



BOARD OF DIRECTORS REGULAR MEETING

DATE :
APRIL 2, 2025

TIME:
8:00 A.M.

-  1021 E. Miramar Avenue | Claremont, CA 91711
-  www.threevalleys.com
-  909.621.5568

The mission of Three Valleys Municipal Water District is to supplement and enhance local water supplies to meet our region's needs in a reliable and cost-effective manner.



THREE VALLEYS MUNICIPAL WATER DISTRICT REGULAR BOARD MEETING AGENDA

1021 E. Miramar Avenue, Claremont, CA 91711
April 2, 2025 – 8:00 AM

The mission of Three Valleys Municipal Water District is to supplement and enhance local water supplies to meet our region's needs in a reliable and cost-effective manner.

NOTICE OF VIDEOCONFERENCE/TELECONFERENCE ACCESSIBILITY

Three Valleys MWD will hold this meeting of its Board of Directors on the date and time, and at the location set forth above. The public may participate in the meeting by physical attendance at the meeting or by videoconference or teleconference utilizing the following links:

Link to join webinar: <https://tvmwd.zoom.us/j/87966686604>

OR

Dial in: (669) 900-9128, Webinar ID: 879 6668 6604

Any member of the public wishing to participate in public comment may do so in any of the following manners: (1) by using the "Raise Hand" feature on the Zoom platform and when prompted by the Board President during the public comment period, (2) by filling out the electronic speaker's card at the following link <https://arcg.is/0z5GqO> prior to the close of public comment, (3) by sending an email to PublicComment@tvmwd.com prior to the close of public comment, or (4) those attending the meeting in person may complete a speaker's card and provide it to the Executive Board Secretary prior to the close of public comment.

1. CALL TO ORDER

TI

2. ROLL CALL

AGUIRRE

Mike Ti, President
Carlos Goytia, Vice President
Jeff Hanlon, Secretary/Treasurer
David De Jesus, Director
Bob Kuhn, Director
Jorge Marquez, Director
Jody Roberto, Director

3. FLAG SALUTE

TI

4. DIRECTOR REMOTE PARTICIPATION PURSUANT TO AB 2449 [Government Code Section 54953(f)] TI

4.A NOTIFICATION DUE TO JUST CAUSE

4.B REQUEST DUE TO EMERGENCY CIRCUMSTANCES

BOARD ACTION REQUIRED ITEM 4.B

Staff Recommendation: None

5. AGENDA REORDER/ADDITIONS [Government Code Section 54954.2(b)(2)] TI

Additions to the agenda may be considered when two-thirds of the board members present determine a need for immediate action, and the need to act came to the attention of TVMWD after the agenda was posted; this exception requires a degree of urgency. If fewer than two-thirds of the board members are present, all must affirm the action to add an item to the agenda. The Board shall call for public comment prior to voting to add any item to the agenda after posting.

6. PUBLIC COMMENT (Government Code Section 54954.3) TI

Opportunity for members of the public to directly address the Board on items of public interest within its jurisdiction. The public may also address the Board on items being considered on this agenda. TVMWD requests that all public speakers complete a speaker’s card and provide it to the Executive Board Secretary.

We request that remarks be limited to three minutes or less. Pursuant to Government Code Section 54954.3, if speaker is utilizing a translator, the total allotted time will be doubled.

7. ACTION AGENDA

The following items on the Action Agenda call for discussion and action by the Board. All items are placed on the agenda so that the Board may discuss and take action on the item if the Board is so inclined.

7.A RESOLUTION NO. 25-04-1004 COMMENDING ASSEMBLY MEMBER BLANCA RUBIO FOR HER RECOGNITION AS LEGISLATOR OF THE YEAR BY THE CALIFORNIA SPECIAL DISTRICTS ASSOCIATION LITCHFIELD

