Hill Water Management were approved in 2019 by the California Department of Water Resources as a functionally equivalent Groundwater Sustainability Plan for the Indio Subbasin and Mission Creek Subbasins 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

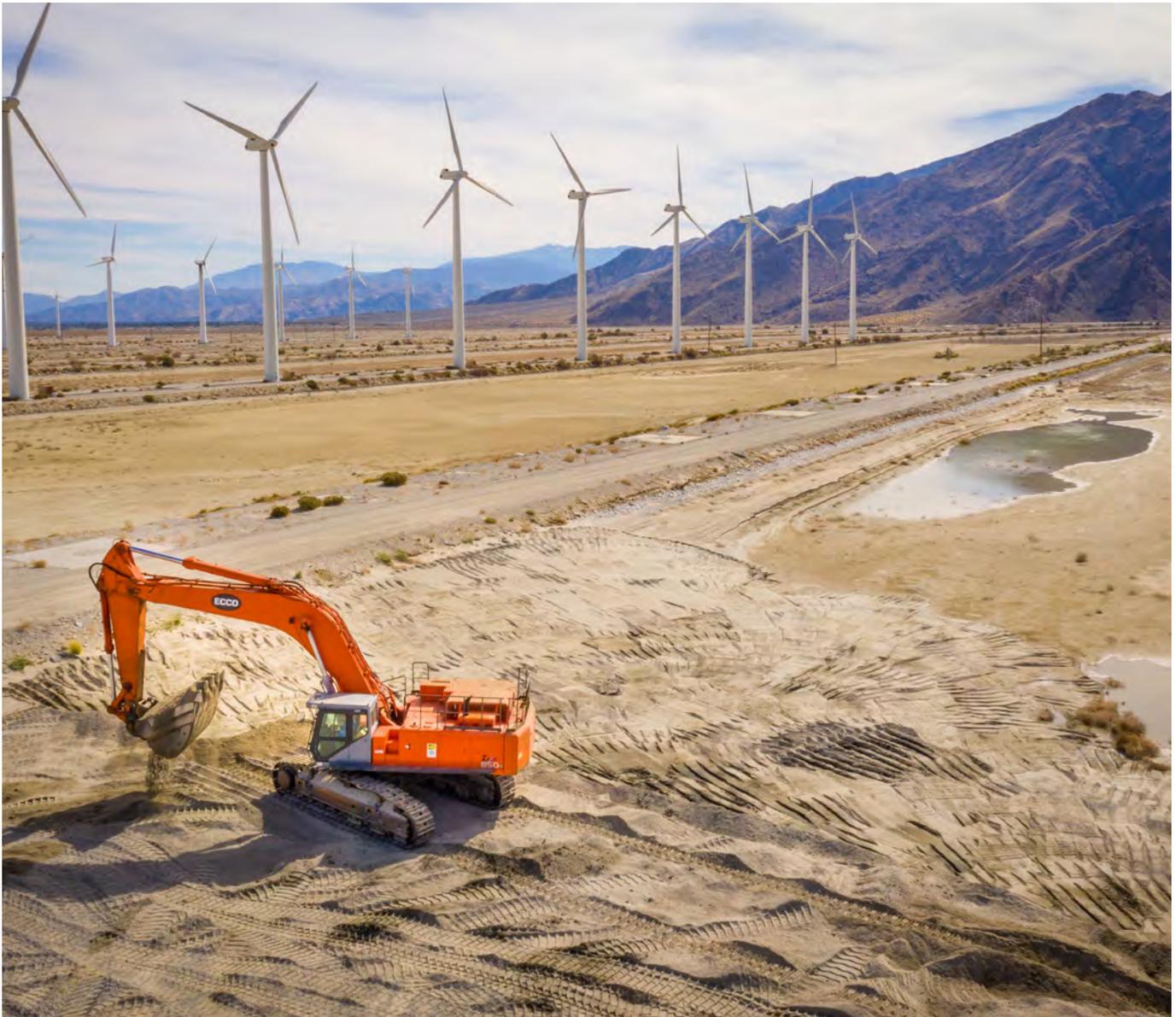
Soon after its formation in 1918, CVWD constructed facilities in the Whitewater River channel near Windy Point to help replenish the Whitewater River (Indio) Subbasin with water naturally flowing from the Whitewater River Canyon. In 1973, CVWD and DWA installed new groundwater replenishment facilities 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.



Silt Removal in a Whitewater Replenishment Pond

WEST WHITEWATER REPLENISHMENT FUND

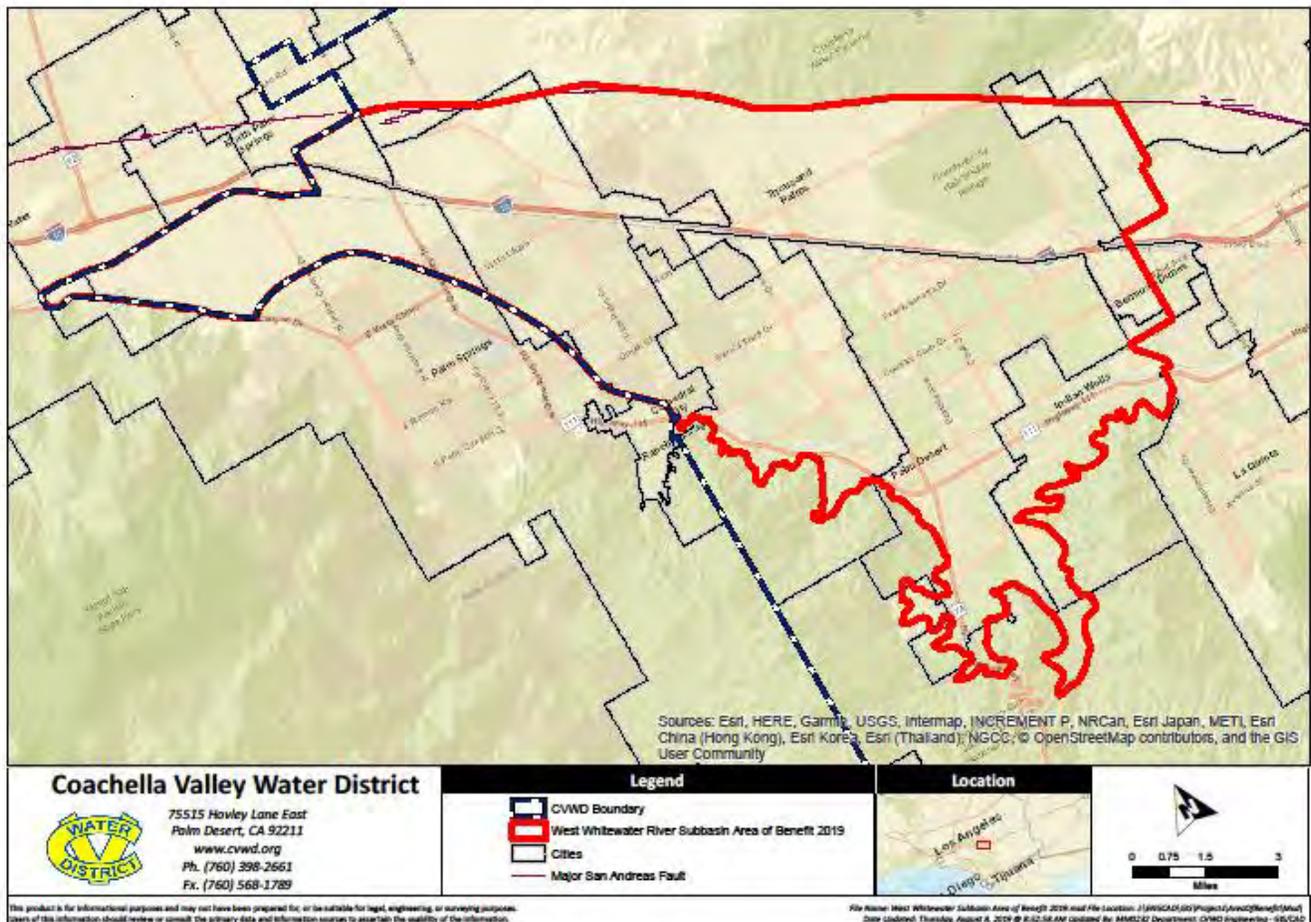
Background

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).

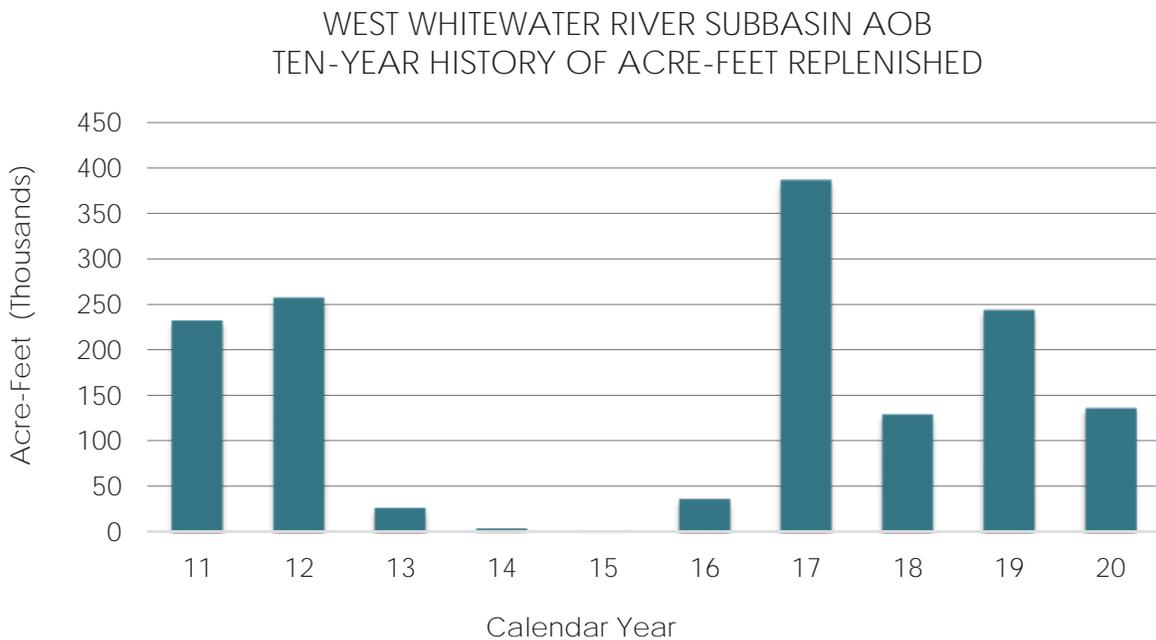
The West Whitewater River Subbasin AOB is replenished using imported water from the SWP, water from MWD, Rosedale-Rio Bravo Water Storage District, other available purchase opportunities, and natural runoff. Other water purchases include the Metropolitan Water District QSA 35,000 Acre-foot Transfer. 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

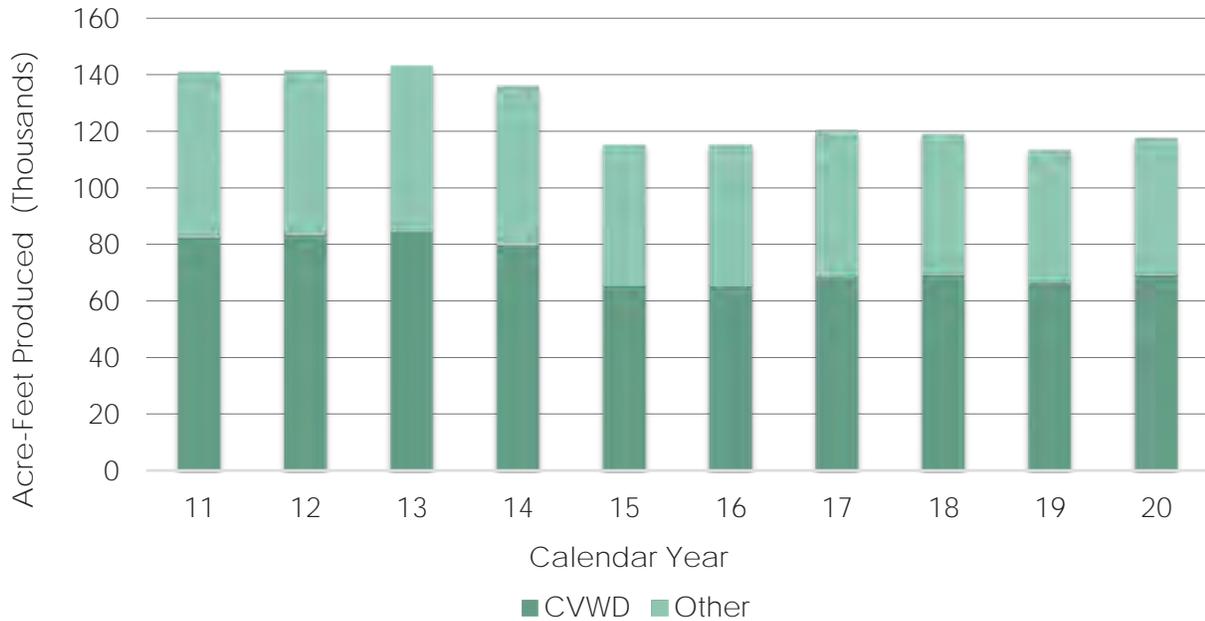


The chart below shows the amount of water CVWD and DWA have replenished over the last ten calendar years. It also shows the variability of the supply of SWP water. To date, CVWD, DWA, and MWD have replenished approximately 3.8 maf of water in the West Whitewater River Subbasin AOB. The amount of water 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.



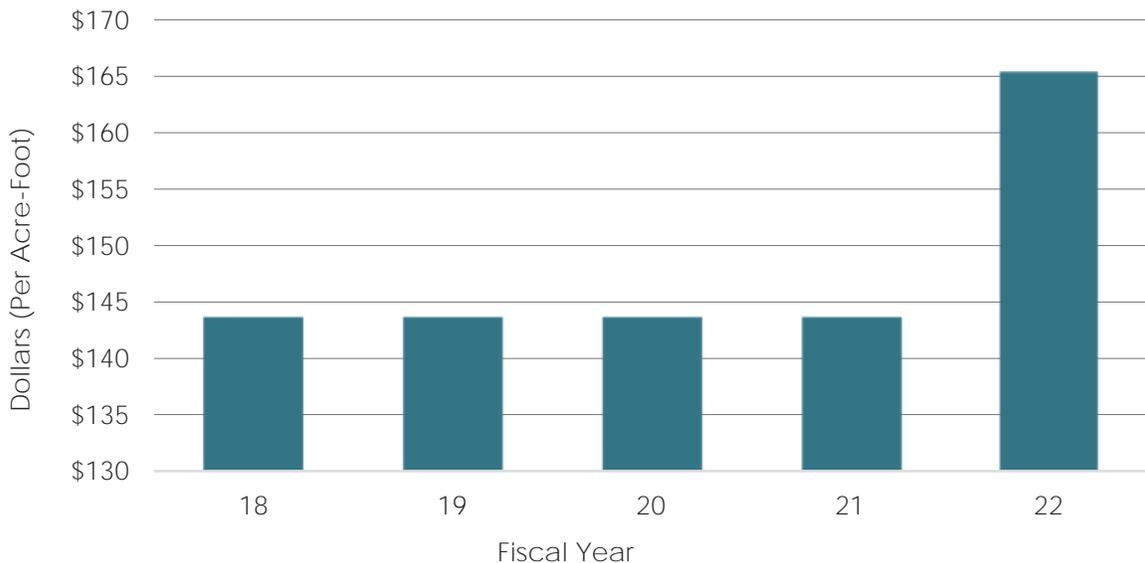
There were 71 producers subject to the RAC in the West Whitewater River Subbasin AOB that pumped 117,770 af of water from the aquifer in 2020, an increase of 3,929 af from 2019. Of the 117,770 af produced in 2020, CVWD's wells produced 69,255 af for use as domestic water compared to 66,852 af in 2019, an increase of 2,403 af. The chart on the following page shows the amount of water produced in the subbasin over the last ten calendar years.

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



The 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. The rate is now \$165.37 per af. The prior rate of \$143.80 per af had been in place since fiscal year 2018.

WEST WHITEWATER RAC RATES
FIVE-YEAR HISTORY



Nonpotable Water

Coachella Valley Water District 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 Wastewater Reclamation Plant 10, where it can be used both for groundwater replenishment and golf course irrigation. Initially, the MVP provided a reliable supply of nonpotable water year-round to 13 customers already using recycled water for at least some of their irrigation.

Customers whose properties are adjacent to the MVP are able to connect directly and receive strictly Colorado River water. The balance of the Colorado River water delivered by the MVP to WRP 10 is received into a 65 acre-foot storage reservoir 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 for uses such as golf course and large landscape irrigation were incorporated into the West Whitewater Fund to reflect the benefit to customers served by that fund of the availability of these additional recharge supplies.

FISCAL 2021 – 22 BUDGET — WATER REPLENISHMENT FUNDS

West Whitewater Replenishment	FY 2020 Actual	FY 2021 Actual*	FY 2021 Budget	FY 2022 Budget	Budget Change	% Change
Revenues						
Water Sales	\$ 3,315,934	\$ 3,397,784	\$ 3,573,000	\$ 2,768,000	\$ (805,000)	-22.5%
Replenishment Charges	16,512,604	17,771,679	16,968,000	19,048,000	2,080,000	12.3%
Property Taxes - General	1,979,478	2,104,963	1,827,000	2,042,000	215,000	11.8%
Property Taxes - SWP	-	(458,357)	-	-	-	-
Charges for Services	10,122	30,828	-	5,000	5,000	-
Intergovernmental	269,669	299,548	250,000	660,000	410,000	164.0%
Investment Income	1,159,243	905,846	737,000	816,000	79,000	10.7%
Other Revenue	255,271	115,644	-	10,000	10,000	-
Total Revenues	\$ 23,502,322	\$ 24,167,935	\$ 23,355,000	\$ 25,349,000	\$ 1,994,000	8.5%
Expenses						
Salaries & Benefits (Net of Capitalized Labor)	\$ 3,041,365	\$ 3,392,596	\$ 3,842,692	\$ 3,646,250	\$ (196,442)	-5.1%
Supplies and Services	4,960,107	3,837,420	4,737,511	5,182,300	444,789	9.4%
Utilities	548,435	926,566	463,997	539,745	75,748	16.3%
Water Purchases	13,346,041	12,642,624	12,804,000	18,982,773	6,178,773	48.3%
QSA Mitigation Costs	665,000	191,000	191,000	1,288,000	1,097,000	574.3%
Pass-Through (Contra Expense)	-	-	-	(400,000)	(400,000)	-
Capital Outlay	94,271	44,986	63,335	50,000	(13,335)	-21.1%
Total Expenses	\$ 22,655,219	\$ 21,035,192	\$ 22,102,535	\$ 29,289,068	\$ 7,186,533	32.5%
Operating Income (Loss)	\$ 847,103	\$ 3,132,744	\$ 1,252,465	\$ (3,940,068)	\$ (5,192,533)	-414.6%
Nonoperating Revenues (Expenses)						
Interfund Transfers						
Debt Service - Interfund	\$ (1,900,000)	\$ (827,634)	\$ (1,200,000)	\$ (1,199,300)	\$ 700	-0.1%
Sources						
Grant Revenue	-	76,885	150,000	-	(150,000)	-100.0%
Uses						
Capital Improvement Budget	(358,000)	(216,242)	(262,370)	(2,945,000)	(2,682,630)	1022.5%
Contribution to Motorpool CIP	(87,000)	(21,204)	(20,000)	(18,000)	2,000	-10.0%
Other Revenue (Expenses)	1,080,361	(90,876)	-	-	-	-
Total Nonoperating Revenues (Expenses)	\$ (1,264,639)	\$ (1,079,072)	\$ (1,332,370)	\$ (4,162,300)	\$ (2,829,930)	212.4%
Increase (Decrease) in Cash Flow	\$ (417,536)	\$ 2,053,672	\$ (79,905)	\$ (8,102,368)	\$ (8,022,463)	10040.0%
Beginning Reserve	\$ 34,430,851	\$ 34,013,315	\$ 34,013,315	\$ 36,066,987	\$ 2,053,672	6.0%
Ending Reserve	\$ 34,013,315	\$ 36,066,987	\$ 33,933,410	\$ 27,964,619	\$ (5,968,791)	-17.6%
Assigned Reserve	\$ 9,990,000	\$ 8,971,000	\$ 9,035,000	\$ 11,472,000	\$ 2,437,000	27.0%
Unassigned Reserve	\$ 24,023,315	\$ 27,095,987	\$ 24,898,410	\$ 16,492,619	\$ (8,405,791)	-33.8%

* Unaudited

Budget Summary

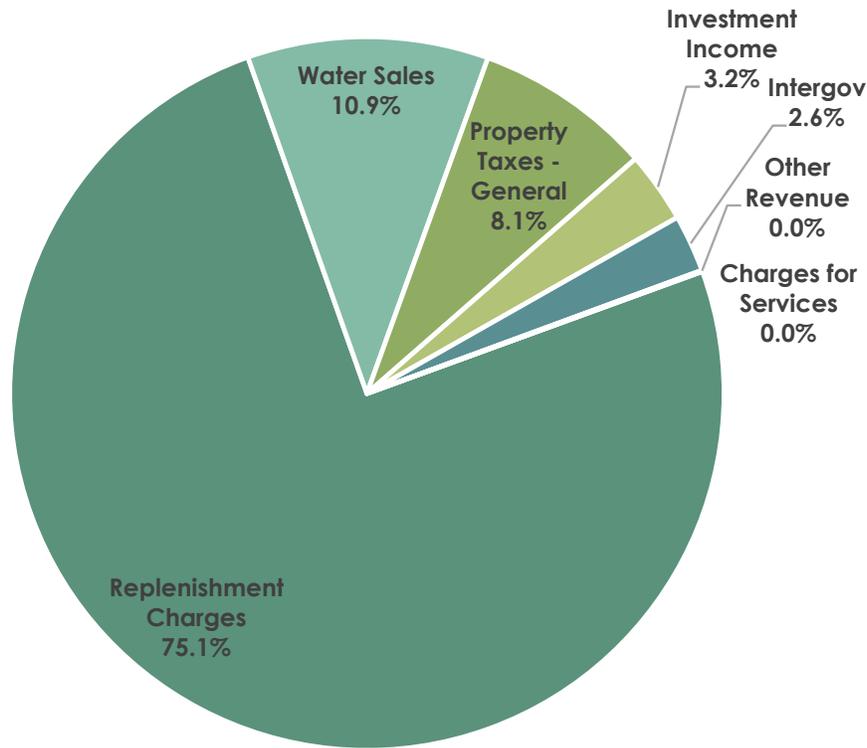
West Whitewater total revenues are budgeted to increase by 8.5%, compared to fiscal year 2021 primarily due to new replenishment rates adopted by the Board that took effect for the new fiscal year.

Total operating expenses are increasing by \$7.2 million, or 32.5%. The largest increase is for water purchases, which includes a 7,000 AF increase in use of Canal water for the replenishment facility and a transfer to that fund to reflect the benefit to the West Whitewater Replenishment Fund of costs initially accounted for in the Canal Fund. QSA mitigation payments are increasing by \$1.1 million per the contracted payment schedule.

Nonoperating expenses include capital improvements of \$2.9 million to continue work on the Palm Desert Replenishment Facility, \$1.2 million in debt service for an internal loan to the Domestic Fund, and an \$18,000 transfer to the Motorpool Fund for its share of equipment purchases.

Ending reserves for fiscal year 2022 are budgeted at \$28 million.

Revenues
Operating Revenues
\$25,349,000



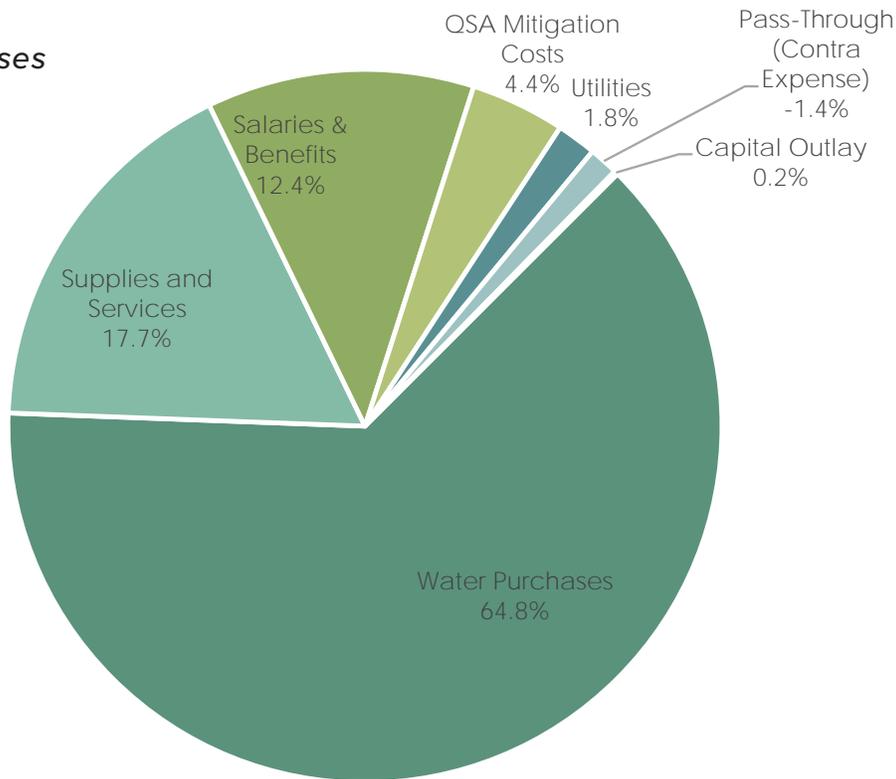
WATER SALES comprise 10.9% of total revenue. Water sales are revenues generated from the sale of reclaimed wastewater (recycled) and Colorado River water (canal water) via the Mid-Valley Pipeline, or a blend of recycled water and canal water.

REPLENISHMENT CHARGES comprise 75.1% 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. The Board adopted new rates for fiscal year 2022 as part of the Cost of Service Study.

PROPERTY TAXES - GENERAL revenues make up 8.1% 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 \$816,000. 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
\$29,289,068



SALARIES & BENEFITS total \$3.6 million, a decrease of \$196,000 compared to fiscal year 2021. The decrease reflects an increase in capitalized labor due to CIP projects.

SUPPLIES & SERVICES are budgeted at \$5.2 million, an increase of \$445,000. The increase is based on estimated allocations for legal, professional services, materials and supplies, and contract services expenses.

WATER PURCHASES are budgeted at \$19 million, compared to \$12.8 million budgeted in fiscal year 2021. There is a 7,000 af increase in use for replenishment of Canal water requiring a transfer to the Canal Fund to reflect costs initially accounted for in that fund which benefit the West Whitewater AOB, as well as increases in the cost of purchased water.

QSA MITIGATION costs are budgeted at \$1.3 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 2022 per the contract payment schedule. See the East Replenishment Fund for more information on the QSA Mitigation Costs.

CAPITAL OUTLAY is budgeted at \$50,000 for fiscal year 2022.

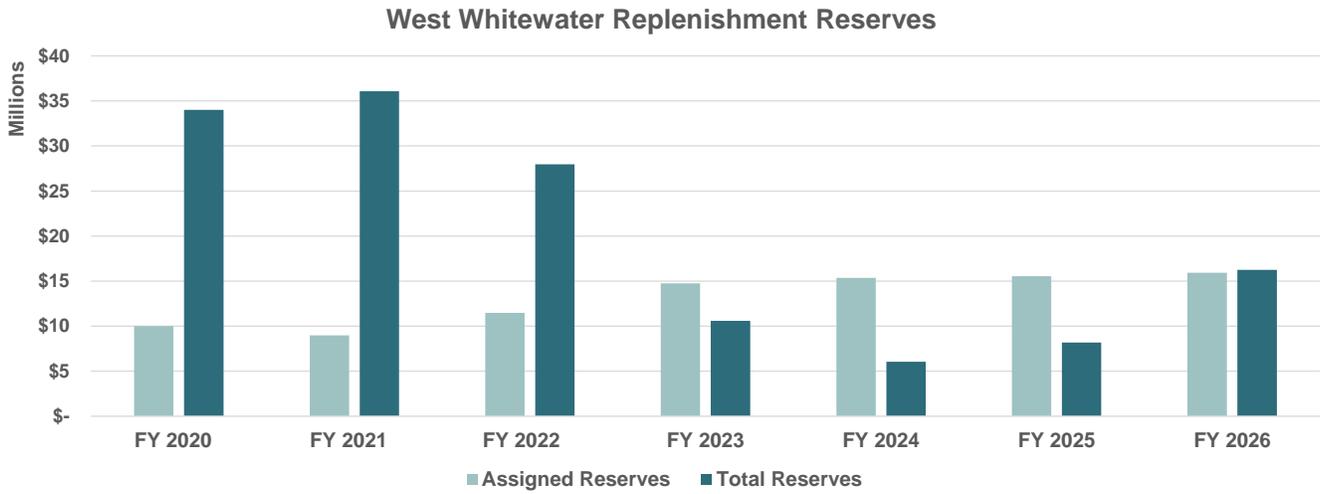
CAPITAL IMPROVEMENTS The Capital Improvements Budget of \$2.9 million is primarily for construction on Phase 2 of the Palm Desert Replenishment Facility (PDRF). More details on the Capital Improvement Plan are located in the Capital Improvements chapter.

WATER REPLENISHMENT FUNDS — FISCAL 2021 - 22 BUDGET

Five-Year Forecast

The District completed a comprehensive Cost of Service Study for the West Whitewater 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 forecast provides for a 15% increase in replenishment rates for fiscal year 2022, followed by maximum increases of 20% per year in fiscal years 2023 through 2026. The District will reevaluate the need for future rate increases during the budget process each year.

West Whitewater Replenishment Five-Year Forecast	FY 2022 Budget	FY 2023	FY 2024	FY 2025	FY 2026
		Forecast			
Revenues					
Water Sales	\$ 2,768,000	\$ 4,086,000	\$ 5,969,000	\$ 7,468,000	\$ 7,553,000
Replenishment Charges	19,048,000	23,417,000	28,101,000	33,720,000	40,463,000
Property Taxes - General	2,042,000	2,137,000	2,169,000	2,206,000	2,244,000
Charges for Services	5,000	5,000	5,000	5,000	5,000
Intergovernmental	660,000	660,000	660,000	660,000	660,000
Investment Income	816,000	210,000	106,000	76,000	123,000
Other Revenue	10,000	-	-	-	-
Total Revenues	\$ 25,349,000	\$ 30,515,000	\$ 37,010,000	\$ 44,135,000	\$ 51,048,000
Expenses					
Salaries & Benefits (Net of Capitalized Labor)	\$ 3,646,250	\$ 3,710,000	\$ 4,192,000	\$ 4,452,000	\$ 4,734,000
Supplies and Services	5,182,300	5,285,000	5,391,000	5,499,000	5,609,000
Utilities	539,745	557,000	575,000	593,000	612,000
Water Purchases	18,982,773	27,881,000	28,926,000	30,460,000	30,818,000
QSA Mitigation Costs	1,288,000	1,494,000	1,577,000	92,000	343,000
Pass-Through (Contra Expense)	(400,000)	(400,000)	(400,000)	(400,000)	(400,000)
Capital Outlay	50,000	50,000	50,000	50,000	50,000
Total Expenses	\$ 29,289,068	\$ 38,577,000	\$ 40,311,000	\$ 40,746,000	\$ 41,766,000
Operating Income (Loss)	\$ (3,940,068)	\$ (8,062,000)	\$ (3,301,000)	\$ 3,389,000	\$ 9,282,000
Nonoperating Revenues (Expenses)					
Interfund Transfers					
Debt Service - Interfund	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)
Uses					
Capital Improvement Budget	(2,945,000)	(8,085,000)	(28,000)	(28,000)	(18,000)
Contribution to Motorpool CIP	(18,000)	(19,000)	(19,000)	(19,000)	(19,000)
Total Nonoperating Revenues (Expenses)	\$ (4,163,000)	\$ (9,304,000)	\$ (1,247,000)	\$ (1,247,000)	\$ (1,237,000)
Increase (Decrease) in Cash Flow	\$ (8,103,068)	\$ (17,366,000)	\$ (4,548,000)	\$ 2,142,000	\$ 8,045,000
Beginning Reserve	\$ 36,066,987	\$ 27,963,919	\$ 10,597,919	\$ 6,049,919	\$ 8,191,919
Ending Reserve	\$ 27,963,919	\$ 10,597,919	\$ 6,049,919	\$ 8,191,919	\$ 16,236,919
Assigned Reserve	\$ 11,472,000	\$ 14,743,000	\$ 15,369,000	\$ 15,543,000	\$ 15,921,000
Unassigned Reserve	\$ 16,491,919	\$ (4,145,081)	\$ (9,319,081)	\$ (7,351,081)	\$ 315,919



West Replenishment	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
	Actual	Actual*	Budget	Forecast			
Assigned Reserves	\$ 9,990,000	\$ 8,971,000	\$ 11,472,000	\$ 14,743,000	\$ 15,369,000	\$ 15,543,000	\$ 15,921,000
Total Reserves	\$ 34,013,315	\$ 36,066,987	\$ 27,963,919	\$ 10,597,919	\$ 6,049,919	\$ 8,191,919	\$ 16,236,919

* Unaudited

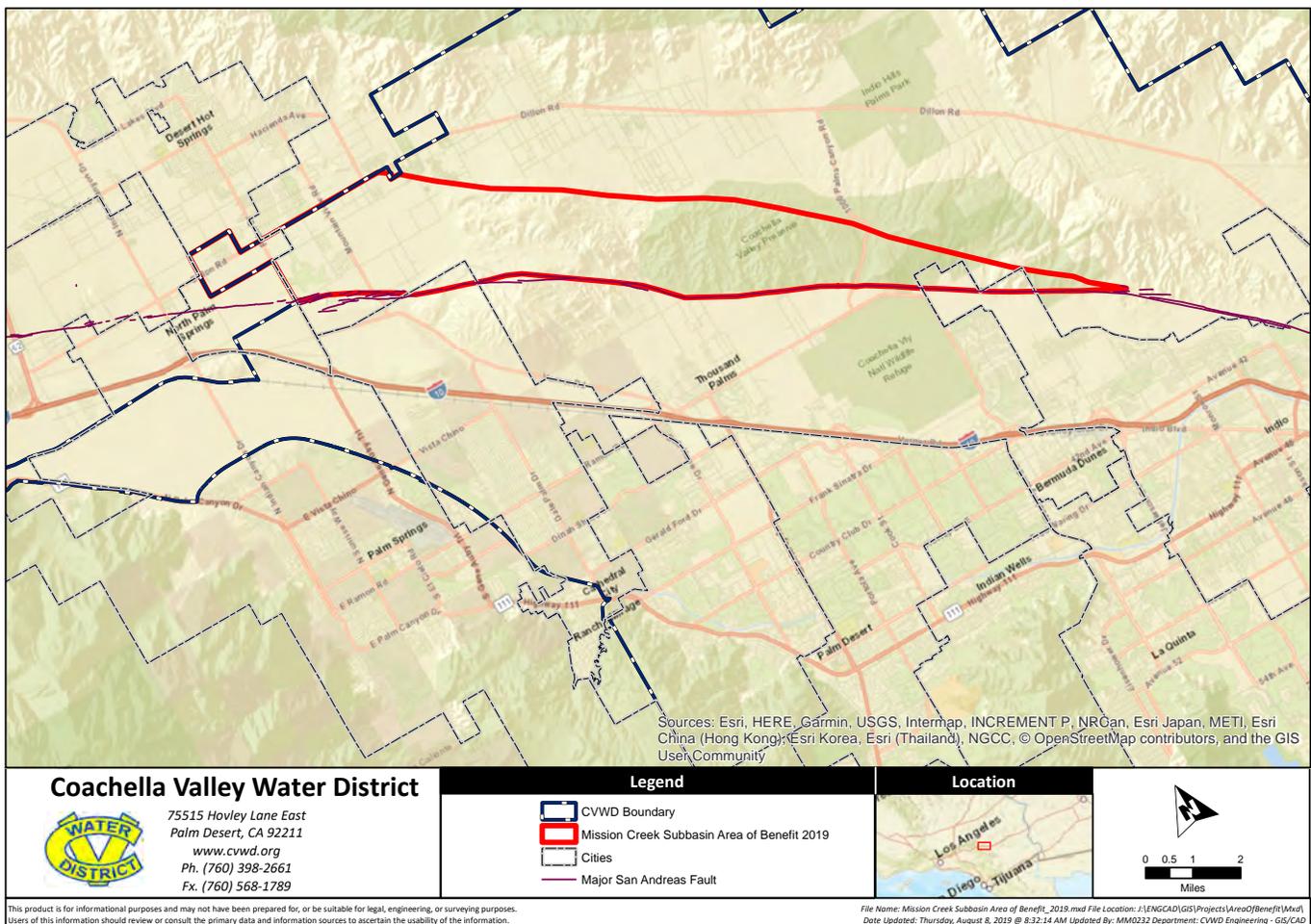
MISSION CREEK REPLENISHMENT FUND

Background

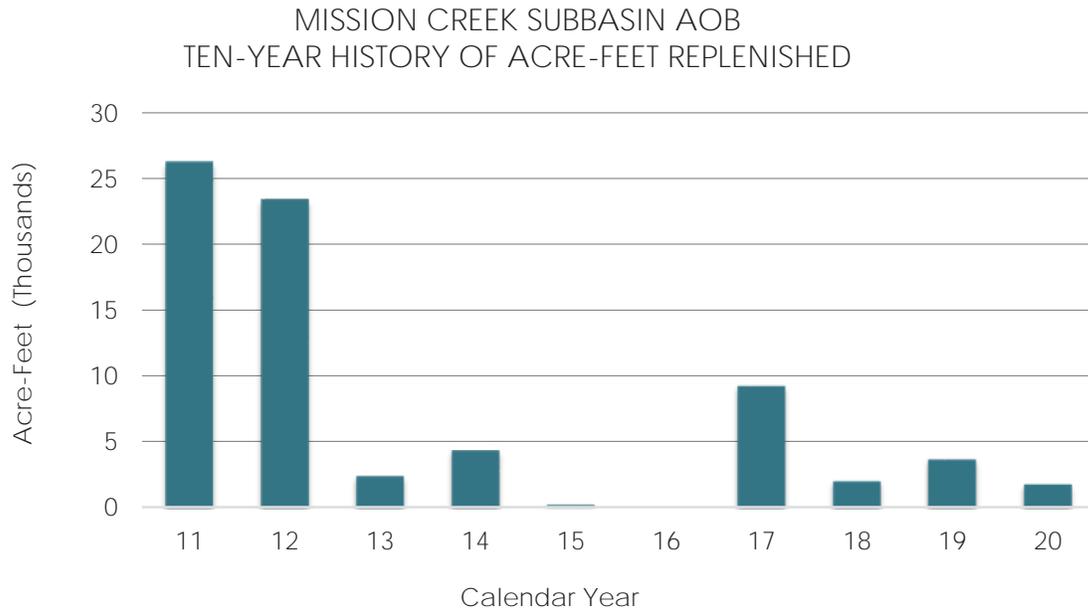
The Mission Creek Subbasin Area of Benefit (AOB) is bound on the south by the Banning fault and on the north and east by the Mission Creek fault as depicted in the map below. This subbasin relies on the same imported SWP exchange water source as the West Whitewater River Subbasin AOB. CVWD and DWA began 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

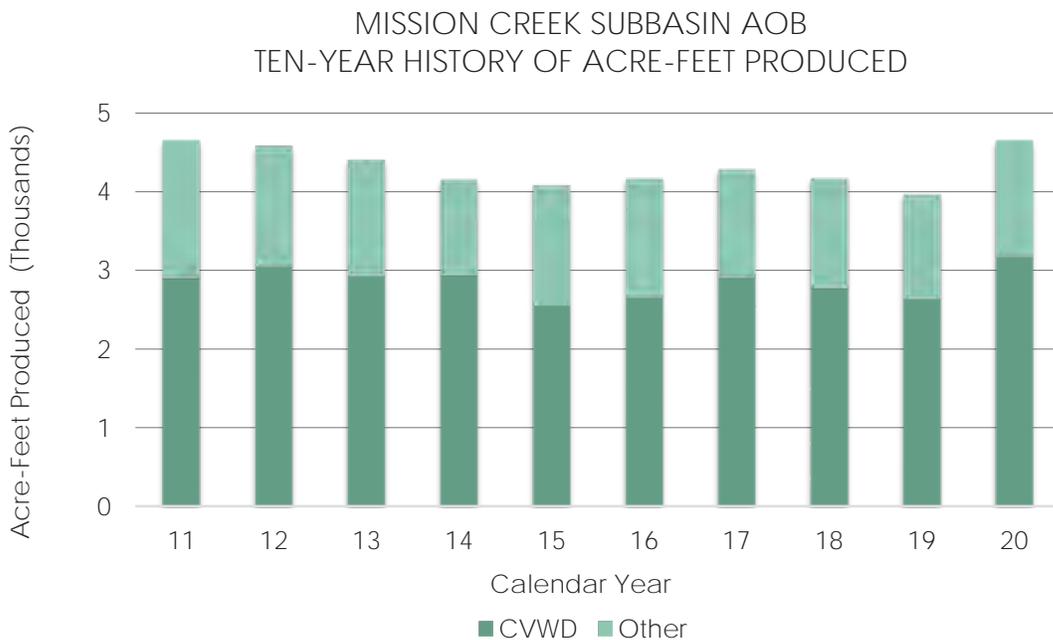


To date, CVWD and DWA have replenished 167,044 af in the Mission Creek Subbasin AOB. The chart below shows the annual volume replenished at the Mission Creek Replenishment facility over the last ten calendar years. The amount of water replenished varies each year, due in part to the 1984 Advance Delivery Agreement between CVWD, DWA, and MWD, whereby MWD is allowed to predeliver water in the Mission Creek Subbasin. There were 1,768 af of water deliveries to the Mission Creek Replenishment facility in calendar 2020.

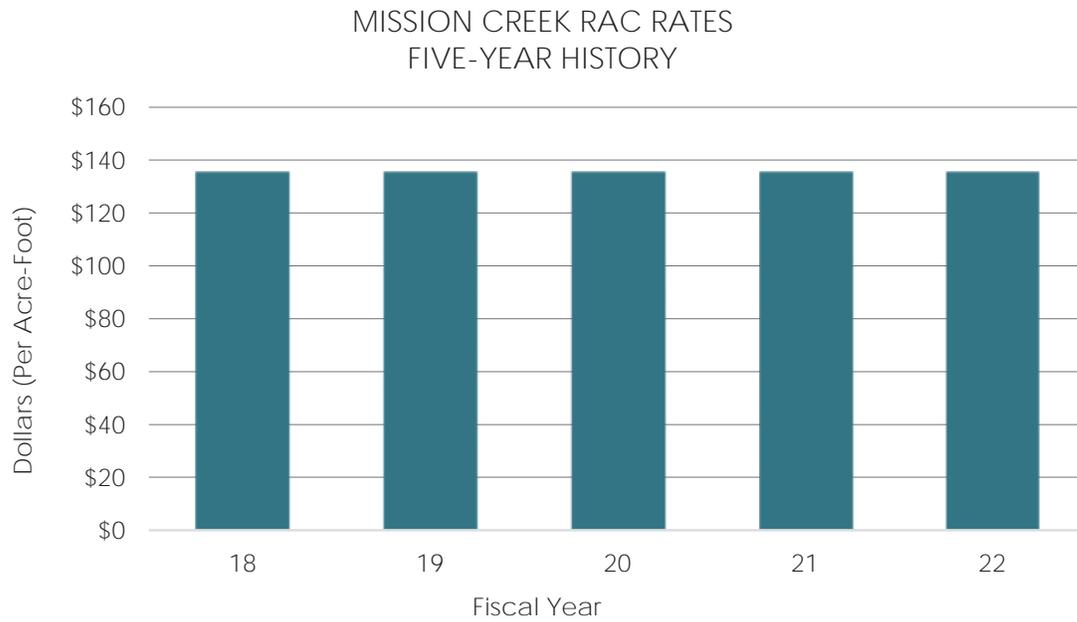


In 2020, there were 5 producers subject to the RAC in CVWD’s Mission Creek Subbasin AOB that pumped 4,655 af of water. Of that total production, 3,182 af were produced by CVWD wells for use as domestic water.

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



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. The rates have remained the same since fiscal year 2018.



FISCAL 2021 – 22 BUDGET — *WATER REPLENISHMENT FUNDS*

Mission Creek Replenishment	FY 2020 Actual	FY 2021 Actual*	FY 2021 Budget	FY 2022 Budget	Budget Change	% Change
Revenues						
Replenishment Charges	\$ 547,270	\$ 675,743	\$ 590,000	\$ 590,000	\$ -	-
Property Taxes - General	13	-	-	-	-	-
Property Taxes - SWP	-	(54,312)	-	-	-	-
Charges for Services	3,721	1,086	-	-	-	-
Investment Income	61,576	88,481	86,000	90,000	4,000	4.7%
Other Revenue	208,002	121,284	-	-	-	-
Total Revenues	\$ 820,582	\$ 832,282	\$ 676,000	\$ 680,000	\$ 4,000	0.6%
Expenses						
Salaries & Benefits (Net of Capitalized Labor)	\$ 230,343	\$ 198,023	\$ 208,427	\$ 249,269	\$ 40,842	19.6%
Supplies and Services	455,778	495,385	412,818	218,723	(194,095)	-47.0%
Utilities	1,420	1,375	1,090	1,097	7	0.6%
Water Purchases	8,652	11,563	-	-	-	-
Capital Outlay	4,397	2,101	12,924	-	(12,924)	-100.0%
Total Expenses	\$ 700,589	\$ 708,447	\$ 635,259	\$ 469,089	\$ (166,170)	-26.2%
Operating Income (Loss)	\$ 119,992	\$ 123,835	\$ 40,741	\$ 210,911	\$ 170,170	417.7%
Nonoperating Revenues (Expenses)						
Sources						
Grant Revenue	\$ -	\$ 168,533	\$ 100,000	\$ -	\$ (100,000)	-100.0%
Uses						
Contribution to Motorpool CIP	(7,000)	(1,466)	(1,000)	-	1,000	-100.0%
Other Revenue (Expenses)	(11,835)	(3,699)	-	-	-	-
Total Nonoperating Revenues (Expenses)	\$ (18,835)	\$ 163,368	\$ 99,000	\$ -	\$ (99,000)	-100.0%
Increase (Decrease) in Cash Flow	\$ 101,157	\$ 287,204	\$ 139,741	\$ 210,911	\$ 71,170	50.9%
Beginning Reserve	\$ 3,721,977	\$ 3,823,134	\$ 3,823,134	\$ 4,110,338	\$ 287,204	7.5%
Ending Reserve	\$ 3,823,134	\$ 4,110,338	\$ 3,962,875	\$ 4,321,249	\$ 358,374	9.0%
Assigned Reserve	\$ 250,000	\$ 249,000	\$ 217,000	\$ 184,000	\$ (33,000)	-15.2%
Unassigned Reserve	\$ 3,573,134	\$ 3,861,338	\$ 3,745,875	\$ 4,137,249	\$ 391,374	10.4%

* Unaudited

Budget Summary

Mission Creek revenues are budgeted to increase by \$4,000 as compared to fiscal year 2021. The primary reason is the increase in investment income. Operating expenses are budgeted to decrease by \$166,000 compared to fiscal year 2021, due primarily to allocated expenses in supplies and services.

Ending reserves for fiscal year 2022 are budgeted at \$4.3 million.

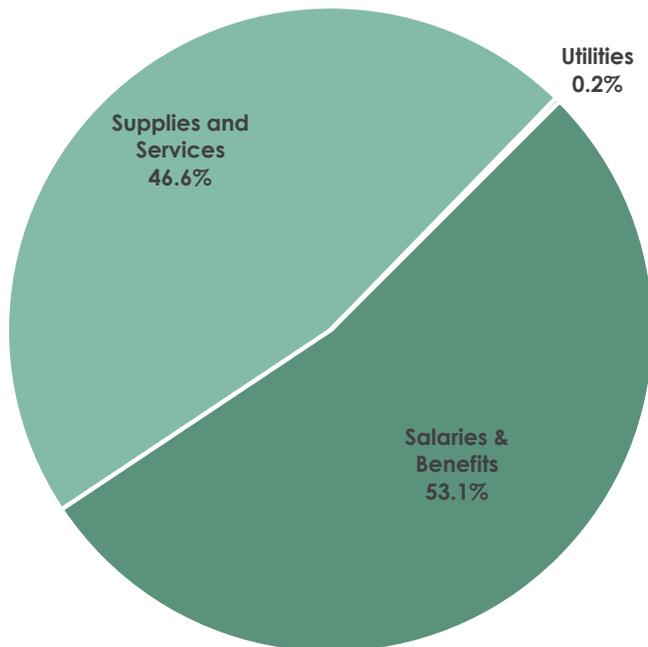
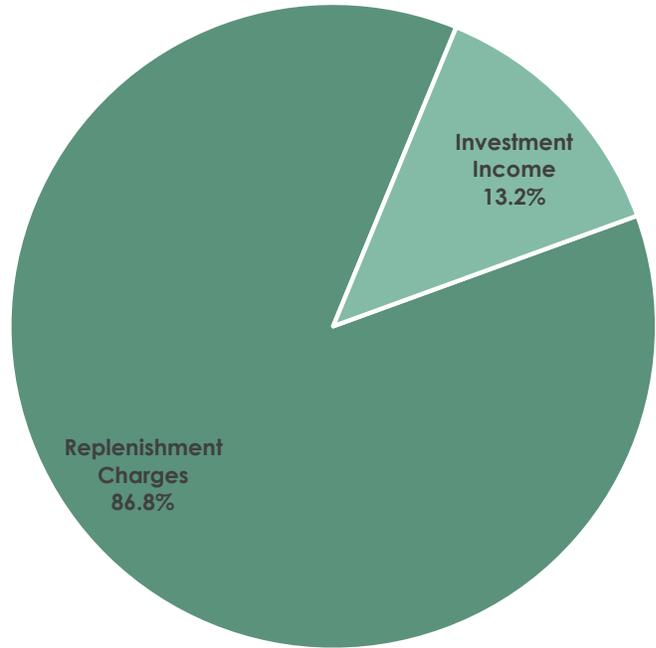
Revenues

Operating Revenues

\$680,000

REPLENISHMENT CHARGES account for 86.8% of total fund revenues and remain consistent with fiscal year 2021 revenue. Replenishment charge revenues are based on the amount of water expected to be pumped from the aquifer (well production) multiplied by the RAC rate. The RAC rate for fiscal year 2022 remains unchanged at \$135.52 per acre-foot.

INVESTMENT INCOME is budgeted at \$90,000. Investment income is based on the cash balance in the fund and is generated by the combined investments of the District.



Expenses

Operating Expenses

\$469,000

SALARIES & BENEFITS amount to \$249,000, an increase of \$41,000 compared to fiscal year 2021.

SUPPLIES & SERVICES are budgeted at \$219,000, a decrease of \$194,000 from fiscal year 2021, primarily due to changes in allocations for legal, professional services, and contract services.

CAPITAL IMPROVEMENTS

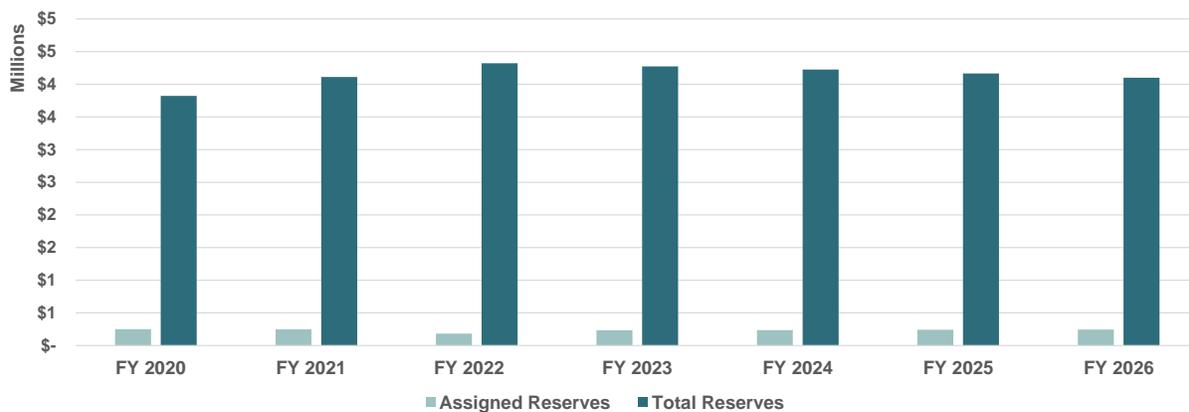
There are no budgeted capital improvements for fiscal year 2022.

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 2026 per the District’s Reserve Policy.

Mission Creek Replenishment Five-Year Forecast	FY 2022 Budget	FY 2023	FY 2024 Forecast	FY 2025	FY 2026
Revenues					
Replenishment Charges	\$ 590,000	\$ 590,000	\$ 590,000	\$ 590,000	\$ 590,000
Investment Income	90,000	32,000	43,000	53,000	62,000
Total Revenues	\$ 680,000	\$ 622,000	\$ 633,000	\$ 643,000	\$ 652,000
Expenses					
Salaries & Benefits (Net of Capitalized Labor)	\$ 249,269	\$ 263,000	\$ 279,000	\$ 296,000	\$ 314,000
Supplies and Services	218,723	219,000	219,000	219,000	219,000
Utilities	1,097	1,000	1,000	1,000	1,000
Water Purchases	-	187,000	182,000	188,000	182,000
Total Expenses	\$ 469,089	\$ 670,000	\$ 681,000	\$ 704,000	\$ 716,000
Operating Income (Loss)	\$ 210,911	\$ (48,000)	\$ (48,000)	\$ (61,000)	\$ (64,000)
Increase (Decrease) in Cash Flow	\$ 210,911	\$ (48,000)	\$ (48,000)	\$ (61,000)	\$ (64,000)
Beginning Reserve	\$ 4,110,338	\$ 4,321,249	\$ 4,273,249	\$ 4,225,249	\$ 4,164,249
Ending Reserve	\$ 4,321,249	\$ 4,273,249	\$ 4,225,249	\$ 4,164,249	\$ 4,100,249
Assigned Reserve	\$ 184,000	\$ 235,000	\$ 237,000	\$ 243,000	\$ 246,000
Unassigned Reserve	\$ 4,137,249	\$ 4,038,249	\$ 3,988,249	\$ 3,921,249	\$ 3,854,249

Mission Creek Replenishment Reserves



Mission Creek Replenishment	FY 2020 Actual	FY 2021 Actual*	FY 2022 Budget	FY 2023	FY 2024 Forecast	FY 2025	FY 2026
Assigned Reserves	\$ 250,000	\$ 249,000	\$ 184,000	\$ 235,000	\$ 237,000	\$ 243,000	\$ 246,000
Total Reserves	\$ 3,823,134	\$ 4,110,338	\$ 4,321,249	\$ 4,273,249	\$ 4,225,249	\$ 4,164,249	\$ 4,100,249

* Unaudited

EAST WHITEWATER REPLENISHMENT FUND

Background

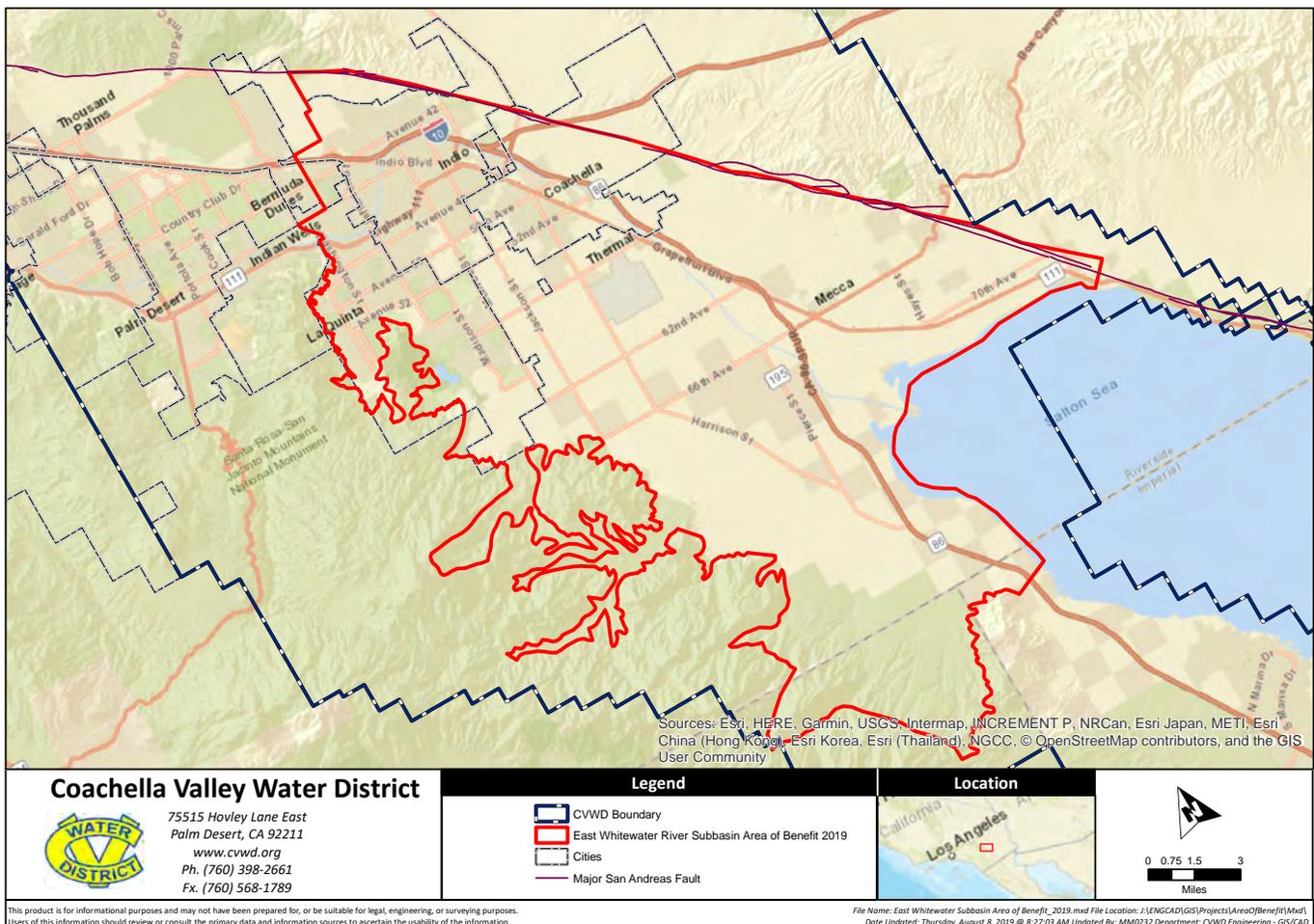
The eastern boundary of the Whitewater River Subbasin is formed primarily by the watershed of the Mecca Hills and by the northwest shoreline of the Salton Sea, running between the Santa Rosa Mountains and Mortmar. The southern boundary roughly coincides with the Riverside/Imperial County line. The western 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 to 2023.

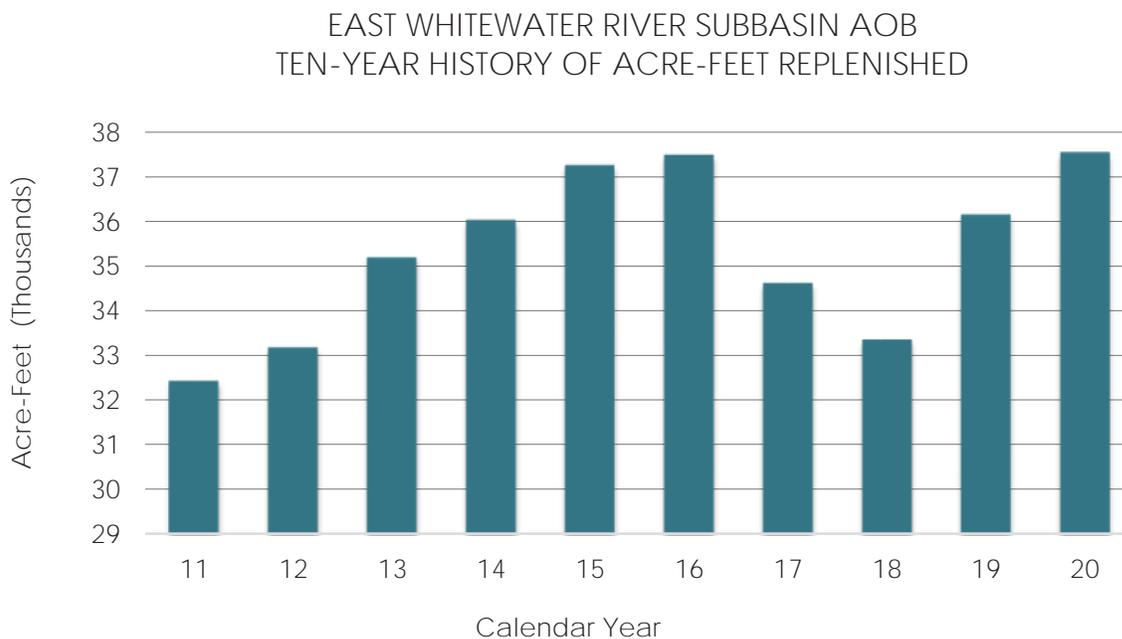
Since 2010, groundwater levels have been elevated an average of 35 feet in the eastern Coachella Valley and as much as 70 feet near the TEL facility. According to a 2014 study released by the U.S. Geological Survey (USGS), average subsidence rates decreased at five locations in the City of La Quinta, 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.



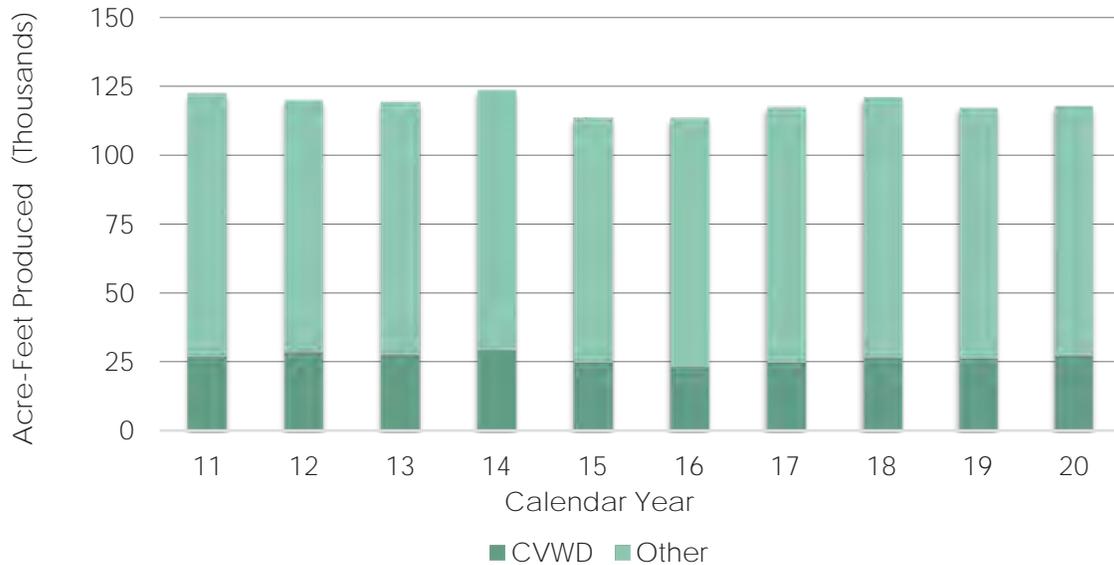
To date, CVWD has replenished 450,425 af of water in this AOB. The water is supplied from the Colorado River via the Coachella Branch of the All American Canal.

Of the 116 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 report accurately and timely, the volume of water they pump from all their wells located within the AOB on a monthly basis. The District performs audits on these self-reporters, along with aggressively identifying producers that do not accurately report the amount of water produced. If, after investigation, it is determined that groundwater production is under-reported, the District invoices the producers for the past under-reported production.

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

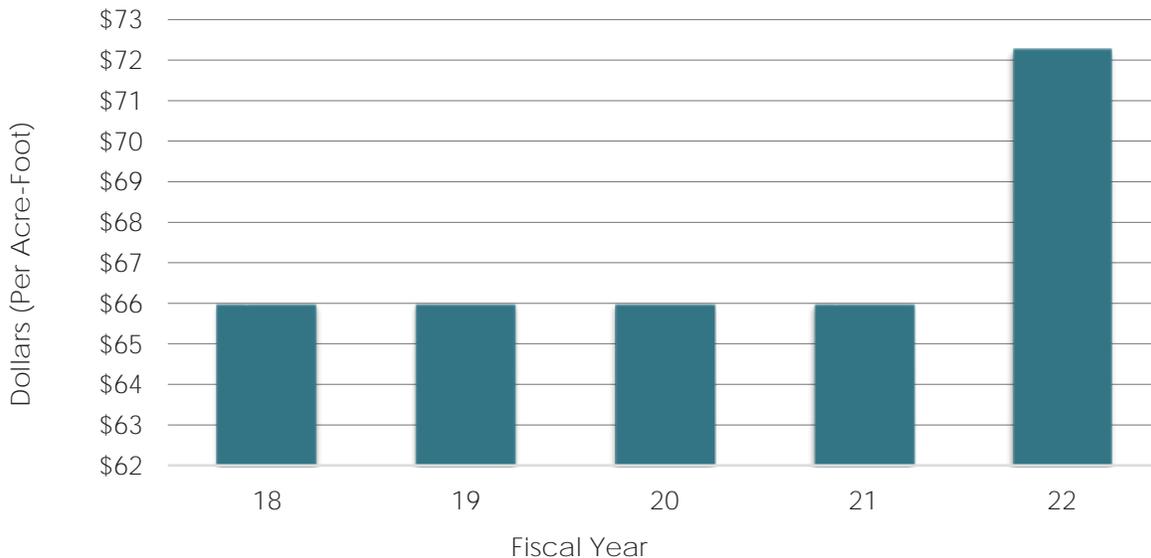
The 116 producers subject to the RAC in CVWD’s East Whitewater River Subbasin AOB pumped 117,925 af of water from the aquifer in 2020, an increase of 656 af from 2019. Of the 117,925 af produced in 2020, CVWD’s wells produced 27,407 af for use as domestic water as compared to 26,278 af in 2019, an increase of 1,129 af.

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. The rate is now \$72.27 per af. The prior rate of \$66.00 per af had been in place since fiscal year 2018.

EAST WHITEWATER RAC RATES
FIVE-YEAR HISTORY



FISCAL 2021 – 22 BUDGET — *WATER REPLENISHMENT FUNDS*

East Whitewater Replenishment	FY 2020 Actual	FY 2021 Actual*	FY 2021 Budget	FY 2022 Budget	Budget Change	% Change
Revenues						
Water Sales	\$ 66,171	\$ 282,632	\$ -	\$ 336,000	\$ 336,000	-
Replenishment Charges	7,770,877	8,044,593	7,920,000	8,672,000	752,000	9.5%
Property Taxes - General	4,464,938	4,879,179	4,298,000	6,778,600	2,480,600	57.7%
Charges for Services	25,243	27,804	-	-	-	-
Investment Income	321,829	16,500	169,000	15,000	(154,000)	-91.1%
Other Revenue	255,130	105,815	-	10,000	10,000	-
Total Revenues	\$ 12,904,189	\$ 13,291,629	\$ 12,387,000	\$ 15,811,600	\$ 3,424,600	27.6%
Expenses						
Salaries & Benefits (Net of Capitalized Labor)	\$ 1,610,898	\$ 1,757,499	\$ 1,889,033	\$ 841,193	\$ (1,047,840)	-55.5%
Supplies and Services	1,666,188	1,871,583	2,249,551	1,643,310	(606,241)	-26.9%
Utilities	1,041,181	1,215,980	952,435	1,107,691	155,256	16.3%
Water Purchases	3,967,370	4,106,059	3,881,000	4,110,000	229,000	5.9%
QSA Mitigation Costs	5,080,350	547,869	548,000	1,410,000	862,000	157.3%
Capital Outlay	338,171	12,395	51,374	-	(51,374)	-100.0%
Total Expenses	\$ 13,704,159	\$ 9,511,384	\$ 9,571,393	\$ 9,112,194	\$ (459,199)	-4.8%
Operating Income (Loss)	\$ (799,971)	\$ 3,780,245	\$ 2,815,607	\$ 6,699,406	\$ 3,883,799	137.9%
Nonoperating Revenues (Expenses)						
Interfund Transfers						
Debt Service - Interfund	\$ (13,338,000)	\$ (9,196,272)	\$ (9,278,000)	\$ (2,079,000)	\$ 7,199,000	-77.6%
Sources						
Loan Proceeds	\$ -	\$ 14,129,181	\$ 8,855,475	\$ 34,000,000	\$ 25,144,525	283.9%
Grant Revenue	-	76,885	50,000	-	(50,000)	-100.0%
Uses						
Capital Improvement Budget	(647,000)	(13,905,156)	(13,646,544)	(35,002,000)	(21,355,456)	156.5%
Contribution to Motorpool CIP	(22,000)	(7,825)	(9,000)	(17,000)	(8,000)	88.9%
Other Revenue (Expenses)	57,957	(153,901)	-	-	-	-
Total Nonoperating Revenues (Expenses)	\$ (13,949,043)	\$ (9,057,087)	\$ (14,028,069)	\$ (3,098,000)	\$ 10,930,069	-77.9%
Increase (Decrease) in Cash Flow	\$ (14,749,014)	\$ (5,276,843)	\$ (11,212,462)	\$ 3,601,406	\$ 14,813,868	-132.1%
Beginning Reserve	\$ 21,222,186	\$ 6,473,171	\$ 6,473,171	\$ 1,196,329	\$ (5,276,843)	-81.5%
Ending Reserve	\$ 6,473,171	\$ 1,196,329	\$ (4,739,291)	\$ 4,797,735	\$ 9,537,025	-201.2%
Assigned Reserve	\$ 3,780,000	\$ 3,859,000	\$ 3,861,000	\$ 3,865,000	\$ 4,000	0.1%
Unassigned Reserve	\$ 2,693,171	\$ (2,662,671)	\$ (8,600,291)	\$ 932,735	\$ 9,533,025	-110.8%

* Unaudited

Budget Summary

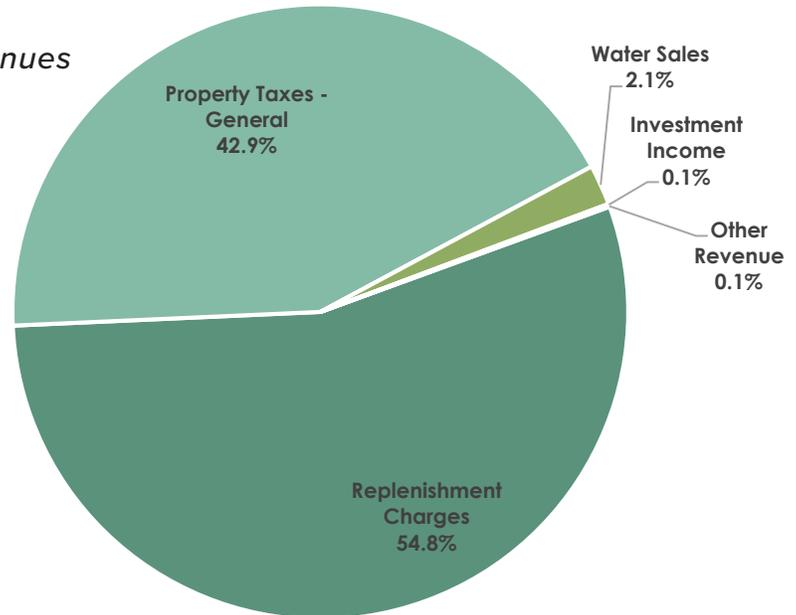
East Whitewater total revenues reflect an increase of \$3.4 million, or 27.6% over fiscal year 2021. Replenishment revenues reflect a 9.5% increase due to new rates adopted by the Board for fiscal year 2022. Property tax revenue reflects a \$2.8 million increase, due to growth in estimated assessed value, and a \$2.2 million discretionary transfer of property taxes previously accounted in the Canal fund to prepare for debt service for the Oasis project.

Operating expenses are budgeted to decrease by 4.8% compared to fiscal year 2021 primarily due to the impact of capitalized labor. Labor expenses are capitalized based on the size of the CIP, and the East Replenishment fund has \$35 million in budgeted CIP expenditures for fiscal year 2022 due to the Oasis project. QSA mitigation costs are increasing by \$862,000 due to the contracted payment schedule.

Revenues Operating Revenues \$15,812,600

REPLENISHMENT CHARGES comprise 54.8% of the 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 2022 reflects the rate increase approved by the Board as part of the Cost of Service Study.

PROPERTY TAX – GENERAL revenues total 42.9% of total revenues. These property taxes are part of the District’s general discretionary tax revenue, and include an additional allocation of \$2.2 million to prepare for debt service payments for the Oasis project.



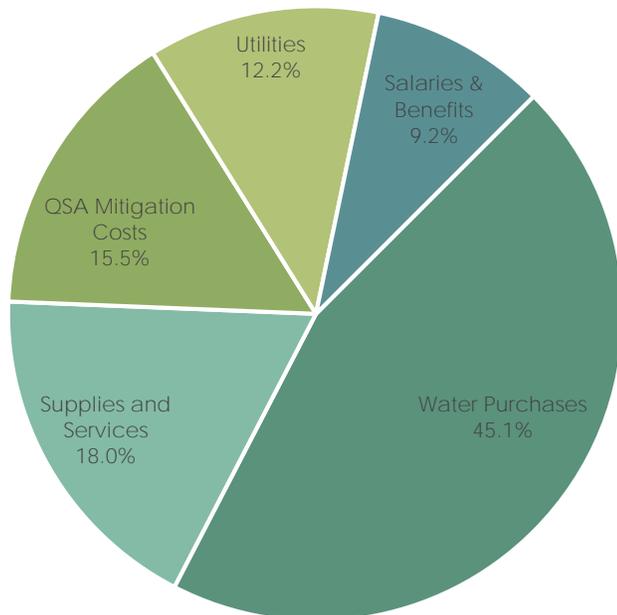
Expenses Operating Expenses \$9,112,194

SALARIES & BENEFITS total \$841,000, a decrease of \$1 million compared to fiscal year 2021. This decrease is related to the size of the East Replenishment CIP budget for fiscal year 2022. District salaries are capitalized based on the anticipated CIP project costs, and the East Replenishment fund expects to capitalize \$1.1 million this year as part of the Oasis project.

SUPPLIES & SERVICES are budgeted at \$1.6 million, a decrease of \$606,000 over fiscal year 2021, primarily due to allocation changes for legal and professional services.

WATER PURCHASES are budgeted at \$4.1 million, which is a 5.9% increase from fiscal year 2021. 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 transfer to the Canal Fund for use of Canal water is increasing from \$104.90 per af for fiscal year 2021 to \$105.30 per af for fiscal year 2022, reflecting the new rate for 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 \$1.1 million, an increase of \$155,000 from fiscal year 2021 due to projected energy rates.



DEBT SERVICE (Interfund) reflects payment of the 15-year Interfund loan from the Domestic Water Fund. It is budgeted at \$2.1 million in fiscal year 2022.

QSA MITIGATION costs are budgeted at \$1.4 million, an increase of \$862,000 due to 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. See the following table for the full contract payment schedule by calendar year.

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

Capital Improvements

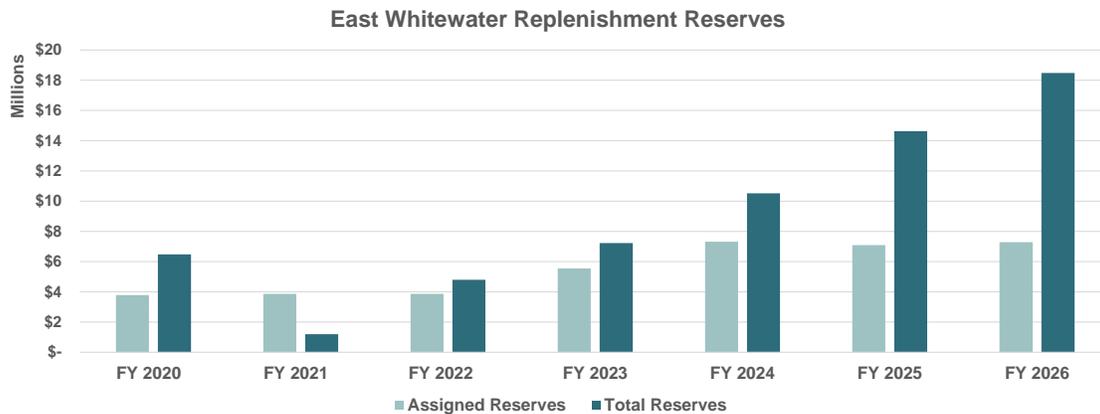
The Capital Improvement Budget totals \$35 million. The District closed on a bond issuance for the Oasis In-Lieu Recharge Project in June 2021. \$34.8 million is included in the fiscal year 2022 CIP for work on this project, along with the East Replenishment’s share of general District projects.

Five-Year Forecast

The District completed a comprehensive Cost of Service Study for the East Whitewater 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 forecast provides for a 9.5% increase in replenishment rates for fiscal year 2022, followed by maximum increases of 9.5% for fiscal year 2023, and 3% in fiscal years 2024 through 2026. The District will reevaluate the need for future rate increases during the budget process each year.

WATER REPLENISHMENT FUNDS — FISCAL 2021 - 22 BUDGET

East Whitewater Replenishment Five-Year Forecast	FY 2022 Budget	FY 2023	FY 2024 Forecast	FY 2025	FY 2026
Revenues					
Water Sales	\$ 336,000	\$ 336,000	\$ 336,000	\$ 418,000	\$ 418,000
Replenishment Charges	8,672,000	8,547,000	8,436,000	8,312,000	8,345,000
Property Taxes - General	6,778,600	7,132,528	7,948,000	8,030,000	8,114,000
Investment Income	15,000	36,000	72,000	131,000	219,000
Other Revenue	10,000	-	-	-	-
Total Revenues	\$ 15,811,600	\$ 16,051,528	\$ 16,792,000	\$ 16,891,000	\$ 17,096,000
Expenses					
Salaries & Benefits (Net of Capitalized Labor)	\$ 841,193	\$ 1,898,000	\$ 2,122,000	\$ 2,253,000	\$ 2,395,000
Supplies and Services	1,643,310	1,676,000	1,710,000	1,744,000	1,779,000
Utilities	1,107,691	1,142,000	1,177,000	1,213,000	1,250,000
Water Purchases	4,110,000	4,231,000	4,358,000	4,527,000	4,644,000
QSA Mitigation Costs	1,410,000	1,212,000	1,156,000	60,000	222,000
Total Expenses	\$ 9,112,194	\$ 10,159,000	\$ 10,523,000	\$ 9,797,000	\$ 10,290,000
Operating Income (Loss)	\$ 6,699,406	\$ 5,892,528	\$ 6,269,000	\$ 7,094,000	\$ 6,806,000
Nonoperating Revenues (Expenses)					
Interfund Transfers					
Debt Service - Interfund	\$ (2,079,000)	\$ (2,081,000)	\$ -	\$ -	\$ -
Sources					
Loan Proceeds	34,000,000	3,381,000	-	-	-
Uses					
Debt Service - External	-	(1,300,000)	(2,925,000)	(2,925,000)	(2,925,000)
Capital Improvement Budget	(35,002,000)	(3,450,000)	(36,000)	(36,000)	(18,000)
Contribution to Motorpool CIP	(17,000)	(17,000)	(17,000)	(18,000)	(17,000)
Total Nonoperating Revenues (Expenses)	\$ (3,098,000)	\$ (3,467,000)	\$ (2,978,000)	\$ (2,979,000)	\$ (2,960,000)
Increase (Decrease) in Cash Flow	\$ 3,601,406	\$ 2,425,528	\$ 3,291,000	\$ 4,115,000	\$ 3,846,000
Beginning Reserve	\$ 1,196,329	\$ 4,797,735	\$ 7,223,263	\$ 10,514,263	\$ 14,629,263
Ending Reserve	\$ 4,797,735	\$ 7,223,263	\$ 10,514,263	\$ 14,629,263	\$ 18,475,263
Assigned Reserve	\$ 3,865,000	\$ 5,550,000	\$ 7,320,000	\$ 7,085,000	\$ 7,277,000
Unassigned Reserve	\$ 932,735	\$ 1,673,263	\$ 3,194,263	\$ 7,544,263	\$ 11,198,263



East Replenishment	FY 2020 Actual	FY 2021 Actual*	FY 2022 Budget	FY 2023	FY 2024 Forecast	FY 2025	FY 2026
Assigned Reserves	\$ 3,780,000	\$ 3,859,000	\$ 3,865,000	\$ 5,550,000	\$ 7,320,000	\$ 7,085,000	\$ 7,277,000
Total Reserves	\$ 6,473,171	\$ 1,196,329	\$ 4,797,735	\$ 7,223,263	\$ 10,514,263	\$ 14,629,263	\$ 18,475,263

* Unaudited

INTERNAL SERVICE FUNDS



INTERNAL SERVICE FUNDS — FISCAL 2021 - 22 BUDGET

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

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

MOTORPOOL

Motor Pool Fund	FY 2020 Actual	FY 2021 Actual*	FY 2021 Budget	FY 2022 Budget	Budget Change	% Change
Revenues						
Charges for Services	\$ 4,866,875	\$ 5,752,683	\$ 5,089,000	\$ 5,424,000	\$ 335,000	6.6%
Investment Income	(4,473)	55,330	38,000	28,000	(10,000)	-26.3%
Other Revenue	23,653	15,841	-	25,000	25,000	-
Total Revenues	\$ 4,886,055	\$ 5,823,854	\$ 5,127,000	\$ 5,477,000	\$ 350,000	6.8%
Expenses						
Salaries & Benefits (Net of Capitalized Labor)	\$ 2,889,179	\$ 3,011,062	\$ 3,202,287	\$ 3,341,179	\$ 138,892	4.3%
Supplies and Services	2,014,056	1,968,215	1,831,262	2,130,759	299,497	16.4%
Utilities	4,403	4,639	2,953	4,705	1,752	59.3%
Capital Outlay	3,446	48,085	600	-	(600)	-100.0%
Total Expenses	\$ 4,911,085	\$ 5,032,001	\$ 5,037,102	\$ 5,476,643	\$ 439,541	8.7%
Operating Income (Loss)	\$ (25,030)	\$ 791,852	\$ 89,898	\$ 357	\$ (89,541)	-99.6%
Nonoperating Revenues (Expenses)						
Sources						
Capital Improvement Reimbursements	\$ 16,000	\$ -	\$ -	\$ -	\$ -	-
Uses						
Capital Improvement Budget	(4,299,000)	(2,219,257)	(2,396,303)	(2,469,000)	(72,697)	3.0%
Contribution to Motorpool CIP	3,753,000	2,216,772	2,379,000	2,469,000	90,000	3.8%
Other Revenue (Expenses)	\$ 64,814	\$ 78,050	\$ -	\$ -	\$ -	-
Total Nonoperating Revenues (Expenses)	\$ (465,186)	\$ 75,565	\$ (17,303)	\$ -	\$ 17,303	-100.0%
Increase (Decrease) in Cash Flow	\$ (490,216)	\$ 867,418	\$ 72,595	\$ 357	\$ (72,238)	-99.5%
Beginning Reserve	\$ 1,715,463	\$ 1,225,248	\$ 1,225,248	\$ 2,092,665	\$ 867,418	70.8%
Ending Reserve	\$ 1,225,248	\$ 2,092,665	\$ 1,297,843	\$ 2,093,022	\$ 795,180	61.3%

* 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

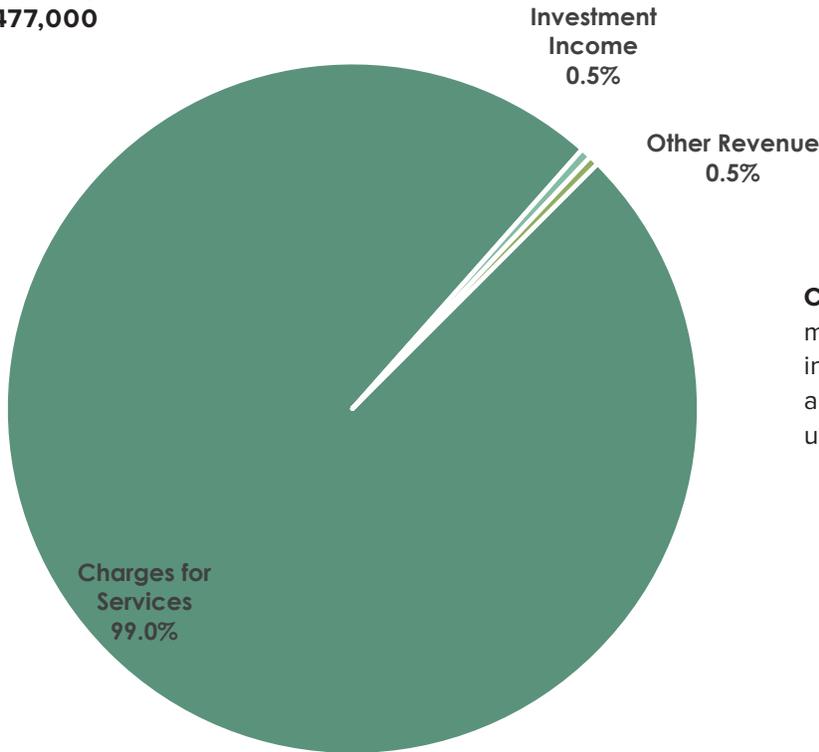
Budget Summary

The fiscal year 2022 budget shows reserves increasing by \$795,000, compared to the fiscal year 2021 budget. This is mainly due to higher than budgeted charges for services in fiscal year 2021, and lower than budgeted expenditures in fiscal year 2021. 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 2022, approximately \$2.5 million is being transferred to the Motorpool Fund to reimburse the fund for capital purchases.

Revenues

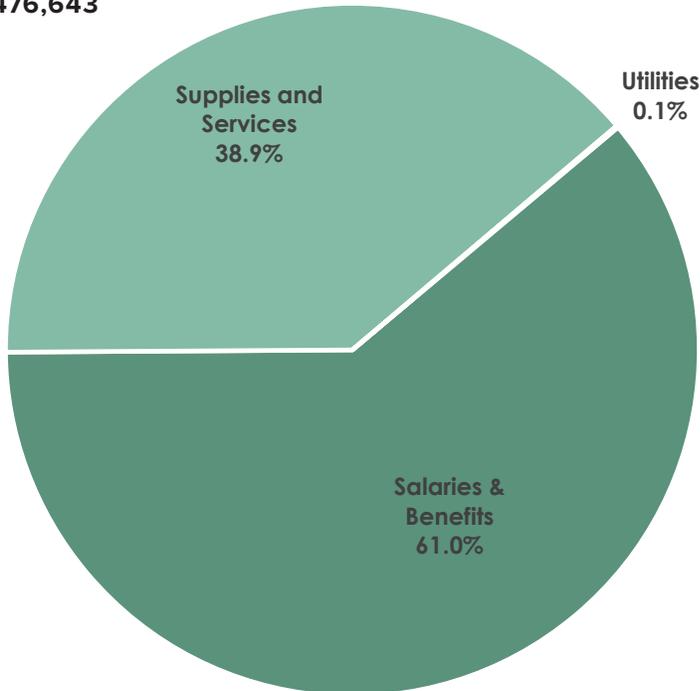
Operating Revenues
\$5,477,000



CHARGES FOR SERVICES amount to \$5.4 million in fiscal year 2022. This amount includes operation and maintenance (O&M) and insurance costs, which are charged to user departments.

Expenses

Operating Expenses
\$5,476,643



Budgeted operating expenses are \$5.5 million in fiscal year 2022. Supplies & services increased by \$299,000.

In addition, there are \$2.5 million in capital improvements budgeted in fiscal year 2022. Additional details regarding vehicle equipment replacements are located in the Capital Improvements chapter.

WORKERS' COMPENSATION SELF-INSURANCE FUND

Workers' Compensation	FY 2020 Actual	FY 2021 Actual*	FY 2021 Budget	FY 2022 Budget	Budget Change	% Change
Revenues						
Charges for Services	\$ 795,781	\$ 1,389,693	\$ 1,494,000	\$ 1,313,000	\$ (181,000)	-12.1%
Investment Income	10,300	13,801	14,000	8,000	(6,000)	-42.9%
Total Revenues	\$ 806,080	\$ 1,403,494	\$ 1,508,000	\$ 1,321,000	\$ (187,000)	-12.4%
Expenses						
Salaries & Benefits (Net of Capitalized Labor)	\$ 138,511	\$ 154,049	\$ 229,473	\$ 165,517	\$ (63,956)	-27.9%
Supplies and Services	733,651	662,604	1,252,893	1,015,301	(237,592)	-19.0%
Utilities	222	180	245	260	15	6.1%
Total Expenses	\$ 872,384	\$ 816,833	\$ 1,482,611	\$ 1,181,078	\$ (301,533)	-20.3%
Operating Income (Loss)	\$ (66,304)	\$ 586,661	\$ 25,389	\$ 139,922	\$ 114,533	451.1%
Nonoperating Revenues (Expenses)						
Uses						
Other Revenue (Expenses)	\$ (119,060)	\$ 94,741	\$ -	\$ -	\$ -	-
Total Nonoperating Revenues (Expenses)	\$ (119,060)	\$ 94,741	\$ -	\$ -	\$ -	-
Increase (Decrease) in Cash Flow	\$ (185,364)	\$ 681,402	\$ 25,389	\$ 139,922	\$ 114,533	451.1%
Beginning Reserve	\$ 526,777	\$ 341,413	\$ 341,413	\$ 1,022,815	\$ 681,402	199.6%
Ending Reserve	\$ 341,413	\$ 1,022,815	\$ 366,802	\$ 1,162,737	\$ 795,935	217.0%

* 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 years, with the next one to be completed in fiscal year 2023.

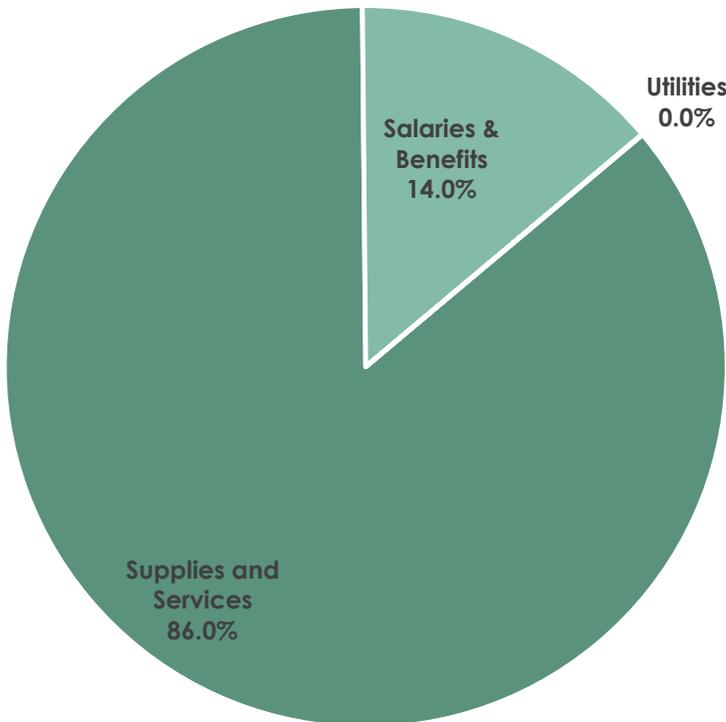
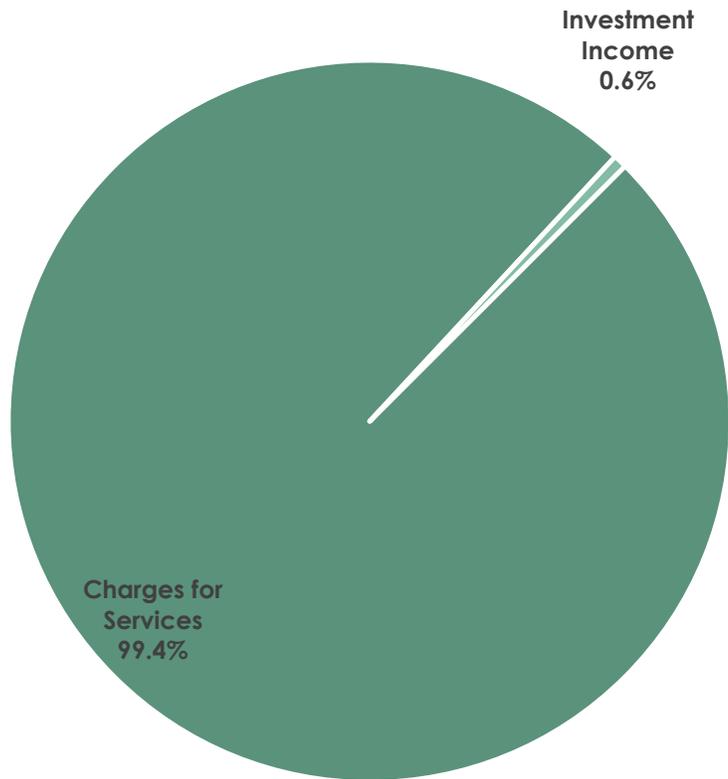
Estimated outstanding liabilities include: case reserves, development of known claims, and incurred, but not reported claims. ALAE are direct expenses for settling specific claims. These amounts are limited to the self-insured retention. Case reserves are an estimate of unpaid amounts established by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

Revenues

Operating Revenues
\$1,321,000

CHARGES FOR SERVICES total \$1.3 million for fiscal year 2022. 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. Revenues were kept artificially low in previous years in order to reduce excess reserves. With the elimination of reserves, revenues needed to be increased in order to cover operating expenses in prior years. Fiscal year 2021 expenses came in well below budget, which increased reserves for the fiscal year 2022 budget.

In addition, there is \$8,000 in investment income.



Expenses
Operating Expenses
\$1,181,078

Overall budgeted expenses for fiscal year 2022 are projected to decrease by \$302,000 from fiscal year 2021. This decrease is due to realignment of the budget to reflect actual results in fiscal years 2020 and 2021.

DENTAL SELF-INSURANCE FUND

Dental Self Insurance	FY 2020 Actual	FY 2021 Actual*	FY 2021 Budget	FY 2022 Budget	Budget Change	% Change
Revenues						
Charges for Services	\$ 418,532	\$ 439,152	\$ 586,000	\$ 565,000	\$ (21,000)	-3.6%
Investment Income	790	330	2,000	-	(2,000)	-100.0%
Total Revenues	\$ 419,322	\$ 439,482	\$ 588,000	\$ 565,000	\$ (23,000)	-3.9%
Expenses						
Salaries & Benefits (Net of Capitalized Labor)	\$ 1,926	\$ 2,209	\$ 2,150	\$ 9,992	\$ 7,842	364.7%
Supplies and Services	463,426	449,750	522,364	521,686	(678)	-0.1%
Utilities	19	18	20	38	18	90.0%
Total Expenses	\$ 465,371	\$ 451,977	\$ 524,534	\$ 531,716	\$ 7,182	1.4%
Operating Income (Loss)	\$ (46,049)	\$ (12,494)	\$ 63,466	\$ 33,284	\$ (30,182)	-47.6%
Nonoperating Revenues (Expenses)						
Uses						
Other Revenue (Expenses)	\$ (38)	\$ (2)	\$ -	\$ -	\$ -	-
Total Nonoperating Revenues (Expenses)	\$ (38)	\$ (2)	\$ -	\$ -	\$ -	-
Increase (Decrease) in Cash Flow	\$ (46,086)	\$ (12,497)	\$ 63,466	\$ 33,284	\$ (30,182)	-47.6%
Beginning Reserve	\$ 33,281	\$ (12,806)	\$ (12,806)	\$ (25,302)	\$ (12,497)	97.6%
Ending Reserve	\$ (12,806)	\$ (25,302)	\$ 50,660	\$ 7,982	\$ (42,679)	-84.2%

* 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 2022 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.

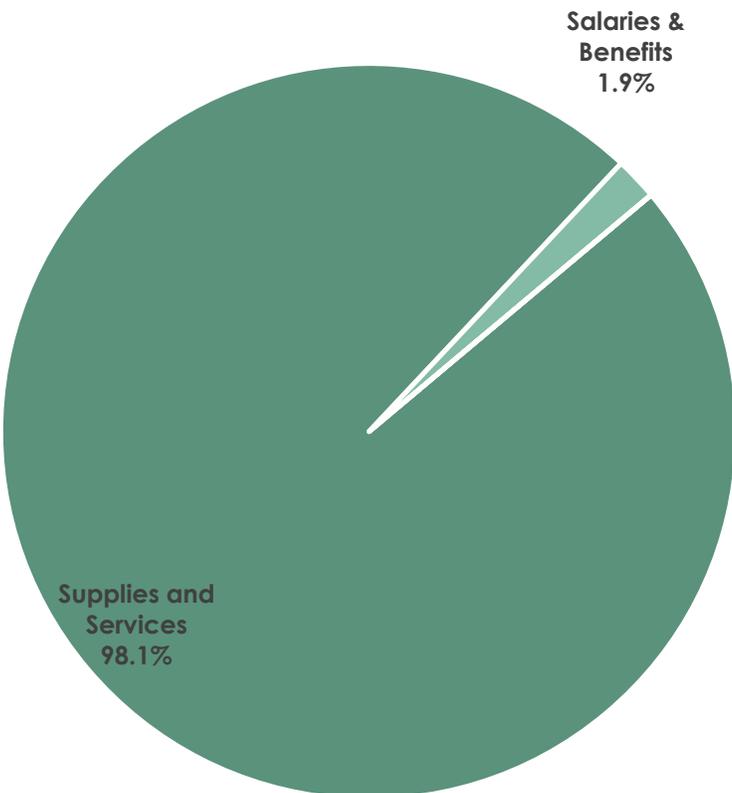
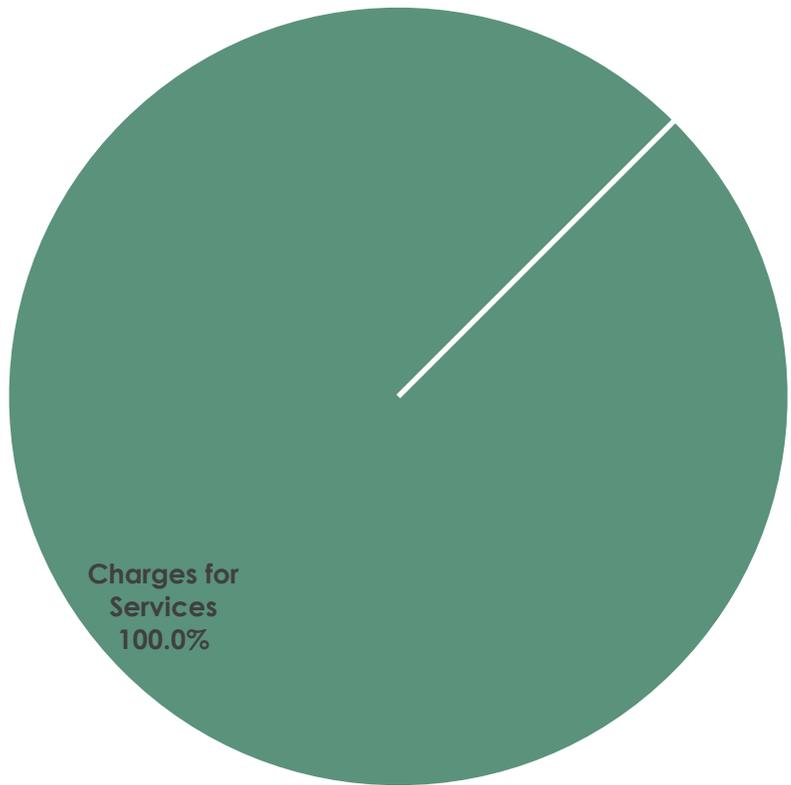
The expense budget is projected actual costs, based on the cost of administering the program and the District's average claims history.

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 Revenues
\$565,000

CHARGES FOR SERVICES total \$565,000 in fiscal year 2022. 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
\$531,716

Budgeted expenses for fiscal year 2022 are projected to increase by \$7,000.

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 serve CVWD customers. Department sections include an organization chart, description of the function of each division within the department, applicable workload measures and metrics, accomplishments for fiscal year 2021, and goals for fiscal year 2022. 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. 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.

Expenses by Department	FY 2020 Actual	FY 2021 Actual*	FY 2021 Budget	FY 2022 Budget	Budget Change	% Change
<u>Support Services</u>						
Administration	\$ 8,610,210	\$ 8,700,795	\$ 10,042,659	\$ 9,241,255	\$ (801,404)	-8.0%
Communications and Conservation	8,318,832	7,461,561	8,462,158	8,615,957	153,799	1.8%
Engineering	9,443,290	8,305,726	12,922,653	12,812,753	(109,900)	-0.9%
Environmental Services	8,719,948	8,740,302	9,953,802	9,275,643	(678,159)	-6.8%
Finance	6,501,202	7,008,001	6,184,740	6,382,157	197,417	3.2%
Human Resources	7,245,410	6,507,614	8,769,791	9,208,311	438,520	5.0%
Information Systems	5,955,967	6,016,926	6,251,495	6,521,905	270,410	4.3%
Service	8,336,331	8,857,014	9,418,479	9,881,421	462,942	4.9%
Total Support Services	\$ 63,131,190	\$ 61,597,938	\$ 72,005,777	\$ 71,939,402	\$ (66,375)	-0.1%
<u>Operations and Maintenance</u>						
Operations	\$ 53,157,680	\$ 56,653,722	\$ 53,263,849	\$ 57,159,790	\$ 3,895,941	7.3%
Maintenance	33,852,142	30,088,983	31,273,291	33,858,590	2,585,299	8.3%
Motorpool	4,050,085	4,236,762	4,005,756	4,348,580	342,824	8.6%
Pass-Through (Contra Expense)	-	-	-	(2,200,000)	(2,200,000)	-
Total Operations and Maintenance	\$ 91,059,907	\$ 90,979,467	\$ 88,542,896	\$ 93,166,960	\$ 4,624,064	5.2%
<u>Non-Departmental</u>						
Dental Self-Insurance	\$ 378,315	\$ 387,320	\$ 435,900	\$ 435,900	\$ -	-
QSA Mitigation Costs	5,745,350	738,869	739,000	2,698,000	1,959,000	265.1%
Replenishment	11,653,928	12,719,362	12,520,000	13,394,000	874,000	7.0%
Water Purchases	88,182,862	78,342,451	93,421,000	101,841,499	8,420,499	9.0%
Workers' Comp	1,250,310	1,073,284	1,439,417	1,200,000	(239,417)	-16.6%
Capitalized Labor	-	-	(2,834,000)	(4,893,000)	(2,059,000)	72.7%
Total Non-Departmental	\$ 107,210,766	\$ 93,261,285	\$ 105,721,317	\$ 114,676,399	\$ 8,955,082	8.5%
Total	\$ 261,401,863	\$ 245,838,690	\$ 266,269,990	\$ 279,782,761	\$ 13,512,771	5.1%

* 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
Administration	X	X	X	X	X	X	X	
Communications & Conservation	X	X	X	X		X		
Engineering	X	X	X	X		X		
Environmental Services	X	X	X	X		X	X	
Finance	X	X	X	X	X	X	X	X
Human Resources	X	X	X	X		X	X	X
Information Systems	X	X	X	X		X	X	
Service		X	X	X		X		
Operations	X	X	X	X		X	X	
Maintenance	X	X	X	X		X	X	

SALARIES & BENEFITS

The personnel budget reflects 569 full-time equivalent (FTE) positions, with no additional positions added for fiscal year 2022. Total payroll and related costs net of capitalized labor are budgeted at \$86.9 million, which is an increase of \$1.7 million or 2%, as compared to the fiscal year 2021 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 table on the following page depicts a five-year history of the budgeted number of positions by Department for fiscal years 2018 through fiscal year 2022.

PERSONNEL SUMMARY					
Department	Budget FY 2018	Budget FY 2019	Budget FY 2020	Budget FY 2021	Budget FY 2022
<u>Support Services</u>					
Administration	17	17	18	18	18
Communications & Conservation	25	25.5	26	26	26
Engineering	47	48	54	54	53.5
Environmental Services	28.5	28.5	28.5	28.5	29
Finance	28	28	29	29	29
Human Resources	10.5	10.5	10.5	11.5	11.5
Information Systems	15	16	17	17	17
Service	85	85	56	55	55
<u>Operations and Maintenance</u>					
Operations	176	179	188	188	188
Maintenance	124	124	142	142	142
Total	556	562	569	569	569

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, 2021

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

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

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.

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

CALIFORNIA PUBLIC EMPLOYEE RETIREMENT SYSTEM (CALPERS)

The District contributes to CalPERS, a multiple-employer defined benefit pension plan. Effective fiscal year 2008, the District contracted for the retirement formula of 2.5% @ 55. All employees hired before 01/01/13 are covered under this retirement formula, and are referred to as Classic Members. The Public Employees’ Pension Reform Act (PEPRA) went into effect 01/01/13, with a retirement formula of 2% @ 62. All employees hired after 12/31/12 and not a prior Classic Member of CalPERS, are covered under this retirement formula. As of 06/30/21, 43.5% of active employees were on the less expensive PEPRA formula, and this percentage will gradually increase over time as Classic employees retire, and are later replaced with PEPRA new hires. Eventually, 100% of all active employees will be PEPRA members.

On an annual basis, CalPERS provides an actuarial valuation, which includes an estimated calculation of the required employer contribution. The employer contribution is made-up of two components: Normal Cost and the Unfunded Actuarial Liability (UAL).

The Normal Cost represents the actuarial present value of projected benefits attributed to the current year. The UAL represents the actuarial present value of the future benefits attributed to prior years of service for current active members and retirees receiving benefits in excess of the market value of assets on deposit. CalPERS offers two UAL payment methods: (1) Twelve monthly payments of the total amount due; or (2) Prepay the UAL portion of the employer contribution on or before July 31st at a discounted rate, resulting in savings. The District began availing ourselves of the prepayment option in fiscal year 2016.

For fiscal year 2022, the total UAL due is \$13,126,980 if paid in twelve monthly payments. The prepayment option reduces the total amount due to \$12,690,330 if paid in full by July 31st, resulting in a current year UAL payment obligation savings.

Most agencies which opt to make the prepayment do so in order to reduce current year expenses. However, for the last three years CVWD's goal has been to reduce our overall UAL which has grown significantly over the years. One way we are doing this is by using the UAL option to get our required UAL payment into the CalPERS investment portfolio faster than if we paid it throughout the year in monthly increments. By doing so, our return on investment when funds are in the CalPERS portfolio is historically greater than when it is in our normal District portfolio. The main reason for this is that our District's investment policy is by law more restrictive than the CalPERS investment policy. By California law, CalPERS is permitted to invest in public and private equities and real estate, while they are prohibited for local governmental entities.

Also, it is significant to note that when our annual CalPERS valuation report is prepared, our Finance staff provides our CalPERS Supervision Pension Actuary our more current payroll information included in our recently adopted budget, and more conservative and realistic assumptions of the 20-year average of the CalPERS investment return, in the calculation of our projected accrued liability, which thereby affects our minimum required UAL contribution level. Further, by ensuring that the total amount budgeted for CalPERS employer contributions is paid to CalPERS by fiscal year end instead of taking the one-time prepayment savings, we help ensure that our UAL will gradually decline over time.

Since we began this approach, the District's Funding Ratio of Accrued Liability has increased from 63.9% for 06/30/2018 to 69.7% for 06/30/2021. Based upon the CalPERS reported investment earnings for FY 21 of 21.3%, the Funding Ratio is expected to significantly increase in next year's CalPERS Valuation Report which is always delayed by a year.

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 District provides 100% coverage of retiree medical for all employees who met the years of service requirement and retired prior to July 1, 2015. 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, these 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 future trust payments.

Annual OPEB costs are calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement 74 and 75. The District conducts an actuarial valuation every other year. The next one is planned for fiscal year 2022.

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

WORKERS' COMPENSATION

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

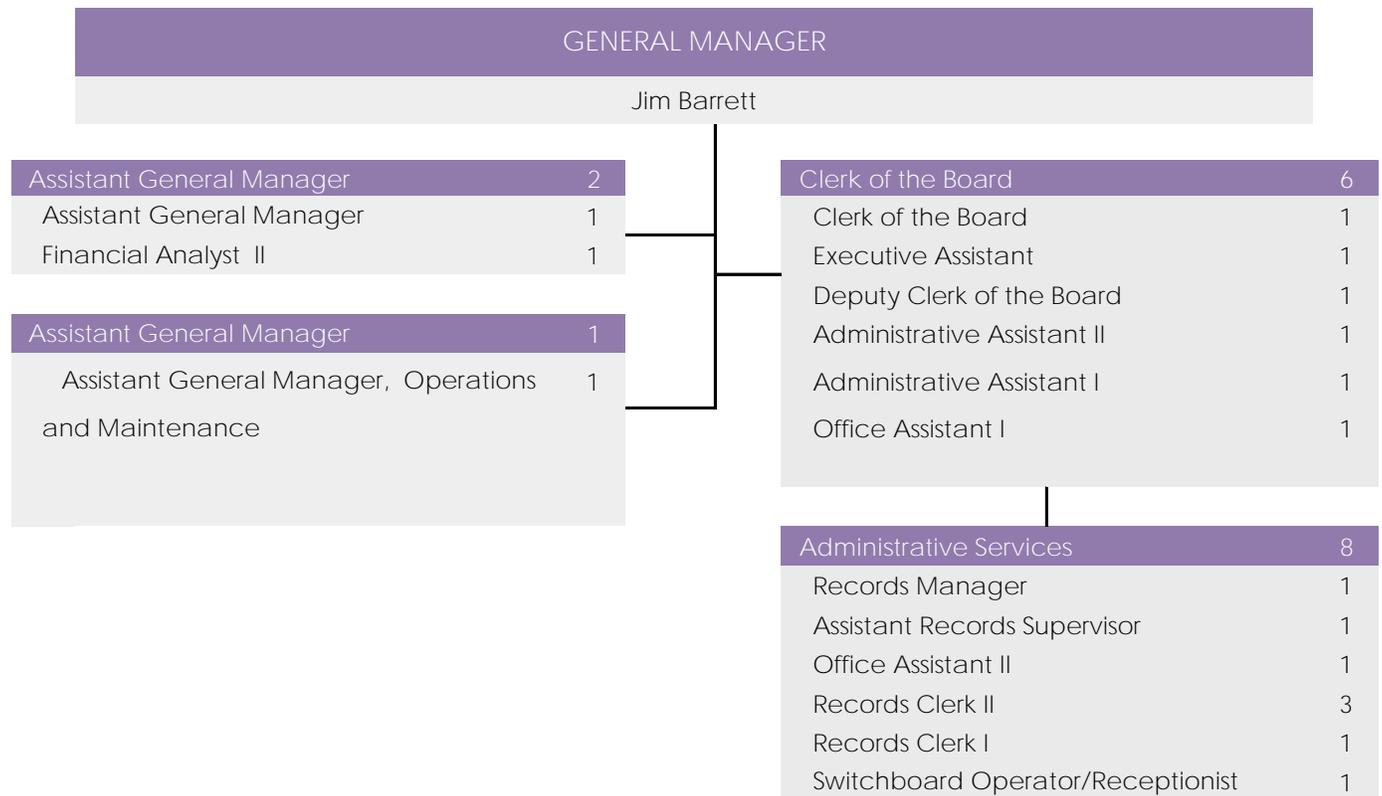
The rate is reviewed annually as a part of the budget process and is assessed on gross salaries as a means of providing revenue to pay current claims and an established accrued liability to cover any outstanding claims. The District conducted an actuarial analysis on the workers' compensation program in 2020. The new actuarial valuation reflected a reduction in estimated outstanding losses, and a reduction in claims being received. The District has conducted an actuarial valuation every three (3) years. The next one is to be completed in fiscal year 2023.



Storekeeper, Gus Nuno in CVWD Coachella Offices

ADMINISTRATION





DEPARTMENT DESCRIPTION

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

Mission

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

DIVISION DESCRIPTIONS

Executive Staff

This division consists of four full-time positions: the General Manager, who is selected by and reports directly to the Board of Directors (Board), an Assistant General Manager, an Assistant General Manager 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 imported water (including managing and negotiations),

- Water is used directly for irrigation and groundwater replenishment purposes, and is critical to the overall stability and sustainability of the District
- 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 330 employees to assist in the responsibilities above.

Clerk of the Board

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

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

In addition, the Clerk of the Board:

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

Administrative Services

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

REPROGRAPHICS

Provides high volume photocopy services to District staff

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

Processes all outgoing correspondence

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

RECORDS MANAGEMENT

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

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

SWITCHBOARD/FRONT OFFICE RECEPTION

Answers the main incoming switchboard for the District

Greets and receives visitors in Coachella

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

ADMINISTRATION WORKLOAD MEASURES

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Clerk of the Board					
District Documents Recorded	209	289	184	152	704
Board/Special Meeting Minutes Compiled	31	22	32	23	26
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	410	634	462	170	32
Administration/Board Travel Requests Processed	94	131	100	83	6
Documents Notarized	284	302	223	216	377
Incoming Mail Processed	91	3,937	17,275	12,706	8,584
Outgoing Mail Processed	12,241	11,700	15,740	11,683	10,928
Documents Scanned for FileNet Entry	2,209	2,450	2,170	2,057	2,447
Visitors Badges Issued at Reception Counter	1,985	3,136	1,601	1,539	261
Public Records Act Requests	141	84	256	323	360
Records Management					
Calls Answered	63,383	89,584	71,605	69,205	25,080
Incoming Mail Processed	24,599	29,560	18,027	17,252	13,216
Outgoing Mail Processed	122,202	122,393	22,399	20,457	20,257
Documents Processed for FileNet	19,973	11,288	11,079	10,754	9,637
Boxes Destroyed in Accordance with Records Retention	941	634	1,730	1,000	-
In Full Compliance with Records Retention Schedule	No	No	No	No	No

Administration Metrics

FISCAL 2020 – 2021 ACCOMPLISHMENTS

Administration

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

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

Continued to promote CVWD’s voice in the water industry by participating in, or holding leadership positions on AWWA’s Water Utility Council and Partnership for Clean Water Program, and State of California’s Drinking Water Operator Advisory Committee

Enhanced CVWD’s visibility in the water industry by authoring an article in the May 2021 edition of Journal AWWA, entitled “Show Me the Money: WIFIA Success Stories” with three other water agencies

Operations & Maintenance

Completed Phase II of the Asset Management Program, including the development of the Integration Plan, Training Platform, bidirectional financial coding, and Testing Program

Completed a comprehensive Preventative Maintenance Program

- Completed the Facilities Security and Safety Remodel at the Coachella Campus
- Completed the Cathodic Protection Infrastructure Assessment Report
- Developed the Domestic Water Programmable Logic Control Implementation Program

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.

Administrative Services

- Destroyed 1,022 archive boxes in accordance with the Records Retention Schedule
- Cross-trained staff on processing Incoming Correspondence and complex archiving of documents
- Oversaw the process to ensure the American Water Works Association (AWWA) survey was completed and submitted
- Updated the District's Records Retention Schedule

FISCAL 2021 – 22 GOALS

Administration

- Obtain necessary Board approvals, as appropriate; to continue CVWD's participation in Delta Conveyance Program and the Sites Reservoir Project (amended Phase 2 Agreement) in order to secure CVWD's imported water supplies
- Participate in renegotiations of Colorado River operating agreement (2007 Interim Guidelines), to ensure security of CVWD's Colorado River water supply

Operations & Maintenance

- 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

- Issue a request for proposal (RFP) and implement a new agenda management platform and update Board chambers equipment
- Issue a request for proposal and implement an online system for processing and automation of Public Records Act requests

- Develop a facilities use policy, including fee schedule for use of CVWD rooms by external agencies
- Implement online ethics training and tracking module for District officials

Administrative Services

- Destroy 1,000 archive boxes in accordance with the Records Retention Schedule by 06/30/2022
- Research and implement a box bar code identification and tracking system for the District's archives
- Develop and implement records and information management training for all levels of District staff and train 10% of District staff by December 2021 and 30% of staff by June 2022
- Review and evaluate the long-term preservation of the District's historical records and artifacts and begin the scanning of historical records.
- Research and consider a partnership and interlocal agreements with entities engaged in historical preservation and the presentation of archival material

Administration Department	FY 2020 Actual	FY 2021 Actual*	FY 2021 Budget	FY 2022 Budget	Budget Change	% Change
Expenses by Type						
Salaries and Wages	\$ 2,291,592	\$ 2,300,525	\$ 2,386,514	\$ 2,377,675	\$ (8,839)	-0.4%
Employee Benefits	1,202,223	1,120,535	1,267,315	1,324,429	57,114	4.5%
Professional Development	992,020	857,016	1,124,000	744,230	(379,770)	-33.8%
Professional Services	2,960,391	3,129,544	3,612,750	3,214,000	(398,750)	-11.0%
Advertising and Media	2,056	8,143	17,000	17,000	-	-
Election Costs	1,000	20,339	175,000	-	(175,000)	-100.0%
Utilities	6,733	9,629	10,540	8,040	(2,500)	-23.7%
Materials and Supplies	110,986	108,740	118,100	149,600	31,500	26.7%
Motorpool	10,018	41,381	45,340	29,381	(15,959)	-35.2%
Contract Services	14,895	47,395	31,000	34,500	3,500	11.3%
Miscellaneous Expense	1,017,904	1,029,702	1,005,100	1,342,300	337,200	33.5%
Capital Outlay	-	27,848	250,000	-	(250,000)	-100.0%
Total	\$ 8,610,210	\$ 8,700,795	\$ 10,042,659	\$ 9,241,255	\$ (801,404)	-8.0%
Expenses by Division						
Board of Directors	\$ 329,180	\$ 128,735	\$ 227,536	\$ 218,550	\$ (8,986)	-3.9%
Board of Secretary	753,404	937,194	1,454,488	970,163	(484,325)	-33.3%
Administration	4,860,684	4,950,828	5,661,309	5,176,352	(484,957)	-8.6%
Colorado River and Other	1,501,618	1,524,603	1,549,339	1,565,187	15,848	1.0%
State Water Project	81,333	108,882	-	80,000	80,000	-
Reprographics	145,528	136,329	155,500	-	(155,500)	-100.0%
Records Management	938,461	914,224	994,487	1,231,003	236,516	23.8%
Total	\$ 8,610,210	\$ 8,700,795	\$ 10,042,659	\$ 9,241,255	\$ (801,404)	-8.0%
Expenses by Fund						
Domestic Water	\$ 1,246,752	\$ 1,143,989	\$ 1,399,006	\$ 1,131,273	\$ (267,733)	-19.1%
Canal Water	2,961,739	3,072,045	3,320,644	2,782,676	(537,968)	-16.2%
West Whitewater Replenishment	2,786,859	2,208,552	3,082,937	3,517,625	434,688	14.1%
Mission Creek Replenishment	104,976	12,518	76,328	16,146	(60,182)	-78.8%
East Whitewater Replenishment	336,110	388,118	840,105	247,608	(592,497)	-70.5%
State Water Project	37,916	719,753	-	289,445	289,445	-
Sanitation	735,329	757,346	862,162	824,056	(38,106)	-4.4%
Stormwater Fund	395,211	384,325	451,206	421,665	(29,541)	-6.5%
Motor Pool Fund	5,317	14,149	10,271	10,761	490	4.8%
Total	\$ 8,610,210	\$ 8,700,795	\$ 10,042,659	\$ 9,241,255	\$ (801,404)	-8.0%

* Unaudited

WATER-RELATED COSTS			
Description	FY 2021 Budget	FY 2022 Budget	Variance
Purchase Water			
IID CVWD QSA Water	\$ 7,041,000	\$ 7,751,000	\$ 710,000
MWD 15,000 AF Conservation	-	4,672,500	4,672,500
MWD 35,000 AF Non-SWP Water	4,060,000	3,964,000	(96,000)
Rosedale-Rio Bravo	6,270,000	6,919,273	649,273
Purchase Water Total	\$ 17,371,000	\$ 23,306,773	\$ 5,935,773
State Water Project Water			
Delta Charge Capital (V)	\$ 4,603,000	\$ 4,617,392	\$ 14,392
Transportation Capital (F)	11,860,000	11,890,943	30,943
Delta Water OMPR (V)	6,686,000	7,218,856	532,856
Transportation OMPR (F)	16,708,000	16,912,513	204,513
Water Sys Bond Surcharge (F)	2,360,000	2,298,750	(61,250)
E. Branch Bond P&I (F)	5,532,000	5,384,896	(147,104)
Off-Aqueduct Maint. (V)	264,000	30,003	(233,997)
Transportation OMPR (V)	7,691,000	5,784,000	(1,907,000)
Tehachapi 2nd Debt Svc (F)	45,000	59,248	14,248
MWD 35,000 AF SWP Water	6,685,000	6,886,000	201,000
Yuba Dry Year	535,000	478,666	(56,334)
Article 21	82,000	108,650	26,650
Sites Reservoir	1,000,000	1,500,000	500,000
Delta Conveyance Project	4,000,000	2,104,320	(1,895,680)
East Branch Reallocation	406,000	3,800,000	3,394,000
State Water Project Water Total	\$ 68,457,000	\$ 69,074,237	\$ 617,237
Other Water-Related Costs			
Canal Interfund Water Sales	\$ 6,275,000	\$ 7,457,000	\$ 1,182,000
QSA Mitigation Costs	739,000	2,698,000	1,959,000
Lake Perris Seepage Recovery	538,000	307,489	(230,511)
Oroville Dam Emergency Recovery	250,000	1,166,000	916,000
Other Water Costs	530,000	530,000	-
Other Water-Related Costs Total	\$ 8,332,000	\$ 12,158,489	\$ 3,826,489
Total Water-Related Costs	\$ 94,160,000	\$ 104,539,499	\$ 10,379,499

COMMUNICATIONS & CONSERVATION



DIRECTOR OF COMMUNICATIONS & CONSERVATION

Katie Evans

Administration	1		Water Management	15
Administrative Assistant I	1		Conservation Manager	1
Outreach & Education	9		Office Assistant II	1
Government and Regional Affairs Coordinator	1		Water Management Supervisor	1
Multimedia Specialist	1		Water Management Specialist II (Lead)	3
Education Specialist	1		Water Management Specialist I	7
Education Associate	1		Water Management Technician	1
Communications Specialist	4		Water Management Aide	1
Communications Assistant	1			
		Total Positions		
		26		

DEPARTMENT DESCRIPTION

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

Mission

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



Conservation Manager Jenna Shimmin presents a rebate check to Desert Sands Unified School District

DIVISION DESCRIPTIONS

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

NOTE: COVID-19 required we modify some of these activities in FY 2021

Outreach & Education

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

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

Provides internal communication to employees, including:

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

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

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

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

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

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

Topics include:

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

Water Management

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

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

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

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

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

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

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

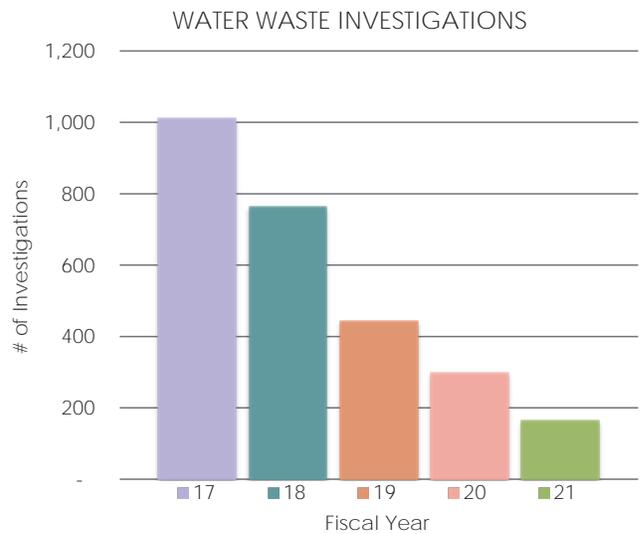
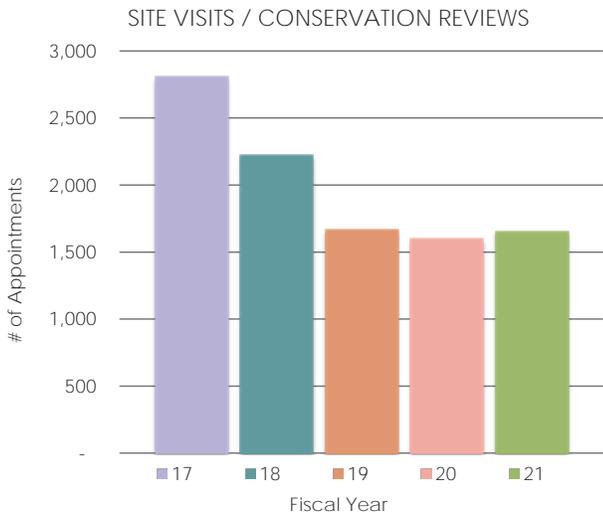
Reviews customer appeals regarding their water budget



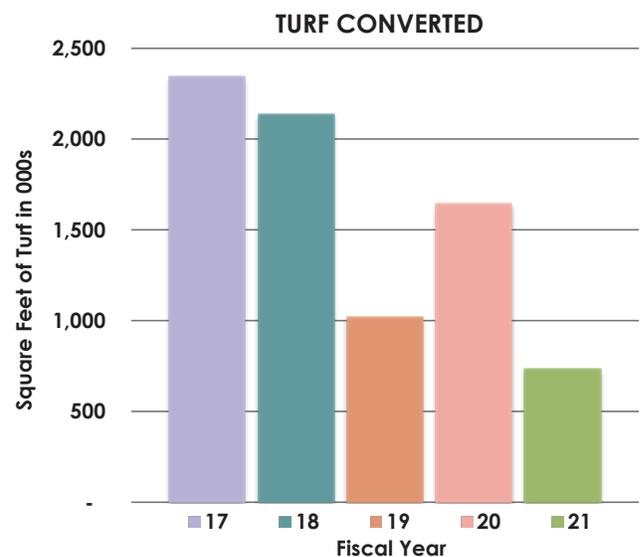
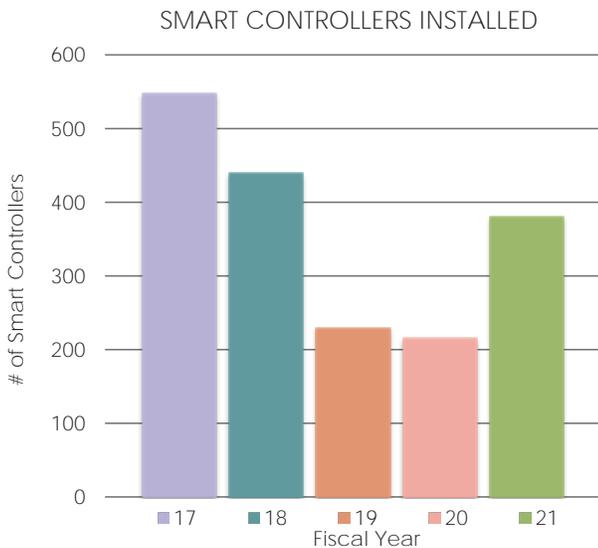
Complimentary Water Conservation Kit

Communications & Conservation Metrics

The first graph reflects a five-year history of site visits/conservation reviews completed by Water Management. The second graph reflects a five-year history of water waste investigations. Both graphs reflect a sharp decrease beginning in fiscal 2018. 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.