BOARD ACTION REQUIRED ITEM 7.A

Staff Recommendation: Approve as Presented

8. GENERAL MANAGER’S REPORT	LITCHFIELD
<p>The Executive Leadership Team will provide brief updates on existing matters under their purview.</p>	
8.A SALARY SCHEDULE REVIEW EFFECTIVE JULY 1, 2025	ROBLES
<p>The Board will review the salary schedule that is to be effective as of July 1, 2025.</p>	
8.B FISCAL YEAR 2025/26 BUDGET WORKSHOP NO. 2	VELASQUEZ
<ul style="list-style-type: none"> ▪ FY 2025/26 Budget ▪ CY 2026 Rates ▪ CY 2026 Fixed Charges ▪ CY 2026 Capacity Charges ▪ FY 2026-2030 Capital Improvement Plan 	
8.C REVIEW OF FY 2025/26 WATER STANDBY CHARGE	AGUILAR
8.D WATER REUSE COLLABORATIVE	LITCHFIELD
8.E WATER RESOURCES UPDATE	LEE
9. DIRECTORS’/GENERAL MANAGER’S ORAL REPORTS	TI
<p>Directors may report on activities for meetings to which they are assigned to serve as the representative or alternate of TVMWD and on other areas of interest.</p>	
9.A METROPOLITAN WATER DISTRICT	DE JESUS
9.B CHINO BASIN WATERMASTER	KUHN
9.C SAN GABRIEL BASIN WATER QUALITY AUTHORITY	KUHN
9.D MAIN SAN GABRIEL BASIN WATERMASTER	HANLON
9.E SIX BASINS WATERMASTER	HANLON
9.F ADDITIONAL BOARD MEMBER REPORTS	ALL
9.G GENERAL MANAGER’S COMMENTS	LITCHFIELD

10. CLOSED SESSION

TI

10.A CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION [Government Code Section 54956.9(d)(1)]

Name of Case: Chino Basin Municipal Water District v. City of Chino, et al.,
San Bernardino County Superior Court Case No. RCV RS 51010

10.B CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION [Government Code Section 54956.9(d)(1)]

Name of Case: San Diego County Water Authority v. Metropolitan Water
District of Southern California, et al., San Francisco County Superior Court
Case No. CPF-14-514004 (Consolidated with Case Nos. CPF-16-515282 and
CPF-18-516389)

10.C PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Government Code Section 54957)

Title: Matthew H. Litchfield, P.E., General Manager

10.D CONFERENCE WITH LABOR NEGOTIATORS (Government Code Section 54957.6)

- District Designated Representative: Steven M. Kennedy, General Counsel
- Unrepresented Employee: Matthew H. Litchfield, P.E., General Manager

11. FUTURE AGENDA ITEMS

TI

12. ADJOURNMENT AND NEXT MEETING

TI

The Board will adjourn to a regular Board meeting on April 16, 2025.

In compliance with the Americans with Disabilities Act Government Code Section 54954.2(a), if special assistance is needed to participate in this public meeting, please contact the Executive Board Secretary at (909) 621-5568 at least 24 hours prior to the meeting.

Pursuant to Government Code Section 54957.5, materials related to an item on this agenda submitted after distribution of the agenda packet will be posted on the TVMWD website at www.threevalleys.com.

Three Valleys MWD Board meeting packets and agendas are available for review at www.threevalleys.com

RESOLUTION NO. 25-04-1004

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
THREE VALLEYS MUNICIPAL WATER DISTRICT
COMMENDING ASSEMBLY MEMBER BLANCA RUBIO
FOR HER RECOGNITION AS LEGISLATOR OF THE YEAR
BY THE CALIFORNIA SPECIAL DISTRICTS ASSOCIATION**

WHEREAS, Blanca Rubio was first elected to the State Assembly in 2016, after serving 16 years as a teacher and over 20 years in various elected offices; and

WHEREAS, Assembly Member Rubio Chairs the New Democratic Caucus and serves on the Water, Parks & Wildlife Committee, Budget Committee, and Elections Committee, among others; and

WHEREAS, during her tenure in the Assembly has authored legislation, taken a lead position on water issues and secured grant funding for projects in her San Gabriel Valley district; and

WHEREAS, as a testament to her leadership, after chairing the Assembly Water, Parks & Wildlife Committee, proactively organized a tour for her fellow committee members of safe and reliable drinking water projects in the San Gabriel Valley; and

NOW THEREFORE, BE IT RESOLVED that the Directors of Three Valleys Municipal Water District hereby concur with the California Special District Association's unanimous selection of Assembly Member Rubio as its 2024 Legislator of the Year.