COMMUNICATIONS & CONSERVATION WORKLOAD MEASURES

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Outreach & Education					
Media Stories (newspaper, TV, radio, etc.) Concerning CVWD Per Year	329	98	231	125	155
Students Receiving Educational Presentations	10,968	6,171	7,996	5,174	197 *
News Releases	48	21	35	39	31
Tours Provided	55	49	52	56	- *
Informative Presentations to Community Groups	65	17	10	15	- *
Informational Booths Staffed at Community Events	30	36	25	13	- *
Informational & Educational Workshops Hosted or Presented	6	9	15	8	- *
Number of Active Contacts with Stakeholders in Key Areas (e.g., from local government, business, education, nongovernmental groups)	51	26	43	24	10 *
Number of Topic Letters Submitted in Regards to Legislation Affecting the District	31	10	14	14	4
<i>* Outreach & Education numbers impacted by COVID-19 restrictions.</i>					
Water Management					
Residential Smart Controllers Installed	419	334	211	117	163
Large Landscape Smart Controllers Installed	129	106	19	16	218
Rebates Issued to Homeowners for Landscape Conversion	528	268	226	160	263
Square Feet of Grass Replaced with Desert-Friendly Landscape - Homeowners	641,284	377,197	378,125	203,327	375,392
Rebates Issued to Large Landscape Customers for Landscape Conversion	178	170	108	64	73
Square Feet of Grass Replaced with Desert-Friendly Landscape - Large Landscape Customers	1,704,194	1,761,876	643,591	634,044	359,738
Rebates Issued Toilet Replacement Program	484	721	869	1,411	1,310
Rebates Issued Residential Hot Water Recirculating Pump Program	-	-	-	16	37
Rebates Issued High Efficiency Washing Machine Rebate Program	-	-	-	25	263
Water Waste Investigations	1,013	763	444	262	164
Nozzles Replaced	5,728	673	1,628	651	1,082
Plan Checks	278	332	402	264	466
Appeals	273	1,645	1,197	456	1,646



Water Management Specialist checks drip irrigation head for leaks

FISCAL 2020 – 21 ACCOMPLISHMENTS

Outreach & Education

- Arranged live streaming coverage of Westside Elementary School project groundbreaking and videos of Thermal Mutual Water Consolidation project completion
- Conducted internal and external outreach to celebrate Water Professionals Week (May 2-8, 2021)
- Created behind-the-scenes video tours highlighting District operations
- Debuted “Ask CVWD” video series on indoor, outdoor water use
- Designed and published an annual agricultural report

Water Management

- Updated the “Ask the Expert” demonstration videos to reflect present-day technologies and methods
- Completed a pilot program to contract with Blue Watchdog to perform field investigations for large landscape customers, which included eight HOAs
- Began meeting with effected departments in order to draft a Request for Proposal for the design portion of a demonstration garden at the Palm Desert campus
- Researched the potential for a high-efficiency dishwasher rebate program
- Created and updated internal procedures for existing and new rebate programs
- Developed a department budget-tracking tool to track expenditures at the individual item level
- Developed an irrigation clock recycling program

FISCAL 2021 – 22 GOALS

Outreach & Education

- Create a style guide
- Expand social media reach with a strong presence on LinkedIn
- Improve employee communication based on internal feedback
- Organize a tour for public officials who represent the Coachella Valley
- Post an online media kit

Water Management

- Update the Water Management SharePoint page
- Implement the commercial customer audit program
- Implement a more robust partnership with Blue Watchdog to perform additional field investigations of large landscape customers in order to ensure budget accuracy
- Research the potential for a commercial customer specialized rebate program for business specific savings
- Compile all Water Management policies and procedures into one location, and identify missing documents and those in need of updating
- Finish developing and release a Request for Proposals for the design portion of a demonstration garden at the Palm Desert campus
- Develop a water waste restrictions enforcement plan for each stage of the updated Water Shortage Contingency Plan

COMMUNICATIONS & CONSERVATION — FISCAL 2021 - 22 BUDGET

Communications & Conservation Department	FY 2020 Actual	FY 2021 Actual*	FY 2021 Budget	FY 2022 Budget	Budget Change	% Change
Expenses by Type						
Salaries and Wages	\$ 2,668,820	\$ 2,814,629	\$ 2,891,476	\$ 2,953,820	\$ 62,344	2.2%
Employee Benefits	1,593,115	1,530,635	1,616,517	1,710,667	94,150	5.8%
Professional Development	88,033	93,470	151,096	141,996	(9,100)	-6.0%
Professional Services	234,155	224,170	225,000	229,000	4,000	1.8%
Advertising and Media	194,172	215,046	190,600	190,600	-	-
Utilities	14,941	17,492	10,894	11,394	500	4.6%
Materials and Supplies	137,779	60,186	161,615	126,754	(34,861)	-21.6%
Motorpool	62,255	46,497	53,760	72,574	18,814	35.0%
Contract Services	176,183	150,398	232,400	275,350	42,950	18.5%
Miscellaneous Expense	3,149,378	2,309,038	2,928,800	2,903,802	(24,998)	-0.9%
Total	\$ 8,318,832	\$ 7,461,561	\$ 8,462,158	\$ 8,615,957	\$ 153,799	1.8%
Expenses by Division						
Outreach and Education	\$ 2,532,320	\$ 2,415,024	\$ 2,699,269	\$ 2,728,202	\$ 28,933	1.1%
Water Management	5,786,512	5,046,537	5,762,889	5,887,755	124,866	2.2%
Total	\$ 8,318,832	\$ 7,461,561	\$ 8,462,158	\$ 8,615,957	\$ 153,799	1.8%
Expenses by Fund						
Domestic Water	\$ 7,146,910	\$ 6,328,353	\$ 7,155,391	\$ 7,306,253	\$ 150,862	2.1%
Canal Water	628,074	499,868	616,169	591,815	(24,354)	-4.0%
West Whitewater Replenishment	179,455	171,182	188,636	193,765	5,129	2.7%
East Whitewater Replenishment	76,819	120,286	128,513	134,843	6,330	4.9%
Sanitation	154,155	204,594	221,873	232,684	10,811	4.9%
Stormwater Fund	133,419	137,277	151,576	156,597	5,021	3.3%
Total	\$ 8,318,832	\$ 7,461,561	\$ 8,462,158	\$ 8,615,957	\$ 153,799	1.8%

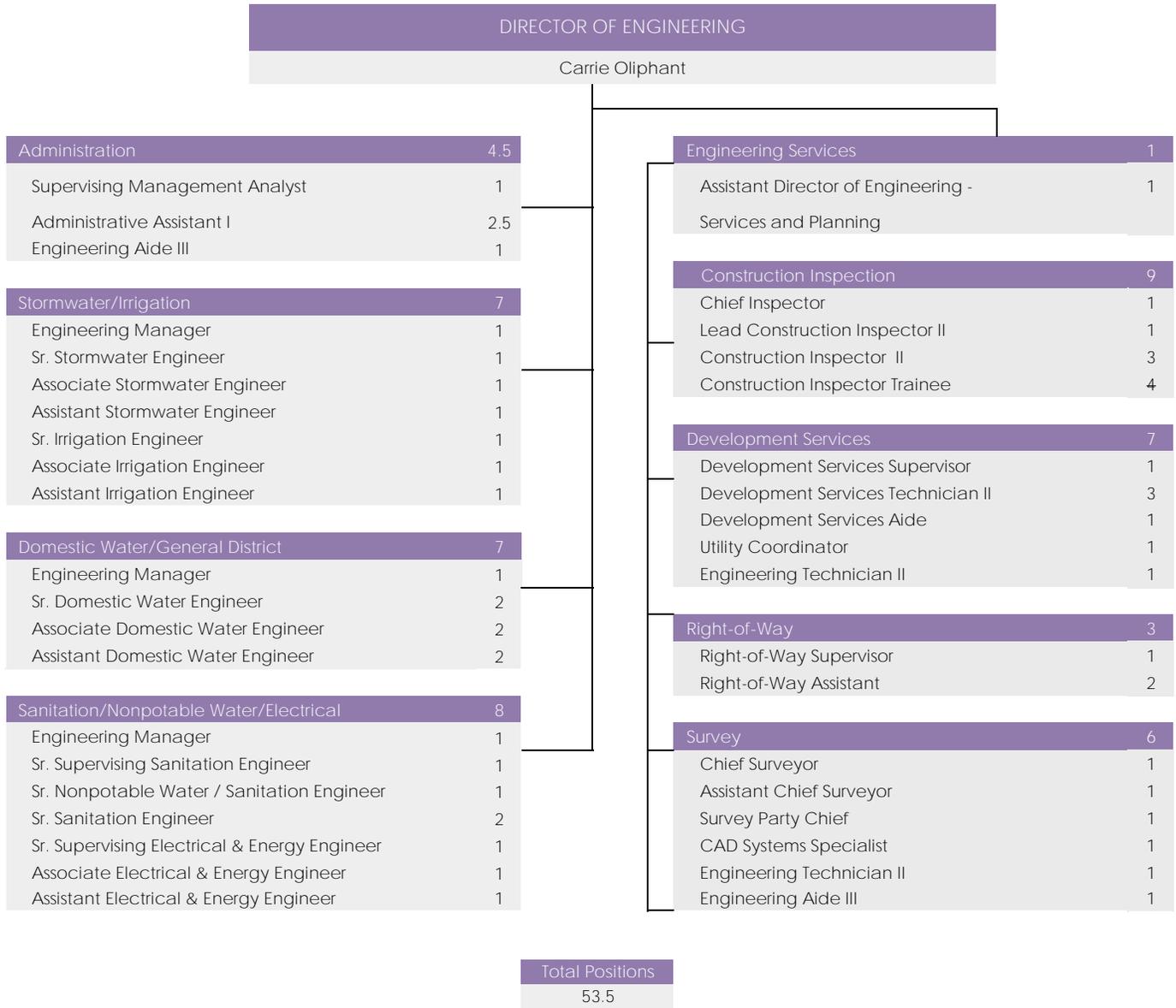
* Unaudited



Water Management Technician Chris Thomas explains how to program a smart controller in the Ask CVWD video series

ENGINEERING





DEPARTMENT DESCRIPTION

The Engineering Department consists of five divisions: Administration, Stormwater/Irrigation, Domestic Water/General District, Sanitation/Nonpotable Water/Electrical, and Engineering Services (Construction Inspection, Development Services, Right-of-Way, 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 (eight cities, two 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 (000s)						
	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Amended Budget	\$115,101	\$115,056	\$104,734	\$127,404	\$127,250	\$103,777
Actual Spend	\$46,336	\$58,420	\$73,913	\$117,773	\$116,082	\$96,355
% of Budget	40.3%	50.8%	70.6%	92.4%	91.2%	92.8%

ENGINEERING WORKLOAD MEASURES			
	FY 2019	FY 2020	FY 2021
Administration			
Engineering Letters Processed	774	807	931
Environmental Services Letters Processed	173	147	75
Bids Processed	30	22	41
Progress Payments Routed	96	116	132
Stormwater/Irrigation			
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	129	104	81
Flood Management Reviews Processed	30	60	5
Development Review Letters Processed	154	158	66
Meetings for Developer Funded Projects	77	68	61
Meetings for all Developer Initiated Projects	69	73	21
Number of Installation Agreements	9	10	2
Encroachment Permits/Noninterference Review Letters (NIRLs) Reviewed	79	76	16
Change Orders	18	18	13
Customer Phone Calls	431	510	313
Domestic Water/General District			
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	Yes
Change Orders	66	67	60
Customer Phone Calls	231	284	183
Development Review Letters	71	55	66
Hydraulic Models, Trench Calculations, Water Meter Sizing	567	865	556
Developer Meetings	38	67	93
Support Meetings with Other Departments	148	118	148
Other Meetings Attended	215	228	469
Board Action Items	14	21	21
Sanitation/Nonpotable Water/Electrical			
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	16	43	66
Developer Meetings Attended	9	37	33
Right-of-Way Reviews	14	66	23
Hydraulic Models Assigned	34	21	20
Trench Calculations Assigned	4	29	25
Sanitation - Submittals Received	634	529	139
Sanitation - Requests for Information	211	232	163
Sanitation - Change Orders	71	82	54
Nonpotable Water - Submittals Received	133	12	56
Nonpotable Water - Requests for Information	78	8	15
Nonpotable Water - Change Orders	27	5	1
Electrical - Sanitation/Nonpotable Water Submittals Reviewed	230	194	146
Electrical - Domestic Water Submittals Reviewed	74	40	117
Electrical - Stormwater/Irrigation Submittals Reviewed	12	17	59
Electrical - General District Submittals Reviewed	45	3	32
Electrical - Sanitation/Nonpotable Water Inspections	53	139	110
Electrical - Domestic Water Inspections	35	37	55
Electrical - Stormwater/Irrigation Inspections	3	139	9
Electrical - General District Inspections	63	1	25
Electrical - Requests for Information - Sanitation/Nonpotable Water	78	126	82
Electrical - Requests for Information - Domestic Water	25	27	55
Electrical - Requests for Information - Stormwater/Irrigation/Canal	6	2	12
Electrical - Requests for Information - General District	22	2	-
Electrical - Utility Coordination	145	197	237

ENGINEERING WORKLOAD MEASURES			
	FY 2019	FY 2020	FY 2021
Engineering Services			
Construction Inspection			
Customer Contacts Walk-Ins/Phone Calls/Emails	12,182	14,483	15,879
Pre Cons Attended	68	78	93
Tract Inspections	101	110	135
CIP Inspections	39	53	27
Existing Facilities Inspections	30	46	37
Single Sewer Laterals Inspections & Sewer Video Tract Inspections	34	32	31
Development Services			
Produce a Minimum 90% of Cost Notification for Service Invoices within 10 Business Days of Receipt	Yes	Yes	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	325	124	163
Additional Water Meters Installed	1,028	755	1,063
Domestic and Sanitation Cost Notifications	2,013	966	1,202
Plans Released	75	18	35
Customer Contacts Phone Calls/Emails	67,348	25,792	30,496
Customers at Counter	3,991	1,327	128
Development Meetings	298	85	83
Development Security Deposit Processed	137	21	27
Plan Checks (1st, 2nd, 3rd Checks)	587	114	426
Customer Contact	2,923	2,979	1,893
Correspondence	4,029	5,006	3,010
Phone Calls	1,402	1,360	591
Right-of-Way (ROW)			
Percent of Right-of-Way Permit Requests Processed Within 30 Days of Receipt of a Complete Submittal	100	100	100
Walk-in Customers	101	49	-
Research Requests/Initial Inquiries	2,478	4,284	3,447
Issuance of ROW Numbers for ROW Docs	197	484	651
Issuance of ROW Numbers for Others	197	192	390
New Permits/Noninterference Review Letters (NIRLs)	82	95	211
Permit Extensions	86	71	185
CIB Projects	60	53	73
Developer Meetings Attended	79	83	29
Developer Acquisitions/Conveyances	36	33	62
Encroachments	8	4	8
Vacation Requests	6	3	2
Leases Researched	11	23	11
Bureau of Land Management/Bureau of Indian Affairs Rights	6	5	5
United States Bureau of Reclamation (USBR) Processes	21	14	34
ROW Acquisitions/Conveyances	18	39	100
Land Sale Requests	26	11	14
Tax Default Parcels Researched	8	7	8
Survey			
Percent of Requests for Field Survey Processed within 3 Days of Receipt	100	100	100
Completed Reviews of Maps/Easements	41	38	31
Legal and Plats Reviewed	19	221	193
Exhibit A Legals Written	76	112	219
Staking Plans/Survey Processing Projects	375	405	494
Plotting Requests	7	13	22
Records of Survey in Process	4	-	-
Internal Easement Legal and Plats Completed	49	65	62
Meetings/Training Sessions Attended	228	237	189
Requests for Information/Research/Material	197	304	399
Preliminary Title Reports Reviewed	24	93	104
CIP Computer-Aided Design (CAD) Hours	501	401	620
Board Agenda Item Maps	158	176	338
Plat Updates	378	336	412
Process Plat Update Requests within 5 Business Days	Yes	781	Yes
SunGard Work Orders	740	462	621

FISCAL 2020 – 21 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
- SG 4.12** Completed Phase 1 of surge tank protection
- SG 4.13** Completed Risk & Resilience Assessment recommendations, Phase 1

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 two weeks or less for a minimum of 90% of development review letters
- Achieved an average formal response time of two weeks for IWAA removal requests
- Achieved a turnaround time of two weeks or less for a minimum of 90% of new irrigation water service requests
- Maintained an average turnaround time of three weeks or less for a minimum of 90% of Riverside County flood management reviews
- Achieved an average turnaround time of three weeks or less for a minimum of 90% of developer plan reviews
- Completed the Oasis Tower Replacement Project
- Completed the Coachella Valley Stormwater Channel Avenue 62 to Avenue 64 Bank Protection and Fillmore Ditch Outfall Improvement Project
- Completed 100% design of the Johnson Street Drain Improvement Project
- Completed 100% design of the Irrigation Lateral 101.3 Replacement Project
- Completed 100% design of the Irrigation Lateral 102.3 Replacement Project
- Completed 100% design of the Irrigation Lateral 123.45-1.3-2.8 Replacement Project
- Completed 100% design of the Irrigation Lateral 123.45-1.3-3.2 RT Replacement Project
- Completed 100% design for the Thousand Palms Flood Control Project
- Completed 100% design of the East Side Dike Improvement Project
- Completed 100% design of the Whitewater River Channel Bank Protection Upstream of Cook Street Project
- Completed 100% design of the Madison Club Avenue 54 Meter Connection Project

Domestic Water/General District

- Achieved a minimum 75% CIP execution rate
- Achieved an average 5% or less for change orders as a % of project total
- Maintained a turnaround time of two weeks or less for a minimum of 90% of development review letters
- Achieved a turnaround time of four weeks or less for 90% of hydraulic model requests

Achieved a turnaround time of two weeks or less for a minimum of 90% of fire flow analysis requests
Maintained a turnaround time of two weeks or less for a minimum of 90% of trench review requests
Continued to process a minimum 90% of water meter sizing requests within one week
Completed the Sun City Palm Desert Water Main Replacement Project, Phase 1
Completed the Sun City Palm Desert Water Main Replacement Project, Phase 2A
Completed the Installation of 4 Emergency Stand-by Generators for Well Nos. 3405-2, 4615-1, 5683-1, and 6734-1 Project
Completed the Rehabilitation of Well Nos. 5673, 8993, 5656, 5678, and 3 WRP 10 Monitoring Wells for the Well Rehabilitation Project, Phase 2
Completed the Reservoir 5643-1 & 2 Landscape Project
Completed the Highway 86 Booster Pump Station Project
Completed the Consolidation of CVWD's ID No. 11 Water System with Cove Water System
Completed the Thermal Mutual Water Company, Oasis Gardens Mobile Home Park Water System, and Coachella Valley Unified School District (Westside Elementary School) Consolidation Project
Completed the Replacement of Tank Nos. BS05501, BS05602, BS04601, and BS01092 for the Hydropneumatic/ Surge Tank Replacement Program
Completed the Palm Desert Parking Lot Expansion and Rehabilitation Project, Phase 1
Completed the Coachella Campus Fire Line and Irrigation System Improvements Project, Phase 1
Completed 100% design of the Reservoirs 4711-3 & 4 Project
Completed 100% design of the Reservoir 7101-2 Project
Completed 100% design of the Reservoir 5514-2 Project
Completed 100% design of the Sky Mountain Pressure Zone Enhancements – Thousand Palms Area Project
Completed 100% design of the North Shore Water Main Replacement Project
Completed 100% design of the Booster Station No. 05611 Rehabilitation and Upgrade 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 two weeks or less for a minimum of 90% of development review letters
Achieved a turnaround time of four weeks or less for 90% of hydraulic model requests
Achieved a turnaround time of three weeks or less for a minimum of 90% of trench review requests
Completed the WRP 4, 7, and 10 Chemical System Safety Upgrade Project
Completed the Jefferson Street and Avenue 50 Force Main Project, Phase 1 and 2
Completed the Sewer Pipeline and Manhole Rehabilitation – Palm Desert and Rancho Mirage Project
Completed the WRP 4 Project Optimization Project
Completed 100% design of the WRP 10 Filter Assessment Project
Completed 100% design of the Sewer Pipeline Rehabilitation – Fairway Drive Project
Completed 100% design of the Sewer Pipeline – Palm Desert and Thousand Palms Project

- Completed 100% design for the Burr Street Force Main Project
- Completed 100% design for the Emerald Desert Country Club Nonpotable Water Connection
- Completed 100% design for the Young's Farmland Nonpotable Water Connection
- Completed 100% design for the Palm Desert Groundwater Replenishment Facility Project, Phase 2
- Completed Lift Station 80-03 and WRP 10 Headworks Assessment Reports

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

- Processed requests for Field Survey within three days of receipt
- Attained a five day processing time for Plat Update requests

FISCAL 2021 – 22 GOALS

Stormwater/Irrigation

- Achieve a minimum 75% CIP execution rate
- Achieve an average 5% or less for change orders as a % of project total
- Achieve a turnaround time of two weeks or less for a minimum of 90% of development review letters
- Achieve an average formal response time of two weeks for IWAA removal requests
- Achieve a turnaround time of two weeks or less for a minimum of 90% of new irrigation water service requests
- Maintain an average turnaround time of three weeks or less for a minimum of 90% of Riverside County flood management reviews
- Achieve an average turnaround time of three 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 two weeks or less for a minimum of 90% of development review letters
- Achieve a turnaround time of four weeks or less for 90% of hydraulic model requests
- Achieve a turnaround time of two weeks or less for a minimum of 90% of fire flow analysis requests
- Maintain a turnaround time of two weeks or less for a minimum of 90% of trench review requests
- Continue to process a minimum 90% of water meter sizing requests within one 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 two weeks or less for a minimum of 90% of development review letters
- Achieve a turnaround time of four weeks or less for 90% of hydraulic model requests
- Achieve a turnaround time of three 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 three days of receipt

Attain a five day processing time for Plat Update requests

Engineering Department	FY 2020 Actual	FY 2021 Actual*	FY 2021 Budget	FY 2022 Budget	Budget Change	% Change
Expenses by Type						
Salaries and Wages	\$ 3,887,905	\$ 4,328,550	\$ 6,774,460	\$ 6,978,250	\$ 203,790	3.0%
Employee Benefits	2,405,143	2,348,071	3,896,932	4,114,338	217,406	5.6%
Professional Development	19,766	14,993	68,157	68,657	500	0.7%
Professional Services	1,809,965	827,415	1,470,000	928,000	(542,000)	-36.9%
Utilities	40,187	29,831	24,062	24,014	(48)	-0.2%
Materials and Supplies	41,606	34,157	60,392	46,892	(13,500)	-22.4%
Motorpool	129,026	139,918	137,690	136,642	(1,048)	-0.8%
Contract Services	684,722	514,186	435,500	475,500	40,000	9.2%
Safety	3,466	3,735	3,360	3,360	-	-
Miscellaneous Expense	132,367	51,617	52,100	37,100	(15,000)	-28.8%
Capital Outlay	289,137	13,253	-	-	-	-
Total	\$ 9,443,290	\$ 8,305,726	\$ 12,922,653	\$ 12,812,753	\$ (109,900)	-0.9%
Expenses by Division						
Administration	\$ 1,564,190	\$ 1,612,930	\$ 2,302,779	\$ 1,846,252	\$ (456,527)	-19.8%
Stormwater	727,291	722,863	785,446	1,143,309	357,863	45.6%
Irrigation	721,252	284,692	1,059,109	692,435	(366,674)	-34.6%
Electric Energy	195,252	295,966	652,435	764,673	112,238	17.2%
Domestic Water	1,076,453	923,812	1,989,048	1,884,307	(104,741)	-5.3%
Sanitation	804,392	516,995	1,440,832	1,607,743	166,911	11.6%
Right of Way	438,748	338,996	492,100	497,488	5,388	1.1%
Survey	765,004	1,025,334	1,099,081	1,149,894	50,813	4.6%
CAD/GIS	1,471,249	-	-	-	-	-
Development Services	835,498	1,685,839	1,607,715	1,665,327	57,612	3.6%
Inspection	843,959	898,298	1,494,108	1,561,325	67,217	4.5%
Total	\$ 9,443,290	\$ 8,305,726	\$ 12,922,653	\$ 12,812,753	\$ (109,900)	-0.9%
Expenses by Fund						
Domestic Water	\$ 3,436,745	\$ 2,536,856	\$ 3,913,803	\$ 3,879,874	\$ (33,929)	-0.9%
Canal Water	964,434	949,324	1,805,786	1,719,867	(85,919)	-4.8%
West Whitewater Replenishment	709,909	293,094	758,987	719,058	(39,929)	-5.3%
Mission Creek Replenishment	56,904	45,691	65,161	70,448	5,287	8.1%
East Whitewater Replenishment	113,361	87,271	152,801	144,862	(7,939)	-5.2%
Sanitation	2,690,987	2,650,360	3,911,960	3,882,396	(29,564)	-0.8%
Stormwater Fund	1,468,206	1,743,040	2,314,155	2,396,248	82,093	3.5%
Motor Pool Fund	2,745	90	-	-	-	-
Total	\$ 9,443,290	\$ 8,305,726	\$ 12,922,653	\$ 12,812,753	\$ (109,900)	-0.9%

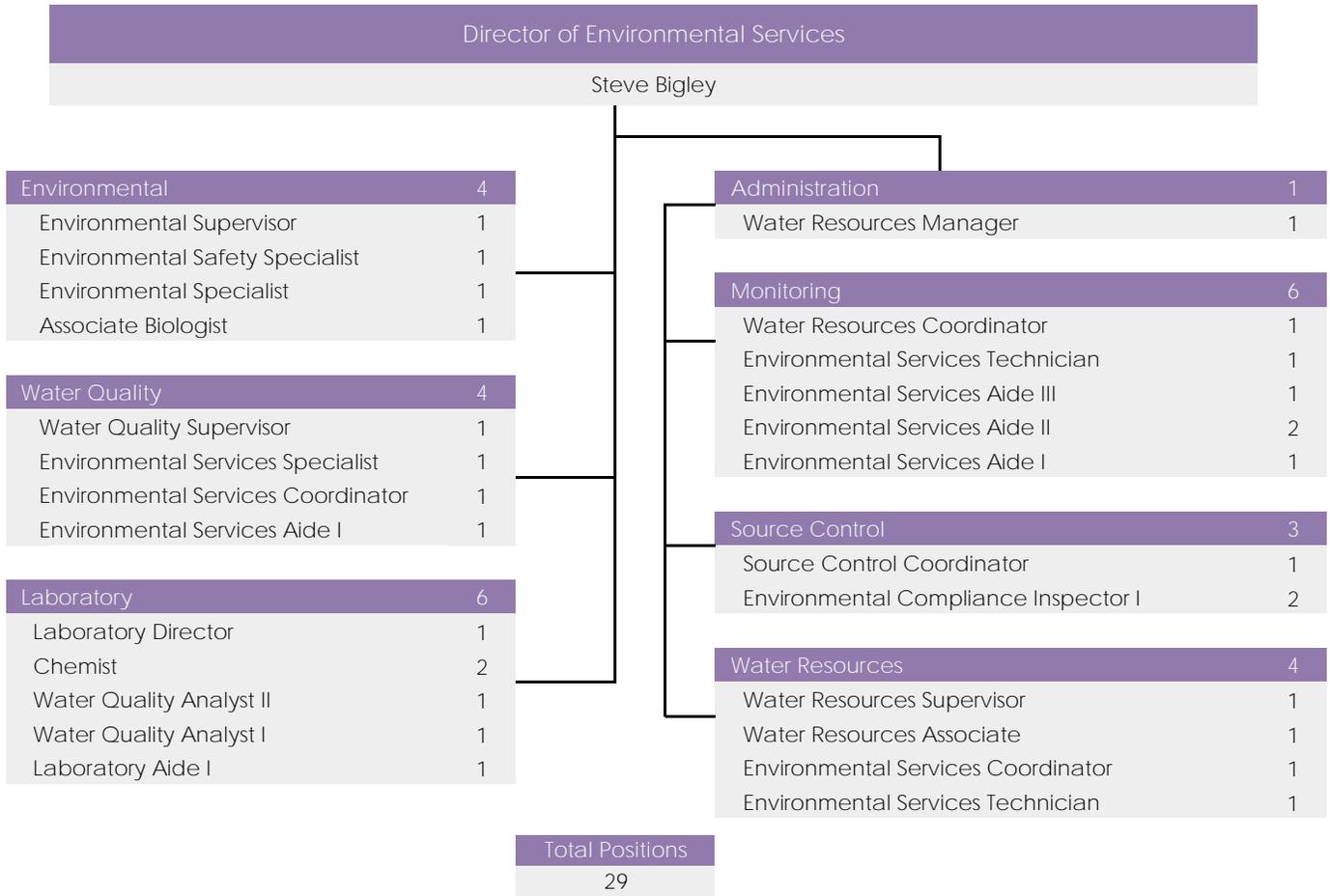
* Unaudited



Oasis Tower Replacement Project

ENVIRONMENTAL SERVICES





DEPARTMENT DESCRIPTION

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

Mission

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

Core Values

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

DIVISION DESCRIPTIONS

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

Environmental

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

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

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

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

Coordinates mitigation requirements and compliance work for project habitat conservation and monitoring plans

Ensures CVWD facilities, equipment, and operations are permitted according to State guidelines including:

- Backup power generators (air quality)
- CVWD staff training and employee safety (environmental safety)
- Materials storage, disposal, and risk management (hazardous waste)
- Storm Channel maintenance (biological / hydrological)

Works with regulatory agency staff to obtain and satisfy Clean Water Act permits for District facilities and covered activities

Participates in environmental and biological workgroups and committees focusing on regional environmental challenges (i.e. Salton Sea, Dos Palmas)

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 provide an effective data storage system for performing water quality evaluations

Provides laboratory analytical services to 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

Administers the following: Artesian Well Rebate Program and State Well Numbering Program

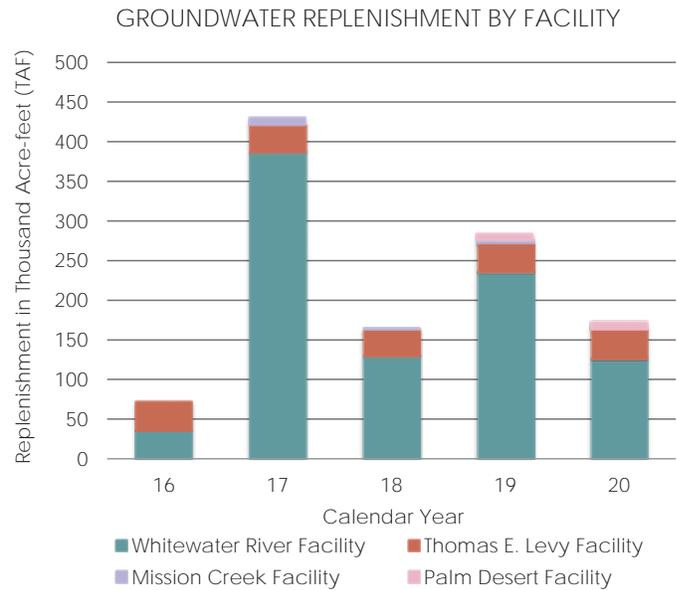
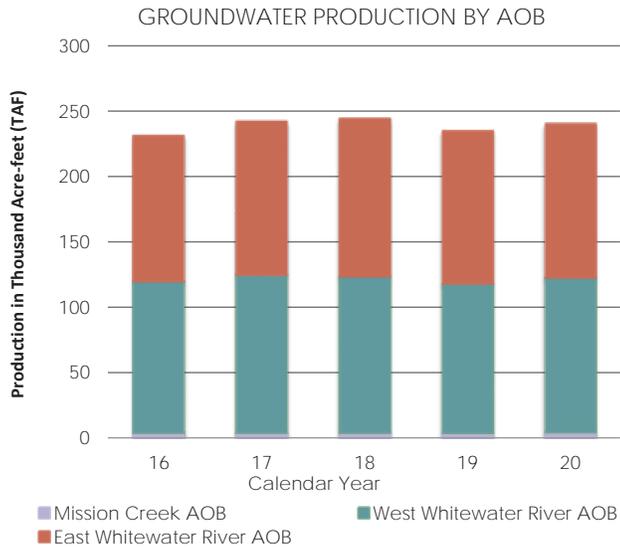
Coordinates the District's compliance with the State's Sustainable Groundwater Management Act (SGMA)

Manages the District's evaluation of expanding groundwater replenishment activities in the mid and east portions of the Coachella Valley

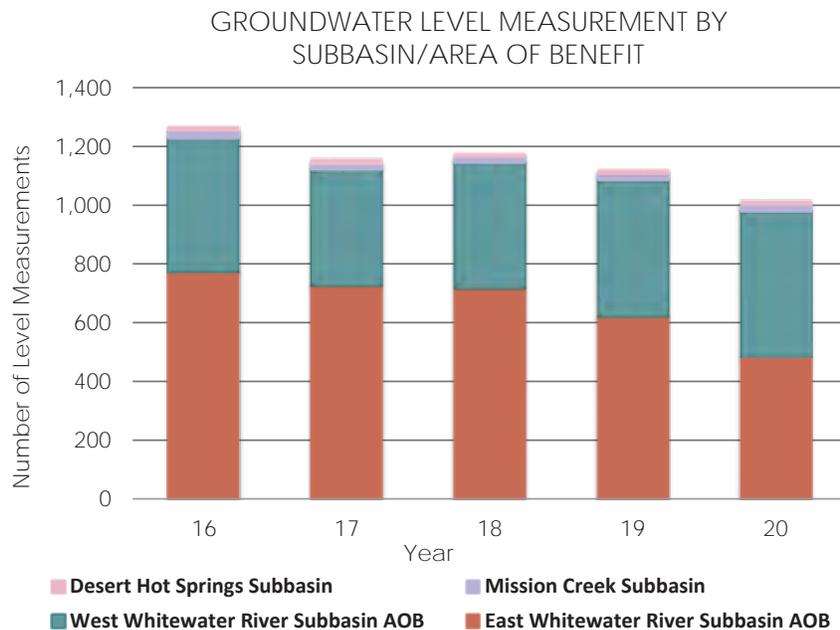
Manages the District's participation in the Coachella Valley Salt and Nutrient Manage Plan Update and Groundwater Monitoring Program

Environmental Services Metrics

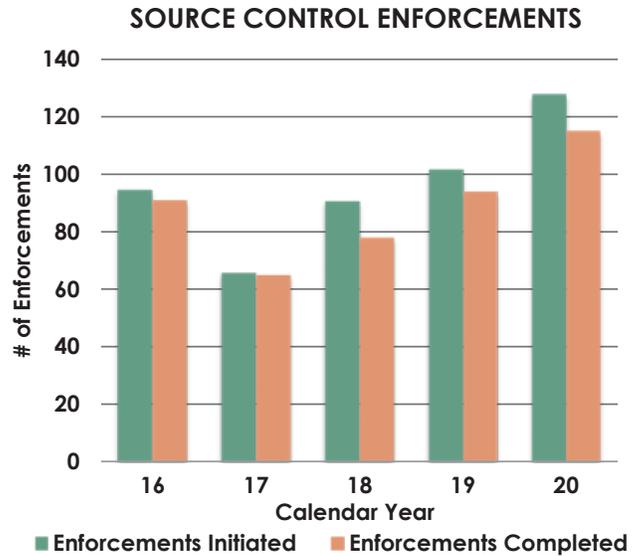
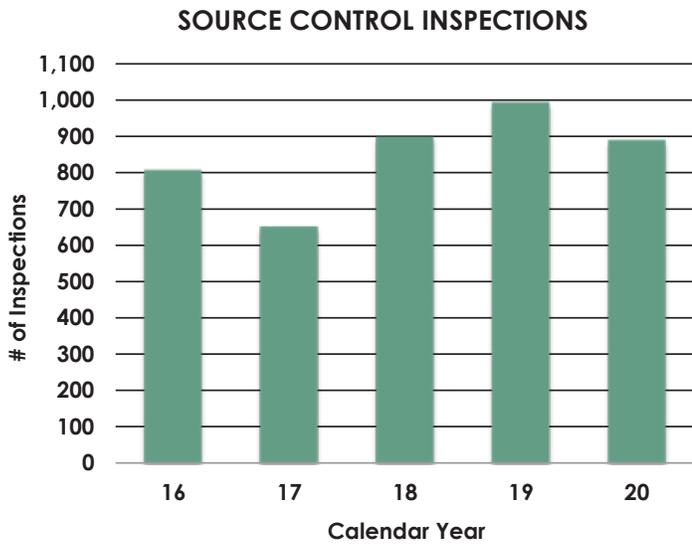
Environmental Services’ metrics are reflected in calendar year (CY) versus fiscal year (FY), because of existing state reporting requirements. The first graph shows the last five years of groundwater production for the three CVWD Areas of Benefit (AOB), while the second graph depicts water delivered 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 2016	CY 2017	CY 2018	CY 2019	CY 2020
Environmental					
Greenhouse Gas Emissions (metric tons)	88,019	96,180	94,516	95,775	97,903
Water Quality					
Taste/Odor Complaints	46	24	35	15	10
Appearance Complaints	44	15	6	27	15
Health Concern Complaints	14	10	10	3	2
Total Complaints	104	49	51	45	27
Drinking Water Compliance Rate - Days in Compliance	100%	100%	100%	100%	100%
Laboratory					
Proficiency Testing Performance	100%	97%	100%	100%	100%
# Total Analyses Completed	11,743	10,660	14,141	10,583	11,412
# of Drinking Water Compliance Analyses Reported Electronically to State					963
# of Analyses Completed for Laboratory Analytical Services Customers					401
Source Control					
Commercial Sites Inspected	767	803	899	993	890
% of Sites Out of Compliance	12%	8%	10%	10%	10%
% of Sites Returned to Compliance	97%	100%	86%	92%	90%
Water Resource					
Short-Term Water Supply Adequacy	100%	100%	100%	100%	100%
Long-Term Water Supply Adequacy	100%	100%	100%	100%	100%
Monitoring					
Total Coliform Rule Samples Collected	-	-	-	2,279	2,204
Title 22 Bacteriological Well Samples Collected	-	-	-	378	384
Water Level Readings Performed	-	-	-	1,119	1,017

FISCAL 2020 – 21 ACCOMPLISHMENTS

Strategic Plan

- SG 2.2 Execute contract services to produce CVWD's first Climate Action Plan
- SG 2.3 Developed a research proposal to obtain collaborative Water Research Foundation funds to study water quality benefits from recycled water irrigation
- SG 3.5 Implemented in-house monitoring improvements for identified agriculture drains and developed a work plan to improve inter-departmental communication for improved monitoring at all drain monitoring locations

Environmental

- Maintained applicable permitting for air quality compliance on CVWD facilities and equipment
- Maintained applicable permitting for hazardous materials compliance on CVWD facilities
- Updated CVWD's guidelines for implementing the California Environmental Quality Act
- 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 2020 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 10 Standard Operating Procedures for water quality staff

Laboratory

- Completed training of new Chemist, Water Quality Analyst II, Water Quality Analyst I, and Laboratory Aide
- Developed metals digestion procedure for samples with high turbidity and all wastewater samples at CVWD water quality laboratory
- Continued working with Environmental Laboratory Technical Advisory Committee (ELTAC), Coalition of Accredited Laboratories (CAL), and the State of California on new regulations and changes that affect laboratory operations such as fee increases, proficiency testing review process and onsite assessment process
- Initiated training of laboratory staff to serve as Laboratory Information Management System (LIMS) administrators

Monitoring

- Completed Water Reclamation Plant 10 study monitoring for Regional Water Quality Control Board (RWQCB) Order R7-2018-0001 Special Provisions Section F.1
- Completed second round of monitoring for Unregulated Contaminant Monitoring Rule 4 (UCMR4)
- Assisted with implementation of lead and copper monitoring for Cove Public Water System
- 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

- Continue transition to paperless record keeping
- Completed process for ensuring compliance with data reporting requirements for cooling tower dischargers
- Continue working with Desert Water Agency (DWA) to ensure that their program requirements for cannabis industry businesses and cooling towers within the area flowing to Water Reclamation Plant 10 complies with CVWD regulations governing sanitation service
- Completed assisting RWQCB with Dental Amalgam Rule compliance within CVWD's sanitation service area
- Completed contacting local agencies conducting plan check activities for facilities within CVWD sanitation service area to help integrate CVWD concerns into their processes (define terminology, set boundaries, and define expectations)

Water Resources

- Participated in the Coachella Valley Regional Water Management Group to secure grant funding for projects and programs that benefit the Coachella Valley Integrated Regional Water Management Region. The Region was awarded \$3,825,383 by the Department of Water Resources (DWR) for the Round 1 Proposition 1 IRWM Implementation Grant Solicitation
- Administered contracts, and coordinated and collaborated with other groundwater management agencies to complete tasks needed for compliance with SGMA in the Indio and Mission Creek Subbasins including annual reports and required Alternative Plan Updates
- Completed the Annual Water Supply and Replenishment Assessment Report for Areas of Benefit
- Coordinated and collaborated with other water agencies for the development of a Regional Urban Water Management Plan (Regional UWMP) for the Coachella Valley. The Regional UWMP was submitted to the Department of Water Resources by the July 1, 2021, deadline
- Completed pending and new groundwater production audits within the groundwater management areas
- Participated in CVWD's Grant Oversight Committee to integrate committee functions with Water Resources Management objectives
- Coordinated and collaborated with other water and wastewater agencies for the development of a Salt and Nutrient Management Plan (SNMP) Development Work Plan which was submitted to the RWQCB for approval in May of 2021.

FISCAL 2021 – 22 GOALS

Environmental

- Complete Environmental Review for the Nonpotable Water Master Plan
- Complete Environmental Review for the Sanitation Master Plan
- Complete Environmental Review for the Thousand Palms Flood Control Project
- Complete Environmental Review for the North Cathedral City Improvements Project
- Complete Environmental Review for Reservoirs 4711-3 and 4711- 4
- Complete Environmental Review for the IXTP 7991 Improvement Project
- Complete Environmental Review for the Booster station 5513 and Reservoir 5514 Improvement Project
- Obtain Clean Water Act permits for the construction of the Palm Desert Groundwater Replenishment Facility - Phase 2
- 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

- Develop and implement a Climate Adaption and Action Plan guidance document
- 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 2021 Annual Report of Systems and Consumer Confidence Report
- Complete Annual Environmental Protection Agency Sludge Report
- Complete Annual Municipal Separate Storm Sewer System (MS4) Stormwater Report
- Complete comments for proposed changes to MS4 National Pollutant Discharge Elimination System (NPDES) permit
- Complete Long-Term Safe Drinking Water Quality Master Plan
- Complete Lead and Copper Monitoring compliance reports and customer notifications for Cove 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 onsite assessment of laboratory by third party assessor (TPA) per new State Board Environmental Laboratory Accreditation Program (ELAP) regulations
- Implement use of State Board's new California Laboratory Intake Portal (CLIP) to upload drinking water compliance results to State database
- Complete data migration of legacy water quality data into current Laboratory Information Management System (LIMS)
- Complete and submit application to ELAP to renew Laboratory certification

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
- Complete Phase 3: Stabilization Monitoring of ID 11 Integration Monitoring Plan
- Finalize first year of SNMP Groundwater Monitoring Program Workplan sampling

Source Control

- Continue transition to paperless record keeping
- Continue working with Desert Water Agency (DWA) to ensure that their program requirements for cannabis industry businesses and cooling towers within the area flowing to Water Reclamation Plant 10 complies with CVWD regulations governing sanitation service
- Support Source Control Inspectors work towards obtaining a higher level of environmental compliance inspector certifications

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 Alternative Plan Updates by January 1, 2022 and Annual Reports by April 1, 2022 to comply with requirements of SGMA

Complete the Annual Water Supply and Replenishment Assessment Report for Areas of Benefit

Complete pending and new groundwater production audits within the groundwater management areas

Work collaboratively with other participating agencies to implement the Coachella Valley SNMP Groundwater Monitoring Workplan and begin collaborative work with partner agencies and stakeholders to update the Coachella Valley SNMP

Complete and submit to the Regional Board the Water Reclamation Plant 10 study for Special Provisions Section F.1 of Order R7-2018-0001

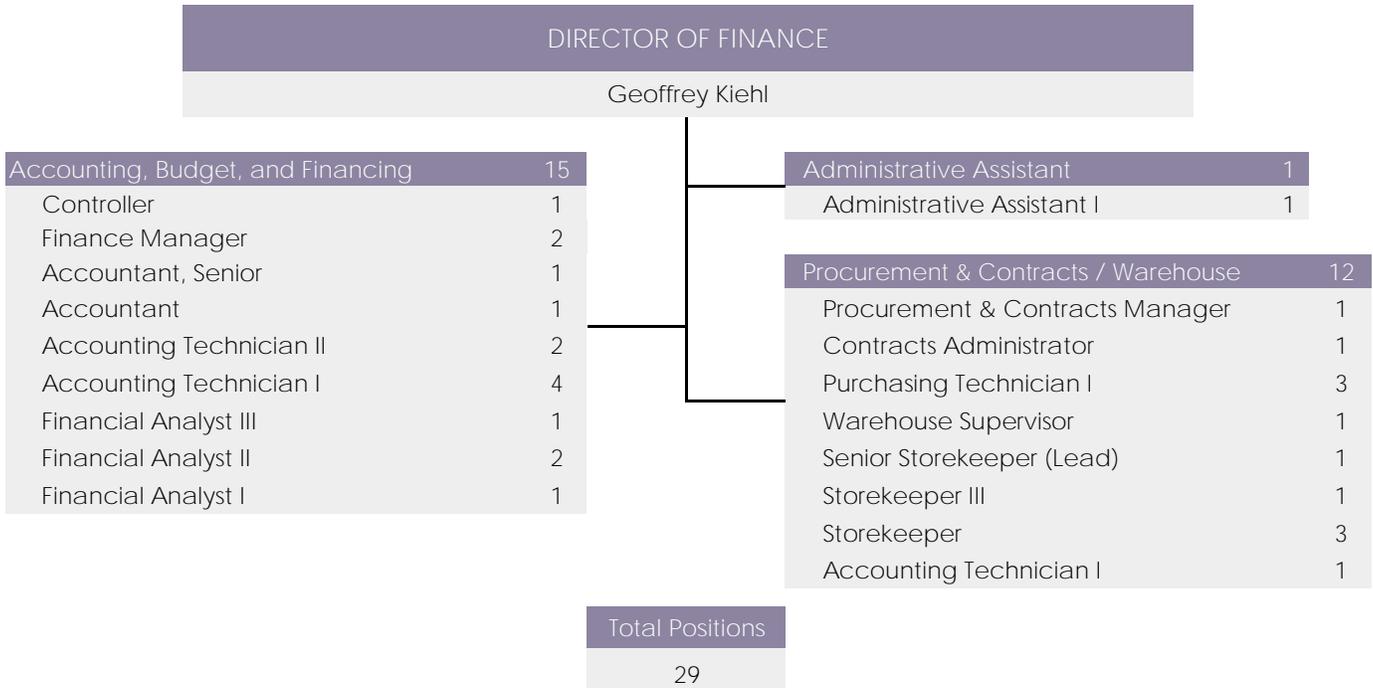
Work collaboratively with Finance and other departments to evaluate a SGMA Fee and implementation of a well registration program to support SGMA implementation

Environmental Services Department	FY 2020 Actual	FY 2021 Actual*	FY 2021 Budget	FY 2022 Budget	Budget Change	% Change
Expenses by Type						
Salaries and Wages	\$ 2,898,943	\$ 2,546,686	\$ 2,800,350	\$ 2,850,593	\$ 50,243	1.8%
Employee Benefits	1,535,313	1,402,272	1,597,401	1,701,858	104,457	6.5%
Professional Development	84,949	74,120	107,185	113,835	6,650	6.2%
Professional Services	1,606,518	2,429,100	3,023,161	1,985,945	(1,037,216)	-34.3%
Advertising and Media	183	-	-	-	-	-
Utilities	15,182	14,709	13,434	14,023	589	4.4%
Materials and Supplies	158,942	155,132	146,780	219,280	72,500	49.4%
Motorpool	73,473	50,241	74,291	112,304	38,013	51.2%
Contract Services	331,116	367,422	463,300	551,905	88,605	19.1%
Safety	5,759	5,013	5,100	5,100	-	-
Miscellaneous Expense	1,972,811	1,677,353	1,722,800	1,720,800	(2,000)	-0.1%
Capital Outlay	36,758	18,255	-	-	-	-
Total	\$ 8,719,948	\$ 8,740,302	\$ 9,953,802	\$ 9,275,643	\$ (678,159)	-6.8%
Expenses by Division						
Administration	\$ 1,653,148	\$ 1,578,687	\$ 1,637,588	\$ 1,668,998	\$ 31,410	1.9%
Source Control	575,321	385,210	559,497	419,645	(139,852)	-25.0%
Environmental	956,686	815,977	1,013,404	926,185	(87,219)	-8.6%
Water Resources	2,400,651	2,886,443	3,501,357	2,781,424	(719,933)	-20.6%
Monitoring	607,663	722,053	748,143	925,885	177,742	23.8%
Water Quality	1,487,006	1,337,038	1,378,085	1,428,545	50,460	3.7%
Laboratory	1,039,473	1,014,894	1,115,728	1,124,961	9,233	0.8%
Total	\$ 8,719,948	\$ 8,740,302	\$ 9,953,802	\$ 9,275,643	\$ (678,159)	-6.8%
Expenses by Fund						
Domestic Water	\$ 2,408,949	\$ 2,299,398	\$ 2,922,258	\$ 2,705,697	\$ (216,561)	-7.4%
Canal Water	1,463,114	1,318,962	1,694,322	1,603,072	(91,250)	-5.4%
West Whitewater Replenishment	1,073,346	1,173,113	1,174,536	1,051,293	(123,243)	-10.5%
Mission Creek Replenishment	430,038	538,900	388,134	286,210	(101,924)	-26.3%
East Whitewater Replenishment	888,601	888,069	894,484	879,879	(14,605)	-1.6%
State Water Project	-	174	-	-	-	-
Sanitation	1,986,070	2,044,226	2,222,992	2,153,594	(69,398)	-3.1%
Stormwater Fund	465,825	473,214	652,807	589,745	(63,062)	-9.7%
Motor Pool Fund	4,006	4,246	4,269	6,153	1,884	44.1%
Total	\$ 8,719,948	\$ 8,740,302	\$ 9,953,802	\$ 9,275,643	\$ (678,159)	-6.8%

* Unaudited

FINANCE





DEPARTMENT DESCRIPTION

The Finance Department keeps fiscal responsibility at the forefront of all we do, and is committed to managing the financial affairs of the District in accordance with the highest standards of ethical and professional conduct.

Mission

With integrity, excellence, and dedication, the Finance Department is committed to providing fair, accurate, complete, and timely information to all we serve while adhering to all legal requirements.



CVWD Employee Wellness Fair in Palm Desert

DIVISION DESCRIPTIONS

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

Accounting, Budgeting, & Financing

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 for the grantor

Administers debt management programs, prepares applications, coordinates compliance with other departments and other agencies, and prepares necessary reports for the debtor

Prepares monthly and annual financial reports, including the preparation of the Annual Comprehensive Financial Report

Prepares, coordinates, and analyzes financial data for the annual audit

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

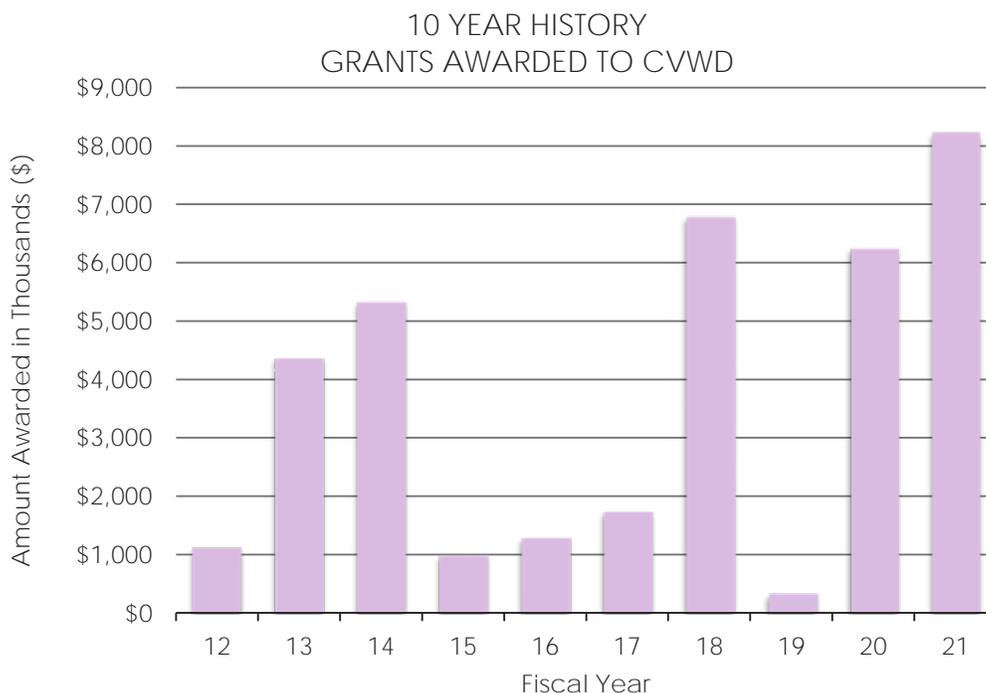
Responsible for inventory controls to ensure supplies are available and ready when needed by District personnel

Provides mail delivery between CVWD offices in Coachella and Palm Desert, records retrieval, inventory, and lab sample delivery

Finance Metrics

FINANCE WORKLOAD MEASURES					
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Financial Reporting and Analysis					
Complete Cost of Service Studies	2 of 2	1 of 1	-	-	5 of 5
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
Produce Comprehensive Annual Financial Report by December 31	Yes	Yes	Yes	Yes	Expected
Have Financial Policies and Procedures Available	No	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	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
Developer Deposits Cash/Letter of Credit (LOC)/Certificate of Deposit (CD)					
Total Cash Deposits on Hand	\$ 3,702,573	\$ 3,987,184	\$ 4,283,978	\$ 3,066,577	\$ 3,512,844
Total CDs/LOCs on Hand	\$ 701,731	\$ 635,727	\$ 515,696	\$ 515,696	\$ 515,696
Total CDs/LOCs Released	\$ -	\$ 66,004	\$ 61,966	\$ 31,275	\$ 117,235
Total CDs/LOCs Converted to Cash	\$ -	\$ -	\$ 67,235	\$ -	\$ -
Total Cash Deposits Released	\$ 341,772	\$ 67,120	\$ 421,554	\$ 1,173,167	\$ 322,952
Cash Management					
% of Total Cash Invested	99.64%	99.27%	97.53%	96.73%	95.12%
Average Cash on Hand	\$ 1,795,709	\$ 3,778,728	\$ 11,775,228	\$ 14,139,008	\$ 18,104,177
Average TPIF Interest Rate (%)	0.82%	1.42%	2.17%	1.82%	0.46%
Average Rate of Return on Investments (%)	1.28%	1.66%	2.32%	2.44%	1.61%
Average Investment Portfolio	\$ 499,252,854	\$ 513,288,529	\$ 464,397,191	\$ 417,625,455	\$ 379,063,398
Billing, Collections, and Disbursement					
Average Accounts Receivable	\$ 1,521,172	\$ 2,505,211	\$ 1,721,895	\$ 2,054,669	\$ 3,600,775
Payroll	\$ 45,876,640	\$ 47,684,786	\$ 50,553,927	\$ 53,030,712	\$ 54,894,661
Amount Paid Through Accounts Payable	\$ 108,071,463	\$ 147,207,941	\$ 169,973,249	\$ 191,159,794	\$ 165,654,680
Amount Paid Through Wire Transfers	\$ 105,757,142	\$ 77,977,849	\$ 60,803,390	\$ 112,398,362	\$ 109,669,977
Number of Accounts Payable Checks & EFTs	7,888	7,295	11,750	5,926	7,361
Number of Purchasing Card Transactions	9,407	10,077	11,053	9,793	9,234
Procurement & Contracts					
Amount of Inventory Received	\$ 6,981,473	\$ 7,080,056	\$ 7,462,983	\$ 7,479,171	\$ 7,247,573
Amount of Inventory Issued	\$ 6,830,341	\$ 6,973,005	\$ 7,344,453	\$ 7,016,099	\$ 7,393,881
Incoming Warehouse Transactions	22,663	21,057	21,379	18,053	17,198
Outgoing Warehouse Transactions	99,565	100,701	97,792	93,636	98,040
Number of Competitive Bids and Quotes	413	368	371	277	350
Number of Purchase Orders Issued	3,938	3,795	3,795	3,249	3,333

The graph below depicts grant awards that the District has received over the past ten years.



FISCAL 2020 – 21 ACCOMPLISHMENTS

Accounting, Budgeting, & Financing

Completed Cost of Service Studies (COSS) for Domestic Water, Replenishment, and Canal Water Funds

Completed \$54.6 million debt issuance for the Oasis In-Lieu Recharge Project

Updated the District Reserve Policy based on Board direction to allow greater flexibility for capital construction projects

Received the GFOA Distinguished Budget Award for fiscal year beginning July 1, 2020

Obtained an Unqualified “Clean” opinion for the fiscal year 2020 audit

Received GFOA Certificate of Achievement for Excellence in Financial Reporting for the Annual Comprehensive Financial Report for the year ended June 30, 2020

Revised the monthly financial report to make it readable and improved efficiency by reducing report run time from hours to minutes

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

Completed Phase 2 of the Internal Control Risk assessment

Reconciled and cleaned up old outstanding receivables related to tract inspections and planning

Revamped the billing and collection process related to developer work such as tract inspection, planning and others

Revised and updated several payroll reports to streamline process and reconciliation

Procurement, Contracts, & Warehouse

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 2021 – 22 GOALS

Strategic Plan

SG 6.19 Develop a business plan and scope of work in preparation for a future request of proposal for a new Utility Billing and Enterprise Resource Planning system. This was carried over from the fiscal year 2021 goals.

Accounting, Budgeting, & Financing

Complete and present the Miscellaneous Fee Study for Board approval

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

Complete and present the COSS results to the Board for Proposition 218 rate authorization limit approvals for the Sanitation and Nonpotable Rates

Create a formal funding policy for Pension and Other Post-Employment Benefits (OPEB)

Revise the annual operating and capital budget process, including the budget worksheets and reports and introduce a formal mid-year budget adjustment process.

Prepare and publish the Operating and Capital Budget, including a budget in brief document, and receive a GFOA Distinguished Budget Presentation Award

Obtained an Unqualified “Clean” opinion for the fiscal year 2021 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

Procurement, Contracts, and Warehouse

Review and update Procurement Policy, as needed.

Work with purchasing staff to implement standard rules and regulation guidelines

Evaluate on-line bidding companies and do a cost/benefit comparison to our current vendor

Finance Department	FY 2020 Actual	FY 2021 Actual*	FY 2021 Budget	FY 2022 Budget	Budget Change	% Change
Expenses by Type						
Salaries and Wages	\$ 2,731,170	\$ 2,839,002	\$ 2,841,315	\$ 2,929,062	\$ 87,747	3.1%
Employee Benefits	1,557,157	1,576,722	1,647,907	1,739,276	91,369	5.5%
Outside Labor	34,038	19,001	-	10,000	10,000	-
Professional Development	29,816	10,398	34,090	39,050	4,960	14.5%
Professional Services	1,049,554	1,279,070	1,216,288	1,270,000	53,712	4.4%
Utilities	3,052	4,626	3,150	4,581	1,431	45.4%
Materials and Supplies	86,259	26,211	37,900	33,325	(4,575)	-12.1%
Motorpool	79,349	64,441	67,090	73,453	6,363	9.5%
Contract Services	95,995	129,026	116,000	113,310	(2,690)	-2.3%
Safety	2,098	2,087	2,000	2,100	100	5.0%
Miscellaneous Expense	832,714	1,057,416	219,000	168,000	(51,000)	-23.3%
Total	\$ 6,501,202	\$ 7,008,001	\$ 6,184,740	\$ 6,382,157	\$ 197,417	3.2%
Expenses by Division						
Administration	\$ 2,565,244	\$ 1,082,980	\$ 1,297,687	\$ 1,337,657	\$ 39,970	3.1%
Accounting	1,528,172	3,072,444	2,896,640	2,991,557	94,917	3.3%
Purchasing	803,600	825,660	839,457	887,085	47,628	5.7%
Warehouse	939,516	934,257	950,956	1,017,858	66,902	7.0%
Non-Departmental	664,670	1,092,660	200,000	148,000	(52,000)	-26.0%
Total	\$ 6,501,202	\$ 7,008,001	\$ 6,184,740	\$ 6,382,157	\$ 197,417	3.2%
Expenses by Fund						
Domestic Water	\$ 2,395,555	\$ 2,760,189	\$ 2,184,453	\$ 2,177,048	\$ (7,405)	-0.3%
Canal Water	902,588	1,039,726	989,054	919,966	(69,088)	-7.0%
West Whitewater Replenishment	439,712	399,973	484,399	345,222	(139,177)	-28.7%
Mission Creek Replenishment	36,940	36,664	48,998	34,340	(14,658)	-29.9%
East Whitewater Replenishment	270,758	339,615	308,063	293,865	(14,198)	-4.6%
State Water Project	199,142	262,968	-	73,188	73,188	-
Sanitation	1,069,973	1,134,341	1,225,172	1,484,993	259,821	21.2%
Stormwater Fund	907,359	739,987	630,132	723,298	93,166	14.8%
Motor Pool Fund	270,324	287,390	307,165	309,407	2,242	0.7%
Worker's Compensation	6,920	4,929	5,154	10,838	5,684	110.3%
Self Insurance Dental	1,931	2,220	2,150	9,992	7,842	364.7%
Total	\$ 6,501,202	\$ 7,008,001	\$ 6,184,740	\$ 6,382,157	\$ 197,417	3.2%

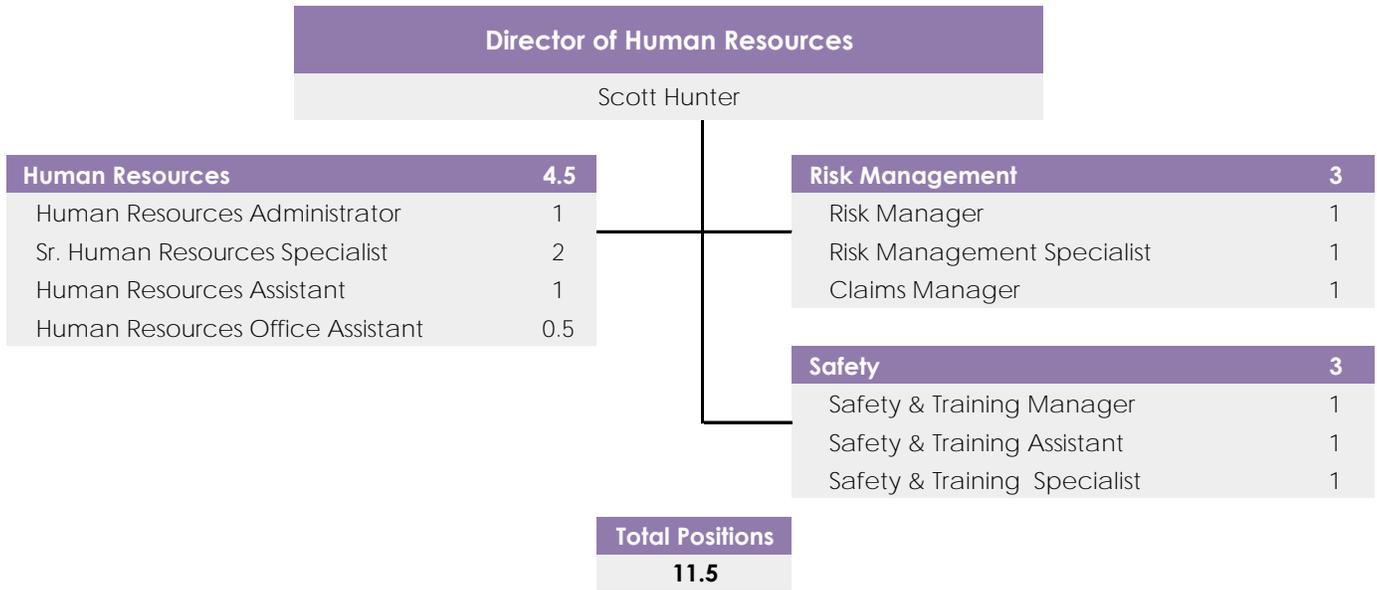
* Unaudited



Example of desert landscaping

HUMAN RESOURCES





DEPARTMENT DESCRIPTION

Human Resources provides administrative and operational human resources support to District employees, retirees, directors, and all eligible dependents by providing services in five core areas: human resources, benefits, risk management, safety, and claims.

Mission

The Human Resources department is committed to providing effective customer service to all departments and employees of CVWD. We will actively attract, retain, and develop our workforce to provide quality public service to residents of the Coachella Valley. We believe that we have a moral obligation to send all employees home healthy and injury free at the end of every day. We will promote a work environment that encourages professionalism, pride, and respect.

Core Values

- **Integrity** - We will interact among ourselves and with employees honestly and ethically, thereby building relationships based on trust. We will always respect the confidentiality entrusted to us.
- **Respect** - We will exercise patience and sensitivity in dealing with the concerns and problems of others. We will be open-minded and fair in our interactions with employees and with one another.
- **Communication** - We will actively seek to understand the perspectives of others by listening with an open mind and communicating honestly and with appropriate discretion.
- **Collaboration and Teamwork** - We will encourage diversity of ideas and experiences, and strive to be a trusted strategic partner.
- **Innovation** - We are open to change and are committed to continuous improvement while meeting the needs of the District and workforce. We believe those we serve deserve excellent service and a safe, productive, and healthy work environment.

DIVISION DESCRIPTIONS

Human Resources provide a variety of services related to employees, retirees, Board of Directors, and eligible dependents, with particular focus on the following functions and activities:

Human Resources

Develops District workforce to empower employees to provide quality services to their customers

Streamlines processes related to facilitating and managing employees, in compliance with federal and state laws, and current Memorandum of Understanding (MOU) guidelines through:

- Recruitment
- Development and training
- Competitive rewards and compensation packages
- Negotiating MOUs with District bargaining 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 CVWD from undue liability and ensures that claims are resolved efficiently and justly

Safety

Plans, implements, monitors, and evaluates the District’s Injury and Illness Prevention Program

Develops proactive training programs that actively and effectively communicate to employees the District’s safety policies and standards, as they pertain to Occupational Safety and Health Administration (OSHA) compliance

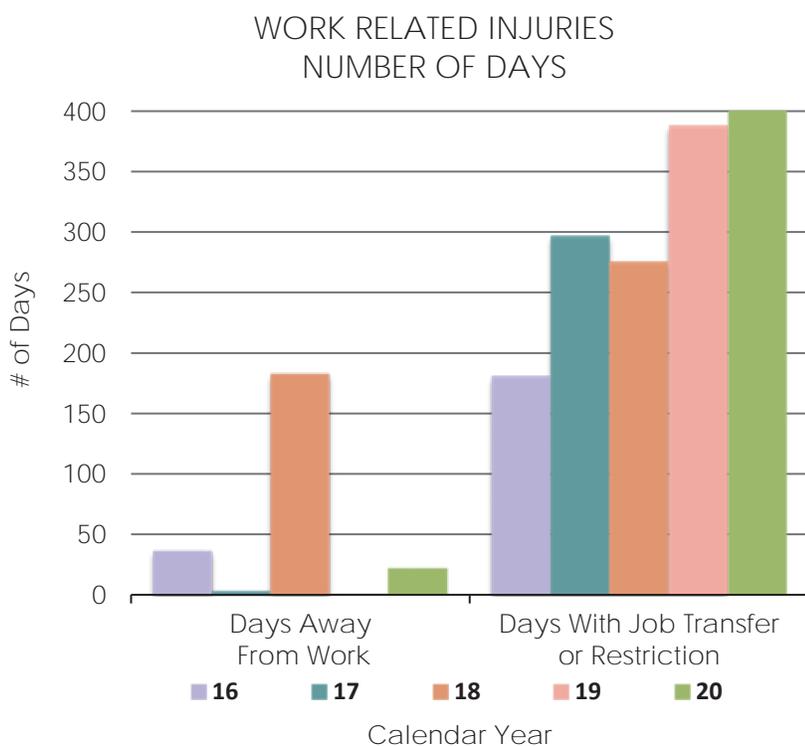
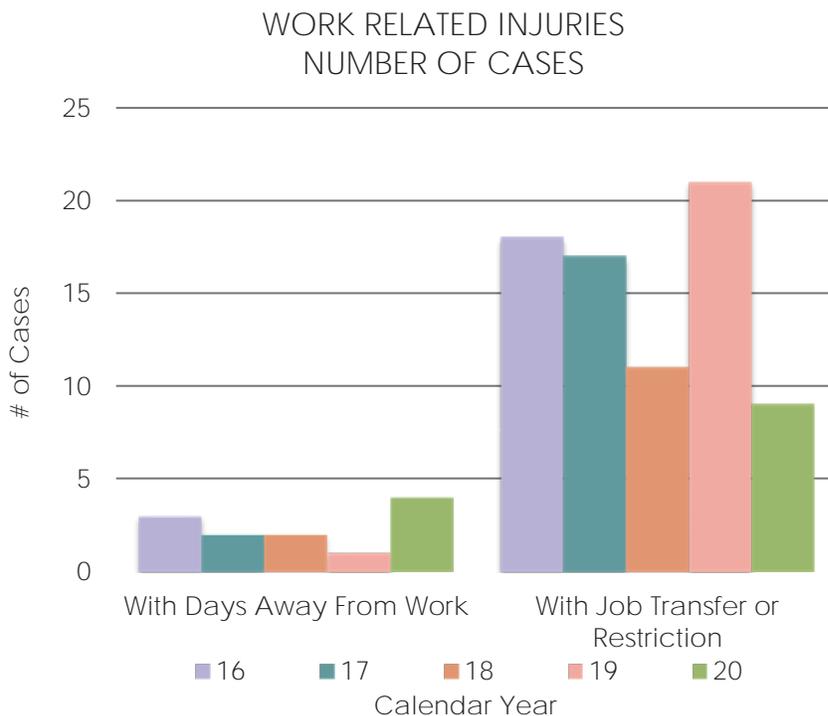
Works in tandem with Risk Management to investigate and report incidents and claims according to federal and state statutes and codes

Human Resources Metrics

HUMAN RESOURCES WORKLOAD MEASURES					
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Human Resources					
Critical-Skill Positions Filled Internally vs. Outside Recruitment	77.0%	50.0%	52.0%	59.0%	55.0%
Average Days Vacant Due to Staff Departures	49.5	59.0	51.2	60.6	54.1
Voluntary Departures*	5.1%	6.8%	5.9%	6.4%	3.8%
Retirement Departures	3.6%	4.4%	2.2%	4.6%	2.4%
Turnover Rate	6.3%	7.6%	7.0%	7.3%	5.3%
Experience in Years Lost to Retirement	548	498	307	520	374
Experience in Years Lost to Turnover*	591	598	475	593	497
Certifications Achieved or Maintained	100.0%	100.0%	100.0%	100.0%	100.0%
Risk Management					
Supplemental Workers' Compensation Lost Time Benefit	\$10,320	\$5,194	\$3,089	\$6,420	\$1,766
Claims					
Total Number General Liability & Auto Insurance Claims Per 200,000 Employee Hours Worked	1.82	1.37	3.85	4.15	2.7
Total Amount of General Liability & Auto Insurance Claims Per 200,000 Employee Hours Worked	\$255,326	\$146,384	\$10,904	\$10,976	\$44,910
Safety					
Number of days away from work due to work-related injury (Calendar Year)	4	183	1	23	62
Number of days with restrictions or job transfer due to work-related injury (Calendar Year)	297	275	388	640	426

* Includes retirements and resignations

The first graph reflects five-year history of the number of work-related injury cases with days away from work and with job transfer or restriction. In the past five years, there has been an overall reduction in the number of cases with days away from work and an increase in the number of cases with job transfer or restriction, with the exception of 2018.



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 number of actual days away from work are significantly lower than the number of cases with job transfer or restriction or the number of days with job transfer or restriction.

FISCAL 2020 – 21 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 INSIGHT and ON recruitment platforms through NEOGOV
- Launched an 18-month Comprehensive Classification and Compensation Study
- Conducted District-wide COVID-19 Preparedness Plan (CPP) Training
- Negotiated MOU with ASSET and established a 16-step Salary Schedule
- Received American Red Cross Gold Level for Workplace Health Achievement
- Conducted Harassment Prevention Training for all District employees and supervisors

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

- OSHA standards - Eight safety programs 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, Silica, and Heat Illness Prevention

FISCAL 2021 – 22 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

- Develop a framework for a curriculum-based employee development program for District Staff
- Implement and administer a new software Learning and Performance Management Platform
- Establish standard operating procedures and protocols for the Human Resources Department

Risk Management

- 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

- OSHA standards – Finalize eight 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, Silica, Heat Illness Prevention

- Secure the services of an industrial hygienist to perform permissible exposure limit (PEL) readings for the silica and asbestos safety programs



*Building Maintenance Tradesworker **Jason Kasten** and Maintenance Worker **David Flores** work on cabinets for the Coachella lobby remodel*

HUMAN RESOURCES — FISCAL 2021 – 22 BUDGET

Human Resources Department	FY 2020 Actual	FY 2021 Actual*	FY 2021 Budget	FY 2022 Budget	Budget Change	% Change
Expenses by Type						
Salaries and Wages	\$ 1,131,151	\$ 1,108,844	\$ 1,302,813	\$ 1,349,170	\$ 46,357	3.6%
Employee Benefits	660,425	588,178	729,197	766,597	37,400	5.1%
Outside Labor	-	32,346	-	-	-	-
Professional Development	42,569	186,391	230,250	285,150	54,900	23.8%
Professional Services	1,138,168	742,688	1,540,900	1,375,000	(165,900)	-10.8%
Insurance Costs	1,131,448	1,400,073	1,523,760	1,751,292	227,532	14.9%
Utilities	4,996	3,867	5,350	6,250	900	16.8%
Materials and Supplies	233,476	104,581	138,430	154,930	16,500	11.9%
Motorpool	20,045	14,393	16,970	23,122	6,152	36.3%
Contract Services	66,126	56,271	60,900	211,100	150,200	246.6%
Safety	60,037	21,074	89,000	89,000	-	-
Miscellaneous Expense	2,756,970	2,248,906	3,132,221	3,196,700	64,479	2.1%
Total	\$ 7,245,410	\$ 6,507,614	\$ 8,769,791	\$ 9,208,311	\$ 438,520	5.0%
Expenses by Division						
Administration	\$ 4,696,115	\$ 3,901,759	\$ 5,353,937	\$ 5,357,780	\$ 3,843	0.1%
Safety	925,065	572,933	853,266	1,016,681	163,415	19.2%
Claims	273,495	220,507	637,527	646,309	8,782	1.4%
Risk Management	1,350,735	1,812,415	1,925,061	2,187,541	262,480	13.6%
Total	\$ 7,245,410	\$ 6,507,614	\$ 8,769,791	\$ 9,208,311	\$ 438,520	5.0%
Expenses by Fund						
Domestic Water	\$ 3,173,943	\$ 2,814,767	\$ 3,912,517	\$ 4,128,255	\$ 215,738	5.5%
Canal Water	808,723	647,508	983,701	1,024,384	40,683	4.1%
West Whitewater Replenishment	304,671	262,855	315,164	331,839	16,675	5.3%
Mission Creek Replenishment	2,682	2,340	652	5,654	5,002	767.2%
East Whitewater Replenishment	146,709	130,392	168,408	179,087	10,679	6.3%
Sanitation	1,957,073	1,766,768	2,176,681	2,320,526	143,845	6.6%
Stormwater Fund	487,867	441,121	573,904	591,507	17,603	3.1%
Motor Pool Fund	242,758	221,066	314,240	370,995	56,755	18.1%
Worker's Compensation	35,859	158,360	238,040	170,240	(67,800)	-28.5%
Self Insurance Dental	85,125	62,437	86,484	85,824	(660)	-0.8%
Total	\$ 7,245,410	\$ 6,507,614	\$ 8,769,791	\$ 9,208,311	\$ 438,520	5.0%

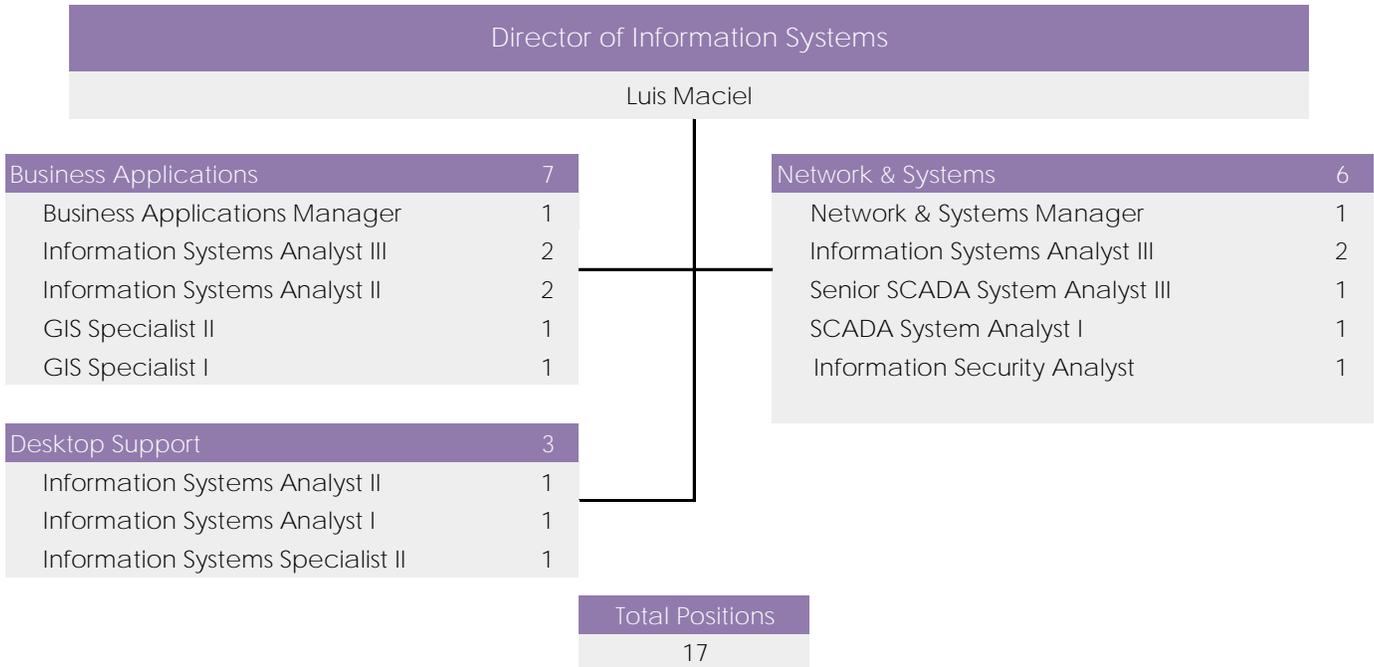
* Unaudited



Check-in station in Coachella lobby

INFORMATION SYSTEMS





DEPARTMENT DESCRIPTION

Information Systems (IS) provides information technologies to enable efficiency, productivity, and innovation to the various District departments.

The main objective of this department is to meet the technological challenges of the District. Information Systems provides strategic technology direction, manages information technology, supports cross-departmental priorities, and implements operational policies and standards.

Mission

The mission of Information Systems is to uphold the values of CVWD by fostering innovation through technologies and processes that improve efficiency and productivity.

Core Values

- **Dedication** - Deliver the best possible services to our customers and stakeholders
- **Integrity** - Operate with the objective of providing high-quality water and protecting our resources
- **Fiscal responsibility** - Manage funds efficiently to continue to provide affordable water

DIVISION DESCRIPTIONS

Information Systems is responsible for the design, development, analysis, implementation, integration, and maintenance of new and existing applications, such as the Finance and Supervisory Control and Data Acquisition (SCADA) systems.

Other critical responsibilities of IS include the development of specialized computer applications, workstation customization, installation and configuration of new and existing IS related equipment, server and network management, network security, voice networks, email, internet access, audio/visual equipment, and end-user support, with particular focus on the following functions and activities:

Business Applications

Provides an integrated and complete set of services that include: analysis, design, development, testing, implementation, and maintenance

Works closely with project managers and department liaisons to develop specifications and make recommendations on the use of new and emerging technologies

Determines the appropriate architecture and other technical solutions to reduce non-value-added work

Determines application data access requirements, transaction rates, volume analysis, and other pertinent data required to develop and maintain integrated databases

DEVELOPMENT

Develops and implements data analyses, data collection systems, and other strategies that optimize statistical efficiency and quality

Develops and implements databases, data collection systems, data analytics, and other strategies that optimize statistical efficiency and quality

Responsible for the following:

- Produce clean, efficient code-based specifications
- Integrate software components and third-party programs
- Verify and deploy programs and systems
- Troubleshoot, debug, and upgrade existing software
- Gather and evaluate user feedback
- Recommend and execute improvements
- Create technical documentation for reference and reporting

GEOGRAPHIC INFORMATION SYSTEMS (GIS)

Develops comprehensive GIS that provide valuable tools including:

- More efficient and effective access
- Linking
- Analyses
- Maintenance of information for and about the District and its ratepayers

Desktop Support

Provides maintenance and support for every aspect of electronic equipment such as:

- Computer hardware
- Software
- Networking
- Mobile technologies
- 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

Throughout the District, plans, designs, and maintains servers and data

Administers day-to-day operations of networks and servers

Implements Local Area Network (LAN) and Wide Area Network (WAN) maintenance and server administration procedures

Secures all systems and network related equipment such as firewalls, switches, and routers

Evaluates security trends, evolving threats, risks, vulnerabilities, and implements solutions to mitigate risk as necessary

Ensures that the disaster recovery, risk management, and access control needs of the facility are addressed

Coordinates with business continuity/continuity of operation plans and teams

Responsible for improvements to and upgrades of:

- Email system
- Virtual infrastructure
- File systems
- Unified messaging
- Mobility systems
- Domain controllers
- Databases
- Security systems
- Network infrastructure

Supervisory Control and Data Acquisition

Oversees the operation, support, maintenance, analysis, databases, graphic display, and external system interface requirements, adhering to SCADA technology standards

Evaluates the effectiveness of systems

Develops specifications for new technologies or prototype systems to improve production and/or workflow

Information Systems Metrics

INFORMATION SYSTEMS WORKLOAD MEASURES					
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Information Systems - Infrastructure and Systems					
Critical Systems Availability - Goal 99% or more	99%	99%	99%	99%	99%
Network Availability - Goal 99% or more	99%	99%	99%	99%	99%
Unscheduled Infrastructure Downtime Across All Applications - Goal 0.1% or less	3.8%	3.0%	2.6%	2.8%	2.5%
Quarterly Verification Backups - Goal 99%	99%	99%	99%	99%	99%
Information Systems - Service					
Help Desk Tickets	5,299	5,630	5,714	5,540	5,275
Tickets resolved according to Service Level Agreement (SLA) - Goal 90% or more	88%	90%	93%	90%	94%
Tickets Completed - Goal 90% or more	90%	90%	92%	93%	92%
Average First Response Time to Ticket - Goal less than 24 hours	8	10	9	9	9
Average Days to Ticket Resolution - Goal less than 3 days	2.0	2.5	2.5	2.0	2.0
Information Systems - Employee Development					
Training per Team Member - Goal more than 6 hours per month	6	6	8	8	10
Information Systems - System Update					
Quarterly Systems Updates - Goal 90%	88%	88%	90%	90%	93%
Information Systems - Projects					
Projects Completed - Goal 90% or more	90%	87%	90%	93%	94%

FISCAL 2020 – 21 ACCOMPLISHMENTS

Strategic Plan

- SG 6.19** Assisted with Phase II of the Canal Water and ERP replacement initiative
- Implemented Phase II of the Information Governance initiative (Records Management)

Business Applications

- Upgraded Sharepoint on-prem to the latest version and implemented a new design and functionality
- Completed integrations with the new Waste Water Management System
- A new electronic signature system was deployed successfully
- Upgraded the eForms system to support newer formats and designs
- Successfully integrated Office 365 with on-prem services to allow cloud access
- Implemented changes to the ERP system to support the cost of service study initiative
- Several IT-related policies, including a new Service Level Agreement, were developed
- Completed migration of several critical java applications to a new environment
- Supported the implementation of the new Human Resources onboarding system
- Upgraded the legacy remittance processing system
- Expanded the storage of the CRM system

GIS

- Completed import of asset data to GEO Database in support of the Asset Management System
- Upgraded the GIS servers to the most current version
- Implemented a new web app as the new GIS Viewer (Phase 1)
- Developed and established new CVWD GIS Metadata Standards
- Updated and quality controlled legacy GIS databases
- Implemented ESRI Portal to facilitate collaboration and sharing of data with other agencies
- Developed GIS infrastructure to support CCTV sewer inspections (Phase 1)

Desktop Support

- Replaced 40 Toughbooks as per the end-of-life replacement program
- Replaced 50 PCs as per the end-of-life replacement program
- Completed deployment of a new service desk system to support the IT Service Management Initiative (Phase 2)
- Implemented a new field VPN for mobile devices
- Upgraded the end-point management system for desktop systems
- Implemented a temperature scanning system to support the COVID-19 mitigation efforts

Network & Systems

- Implemented a “device discovery” system to audit the network, including endpoints, servers, and other IS-related equipment
- Successfully migrated the email system to the most current version
- Deployed a third-generation IP security blocking system
- Replaced outdated wireless access points
- Implemented new cybersecurity awareness/training program
- Upgraded on-prem conferencing system (Phase 1)
- Deployed a new cloud-based proxy system
- Updated Information System’s Disaster Recovery plan
- Upgraded the email encryption system
- Implemented a new network monitoring and alerting solution for critical systems

SCADA

- Completed implementation of the Wide Area Network (Final Phase)
- Implemented the new driver to support the legacy SCADA sites
- Migrated Domestic and Sanitation legacy sites to new SCADA system (Phase 1)
- Developed new SCADA screens to support new SCADA sites
- Migrated over 150 sites to the new SCADA System

FISCAL 2021 – 22 GOALS

Strategic Plan

- SG 6.19** Assist with Phase III of the Canal Water and ERP replacement initiative
- Implement final phase of the Information Governance initiative (Records Management)

Business Applications

- Replace Board Agenda management system
- Complete Office 365 cloud integration
- Design and implement a portable (mobile) audio/video solution
- Implement recently adopted rate changes for Domestic, Canal, Sanitation, and Well Services
- Automate several billing processes to facilitate future rate changes
- Upgrade the ERPs system to the most recent version
- Migrate legacy databases to new cluster database
- Upgrade the imaging system to support new intelligent automation for digital workflow
- Complete implementation of new Service Desk system and processes

GIS

- Implement AutoCad and GIS integration
- Continue support for the Asset Management System (Phase III)
- Replace the outdated parcel and property data services with a modern cloud solution
- Replace current GIS Viewer (Phase II)
- Design and develop a GIS document index web application
- Implement the Water Management Rebates and Appeals web app (Phase II)
- Upgrade outdated AGOL apps

Desktop Support

- Assist with the implementation of a “Distracted Driving Prevention” system
- Deploy the new change and problem management processes
- Replace 40 mobile field devices as per the end-of-life replacement program
- Replace 50 PCs as per the end-of-life replacement program
- Deploy an update the management system for desktop software
- Upgrade the Mobile Device Management system to the latest version

Network & Systems

- Implement a self-service password reset system
- Upgrade the Audio/Video system in the SRAB Board Room
- Deploy an internal vulnerability scan system
- Upgrade the current digital workspace software to support additional cloud services
- Complete implementation of cybersecurity platform (phase II)
- Upgrade physical ISE application servers to virtual appliances
- Expand current virtual environment to support WRPs systems
- Replace several legacy network switches
- Update the Information Systems strategic plan

SCADA

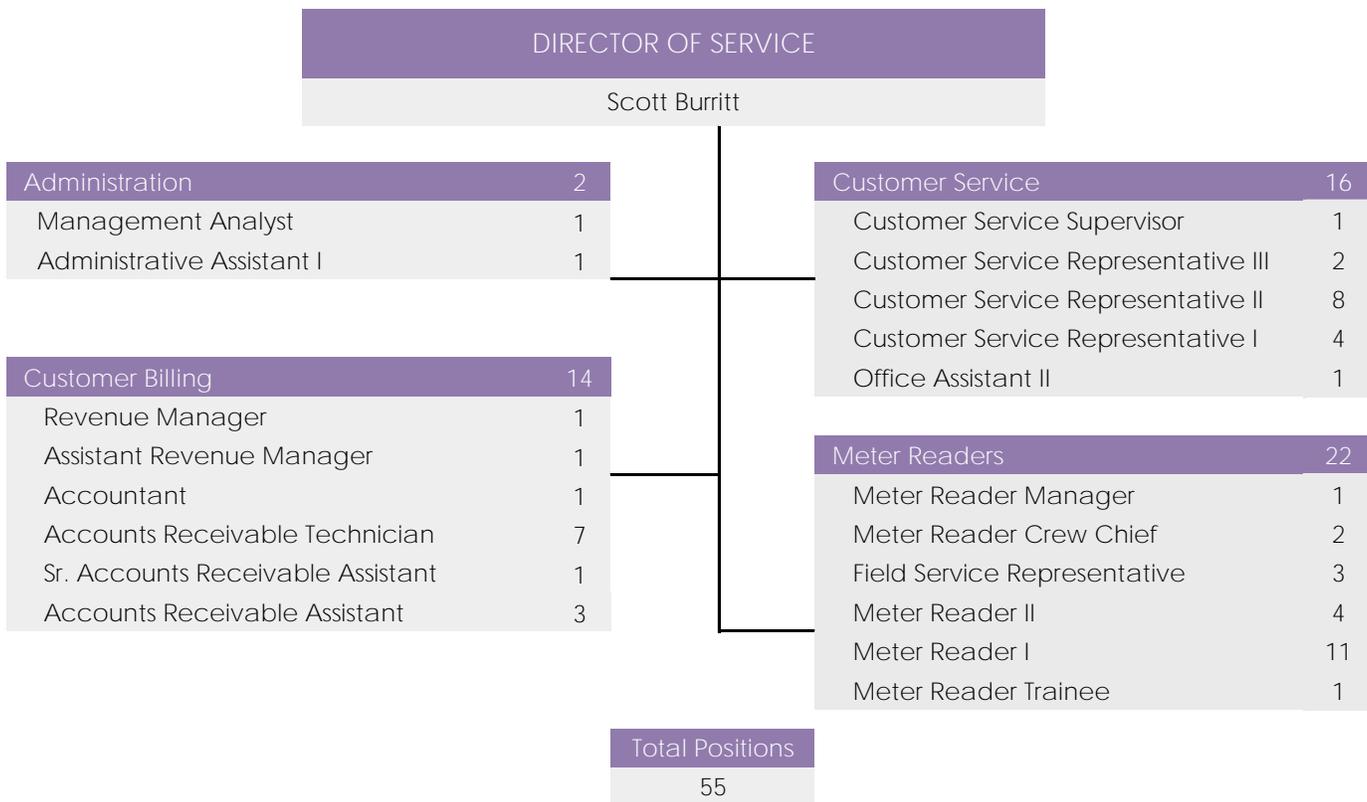
- Complete rollout of new SCADA to domestic, irrigation and recycle distribution systems and sanitation transmission system.
- Migrate WRPs 4, 7, and 10 to the new SCADA system
- Complete upfitting of Coachella control room with video wall capabilities
- Commence reconfiguration of field automation to increase reliability by implementing site to site communications
- Create integration between, GIS and Asset Management Systems

Information Systems Department	FY 2020 Actual	FY 2021 Actual*	FY 2021 Budget	FY 2022 Budget	Budget Change	% Change
Expenses by Type						
Salaries and Wages	\$ 1,813,346	\$ 2,069,797	\$ 2,048,571	\$ 2,138,919	\$ 90,348	4.4%
Employee Benefits	1,112,609	1,158,056	1,202,449	1,266,623	64,174	5.3%
Professional Development	17,863	2,916	31,500	31,500	-	-
Professional Services	110,210	75,206	90,000	90,000	-	-
Utilities	78,515	87,067	46,000	46,000	-	-
Materials and Supplies	650,843	480,637	436,500	436,500	-	-
Motorpool	6,376	11,612	11,475	2,363	(9,112)	-79.4%
Contract Services	2,162,605	2,105,240	2,355,000	2,500,000	145,000	6.2%
Miscellaneous Expense	3,600	483	10,000	10,000	-	-
Capital Outlay	-	25,910	20,000	-	(20,000)	-100.0%
Total	\$ 5,955,967	\$ 6,016,926	\$ 6,251,495	\$ 6,521,905	\$ 270,410	4.3%
Expenses by Division						
Information Services	\$ 5,955,967	\$ 6,016,926	\$ 6,251,495	\$ 6,521,905	\$ 270,410	4.3%
Total	\$ 5,955,967	\$ 6,016,926	\$ 6,251,495	\$ 6,521,905	\$ 270,410	4.3%
Expenses by Fund						
Domestic Water	\$ 2,328,613	\$ 2,343,530	\$ 2,434,415	\$ 2,537,182	\$ 102,767	4.2%
Canal Water	954,255	938,059	968,317	1,013,422	45,105	4.7%
West Whitewater Replenishment	359,549	351,098	360,506	376,733	16,227	4.5%
Mission Creek Replenishment	52,620	50,621	52,192	54,291	2,099	4.0%
East Whitewater Replenishment	297,899	286,944	294,783	307,873	13,090	4.4%
Sanitation	1,489,512	1,531,997	1,598,459	1,666,919	68,460	4.3%
Stormwater Fund	297,904	342,529	365,952	380,760	14,808	4.0%
Motor Pool Fund	175,614	172,146	176,871	184,725	7,854	4.4%
Total	\$ 5,955,967	\$ 6,016,926	\$ 6,251,495	\$ 6,521,905	\$ 270,410	4.3%

* Unaudited

SERVICE





DEPARTMENT DESCRIPTION

The Service Department has a variety of roles focusing on customer interaction on the phones, in the field, over the counter, and through written correspondence. Every division strives to promote a customer-friendly experience that covers the complete life cycle of the customer’s account. Working closely within the department, as well as the entire District, the department plays a significant role in ensuring overall customer satisfaction.

Mission

To exceed customer expectations, through dedicated, knowledgeable, and professional employees who impart a sense of value, trust, and support.

Vision

To achieve quality customer service delivering results at the highest level.

Core Values

- Accountability, honesty, make a difference
- Approach issues with an open and creative mind
- Listen, empathize, pursue growth, and learning
- Commitment to the public good

DIVISION DESCRIPTIONS

The Service Department is organized into four divisions that provide customer-related services to the District's entire customer base. The department provides administrative services, customer billing, customer service, and meter reading with particular focus on the following functions and activities:

Administration

Supports the District's efforts to improve the customer experience by developing recommendations for new policies, policy changes, and improved procedures based upon research, data analysis, and best practices

Customer Billing

Completes billing for all water-related services, including: domestic water, sanitation, well replenishment, nonpotable, canal, and canal water availability

Receives and processes all customer payments and billing adjustments on a daily basis

Performs collection activities, customer notification of past due accounts, liens, and promissory notes

Customer Service

Manages more than 700 incoming telephone calls, counter interactions, and customer emails per day (175,000+ 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

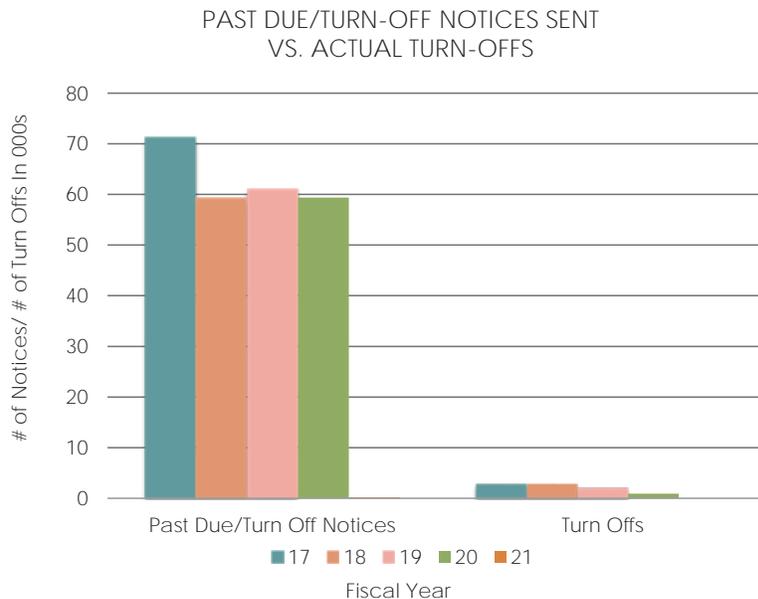
Investigate possible crossed meters and meter discrepancies

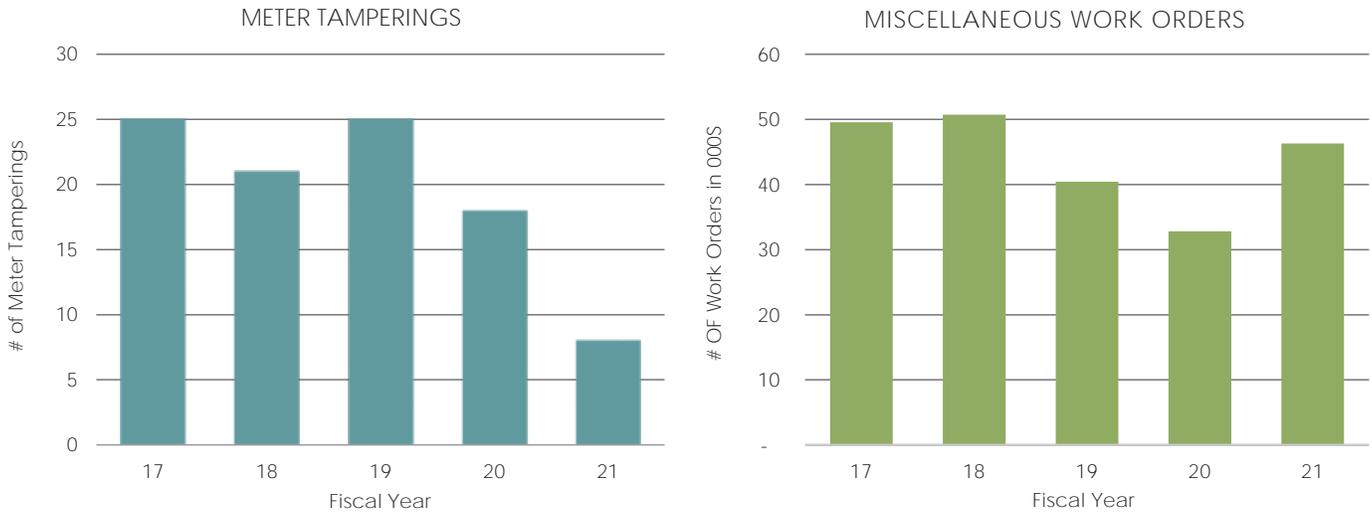
Investigate accounts with low consumption, including identifying failed meters and researching accounts in the field

Service Metrics

SERVICE WORKLOAD MEASURES					
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Customer Billing					
Maintain Average Receivables Over 90 Days - Goal 6.26% or Less	3.52%	4.92%	5.00%	4.00%	6.00%
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	75.0%	91.0%	92.0%	97.0%	98.0%
Requests for Account Review	1,672	1,720	1,647	1,616	1,224
Met Established Training Standards	Yes	Yes	Yes	Yes	Yes
Customer Service					
Calls Received	116,002	116,000	104,500	105,671	109,783
Calls Answered	114,288	114,000	103,000	104,937	109,455
Calls Answered Within 3 Minutes or Less - Goal 90% or More	93.8%	91.0%	93.7%	97.4%	98.2%
Average Abandon Rate - Goal 5% or less	1.2%	1.7%	1.5%	0.7%	0.3%
Average Call Handle Time - Goal 4 minutes or less	3:02	2:57	2:42	2:50	2:53
Average Wait Time - Goal 2 minutes or less	1:40	1:59	1:33	0:58	0:34
Met Established Training Standards	Yes	Yes	Yes	Yes	Yes
Meter Readers					
AMR Meters Read Manually to Assure Accuracy & Function - Goal 3,000	4,250	4,282	4,760	4,238	14,155
Average Number of Meters Read Monthly	109,774	110,533	111,255	112,208	113,259
Average Number of AMR Meters Read Monthly using Drive-By System	17,279	18,319	19,038	19,137	19,214
Met Reading and Billing Deadlines, Cycle Standards (28 to 32 days)	Yes	Yes	Yes	Yes	Yes
Direct Read Meters Upgraded to AMR Meters	480	522	62	21	41
Nonrecurring Work Orders Completed	49,626	50,713	40,423	32,816	46,315
Met Established Training Standards	Yes	Yes	Yes	Yes	Yes

The following graphs show a five-year history of meter reader activities completed each fiscal year. The Governor's Executive Order 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 tamperings and work orders in fiscal year 2021.





FISCAL 2020 – 21 ACCOMPLISHMENTS

Strategic Plan

SG 5.14 Coordinated AWWA Benchmarking survey data entry to utilize as benchmarking data to compare CVWD’s operational effectiveness against public and private water agencies

Continued to monitor the AMI pilot project and compile data necessary to evaluate the potential costs and benefits of a full AMI implementation

Administration

Coordinated across District departments the development of proposals to update the Regulations Governing Sanitation Service that were adopted by the Board of Directors

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

Answered 98.9% of calls within 3 minutes or less

Updated or created more than 80 pages of content for QuickGuide+, the Customer Service online reference, for Customer Service and Customer Billing

Updated processes to require owner payments before new tenant accounts can be established

Multiple ongoing projects in place to ensure data integrity, including verifying paperless indicators, updating customer types and correcting mailing addresses

Customer Service staff has learned all three AMI portals and made outbound calls to customers who had movement on their meter

Meter Readers

Examined low consumption processes to improve efficiencies among District stakeholders and implemented actions to identify accounts with faulty or under-registering meters. These actions included the creation of a new meter audit task code used to flag accounts based on factors such as consumption history, property size, landscape-type and meter size. These new actions resulted in meter readers conducting meter audit investigations in real time, identifying \$80,000 in revenue during the first six weeks of implementation.

Participated in a work group with Operations and Water Management to develop recommendations on how master account field investigations would be conducted

Provided recurring annual specialized training (i.e. meter testing, dog training, venomous snakes, and traffic control)

Monitored performance and addressed customer questions of AMI meters installed as a part of the AMI Meter Pilot Project

Initiated procurement of new meter reading handheld technology that will be a carry-over project for this upcoming fiscal year

FISCAL 2021 – 22 GOALS

Strategic Plan

Prepare and present operational effectiveness benchmark data to Board of Directors

Prepare cost-benefit of AMI and prepare implementation recommendation of AMI

Administration

Establish process to identify and ensure that properties are charged proper Sanitation fees

Coordinate across District departments to update Regulations Governing Domestic Water Service to address emerging policy issues, and incorporate new rates and fees

Develop processes to improve customer data accuracy and quality to improve revenue assurance efforts

Customer Billing

Ensure all Desk Manuals and division procedures are current to assist with knowledge transfer

Re-initiate termination process for non-payment and reinstitute full delinquency process including fees

Develop processes and reports necessary to determine revenue recaptured from accounts identified as having failed and/or replaced meters

Develop processes and reports to identify accounts with missing services

Customer Service

- Deliver AWWA Customer Service training for Service staff who have not completed the course
- Continue updating QuickGuide to incorporate new filters, add system screen shots and update information
- Work with Customer Billing and Meter Readers to add their existing documentation to QuickGuide
- Support the Service Department's revenue assurance and operational effectiveness efforts by implementing and managing processes for CSRs to review accounts that require individual analysis to determine if they are being billed accurately for all services
- Cross train Customer Service staff with Water Management

Meter Readers

- Develop a research report detailing the primary factors that lead to non-registering and under-registering meters and collaborate with Operations to incorporate an optimized, revenue-based meter replacement process into the existing meter replacement program
- Implement new meter reading handhelds and meter reading software in order to improve operational effectiveness and customer service
- Identify available technology and study the feasibility of deploying new pilot tools to read RAC Wells to create efficiencies and improve employee safety



CVWD Water Tender

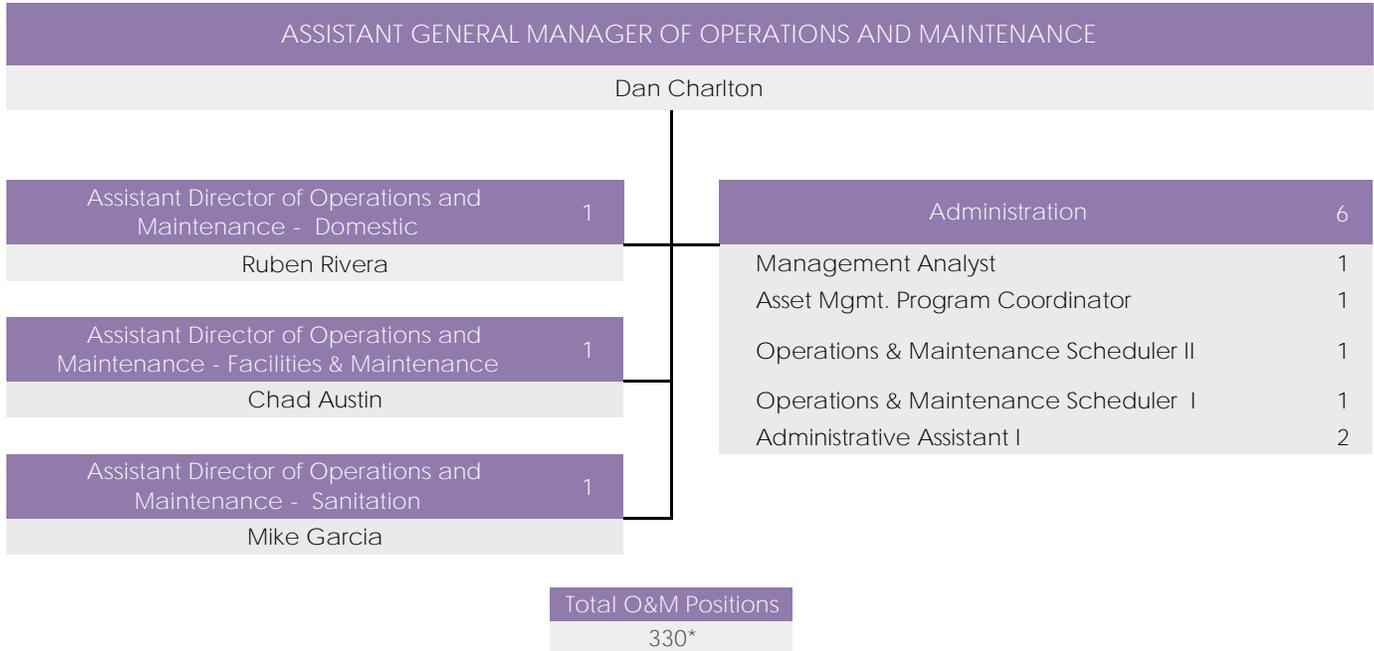
Service Department	FY 2020 Actual	FY 2021 Actual*	FY 2021 Budget	FY 2022 Budget	Budget Change	% Change
Expenses by Type						
Salaries and Wages	\$ 3,926,483	\$ 4,197,920	\$ 4,421,329	\$ 4,476,775	\$ 55,446	1.3%
Employee Benefits	2,498,643	2,559,621	2,720,567	2,847,687	127,120	4.7%
Outside Labor	12,650	-	30,000	27,000	(3,000)	-10.0%
Professional Development	18,294	1,820	52,448	52,048	(400)	-0.8%
Professional Services	66,641	80,991	-	-	-	-
Utilities	16,978	16,275	19,530	18,920	(610)	-3.1%
Materials and Supplies	535,521	501,662	686,957	759,357	72,400	10.5%
Motorpool	171,807	223,339	220,842	350,098	129,256	58.5%
Contract Services	991,778	1,087,207	1,099,968	1,226,501	126,533	11.5%
Safety	8,346	8,148	7,350	7,350	-	-
Miscellaneous Expense	89,191	64,885	47,718	53,685	5,967	12.5%
Capital Outlay	-	115,146	111,770	62,000	(49,770)	-44.5%
Total	\$ 8,336,331	\$ 8,857,014	\$ 9,418,479	\$ 9,881,421	\$ 462,942	4.9%
Expenses by Division						
Administration	\$ 539,934	\$ 552,042	\$ 759,180	\$ 610,097	\$ (149,083)	-19.6%
Customer Service	2,052,564	1,958,894	2,038,879	2,150,626	111,747	5.5%
Meter Reading	2,761,697	2,854,688	3,048,198	3,459,240	411,042	13.5%
Customer Billing	2,982,137	3,491,389	3,572,222	3,661,458	89,236	2.5%
Total	\$ 8,336,331	\$ 8,857,014	\$ 9,418,479	\$ 9,881,421	\$ 462,942	4.9%
Expenses by Fund						
Domestic Water	\$ 6,895,031	\$ 7,113,079	\$ 7,754,025	\$ 7,984,217	\$ 230,192	3.0%
Canal Water	686,257	834,169	785,067	1,037,139	252,072	32.1%
West Whitewater Replenishment	190,231	224,595	209,709	208,109	(1,600)	-0.8%
Mission Creek Replenishment	7,732	4,872	3,475	-	(3,475)	-100.0%
East Whitewater Replenishment	227,402	326,111	245,996	215,394	(30,602)	-12.4%
State Water Project	-	-	-	-	-	-
Sanitation	329,679	354,188	420,207	436,562	16,355	3.9%
Total	\$ 8,336,331	\$ 8,857,014	\$ 9,418,479	\$ 9,881,421	\$ 462,942	4.9%

* Unaudited

OPERATIONS & MAINTENANCE



OPERATIONS & MAINTENANCE — FISCAL 2021 - 22 BUDGET



* Total O&M Positions include all Divisions

DEPARTMENT DESCRIPTION

The Operations and Maintenance Department (Operations and Maintenance) is the largest department at the Coachella Valley Water District (CVWD), with 330 employees. Operations and Maintenance consists of 3 departmental branches with 32 divisions that are responsible for the operations, maintenance, and repair of all of 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 of 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 has also laid the foundation of a comprehensive Preventative Maintenance Program that tracks performance metric by division and facility. The 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 2020 – 21 ACCOMPLISHMENTS

Strategic Plan

SG 5.15 Assist with the development and implementation of CVWD’s Asset Management Program

Administration

Completed a comprehensive Preventative Maintenance Program

Completed the Annual Department Report, including the addition of Facilities and Maintenance as part of the new combined Department

Certified the Update to the Emergency Response Plan

Completed the design and contract documents for the Domestic Programmatic Logic Control Upgrade (Phase I)

Finalized asset collection and upload collected assets into the Computerized Maintenance Management System (CMMS) program

Completed the Cathodic Protection Infrastructure Evaluation

FISCAL 2021 – 22 GOALS

Administration

- Complete Construction of Domestic Programmatic Logic Control Upgrade Project (Phase II)
- Develop/implement a Preventative Maintenance Program Gap Assessment Report/Remediation Plan
- Complete a Comprehensive Standard Operating Procedures/Job Safety Analysis Guidebook for Operations
- Implement a successful rollout of the new CMMS System and Training Program (Districtwide)
- Finalize the implementation of the Red Vector Training Program
- Revamp the Annual Department Report for Operations and Maintenance
- Complete the “GO LIVE” implementation of the Asset Management Program



Well 4529 construction

DOMESTIC WATER

Assistant Director of Operations and Maintenance - Domestic	
Ruben Rivera	
Domestic Production and Metering Systems	1
Operations Manager	1
Water System Analyst	1
Domestic Production	1
Domestic Water Supervisor	1
Domestic Production	29
Date Palm Crew Chief	1
Date Palm Serviceworker III	1
Date Palm Water Quality Operator I	1
Date Palm Serviceworker I	2
Date Palm Serviceworker Trainee	2
Valley Senior Serviceworker	1
Valley Water Quality Operator III	1
Valley Water Quality Operator II	2
Valley Water Treatment Operator II	1
Valley Serviceworker II	1
Valley Serviceworker I	1
La Quinta Water Treatment Crew Chief	1
La Quinta Serviceworker III	1
La Quinta Water Treatment Operator II	2
La Quinta Water Quality Operator II	1
La Quinta Serviceworker II	1
West Shores Crew Chief	1
West Shores Serviceworker III	1
West Shores Distribution Operator II	4
West Shores Distribution Utility Worker III	1
West Shores Distribution Operator I	1
West Shores Meter & Valve Tech Trainee	1
Domestic Metering Systems	1
Domestic Water Supervisor	1
Domestic Metering Systems	19
Backflow/Cross Connection Crew Chief	1
Cross Connection Technician III	1
Cross Connection Technician I	2
Backflow Meter & Valve Tech I	1
Backflow Meter & Valve Tech Trainee	1
Meter Repair Crew Chief	1
Meter Repair Meter & Valve Tech III	1
Meter Repair Meter & Valve Tech II	2
Meter Repair Meter & Valve Tech I	3
PCD/Air Vac Crew Chief	1
PCD/Air Vac Meter & Valve Tech III	1
PCD/Air Vac Meter & Valve Tech II	1
PCD/Air Vac Meter & Valve Tech I	1
PCD/Air Vac Meter & Valve Tech Trainee	2
Domestic Construction and Maintenance	1
Operations Manager	1
Emergency Response Administrator	1
Domestic Maintenance	1
Domestic Water Supervisor	1
Domestic Maintenance	22
System Maintenance Crew Chief	1
System Maintenance Distribution Operator II	1
System Maintenance Distribution Operator I	2
System Maintenance Distribution Operator Trainee	1
Valve Repair Crew Chief	1
Valve Repair Equipment Operator I	1
Valve Repair Distribution Operator III	1
Valve Repair Distribution Operator II	1
Valve Repair Distribution Operator I	2
Hydrant Maintenance Crew Chief	1
Hydrant Maintenance Distribution Operator II	1
Hydrant Maintenance Distribution Operator I	2
Hydrant Maintenance Distribution Operator Trainee	1
Domestic Maintenance Crew Chief	1
Domestic Maintenance Distribution Operator III	1
Domestic Maintenance Distribution Operator II	1
Domestic Maintenance Distribution Operator I	3
Domestic Construction	1
Domestic Water Supervisor	1
Domestic Construction	26
Leak Repair Crew Chief	1
Leak Repair Distribution Operator III	1
Leak Repair Distribution Operator II	2
Leak Repair Distribution Operator Trainee	1
Leak Repair Distribution Utility Worker I	1
Service Installation Crew Chief	1
Service Installation Distribution Operator III	1
Service Installation Equipment Operator	1
Service Installation Distribution Operator I	2
Service Installation Distribution Utility Worker II	1
Leak Detection Crew Chief	1
Leak Detection Meter & Valve Tech III	1
Leak Detection Meter & Valve Tech II	3
Facilities Location Technician III	2
Facilities Location Technician II	1
Construction Crew Chief	1
Construction Distribution Operator II	2
Construction Distribution Operator I	3

DOMESTIC WATER DIVISION DESCRIPTIONS

Domestic Water Operations is responsible for the daily operation, maintenance, and repair of the domestic water system to ensure supply meets demand, pressures are adequate, and deliveries comply with water quality standards. Domestic Water Operations maintains their particular focuses on the following functions and activities:

Domestic Production

SERVICE WORKERS / WATER QUALITY / WATER TREATMENT

Provides first responder services for all domestic water customer related issues while maintaining operations 24 hours/day and 7 days/week

Evaluates and coordinates 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 of the duties of the service workers, leak repair, meter repair, maintenance, and construction divisions

Domestic Metering Systems

BACKFLOW

Performs testing, repair and replacement of all backflow devices as required by the State

Conducts field investigations, 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)

OPERATIONS — FISCAL 2021 - 22 BUDGET

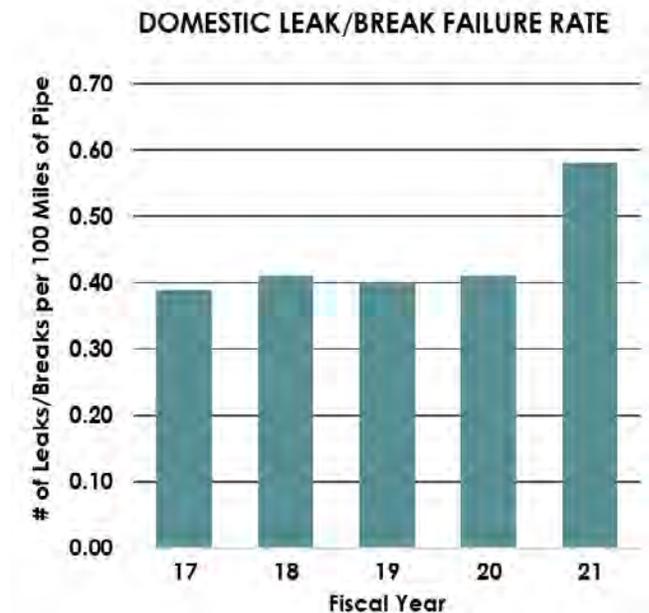
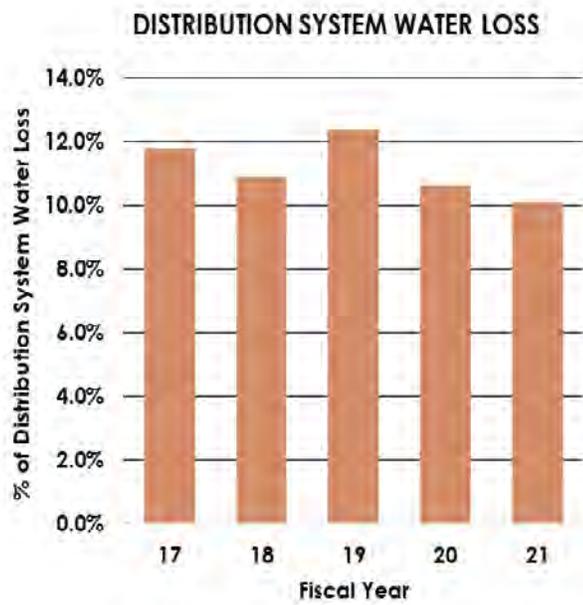
& MAINTENANCE

Domestic Water Metrics

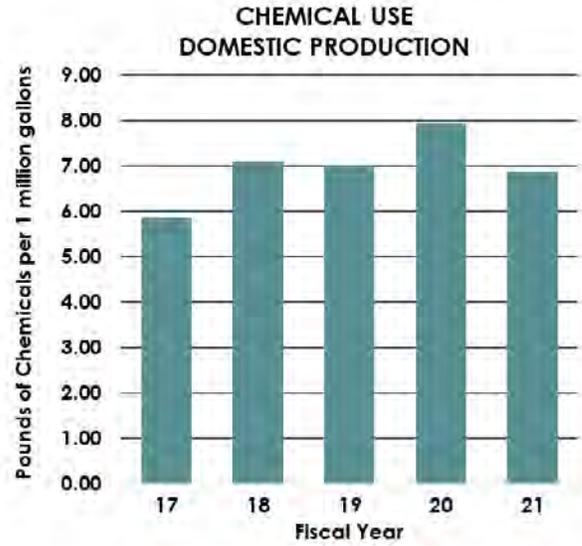
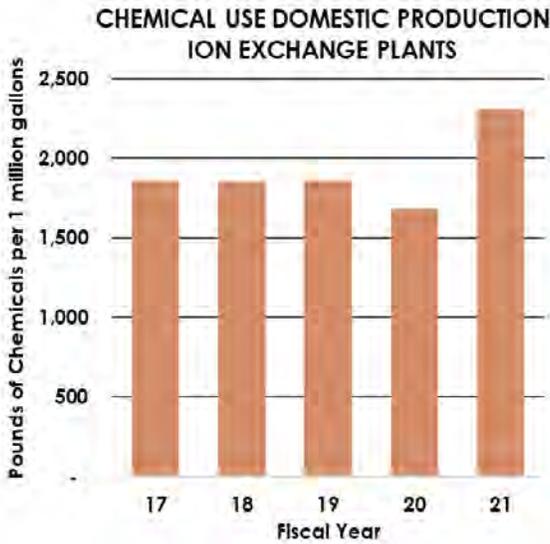
DOMESTIC OPERATIONS WORKLOAD MEASURES					
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Repaired/Replaced Fire Hydrants	203	216	271	411	638
Repaired/Replaced Main Line Valves	182	196	235	186	400
Concrete Collars Replaced	63	83	141	85	133
Proactive Meter Replacements*	2,050	1,745	1,998	465	4,299
Meter Installations	453	476	574	668	1,040
Meter Exchanges	1,953	2,065	2,351	1,471	2,364
Meter Register and Box Repairs	4,110	3,801	3,934	5,900	2,957
Automate Meter Reading (AMR) Meter Upgrades*	587	643	151	56	57
Customer Service Calls	4,748	4,893	4,144	3,331	4,008
Facilities Maintained (Wells, Boosters, IXTP's, Reservoirs)	14,438	17,869	11,355	13,772	17,075
Facilities Repaired/Replaced (Wells, Boosters, IXTP's, Reservoirs)	644	975	617	563	866
Backflows Tested	10,392	9,836	9,107	9,403	12,513

* Includes replacements and upgrades completed by Contractor for FY2018

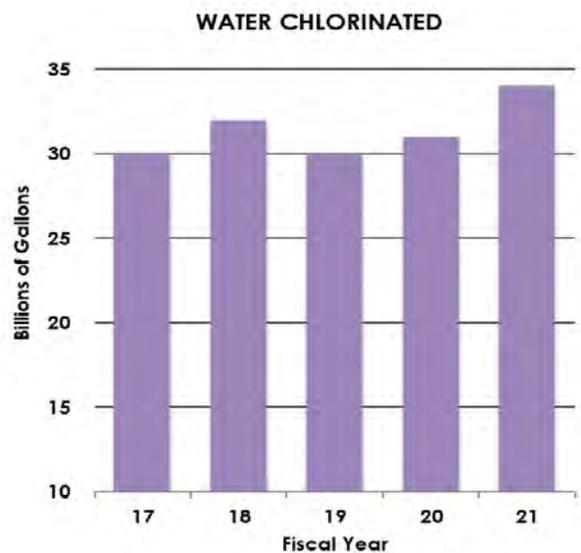
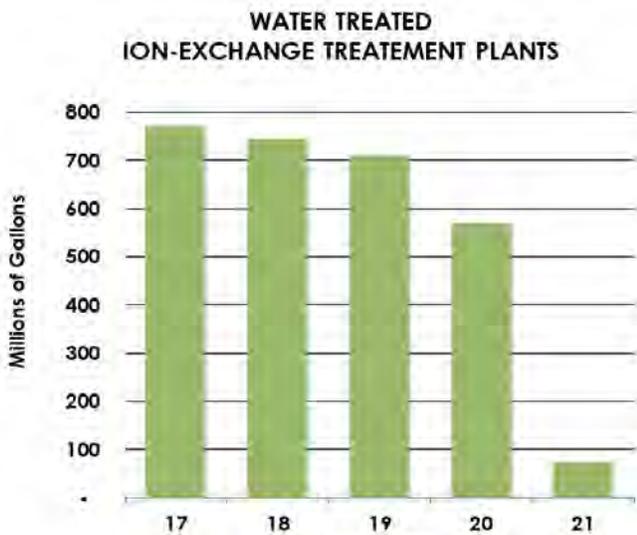
The first graph depicts the percentage of water loss that the District experiences in a given fiscal year. The second graph depicts domestic distribution fail rate, or the number of leaks/ breaks the District has experienced per 100 miles of pipe. The District's distribution system includes 2,024 miles of pipe.