ADOPTED and **PASSED** at a meeting of the Three Valleys Municipal Water District's Board of Directors on this 2nd day of April, 2025 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Mike Ti, President

ATTEST:

Jeff Hanlon, Secretary


SEAL:



BOARD INFORMATION

BOARD OF DIRECTORS
STAFF REPORT

To: TVMWD Board of Directors

From: Matthew H. Litchfield, General Manager 

Date: April 2, 2025

Subject: Salary Schedule Review Effective July 1, 2025

Funds Budgeted: \$ 139,143

Fiscal Impact: \$

Staff Recommendation

No Action Necessary – Informational Item Only

Discussion

Conducting the Compensation Survey is essential to maintain market competitiveness by evaluating salary trends and adjusting salary ranges as needed, enhance employee retention and recruitment by offering competitive wages, adapt to economic changes such as inflation and shifts in labor demand, ensure equity and fairness by addressing potential pay disparities, and support budgeting and financial planning with data-driven insights into future compensation costs.

Pursuant to CalPERS and California Code of Regulations Section 570.5, salary schedule changes must be approved and adopted by the employer's governing body according to the requirements of applicable public meeting laws.

Provided for review is a draft of the salary schedule to be effective July 1, 2025. All salary ranges were considered independently. Based on the survey results, the General Manager is recommending the following changes:

- Proposed salary schedule reflects adjustments of the 3.06% COLA and market adjustments of up to 10%, including a 3.06% COLA. The 3.06% COLA is based on the

2024 Consumer Price Index - Urban Wage Earners and Clerical Workers, as prepared by the Bureau of Labor Statistics. These ranges are included in calculating the budget for FY 2025/2026. As a reminder, these adjustments are made to the salary ranges, not to the individual employee's salary. Salary changes continue to be based on the merits of the employees' annual evaluation.

- Remove administrative job classifications that are not currently budgeted.
- Reclassify the Engineer position to Principal Engineer.
- Eliminate the salary range for the General Manager position and just state the actual salary.
- Error correction on the Instrumentation/Electrical System Operator midpoint.

This item will be brought back for consideration of adoption on April 16, 2025.

Environmental Impact

None

Strategic Plan Objective(s)

2.2 – Accountability

Attachment(s)

Exhibit A – Salary Schedule effective July 1, 2025

Meeting History

None

VR/ML



**THREE VALLEYS MUNICIPAL WATER DISTRICT
ANNUAL SALARY RANGE BY CLASSIFICATION
Effective: July 1, 2025**

CLASSIFICATION	JOB CODE	ANNUAL SALARY RANGE		
		Minimum	Mid	Maximum
ADMINISTRATIVE/COMMUNICATIONS ASSISTANT	102	\$ 66,623	\$ 86,610	\$ 106,597
CHIEF ADMINISTRATIVE OFFICER	104	\$ 206,179	\$ 268,033	\$ 329,887
CHIEF FINANCE OFFICER	105	\$ 194,901	\$ 253,371	\$ 311,841
CHIEF OPERATIONS OFFICER	106	\$ 180,605	\$ 234,786	\$ 288,967
CHIEF WATER RESOURCES OFFICER	107	\$ 192,641	\$ 250,433	\$ 308,225
COMPLIANCE SPECIALIST	108	\$ 101,888	\$ 132,454	\$ 163,020
ENGINEER	109	\$ 122,105	\$ 158,736	\$ 195,367
EXECUTIVE BOARD SECRETARY	111	\$ 96,518	\$ 125,474	\$ 154,430
FINANCE ANALYST	101	\$ 68,007	\$ 88,409	\$ 108,811
FINANCE MANAGER	119	\$ 115,025	\$ 149,533	\$ 184,041
HUMAN RESOURCES/RISK MANAGER	113	\$ 125,762	\$ 163,491	\$ 201,220
INFORMATION TECHNOLOGY ANALYST	128	\$ 76,114	\$ 98,948	\$ 121,782
INFORMATION TECHNOLOGY MANAGER	114	\$ 144,216	\$ 187,481	\$ 230,746
INSTRUMENTATION/ELECTRICAL SYSTEM OPERATOR	115	\$ 95,100	\$ 123,630	\$ 152,160
OPERATIONS SUPERVISOR	116	\$ 114,768	\$ 149,198	\$ 183,628
OPERATIONS SUPERVISOR (T5)	117	\$ 137,721	\$ 179,038	\$ 220,354
PLANT ASSISTANT	118	\$ 55,992	\$ 72,790	\$ 89,588
PRINCIPAL ENGINEER	129	\$ 125,503	\$ 163,154	\$ 200,805
SHIFT OPERATOR II	120	\$ 68,914	\$ 89,588	\$ 110,262
SHIFT OPERATOR III	121	\$ 79,481	\$ 103,325	\$ 127,169
SHIFT OPERATOR IV	122	\$ 89,539	\$ 116,401	\$ 143,263
SHIFT OPERATOR V	123	\$ 91,948	\$ 119,533	\$ 147,118
WATER RESOURCES ANALYST I	124	\$ 73,331	\$ 95,330	\$ 117,329
WATER RESOURCES ANALYST II	125	\$ 89,195	\$ 115,953	\$ 142,711
WATER RESOURCES ANALYST III	126	\$ 105,060	\$ 136,578	\$ 168,096
			HOURLY	
WATER RESOURCES INTERN (PT)	127	\$ 20.00		\$ 25.00
			SALARY	
GENERAL MANAGER	112		\$ 345,000	