CVWD treats the distribution system with chemicals to ensure that service meets all water quality standards, including disinfection/chlorination of domestic water. The District operates two Ion Exchange Treatment Plants (IXTPs) which treat drinking water through a resin media that removes undesired constituents. Operational data collected is used to optimize treatment processes and practices. Below are graphs depicting chemical usage at the IXTP and well sites over the past five years.



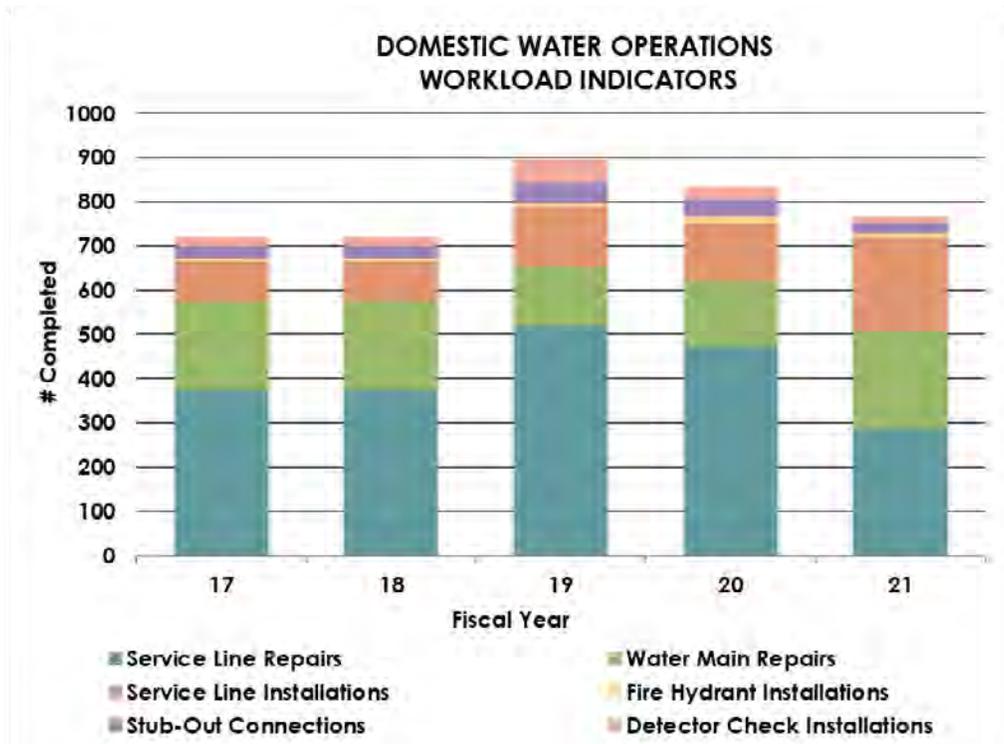
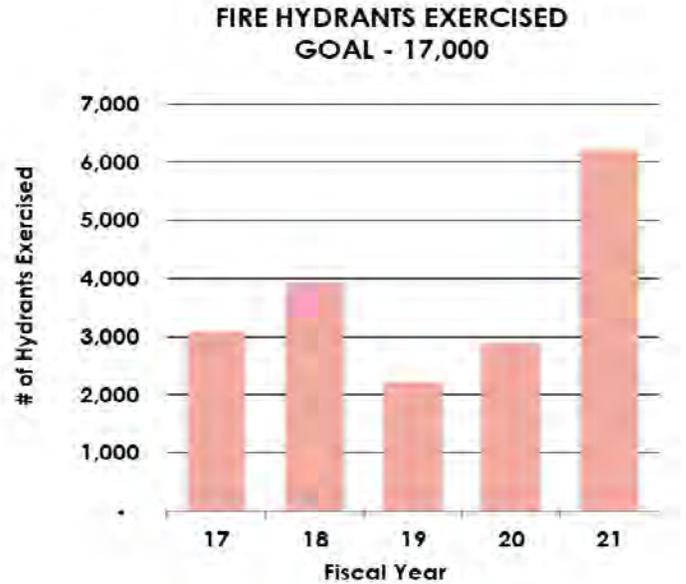
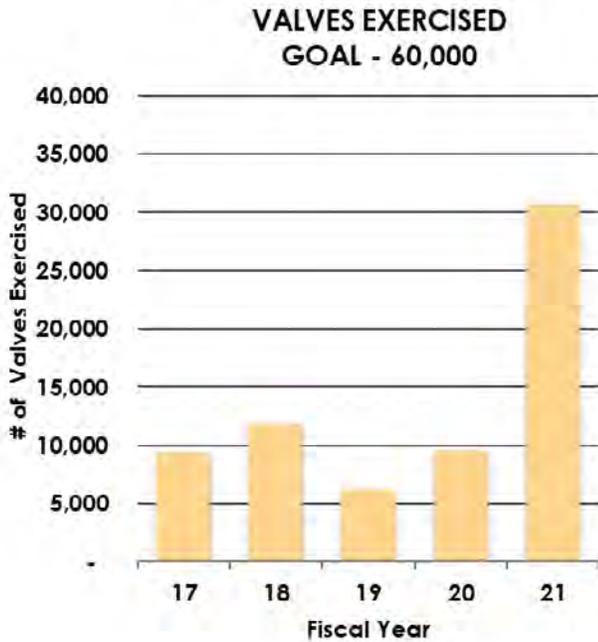
The graph below to the left depicts the amount of water treated at the ion-exchange plants. The graph below to the right details the amount of water that is treated with chlorine.



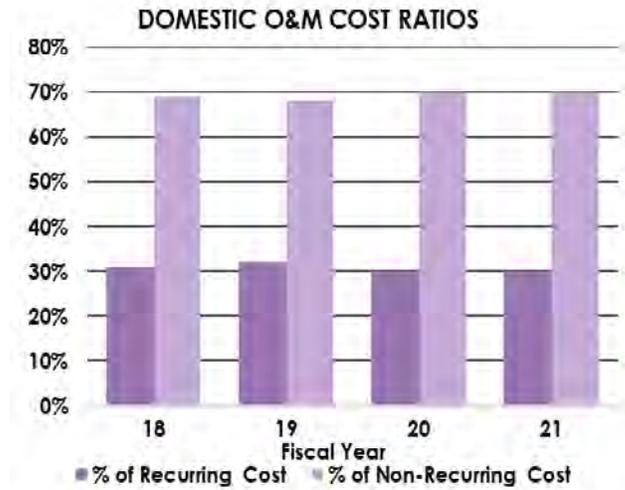
*Treatment plants did not operate for most of the yr., only 6806 was online and ran minimally

OPERATIONS & MAINTENANCE — FISCAL 2021 - 22 BUDGET

The following graphs show the number of valves and hydrants exercised by the Operations Domestic Water Department. American Water Works Association (AWWA) standards state that all system fire hydrants and valves should be exercised, flushed, and maintained annually.



The following graphs reflect the percentage of costs incurred on recurring and nonrecurring expenses for maintenance activities, along with the percentage of man-hours worked on recurring and nonrecurring activities.



FISCAL 2020-21 ACCOMPLISHMENTS

Strategic Plan

SG 5.16 Operational Optimization - Participated in AWWA Partnership for Safe Water Program

SG 4.10 Assisted with the completion of the Potable Telemetry Upgrade Project (Phase I)

Domestic Water

- Completed the Biannual Production Well Testing Program
- Completed the Proactive Meter Replacement Program (Phase I)
- Completed the Annual Consumption Meter Testing Program
- Completed the Combination Air Valve Upgrade Project (Phase II)
- Continued the West Shores Maintenance Backlog Reduction Program
- Completed the Annual Backflow Testing Program
- Implement Safety-Climbing Program
- Completed Satellite Based Leak Survey (Utilis) Pilot Project
- Completed the Pressure Regulating Stations Upgrade Project (Phase I)

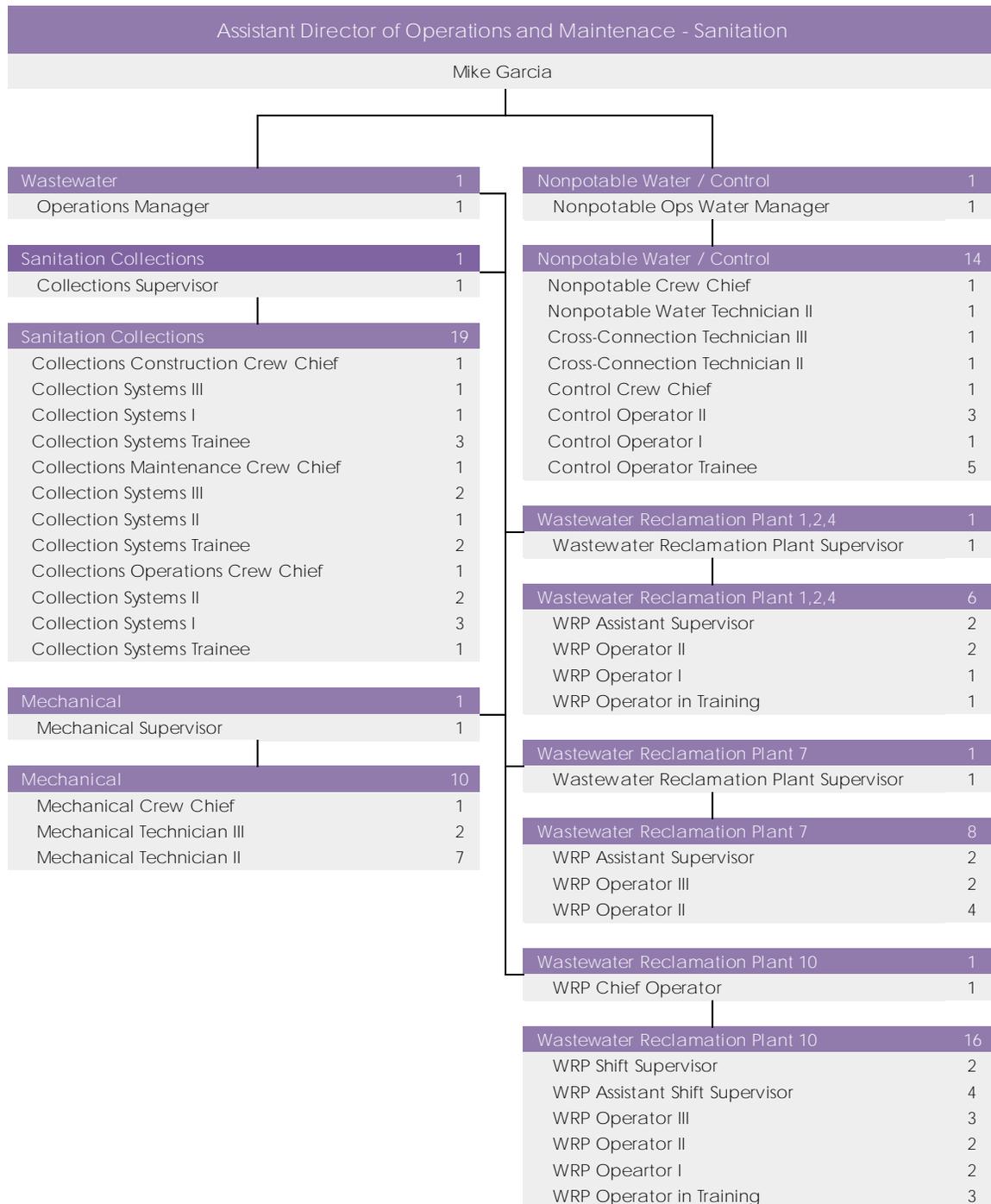
FISCAL 2021-22 GOALS

Domestic Water

- Develop and Implement a new Comprehensive Proactive Meter Replacement Program
- Evaluate and prioritize CVWD’s PSW Phase III Self-assessment Report
- Update the Emergency Response Plan

- Complete the Biannual Production Well Testing Program
- Complete the Annual Consumption Meter Testing Program
- Complete the Combination Air Valve Upgrade Project (Phase III)
- Continue the West Shores Maintenance Backlog Reduction Program
- Complete the Annual Backflow Testing Program
- Implement Reservoir Inspection Program
- Complete the Pressure Regulating Stations Upgrade Project (Phase III)

SANITATION



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 2017	FY 2018	FY 2019	FY 2020	FY 2021
Vactor/Jetting of Lines - Linear Feet*	553,986	563,334	443,740	1,229,409	607,509
Manholes Inspected	9,503	20,691	13,321	7,097	14,671
Air Vac Maintenance	1,301	1,180	1,540	1,442	788
Video Assessment of Lines - Linear Feet*	198,904	329,717	161,693	437,425	342,909

* 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 2017	FY 2018	FY 2019	FY 2020	FY 2021
Average Number of Alarms per Shift	548	432	290	258	846
Average Number of Critical Alarms per Shift	52	41	22	16	45
Number of SCADA Alarms per Year	600,479	473,246	318,046	282,661	641,920
Met Established Training Standards	Yes	Yes	Yes	Yes	Yes

Wastewater Reclamation Plants (WRPs)

Operates CVWD’s wastewater reclamation plants including the following:

WRPs 1 and 2 treat wastewater by utilizing sludge lagoons and treated effluent percolation ponds which helps replenish the area’s groundwater supply.

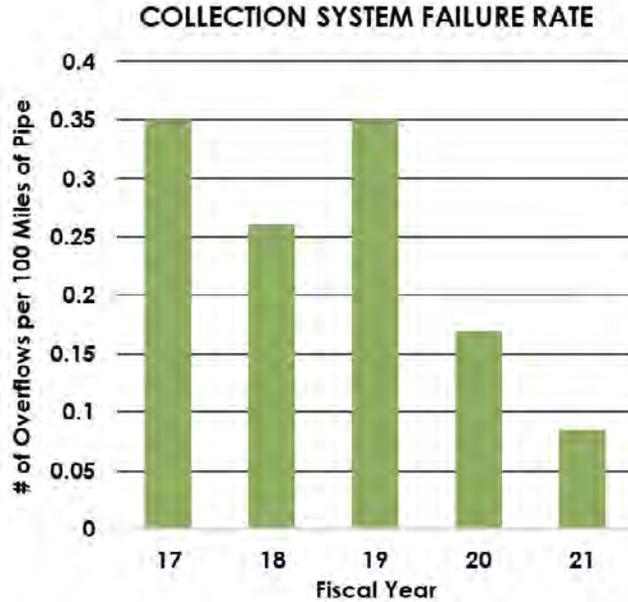
WRP 4 consists of two secondary treatment processes to treat wastewater which include Biolac activated sludge and sludge lagoon treatment. Disinfection is achieved through chlorination and the final effluent is de-chlorinated prior to discharge to meet strict regulatory standards. In addition to the 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.

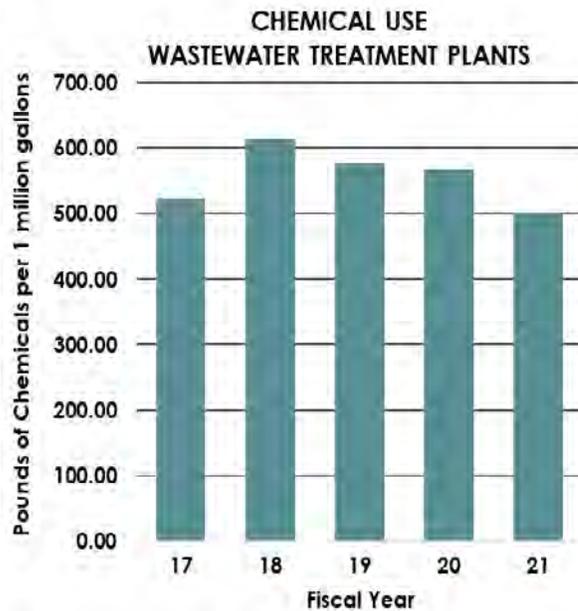
WRPs 7 and 10 are Conventional Activated Sludge Plants that produce secondary and tertiary treated effluent disinfected with chlorine gas to meet CCR Title 22 state standards for nonpotable water for golf course and landscape irrigation. In addition to the treatment of the wastewater, WRP 7 and 10 produce 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.



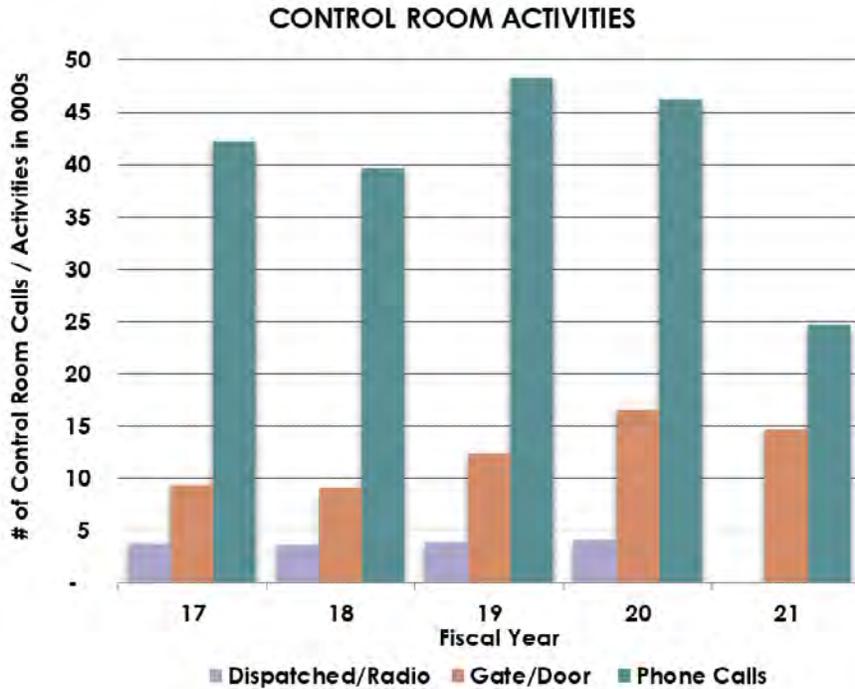
At wastewater treatment plants, chemicals are used in a variety of treatment processes to clean the water to ensure that it can be safely released to the environment. CVWD collects data on the operations to optimize treatment processes and practices. The graph depicts chemical usage at the wastewater treatment plants over the past five-years.



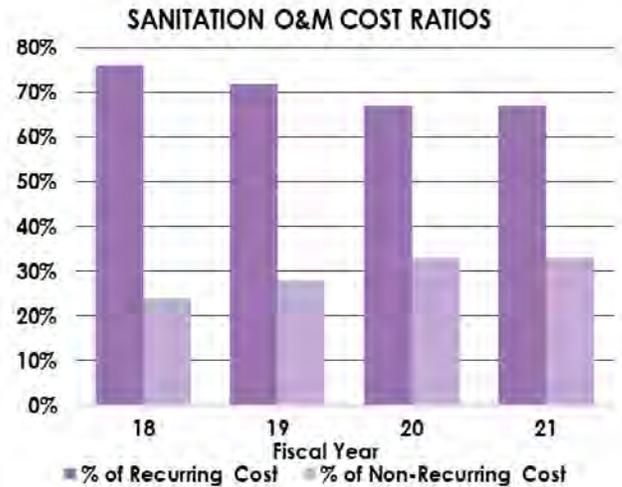
OPERATIONS — FISCAL 2021 - 22 BUDGET

& MAINTENANCE

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 2020 – 21 ACCOMPLISHMENTS

Strategic Plan

SG 2.4 Coordinated and completed the WRP Energy Optimization study reports for WRP 4, 7, & 10

Sanitation Collections

Completed the Collection System Annual Jet Cleaning/Inspection (including the increase of CCTV inspection by 25%)

Assisted with the Burr Street Sewer Force Main Design Project

Completed the construction of the Jefferson Street Sewer Bypass Project

Completed the State-mandated 2-year Sanitary Sewer Master Plan (SSMP) self-assessment audit

Completed the Sewer Force Main Valve Preventative Maintenance (exercising) Program

Mechanical

Completed the WRP 10 Septage Receiving Station No. 2 Upgrade Project

Completed the Surge Buster Check Valve Conversion Project (Phase II)

Completed the WRP 10 Headworks Conveyor Oiler System Project

Completed the WRP 10 Grit Chamber Odor Scrubber Silo Vessel Project

Completed the conversion from chemical to biological wood chip odor control at various lift stations

Water Reclamation Plants

Assisted with the finalization of the design for the WRP 4 Sludge Lagoon Module Aerator Energy Efficient Upgrade Project

Assisted with the coordination and completion of the Chemical Safety Equipment Upgrade Project at WRPs 4, 7, and 10

Assisted with the completion of the WRP 7 PLC Upgrade Project

Coordinated the completion of the WRP 7 Process Aeration Blower Project

Coordinated the finalization of the design for the WRP 4 Tertiary Treatment Project

Finalized the Implementation of the HACH WIMS Project for WRPs 4, 7, and 10

Assisted with the Secondary Effluent Pump Station Upgrade Project

Finalized and implement the Standard Operating Procedures Manual for WRPs 4, 7, and 10

Nonpotable Water

Implemented the regulations for the new recycled water statewide permit WQ-2016-0068-DDW

Replenished the aquifer in the mid-valley with 10,000 af of canal water

Performed initial shutdown tests for four golf courses and one agricultural customer

Incorporated one agricultural customer into the nonpotable water program

Control

- Completed and implemented the Control Operator Training and Certification Program
- Completed the Control Operator Training Manual and developed standard operating procedures
- Implemented the Daily Canal Operations Log Program
- Worked with SCADA Integrators and Programmers on the SCADA Upgrade Project

FISCAL 2021 – 22 GOALS

Sanitation Collections

- Develop and implement the Valve Maintenance Exercise and Tracking Program
- Create and maintain a CCTV Operations/Inspections Optimization Program
- Develop and implement the Clean Line Maintenance Optimization Program
- Complete the Sewer Manhole Rehabilitation Project
- Assist in the design and planning of the Lift Station 55-11 Project

Mechanical

- Complete the Surge Buster Check Valve conversion Project (Phase II)
- Complete the WRP 10 Headworks Conveyor Oiler System Project
- Complete the B Plant Clarifier Chain and Flights Retrofit Project

Water Reclamation Plants

- Complete the WRP-10 Underground Infrastructure Composite (GIS) Mapping Project
- Develop and implement the Biosolids Handling Upgrade Project
- Complete the WRP Chemical Optimization Project
- Complete the Aeration Control System Ammonia Upgrade Project
- Complete the TT1 (Filters 1-3) Rehabilitation Project
- Assist with the Water Reclamation Plant SCADA Implementation Project

Nonpotable Water

- Complete the Nonpotable Water Distribution System Air-Vac Upgrade Project
- Implement the regulations for the new recycled water statewide permit WQ-2016-0068-DDW
- Complete the optimization of the Palm Desert Replenishment Project
- Implement the Nonpotable Water Distribution System Valve Exercise Program

Control

- Complete the Control Room Standard Operating Procedures and Training Program
- Assist with the SCADA Implementation Project

FISCAL 2021 – 22 BUDGET — OPERATIONS
& MAINTENANCE

Operations Department	FY 2020 Actual	FY 2021 Actual*	FY 2021 Budget	FY 2022 Budget	Budget Change	% Change
Expenses by Type						
Salaries and Wages	\$ 16,006,574	\$ 16,248,743	\$ 16,619,879	\$ 17,527,731	\$ 907,852	5.5%
Employee Benefits	9,950,402	10,080,322	10,650,044	11,337,438	687,394	6.5%
Outside Labor	4,599	-	-	-	-	-
Professional Development	80,977	47,186	98,706	106,230	7,524	7.6%
Professional Services	900	1,421	800	800	-	-
Utilities	13,931,695	17,137,743	13,757,145	16,157,386	2,400,241	17.4%
Materials and Supplies	7,145,771	6,797,613	6,469,893	6,428,668	(41,225)	-0.6%
Motorpool	2,850,781	3,297,913	2,591,082	2,678,117	87,035	3.4%
Contract Services	2,662,634	2,577,797	2,671,360	2,816,650	145,290	5.4%
Safety	62,633	64,034	57,100	56,750	(350)	-0.6%
Miscellaneous Expense	151,572	171,034	197,840	50,020	(147,820)	-74.7%
Capital Outlay	309,140	229,916	150,000	-	(150,000)	-100.0%
Total	\$ 53,157,680	\$ 56,653,722	\$ 53,263,849	\$ 57,159,790	\$ 3,895,941	7.3%
Expenses by Division						
Administration	\$ 1,284,724	\$ 913,684	\$ 907,386	\$ 941,701	\$ 34,315	3.8%
Emergency Response	35,790	191,397	182,190	199,178	16,988	9.3%
Control	1,159,865	1,217,912	1,220,104	1,299,731	79,627	6.5%
Nonpotable Admin	196,210	210,436	207,640	227,531	19,891	9.6%
Production Admin	83,158	247,131	275,861	286,208	10,347	3.8%
Construction Admin	90,532	288,070	273,400	297,455	24,055	8.8%
Wastewater Admin	-	74,971	-	301,927	301,927	-
Nonpotable Operations	1,284,052	1,673,899	1,228,484	1,205,067	(23,417)	-1.9%
Administration	9,531,252	12,492,331	10,796,844	12,972,395	2,175,551	20.1%
Date Palm	-	1,119,398	1,104,187	1,148,691	44,504	4.0%
Valley	2,421,079	1,522,237	1,535,350	1,507,723	(27,627)	-1.8%
Leak Repair	1,222,347	1,207,202	1,083,111	1,324,589	241,478	22.3%
Service Installation	1,176,206	1,164,919	1,149,391	1,180,165	30,774	2.7%
Ops Met Sys - Leak Detect	798,621	(21,021)	-	-	-	-
La Quinta	1,921,054	1,062,185	1,509,144	1,207,362	(301,782)	-20.0%
Back Flow	910,711	816,895	966,476	882,079	(84,397)	-8.7%
Ops Met Sys - Meter Repair	2,244,384	2,491,329	2,506,452	2,505,953	(499)	0.0%
Treatment Administration	213,407	272,248	257,855	245,864	(11,991)	-4.7%
Treatment	1,294,773	-	-	-	-	-
West Shore	1,264,840	1,864,078	1,512,000	2,028,138	516,138	34.1%
Facility/Leak Detection	707,281	1,242,270	1,239,996	1,260,999	21,003	1.7%
System Maintenance	836,229	773,944	948,045	786,028	(162,017)	-17.1%
Maintenance Admin	210,608	400,168	458,989	482,671	23,682	5.2%
Valve Repair	816,882	960,814	835,918	1,050,668	214,750	25.7%
Hydrant Maintenance	1,235,235	1,023,504	987,467	959,795	(27,672)	-2.8%
Pressure Control Devices	1,295,739	1,195,106	1,357,894	1,481,333	123,439	9.1%
Domestic Maintenance	1,290,479	1,404,397	1,226,150	1,398,288	172,138	14.0%
Construction Admin	178,602	185,877	203,390	262,974	59,584	29.3%
Construction Crew 1	1,239,491	1,291,506	1,282,375	1,260,931	(21,444)	-1.7%
Emergency Response Crew	384,413	401,896	280,727	356,908	76,181	27.1%
Collections Admin	447,773	478,214	435,769	480,798	45,029	10.3%
Collections Construction	1,017,280	840,604	1,000,788	934,938	(65,850)	-6.6%
Collections Maintenance	1,647,620	1,709,139	1,809,844	1,521,730	(288,114)	-15.9%
Collections Operations	1,020,044	1,099,040	1,157,359	1,076,729	(80,630)	-7.0%
1,2,4 Administration	1,427,166	1,520,338	1,310,514	1,494,034	183,520	14.0%
WRP 7,9 Administration	930,576	1,181,458	742,558	850,997	108,439	14.6%
WRP 10 Administration	2,152,213	2,473,014	2,158,513	2,489,953	331,440	15.4%
WRP 1,2,4 Operations	1,672,214	1,525,217	1,494,410	1,460,845	(33,565)	-2.2%
WRP 7,9 Operators	1,538,071	1,469,063	1,559,340	1,663,147	103,807	6.7%
WRP 10 Operators	3,360,217	3,214,514	3,336,614	3,468,243	131,629	3.9%
Administration	185,818	201,013	204,492	211,252	6,760	3.3%
Mechanical Technicians	2,430,722	3,253,325	2,516,822	2,444,772	(72,050)	-2.9%
Total	\$ 53,157,680	\$ 56,653,722	\$ 53,263,849	\$ 57,159,790	\$ 3,895,941	7.3%

OPERATIONS — FISCAL 2021 - 22 BUDGET

& MAINTENANCE

Operations Department	FY 2020 Actual	FY 2021 Actual*	FY 2021 Budget	FY 2022 Budget	Budget Change	% Change
Expenses by Fund						
Domestic Water	\$ 32,481,421	\$ 34,260,093	\$ 32,450,305	\$ 35,940,252	\$ 3,489,947	10.8%
Canal Water	441,521	473,182	594,609	528,638	(65,971)	-11.1%
West Whitewater Replenishment	1,273,515	1,789,440	1,290,482	1,302,562	12,080	0.9%
Mission Creek Replenishment	41	-	319	-	(319)	-100.0%
East Whitewater Replenishment	37,019	86,510	93,466	86,636	(6,830)	-7.3%
Sanitation	18,906,483	19,996,498	18,791,775	19,255,501	463,726	2.5%
Stormwater Fund	17,680	48,000	42,893	46,201	3,308	7.7%
Total	\$ 53,157,680	\$ 56,653,722	\$ 53,263,849	\$ 57,159,790	\$ 3,895,941	7.3%

* Unaudited

FACILITIES AND MAINTENANCE

Assistant Director of Operations and Maintenance - Facilities and Maintenance

Chad Austin

Operations 1	Electrical 25
Operations Manager 1	Electrical Supervisor 1
Canal & Irrigation Distribution 17	Assistant Electrical Supervisor 1
Canal & Irrigation Distribution Sup. 1	Electrical Crew Chief 1
Canal Crew Chief 1	Electrician IV 2
Irrigation Distribution Crew Chief 1	Electrician III 2
Meter Repair Worker I 1	Electrician II 7
Irrigation Utility Worker II 2	Electrician I 3
Irrigation Utility Worker I 3	HVAC Technician II 2
Irrigation System Worker III 1	HVAC Technician I 1
Irrigation System Worker II 3	Pump Maintenance Crew Chief 1
Irrigation System Worker I 4	Maintenance Worker 3
Facilities Maintenance 7	Maintenance Worker/Operator 1
Facilities Maintenance Supervisor 1	Stormwater & Drainage 15
Facilities Maintenance Crew Chief 1	Stormwater & Drainage Maint. Supv. 1
Senior Facilities Worker 1	Stormwater & Drainage Crew Chief 1
Facilities Worker 4	Equipment Operator II 4
Zanjeros 19	Equipment Operator I 9
Zanjero Crew Chief 2	Electronics 17
Zanjero III 4	Electronics Supervisor 1
Zanjero II 2	Assistant Electronics Supervisor 1
Zanjero I 1	Electronics Technician III 1
Zanjero Trainee 8	Electronics Technician II 4
Irrigation Technician 1	Electronics Technician I 9
Department Aide/Crop Reporter 1	Electronics Technician Trainee 1
Building Maintenance 18	Motorpool - Auto Shop 18
Building Maintenance Supervisor 1	Fleet Manager 1
Maintenance Crew Chief 1	Autoshop Supervisor 1
Building Maintenance Trades Worker 6	Crew Chief 2
Maintenance Worker 4	Automotive Technician III 2
Welding Crew Chief 1	Automotive Technician II 4
Welder II 2	Automotive Technician I 4
Welder I 3	Automotive Technician Trainee 1
	Parts Specialist II 1
	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



Oasis Garden repaving

Facilities & Maintenance Metrics

FACILITIES & MAINTENANCE WORKLOAD MEASURES					
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Stormwater & Drainage					
Vegetation Maintenance of Stormwater Channel (Linear Feet)	390,847	288,535	313,760	453,666	317,381
Percolation Ponds Ripped	27	22	9	20	33
Percolation Pond Sediment Excavation (Cubic Yards)	132,990	178,551	103,509	142,910	37,665
Maintenance of Service Roads (Miles)	44	115	119	70	87
Canal					
Concrete Panel Replacement	60	35	-	-	4
Maintenance of Radial Gates	2	2	4	2	1
Maintenance of Canal Service Roads (Miles)	118	132	142	235	270
Distribution					
Replacement of Distribution Valves	39	30	25	25	48
Repair of Distribution Valves	62	69	80	72	88
Distribution Leak Repairs	68	58	89	69	85
Replacement of Distribution Laterals (Linear Feet)	1,910	1,222	533	1,093	639
Facilities Maintenance					
Maintenance of District Facilities	775	815	812	705	717
Inspection of District Facilities	3,289	3,698	2,768	1,825	2,024
Weed Abatement of Facilities	259	532	253	219	231
Electronics					
Plant Instrumentation Calibrations	73	696	671	471	744
Preventative Maintenance of Communication Systems	458	116	135	68	63
Maintenance of Weather Stations	51	46	31	39	37
Electrical					
Electrical Site Maintenance	183	270	213	140	94
<i>HVAC Maintenance</i>					
Maintenance of HVAC Systems	426	1,241	2,254	2,202	1,950
<i>Pump Maintenance</i>					
Pump Maintenance	118	1,433	1,460	1,320	1,243
Preventative Maintenance of Pump Generators	1,711	748	303	301	290
Building Maintenance					
Graffiti Removal	57	44	40	27	120
Replacement of Domestic Water Meter Boxes	12	43	37	19	17
Irrigation Meter Can Locking Devices	61	82	88	86	80
Extension of Irrigation Valve Stems	85	79	72	65	68
Zanjeros					
Valves Exercised Annually - Goal 1,000	1,086	1,052	1,032	1,230	1,008
Acre-feet Recharged at TEL	37,860	28,290	30,485	36,075	38,016
Irrigable Acres (calendar year)	77,101	76,364	77,103	77,121	N/A
Motorpool - Auto Shop					
Fleet Capital Improvement Projects Completed	97%	74%	100%	100%	99%
Vehicle Out of Service Percentage - Goal 8% or less	-	-	4.9%	3.7%	2.0%

OPERATIONS — FISCAL 2021 - 22 BUDGET

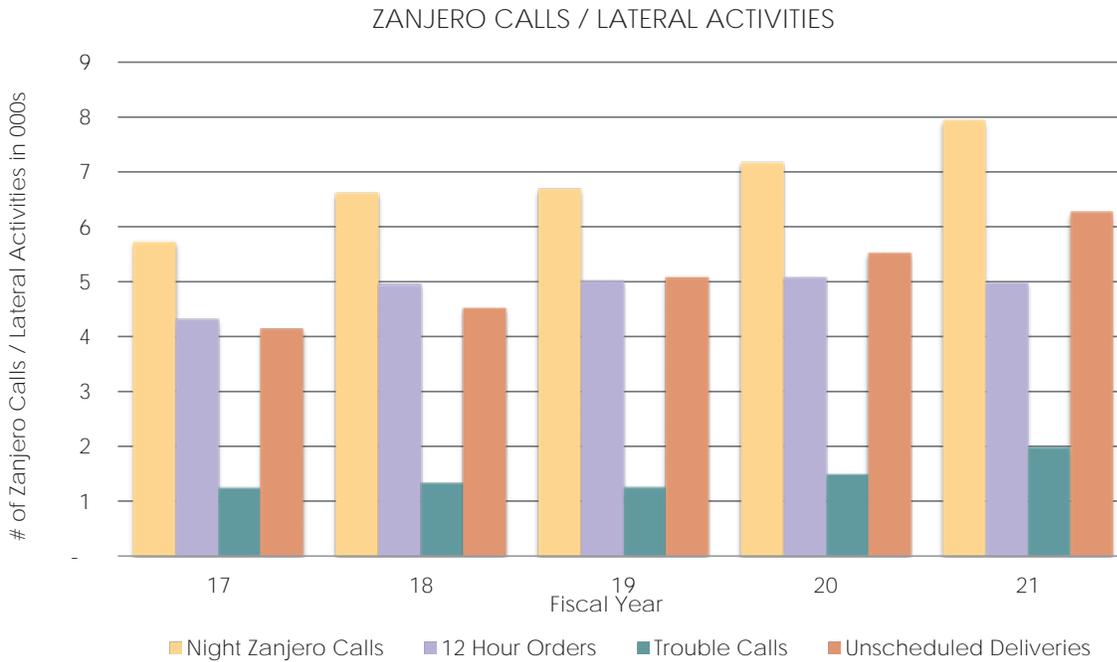
& MAINTENANCE

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										
	FY 2017		FY 2018		FY 2019		FY 2020		FY 2021	
	Recurring	Nonrecurring								
Stormwater & Drainage										
Stormwater & Drainage	76%	24%	83%	17%	57%	43%	19%	81%	69%	31%
Canal & Distribution System Maintenance										
Canal Distribution Maintenance	7%	93%	22%	78%	14%	86%	6%	94%	13%	87%
Canal Maintenance	76%	24%	70%	30%	76%	24%	84%	16%	81%	19%
Facilities Maintenance										
Carpenter Shop	4%	96%	3%	97%	5%	95%	6%	94%	18%	82%
Welding Shop	4%	96%	4%	96%	0%	100%	14%	86%	4%	96%
Facilities Maintenance	85%	15%	86%	14%	87%	13%	80%	20%	74%	26%
Electronics										
Electronic Technicians	9%	91%	11%	89%	8%	92%	5%	95%	11%	89%
Electrical										
Electricians	14%	86%	17%	83%	21%	79%	19%	81%	15%	85%
Air Conditioners	65%	35%	53%	47%	51%	49%	58%	42%	51%	49%
Pump Maintenance										
Pump Maintenance	22%	78%	26%	74%	15%	85%	30%	70%	32%	68%
Combined Ratio Facilities & Maintenance	41%	59%	45%	55%	39%	61%	43%	57%	47%	53%

FACILITIES & MAINTENANCE O&M LABOR HOUR RATIOS										
	FY 2017		FY 2018		FY 2019		FY 2020		FY 2021	
	Recurring	Nonrecurring								
Stormwater & Drainage										
Stormwater & Drainage	65%	35%	67%	33%	53%	47%	37%	63%	59%	41%
Canal & Distribution System Maintenance										
Canal Distribution Maintenance	8%	92%	26%	74%	19%	81%	9%	91%	17%	83%
Canal Maintenance	76%	24%	60%	40%	61%	39%	67%	33%	66%	34%
Facilities Maintenance										
Carpenter Shop	5%	95%	4%	96%	8%	92%	6%	94%	22%	78%
Welding Shop	3%	97%	3%	97%	0%	100%	14%	86%	4%	96%
Facilities Maintenance	82%	18%	86%	14%	87%	13%	80%	20%	75%	25%
Electrical										
Electricians	15%	85%	19%	81%	19%	81%	18%	82%	14%	86%
Air Conditioners	74%	26%	54%	46%	56%	44%	59%	41%	54%	46%
Pump Maintenance										
Pump Maintenance	51%	49%	43%	57%	56%	44%	67%	33%	59%	41%
Electronics										
Electronic Technicians	11%	89%	8%	92%	8%	92%	4%	96%	7%	93%
Combined Ratio Facilities & Maintenance	36%	64%	34%	66%	35%	65%	42%	58%	44%	56%

The following graph depicts the various Zanjero calls and lateral activities that are responded to annually.



FISCAL 2020 – 21 ACCOMPLISHMENTS

Strategic Plan

SG 4.10 Conduct the Potable Telemetry Pilot Upgrade Study

SG 5.15 Implement the Computerized Maintenance Management System (substantially complete)

Administration

Finalized asset collection and uploaded collected assets into the Computerized Maintenance Management System (CMMS) program

Completed the Cathodic Protection Infrastructure Report

Assisted with the completion of the Preventative Maintenance Program

Stormwater & Drainage

Completed the WWR/CVSC Annual Vegetation Maintenance Program (62 miles)

Completed the Open Agricultural Channels and Drains Annual Maintenance Project (141,311 lineal feet)

Completed the Whitewater Groundwater Replenishment Facility Annual Sediment Removal Project (37,665 cubic yards)

Canal

- Completed the Canal Actuator (Milepost 93.0) Replacement Project
- Replaced J seals on Radial Gates at the Whitewater Groundwater Replenishment Facility
- Completed the Canal Lining (Milepost 11.5) Panel Replacement Project

Irrigation Distribution

- Completed the Canal Actuator (Milepost 93.0) Replacement Project
- Replaced J seals on Radial Gates at the Whitewater Groundwater Replenishment Facility
- Completed the Canal Lining (Milepost 11.5) Panel Replacement Project

Facilities Maintenance

- Completed the Irrigation Landscape Upgrade Project
- Completed the Palm Desert (CSSB) Landscape Improvement Project (substantially complete)
- Developed and implemented the Qualified Applicators License Training Program

Zanjeros

- Developed and implemented a comprehensive Zanjero training program
- Developed a Flow Meter Testing and Replacement Program
- Maximized replenishment at the Thomas E. Levy (TEL) Replenishment Facility (37,540 TAF)

Electrical

- Assisted with the implementation of the new Communication Tower installations at WRP4 and West Shores Facilities
- Provided support services for the WRP 4, WRP 7, and WRP 10 Chemical Safety Upgrade Project
- Completed the TEL Replenishment Facility Pump Replacement Project

Building Maintenance

- Completed the Ballistics Protection Project at the Coachella Facility
- Completed the Coachella Education Center Remodel
- Completed the Well Site Gate Locking Device Upgrade Project

Electronics

- Developed a replacement program for the fire alarm control panels in the Coachella warehouse
- Completed the Remote Ethernet Radios Evaluation
- Completed the installation of the WRP-10 A-Plant Ammonia Control System

Motorpool – Auto Shop

- Completed the vehicle/equipment procurement and capital replacement program for fiscal 2021
- Reduced new vehicle/equipment preparation time to internal customers
- Completed the Auto Shop Preventative Maintenance Plan

FISCAL 2021 – 22 GOALS

Administration

- Develop and Implement the Preventative Maintenance Metric Tracking Report
- Revamp the Department Report for Operations and Maintenance
- Oversee the “GO LIVE” implementation of the Asset Management Project

Stormwater & Drainage

- Develop and implement a comprehensive Heavy Equipment Operator Training Program.
- Complete the Whitewater Groundwater Replenishment Facility Annual Percolation Pond Ripping Project (10 pounds)
- Restore the service roads of the WWR/CVSC, and Open Agriculture Channel & Drains.

Canal

- Replace lifting hoist on Gate No. 1 at Canal Milepost 90.6
- Complete the Coachella Canal Panel Maintenance/Replacement Project, Phase 1
- Refurbish Radial Gate No. 1 at Canal Milepost 16.3

Irrigation Distribution

- Develop and implement a testing and calibration program for golf course irrigation meters
- Develop and implement an annual irrigation air vacuum/release valve maintenance program
- Complete the Irrigation Distribution Meter Replacement Program, Phase 2

Facilities Maintenance

- Complete the Irrigation Landscape Upgrade Project
- Complete Landscape Upgrade project for Well 5640
- Complete the trimming of 350’ of Tamarisk trees along the service road for Palm Desert Operations

Zanjeros

- Update the Zanjero Division Valve Exercise Program
- Develop an Irrigation System Site Maintenance Program for the Zanjero Division
- Develop an Irrigation System Pump Site Inspection Program for the Zanjero Division

Electrical

- Complete the TEL Replenishment Facility Pump Check Valve Rebuild Project
- Complete the Mid-Valley Pump Station Pump 3 Evaluation Report
- Complete the WRP 10 T2 Pump Station Air Conditioning Upgrade Project (2 units)

OPERATIONS — FISCAL 2021 - 22 BUDGET

& MAINTENANCE

Building Maintenance

- Complete the Ballistics Protection Project at the Palm Desert Operations Facility
- Complete the Human Resource Remodel at the Steve Robbins Administration Building
- Upgrade facility access gates with shock absorbing Mag-lock

Electronics

- Complete the WRP-7 RAS Pumps VFD's Replacement Project
- Complete the upgrade of the SCADA Polling radio system to Ethernet radios.
- Upgrade the remaining CVWD Weather Alert sites to ALERT II

Motorpool – Auto Shop

- Maintain Fleet Vehicle availability above 94%
- Perform 100% of Scheduled Preventative Maintenance
- Complete oil/fluid dispensing upgrade to the Palm Desert Auto Shop



CVWD Auto Shop

FISCAL 2021 – 22 BUDGET — OPERATIONS
& MAINTENANCE

Maintenance Department	FY 2020 Actual	FY 2021 Actual*	FY 2021 Budget	FY 2022 Budget	Budget Change	% Change
Expenses by Type						
Salaries and Wages	\$ 10,067,572	\$ 10,160,544	\$ 11,089,445	\$ 11,420,488	\$ 331,043	3.0%
Employee Benefits	6,272,338	6,121,705	7,000,296	7,304,929	304,633	4.4%
Professional Development	74,466	35,731	88,300	87,500	(800)	-0.9%
Professional Services	1,036,010	182,811	427,000	521,000	94,000	22.0%
Utilities	2,404,742	2,688,227	2,235,100	2,559,034	323,934	14.5%
Materials and Supplies	3,789,284	4,110,376	3,237,600	3,668,100	430,500	13.3%
Motorpool	2,533,781	2,533,790	2,543,920	2,911,209	367,289	14.4%
Contract Services	4,502,681	3,842,803	4,132,330	4,935,730	803,400	19.4%
Safety	71,001	71,907	67,000	66,600	(400)	-0.6%
Miscellaneous Expense	293,129	292,539	313,300	334,000	20,700	6.6%
Capital Outlay	2,807,140	48,550	139,000	50,000	(89,000)	-64.0%
Total	\$ 33,852,142	\$ 30,088,983	\$ 31,273,291	\$ 33,858,590	\$ 2,585,299	8.3%
Expenses by Division						
Administration	\$ 2,311,096	\$ 1,495,038	\$ 1,762,640	\$ 2,141,988	\$ 379,348	21.5%
Buildings and Facilities Administration	4,061,898	1,439,325	1,389,200	1,483,667	94,467	6.8%
Carpentry	630,509	595,584	619,814	630,943	11,129	1.8%
Welding	1,853,680	1,565,506	1,608,177	1,622,737	14,560	0.9%
Administration	775,485	859,160	857,716	901,017	43,301	5.0%
FM Workers	569,438	630,116	621,965	642,559	20,594	3.3%
Administrative	675,304	657,994	675,674	721,165	45,491	6.7%
Electricians	882,388	661,331	826,335	891,568	65,233	7.9%
Pump Maintenance	3,011,531	2,914,262	3,263,254	3,718,302	455,048	13.9%
Air Conditioners	1,345,365	1,008,893	1,130,325	1,153,797	23,472	2.1%
Administration	503,040	566,722	522,353	563,198	40,845	7.8%
Distribution Maintenance	1,261,881	1,309,975	1,323,993	1,163,044	(160,949)	-12.2%
Canal Maintenance	1,117,265	1,109,958	1,268,420	1,263,345	(5,075)	-0.4%
Administration	2,880,008	2,967,017	2,552,546	2,924,729	372,183	14.6%
Electronic Technicians	853,096	850,214	936,359	1,018,095	81,736	8.7%
Administration	1,911,726	2,117,733	2,549,017	2,881,263	332,246	13.0%
Stormwater Drainage Crew	464,211	539,009	496,153	478,439	(17,714)	-3.6%
Administration	4,390,756	4,571,623	4,644,186	5,047,115	402,929	8.7%
Zanjeros	458,555	215,525	426,461	1,145,391	718,930	168.6%
Total	\$ 33,852,142	\$ 30,088,983	\$ 31,273,291	\$ 33,858,590	\$ 2,585,299	8.3%
Expenses by Fund						
Domestic Water	\$ 9,094,141	\$ 7,136,698	\$ 7,839,106	\$ 8,208,072	\$ 368,966	4.7%
Canal Water	10,950,555	10,759,130	10,663,989	11,750,469	1,086,480	10.2%
West Whitewater Replenishment	1,323,182	1,326,059	1,301,179	1,458,089	156,910	12.1%
Mission Creek Replenishment	4	5,279	-	-	-	-
East Whitewater Replenishment	2,245,470	2,199,519	2,025,774	2,150,147	124,373	6.1%
Sanitation	5,928,068	4,592,517	5,259,912	5,496,961	237,049	4.5%
Stormwater Fund	4,039,170	3,791,014	3,979,801	4,578,830	599,029	15.1%
Motor Pool Fund	271,553	278,767	203,530	216,022	12,492	6.1%
Total	\$ 33,852,142	\$ 30,088,983	\$ 31,273,291	\$ 33,858,590	\$ 2,585,299	8.3%

* Unaudited

OPERATIONS — FISCAL 2021 – 22 BUDGET

& MAINTENANCE

Motorpool Department	FY 2020 Actual	FY 2021 Actual*	FY 2021 Budget	FY 2022 Budget	Budget Change	% Change
Expenses by Type						
Salaries and Wages	\$ 1,504,564	\$ 1,536,844	\$ 1,582,244	\$ 1,645,264	\$ 63,020	4.0%
Employee Benefits	945,872	973,537	1,015,557	1,074,851	59,294	5.8%
Professional Development	21,515	9,389	16,500	15,000	(1,500)	-9.1%
Insurance Costs	201,955	236,268	235,000	400,000	165,000	70.2%
Utilities	1,156	1,045	1,000	2,500	1,500	150.0%
Materials and Supplies	818,871	871,510	785,465	762,350	(23,115)	-2.9%
Motorpool	178,761	228,571	145,040	152,550	7,510	5.2%
Contract Services	373,761	321,523	217,000	290,465	73,465	33.9%
Safety	6,512	8,180	5,950	5,600	(350)	-5.9%
Miscellaneous Expense	(2,934)	2,859	2,000	-	(2,000)	-100.0%
Capital Outlay	54	47,037	-	-	-	-
Total	\$ 4,050,085	\$ 4,236,762	\$ 4,005,756	\$ 4,348,580	\$ 342,824	8.6%
Expenses by Division						
Auto Shop	\$ 3,029,796	\$ 3,329,010	\$ 2,786,540	\$ 3,162,609	\$ 376,069	13.5%
Service Station	262,839	228,795	339,132	258,690	(80,442)	-23.7%
Administration	757,450	678,958	880,084	927,281	47,197	5.4%
Total	\$ 4,050,085	\$ 4,236,762	\$ 4,005,756	\$ 4,348,580	\$ 342,824	8.6%
Expenses by Fund						
Domestic Water	\$ 59,118	\$ 94,580	\$ -	\$ -	\$ -	-
Canal Water	26,665	14,071	-	-	-	-
East Whitewater Replenishment	14,416	1,411	-	-	-	-
Sanitation	78,399	111,886	-	-	-	-
Stormwater Fund	465	1,227	-	-	-	-
Motor Pool Fund	3,871,023	4,013,589	4,005,756	4,348,580	342,824	8.6%
Total	\$ 4,050,085	\$ 4,236,762	\$ 4,005,756	\$ 4,348,580	\$ 342,824	8.6%

* Unaudited

CAPITAL IMPROVEMENTS



What are Capital Improvements?

Capital improvements include the purchase, construction, replacement, addition, or major repair of public facilities, infrastructure, and equipment. The selection and evaluation of capital projects involves analysis of District requirements, speculation on growth, the ability to make estimates, and the consideration of historical perspectives. A “capital project” has a monetary value of at least \$10,000, has a useful life of more than a year, and results in the creation or revitalization of a fixed asset. A capital project is usually relatively large compared to other “capital outlay” items in the annual operating budget. Vehicles and heavy equipment are considered capital projects by the District for the purpose of financial planning.

Capital Asset Policy

CVWD 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 the ratepayers. Advance planning of all District projects helps the Board, staff, and public make choices based on rational decision-making, rather than reacting to events as they occur. The CIP represents improvements or replacements that are viewed as critical and have a funding plan. The system of CIP management is important because: (1) the consequences of investments in capital improvements extend far into the future; (2) decisions to invest are often irreversible; (3) such decisions significantly influence a community’s ability to grow and prosper.

The CIP Process

The development and update of the CIP is an ongoing activity. It is part of the overall budgeting process, since current year capital improvements are implemented through adoption of the annual budget. Specific activities in the process are:

ESTABLISHING TIMETABLES, GOALS, AND OBJECTIVES: At the onset of the budgeting process, the CIP update begins with formal budget planning discussions between management, department heads, and the Board of Directors. Timetables are set that extend through development and final adoption of the budget. District goals and objectives are reviewed to ensure that they are being met through the budget cycle.

TAKING INVENTORY AND DEVELOPING PROPOSALS: Staff gathers information about the District’s capital facilities and equipment in order to assess the condition of each. Staff carefully considers construction, repair, replacement, and additions. From there, a list of proposed projects and equipment is developed.

CONDUCTING FINANCIAL ANALYSIS: Finance staff conducts financial analysis of historic and projected revenues and expenses in order to estimate the District’s cash flow and long-term financial condition. Capital financing alternatives are identified and recommendations are prepared to match the type of funding most appropriate for specific capital improvements.

How are Capital Improvements Funded?

Various funding sources are available, including pay-as-you-go, reimbursements, grants, debt, 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.

PAY-AS-YOU-GO: To the extent that there is available cash, the District generally funds capital projects on a pay-as-you-go basis.

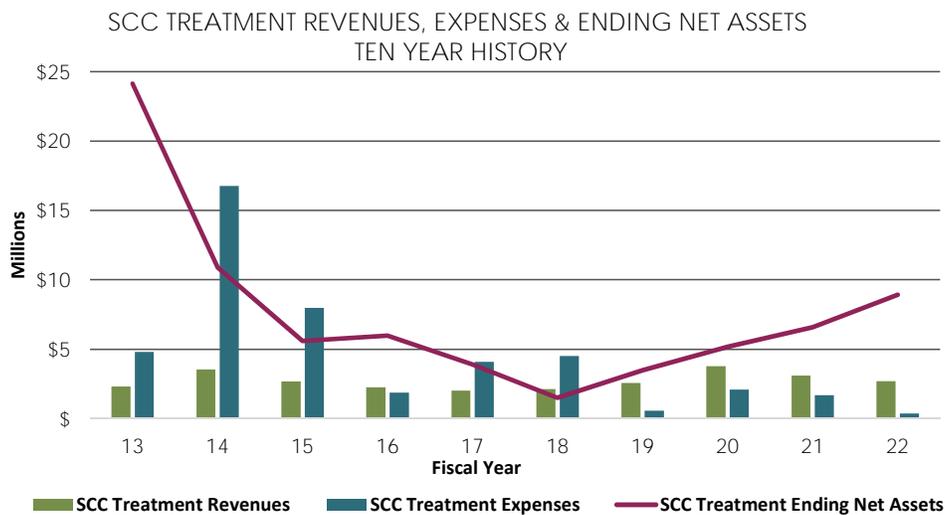
REIMBURSEMENTS: The District often enters into agreements with other entities whereby certain projects will be built by CVWD with the understanding that all, or a portion of the project, will be reimbursed by that entity.

GRANTS: The District actively pursues eligible state and federal grant programs to help finance much needed capital improvement projects. The majority of the grants are on a reimbursement basis and may require a District match. This means the District must initially pay for the cost and seek reimbursement from the granting agencies.

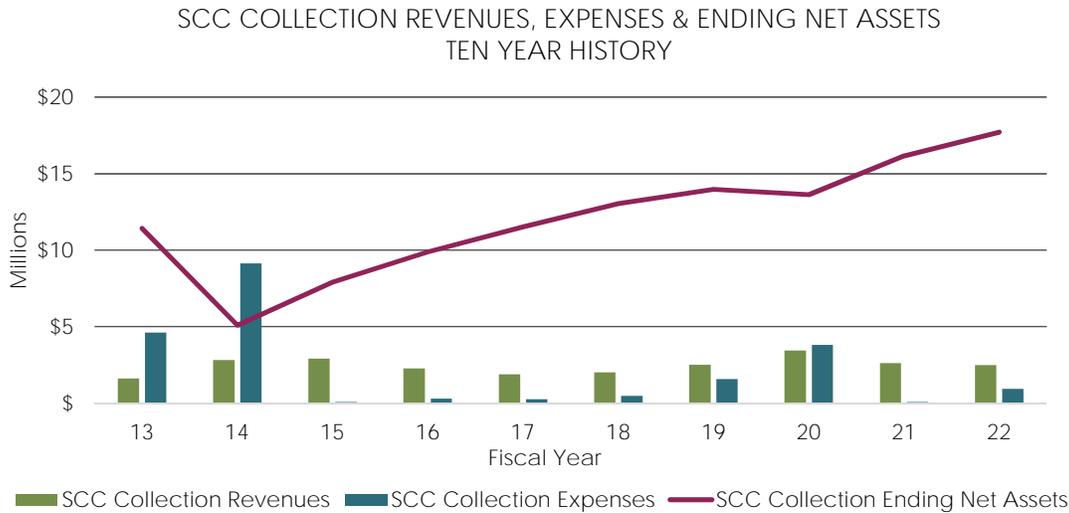
DEBT: As the need increased for capital improvement projects to replace or improve deteriorating infrastructures and construction of new facilities to accommodate service needs, the District began pursuing alternative financing options including federal and state loans and issuance of public note or bonds.

SANITATION CAPACITY CHARGES: The District assesses SCC-Collection and SCC-Treatment fees on all new development, redevelopment projects, connections to existing residential units, and upgrades of existing commercial units within the District’s sanitation service area. These restricted funds can only be used for constructing backbone facilities for collection and treatment of wastewater to provide additional sanitation service. The following charts show actual fiscal 2013 through 2021 and projected 2022 SCC-Treatment and SCC-Collection revenues, expenses, and ending net assets.

SCC-Treatment expenses projected for 2022 are lower than last year. This decrease in expenses will result in an increase in the ending net assets.

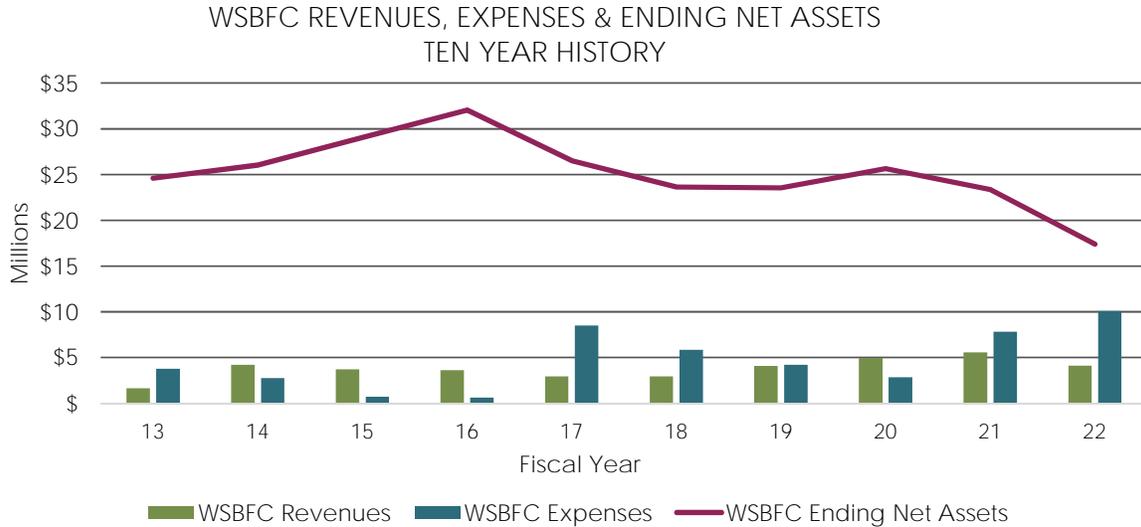


SCC-Collection expenses for 2022 are projected to be higher than fiscal year 2021 due to the design progress of Lift Station 55-11 Capacity Upgrade (Mecca), Lift Station 80-03 Upgrade (Cook Street) and Burr St Force Main Station projects.



WATER SYSTEM BACKUP FACILITY CHARGES: The District assesses WSBFC on all new development and redevelopment projects within the District’s domestic water service area. These restricted funds can only be used for constructing backup water facilities to ensure domestic water availability for new development projects. Backup facilities include wells, treatment facilities, booster stations, reservoirs, and large diameter transmission mains. The following charts show actual fiscal 2013 through 2021 and projected 2022 Water System Backup Facility Charges revenues, expenses, and ending net assets.

Projected revenues for fiscal 2022 are less than the budgeted expenses, which will decrease the year-end net assets.



The Five-Year CIP

The fiscal 2022-2026 Capital Improvement Plan amounts to over \$608 million. The District expects to fund the majority of the CIP with Pay-Go, reimbursement from other agencies, grants, and restricted developer fees such as SCC and WSBFC. Debt includes a Water Infrastructure Finance Innovation Act (WIFIA) loan, State Revolving Fund loan, and draws on the revolving line of credit. The line of credit will provide interim financing prior to loan draw and cash flow stability. The line of credit will provide low-cost interim financing prior to funding being available from other low-cost loans like the WIFIA loan.

FIVE-YEAR CAPITAL IMPROVEMENT PLAN

FUND	BUDGET	PLANNED				TOTAL
	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	
Domestic Water	\$20,078,000	\$31,935,600	\$25,970,600	\$20,040,600	\$14,590,000	\$112,614,800
Canal Water	8,137,500	5,526,800	6,021,800	1,691,800	3,155,000	24,532,900
Sanitation	34,917,965	39,812,165	47,364,479	44,955,487	46,752,069	213,802,165
Stormwater	62,047,200	63,445,600	14,897,100	29,399,100	25,789,500	195,578,500
West Whitewater Replenishment	2,944,580	8,084,800	28,300	28,300	17,500	11,103,480
East Whitewater Replenishment	35,001,500	3,450,070	35,500	35,500	17,500	38,540,070
Motorpool	2,469,000	2,488,000	2,499,000	2,584,000	2,526,000	12,566,000
Total Five-Year CIP	\$165,595,745	\$154,743,035	\$96,816,779	\$98,734,787	\$92,847,569	\$608,737,915

GENERAL DISTRICT projects amount to over \$17.2 million over the next five fiscal years. These projects are districtwide 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 with the exception of one grant-funded project in fiscal 2022.

DOMESTIC WATER projects total approximately \$112.6 million over the next five fiscal years. The focus for the Domestic Water Fund includes \$14.8 million in reservoir construction and rehabilitation, approximately \$5.3 million in booster station upgrades, \$30.2 million in water main improvements, and over \$5 million in well drilling and upgrades. The General District CIP will have \$9.2 million allocated to the Domestic Water Fund. Approximately 70% of the five-year CIP budget will be spent over the next three years. Funding will be provided by Pay-Go, WSBFC, grants, and debt financing.

CANAL WATER projects amount to over \$24.5 million over the next five fiscal years. Canal projects includes irrigation lateral replacements and improvements for over \$7.6 million, and a drain replacement project in the amount of \$660,000. Canal projects amount to over \$11.3 million, and include construction of a canal reservoir and pump station relocation. In addition, the Canal Water Fund’s share of General District CIP allocation is over \$4.8 million. Funding will be provided by Pay-Go.

SANITATION projects total approximately \$213.8 million over the next five fiscal years. This amount includes approximately \$12.9 million for Water Reclamation Plant (WRP) 10 treatment upgrades, \$34.4 million for WRP 7, over \$22.7 million for WRP 4 and \$150,000 for WRP 2. In addition, there is over \$43.8 million in collection system and lift station upgrades. Nonpotable water pipeline connections totaling approximately \$82.7 million will be paid by the Sanitation Fund. A Clean Water SRF loan will fund the first phase of these projects, and a Water Infrastructure Improvements for the Nation Act (WIIN) grant has been applied to augment the funding. Sanitation projects will be funded with Pay-Go and SCC fees. Disadvantaged community collection system projects will be funded with grants in the amount of approximately \$13.5 million. The Sanitation Fund’s share of General District CIP allocation is approximately \$3.6 million over the next five fiscal years.

STORMWATER projects total approximately \$195.6 million over the next five fiscal years. Approximately \$405,000 is allocated to General District CIP. Projects will be funded using Pay-Go, grants, and debt financing.

REPLENISHMENT projects amount to more than \$49.6 million over the next five fiscal years. \$38.5 million of this amount is budgeted for the East Whitewater Replenishment Fund, and approximately \$11.1 million for the West Whitewater Replenishment Fund. Funding will be provided from Pay-Go for each replenishment fund with the exception of the Oasis In-Lieu Recharge Phase 2 project, which will be funded by debt.

MOTORPOOL projects amount to almost \$12.6 million for the next five fiscal years, and consists of vehicle and other equipment replacements. All funding will be from Pay-Go. At year-end funds are transferred into the Motorpool Fund from the District’s enterprise funds based on 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 are projects that have considerable impact on the five-year forecast, and/or rarely occur. For detailed information on each of the projects listed below, please refer to the corresponding funds in this chapter.

- Avenue 66 Transmission Main, Phase 1B & 2 - Domestic Water
- Coachella Valley Stormwater Channel Improvements - Avenue 54 to the Thermal Drop Structure - Stormwater
- North Indio Regional Flood Control System - Stormwater
- Oasis In-Lieu Recharge, Phase 2 - East Replenishment
- Palm Desert Ground Water Replenishment Facility, Phase 2 - West Replenishment
- T1 Pump Station Replacement - Sanitation
- Thousand Palms Flood Control - Stormwater
- WRP 4 - Phase I Improvements - Nonpotable Water Upgrades, Project Specific CEQA - Sanitation
- WRP 7 - Aeration Improvements - Sanitation
- WRP 7 - Recycled Water Expansion - Sanitation



North Indio Regional Flood Control Project

FISCAL 2021 CAPITAL IMPROVEMENT BUDGET

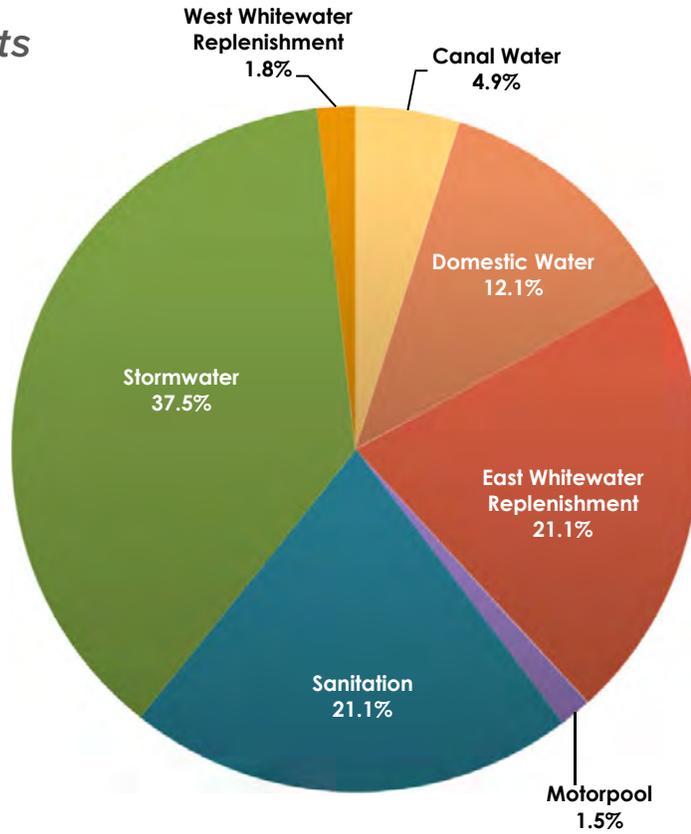
- The fiscal 2022 Capital Improvement Budget (CIB) is integrated with the operating budget, and amounts to over \$165 million. Included in this amount is approximately \$4.9 million in District labor that will be capitalized with the projects. Please note: the Salaries & Benefits line item in the Operating Budget has been reduced by this amount. Fiscal 2022 capital improvements consist of projects in the District’s enterprise funds, and the Motorpool Internal Service Fund. All projects are accounted for and funded by each individual fund.
- For fiscal 2022, the District plans to spend over \$68.9 million in Pay-Go. Funding from SCC-Collection and SCC-Treatment are budgeted at \$355,000 and approximately \$943,000, respectively. Funding from WSBFC fees for fiscal 2022 amounts to approximately \$10.1 million; grants are over \$4.7 million; and debt proceeds over \$80.5 million.
- The following ongoing projects have a significant impact to the fiscal 2022 CIB since the majority of expenses will be incurred in 2022.
 - Coachella Valley Stormwater Channel Improvements - Avenue 54 to the Thermal Drop Structure - Stormwater
 - East Side Dike Improvement, Phase 1 (Dune Palms to Interstate 10) - Stormwater
 - L-4 Pump Station Relocation, Phase 2 - Canal Water
 - North Indio Regional Flood Control System - Stormwater
 - Oasis In-Lieu Recharge, Phase 2 - East Replenishment
 - Palm Desert Ground Water Replenishment Facility, Phase 2 - West Replenishment
 - Reservoir 4605-2 Design and Construction - Domestic Water
 - Supervisory Control and Data Acquisition Master Plan and System Replacement - General District
 - T1 Pump Station Replacement - Sanitation
 - The Oasis Country Club Connection - Sanitation

The following table and charts show planned improvements by fund and funding sources for fiscal 2021.

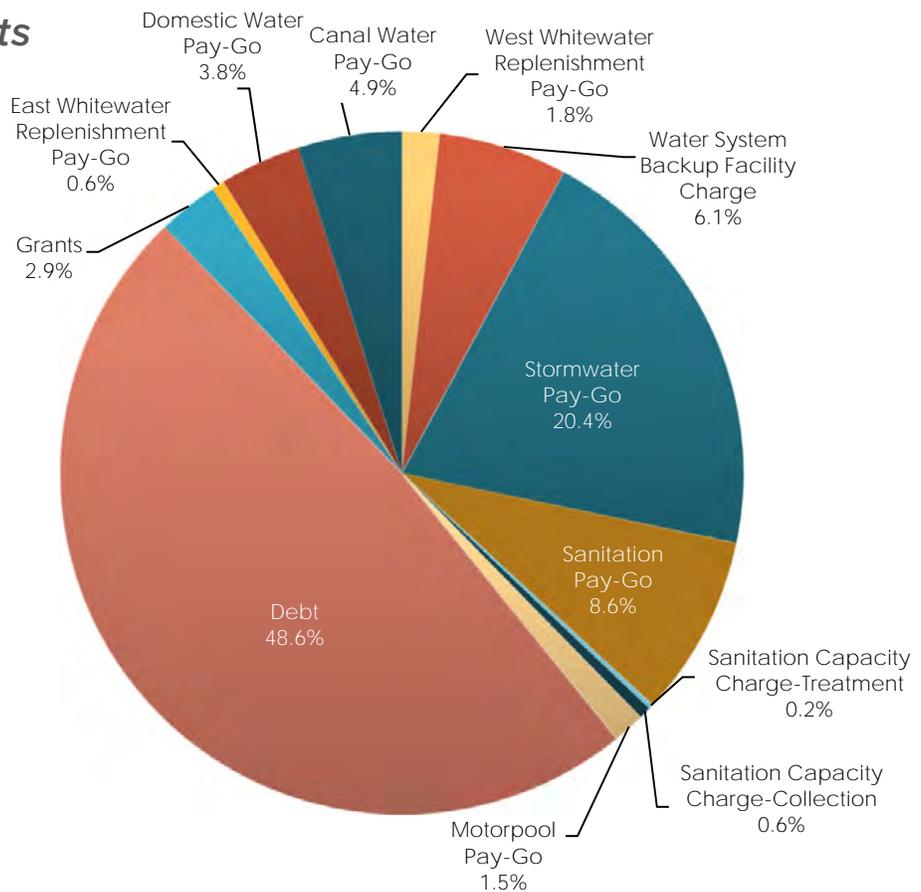
FISCAL 2022 CAPITAL IMPROVEMENT BUDGET - PROJECTS BY FUND

FUND	FUNDING SOURCES							TOTAL
	PAY-GO	GRANT	DEBT	WSBFC	RESTRICTED RESERVES			
					SCC TREATMENT	SCC COLLECTION		
Domestic Water	\$6,313,000	\$1,227,000	\$2,477,500	\$10,060,500	\$ -	\$ -	\$20,078,000	
Canal Water	8,137,500	-	-	-	-	-	8,137,500	
Sanitation	14,257,265	1,275,000	18,088,200	-	355,000	942,500	34,917,965	
Stormwater	33,827,200	2,250,000	25,970,000	-	-	-	62,047,200	
West Whitewater Replenishment	2,944,580	-	-	-	-	-	2,944,580	
East Whitewater Replenishment	1,001,500	-	34,000,000	-	-	-	35,001,500	
Motorpool	2,469,000	-	-	-	-	-	2,469,000	
Total Capital Improvement Budget	\$68,950,045	\$4,752,000	\$80,535,700	\$10,060,500	\$355,000	\$942,500	\$165,595,745	

Capital Improvements
Projects by Fund
\$165,595,745



Capital Improvements
Projects by Source
\$165,595,745



GRANTS

CVWD has participated in grant programs for several years. The primary advantage of grants is that unlike loans, they do not have to be repaid. The District qualifies for grants from various state and federal agencies: State Water Resources Control Board, United States Department of Agriculture, United States Bureau of Reclamation, California Department of Water Resources, and Federal Emergency Management Agency.

A grant provides a valuable funding source to help finance eligible projects at the District. It is important to remember that grants are very competitive. A considerable amount of time and preparation are required to find grant opportunities that fit within the granting agency’s parameters, plan a project(s), and then develop a winning proposal. Throughout the year, planning and construction needs are matched with funding opportunities offered by the various granting agencies.

The lifecycle of a grant can be a very long process and the timing from the pre-award phase to the awarded phase can span multiple fiscal years for project costs to fully be expensed. Grant revenues are based on incurred eligible capital project expenses. Projected versus actual grant revenues at year end can vary significantly based on timing of final grant agreement approval and the start of the project. Projected grant revenues for fiscal 2022, which have been officially awarded are over \$4.7 million and are summarized in the table below.

GRANT REVENUES

FUND	GRANTING AGENCY	GRANT NAME	PURPOSE OF GRANT	AMOUNT
Stormwater	CalOES/FEMA	East Side Improvement Project Phase 1 (Dune Palms to Interstate 10)	Construction Improvements of the East Side Dike levee and certification of the Dike for that portion to FEMA as a regional water facility.	\$2,250,000
Domestic	Department of Water Resources	Avenue 66 Transmission Main, Phase 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.	527,000
Domestic	Department of Water Resources	Demonstration Garden in Palm Desert	Replace approximately 1,700 Square feet of area with water efficient irrigation systems, various ground covers desert friendly varieties of plant materials	150,000
Domestic	CalOES	Emergency Standby Generator for Well No. 6808-1	Procure and install a permanent onsite emergency backup generator to provide temporary power in the event of a power outage.	300,000
Domestic	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.	250,000
Sanitation	USDA	Monroe Street Trunk Sewer	A septic-to-sewer conversion within the DAC. The project will result in significant cost savings for the sanitation services of the community.	1,150,000
Sanitation	USDA	Airport Boulevard Sewer Consolidation Project	A septic-to-sewer conversion within the DAC. The project will result in significant cost savings for the sanitation services of the community.	75,000
Sanitation	State Water Resources Control Board	Avenue 66 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.	50,000
Total Grant Funding				\$4,752,000

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 2021-22 is \$55,685,377. Based upon the estimated general tax receipts of \$42,033,000, the District is under the required limit and is able to appropriate 100% of its general taxes for Fiscal Year 2022.

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

DEBT FINANCING

FUND	LOAN AGENCY	PROJECT NAME	LOAN DESCRIPTION	APPROVED	FY 2022 LOAN
Stormwater	Bank of the West	Coachella Valley Stormwater Channel Improvement Project and North Indio Flood Control Project	In fiscal year 2019, the Board executed an agreement with the Bank of the West for a revolving line of credit in the not to exceed amount of \$75 million. The revolving line of credit provides a flexible, low-cost method of financing for capital projects and other permitted purposes reducing the need to use District reserves. This line of credit can be borrowed and repaid as needed across all District funds with low upfront and ongoing administrative costs as compared to other forms of borrowing. To date, the District has availed itself of the revolving line of credit to be used as interim financing for the Coachella Valley Stormwater Channel Improvement Project and North Indio Flood Control projects prior to drawing on the Water Infrastructure Finance and Innovation Act (WIFIA) loan.	\$75,000,000	\$25,970,000
Stormwater	Water Infrastructure Finance and Innovation Act - WIFIA	Coachella Valley Stormwater Channel Improvement Project and North Indio Flood Control Project	In fiscal year 2020, CVWD executed WIFIA loan agreement with the US Environmental Protection Agency to finance the Coachella Valley Stormwater Channel Improvement Project and North Indio Flood Control Projects. The first project involves improvements to reduce flood risk to the surrounding areas and bring the channel up to Federal Emergency Management Agency and CVWD design standards. The project will provide protection to life and property during 100-year flood events and ensure the reliability of Coachella Valley's stormwater protection system. The North Indio Flood Control project will design and construct a regional flood conveyance channel to convey stormwater flows from the Thousand Palms Watershed to the Coachella Valley Stormwater Channel. This project will reduce flood risk to nearby communities and remove flood insurance requirements for residents in the area. Original estimated cost of both projects was estimated at \$120.7 million with 49% funded through the WIFIA program. Additional cost of \$30 million have been received and CVWD is looking to obtain financing for the additional construction costs. First draw down of the WIFIA loan is 7/1/2023. Currently rated as "AAA."	59,100,000	-
Domestic	State Water Resources Control Board	Highway 86 Transmission Main Phase 2	In fiscal year 2018, CVWD executed a \$26.7 million Drinking Water State Revolving Fund (SRF) loan with the State Water Resources Control Board to fund the construction of the Transmission Main, Phase 2 - Highway 86 project. The loan carries a 1.8% fixed interest rate for a term of 30 years. The Final Budget Amendment revised the Agreement to \$24,838,922, and included principal forgiveness of \$5 million. Construction was completed November of 2020. Final disbursement request end date is December 31, 2021.	19,838,922	2,477,500
East Whitewater Replenishment	Series 2021 Certificates of Participation	Oasis Project	A septic-to-sewer conversion within the DAC. The project will result in significant cost savings for the sanitation services of the community. Currently rated as "AA-."	51,952,439	34,000,000
Sanitation	State Water Resources Control Board	2017/2018 Non-Potable Water Connection Project	This new loan for Fiscal 2022 which includes a \$5 million principal forgiveness component involves the construction and operation of approximately 9.5 miles of non-potable water pipeline and connections and the replacement of the WRP-10, T1 Pump Station. It will provide irrigation water to customers (primarily golf courses) who currently use locally pumped groundwater for irrigation.	33,000,000	18,088,200
Total Loans				\$238,891,361	\$80,535,700

DISTRICTWIDE



DISTRICTWIDE PROJECTS

Planned Districtwide projects for fiscal 2022 amount to \$7.3 million. Of this amount, over \$7.1 million is funded by Pay-Go and \$150,000 is funded by a grant. These projects are not specific to any fund. The expenses are allocated to the following enterprise funds: Domestic Water, Canal Water, Sanitation, Stormwater, East Whitewater Replenishment and West Whitewater Replenishment.

CAPITAL IMPROVEMENT BUDGET - DISTRICTWIDE

PROJECT NAME	FUNDING SOURCE %		BUDGET		PLANNED			TOTAL 5-YEAR
	PAY-GO	GRANT	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	
Districtwide - Allocated								
Agenda Management System Replacement	100%	-	\$200,000	\$	\$	-	-	\$200,000
Coachella Campus Facility Roof Safety Improvements	100%	-	400,000	-	-	-	-	400,000
Coachella Campus Water Supply and Fire Protection System Improvements, Phase 2	100%	-	1,750,000	-	-	-	-	1,750,000
Demolition of Reservoir (Tower Tank) No. 6858	100%	-	200,000	-	-	-	-	200,000
Demonstration Garden in Palm Desert	-	100%	150,000	-	-	-	-	150,000
Electronic Records Management Implementation (Information Governance)	100%	-	350,000	-	-	-	-	350,000
Enterprise Resource Planning and Utility Billing System	100%	-	-	1,500,000	1,500,000	1,500,000	-	4,500,000
Information Systems Infrastructure Upgrade	100%	-	350,000	350,000	250,000	250,000	250,000	1,450,000
Salt and Nutrient Management Plan Monitoring Wells (15)	100%	-	350,000	360,000	360,000	360,000	-	1,430,000
Steve Robbins Administrative Building Board Room Audio and Video Upgrade	100%	-	600,000	250,000	-	-	-	850,000
Supervisory Control and Data Acquisition Master Plan and System Replacement	100%	-	2,950,000	3,000,000	-	-	-	5,950,000
Total Districtwide			\$7,300,000	\$5,460,000	\$2,110,000	\$2,110,000	\$250,000	\$17,230,000

FUNDING SOURCES	FUNDING %	BUDGET		PLANNED			TOTAL 5-YEAR
		FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	
Pay-Go	98%	\$7,150,000	\$5,460,000	\$2,110,000	\$2,110,000	\$250,000	\$17,080,000
Grant	2%	150,000	-	-	-	-	150,000
Total Districtwide		\$7,300,000	\$5,460,000	\$2,110,000	\$2,110,000	\$250,000	\$17,230,000

Agenda Management System Replacement

Project Number: GD2203

Project Description

This project includes replacement of the existing Agenda Management System, including an automated process for agenda creation, workflow approval process, meeting packet assembly, tracking document revisions, and facilitating electronic distribution and posting of meeting packets.



Project Objectives

The objective of this project is to replace the current Agenda Management System that was implemented in 2014 and will reach end of life in December 2021.

Schedule

Start :	07/01/2021	Complete :	06/30/2022	Project Status :	Implementation
---------	------------	------------	------------	------------------	----------------

Estimated Project Cost (\$)	200,000
Other	200,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	0	200,000	0	0	0	0

Other Financial Impact	None.	
Operational Impact	The replacement of the Agenda Management System is needed to continue with meeting transparency requirements, automation of agenda and meeting packet creation and assembly, workflow approval process, document tracking, and electronic distribution of meeting packets, reducing staff time and paper costs.	
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary <input type="checkbox"/>

Coachella Campus Facility Roof Safety Improvements

Project Number: GD2003

Project Description

This project includes the design and construction of roof safety improvements for three existing buildings at CVWD's Coachella campus. This project also includes safety upgrades at the Well 6806 and Well 7802 ion exchange treatment plants.



Project Objectives

The objective of this project is to make improvements that will enhance workers' safety during maintenance activities.

Schedule

Start :	07/01/2021	Complete :	06/30/2022	Project Status :	Construction
---------	------------	------------	------------	------------------	--------------

Estimated Project Cost (\$)	502,000
Capitalized Labor	20,000
Construction	482,000
Other	0
Planning/Design	0

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
17,000	85,000	400,000	0	0	0	0

Other Financial Impact	None.	
Operational Impact	Enhance worker safety during maintenance of the facilities.	
Discretionary	<input type="checkbox"/>	Non – Discretionary <input checked="" type="checkbox"/>

Coachella Campus Fire Line and Irrigation System Improvements, Phase 2

Project Number: GD2207

Project Description

This project is Phase 2 of the design/build for CVWD's Coachella campus fire line and irrigation system improvements. This project will include constructing a new onsite pipeline system and installing 12 new hydrants around the campus perimeter to provide adequate domestic water service and fire protection.



Project Objectives

The objective of this project is to continue with Phase 2 by preparing design/build bridging documents, including design guidelines, utility research, preliminary improvement plans, and a Request for Proposal (RFP) for design/build services to construct Phase 2 of the new onsite fire pipeline and irrigation system for CVWD's Coachella campus. A second new irrigation pipeline system will connect to the City of Coachella's water system located in Tyler Street. These improvements will allow for the abandonment of the existing old onsite piping and the leaking elevated water storage tank that is currently used for fire protection and irrigation of the CVWD Coachella campus.

Schedule

Start :	07/01/2021	Complete :	06/30/2022	Project Status :	Construction
----------------	------------	-------------------	------------	-------------------------	--------------

Estimated Project Cost (\$)	1,750,000
Capitalized Labor	55,000
Construction	1,595,000
Other	0
Planning/Design	100,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	0	1,750,000	0	0	0	0

Other Financial Impact	None.				
Operational Impact	None.				
Discretionary	<input checked="" type="checkbox"/>	Non – Discretionary	<input type="checkbox"/>		

Districtwide

Demolition of Reservoir (Tower Tank) No. 6858

Project Number: GD2208

Project Description

This project includes the demolition of the 50,000-gallon elevated welded steel water storage tank (Tower Tank No. 6858) located within CVWD's Coachella campus. The tank was erected in 1945 and it is not in compliance with current code. The exterior and interior surfaces of the tank are in poor condition and have far exceeded their useful service lives.



Project Objectives

The objective of this project is to demolish the 76 year-old, deteriorated, leaking, failing, and corroded elevated welded steel water storage Tank No. 6858. The subgrade below this tower tank contains liquefiable soils, which is susceptible to lose vertical-load-bearing capacity and could cause large differential settlement of the tower tank during a seismic event

Schedule

Start : 07/01/2021 Complete : 06/30/2022 Project Status : Construction

Estimated Project Cost (\$)	200,000
Capitalized Labor	22,600
Construction	177,400
Other	0
Planning/Design	0

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	0	200,000	0	0	0	0

Other Financial Impact	None.					
Operational Impact	None.					
Discretionary	<input checked="" type="checkbox"/>	Non – Discretionary		<input type="checkbox"/>		

Demonstration Garden in Palm Desert

Project Number: GD2206

Project Description

This project includes replacing approximately 1,700 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. This project also 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 : 07/01/2021 **Complete :** 06/30/2022 **Project Status :** Construction

Estimated Project Cost (\$)	150,000
Construction	150,000

Funding Source	%
Grant	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	0	150,000	0	0	0	0

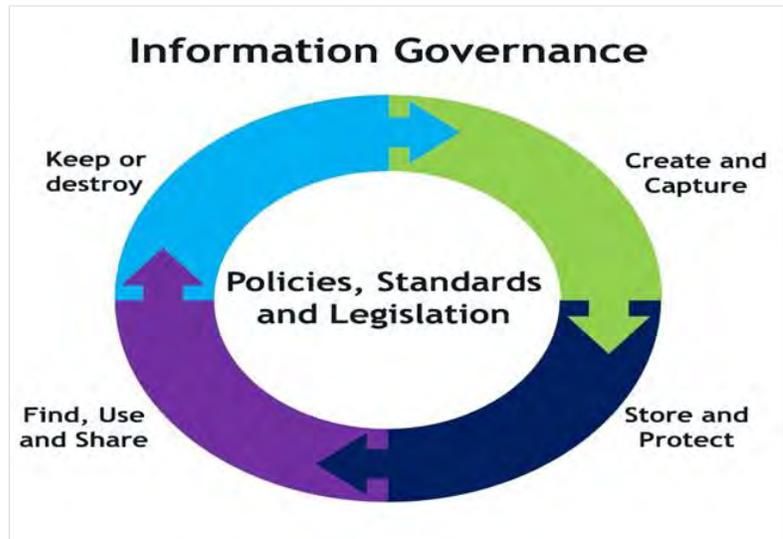
Other Financial Impact	None.					
Operational Impact	None.					
Discretionary	<input type="checkbox"/>	Non – Discretionary		<input checked="" type="checkbox"/>		

Electronic Records Management Implementation

Project Number: GD1801

Project Description

This project includes implementing enhancements to the Enterprise Content Management (ECM) environment (FileNet), including the installation and configuration of Enterprise Records Manager, Content Collector, and Case Manager. It also, migrate the databases from Oracle to MS SQL and upgrade the Capture (Kofax) server from version 9 to the latest Kofax Capture version available. This upgrade will include the reorganization and development of classes to archive CVWD's records as required by the recently adopted Records Retention Policy. In addition, this project will include development and implementation of technologies for Information Governance to properly manage email, invoices, network files, and other critical CVWD processes.



Project Objectives

The objective of this project is to complete the existing ECM platform upgrade to the latest supported versions. Also, implement Information Governance (records retention and disposition) across all CMMS platforms, including FileNet, SharePoint, emails and network folders and others.

Schedule

Start : 03/01/2019 Complete : 06/30/2022 Project Status : Implementation

Estimated Project Cost (\$)	1,200,000
Other	1,200,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
350,000	500,000	350,000	0	0	0	0

Other Financial Impact	None.		
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 2021-22, Information Systems needs to replace eight physical servers, three network switches, two firewalls, and network storage components.



Project Objectives

The objective of this project is to replace eight physical servers, three network switches, two firewalls, and network storage components.

Schedule

Start :	07/01/2021	Complete :	06/30/2026	Project Status :	Implementation
---------	------------	------------	------------	------------------	----------------

Estimated Project Cost (\$)	1,450,000
Other	1,450,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	0	350,000	350,000	250,000	250,000	250,000

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"/>

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 was required to include 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 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 (\$)	1,429,995
Capitalized Labor	311,670
Construction	1,043,325
Other	0
Planning/Design	75,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	0	350,000	360,000	360,000	360,000	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 includes the Board Room, 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 : 06/30/2022 Project Status : Planning

Estimated Project Cost (\$)	850,000
Other	850,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	0	600,000	250,000	0	0	0

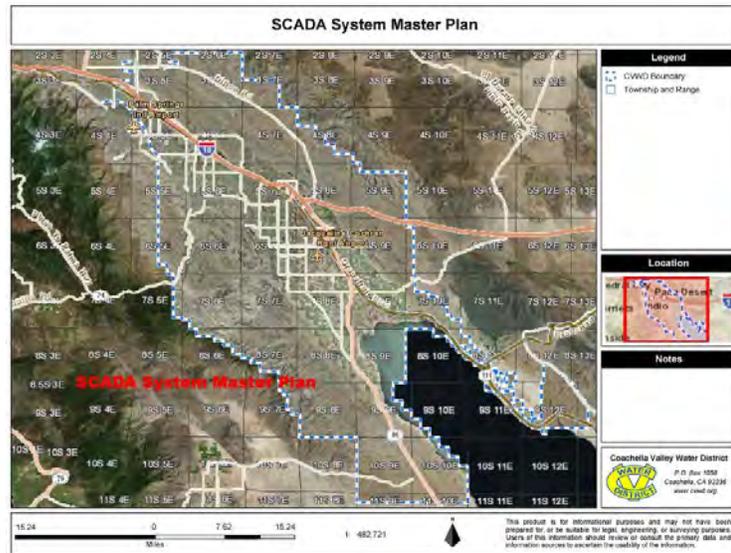
Other Financial Impact	None.		
Operational Impact	If the systems stops working, it will impact our ability to host meeting as normal.		
Discretionary	<input type="checkbox"/>	Non - Discretionary	<input checked="" type="checkbox"/>

Supervisory Control and Data Acquisition (SCADA) Master Plan and System Replacement

Project Number: GD1301

Project Description

This project includes the replacement of the aging and outdated Supervisory Control and Data Acquisition (SCADA) System software and equipment with a new and modern SCADA System. The SCADA System Master Plan has created a program of 11 projects to undertake the implementation of the plan. CVWD continuously monitors and operates facilities remotely from a single SCADA Control Room but much of the current SCADA System is obsolete. The new system will also increase security and avoid potential system failures. The upgrade will also allow for easier access to stored information that can be used for "beyond-SCADA" uses such as asset management or engineering design.



Project Objectives

The objective of this project is to modernize and upgrade the SCADA System to allow CVWD staff to operate, monitor, and control facilities more efficiently with up-to-date hardware and software.

Schedule

Start :	07/01/2013	Complete :	06/30/2023	Project Status :	Construction
---------	------------	------------	------------	------------------	--------------

Estimated Project Cost (\$)	22,517,000
Capitalized Labor	1,288,000
Construction	10,800,000
Other	10,429,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
13,329,000	3,238,000	2,950,000	3,000,000	0	0	0

Other Financial Impact	The ongoing costs for operation, support and maintenance of the new SCADA system are expected, in the long-term, to be equivalent to the existing SCADA system. While the system components for the new system will be more powerful than the old components, they will also be more energy efficient. In addition, labor savings realized through increased automation will likely result in improved service rather than reduced cost.	
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 2022 amount to approximately \$20.1 million. Of this amount, over \$6.3 million is funded by Pay-Go, approximately \$10.1 million in Water System Backup Facility Charges (WSBFC), approximately \$2.5 in debt, and over \$1.2 million in grants.

CAPITAL IMPROVEMENT BUDGET - DOMESTIC WATER

PROJECT NAME	FUNDING SOURCE %			BUDGET			PLANNED			TOTAL 5-YEAR
	GO	WSBFC	GRANT	DEBT	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	
Districtwide Project Allocation	96%	-	4%	-	\$3,571,000	\$2,715,600	\$1,040,600	\$1,040,600	\$875,000	\$9,242,800
Subtotal Districtwide Project Allocation					\$3,571,000	\$2,715,600	\$1,040,600	\$1,040,600	\$875,000	\$9,242,800
Booster Station Construction Program										
Booster Station 05513 Rehabilitation and Upgrade	-	-	-	100%	\$10,000	\$-	\$1,000,000	\$500,000	\$-	\$1,510,000
Booster Station 07101 Rehabilitation and Upgrade	-	-	-	100%	10,000	-	-	250,000	-	260,000
Booster Station 07102 Rehabilitation and Upgrade	-	-	-	100%	10,000	-	-	250,000	-	260,000
Booster Station 07990 Rehabilitation and Upgrade	-	-	-	100%	10,000	250,000	50,000	700,000	2,000,000	3,010,000
Booster Station 08121 Rehabilitation and Upgrade	-	-	-	100%	-	-	-	200,000	50,000	250,000
Subtotal Booster Station Construction Program					\$40,000	\$250,000	\$1,050,000	\$1,900,000	\$2,050,000	\$5,290,000
Reservoir Construction Program										
Reservoir 4602-2 Design and Construction	-	100%	-	-	\$350,000	\$15,000	\$-	\$-	\$-	\$365,000
Reservoir 4605-2 Design and Construction	-	100%	-	-	7,000,000	400,000	-	-	-	7,400,000
Reservoir 4606-2 Design and Construction	-	100%	-	-	2,250,000	15,000	-	-	-	2,265,000
Reservoir 4711-3 and 4 Design and Construction	-	50%	-	50%	25,000	-	-	-	-	25,000
Reservoir 5514-2 Design and Construction	-	-	-	100%	10,000	-	750,000	600,000	15,000	1,375,000
Reservoir 7101-2 Design and Construction	-	-	-	100%	25,000	-	-	1,300,000	250,000	1,575,000
Valley Production Zone Reservoir PDR	-	100%	-	-	-	100,000	-	-	-	100,000
Valley Zone Reservoir Design and Construction					-	-	100,000	50,000	1,500,000	1,650,000
Subtotal Reservoir Construction Program					\$9,660,000	\$530,000	\$850,000	\$1,950,000	\$1,765,000	\$14,755,000

CAPITAL IMPROVEMENT BUDGET - DOMESTIC WATER (continued)

PROJECT NAME	FUNDING SOURCE %			BUDGET		PLANNED			TOTAL	
	GO	WSBFC	GRANT	DEBT	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	5-YEAR
Water Main Improvements										
Adams Street Water Main Replacement, Phase 1	-	-	-	100%	\$500,000	\$5,000,000	\$ 1,500,000	\$ -	\$ -	\$7,000,000
Avenue 66 Transmission Main, Phase 1A	50%	50%	-	-	100,000	-	-	-	-	100,000
Avenue 66 Transmission Main, Phase 1B & 2	-	32%	68%	-	775,000	10,000,000	10,000,000	2,500,000	-	23,275,000
Dale Kiler Road Water Main Replacement	-	-	-	100%	-	1,000,000	3,500,000	1,050,000	-	5,550,000
North Shore Water Main Replacements	-	-	-	100%	-	-	2,000,000	3,000,000	-	5,000,000
Sky Mountain Pressure Zone Enhancements - Thousand Palms Area	100%	-	-	-	-	-	-	1,350,000	-	1,350,000
Preliminary Design Report for Highway 86 Transmission Main, Phase 3 and 4	-	-	100%	-	250,000	290,000	40,000	-	-	580,000
Sun City Palm Desert Water Main Replacement, Phase 2B	-	-	-	100%	500,000	4,000,000	4,000,000	500,000	-	9,000,000
Sun City Palm Desert Water Main Replacement, Phase 3A	-	-	-	100%	40,000	-	-	2,800,000	2,500,000	5,340,000
Sun City Palm Desert Water Main Replacement, Phase 3B	-	-	-	100%	-	200,000	40,000	-	-	240,000
Talavera Water Main Replacement, Phase 1	-	-	-	100%	500,000	3,000,000	1,000,000	-	-	4,500,000
Talavera Water Main Replacement, Phase 3	-	-	-	100%	-	-	250,000	50,000	1,200,000	1,500,000
Tri-Palms Water Main Replacements, Phase 1	-	-	-	100%	250,000	750,000	-	-	-	1,000,000
Varner Road/Portola I-10 Water Main Relocation	-	100%	-	-	-	-	-	200,000	-	200,000
Subtotal Water Main Improvements					\$2,915,000	\$24,240,000	\$22,330,000	\$11,450,000	\$3,700,000	\$64,635,000
Well Drilling and Upgrade Program										
Emergency Standby Generator for Well No. 6808-1	45%	-	-	55%	\$542,000	\$ -	\$ -	\$ -	\$ -	\$542,000
New Wells (x2 Mecca/ Middleton/ La Quinta/ Valley/ Sky Mountain/ Date Palm/ Mission Hills)	-	100%	-	-	150,000	-	-	1,500,000	1,000,000	2,650,000
Well 4529-1	100%	-	-	-	2,400,000	-	-	-	-	2,400,000
Subtotal Well Drilling and Upgrade Program					\$3,092,000	\$ -	\$ -	\$1,500,000	\$1,000,000	\$5,592,000
Treatment										
Ion Exchange Treatment Plant 6806 Improvements	-	-	-	100%	\$50,000	\$ -	\$ -	\$ -	\$2,000,000	\$2,050,000
Ion Exchange Treatment Plant 7802 Improvements	-	-	-	100%	50,000	-	-	2,000,000	3,000,000	5,050,000
Ion Exchange Treatment Plant 7991 Improvements	-	-	-	100%	500,000	4,000,000	500,000	-	-	5,000,000
Subtotal Treatment					\$600,000	\$4,000,000	\$500,000	\$2,000,000	\$5,000,000	\$12,100,000
Other										
Hydroacoustic/Surge Rank Assessment/ System Analysis, Phase 2	100%	-	-	-	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000
Subtotal Other					\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000
Total Domestic					\$20,078,000	\$31,935,600	\$25,970,600	\$20,040,600	\$14,590,000	\$112,614,800

FUNDING SOURCES	FUNDING % FY 2022	BUDGET FY 2022	PLANNED			TOTAL	
			FY 2023	FY 2024	FY 2025	FY 2026	5-YEAR
Pay-Go	31%	\$6,313,000	\$2,915,600	\$1,240,600	\$2,590,600	\$1,075,000	\$14,134,800
WSBFC	50%	10,060,500	3,730,000	3,300,000	2,550,000	2,500,000	22,140,500
Grant	7%	1,227,000	7,090,000	6,840,000	1,700,000	-	16,857,000
Debt	12%	2,477,500	18,200,000	14,590,000	13,200,000	11,015,000	59,482,500
Total Domestic		\$20,078,000	\$31,935,600	\$25,970,600	\$20,040,600	\$14,590,000	\$112,614,800

Booster Station 05513 Rehabilitation and Upgrade

Project Number: B01802

Project Description

This project includes relocating two old existing booster pump systems at Booster Station No. 5514 (BS05514) to the nearby Booster Station No. 5513 (BS05513) site located within Thunderbird Country Club in the City of Rancho Mirage. Booster Station No. 5514 was constructed in 1959 and is a critical facility that serves approximately 80 customers. Additionally, this project includes the design and construction of a pipeline, demolition plan and pressure reducing station. The consolidation of the booster stations will also maximize pumping efficiencies and improve system reliability by utilizing new equipment and adding a permanent on-site backup electrical generator.



Project Objectives

The objective of this project is to construct a new booster station at CVWD Site 5513 to replace existing booster stations BS05514N and BS05514S, which are 61 years old, deteriorated, and inefficient.

Schedule

Start :	07/01/2020	Complete :	06/30/2027	Project Status :	Design
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Estimated Project Cost (\$)	3,020,128
Capitalized Labor	146,878
Construction	2,539,250
Other	100,000
Planning/Design	234,000

Funding Source	%
State Revolving Loan	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
287,000	13,000	10,000	0	1,000,000	500,000	0

Other Financial Impact	By relocating Booster Station 5514 to Booster Station 5513 and rehabilitating/upgrading one site, CVWD will save on operating costs. Construction of this project will be performed beyond fiscal 2026.					
Operational Impact	Booster Stations 5514N and 5514S are each 61 years old and in need of replacement. By combining the two boosters at one site and installing a backup electrical generator, efficiency and water service reliability is greatly increased.					
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary			<input type="checkbox"/>	

Domestic Water

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, and other miscellaneous work to improve the reliability and efficiency of the booster pump station. Booster Station 07101 provides vital domestic water service and fire flow protection to customers in the North Shore community. The station has very poor reliability and significant corrosion to the submersible pump cans and piping.



Project Objectives

The objective of this project is to improve system reliability and efficiency by replacing the aging mechanical and electrical equipment.

Schedule

Start :	07/01/2022	Complete :	06/30/2027	Project Status :	Planning
---------	------------	------------	------------	------------------	----------

Estimated Project Cost (\$)	2,000,000
Capitalized Labor	152,160
Construction	1,471,840
Other	26,000
Planning/Design	350,000

Funding Source	%
State Revolving Loan	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	0	10,000	0	0	250,000	0

Other Financial Impact	Decreased electrical operating costs due to more efficient pumps and motors. Construction of this project will be performed beyond fiscal 2026 in the estimated amount of \$1.7 million.					
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 pump station. Booster Station 07102 provides vital domestic water service and fire flow protection to customers in the northeastern portion of the North Shore community. The station has very poor reliability and significant corrosion to the submersible pump cans and piping.



Project Objectives

The objective of this project is to improve system reliability and efficiency by replacing the aging mechanical and electrical equipment.

Schedule

Start : 01/07/2021 Complete : 06/30/2027 Project Status : Planning

Estimated Project Cost (\$)	2,010,000
Capitalized Labor	152,160
Construction	1,481,840
Other	26,000
Planning/Design	350,000

Funding Source	%
State Revolving Loan	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	0	10,000	0	0	250,000	0

Other Financial Impact	Decreased electrical operating costs due to more efficient pumps and motors. Construction of this project will be performed beyond fiscal 2026 in the estimated amount of \$1.7 million.	
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"/>

Domestic Water

Booster Station 07990 Rehabilitation and Upgrade

Project Number: B02201

Project Description

This project includes rehabilitating and upgrading existing 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 : Planning

Estimated Project Cost (\$)	3,010,000
Capitalized Labor	204,800
Construction	2,429,200
Other	26,000
Planning/Design	350,000

Funding Source	%
State Revolving Loan	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	0	10,000	250,000	50,000	700,000	2,000,000

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"/>

Reservoir 4602-2 Design and Construction

Project Number: R01901

Project Description

This project includes the design and construction of a new 2 million-gallon above ground steel domestic water reservoir to decrease the storage deficiency in the Valley Production Zone. The last reservoir constructed in the Valley Pressure Zone occurred in 1992. Since then, customer water demands have significantly increased and CVWD's storage criteria has been revised; therefore, there is an approximate 28 million-gallon water storage deficiency in the Valley Production Zone. This project is under construction.



Project Objectives

The objective of this project is to provide additional storage to reduce the storage deficiency within the Valley Production Zone. The proposed reservoir will provide a second reservoir within the Thousand Palms community and increase fire flow and domestic water system reliability. A second reservoir in the area will also allow for the rehabilitation of existing Reservoir 4602-1, which is 38 years old and in need of repairs.

Schedule

Start : 07/01/2018 Complete : 11/30/2022 Project Status : Construction

Estimated Project Cost (\$)	2,594,000
Capitalized Labor	164,020
Construction	2,176,518
Other	88,462
Planning/Design	165,000

Funding Source	%
WSBFC	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
204,000	2,025,000	350,000	15,000	0	0	0

Other Financial Impact	Estimated Annual Financial Operating Cost Impact is \$1,000 for Operating & Maintenance.	
Operational Impact	None.	
Discretionary	<input type="checkbox"/>	Non - Discretionary <input checked="" type="checkbox"/>

Domestic Water

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. Proposed Reservoir 4605-2 will be a duplicate of 4605-1 and be located on the same site. This pressure zone has a storage deficiency of approximately 10.3 million gallons based on a recent storage capacity analysis. This new reservoir will eliminate the zone storage deficiency and improve the reliability of the system. 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 :	02/17/2019	Complete :	09/30/2023	Project Status :	Construction
---------	------------	------------	------------	------------------	--------------

Estimated Project Cost (\$)	10,023,000
Capitalized Labor	150,400
Construction	8,732,600
Other	890,000
Planning/Design	250,000

Funding Source	%
WSBFC	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
48,000	2,575,000	7,000,000	400,000	0	0	0

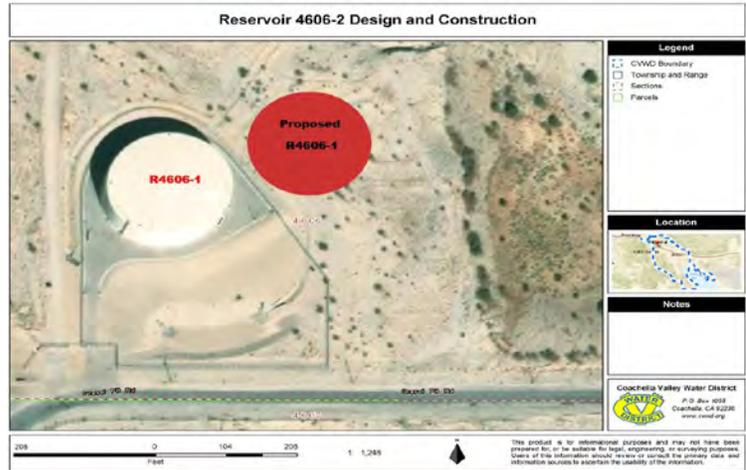
Other Financial Impact	Additional storage will allow operations to take advantage of decreased electrical rates for domestic water wells within the pressure zone.					
Operational Impact	The new reservoir will serve current and future water demands on both sides of I-10 within the SMPZ and improve the reliability of the system.					
Discretionary	<input type="checkbox"/>	Non - Discretionary		<input checked="" type="checkbox"/>		

Reservoir 4606-2 Design and Construction

Project Number: R02006

Project Description

This project includes constructing a second 6.5 million-gallon above ground steel domestic water storage reservoir to serve CVWD's existing and future customers in Sections 13, 19 and 24 in the area known as CVWD's Mission Hills Pressure Zone. This reservoir will provide additional water storage to meet the needs of the customers located in portions of Rancho Mirage and Palm Desert. This project is under construction.



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 (\$)	4,248,000
Capitalized Labor	150,400
Construction	3,600,100
Other	347,500
Planning/Design	150,000

Funding Source	%
WSBFC	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
53,000	1,930,000	2,250,000	15,000	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"/>		

Domestic Water

Reservoir 4711-3 and 4711-4 Design and Construction

Project Number: R01503

Project Description

This project consists of designing two new 1 million-gallon reservoirs to replace Reservoirs 4711-1 and 4711-2. Both of the existing reservoirs are bolted steel tanks that are old, leak, and have moderate to severe corrosion on the bolt runs as noted in CVWD's Reservoir Prioritization Report dated April 2018. Analysis shows that replacing the existing reservoirs with new welded steel reservoirs is more cost effective than rehabilitating the existing reservoirs.



Project Objectives

The objective of this project is to construct two 1 million-gallon above ground steel domestic water reservoirs to replace existing Reservoirs 4711-1 and 4711-2.

Schedule

Start : 07/01/2019 Complete : 06/30/2027 Project Status : Design

Estimated Project Cost (\$)	2,024,680
Capitalized Labor	226,680
Construction	1,528,000
Other	220,000
Planning/Design	50,000

Funding Source	%
State Revolving Loan	50
WSBFC	50

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
157,000	116,000	25,000	0	0	0	0

Other Financial Impact	Construction of this project will be performed beyond fiscal 2026 in the estimated amount of \$1.7 million.					
Operational Impact	The construction of new Reservoirs 4711-3 and -4 will improve water storage reliability to customers within the Sky Valley Pressure Zone. In addition, the two proposed reservoirs would allow CVWD to take each reservoir out of service for routine O&M without jeopardizing service to our customers.					
Discretionary	<input checked="" type="checkbox"/>	Non – Discretionary	<input type="checkbox"/>			

Reservoir 5514-2 Design and Construction

Project Number: R01704

Project Description

This project includes constructing a new 0.5 million-gallon reservoir on the existing reservoir/booster site 5514 to provide additional water storage within the Lower Thunderbird Pressure Zone. This zone has a storage deficiency of approximately 0.6 million-gallons based on a recent storage capacity analysis. The proposed reservoir will reduce the zone storage deficiency, improve system reliability, and allow for Reservoir 5514-1 to be removed from service for rehabilitation.



Project Objectives

The objective of this project is to enable existing Reservoir 5514-1 to be removed from service for rehabilitation, improve system reliability, and provide additional water storage within the Lower Thunderbird Pressure Zone by constructing a new 0.5MG reservoir on the existing reservoir/booster site 5514.

Schedule

Start :	09/13/2020	Complete :	06/30/2026	Project Status :	Design
---------	------------	------------	------------	------------------	--------

Estimated Project Cost (\$)	1,514,000
Capitalized Labor	109,760
Construction	1,169,240
Other	100,000
Planning/Design	135,000

Funding Source	%
State Revolving Loan	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
87,000	52,000	10,000	0	750,000	600,000	15,000

Other Financial Impact	A new reservoir will require additional labor for inspection and maintenance. Additional storage will allow CVWD to take advantage of Time-Of-Use electrical rates for Booster Station 05513.					
Operational Impact	A second reservoir will allow removal of one reservoir from service for routine maintenance and repairs.					
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary		<input type="checkbox"/>		

Domestic Water

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 :	06/30/2026	Project Status :	Design
---------	------------	------------	------------	------------------	--------

Estimated Project Cost (\$)	1,749,300
Capitalized Labor	126,800
Construction	1,185,000
Other	362,500
Planning/Design	75,000

Funding Source	%
State Revolving Loan	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
125,000	50,000	25,000	0	0	1,300,000	250,000

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 the Sun City Palm Desert development. 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 DIP from Reservoir 4730 and along Adams Street in North Indio adjacent to the Sun City Palm Desert development.

Schedule

Start : 07/01/2019 Complete : 06/23/2024 Project Status : Design

Estimated Project Cost (\$)	7,334,000
Capitalized Labor	299,220
Construction	6,508,980
Other	125,800
Planning/Design	400,000

Funding Source	%
State Revolving Loan	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
284,000	50,000	500,000	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 on planed repairs.		
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary	<input type="checkbox"/>

Domestic Water

Avenue 66 Transmission Main, Phase 1A

Project Number: DW1617

Project Description

This project includes the construction of a 30-inch diameter transmission main along Avenue 66 between Highway 86 and Dale Kiler Road near Mecca as part of Riverside County's Avenue 66 Grade Separation Project. This is the first phase of a new transmission pipeline to provide a secondary water supply to 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.



Project Objectives

The objective of this project is to 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 : 06/26/2018 Complete : 06/30/2022 Project Status : Construction

Estimated Project Cost (\$)	4,388,000
Capitalized Labor	455,042
Construction	3,470,558
Other	10,000
Planning/Design	452,400

Funding Source	%
WSBFC	50
Pay-as-you-go	50

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
1,188,000	3,100,000	100,000	0	0	0	0

Other Financial Impact	CVWD will seek grant funding and developer contributions to fund the design and construction costs of the remaining portions of this pipeline (Phase 1B and Phase 2).		
Operational Impact	Provide a secondary redundancy to the water system servicing the communities of Mecca.		
Discretionary	<input type="checkbox"/>	Non - Discretionary	<input checked="" type="checkbox"/>

Avenue 66 Transmission Main, Phase 1B & 2

Project Number: DW2105

Project Description

This project consists of the construction of a 30-inch diameter transmission main along Avenue 66 between the County of Riverside's proposed Bridge and Highway 86 (Phase 1B) and along Avenue 66 between Highway 86 and Polk Street (Phase 2) near Mecca. This section of transmission main will provide a secondary water supply to 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 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 :	06/30/2025	Project Status :	Planning
---------	------------	------------	------------	------------------	----------

Estimated Project Cost (\$)	23,350,000
Capitalized Labor	210,640
Construction	22,659,360
Other	130,000
Planning/Design	350,000

Funding Source	%
WSBFC	50
State Revolving Loan	25
Grant	25

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	75,000	775,000	10,000,000	10,000,000	2,500,000	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 checked="" type="checkbox"/>	Non - Discretionary			<input type="checkbox"/>	

Domestic Water

Preliminary Design Report for Highway 86 Transmission Main, Phase 3

Project Number: DW2104

Project Description

This project includes the preparation of a Preliminary Design Report to identified alternative alignments, right of way requirements, and project costs for the Highway 86 Transmission Main, Phase 3 Project. The proposed pipeline corridor is comprised of State right-of-way and tribal lands 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 (\$)	780,000	Funding Source	%
Capitalized Labor	48,380	Grant	100
Construction	45,000		
Other	686,620		
Planning/Design	0		

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	200,000	250,000	290,000	40,000	0	0

Other Financial Impact	CVWD will seek grant funding. Construction of this project will be performed beyond fiscal 2026 in the estimated amount of \$15 million.					
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"/>		

Sun City Palm Desert Water Main Replacement, Phase 2B

Project Number: DW2001

Project Description

This project includes replacing approximately 23,000 feet of corroded pipe in Sun City Palm Desert (SCPD). SCPD is a master planned community comprised of 4,985 homes served by approximately 44 miles of domestic water pipelines in north Indio. Multiple leaks have occurred within this community over the past several years due to corrosive soils. These leaks result in a lack of water service to our customers during repairs, disruption to the community, unexpected expenses, and additional staff time to address the impacts resulting from the pipe failures.



Project Objectives

The purpose of this project is to replace a portion (23,000 feet) of corroded ductile iron pipe (DIP) and appurtenances within the master-planned community of SCPD located in north Indio.

Schedule

Start :	07/01/2019	Complete :	06/30/2025	Project Status :	Design
----------------	------------	-------------------	------------	-------------------------	--------

Estimated Project Cost (\$)	9,271,840
Capitalized Labor	1,465,500
Construction	7,317,788
Other	138,552
Planning/Design	350,000

Funding Source	%
State Revolving Loan	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
222,000	50,000	500,000	4,000,000	4,000,000	500,000	0

Other Financial Impact	Reduce operations and maintenance repairs due to pipeline failures.		
Operational Impact	The replacement of the pipe is needed to prevent future leaks from occurring. The replacement of the existing and deteriorated distribution pipelines and service lines will improve domestic service, fire protection, and increase the reliability of water delivery to customers within the project area.		
Discretionary	<input checked="" type="checkbox"/>	Non – Discretionary	<input type="checkbox"/>

Domestic Water

Sun City Palm Desert Water Main Replacement, Phase 3A

Project Number: DW2103

Project Description

The purpose of this project is to replace a portion (31,650 feet) of corroded ductile iron pipe (DIP) and appurtenances within the master-planned community of Sun City Palm Desert (SCPD) located in north Indio. The SCPD project is comprised of 4,985 homes and was completed 15 years ago. However, the water system has already experienced nine water main leaks during the past seven years due to corrosive soils. Staff has proposed replacing the pipe and appurtenances in nine phases over 10 years. The area included in proposed Phase 3 has experienced one leak in recent years.



Project Objectives

The objective of this project is to replace a portion (39,000 feet) of corroded DIP and appurtenances within the master-planned community of SCPD located in north Indio.