Based on Board approval, an adjustment to each salary range classification will be considered for July 1 of each year. Range adjustments are tied to changes in the Consumer Price Index - Urban Wage Earners and Clerical Workers for Los Angeles-Long Beach-Anaheim as prepared by the Bureau of Labor Statistics, from current year annual to the prior year annual. The adjustment to each salary range is intended to keep TVMWD's salary ranges at the market level and may not necessarily impact individual salaries. The opportunity for individual salary increases will continue under the merit-based system employed by TVMWD. An important note is that an employee's annual salary may be below the minimum salary range if: (1) their annual evaluation has not yet occurred in the current fiscal year or (2) their performance documented in prior annual evaluations has not merited an increase that has kept up with index adjustments to the salary ranges.

Shift Differential Pay

- Operators and plant assistants who work on Friday, Saturday or Sunday will be compensated with 10% additional pay for those hours.
- Shift differential pay is considered special compensation and will be reported to CalPERS as such.

On-Call Pay

- Standby operators who serve as the on-call standby operator each evening will be paid \$45 per day (\$90 on holidays).
- Lab operators who serve as the on-call plant operator each evening will be paid \$100 per day (\$200 on holidays).
- In addition to receiving the on-call pay noted above, the on-call operators will be paid for the additional time spent responding to situations.
 - If responding by phone/tablet/laptop only, the on-call operator will be guaranteed at least 15 minutes of additional pay. All time over 15 minutes will be rounded up to the nearest 15 minute increment.
 - If responding in person, the on-call operator will be guaranteed at least two hours of additional pay. All time over two hours (portal to portal) will be rounded up to the nearest 15 minute increment.
 - Operators will be eligible for OT and shift differential pay as applicable for time spent responding.
- On-call pay is not considered special compensation and thus will not be included as a part of final compensation in calculating CalPERS pension.

Holiday Pay

- Any employee scheduled who works on either the actual holiday or the observed holiday will be paid at one and one-half times the employee's regular rate of pay. Since the employee is working the holiday, the employee will also be paid an additional ten hours at regular pay for that holiday.



BOARD INFORMATION

BOARD OF DIRECTORS
STAFF REPORT

To: TVMWD Board of Directors

From: Matthew H. Litchfield, General Manager 

Date: April 2, 2025

Subject: Fiscal Year 2025-2026 Budget

Funds Budgeted: \$

Fiscal Impact: \$

Staff Recommendation

No Action Necessary – Informational Item Only

Background

On April 9, 2024, the Metropolitan Water District of Southern California (MWD) adopted its water rates for the calendar years 2025 and 2026. The Fiscal Year's 2024/25 and 2025/26 Biennial Budget approved by MWD board adjusted the property tax collected to support the cost of the State Water Project from 0.0035% of a property's assessed valuation to 0.0070%. The overall rate increases for the calendar years 2025 and 2026 rate-setting cycles were 8.5% and 8.5%. The adopted MWD water rates for 2026 that directly impact Three Valleys Municipal Water District ("TVMWD") are increases to the untreated water rate by 8% and treated water rate by 10%. The other adopted rates approved were readiness-to-serve by 4%, and capacity charges by 12%.

Discussion

On March 5, 2025, staff conducted a budget workshop and met with member agency managers on March 18th for review and discussion. Attached is a draft of version 2 of the FY 2025/2026 budget. Staff has considered the following assumptions in preparing this budget:

- This draft is based on MWD's Ten-Year Financial Forecast presented by MWD staff in April 2024 for the calendar years 2025 and 2026 rate setting cycles.
- TVMWD projected sales are based on TVMWD member agency input. Each agency provided an estimate regarding their 2025-2030 demands.

- The proposed budget provides a sound framework to meet minimum funding reserve levels to be achieved within **2 fiscal years**.
- Assumes TVMWD will maximize efficiency flows from the Miramar Plant.

Highlights of this draft budget:

Pass Through Fund

- The MWD RTS Charge is increasing by \$686,435 for FY 2025-2026 and calendar year 2026. This is primarily due to:
 - MWD allocating more costs to the Standby Charge (\$188 million for 2026 versus \$181 million for 2025)
 - TVMWD taking proportionately more water over the last 10 years than other MWD agencies (4.75% for 2026 versus 4.60% for 2025)

The standby charge collected for the fiscal year is estimated to increase from \$32.01 to \$35.57 per EDU.

- The MWD Capacity Charge is increasing by \$25,920 for the fiscal year but decreasing by \$197,100 for the calendar year 2026. This is primarily due to less TVMWD agencies “peaking” off the system, which causes less costs to be allocated towards the Capacity Charge. The Capacity Charge basis of 110.4 cfs at \$14,500 per cfs is assigned to TVMWD by MWD and is passed-through directly to the member agencies.

Capital Fund

- The Capital Improvement Plan projects for FY 25-26 and for the next 5 years will be funded by property tax revenues.
- While the projects for FY 25-26 will exceed the property tax revenues expected, capital reserves can be used to offset this temporary shortfall. The revenues for the 5-year period are expected to be \$17.4M, while projects are expected to be \$17.3M.

Operating Fund

- MWD’s untreated water rate is increasing \$72/AF (8%). MWD’s treatment surcharge is increasing \$61/AF (13%). These changes result in an overall increase in the treated water rate of \$133/AF (10%).
- The key to keeping TVMWD rates low is maximizing the Miramar Plant. We accomplish this primarily by providing as much supply as possible to Golden State Water Company, La Verne, and Joint Water Line from TVMWD’s Miramar Plant rather than MWD’s Weymouth Plant.

- The controllable budget (All other Operating Fund expenses excluding water costs) is 7.3% higher than what we estimated for FY 2024-2025. Notable changes are as follows:
 - Staff Compensation is 9% higher due to an increase in CPI and benefit cost increases.
 - Professional Service is 7% higher primarily due to liability insurance increases and software licensing.
 - Operations and Maintenance costs are 13% higher, primarily due to an increase in sludge removal costs and an increase in cost of chemicals.

TVMWD Surcharge

- The current TVMWD surcharge for 2025 is \$16. Staff proposes a TVMWD surcharge of \$32 per acre-foot (AF) in 2026, with an \$8 per AF increase annually over the following four years as part of a five-year financial plan. This surcharge is implemented to cover operational costs, infrastructure maintenance, or other financial obligations.

TVMWD Fixed Charges

- TVMWD's current fixed charges are 10% of the controllable budget cost. Staff is proposing a gradual increase in fixed charges to ensure stable revenue for covering costs and rebuilding reserves. Moving from a 10% to a 15% fixed charge over five years (with 1% annual increases) can provide more predictability in revenue collection.

Reserves

The overall board designated reserves minimum target level is \$11M for FY 25-26. We currently expect to finish at \$7.2M by the end of FY 24-25 due to the use of reserves to cover the costs for the emergency repair of the Miramar 36" transmission main and loss of revenue incurred by having the Miramar Plant down for 3 months in early 2024. The proposed budget provides a framework to meet minimum funding reserve levels to be achieved within 2 fiscal years.

Summary

Based on this version 2 draft of the budget, TVMWD expects to require a surcharge of \$32 per acre-foot on top of the MWD rate for calendar year 2026 for treated and untreated water. In addition, a gradual increase of 1% to fixed charges to ensure stable revenue for covering costs and rebuilding reserves.

This item will be brought back as the final budget for consideration of adoption at the April 16th, 2025, board meeting.