Schedule

Start :	07/01/2020	Complete :	06/30/2026	Project Status :	Planning
---------	------------	------------	------------	------------------	----------

Estimated Project Cost (\$)	5,515,180
Capitalized Labor	422,500
Construction	4,725,990
Other	105,000
Planning/Design	261,690

Funding Source	%
State Revolving Loan	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	176,000	40,000	0	0	2,800,000	2,500,000

Other Financial Impact	Reduce operations and maintenance repairs due to corroded pipeline failures.		
Operational Impact	CVWD will continue to provide reliable domestic water service and fire protection to existing customers within the SCPD community.		
Discretionary	<input type="checkbox"/>	Non – Discretionary	<input checked="" type="checkbox"/>

Talavera Water Main Replacement, Phase 1

Project Number: DW1605

Project Description

This project includes replacing approximately 12,750 feet of corroded ductile iron pipe (DIP) and appurtenances within the master-planned community of Talavera located in north Indio. The Talavera community includes 782 homes and was completed 12 years ago. However, the water system has already experienced eight water main leaks during the past seven years due to the presence of corrosive soils. These leaks result in a lack of water service to our customers during repairs, disruption to the community, unexpected expenses, and additional staff time to address the impacts resulting from the pipe failures. The funding request for FY 2022 is to cover costs for completing the Drinking Water State Revolving Fund construction loan application documents.



Project Objectives

The objective of this project is to eliminate the ongoing leaks, subsequent water outages, and repairs that impact the residents and the private streets within the community.

Schedule

Start : 07/01/2019 Complete : 06/30/2024 Project Status : Design

Estimated Project Cost (\$)	4,963,000
Construction	4,456,000
CVWD Labor	271,000
Other	25,000
Planning/Design	211,000

Funding Source	%
State Revolving Loan	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
423,000	40,000	500,000	3,000,000	1,000,000	0	0

Other Financial Impact	Eliminate the ongoing leaks, subsequent water outages, and repairs that impact the residents and the private streets within the community.		
Operational Impact	Decreased operations and maintenance costs due to the replacement of leaking water mains.		
Discretionary	<input type="checkbox"/>	Non - Discretionary	<input checked="" type="checkbox"/>

Domestic Water

Tri-Palms Water Main Replacements, Phase 1

Project Number: DW2002

Project Description

This project includes replacing approximately 2,260 feet of 8-inch, 6-inch and 4-inch diameter domestic water asbestos cement (AC) pipe and appurtenances generally located within the Tri-Palms Country Club community located north of Interstate 10, east of Monterey Avenue and south of Ramon Road. The existing AC water lines within this community reside at the back of lots and between homes within an existing public utility easement. Recent leaks have resulted in damage to the homes and a lack of water service during repairs, disruption to the community, unexpected expenses, and additional staff time to address the impacts resulting from the pipe failures.



Project Objectives

The objective of this project is to eliminate the ongoing leaks, subsequent water outages, and repairs that impact the residents and the private streets within the community.

Schedule

Start : 07/01/2019 Complete : 06/30/2023 Project Status : Design

Estimated Project Cost (\$)	1,150,000
Capitalized Labor	402,500
Construction	573,100
Other	24,400
Planning/Design	150,000

Funding Source	%
State Revolving Loan	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
104,000	46,000	250,000	750,000	0	0	0

Other Financial Impact	Eliminate the ongoing leaks, subsequent water outages, and repairs that impact the residents and the private streets within the community.	
Operational Impact	Decreased operations and maintenance costs due to the replacement of leaking water mains.	
Discretionary	<input type="checkbox"/>	Non – Discretionary <input checked="" type="checkbox"/>

Purchase and Installation of Emergency Standby Generator for Well No. 6808-1

Project Number: DW2112

Project Description

This project includes the purchase and installation of a diesel-driven, 500 kilowatt in a sound-attenuated metal enclosure emergency standby generator including an external load bank and all necessary associated appurtenances complete and in place at the well site location in order to provide backup power to domestic water well and pumping plant site 6808-1. The generator will be installed at Well No. 6808-1 located at 56-490 Hernandez Lane in Thermal.



Project Objectives

The objective of this project is to install emergency backup power generator to continuously operate the well pumping plant and provide domestic water and fire protection to customers without interruption. It is also to maintain water pressure to customers within Middleton Road Pressure Zone.

Schedule

Start :	07/01/2019	Complete :	06/30/2022	Project Status :	Construction
----------------	------------	-------------------	------------	-------------------------	--------------

Estimated Project Cost (\$)	567,000
Capitalized Labor	49,000
Construction	518,000
Other	0
Planning/Design	0

Funding Source	%
Grant	55
Pay-as-you-go	45

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	25,000	542,000	0	0	0	0

Other Financial Impact	None.		
Operational Impact	CVWD crews are to perform routine and normal repairs and maintenance for the diesel-fueled emergency standby generator.		
Discretionary	<input type="checkbox"/>	Non – Discretionary	<input checked="" type="checkbox"/>

Domestic Water

New Wells (x2 Mecca/Middleton/La Quinta/Valley/Sky Mountain/Date Palm/Mission Hills)

Project Number: DW2201

Project Description

This project includes the design, drilling, and construction of two new domestic water production wells to support customer demands.



Project Objectives

The objective of this project is to drill and outfit two wells in selected production zones to support increasing demands.

Schedule

Start : 07/01/2021 Complete : 06/22/2026 Project Status : Planning

Estimated Project Cost (\$)	5,150,600
Capitalized Labor	299,600
Construction	4,710,000
Other	41,000
Planning/Design	100,000

Funding Source	%
WSBFC	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	0	150,000	0	0	1,500,000	1,000,000

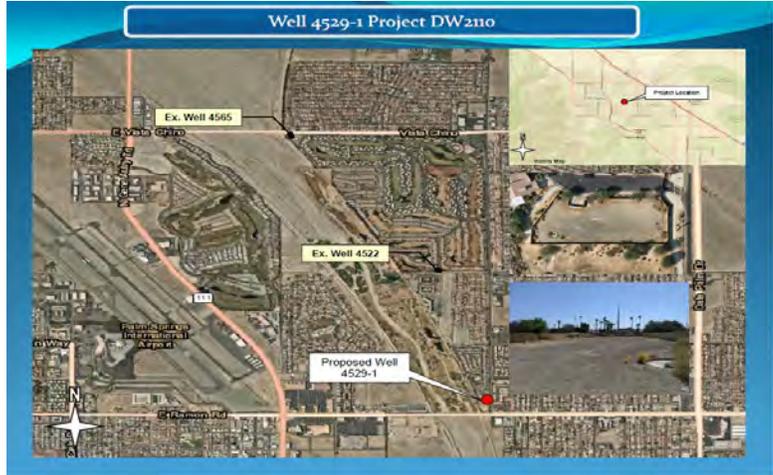
Other Financial Impact	Construction of this project will be performed beyond fiscal 2026 in the estimated amount of \$2.5 million. Construction of this project will be performed beyond fiscal 2026.	
Operational Impact	These wells will support increasing customer demands and provide operational flexibility.	
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary <input type="checkbox"/>

Well No. 4529-1

Project Number: DW2110

Project Description

This project includes drilling and construction of Well 4529-1, pumping plant, and emergency generator. Well 4529-1 will support customer demands within the Date Palm production zone and will provide CVWD 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 :	06/30/2022	Project Status :	Construction
---------	------------	------------	------------	------------------	--------------

Estimated Project Cost (\$)	3,532,000
Capitalized Labor	180,920
Construction	2,966,709
Other	34,371
Planning/Design	350,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	1,132,000	2,400,000	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"/>

IXTP 6806 Improvements

Project Number: IE2002

Project Description

This project includes the design and construction of new water treatment facilities. The existing ion exchange treatment plant (IXTP) 6806 uses strong base anion exchange resin to remove arsenic from the raw groundwater from Well Nos. 6806 and 6807. The IXTP vessels that house the resin are at the end of their useful life and must be replaced. A more cost-effective process utilizing single pass absorption technology will be designed and constructed to replace the existing treatment system.



Project Objectives

The objective of this project is to design and construct improvements to rehabilitate the ion exchange treatment plant to ensure efficiency and reliability of the water treatment process.

Schedule

Start :	07/01/2019	Complete :	06/30/2027	Project Status :	Planning
----------------	------------	-------------------	------------	-------------------------	----------

Estimated Project Cost (\$)	5,022,000
Capitalized Labor	47,000
Construction	4,748,500
Planning/Design	226,500

Funding Source	%
State Revolving Loan	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
19,000	150,000	50,000	0	0	0	2,000,000

Other Financial Impact	Decreased operating costs due to less IXTP vessel failures. Construction of this project will be performed beyond fiscal 2026 in the estimated amount of \$2.8 million.		
Operational Impact	Failure of the existing IXTP facility will compromise CVWD's ability to treat the water supply from two Well Sites (6806 and 6807).		
Discretionary	<input type="checkbox"/>	Non - Discretionary	<input checked="" type="checkbox"/>

IXTP 7802 Improvements

Project Number: IE2003

Project Description

This project includes the design and construction of new water treatment facilities. The existing ion exchange treatment plant (IXTP) 7802 uses strong base anion exchange resin to remove arsenic from the raw groundwater from Well 7802 and 7803. The IXTP vessels that house the resin are at the end of their useful life and must be replaced. A more cost-effective process utilizing single pass adsorption technology will be designed and constructed to replace the existing treatment system.



Project Objectives

The objective of this project is to replace the existing ion exchange treatment technology with a single pass media making the system more efficient.

Schedule

Start :	07/01/2020	Complete :	06/30/2026	Project Status :	Design
----------------	------------	-------------------	------------	-------------------------	--------

Estimated Project Cost (\$)	5,200,000
Capitalized Labor	226,920
Construction	4,723,080
Planning/Design	250,000

Funding Source	%
State Revolving Loan	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	150,000	50,000	0	0	2,000,000	3,000,000

Other Financial Impact	Decreased operating costs due to less IXTP vessel failures.		
Operational Impact	Failure of the existing IXTP facility will compromise CVWD's ability to treat the water supply from two Well Sites (7802 and 7803).		
Discretionary	<input type="checkbox"/>	Non - Discretionary	<input checked="" type="checkbox"/>

Domestic Water

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 :	06/30/2019	Complete :	06/30/2024	Project Status :	Design
---------	------------	------------	------------	------------------	--------

Estimated Project Cost (\$)	5,337,000
Capitalized Labor	126,800
Construction	4,797,700
Other	337,500
Planning/Design	75,000

Funding Source	%
State Revolving Loan	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
40,000	297,000	500,000	4,000,000	500,000	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 water supply. This facility will provide an emergency reliable source of supply water to the Mecca and Area 23 Pressure Zones.

Discretionary Non - Discretionary

Hydropneumatic and Surge Tank Replacement Program, Phase 2

Project Number: DW2202

Project Description

This project includes replacing 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 multiyear program to ultimately replace all of the hydropneumatic tanks in the domestic water system.

Schedule

Start :	07/01/2021	Complete :	06/30/2028	Project Status :	Construction
----------------	------------	-------------------	------------	-------------------------	--------------

Estimated Project Cost (\$)	2,998,920
Capitalized Labor	428,920
Construction	2,270,000
Other	0
Planning/Design	300,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	500,000	200,000	200,000	200,000	200,000	200,000

Other Financial Impact	Reduce unexpected costs to repair damaged tanks. This project will be performed beyond fiscal 2026 in the estimated amount of \$2 million.		
Operational Impact	Potentially reduce the number of surge tanks that need to be maintained.		
Discretionary	<input type="checkbox"/>	Non – Discretionary	<input checked="" type="checkbox"/>

CANAL WATER



CAPITAL IMPROVEMENTS

FISCAL 2021 - 22 BUDGET

Canal Water

CANAL WATER PROJECTS

Planned Canal Water Fund projects for fiscal 2022 amount to slightly over \$8.1 million, all funding is from Pay-Go.

CAPITAL IMPROVEMENT BUDGET - CANAL WATER

PROJECT NAME	FUNDING SOURCE %		BUDGET			PLANNED			TOTAL 5-YEAR
	PAY-GO		FY 2022	FY 2023	FY 2024	FY 2025	FY 2026		
Districtwide Allocation	100%		\$1,617,500	\$1,576,800	\$571,800	\$571,800	\$525,000	\$4,862,900	
Subtotal Districtwide Project Allocation			\$1,617,500	\$1,576,800	\$571,800	\$571,800	\$525,000	\$4,862,900	
Canal									
Check Structure at MP 88.6 Replacement	100%		\$350,000	\$ -	\$ -	\$ -	\$ -	\$350,000	
L-4 Pump Station Relocation, Phase 2	100%		3,000,000	-	-	-	-	3,000,000	
Mid-Canal Reservoir	100%		500,000	3,750,000	3,750,000	-	-	8,000,000	
Subtotal Canal			\$3,850,000	\$3,750,000	\$3,750,000	\$ -	\$ -	\$11,350,000	
Drainage									
Johnson Street Drain Improvement	100%		\$ -	\$ -	\$ -	\$ -	\$660,000	\$660,000	
Subtotal Drainage			\$ -	\$ -	\$ -	\$ -	\$660,000	\$660,000	
Irrigation									
Irrigation Lateral 101.3 Replacement	100%		\$ -	\$ -	\$ -	\$ -	\$1,970,000	\$1,970,000	
Irrigation Lateral 102.3 Replacement	100%		-	-	-	1,120,000	-	1,120,000	
Irrigation Lateral 119.64-7.5 Replacement	100%		2,670,000	-	-	-	-	2,670,000	
Irrigation Lateral 123.45-1.3-2.8 Division Box Replacement			-	200,000	1,700,000	-	-	1,900,000	
Subtotal Irrigation			\$2,670,000	\$200,000	\$1,700,000	\$1,120,000	\$1,970,000	\$7,660,000	
Total Canal			\$8,137,500	\$5,526,800	\$6,021,800	\$1,691,800	\$3,155,000	\$24,532,900	
FUNDING SOURCES	FUNDING %	BUDGET	PLANNED			TOTAL			
	FY 2022	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2026	5-YEAR	
Pay-Go	100%	\$8,137,500	\$5,526,800	\$6,021,800	\$1,691,800	\$3,155,000	\$24,532,900		
Total Canal		\$8,137,500	\$5,526,800	\$6,021,800	\$1,691,800	\$3,155,000	\$24,532,900		

Check Structure at MP 88.6 Replacement

Project Number: C02102

Project Description

This project includes removal and replacement of the bridge and the Check Drop Structure located at Canal Station 4679+10 near mile post 88.7 with a new and modern double-gated check structure and a new bridge deck. The new structure will also have side weirs for overflow around the gate. The existing check structure is equipped with a single radial gate that is operated to pass flows downstream while maintaining upstream water levels. The check structure's concrete walls have deteriorated to a point that the anchorage for the beam that supports the gate arms is unstable. The check structure is situated between an upstream connected bridge crossing and a downstream drop chute and stilling basin. The drop chute and stilling basin remain in place. This project is under construction.



Project Objectives

The objective of this project is to replace failing infrastructure to maintain the operability of the canal while improving and modernizing the operation of the radial gate providing redundancy for improved maintenance capability and increased safety in the event of failure or power outage.

Schedule

Start : 07/01/2020 Complete : 06/30/2022 Project Status : Construction

Estimated Project Cost (\$)	3,086,800
Capitalized Labor	289,060
Construction	2,632,740
Other	15,000
Planning/Design	150,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	2,736,800	350,000	0	0	0	0

Other Financial Impact	None.	
Operational Impact	Reduced risk of failure, increased ability to perform maintenance on the radial gates and improved operation in case of power outage similar to other check structure rehabilitations.	
Discretionary	<input type="checkbox"/>	Non - Discretionary <input checked="" type="checkbox"/>

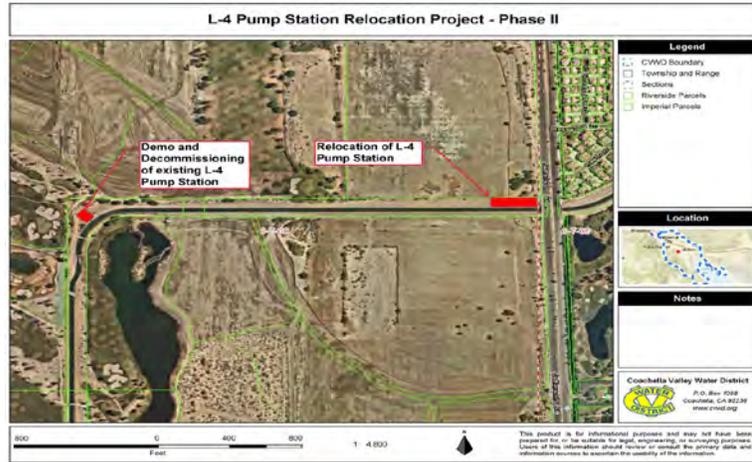
Canal Water

L-4 Pump Station Relocation Project, Phase 2

Project Number: C02101

Project Description

This project includes the relocation and replacement of the L-4 Pump Station, which 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, provide a substitute source for irrigation purposes, and reduce the pumping demands on the aquifer.

Schedule

Start : 07/01/2020 Complete : 06/30/2022 Project Status : Construction

Estimated Project Cost (\$)	7,600,000
Capitalized Labor	375,400
Construction	6,600,000
Other	10,200
Planning/Design	614,400

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	4,600,000	3,000,000	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 Reservoir

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 and CVWD is working with other interested parties to determine each parties' cost. There is a potential CVWD will be reimbursed for 50% of the project cost.



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 :	06/30/2024	Project Status :	Design
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Estimated Project Cost (\$)	8,100,000
Capitalized Labor	356,200
Construction	7,568,800
Other	15,000
Planning/Design	160,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	100,000	500,000	3,750,000	3,750,000	0	0

Other Financial Impact	Elimination of recurring lining repairs, which 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"/>

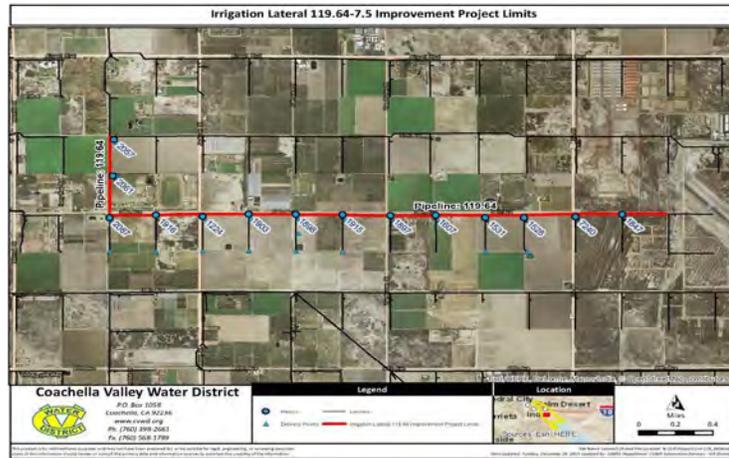
Canal Water

Irrigation Lateral 119.64-7.5 Replacement

Project Number: IR1701

Project Description

This project includes replacing approximately 18,500 linear feet of concrete pipe with polyvinyl chloride (PVC) pipe and removing the existing baffle stand, meter and meter vault installation, telemetry and SCADA installation, street improvements, and jack and boring operation.



Project Objectives

The objective of this project is to improve customer service and replace aging concrete pipelines while minimizing water lost through leakage. Irrigation Lateral 119.64.75 is an old large-diameter concrete irrigation pipeline delivering water from the Coachella Canal to farmers. The 3 1/2-mile-long pipeline is part of a gravity fed system interspersed with above ground baffle stands roughly every quarter mile where the farmers' sublaterals connect. The aging gravity system is leaking water from the pipeline joints, surging water out of the baffle stands, and spilling excess water impacting the delivery of canal water to our customers. These improvements will result in an increased operational efficiency, water conservation, and improved customer service. The irrigation lateral is located south of Avenue 58 between Arabia and Harrison streets.

Schedule

Start :	07/01/2021	Complete :	06/30/2023	Project Status :	Construction
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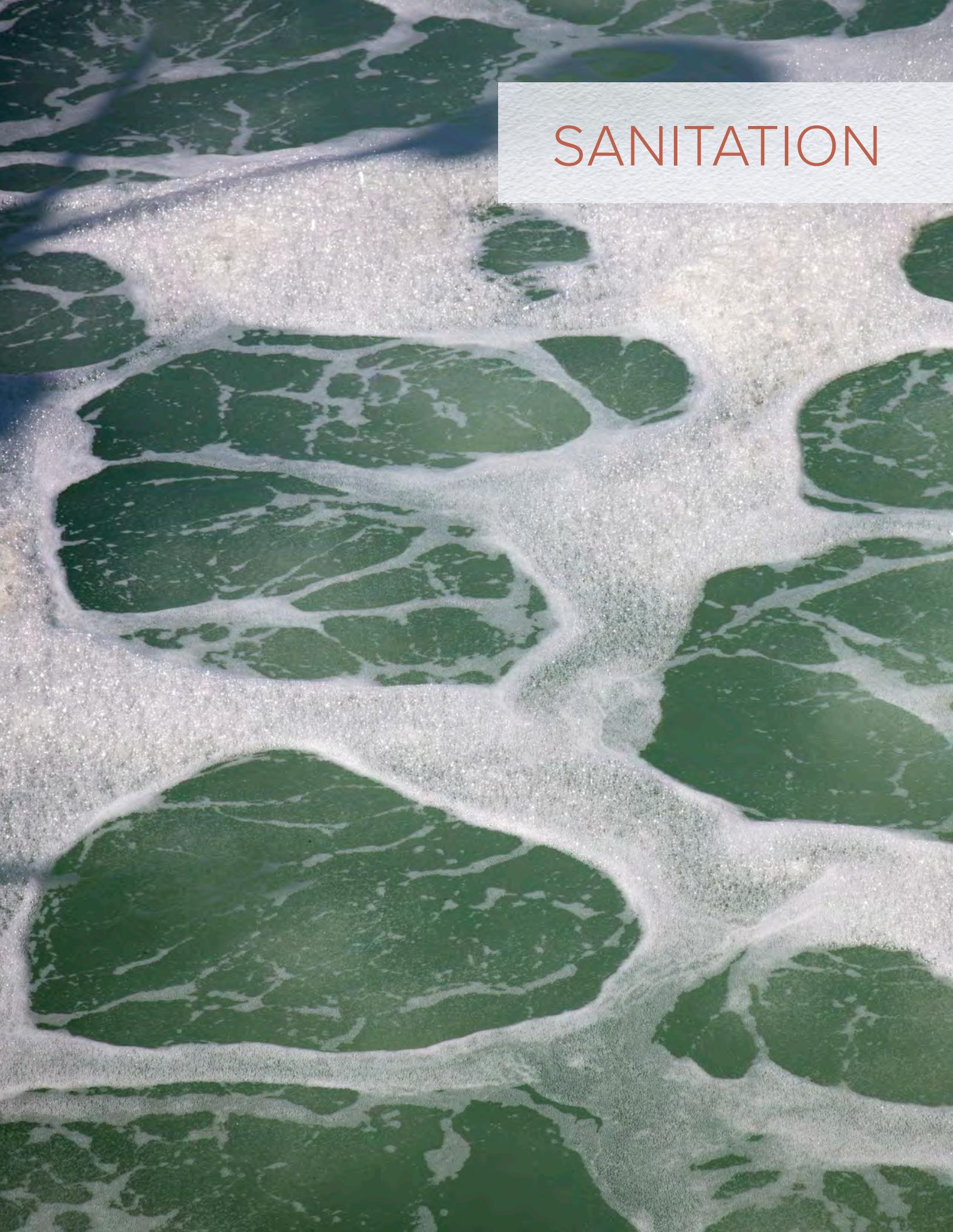
Estimated Project Cost (\$)	3,787,934
Capitalized Labor	264,840
Construction	3,355,934
Other	45,000
Planning/Design	122,160

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
283,000	834,934	2,670,000	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"/>

An aerial photograph of a wetland or marsh area. The landscape is characterized by a complex network of green, vegetated islands and channels. The channels are filled with a thick, white, foamy substance, likely a type of algae or microbial mat, which creates a stark contrast with the surrounding green vegetation. The overall pattern is highly textured and organic.

SANITATION

Sanitation

SANITATION PROJECTS

Planned Sanitation Fund projects for fiscal 2022 amount to \$34.9 million. Funding includes approximately \$14.3 million in Pay-Go, about \$1.3 in grants, over \$1.2 million Sanitation Capacity Charges with the balance of approximately \$18.1 million funded with debt.

PROJECT NAME	CAPITAL IMPROVEMENT BUDGET - SANITATION										TOTAL 5-YEAR		
	FUNDING SOURCE %					BUDGET							
	PAY-GO	COLLECTION	SCC	TREATMENT	SCC	GRANT	DEBT	FY 2022	FY 2023	FY 2024		FY 2025	FY 2026
Districtwide Project Allocation	100%	-	-	-	-	-	-	\$1,517,000	\$964,200	\$394,700	\$394,700	\$297,500	\$3,568,100
Subtotal Districtwide Project Allocation								\$1,517,000	\$964,200	\$394,700	\$394,700	\$297,500	\$3,568,100
WRP 10 Treatment													
Biosolids Upgrade	50%	50%	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$400,000	\$400,000
Chemical System Safety Upgrade	100%	-	-	-	-	-	-	15,000	-	-	-	-	15,000
Headwork's Improvements	50%	50%	-	-	-	-	-	350,000	2,200,000	-	350,000	4,500,000	7,400,000
M-1 Twin Backup Generators and Automatic Transfer Switch	100%	-	-	-	-	-	-	-	-	-	-	175,000	175,000
Old Seplage Receiving Station Upgrades	100%	-	-	-	-	-	-	-	-	-	-	250,000	250,000
Perimeter Security Wall	100%	-	-	-	-	-	-	-	-	-	-	35,200	35,200
Phase 1 Expansion	50%	50%	-	-	-	-	-	-	-	-	750,000	2,000,000	2,750,000
Process Optimization	100%	-	-	-	-	-	-	450,000	130,000	-	-	-	580,000
Secondary Effluent Pump Station and Storage Ponds	100%	-	-	-	-	-	-	728,000	-	-	-	-	728,000
Security System Upgrade	100%	-	-	-	-	-	-	-	-	-	-	46,420	46,420
Solids Handling Upgrades	100%	-	-	-	-	-	-	-	-	-	-	200,000	200,000
T1 Filter Assessment and Repair	100%	-	-	-	-	-	-	300,000	-	-	-	-	300,000
Subtotal WRP 10 Treatment								\$1,843,000	\$2,330,000	\$ -	\$1,100,000	\$7,606,620	\$12,879,620
WRP 7 Treatment													
Aeration Improvements	50%	50%	-	-	-	-	-	\$855,000	\$5,880,000	\$6,000,000	\$5,000,000	\$ -	\$17,735,000
Chemical System Safety Upgrade	100%	-	-	-	-	-	-	15,000	-	-	-	-	15,000
Process Optimization	100%	-	-	-	-	-	-	-	50,000	-	-	-	50,000
Recycled Water Expansion	100%	-	-	-	-	-	-	550,000	50,000	2,000,000	7,750,000	5,000,000	15,350,000
Security System Upgrade	100%	-	-	-	-	-	-	-	-	20,000	561,000	665,420	1,246,420
Subtotal WRP 7 Treatment								\$1,420,000	\$5,980,000	\$8,020,000	\$13,311,000	\$5,665,420	\$34,396,420
WRP 4 Treatment													
Administration Building	100%	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$637,000	\$637,000
Chemical System Safety Upgrade	100%	-	-	-	-	-	-	15,000	-	-	-	-	15,000
Phase 1 Improvements - Nonpotable Water Upgrades, Project Specific CEOA	60%	40%	-	-	-	-	-	850,000	50,000	6,400,000	6,400,000	6,400,000	20,100,000
Plant Process Improvements, Phase 2	50%	50%	-	-	-	-	-	-	-	-	-	1,250,000	1,250,000
Process Optimization	100%	-	-	-	-	-	-	175,000	-	-	-	-	175,000
Security System Upgrade	100%	-	-	-	-	-	-	-	-	-	-	581,000	581,000
Subtotal WRP 4 Treatment								\$1,040,000	\$50,000	\$6,400,000	\$6,400,000	\$8,868,000	\$22,758,000

CAPITAL IMPROVEMENT BUDGET - SANITATION (continued)

PROJECT NAME	FUNDING SOURCE %				DEBT	BUDGET FY 2022	PLANNED			TOTAL 5-YEAR	
	PAY-GO	SCC COLLECTION	SCC TREATMENT	GRANT			FY 2023	FY 2024	FY 2025		FY 2026
WRP 2 Treatment	100%	-	-	-	-	\$150,000	\$	\$	\$	\$	\$150,000
WRP 2 Monitoring Wells											
Subtotal WRP 2 Treatment						\$150,000	\$	\$	\$	\$	\$150,000
Collection											
Airport Blvd Sewer Consolidation Project	-	-	-	100%	-	\$75,000	\$50,000	\$50,000	\$50,000	\$4,500,000	\$4,725,000
Avenue 66 Grade Separation	100%	-	-	-	-	10,000	-	-	-	-	10,000
Avenue 66 Trunk Sewer	-	-	-	100%	-	50,000	50,000	25,000	25,000	3,500,000	3,650,000
Burr Street Force Main	50%	-	50%	0%	-	10,000	7,250,000	-	-	-	7,260,000
First Tee Sewer and Manhole Rehabilitation	100%	-	-	0%	-	150,000	-	-	-	-	150,000
Lift Station 55-10 (Citrus) Abandonment	-	-	100%	0%	-	-	-	-	220,000	1,874,641	2,094,641
Lift Station 55-11 Capacity Upgrade (Mecca)	50%	-	50%	0%	-	250,000	4,750,000	1,200,000	-	-	6,200,000
Lift Station 55-12 Electrical and Site Upgrade (Home Depot)	50%	-	50%	0%	-	-	128,000	902,814	-	-	1,030,814
Lift Station 80-03 Upgrade (Cook Street)	50%	-	50%	0%	-	450,000	1,800,000	-	150,000	2,200,000	4,600,000
Lift Station 80-13 Upgrade (Grand Champion)	50%	-	50%	0%	-	-	-	-	112,000	1,034,657	1,146,657
Lift Station 80-16 Upgrade (Bob Hope Drive)	50%	-	50%	0%	-	-	-	-	64,000	831,499	895,499
Mecca Sewer and Manhole Replacement Rehabilitation	100%	-	-	-	-	-	-	192,000	192,000	1,773,732	2,157,732
Monroe St Trunk Sewer	-	-	-	100%	-	1,150,000	250,000	-	-	-	1,400,000
Pierce Street Trunk Sewer	-	-	-	100%	-	-	-	-	250,000	3,500,000	3,750,000
Section 31 and Vist Del Sol Sewer Pipeline	100%	-	-	-	-	545,000	327,000	-	-	-	872,000
Sewer Lift Station Rehabilitation	100%	-	-	-	-	-	-	-	-	350,000	350,000
Sewer Manhole Rehabilitation	100%	-	-	-	-	-	150,000	1,500,000	1,500,000	1,500,000	4,650,000
Sewer Manhole Rehabilitation (Rancho Mirage, Palm Desert, and La Quinta)	100%	-	-	-	-	337,965	337,965	337,965	337,966	-	1,351,861
Sewer Pipeline Rehabilitation	100%	-	-	-	-	-	250,000	1,500,000	1,500,000	1,500,000	4,750,000
Sewer Pipeline Rehabilitation (Palm Desert and Thousands Palms)	100%	-	-	-	-	1,641,000	-	-	-	-	1,641,000
Sewer Pipeline Rehabilitation (Avenue 50)	100%	-	-	-	-	900,000	-	-	-	-	900,000
Sewer Pipeline Rehabilitation (Fred Waring Drive)	100%	-	-	-	-	1,750,000	-	-	-	-	1,750,000
Sewer Pipeline Rehabilitation (Cedar Crest)	100%	-	-	-	-	-	-	36,000	771,106	-	807,106
Sewer Pipeline Rehabilitation (Fairway Drive)	100%	-	-	-	-	766,000	-	-	-	-	766,000
Sewer Pipeline Relocation (Bob Hope Drive)	100%	-	-	-	-	-	-	96,000	367,715	-	463,715
Subtotal Collection						\$8,084,965	\$15,342,965	\$5,839,779	\$5,539,787	\$22,564,529	\$57,372,025

CAPITAL IMPROVEMENTS — FISCAL 2021 – 22 BUDGET

Sanitation

CAPITAL IMPROVEMENT BUDGET - SANITATION (continued)

PROJECT NAME	FUNDING SOURCE %						DEBT	BUDGET FY 2022	PLANNED		TOTAL 5-YEAR				
	PAY-GO	SCC COLLECTION	SCC TREATMENT	GRANT	SCC	TREATMENT			90%	90%		FY 2023	FY 2024	FY 2025	FY 2026
												FY 2023	FY 2024	FY 2025	FY 2026
Nonpotable Water Pipeline Connection															
Annenberg (aka Sunnylands) Golf Club*	10%	-	-	-	-	-	90%	\$60,000	\$400,000	\$1,600,000	\$1,000,000	\$	-	\$3,060,000	
Bermuda Dunes Country Club	10%	-	-	-	-	-	90%	1,800,000	1,800,000	-	-	-	-	3,600,000	
Blended Water System Pump Stations*	10%	-	-	-	-	-	90%	-	-	-	500,000	500,000	300,000	800,000	
Desert Island Country Club*	10%	-	-	-	-	-	90%	50,000	25,000	500,000	500,000	-	-	1,075,000	
Emerald Desert Country Club*	10%	-	-	-	-	-	90%	-	-	550,000	-	-	-	550,000	
Forest Lawn*	10%	-	-	-	-	-	90%	-	-	-	100,000	100,000	50,000	150,000	
Indian Wells Tennis Garden*	10%	-	-	-	-	-	90%	10,000	10,000	10,000	60,000	60,000	1,000,000	1,090,000	
Jack Ivey Ranch*	10%	-	-	-	-	-	90%	60,000	500,000	1,800,000	1,000,000	-	-	3,360,000	
Marriott Desert Springs North Course*	10%	-	-	-	-	-	90%	25,000	100,000	250,000	5,000,000	-	-	5,375,000	
Marriott Shadow Ridge (including low pressure pipeline)*	10%	-	-	-	-	-	90%	25,000	25,000	2,500,000	2,500,000	-	-	5,050,000	
Mission Hills Country Club*	10%	-	-	-	-	-	90%	-	-	-	100,000	100,000	150,000	250,000	
Outdoor Resort RV Park*	10%	-	-	-	-	-	90%	-	-	-	100,000	100,000	50,000	150,000	
Palm Desert Resort Country Club	10%	-	-	-	-	-	90%	1,500,000	300,000	-	-	-	-	1,800,000	
Palm Royale Country Club*	10%	-	-	-	-	-	90%	60,000	500,000	1,800,000	1,000,000	-	-	3,360,000	
Rancho Mirage Country Club*	10%	-	-	-	-	-	90%	60,000	400,000	1,600,000	1,000,000	-	-	3,060,000	
Shadow Hills High School*	10%	-	-	-	-	-	90%	50,000	25,000	500,000	250,000	-	-	825,000	
Southwest Community Church/Gerald Ford School*	10%	-	-	-	-	-	90%	60,000	400,000	1,600,000	1,000,000	-	-	3,060,000	
Springs Country Club*	10%	-	-	-	-	-	90%	50,000	25,000	500,000	500,000	-	-	1,075,000	
Suncrest Country Club*	10%	-	-	-	-	-	90%	60,000	400,000	1,600,000	1,000,000	-	-	3,060,000	
T1 Pump Station Replacement	10%	-	-	-	-	-	90%	11,150,000	7,400,000	7,500,000	-	-	-	26,050,000	
Talavera*	10%	-	-	-	-	-	90%	50,000	25,000	500,000	250,000	-	-	825,000	
Tamarisk Country Club*	10%	-	-	-	-	-	90%	60,000	400,000	1,600,000	1,000,000	-	-	3,060,000	
The Eagle (Crystal Lagoon)*	10%	-	-	-	-	-	90%	-	-	-	-	-	50,000	50,000	
The Oasis Country Club	10%	-	-	-	-	-	90%	4,248,000	1,600,000	-	-	-	-	5,848,000	
Tri-Palms Country Club*	10%	-	-	-	-	-	90%	60,000	500,000	1,800,000	1,000,000	-	-	3,360,000	
Westin Mission Hills Country Club*	10%	-	-	-	-	-	90%	-	-	-	100,000	150,000	-	250,000	
Woodhaven Country Club	10%	-	-	-	-	-	90%	1,400,000	300,000	-	-	-	-	1,700,000	
Young's Fairland and Garden Fellowship*	10%	-	-	-	-	-	90%	25,000	10,000	500,000	250,000	-	-	785,000	
Subtotal Nonpotable Water Pipeline								\$20,863,000	\$15,145,000	\$26,710,000	\$18,210,000	\$1,750,000	\$	\$82,678,000	
Total Sanitation								\$34,917,965	\$39,812,165	\$47,364,479	\$44,955,487	\$46,752,069	\$	\$213,802,165	

*Nonpotable Water Pipeline Connection projects funded 100% Pay-Go Fiscal Year 2021-22, planned funding for future years consists of 10% Pay-Go and 90% debt financing.

FUNDING SOURCES	FUNDING % FY 2022	BUDGET FY 2022	PLANNED				TOTAL 5-YEAR
			FY 2023	FY 2024	FY 2025	FY 2026	
Pay-Go	41%	\$14,257,265	\$16,639,072	\$22,248,487	\$23,134,350	\$91,086,839	
SCC Collection	3%	942,500	5,560,000	5,610,000	6,635,000	22,807,500	
SCC Treatment	1%	355,000	1,051,407	383,000	3,907,719	12,661,126	
Grant	4%	1,275,000	75,000	325,000	11,500,000	13,525,000	
Debt	52%	18,088,200	24,039,000	16,389,000	1,575,000	73,721,700	
Total Sanitation		\$34,917,965	\$47,364,479	\$44,955,487	\$46,752,069	\$213,802,165	

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 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. This project is currently under construction.



Project Objectives

The objective of this project is to meet the requirements of 2013 California Fire Code and improve worker safety during operation and maintenance of the chlorination system.

Schedule

Start : 06/06/2015 Complete : 12/31/2021 Project Status : Construction

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 2022	FY 2023	FY 2024	FY 2025	FY 2026
3,398,000	1,218,000	15,000	0	0	0	0

Other Financial Impact	\$20,000 per year for operation of new chlorine scrubber will increase O&M cost for electricity, material replacement, and labor.	
Operational Impact	New scrubber system will ensure regulatory compliance and aid to worker safety.	
Discretionary	<input type="checkbox"/>	Non – Discretionary <input checked="" type="checkbox"/>

Sanitation

WRP 10 Headworks Improvements (Storage and Controls)

Project Number: WR1042

Project Description

The project includes the design and construction of preliminary treatment systems, which includes site work, influent pumps, vortex grit chamber, influent equalization basin, and odor control. The project will maximize treatment capacity and process performance while increasing redundancy/reliability.



Project Objectives

The objective of the project is to increase Headworks capacity, increase process control and improve reliability of the treatment process, and improve the ability of the plant to treat septage loading.

Schedule

Start :	07/01/2020	Complete :	06/30/2026	Project Status :	Design
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Estimated Project Cost (\$)	7,475,000
Capitalized Labor	248,276
Construction	6,026,724
Planning/Design	1,200,000

Funding Source	%
Pay-as-you-go	50
SCC Treatment	50

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	75,000	350,000	2,200,000	0	350,000	4,500,000

Other Financial Impact	Financial impact is expected to improve through more efficient treatment that will allow for reduced energy costs.		
Operational Impact	Operational impact will be improved through less pump maintenance and failures and improved process performance.		
Discretionary	<input checked="" type="checkbox"/>	Non – Discretionary	<input type="checkbox"/>

WRP 10 Process Optimization Project

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 replacement of lighting with LED lighting, to optimize control of the activated sludge process in Plant A by installation of ammonia and RAS/WAS monitoring equipment, to control the tertiary filter scouring operation to reduce backwash time, and to refurbish T2 pumps to increase overall pumping efficiency. In addition, retrofit the T2 filtration system with the Parkson DynaSand EcoWash Filter.

Schedule

Start :	07/01/2019	Complete :	06/30/2023	Project Status :	Construction
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Estimated Project Cost (\$)	1,848,000
Capitalized Labor	45,222
Construction	1,802,778

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
1,068,000	200,000	450,000	130,000	0	0	0

Other Financial Impact	Reduced energy costs.	
Operational Impact	Improved process performance.	
Discretionary	<input checked="" type="checkbox"/>	Non – Discretionary <input type="checkbox"/>

Sanitation

WRP 10 Secondary Effluent Pump Station and Storage Ponds Project

Project Number: WR1035

Project Description

This project includes construction of a new secondary effluent pump station and storage ponds at WRP 10 to replace the existing secondary effluent pump station that has reached capacity and is nearing the end of its useful life. Construction of a new pump station and additional effluent storage ponds will result in more efficient operation and enable CVWD to meet future effluent pumping needs. The expanded storage component of this project is needed to replace the ponds taken out of service for the Palm Desert Groundwater Replenishment Facility Project. This project is under construction.



Project Objectives

The objective of this project is to increase secondary effluent storage capacity, provide operational flexibility to store and use secondary effluent, replace failing pumps and equipment, and increase pumping capability to optimize plant performance.

Schedule

Start :	08/06/2018	Complete :	10/31/2021	Project Status :	Construction
----------------	------------	-------------------	------------	-------------------------	--------------

Estimated Project Cost (\$)	29,733,000
Capitalized Labor	652,438
Construction	27,931,410
Other	39,500
Planning/Design	1,109,652

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
17,605,000	11,400,000	728,000	0	0	0	0

Other Financial Impact	Project will add electricity and labor costs to maintain new meter vaults and monitoring equipment.		
Operational Impact	The project will facilitate operation of the plant by allowing flexibility to store and use secondary effluent.		
Discretionary	<input type="checkbox"/>	Non – Discretionary	<input checked="" type="checkbox"/>

WRP 10 T1 Filter Assessment and Repair

Project Number: WR1043

Project Description

This project includes preparation of a design report with identification of causes for media loss and preparation of plans and specifications for media replacement for T1 Tertiary Filter located at WRP 10.



Project Objectives

The objective of this project is to rehabilitate T1 Filters, including media replacement to ensure adequate tertiary treatment capacity to meet permit requirements.

Schedule

Start :	01/26/2021	Complete :	06/30/2022	Project Status :	Construction
---------	------------	------------	------------	------------------	--------------

Estimated Project Cost (\$)	390,000
Capitalized Labor	15,300
Construction	300,000
Planning/Design	74,700

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	90,000	300,000	0	0	0	0

Other Financial Impact	This project will reduce O&M costs due to prevention of media loss.		
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"/>

Sanitation

WRP 7 - Aeration Improvements

Project Number: WR7020

Project Description

This project includes design and construction of new blowers and a new aeration building. The project also includes replacement of RAS/WAS pumps, electrical and instrumentation control equipment. The project will maximize treatment capacity, improve process efficiency, increase redundancy, and provide additional capacity for growth. WRP 7's aeration system has reached capacity and is nearing the end of its useful life.



Project Objectives

The objective of this project is to improve the reliability of the treatment process, increase efficiency and reliability of aeration system (blowers), increase operational flexibility, and prepare for possible regulatory changes.

Schedule

Start :	11/18/2019	Complete :	06/30/2025	Project Status :	Design
---------	------------	------------	------------	------------------	--------

Estimated Project Cost (\$)	18,790,000
Capitalized Labor	694,680
Construction	16,664,320
Planning/Design	1,431,000

Funding Source	%
Pay-as-you-go	50
SCC Treatment	50

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
105,000	950,000	855,000	5,880,000	6,000,000	5,000,000	0

Other Financial Impact	Additional labor and electricity cost 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 chemical system safety requirements of the 2013 California Fire Code. The project will also include design and installation of CCTV cameras for the chlorine building and installation of a new fire sprinkler system, access control, and a video monitoring system for site security and safety. This project is under construction.



Project Objectives

The objective of this project is to meet the requirements of 2013 California Fire Code and improve worker safety during operation and maintenance of the chlorination system.

Schedule

Start :	06/06/2015	Complete :	12/31/2021	Project Status :	Construction
---------	------------	------------	------------	------------------	--------------

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 2022	FY 2023	FY 2024	FY 2025	FY 2026
3,111,000	1,004,000	15,000	0	0	0	0

Other Financial Impact	\$20,000 per year for operation of new chlorine scrubber will increase O&M cost for electricity, material replacement, and labor.		
Operational Impact	New scrubber system will ensure regulatory compliance and aid to worker safety.		
Discretionary	<input type="checkbox"/>	Non - Discretionary	<input checked="" type="checkbox"/>

Sanitation

WRP 7 Recycled Water Expansion and MP 113.2 Upgrades

Project Number: WR7022

Project Description

The project includes an expansion of the tertiary system 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 mile post (MP) 113.2 canal water pump station.



Project Objectives

The objective of this project is to increase use of recycled water in the WRP 7 service area to meet 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 delivery of canal water to the plant site.

Schedule

Start : 07/01/2020 Complete : 06/30/2026 Project Status : Design

Estimated Project Cost (\$)	15,750,000
Capitalized Labor	629,120
Construction	14,020,880
Other	0
Planning/Design	1,100,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	400,000	550,000	50,000	2,000,000	7,750,000	5,000,000

Other Financial Impact	Increase in chemical, energy, and labor costs.					
Operational Impact	Improved plant performance.					
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 chemical system safety requirements of the 2013 California Fire Code. The project will also include 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. This project is under construction.



Project Objectives

The objective of this project is to meet the requirements of 2013 California Fire Code and improve worker safety during operation and maintenance of the chlorination and sulfonation systems.

Schedule

Start :	06/06/2015	Complete :	12/31/2021	Project Status :	Construction
---------	------------	------------	------------	------------------	--------------

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 2022	FY 2023	FY 2024	FY 2025	FY 2026
3,791,000	1,500,000	15,000	0	0	0	0

Other Financial Impact	\$20,000 per year for operation of new chlorine scrubber will increase O&M cost for electricity, material replacement, and labor.		
Operational Impact	New scrubber system will ensure regulatory compliance and aid to worker safety.		
Discretionary	<input type="checkbox"/>	Non - Discretionary	<input checked="" type="checkbox"/>

Sanitation

WRP 4 Phase I Improvements - Nonpotable Water Upgrades, Project Specific CEQA

Project Number: WR4016

Project Description

This project includes design and construction of a new tertiary filtration treatment system, including filters, chlorine contact basins, effluent pump station, equalization ponds, odor control, site improvements, and recycled water distribution piping.



Project Objectives

The objective of this project is to supply East Valley demand with nonpotable water from WRP 4 to support the groundwater substitution program, an element of implementing the Coachella Valley Water Management Plan to satisfy CVWD's Groundwater Sustainability Agency obligations. In addition, the project will mitigate costs associated with potential advanced treatment of discharges to the Coachella Valley Stormwater Channel and Salton Sea.

Schedule

Start : 07/01/2019 Complete : 06/30/2027 Project Status : Design

Estimated Project Cost (\$)	27,400,000
Capitalized Labor	632,368
Construction	24,229,387
Other	55,300
Planning/Design	2,482,945

Funding Source	%
SCC Treatment	40
Pay-as-you-go	60

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
60,000	1,240,000	850,000	50,000	6,400,000	6,400,000	6,400,000

Other Financial Impact	Potential to mitigate costs associated with potential advanced treatment facilities for discharges to the Coachella Valley Stormwater Channel and the Salton Sea. Construction of this project will be performed beyond fiscal 2026 in the estimated amount of \$6 million.	
Operational Impact	Increased operational costs including labor, chemicals and electricity.	
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary <input type="checkbox"/>

WRP 4 Process Optimization

Project Number: WR4015

Project Description

This project includes purchase and installation of the Lagoon Master aeration treatment system in Module 4 to evaluate the technology with respect to energy efficiency and improvements in effluent discharge. The project also includes an energy efficiency study. The project is under construction.



Project Objectives

The objectives of this project are to evaluate cost savings due to reduced energy consumption and reduced maintenance with respect to pond dredging while meeting WRP 4 discharge permit limits and an energy efficiency site survey to identify other energy saving opportunities.

Schedule

Start : 07/01/2019 Complete : 08/31/2021 Project Status : Construction

Estimated Project Cost (\$)	930,000
Capitalized Labor	43,285
Construction	762,715
Other	0
Planning/Design	124,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
29,000	726,000	175,000	0	0	0	0

Other Financial Impact	Reduced energy costs and reduced maintenance costs by eliminating pond dredging and other energy efficiency measures identified.		
Operational Impact	Reduced time for pond maintenance.		
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary	<input type="checkbox"/>

Sanitation

WRP 2 Monitoring Wells

Project Number: WR0202

Project Description

This project includes installation of three new 4-inch diameter monitoring wells, one up-gradient, and two down-gradient of the disposal ponds at WRP 2 to replace three old, 2-inch diameter wells.



Project Objectives

The objectives of this project are to replace smaller diameter monitoring wells with inoperative pumps with larger wells to provide for more efficient maintenance and operation.

Schedule

Start :	07/01/2021	Complete :	10/29/2021	Project Status :	Construction
---------	------------	------------	------------	------------------	--------------

Estimated Project Cost (\$)	150,000
Capitalized Labor	11,528
Construction	117,472
Other	1,000
Planning/Design	20,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	0	150,000	0	0	0	0

Other Financial Impact	None		
Operational Impact	Pumping will reduce time to retrieve water samples by eliminating need for staff to manually bail samples.		
Discretionary	<input checked="" type="checkbox"/>	Non – Discretionary	<input type="checkbox"/>

Airport Boulevard Sewer Consolidation

Project Number: SA2006

Project Description

This project includes grant funding support, preliminary engineering, plan design, and the environmental report for new sewer pipeline within disadvantage communities (DAC). The Sanitation Master Plan has developed 13 new projects to provide service to DACs. The sewer planning efforts are consistent with the East Coachella Valley Water Supply plans. The DAC Infrastructure 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 DACs. 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 (\$)	4,810,000
Capitalized Labor	70,000
Construction	4,275,000
Other	15,000
Planning/Design	450,000

Funding Source	%
Grant	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
10,000	75,000	75,000	50,000	50,000	50,000	4,500,000

Other Financial Impact	The project will provide reliable, centralized service to DACs.		
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"/>

Sanitation

Sewer Gravity Pipeline Avenue 66 Grade Separation – Gravity Sewer Relocation

Project Number: SA1904

Project Description

This project includes removing and replacing 850 linear feet of 8-inch diameter sewer gravity pipeline as part of the Riverside County Avenue 66 Grade Separation Project at Union Pacific Railroad. Design, engineering and construction cost to be reimbursed by the County.



Project Objectives

The objective of this project is to relocate a small section of sewer pipeline at the northeast segment of the Avenue 66 Grade Separation Site. The new improvements will allow continuous sewer service to the residents of Mecca and protect existing sewer system infrastructure from new traffic loading. The county will reimburse CVWD for the cost of this project.

Schedule

Start : 07/01/2019 Complete : 06/30/2022 Project Status : Design

Estimated Project Cost (\$)	33,000
Capitalized Labor	25,000
Other	8,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
13,000	10,000	10,000	0	0	0	0

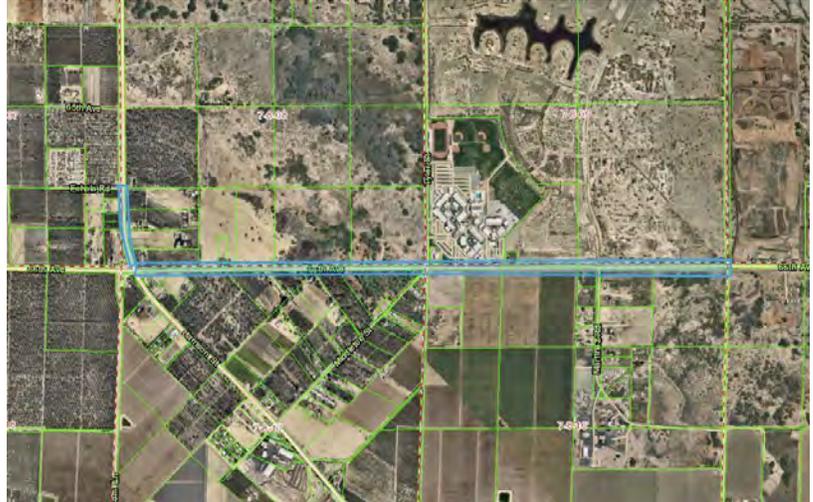
Other Financial Impact	None.		
Operational Impact	None.		
Discretionary	<input checked="" type="checkbox"/>	Non – Discretionary	<input type="checkbox"/>

Avenue 66 Trunk Sewer

Project Number: SA2003

Project Description

This project includes grant funding support and preliminary engineering for a new sewer pipeline along Avenue 66 from Polk Street to Harrison Street and along Harrison Street from Echols Road to Avenue 66. The project will seek grant funding for the septic-to-sewer conversion and expand CVWD's service area. New sewer service is also planned along Martinez Road.



Project Objectives

The objective of this project is to use 100% grant funding for septic-to-sewer conversion within the disadvantaged community (DAC). The project will result in significant cost savings for the sanitation services for the community.

Schedule

Start :	07/01/2019	Complete :	06/30/2027	Project Status :	Planning
---------	------------	------------	------------	------------------	----------

Estimated Project Cost (\$)	5,866,000
Capitalized Labor	118,560
Construction	5,391,000
Other	6,440
Planning/Design	350,000

Funding Source	%
Grant	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
16,000	50,000	50,000	50,000	25,000	25,000	3,500,000

Other Financial Impact	The project will provide reliable centralized sewer service to the DAC community and expand CVWD's sewer service through available grant funding. Construction of this project will be performed beyond fiscal 2026.		
Operational Impact	\$10,000 per year for additional O&M cost for the maintenance of pipeline and pump station.		
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary	<input type="checkbox"/>

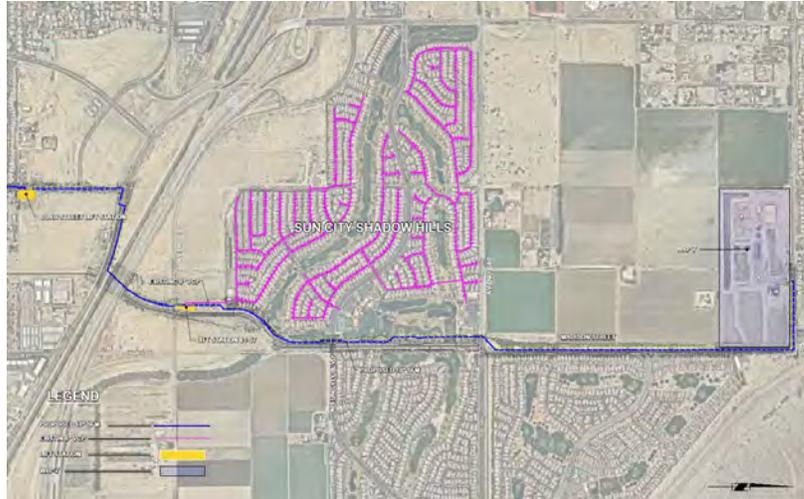
Sanitation

Burr Street Force Main

Project Number: SA1902

Project Description

This project includes the design and construction of approximately 17,000 linear feet of 18-inch diameter force main from the new Lift Station 81-03 (Burr Street) to WRP 7. The pipeline will provide redundancy to the existing 18-inch diameter force main, which is approximately 28 years old and requires periodic maintenance.



Project Objectives

The objective of this project is to provide redundancy to the existing 18-inch diameter force main, which is approximately 28 years old and requires periodic maintenance. The existing Burr Street Force Main is in poor condition. The proposed force main will act as redundant force main.

Schedule

Start :	01/01/2019	Complete :	06/28/2023	Project Status :	Design
---------	------------	------------	------------	------------------	--------

Estimated Project Cost (\$)	7,494,000
Capitalized Labor	113,900
Construction	6,841,000
Other	178,100
Planning/Design	361,000

Funding Source	%
Pay-as-you-go	50
SCC Collection	50

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
133,000	101,000	10,000	7,250,000	0	0	0

Other Financial Impact	Construction of the proposed force main will eliminate the emergency repairs and overtime due to emergency calls. New force main will provide redundancy.		
Operational Impact	The project will improve the overall operations of the sewer collection system and ensure compliance with regulatory requirements		
Discretionary	<input type="checkbox"/>	Non - Discretionary	<input checked="" type="checkbox"/>

First Tee Junction Box and Sewer Manhole Rehabilitation

Project Number: SA2005

Project Description

This project includes rehabilitation of existing sewer manholes and junction boxes within the Golf Center of Palm Desert, which experienced severe deterioration from corrosion. This project is under construction.



Project Objectives

The objective of this project is to rehabilitate all six existing sewer manholes with structural manhole inserts and rehabilitate Junction Structures No. 32 and No. 17 with rectangular structural inserts.

Schedule

Start : 07/01/2019 Complete : 06/30/2022 Project Status : Construction

Estimated Project Cost (\$)	885,460
Capitalized Labor	9,310
Construction	648,650
Other	27,500
Planning/Design	200,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
64,000	671,460	150,000	0	0	0	0

Other Financial Impact	Reduce annual operating costs for labor and equipment necessary to clean the sewer pipeline to maintain level of service.	
Operational Impact	The project will maximize collection capacity and increase redundancy/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"/>

Sanitation

Lift Station 55-11 Capacity Upgrade (Mecca)

Project Number: LS0005

Project Description

This project includes 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 per the Sewer Collection System Master Plan.



Project Objectives

The objective of this project is to increase lift station capacity, provide redundancy, and provide for better odor control.

Schedule

Start :	07/01/2021	Complete :	06/28/2024	Project Status :	Planning
---------	------------	------------	------------	------------------	----------

Estimated Project Cost (\$)	6,386,000
Capitalized Labor	184,120
Construction	5,209,880
Other	106,000
Planning/Design	886,000

Funding Source	%
Pay-as-you-go	50
SCC Collection	50

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
186,000	0	250,000	4,750,000	1,200,000	0	0

Other Financial Impact	Decrease labor through reduced call outs.		
Operational Impact	Eliminate the potential for Sanitary System Overflows.		
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 design and construction of a new 12-foot diameter wet well, pumps, piping, electrical cabinets, generator, controls, perimeter block wall, and other site features. The lift station improvements will accommodate growth in the community of Palm Desert per the Sewer Collection System Master Plan.



Project Objectives

The objective of this project is to replace 21-year old infrastructure that is reaching capacity. The lift station improvements will accommodate growth in the community of Palm Desert per the Sewer Collection System Master Plan.

Schedule

Start : 07/01/2020 **Complete :** 06/30/2027 **Project Status :** Planning

Estimated Project Cost (\$)	5,114,000
Capitalized Labor	259,740
Construction	3,977,799
Other	76,461
Planning/Design	800,000

Funding Source	%
SCC Collection	50
Pay-as-you-go	50

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	64,000	450,000	1,800,000	0	150,000	2,200,000

Other Financial Impact	Additional electrical energy will be consumed and additional time to operate and maintain the new equipment on an annual basis. Construction of this project will be performed beyond fiscal 2026 in the estimated amount of \$450,000.	
Operational Impact	The project will maximize collection capacity and increase redundancy/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"/>

Sanitation

Monroe Street Trunk Sewer

Project Number: SA1905

Project Description

This project includes grant funding support and preliminary engineering for a new sewer pipeline along Monroe Street from Avenue 62 to Avenue 64. This is a septic-to-sewer conversion project to expand CVWD's service area using available grant funding opportunities.



Project Objectives

The objective of the project is to use 100% grant funding for septic-to-sewer conversion within the disadvantaged community (DAC). The project will result in significant cost savings for the sanitation services of the community.

Schedule

Start :	07/01/2019	Complete :	06/30/2023	Project Status :	Planning
---------	------------	------------	------------	------------------	----------

Estimated Project Cost (\$)	1,480,000
Capitalized Labor	83,120
Construction	1,115,000
Other	1,880
Planning/Design	280,000

Funding Source	%
Grant	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
30,000	50,000	1,150,000	250,000	0	0	0

Other Financial Impact	The project will provide reliable centralized sewer service to the DAC community and expand CVWD's sewer service through available grant funding.		
Operational Impact	\$10,000 per year for additional O&M cost for the maintenance of 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 onsite 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 15-inch diameter required for the development to 10-inch diameter to 18-inch diameter to provide 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 onsite gravity pipelines.

Schedule

Start :	07/01/2021	Complete :	06/30/2023	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 2022	FY 2023	FY 2024	FY 2025	FY 2026
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"/>

Sanitation

Sewer Manhole Rehabilitation Project - Rancho Mirage, Palm Desert, and La Quinta

Project Number: SA2102

Project Description

This project includes replacing approximately 38 deteriorating sewer manholes within the City of Rancho Mirage and City of Palm Desert. The sewer manholes are deteriorating, requiring complete removal and replacement.



Project Objectives

The objective of this project is to increase the reliability of service and reduce the potential of sanitary system overflows and associated regulatory fines by replacement or rehabilitation of severely corroded manholes.

Schedule

Start : 06/30/2020 Complete : 06/30/2025 Project Status : Construction

Estimated Project Cost (\$)	1,674,826
Capitalized Labor	108,935
Construction	1,442,610
Other	23,281
Planning/Design	100,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	322,965	337,965	337,965	337,965	337,966	0

Other Financial Impact	The project will reduce O&M costs associated with frequent sewer line cleaning and CCTV assessment.		
Operational Impact	The project will increase reliability of service and meet customer satisfaction goals.		
Discretionary	<input type="checkbox"/>	Non – Discretionary	<input checked="" type="checkbox"/>

Sewer Pipeline Rehabilitation - Palm Desert and Thousands Palms

Project Number: SA2104

Project Description

This project includes installing approximately 9,500 linear feet of cured-in-place pipe within the City of Palm Desert and the community of Thousand Palms and refurbishing two manholes on Varner Road. The project will address existing sags and longitudinal cracks within the sewer pipeline and deteriorating sewer manholes.