Environmental Impact

None

Strategic Plan Objective(s)

- 2.1 – Financial Stability
- 2.2 – Accountability
- 2.3 – Public Engagement
- 2.5 – Operational Strategies

Attachment(s)

- Exhibit A – FY 2025-2026 Budget Version 1 Draft
- Exhibit B – Capacity Charges 2026 Draft
- Exhibit C – Fixed Charges 2026 Draft
- Exhibit D – RTS Charges 2026 Draft
- Exhibit E – FY 2026-30 Capital Improvement Plan Draft

Meeting History

None

NA/JV

FY 2025/26 TVMWD BUDGET VERSION 2										
	FY 2024/25 Budget	FY 2024/25 Projected	FY 2025/26 Budget	Pass Through Fund	Operating Fund	Capital Fund	FY 2026/27 Budget	FY 2027/28 Budget	FY 2028/29 Budget	FY 2029/30 Budget
REVENUES										
Water Sales	67,409,065	69,876,241	79,008,339		79,008,339		86,331,941	95,148,154	101,355,683	105,294,734
Standby Charge/RTS Charges	6,186,637	6,177,218	6,865,400	6,865,400			7,384,450	8,787,356	10,712,827	11,783,365
Capacity Charge Assessment	1,673,430	1,673,430	1,699,350	1,699,350			1,625,379	1,614,998	1,684,477	1,751,222
Property Taxes	3,100,478	3,334,727	3,304,974			3,304,974	3,387,598	3,472,288	3,559,095	3,648,073
Fixed Charge Assessment	987,458	987,458	1,186,421		1,186,421		1,409,888	1,598,980	1,801,825	1,980,019
Hydroelectric Sales	240,000	176,922	250,000		250,000		250,000	250,000	250,000	250,000
Interest Income	215,000	453,144	215,000		215,000		215,000	215,000	215,000	215,000
Pumpback O&M	10,000	1,523	10,000	10,000			10,000	10,000	10,000	10,000
Grants and Other Revenue	5,844	11,059	-		-		-	-	-	-
TOTAL REVENUES	79,827,912	82,691,720	92,539,483	8,574,750	80,659,759	3,304,974	100,614,256	111,096,776	119,588,908	124,932,413
EXPENSES										
Water Purchases	58,021,969	60,299,632	67,352,395		67,352,395		73,181,046	81,741,115	87,511,433	91,059,812
MWD RTS Charge	6,186,637	6,177,218	6,865,400	6,865,400			7,384,450	8,787,356	10,712,827	11,783,365
Staff Compensation	5,934,749	6,580,498	6,519,702		6,519,702		6,820,152	7,206,931	7,662,402	8,071,895
MWD Capacity Charge	1,673,430	1,673,430	1,699,350	1,699,350			1,625,379	1,614,998	1,684,477	1,751,222
Operations and Maintenance	2,416,019	2,608,867	2,733,700		2,733,700		2,840,815	2,952,127	3,067,801	3,188,007
Capital Repair and Replacement	1,614,928	419,249	2,900,000			2,900,000	2,900,000	1,000,000	1,850,000	2,750,000
Capital Investment Program	2,541,697	1,537,765	530,000			530,000	750,000	2,650,000	1,750,000	225,000
Professional Services	781,492	753,391	838,500		838,500		871,355	905,498	940,978	977,848
Directors Compensation	325,165	219,589	462,262		462,262		456,571	471,361	487,618	505,490
Communication and Conservation Programs	166,000	139,466	199,000		199,000		206,797	214,900	223,321	232,071
Planning and Resources	620,000	195,364	300,000		300,000		375,000	375,000	300,000	300,000
Membership Dues and Fees	101,100	82,320	100,825		100,825		104,776	108,881	113,147	117,581
Hydroelectric Facilities	60,000	48,223	40,000		40,000		41,567	43,196	44,889	46,648
Pumpback O&M	10,000	3,644	10,000	10,000			10,000	10,000	10,000	10,000
Board Elections	-	-	-		-		-	-	-	-
Reserve Replenishment	390,000	390,000	390,000		390,000		390,000	390,000	390,000	390,000
Encumbrances							-	-	-	-
TOTAL EXPENSES	80,843,185	81,128,656	90,941,133	8,574,750	78,936,384	3,430,000	97,957,909	108,471,363	116,748,893	121,018,939
NET INCOME (LOSS) BEFORE TRANSFERS	(1,015,273)	1,563,064	1,598,349	-	1,723,376	(125,026)	2,656,347	2,625,413	2,840,015	3,913,473
TRANSFER FROM OPERATING RESERVES	-	-								
TRANSFER FROM/(TO) CAPITAL RESERVES	(462,477)	(462,477)	125,026			125,026	262,402	177,712	40,905	(673,073)
TRANSFER FROM/TO ENCUMBERED RESERVES	2,024,878	2,024,878	-		-	-				
NET INCOME (LOSS) AFTER TRANSFERS	547,128	3,125,465	1,723,376	-	1,723,376	-	2,918,749	2,803,125	2,880,920	3,240,401
	CY 2025		CY 2026				CY 2027	CY 2028	CY 2029	CY 2030
MWD RATE	\$ 1,395		\$ 1,528				1,709	1,848	1,909	1,992
TVMWD SURCHARGE	\$ 16		\$ 32				40	48	56	64
TVMWD RATE	\$ 1,411		\$ 1,560				\$ 1,749	\$ 1,896	\$ 1,965	\$ 2,056
ANNUAL FIXED CHARGE	\$ 1,054,150		\$ 1,318,691				\$ 1,501,085	\$ 1,696,874	\$ 1,906,776	\$ 2,053,262