Project Objectives

The objective of this project is to increase sewer pipeline reliability, prevent potential sewer spills, repair sags in pipe, and refurbish deteriorated manholes.

Schedule

Start : 07/01/2020 Complete : 06/30/2022 Project Status : Planning

Estimated Project Cost (\$)	1,900,200
Capitalized Labor	116,199
Construction	1,582,400
Other	11,448
Planning/Design	190,153

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	259,200	1,641,000	0	0	0	0

Other Financial Impact	Reduce annual operating costs for labor and equipment necessary to clean the sewer pipeline to maintain 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"/>

Sanitation

Sewer Pipeline Rehabilitation - Avenue 50

Project Number: SA2103

Project Description

This project includes replacing approximately 1,100 linear feet of existing 18-inch diameter gravity sewer pipeline and appurtenances within the City of La Quinta. The sewer rehabilitation will address existing sags and longitudinal cracks.



Project Objectives

The objective of this project is to increase sewer pipe reliability, prevent potential sewer spills, repair cracks in pipe, and repair sags in pipe.

Schedule

Start :	10/20/2020	Complete :	11/30/2022	Project Status :	Design
---------	------------	------------	------------	------------------	--------

Estimated Project Cost (\$)	948,000
Capitalized Labor	64,240
Construction	759,000
Other	21,760
Planning/Design	103,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	48,000	900,000	0	0	0	0

Other Financial Impact	Reduce annual operating costs for labor and equipment necessary to clean the sewer pipeline to maintain 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 type="checkbox"/>	Non - Discretionary	<input checked="" type="checkbox"/>

Sewer Pipeline Rehabilitation - Fred Waring Drive

Project Number: SA1403

Project Description

This project includes replacing approximately 1,800 linear feet of an existing 10-inch diameter gravity sewer pipeline and appurtenances within the City of Palm Desert. The sewer rehabilitation will address existing sags and longitudinal cracks. Construction of this project will also ensure reliability of service within the City of Palm Desert and reduce the possibility of potential sanitary sewer overflows in the event of failure.



Project Objectives

The objective of this project is to replace existing, deteriorated 10-inch diameter vitrified clay pipe (VCP) sewer main in the City of Palm Desert to increase the reliability of service and reduce the potential of accidental failure leading to sanitary sewer overflows (SSOs).

Schedule

Start : 06/14/2016 Complete : 06/30/2022 Project Status : Design

Estimated Project Cost (\$)	1,870,000
Construction	1,618,460
CVWD Labor	96,540
Other	10,000
Planning/Design	145,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
110,000	10,000	1,750,000	0	0	0	0

Other Financial Impact	Construction of new pipeline will reduce operations cost and also reduce the potential of SSOs and associated regulatory fines.		
Operational Impact	New pipeline will reduce needs for frequent sewer line cleaning and CCTV assessment potentially saving \$20,000 in O&M costs per year.		
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary	<input type="checkbox"/>

Sanitation

Sewer Pipeline Rehabilitation - Fairway Drive

Project Number: SA1603

Project Description

This project includes replacing approximately 1,350 linear feet of existing 10-inch diameter gravity sewer pipeline and appurtenances within the City of Indian Wells. The sewer rehabilitation will address existing sags and longitudinal cracks.



Project Objectives

The objective of this project is to increase sewer pipe reliability, prevent potential sewer spills, repair cracks in pipe, and repair sags in pipe.

Schedule

Start : 06/30/2019 Complete : 11/30/2022 Project Status : Design

Estimated Project Cost (\$)	829,000
Capitalized Labor	68,080
Construction	671,600
Other	26,000
Planning/Design	63,320

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	63,000	766,000	0	0	0	0

Other Financial Impact	Reduce annual operating costs for labor and equipment necessary to clean the sewer pipeline to maintain 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 type="checkbox"/>	Non - Discretionary <input checked="" 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.



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 (\$)	3,212,000
Capitalized Labor	160,620
Construction	2,794,380
Other	10,000
Planning/Design	247,000

Funding Source*	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
2,000	150,000	60,000	400,000	1,600,000	1,000,000	0

Other Financial Impact	Additional electricity and labor cost to maintain the new meter vault and monitoring equipment. *Nonpotable Water Pipeline Connection projects funded 100% Pay-Go Fiscal Year 2021-22, planned funding for future years consists of 10% Pay-Go and 90% debt financing.		
Operational Impact	This project will expand CVWD's service area for the delivery of nonpotable water. Connecting this project to the NPW delivery system will save approximately 1,262 acre-feet of groundwater per year.		
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary	<input type="checkbox"/>

Sanitation

Bermuda Dunes Country Club NPW Connection

Project Number: C01506

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 Bermuda Dunes Country Club. The connection will allow the golf course to reduce its reliance on groundwater for turf irrigation purposes. This project is under construction.



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 1,283 acre-feet of groundwater per year.

Schedule

Start : 01/02/2019 Complete : 10/10/2023 Project Status : Design

Estimated Project Cost (\$)	4,393,000
Capitalized Labor	598,830
Construction	3,234,780
Other	59,390
Planning/Design	500,000

Funding Source	%
Pay-as-you-go	10
State Revolving Loan	90

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
593,000	200,000	1,800,000	1,800,000	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 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.



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 : 06/30/2025 Project Status : Planning

Estimated Project Cost (\$)	1,075,000
Capitalized Labor	160,620
Construction	654,380
Other	10,000
Planning/Design	250,000

Funding Source*	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	0	50,000	25,000	500,000	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. *Nonpotable Water Pipeline Connection projects funded 100% Pay-Go Fiscal Year 2021-22, planned funding for future years consists of 10% Pay-Go and 90% debt financing.		
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.



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
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Estimated Project Cost (\$)	3,512,000
Capitalized Labor	107,080
Construction	3,147,920
Other	10,000
Planning/Design	247,000

Funding Source*	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
2,000	150,000	60,000	500,000	1,800,000	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. *Nonpotable Water Pipeline Connection projects funded 100% Pay-Go Fiscal Year 2021-22, planned funding for future years consists of 10% Pay-Go and 90% debt financing.	
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"/>

Sanitation

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 the 24-inch diameter low pressure NPW distribution piping system to Marriott Desert Springs North Course. The connection will allow the golf course to reduce its reliance on groundwater for turf irrigation purposes.



Project Objectives

The objective of this project is to expand CVWD's NPW service area and reduce reliance on groundwater for turf irrigation. Connecting this project to NPW delivery system will save approximately 1,383 acre-feet of groundwater per year.

Schedule

Start :	06/14/2016	Complete :	06/30/2025	Project Status :	Design
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Estimated Project Cost (\$)	5,426,000
Capitalized Labor	214,160
Construction	4,763,840
Other	0
Planning/Design	448,000

Funding Source*	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
46,000	5,000	25,000	100,000	250,000	5,000,000	0

Other Financial Impact	\$5,000 per year for additional electricity and material cost to maintain the new meter vault and monitoring equipment. *Nonpotable Water Pipeline Connection projects funded 100% Pay-Go Fiscal Year 2021-22, planned funding for future years consists of 10% Pay-Go and 90% debt financing.		
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 the future 18-inch diameter low pressure distribution piping system to Marriott Shadow Ridge. The connection will allow the golf course to reduce its reliance on groundwater for turf irrigation purposes.



Project Objectives

The objective of this project is to expand CVWD's 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 :	06/30/2025	Project Status :	Design
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Estimated Project Cost (\$)	5,405,000
Capitalized Labor	107,080
Construction	4,936,920
Other	10,000
Planning/Design	351,000

Funding Source*	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
348,000	7,000	25,000	25,000	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. *Nonpotable Water Pipeline Connection projects funded 100% Pay-Go Fiscal Year 2021-22, planned funding for future years consists of 10% Pay-Go and 90% debt financing.		
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"/>

Sanitation

Palm Desert Resort Country Club NPW Connection

Project Number: NP1802

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 Desert Resort Country Club. The connection will allow the golf course to reduce its reliance on groundwater for turf irrigation purposes. This project is currently under construction.



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 874 acre-feet of groundwater per year.

Schedule

Start : 06/13/2017 Complete : 10/11/2023 Project Status : Construction

Estimated Project Cost (\$)	2,250,000
Capitalized Labor	142,420
Construction	1,350,000
Other	505,580
Planning/Design	252,000

Funding Source*	%
Pay-as-you-go	10
State Revolving Loan	90

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
250,000	200,000	1,500,000	300,000	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. *Nonpotable Water Pipeline Connection projects funded 100% Pay-Go Fiscal Year 2021-22, planned funding for future years consists of 10% Pay-Go and 90% debt financing.	
Operational Impact	\$5,000 per year for labor related to maintenance/calibration of control valve and meter.	
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary <input type="checkbox"/>

Palm Royale Country Club NPW Connection

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.



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 (\$)	3,512,000
Capitalized Labor	104,400
Construction	3,150,600
Other	10,000
Planning/Design	247,000

Funding Source*	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
2,000	150,000	60,000	500,000	1,800,000	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.
 *Nonpotable Water Pipeline Connection projects funded 100% Pay-Go Fiscal Year 2021-22, planned funding for future years consists of 10% Pay-Go and 90% debt financing.

Operational Impact \$5,000 per year for labor related to maintenance/calibration of control valve and meter.

Discretionary **Non - Discretionary**

Sanitation

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.



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 :	01/01/2021	Complete :	06/30/2025	Project Status :	Planning
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Estimated Project Cost (\$)	3,212,000
Capitalized Labor	160,620
Construction	2,766,380
Other	18,000
Planning/Design	267,000

Funding Source*	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
2,000	150,000	60,000	400,000	1,600,000	1,000,000	0

Other Financial Impact *Nonpotable Water Pipeline Connection projects funded 100% Pay-Go Fiscal Year 2021-22, planned funding for future years consists of 10% Pay-Go and 90% debt financing.

Operational Impact None.

Discretionary



Non – Discretionary



Shadow Hills High School NPW Connection

Project Number: NP2203

Project Description

This project includes the design and construction of a nonpotable water (NPW) pipeline, meter connection, and pump capacity upgrade from WRP 7's NPW distribution system to Shadow Hills High School. The connection will allow the high school to reduce its reliance on groundwater for turf irrigation purposes.



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 40 acre-feet of groundwater per year.

Schedule

Start : 03/26/2021 **Complete :** 06/30/2025 **Project Status :** Design

Estimated Project Cost (\$)	825,000
Capitalized Labor	87,700
Construction	577,300
Other	10,000
Planning/Design	150,000

Funding Source*	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	0	50,000	25,000	500,000	250,000	0

Other Financial Impact	Additional electricity and labor cost to maintain the new meter vault and monitoring equipment. *Nonpotable Water Pipeline Connection projects funded 100% Pay-Go Fiscal Year 2021-22, planned funding for future years consists of 10% Pay-Go and 90% debt financing.
Operational Impact	This project will expand CVWD's service area for the delivery of nonpotable water. Connecting this project to the NPW delivery system will save approximately 40 acre-feet of groundwater per year.
Discretionary	<input checked="" type="checkbox"/> Non - Discretionary <input type="checkbox"/>

Sanitation

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 the Mid-Valley Pipeline to Southwest Community Church and Gerald Ford School. The connection will allow the irrigation users to reduce reliance on groundwater for turf irrigation purposes.



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 (\$)	3,262,000
Capitalized Labor	80,310
Construction	2,974,690
Other	10,000
Planning/Design	197,000

Funding Source*	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
2,000	200,000	60,000	400,000	1,600,000	1,000,000	0

Other Financial Impact	*Nonpotable Water Pipeline Connection projects funded 100% Pay-Go Fiscal Year 2021-22, planned funding for future years consists of 10% Pay-Go and 90% debt financing.		
Operational Impact	None.		
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.



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 :	01/01/2022	Complete :	06/30/2025	Project Status :	Planning
----------------	------------	-------------------	------------	-------------------------	----------

Estimated Project Cost (\$)	1,075,000
Capitalized Labor	160,620
Construction	750,000
Other	10,000
Planning/Design	154,380

Funding Source*	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	0	50,000	25,000	500,000	500,000	0

Other Financial Impact	Additional electricity and labor cost to maintain the new meter vault and monitoring equipment. *Nonpotable Water Pipeline Connection projects funded 100% Pay-Go Fiscal Year 2021-22, planned funding for future years consists of 10% Pay-Go and 90% debt financing.	
Operational Impact	This project will expand CVWD's service area for the delivery of nonpotable water. Connecting this project to the NPW delivery system will save approximately 985 acre-feet of groundwater per year.	
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary <input type="checkbox"/>

Sanitation

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.



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 (\$)	3,212,000
Capitalized Labor	61,210
Construction	2,933,790
Other	20,000
Planning/Design	197,000

Funding Source*	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
2,000	150,000	60,000	400,000	1,600,000	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. *Nonpotable Water Pipeline Connection projects funded 100% Pay-Go Fiscal Year 2021-22, planned funding for future years consists of 10% Pay-Go and 90% debt financing.		
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"/>

T1 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 nonpotable water (NPW) system and 9,000 GPM additional flow capacity for the high pressure NPW delivery system. Both low and high pressure NPW delivery systems will also be equipped with one standby pump. The new pump station will also require construction of a new MCC building, wet well, and interconnecting piping between the recycled water pipeline and existing equalization basin. This project is required to support the expansion of the NPW delivery to five new projects on the high pressure system and two new projects on the 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 low and high pressure NPW service area.

Schedule

Start :	06/13/2017	Complete :	06/30/2024	Project Status :	Construction
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Estimated Project Cost (\$)	28,276,540
Capitalized Labor	511,400
Construction	26,270,140
Other	35,000
Planning/Design	1,460,000

Funding Source	%
Pay-as-you-go	10
State Revolving Loan	90

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
692,000	1,534,540	11,150,000	7,400,000	7,500,000	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 expansion of NPW delivery to five new projects on the high pressure system and two new projects on the low pressure system. The project will also support future customers on high and low pressure NPW service area.		
Discretionary	<input type="checkbox"/>	Non – Discretionary	<input checked="" type="checkbox"/>

Sanitation

Talavera NPW Connection

Project Number: NP2202

Project Description

This project includes design and construction of an 8-inch diameter nonpotable water (NPW) pipeline and meter connection from the existing 18-inch diameter NPW pipeline located at the intersection of Avenue 38 and Jefferson Street in the City of Indio to the Talavera development. The connection will allow the Talavera HOA to reduce its reliance on groundwater for irrigation purposes.



Project Objectives

The objective of this project is to expand CVWD's NPW service area and reduce reliance on groundwater for 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 :	06/30/2025	Project Status :	Planning
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Estimated Project Cost (\$)	825,000
Capitalized Labor	87,700
Construction	577,300
Other	10,000
Planning/Design	150,000

Funding Source*	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	0	50,000	25,000	500,000	250,000	0

Other Financial Impact	Additional electricity and labor cost to maintain the new meter vault and monitoring equipment. *Nonpotable Water Pipeline Connection projects funded 100% Pay-Go Fiscal Year 2021-22, planned funding for future years consists of 10% Pay-Go and 90% debt financing.		
Operational Impact	This project will expand CVWD's service area for the delivery of nonpotable water. Connecting this project to the NPW delivery system will save approximately 107 acre-feet of groundwater per year.		
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.



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 :	06/30/2027	Project Status :	Planning
---------	------------	------------	------------	------------------	----------

Estimated Project Cost (\$)	3,212,000
Capitalized Labor	233,520
Construction	2,661,480
Other	20,000
Planning/Design	297,000

Funding Source*	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
2,000	150,000	60,000	400,000	1,600,000	1,000,000	0

Other Financial Impact	*Nonpotable Water Pipeline Connection projects funded 100% Pay-Go Fiscal Year 2021-22, planned funding for future years consists of 10% Pay-Go and 90% debt financing.		
Operational Impact	None.		
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary	<input type="checkbox"/>

Sanitation

The Oasis Country Club NPW Connection

Project Number: NP1803

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 The Oasis Country Club. The connection will allow the golf course to reduce its reliance on groundwater for turf irrigation purposes. This project is under construction.



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 673 acre-feet of groundwater per year.

Schedule

Start :	06/13/2017	Complete :	10/11/2023	Project Status :	Construction
----------------	------------	-------------------	------------	-------------------------	--------------

Estimated Project Cost (\$)	6,903,000
Capitalized Labor	303,220
Construction	5,459,380
Other	50,000
Planning/Design	1,090,400

Funding Source	%
Pay-as-you-go	10
State Revolving Loan	90

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
455,000	600,000	4,248,000	1,600,000	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 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.



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 :	06/30/2025	Project Status :	Design
---------	------------	------------	------------	------------------	--------

Estimated Project Cost (\$)	3,512,000
Capitalized Labor	114,580
Construction	3,140,420
Other	10,000
Planning/Design	247,000

Funding Source*	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
2,000	150,000	60,000	500,000	1,800,000	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. *Nonpotable Water Pipeline Connection projects funded 100% Pay-Go Fiscal Year 2021-22, planned funding for future years consists of 10% Pay-Go and 90% debt financing.		
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"/>

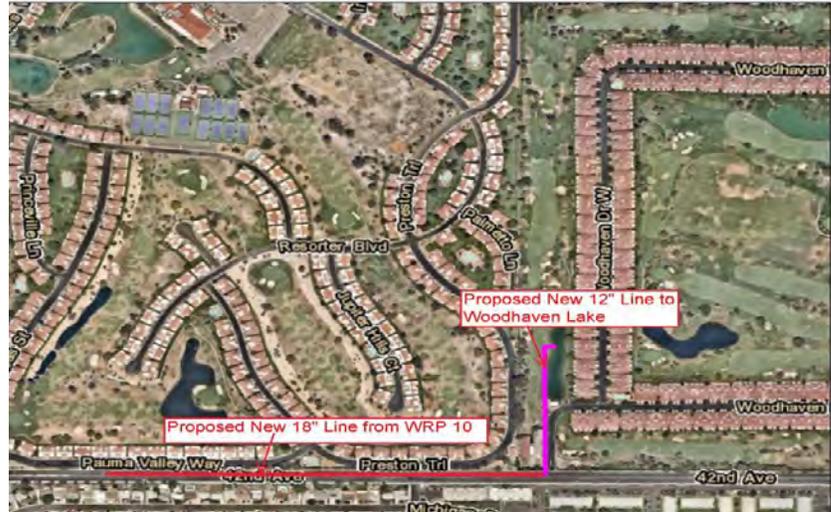
Sanitation

Woodhaven Country Club NPW Connection

Project Number: NP1804

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 Woodhaven Country Club. The connection will allow the golf course to reduce its reliance on groundwater for turf irrigation purposes. This project is under construction.



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 870 acre-feet of groundwater per year.

Schedule

Start :	06/13/2017	Complete :	10/11/2023	Project Status :	Construction
----------------	------------	-------------------	------------	-------------------------	--------------

Estimated Project Cost (\$)	2,131,000
Capitalized Labor	251,020
Construction	1,227,211
Other	400,000
Planning/Design	252,769

Funding Source	%
State Revolving Loan	90
Pay-as-you-go	10

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
231,000	200,000	1,400,000	300,000	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 type="checkbox"/>	Non – Discretionary	<input checked="" type="checkbox"/>

Young's Farmland NPW Connection

Project Number: NP2002

Project Description

This project includes design and construction of an 8-inch diameter nonpotable water (NPW) pipeline and meter connection from the existing 18-inch diameter NPW pipeline located at the intersection of Avenue 38 and Jefferson Street in the City of Indio to the Young's family farms. The connection will allow the agricultural farmland to reduce its reliance on groundwater for irrigation purposes.



Project Objectives

The objective of this project is to expand CVWD's NPW service area and reduce reliance on groundwater for agricultural irrigation.

Schedule

Start :	01/01/2020	Complete :	06/30/2025	Project Status :	Design
----------------	------------	-------------------	------------	-------------------------	--------

Estimated Project Cost (\$)	924,000
Capitalized Labor	104,400
Construction	559,600
Other	10,000
Planning/Design	250,000

Funding Source*	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
129,000	10,000	25,000	10,000	500,000	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. *Nonpotable Water Pipeline Connection projects funded 100% Pay-Go Fiscal Year 2021-22, planned funding for future years consists of 10% Pay-Go and 90% debt financing.		
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"/>

Sanitation



WRP 7 Control Panels

STORMWATER



Stormwater

STORMWATER PROJECTS

Planned Stormwater Fund projects for fiscal 2022 amount to over \$62 million. Funding includes approximately \$33.8 million in Pay-Go, \$2.3 million in grants and over \$25.9 in debt financing.

PROJECT NAME	FUNDING SOURCE %		BUDGET		PLANNED			TOTAL		
	PAY-GO	GRANT	FY 2022	DEBT	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	5-YEAR
Districtwide Project Allocation	100%	-	\$236,500	-	\$72,600	\$39,100	\$39,100	\$39,100	\$17,500	\$404,800
Subtotal Districtwide Project Allocation			\$236,500		\$72,600	\$39,100	\$39,100	\$39,100	\$17,500	\$404,800
Stormwater										
Coachella Valley Stormwater Channel Improvements - Avenue 54 to the Thermal Drop Structure	51%	-	\$26,000,000	49%	\$26,000,000	\$804,000	\$-	\$-	\$-	\$52,804,000
Coachella Valley Stormwater Channel Bank Protection- Ave 62 to Ave 64 and Fillmore Ditch Outfall	100%	-	50,000	-	-	-	-	-	-	50,000
Coachella Valley Multiple Species Habitat Conservation Plan Constructed Wetlands	100%	-	100,000	-	3,300,000	3,300,000	3,300,000	3,300,000	-	10,000,000
East Side Dike, Phase 2 (Interstate 10 to North Shore)	100%	-	250,000	-	200,000	200,000	4,800,000	4,800,000	4,800,000	10,250,000
East Side Dike Improvement, Phase 1 (Dune Palms to Interstate 10)	25%	75%	3,000,000	-	623,000	-	-	-	-	3,623,000
East Side Dike Realignment between Wasteway No. 3 and Dillon Road	100%	-	50,000	-	50,000	900,000	-	-	-	1,000,000
Evaluation and Installation of Rainfall Gages	100%	-	70,000	-	50,000	50,000	50,000	50,000	50,000	270,000
Flood Easement Renewal - White Water River Stormwater Channel	100%	-	240,700	-	-	-	-	-	-	240,700
Kings Road Regional Stormwater Facility for the Oasis Area	100%	-	-	-	200,000	300,000	300,000	500,000	800,000	1,800,000
Levee Certification for Whitewater River Stormwater Channel / Coachella Valley Stormwater Channel (Vista Chino to Monroe Street)	100%	-	800,000	-	-	-	-	-	-	800,000
Levee Certification for WWRSC from Ramon Road Bridge to Country Club Drive, Phase 2	100%	-	200,000	-	600,000	-	-	-	-	800,000
Marlinez Canyon (Avenue 68) Regional Stormwater Facility for the Oasis Area	100%	-	-	-	500,000	500,000	500,000	800,000	122,000	1,922,000
North Cathedral City Stormwater Master Plan, Phase 1	100%	-	250,000	-	3,750,000	4,300,000	150,000	150,000	-	8,450,000
North Indio Regional Flood Control System	51%	-	27,000,000	49%	27,000,000	104,000	-	-	-	54,104,000
Thousand Palms Channel Improvement from Sun City Shadow Channel to the CVSC	100%	-	100,000	-	600,000	3,900,000	10,000	10,000	-	4,610,000
Thousand Palms Flood Control	100%	-	500,000	-	500,000	500,000	19,750,000	20,000,000	20,000,000	41,250,000
Whitewater River Channel Bank Protection Upstream of Cook Street	100%	-	1,700,000	-	-	-	-	-	-	1,700,000
Whitewater River Stormwater Channel Bank Slope Protection Adjacent to WRP 10	100%	-	1,500,000	-	-	-	-	-	-	1,500,000
Subtotal Stormwater			\$61,810,700		\$63,373,000	\$14,858,000	\$29,360,000	\$25,772,000	\$195,173,700	
Total Stormwater			\$62,047,200		\$63,445,600	\$14,897,100	\$29,399,100	\$25,789,500	\$195,578,500	
FUNDING SOURCES	FUNDING %	BUDGET	PLANNED	TOTAL	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	5-YEAR
Pay-Go	55%	\$33,827,200	\$37,008,350	\$140,476,330	\$14,452,180	\$29,399,100	\$25,789,500	\$140,476,330		
Grant	4%	2,250,000	467,250	2,717,250	-	-	-	-	-	
Debt	41%	25,970,000	25,970,000	52,384,920	444,920	-	-	-	-	
Total Stormwater		\$62,047,200	\$63,445,600	\$195,578,500	\$14,897,100	\$29,399,100	\$25,789,500	\$195,578,500		

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 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 : 07/01/2021 Complete : 06/30/2024 Project Status : Construction

Estimated Project Cost (\$)	57,689,000
Capitalized Labor	765,466
Construction	54,514,720
Other	35,000
Planning/Design	2,373,814

Funding Source	%
Pay-as-you-go	51
WIFIA Loan	49

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
1,885,000	3,000,000	26,000,000	26,000,000	804,000	0	0

Other Financial Impact	This project is selected to receive a WIFIA loan that could cover 49% of the capital improvement cost for the project.		
Operational Impact	The project when constructed will require an additional cost of \$10,000 a year for O&M to maintain conveyance capacity.		
Discretionary	<input type="checkbox"/>	Non - Discretionary	<input checked="" type="checkbox"/>

Stormwater

Coachella Valley Stormwater Channel Bank Protection Avenue 62 to Avenue 64 and Fillmore Ditch Outfall

Project Number: SW1701

Project Description

This project includes constructing concrete bank protection on the west bank of the Coachella Valley Stormwater Channel (CVSC) adjacent to Wastewater Reclamation Plant No. 4 (WRP 4) facility. The project also includes the construction of Fillmore Irrigation Ditch Outfall to connect the constructed Fillmore Street Irrigation Ditch (channel) with the CVSC. It is located between Avenue 62 and Avenue 64 in the unincorporated portion of Riverside County. This project is under construction.



Project Objectives

The objective of this project is to complete the protection of the WRP 4 facility from regional stormwater flooding as well as provide protection from associated erosion and scour.

Schedule

Start : 07/01/2019 Complete : 06/30/2022 Project Status : Construction

Estimated Project Cost (\$)	11,661,591
Capitalized Labor	279,773
Construction	10,877,394
Other	20,000
Planning/Design	484,424

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
7,086,000	4,525,591	50,000	0	0	0	0

Other Financial Impact	There will be an additional annual O&M cost of \$5,000 or less.	
Operational Impact	Annual operation and maintenance of the Fillmore Irrigation Ditch Outfall including sediment removal following significant flooding will be required once the project is constructed.	
Discretionary	<input type="checkbox"/>	Non - Discretionary <input checked="" type="checkbox"/>

Coachella Valley Multiple Species Habitat Conservation Plan Constructed Wetlands

Project Number: SW0044

Project Description

This project includes design, construction, and establishment of permanent riparian and wetland habitat within the Coachella Valley Stormwater Channel and Delta Conservation Area in accordance with the Coachella Valley Multiple Species Habitat Conservation Plan.



Project Objectives

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 (\$)	10,626,000
Capitalized Labor	323,270
Construction	9,787,730
Other	15,000
Planning/Design	500,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
526,000	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. Project will be transferred to the Coachella Valley Conservation Commission upon completion.		
Discretionary	<input type="checkbox"/>	Non - Discretionary	<input checked="" type="checkbox"/>

Stormwater

East Side Dike, Phase 2 (Interstate 10 to North Shore)

Project Number: SW2001

Project Description

This project includes preparing design and environmental documentation based on the finalized hydrology, hydraulic analyses, scour analyses and geotechnical investigation performed for the 17-mile East Side Dike (Dike). The goal is to identify and mitigate required improvements to certify the Dike as a regional stormwater facility to the Federal Emergency Management Agency (FEMA).



Project Objectives

The objective of this project is to identify mitigation needs and construct required improvements to certify the East Side Dike as compliant to 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 :	12/14/2020	Complete :	06/30/2026	Project Status :	Design
---------	------------	------------	------------	------------------	--------

Estimated Project Cost (\$)	11,022,000	Funding Source	%
Capitalized Labor	186,957	Pay-as-you-go	100
Construction	8,951,026		
Other	383,472		
Planning/Design	1,500,545		

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
472,000	300,000	500,000	100,000	50,000	4,800,000	4,800,000

Other Financial Impact	The funding for this phase can be augmented through WIFIA loan or grants.		
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"/>

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 end portion of the East Side Dike (Dike) levee (~3,500 linear feet) and certifying the Dike from Dune Palms Road to Interstate 10 to the Federal Emergency Management Agency (FEMA) as a regional stormwater facility. This will be followed by a submittal of a Letter of Map Revision 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 :	07/01/2021	Complete :	12/30/2022	Project Status :	Construction
---------	------------	------------	------------	------------------	--------------

Estimated Project Cost (\$)	4,577,274
Capitalized Labor	186,050
Construction	3,808,224
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 2022	FY 2023	FY 2024	FY 2025	FY 2026
651,000	303,274	3,000,000	623,000	0	0	0

Other Financial Impact	O&M cost is expected to increase by about \$10,000 per year following levee certification.	
Operational Impact	Additional O& M and annual levee inspection report required to maintain certification.	
Discretionary	<input type="checkbox"/>	Non - Discretionary <input checked="" type="checkbox"/>

Stormwater

East Side Dike Realignment between Wasteway No. 3 and Dillon Road

Project Number: SW2103

Project Description

This project includes the design for modifying and realigning a portion of the East Side Dike (Dike) between Wasteway No. 3 and Dillon Road to allow for vehicular access and maintenance on the southern slope of the Dike. Currently, about 3,600 linear feet of the Dike has development that encroached up to the U.S. Bureau of Reclamation right-of-way along the southerly slope which impedes access for maintenance.



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 a long-term maintenance of the southerly slope of the Dike.

Schedule

Start : 09/15/2020 Complete : 06/30/2026 Project Status : Design

Estimated Project Cost (\$)	1,200,000
Capitalized Labor	94,692
Construction	871,712
Other	68,370
Planning/Design	165,226

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	200,000	50,000	50,000	900,000	0	0

Other Financial Impact	No additional financial impact is expected.					
Operational Impact	It improves or makes O&M cost effective for the long-term					
Discretionary	<input type="checkbox"/>	Non – Discretionary			<input checked="" type="checkbox"/>	

Evaluation and Installation of Rainfall Gauges

SW1606

Project Description

This project includes installing additional rainfall gauges within the Coachella Valley to increase coverage of rainfall data collection.



Typical Rain Gauge (Photo Courtesy of CVWD)



Typical Rain Gauge in Remote Location (Photo Courtesy of CVWD)

Project Objectives

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 into the future.

Schedule

Start : 07/01/2019 Complete : 06/30/2026 Project Status : Construction

Estimated Project Cost (\$)	528,475
Capitalized Labor	48,475
Construction	75,000
Other	405,000
Planning/Design	0

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
196,000	63,000	70,000	50,000	50,000	50,000	50,000

Other Financial Impact	No additional financial impact.		
Operational Impact	The addition of rainfall gauging stations will provide a better representation of the aerial distribution of observed rainfall storms within the Coachella Valley.		
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary	<input type="checkbox"/>

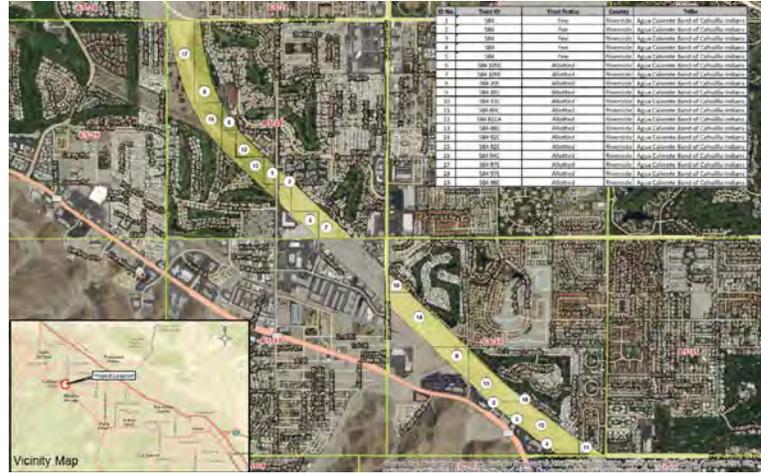
Stormwater

Flood Easement Renew - 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 with the valley.

Schedule

Start : 07/01/2019 Complete : 06/30/2023 Project Status : Complete

Estimated Project Cost (\$)	877,700
Capitalized Labor	17,000
Contracted ROW Consultant	183,700
Legals and Plats	132,000
ROW Easement	525,000
Temporary Access Fees	20,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
228,000	300,000	240,700	0	0	0	0

Other Financial Impact	Minimal
Operational Impact	None
Discretionary	<input type="checkbox"/> Non-Discretionary <input checked="" type="checkbox"/> Discretionary

**Levee Certification for Whitewater River Stormwater Channel
Coachella Valley Stormwater Channel (Vista Chino to Monroe Street)**

Project Number: SW1602

Project Description

The project includes engaging a consultant to prepare design plans and specifications for the deficient levees of the Whitewater River Stormwater Channel between Vista Chino and Ramon Road. Hydraulic and geotechnical studies were completed which identified the locations of deficiencies in the levee.



Project Objectives

The objective of this project is to meet Federal Emergency Management Agency (FEMA) and CVWD requirements for levee certification by FEMA.

Schedule

Start : 06/12/2018 Complete : 06/30/2022 Project Status : Construction

Estimated Project Cost (\$)	1,251,600
Capitalized Labor	84,800
Construction	730,700
Other	86,100
Planning/Design	350,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
371,000	80,000	800,000	0	0	0	0

Other Financial Impact	No additional financial impact.	
Operational Impact	The project will ensure compliance with the FEMA's 100-Year standard for regional flood protection.	
Discretionary	<input type="checkbox"/>	Non - Discretionary <input checked="" type="checkbox"/>

Stormwater

Levee Certification for WWRSC from Ramon Road Bridge to Country Club Drive, Phase 2

Project Number: SW2102

Project Description

This project is to engage consultants to prepare a geotechnical report, design plans, and specifications for the deficient levees of the Whitewater River Stormwater Channel from Ramon Road to Country Club Drive.



Project Objectives

The objective of this project is to identify deficiencies of height in the existing levees downstream of Ramon Road, and mitigate those deficiencies by elevating the identified locations to meet FEMA and CVWD regulations.

Schedule

Start : 06/30/2020 Complete : 06/30/2023 Project Status : Design

Estimated Project Cost (\$)	1,100,000
Capitalized Labor	67,600
Construction	531,300
Other	101,100
Planning/Design	400,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	300,000	200,000	600,000	0	0	0

Other Financial Impact	The project will ensure compliance with the FEMA's 100-Year design standard for regional flood protection.	
Operational Impact	Reduced operation and maintenance costs for slope maintenance.	
Discretionary	<input type="checkbox"/>	<input checked="" type="checkbox"/> Non - Discretionary

North Cathedral City Stormwater Master Plan, Phase 1

Project Number: SW0001

Project Description

This project includes 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
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Estimated Project Cost (\$)	10,082,591
Capitalized Labor	554,000
Construction	6,398,591
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 2022	FY 2023	FY 2024	FY 2025	FY 2026
1,429,000	205,000	250,000	3,750,000	4,300,000	150,000	0

Other Financial Impact	The design, environmental documentation and construction of Phase 2 of this project is beyond 2024 in the amount of \$44,879,000.					
Operational Impact	The design and construction of the 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"/>		

Thousand Palms Channel Improvement from Sun City Shadow Hills Channel to the Coachella Valley Storm Channel

Project Number: SW2104

Project Description

This project includes providing engineering design services and preparation of environmental documentation for the Thousand Palms Channel Improvement Project from Coachella Siphon crossing the Sun City Shadow Hills (SCSH) channel to the Coachella Valley Stormwater Channel (CVSC). The project will provide final connectivity to convey regional stormwater flows from the SCSH channel to the CVSC.



Project Objectives

The objective of this project is to design, prepare environmental documentation and required environmental permits for the construction of Thousand Palms Channel improvements. This project will provide regional stormwater flow connectivity from the SCSH channel to the CVSC.

Schedule

Start : 09/08/2020 Complete : 06/30/2025 Project Status : Design

Estimated Project Cost (\$)	4,510,000
Capitalized Labor	173,300
Construction	4,021,700
Other	30,000
Planning/Design	285,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	300,000	100,000	600,000	3,900,000	10,000	0

Other Financial Impact Additional cost in the amount of \$5,000 or less is expected due to regular O&M following construction of the project.

Operational Impact There will be no additional operation impact expected other than required O & M.

Discretionary **Non-Discretionary**

Stormwater

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 : 06/30/2027 Project Status : Design

Estimated Project Cost (\$)	80,000,000
Capitalized Labor	891,300
Construction	64,700,000
Other	10,550,000
Planning/Design	3,858,700

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
4,664,000	250,000	500,000	500,000	500,000	19,750,000	20,000,000

Other Financial Impact	The project requires land acquisition prior to construction. . Construction of this project will be performed beyond fiscal 2026 in the estimated amount of \$34 million.		
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 Channel Bank Protection Upstream of Cook Street

Project Number: SW2003

Project Description

This project includes design and construction of approximately 2,500 linear feet of concrete slope protection for the Whitewater River Stormwater Channel (WWRSC) west of Cook Street. The purpose of this project is to reinforce the north bank to mitigate for scour and protect two sewer pipelines installed at the top of the slope.



Project Objectives

The objective of this project is to mitigate the potential for scour within the channel slope near Cook Street by reinforcing the slope with concrete slope protection.

Schedule

Start :	07/01/2019	Complete :	06/30/2022	Project Status :	Construction
---------	------------	------------	------------	------------------	--------------

Estimated Project Cost (\$)	3,215,008	Funding Source	%
Capitalized Labor	57,008	Pay-as-you-go	100
Construction	2,958,000		
Other	50,000		
Planning/Design	150,000		

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
115,000	100,000	3,000,000	0	0	0	0

Other Financial Impact	No additional financial impact.		
Operational Impact	This project reduces the operation and maintenance costs of slope maintenance for this reach of the WWRSC.		
Discretionary	<input type="checkbox"/>	Non - Discretionary	<input checked="" type="checkbox"/>

Stormwater

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 that will be the water source for the Palm Desert Groundwater Replenishment Phase 2 Facility.

Schedule

Start : 07/01/2019 Complete : 06/28/2024 Project Status : Design

Estimated Project Cost (\$)	2,000,000
Capitalized Labor	100,290
Construction	1,849,710
Other	50,000
Planning/Design	0

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	500,000	1,500,000	0	0	0	0

Other Financial Impact	Minimal.					
Operational Impact	Minimal.					
Discretionary	<input type="checkbox"/>	Non - Discretionary		<input checked="" type="checkbox"/>		

REPLENISHMENT



Replenishment

REPLENISHMENT PROJECTS

Planned East and West Whitewater Replenishment Funds projects for fiscal 2022 amount to approximately \$35 million and \$2.9 million, respectively. Funding for East Replenishment includes approximately \$34 million in debt financing, all other funding is from cash.

CAPITAL IMPROVEMENT BUDGET - EAST REPLENISHMENT

PROJECT NAME	FUNDING SOURCE %		BUDGET			PLANNED			TOTAL
	PAY-GO	DEBT	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	5-YEAR	
Districtwide Project Allocation	100%	-	\$201,500	\$69,000	\$35,500	\$35,500	\$17,500	\$359,000	
Subtotal Districtwide Project Allocation			\$201,500	\$69,000	\$35,500	\$35,500	\$17,500	\$359,000	
Madison Club - Avenue 54 Meter Connection	100%	-	\$800,000	\$-	\$-	\$-	\$-	\$800,000	
Oasis In-Lieu Recharge, Phase 2	-	100%	34,000,000	3,381,070	-	-	-	37,381,070	
Subtotal East Whitewater Replenishment			\$34,800,000	\$3,381,070	\$-	\$-	\$-	\$38,181,070	
Total East Whitewater			\$35,001,500	\$3,450,070	\$35,500	\$35,500	\$17,500	\$38,540,070	
FUNDING SOURCES	FUNDING %	BUDGET	PLANNED			TOTAL			
	FY 2022	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	5-YEAR		
Pay-Go	4%	\$1,001,500	\$69,000	\$35,500	\$35,500	\$17,500	\$1,159,000		
Grant	96%	34,000,000	3,381,070	-	-	-	37,381,070		
Total East Whitewater Replenishment		\$35,001,500	\$3,450,070	\$35,500	\$35,500	\$17,500	\$38,540,070		

CAPITAL IMPROVEMENT BUDGET - WEST REPLENISHMENT

PROJECT NAME	FUNDING SOURCE %		BUDGET				PLANNED			TOTAL 5-YEAR
	PAY-GO		FY 2022	FY 2023	FY 2024	FY 2025	FY 2026			
Districtwide Project Allocation	100%		\$156,500	\$61,800	\$28,300	\$28,300	\$17,500		\$292,400	
Subtotal Districtwide Project Allocation			\$156,500	\$61,800	\$28,300	\$28,300	\$17,500		\$292,400	
Automated Delivery for the Palm Desert Groundwater Replenishment Facility	100%		\$44,000	\$ -	\$ -	\$ -	\$ -		\$44,000	
Palm Desert Groundwater Replenishment Facility, Phase 2	100%		2,744,080	8,023,000	-	-	-		10,767,080	
Subtotal West Whitewater Replenishment			\$2,788,080	\$8,023,000	\$ -	\$ -	\$ -		\$10,811,080	
Total West Whitewater			\$2,944,580	\$8,084,800	\$28,300	\$28,300	\$17,500		\$11,103,480	
FUNDING SOURCES	FUNDING %	BUDGET	BUDGET				PLANNED			TOTAL
		FY 2022	FY 2023	FY 2024	FY 2025	FY 2026			5-YEAR	
Pay-Go	100%	\$2,944,580	\$8,084,800	\$28,300	\$28,300	\$17,500		\$11,103,480		
Total West Whitewater Replenishment		\$2,944,580	\$8,084,800	\$28,300	\$28,300	\$17,500		\$11,103,480		

Replenishment



Whitewater Replenishment Facility Improvement Project

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.



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 :	Design
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Estimated Project Cost (\$)	900,000
Capitalized Labor	89,140
Construction	700,860
Other	0
Planning/Design	110,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
0	100,000	800,000	0	0	0	0

Other Financial Impact	No additional impacts.					
Operational Impact	None.					
Discretionary	<input type="checkbox"/>	Non - Discretionary			<input checked="" type="checkbox"/>	

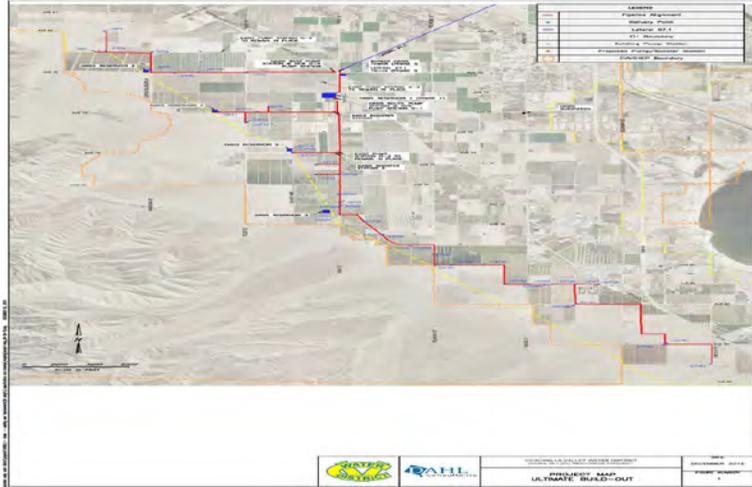
Replenishment

Oasis In-Lieu Recharge, Phase 2

Project Number: C02001

Project Description

This project includes the design and construction of four reservoirs, five pump stations and approximately 18 miles of distribution pipeline and an expansion of the irrigation distribution system to serve an additional 4,520 acres of land in the Oasis area. This will provide in-lieu recharge by converting groundwater pumping to Colorado River water. 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 to groundwater pumping.

Schedule

Start :	07/01/2019	Complete :	06/30/2024	Project Status :	Construction
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Estimated Project Cost (\$)	49,428,149
Capitalized Labor	621,200
Construction	47,000,000
Other	920,949
Planning/Design	886,000

Funding Source	%
Debt	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
468,000	11,579,079	34,000,000	3,381,070	0	0	0

Other Financial Impact	This project will include four reservoirs, five pump stations, and over 18 miles of 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"/>

Automated Delivery for Palm Desert Groundwater Replenishment Facility, Phase 1

Project Number: NP2001

Project Description

This project includes the installation of conduit and level sensors and high water-level pump shut off for the Palm Desert Groundwater Replenishment Phase 1 Facilities. This will allow the ponds to be monitored 24/7 to maximize replenishment. Nonpotable staff also have the ability to track water flow, pond levels, and valve operation at any time. Instrumentation at the replenishment ponds will save man-hours, eliminate multitasking of the WRP 10 Operators, and increase monitoring reliability.



Project Objectives

The objective of this project is to provide instrumentation for more efficient operation of the Palm Desert Groundwater Replenishment Phase 1 Facilities, reduce reliability of manual monitoring, and make monitoring information available in CVWD's SCADA System.

Schedule

Start :	07/15/2019	Complete :	06/30/2022	Project Status :	Planning
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Estimated Project Cost (\$)	91,000
Capitalized Labor	37,700
Construction	53,300
Other	0
Planning/Design	0

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
12,000	34,000	44,000	0	0	0	0

Other Financial Impact	Reduce manual monitoring.	
Operational Impact	Increase operational performance of the Palm Desert Groundwater Replenishment Phase 1 Facilities.	
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary <input type="checkbox"/>

Replenishment

Palm Desert Groundwater Replenishment Facility, Phase 2

Project Number: NP2204

Project Description

This project includes constructing ponds to replenish Colorado River Water (CRW) 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 CRW 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 AFY of CRW within the Whitewater River Storm Channel.

Schedule

Start : 07/16/2018 **Complete :** 06/30/2023 **Project Status :** Design

Estimated Project Cost (\$)	11,267,080
Capitalized Labor	0
Construction	909,157
Other	9,957,923
Planning/Design	400,000

Funding Source	%
Pay-as-you-go	100

Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
400,000	100,000	2,744,080	8,023,000	0	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 project will add operational cost Replenishment ponds will be designed to be operated manually.		
Discretionary	<input checked="" type="checkbox"/>	Non – Discretionary	<input type="checkbox"/>

MOTORPOOL



Motorpool

MOTORPOOL

Planned purchases for vehicles and heavy equipment for fiscal 2022 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 actual benefit of equipment received.

CAPITAL IMPROVEMENT BUDGET - MOTORPOOL

DEPARTMENT	DIVISION	YEAR/MAKE/MODEL OF VEHICLE BEING REPLACED	REPLACEMENT VEHICLE TYPE	BUDGET FY 2022
Vehicle and Equipment Replacements				
Facilities & Maintenance	Auto Shop	2002 Freight Liner Crane 30T 59K	Crane 30T 59K	\$179,000
Facilities & Maintenance	Stormwater & Drainage	2004 Sterling Dump Truck 54K	Dump Truck 58K	145,000
Operations	Domestic Construction	2004 Sterling Dump Truck 54K	Dump Truck 58K	145,000
Facilities & Maintenance	Auto Shop	2004 Sterling Fuel Truck 58K	Fuel Truck 58K	150,000
Facilities & Maintenance	Auto Shop	2005 Freight Liner Crane 15T 56K	Crane 15T 56K	170,000
Operations	Domestic Construction	2005 Intn'l Harvester Maintainer Truck 35K	F550 Utilibed Truck 26K 2WD w/Crane	125,000
Operations	Installation	2005 Sterling Dump Truck 54K	Dump Truck 58K	145,000
Operations	Domestic Valve Repair	2005 Sterling Dump Truck 54K	Dump Truck 58K	145,000
Operations	Domestic Construction	2005 Sterling Truck 35K	Tractor 64K	165,000
Operations	Installation	2006 Freight Line Truck 26K	F550 Utilibed Truck 26K 2WD w/Crane	125,000
Operations	Domestic Construction	2006 Freight Line Truck 26K	F550 Utilibed Truck 26K 2WD w/Crane	125,000
Facilities & Maintenance	Irrigation Distribution	2006 GMC Maintainer 2WD 25K	F550 Utilibed Truck 26K 2WD w/Crane	125,000
Facilities & Maintenance	Stormwater & Drainage	2006 Intn'l Harvester Water Truck 58K	Tractor 64K	165,000
Facilities & Maintenance	Canal	2006 Intn'l Harvester Water Truck 58K	Water Truck 58K	235,000
Operations	Domestic West Shores	2019 F650 26K Maintainer	Dump Truck 58K	145,000
Facilities & Maintenance	Stormwater & Drainage	1964, 1984 and 1987 John Deer 21Ft. Disks	Disk	60,000
Operations	Domestic Service Installation	2001 Intn'l Harvester Dump Truck 26K and 2007 Chevy Dump Truck 26K	Dump Truck 26K	120,000
Total Motorpool				<u>\$2,469,000</u>

MOTORPOOL FUNDING BY ENTERPRISE FUND	FUNDING % FY 2022	BUDGET FY 2022
Candl	22.2%	\$549,000
Domestic	56.4%	1,393,000
Replenishment	1.4%	35,000
Sanitation	9.9%	244,000
Stormwater	10.1%	248,000
Total Motorpool		<u>\$2,469,000</u>

ACRONYMS & GLOSSARY



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
AMP	Asset Management Program	CPP	COVID-19 Preparedness Plan
AMR	Automated Meter Reading	Cr3	Chromium-3
AMWA	Association of Metropolitan Water Agencies	Cr6	Chromium-6
AOB	Area of Benefit	CVB	Convention and Visitors Bureau
APN	Assessor's Parcel Number	CVCWD	Coachella Valley County Water District
AQMD	Air Quality Management District	CVMSHCP	Coachella Valley Multiple Species Habitat Conservation Plan
ARC	Annual Required Contribution	CVRWVG	Coachella Valley Regional Water Management Group
ASSET	Association of Supervisory Support Evaluation Team	CVSC	Coachella Valley Stormwater Channel
AWWA	American Water Works Association	CVWD	Coachella Valley Water District
BDCP	Bay-Delta Conservation Plan	CVWDEA	Coachella Valley Water District Employees Association
BIA	Bureau of Indian Affairs	CVWMP	Coachella Valley Water Management Plan
BLM	Bureau of Land Management	CWSRF	Clean Water State Revolving Fund
BPS	Booster Pump Station	DAC	Disadvantaged Community
CAD	Computer-Aided Design	DCP	Drought Contingency Plan
CAL	Coalition of Accredited Laboratories	DDW	Division of Drinking Water
CalPERS	California Public Employee's Retirement System	DHCCP	Delta Habitat Conservation and Conveyance Program
Ccf	One Hundred Cubic Feet	DIP	Ductile Iron Pipe
CCLP	Coachella Canal Lining Project	DWA	Desert Water Agency
CCTV	Closed Circuit Television	DWR	Department of Water Resources
CDSM	Cement Deep Soil Mixing	DWSRF	Drinking Water State Revolving Fund
CEQA	California Environmental Quality Act	EAP	Employee Assistance Program
CIB	Capital Improvement Budget	ECM	Enterprise Content Management
CIP	Capital Improvement Plan		

EDU	Equivalent Dwelling Unit	IXTP	Ion Exchange Treatment Plant
ELTAC	Environmental Laboratory Technical Advisory Committee	KW	Kilowatt
EOC	Emergency Operation Center	L4	La Quinta 4 Pump Station
EPA	Environmental Protection Agency	LAN	Local Area Network
ERP	Enterprise Resource Planning	LIMS	Laboratory Information Management System
ESU	Equivalent Sewer Unit	LOMR	Letter of Map Revision
EUM	Effective Utility Management	LS	Lift Station
FEMA	Federal Emergency Management Agency	maf	Million Acre Feet
FSA	Flexible Spending Account	MCC	Motor Control Center
FTE	Full-Time Equivalent	MHPZ	Mission Hills Pressure Zone
GAAP	Generally Accepted Accounting Principles	MOU	Memorandum of Understanding
GASB	Governmental Accounting Standards Board	MP	Mile Post
GDP	Gross Domestic Product	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
HDHP	High Deductible Health Plan	NPDES	National Pollutant Discharge Elimination System
HDPE	High Density Polyethylene	NPW	Nonpotable Water
HMO	Health Maintenance Organization	O&M	Operations & Maintenance
HSA	Health Savings Account	OGMHP	Oasis Gardens Mobile Home Park
HVAC	Heating, Ventilation, and Air Conditioning	OMPR	Operation, Maintenance, Power, & Replacement
ID	Improvement District	OPEB	Other Post-Employment Benefits
IID	Imperial Irrigation District	OSHA	Occupational Safety & Health Administration
IIPP	Injury Illness Prevention Program	PC	Personal Computer
I/O	Input/output	PCD	Pressure Control Device
IP	Internet Protocol	PDR	Preliminary Design Report
IRWM	Integrated Regional Water Management	PDRF	Palm Desert Replenishment Facility
IS	Information Systems		

PEL	Permissible Exposure Limit	SWP	State Water Project
PEPRA	Public Employee Pension Reform Act	SWRCB	State Water Resources Control Board
PBX	Private Branch Exchange	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	TOU	Time of Use
PVC	Polyvinyl Chloride	UCMR4	Unregulated Contaminant Monitoring Rule 4
QSA	Quantification Settlement Agreement	UPRR	Union Pacific Railroad
RAC	Replenishment Assessment Charge	USBR	United States Bureau of Reclamation
RAS	Return Activated Sludge	USGS	United States Geological Survey
RDA	Redevelopment Agency	UWMP	Urban Water Management Plan
RFP	Request for Proposal	VCP	Vitrified Clay Pipe
ROW	Right-of-Way	VMRS	Vehicle Maintenance Reporting System
RTU	Remote Terminal Unit	VPN	Virtual Private Network
RWQCB	Regional Water Quality Control Board	VPZ	Valley Pressure Zone
SBA	Strong Base Anion	WAN	Wide Area Network
SCADA	Supervisory Control and Data Acquisition	WAS	Waste Activated Sludge
SCC	Sanitation Capacity Charge	WIFIA	Water Infrastructure Finance and Innovation Act
SCE	Southern California Edison	WRP	Wastewater Reclamation Plant
SCPD	Sun City Palm Desert	WSBFC	Water System Backup Facility Charge
SDCWA	San Diego County Water Authority	WWRSC	Whitewater River Stormwater Channel
SGMA	Sustainable Groundwater Management Act	WWSA	Whitewater Spreading Area
SLA	Service Level Agreement		
SMP	Stormwater Master Plan		
SMPZ	Sky Mountain Pressure Zone		
SNMP	Salt and Nutrient Management Plan		
SSMP	Sanitary Sewer Master Plan		
SSO	Sanitary System Overflow		
SSORP	Sanitary Sewer Overflow Response 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).

GDP PRICE DEFLATOR. An economic metric that accounts for inflation by converting output measured at current prices into constant-dollar GDP.

GROSS DOMESTIC PRODUCT. Is the total monetary or market value of all the finished goods and services produced within a country's borders in a specific time period.

GEOGRAPHIC INFORMATION SYSTEM (GIS). A computer system for capturing storing, checking, and displaying data related to positions on the Earth's surface.

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 km²) 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.

QUALITY. Measures the performance of assets to perform their function toward meeting regulatory and nonregulatory goals; these are often associated with water quality.

REDEVELOPMENT AGENCY (RDA). Created for the purpose of improving, upgrading, and revitalizing areas within the City that had become blighted because of deterioration, disuse, and unproductive economic conditions. It is a legal and separate public body, with separate powers and a separate budget from the City. In February 2012 all Redevelopment Agencies within the State of California were dissolved.

REGULATOR. A device for controlling flow, movement, or pressure.

RELEASE PIPING SYSTEM. A piping system, including pipes, fittings, and valves, for discharging stored water from a dam or impoundment; as opposed to a spillway

that discharges only when the water level reaches an overflow level.

RELIABILITY. The probability that a system performs a specified function or mission under given conditions for a prescribed time.

REPLENISH. A hydrologic process where water, usually from an imported source, is moved through layers of sand, dirt, and rock to groundwater.

RESERVES. The amount of cash and investments in a fund, plus the accounts receivable, less the accounts payable, and amounts due to others in that fund.

RESERVOIR. An impounded body of water or controlled lake, in which water can be collected and stored.

SACRAMENTO-SAN JOAQUIN RIVER DELTA OR CALIFORNIA DELTA. An expansive inland river delta and estuary in Northern California. The Delta is formed at the western edge of the Central Valley by the confluence of the Sacramento and San Joaquin rivers, lying just east of where the rivers enter Suisun Bay.

SCREEN. A device to retain or remove debris and suspended solids.

SECONDARY CLARIFIER. A process designed to facilitate gravity removal of suspended matter from a liquid by settling (usually after flocculation in water treatment).

SEPTAGE RECEIVING FACILITY. A structure used to accept and process septic system waste.

SERVICE LINE. Pipe from the common distribution main to provide water to individual customers for domestic or fire service.

SIPHON. A closed conduit in which enough pressure is created to permit a fluid to flow upward, then transferred across a higher elevation to a discharge point at a lower elevation.

SLUDGE. The by-product of drinking water and wastewater treatment processes that contains most of the solids (residuals). Sludge contains water, and many processes are used to remove the sludge from the liquid treatment, as well as significant portions of the water in the by-product.

STATE WATER PROJECT (SWP). The world's largest publicly built and operated water and power development and conveyance system. The original purpose of the project was to provide water for arid Southern California, which lacks adequate local water resources to provide for the growth the region has experienced.

STORAGE. A vessel that can provide a readily available water supply and can be used to account for variations in demand.

STORAGE TANK. A container for storing liquids or gases.

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 and for community outreach and special events.

WATER TREATMENT. Any process that intentionally alters and improves the chemical, biological, or physical characteristics of water.

WELL 1. A subsurface source of water that is generally accessed through a drilled casing and pipe into the aquifer; 2. The entire system of the underground water source, pipe casing, pump, etc. Also called a borehole.

WELLHEAD PROTECTION. A system of deterrents to guard against potential groundwater contamination through the well casing. Includes well curb or cap, fences, etc.

WET WELL. A chamber in which water or wastewater is collected and to which a suction pump is connected.

WETLAND. An area saturated by surface or groundwater at sufficient frequency and duration to support vegetation adapted for life in saturated soil conditions.

WHITewater RIVER. A small permanent stream in western Riverside County and southwestern San Bernardino County, California.

WHITewater RIVER STORMwater CHANNEL. The naturally occurring portion of the storm channel that runs from the Whitewater area north of Palm Springs to Washington Street.

WORKING CAPITAL. The amount of cash and investments in a fund, plus the accounts receivable, less the accounts payable and amounts due to others in that fund. Also referred to as reserves.



2020 BY THE NUMBERS

568 full-time & **2** part-time employees budgeted as of 6/30/2021

\$69,100,025,617

combined assessed valuation for property within the CVWD service boundaries as of 6/30/2021.

MG: Million gallons | MGD: Million gallons per day | AF: Acre feet

DOMESTIC (DRINKING) WATER

SERVICE INFORMATION

Population Served	300,000
Active Accounts ¹	110,899
Average Daily Demand	79.4 MGD
Total Water Delivered	88,911 AF

SYSTEM INFORMATION

Active Wells	97
Total Daily Well Pumping Capacity	244 MGD
Distribution Reservoirs	64
Storage Capacity	153.2 MG
Distribution Piping System	2,025 Miles

CANAL WATER

SERVICE INFORMATION

Irrigable Acres for Service	77,103
Active Accounts	1,305
Total Water Delivered	343,941 AF
Average Daily Demand	942 AF
Maximum Daily Demand	1,537 AF

SYSTEM INFORMATION

Reservoirs	2
Storage Capacity	1,361 AF
Distribution System	485 Miles
Pumping Plants	16
Length of Canal	123 Miles



Oasis Reservoir, 60 acre-feet

AGRICULTURAL DRAINAGE

Total on-farm drains	2,298 Miles
Acreage with farm drains	37,425 Acres
District open drains	21 Miles
District pipe drains	166 Miles

WASTEWATER

SERVICE INFORMATION

Population Served	262,217
Active Accounts	96,932
Average Daily Flow	16.58 MGD

SYSTEM INFORMATION

Wastewater Reclamation Plants	5
Total Daily Plant Capacity	33.1 MGD
Collection Piping System	1,159 Miles

BLENDED, MVP, RECYCLED WATER²

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

GROUNDWATER MANAGEMENT

In cooperation with Desert Water Agency

Replenishment facilities	4
Replenishment from imported water	175,491 AF
Imported supply since 1973 through 2020	4,444,730 AF

STORMWATER PROTECTION

SERVICE AREA 381,479 ACRES

SYSTEM INFORMATION

Stormwater Channels	17
Length of Whitewater River/Coachella Stormwater Channel	50 Miles
Length of all Regional Flood Protection Facilities	169 Miles

¹ The number of active service connections excludes fire service.

² **Blended:** Recycled water blended with Colorado River water
MVP: Colorado River water accessed from the Mid-Valley Pipeline
Recycled: Reclaimed wastewater from Wastewater Reclamation Plants 7 and 10



YourWater
is our promise.

COACHELLA VALLEY WATER DISTRICT

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