MWD CAPACITY CHARGE SUMMARY EFFECTIVE JANUARY 2026

AGENCY	CFS BASIS	ANNUAL CHARGE	MONTHLY CHARGE	%
Boy Scouts/ City of Industry	0.3	\$ 3,702.63	\$ 308.55	0.23%
Cal Poly	0.6	\$ 8,127.72	\$ 677.31	0.51%
Covina	2.9	\$ 42,444.77	\$ 3,537.06	2.65%
Covina Valley Water Company (CIC)	11.4	\$ 165,715.22	\$ 13,809.60	10.35%
Glendora	7.1	\$ 102,860.84	\$ 8,571.74	6.43%
Joint Water Line (JWL)	21.9	\$ 317,884.24	\$ 26,490.35	19.86%
La Verne	10.9	\$ 158,525.80	\$ 13,210.48	9.90%
Mt. Sac	0.7	\$ 9,933.88	\$ 827.82	0.62%
Pomona	0.0	\$ -	\$ -	0.00%
Rowland Water District	6.4	\$ 92,114.18	\$ 7,676.18	5.75%
GSWC (Claremont)	13.1	\$ 189,882.55	\$ 15,823.55	11.86%
GSWC (San Dimas)	10.0	\$ 144,763.76	\$ 12,063.65	9.04%
Suburban	0.0	\$ -	\$ -	0.00%
Covina Valley Water Company (VH)	0.0	\$ -	\$ -	0.00%
Walnut Valley Water District	25.2	\$ 364,844.41	\$ 30,403.70	22.79%
TOTAL	110.4	1,600,800	\$ 133,400	100.00%

Notes:

1. The MWD Capacity Charge is paid by each member agency based on TVMWD's allocation of the specific non-coincidental peak calculation over a three year period 2022, 2023, and 2024.
2. The MWD Capacity Charge basis of 110.4 cfs at \$14500 per cfs is assigned to TVMWD by MWD and is passed-through directly to the member agencies.

TVMWD FIXED CHARGES SUMMARY - PROPOSED

EFFECTIVE JANUARY 2026

AGENCY	IMPORTED WATER USE			CONNECTED CAPACITY			EQUIVALENT SMALL METER			TOTAL \$
	(3yr Avg) (AF)	ANNUAL \$	%	(cfs)	ANNUAL \$	%	METERS	ANNUAL \$	%	
Boy Scouts / City of Industry	31.0	\$ 262.86	0.06%	1.5	\$ 1,618.03	0.37%	257.9	\$ 439.56	0.10%	\$ 2,320.45
Cal Poly	118.7	\$ 1,005.14	0.23%	2.0	\$ 2,157.37	0.49%	2,578.5	\$ 4,395.64	1.00%	\$ 7,558.15
Covina	90.4	\$ 766.00	0.17%	20.0	\$ 21,573.68	4.91%	5,210.2	\$ 8,881.80	2.02%	\$ 31,221.48
Covina Valley Water Company (CIC)	6,263.7	\$ 53,055.04	12.07%	20.0	\$ 21,573.68	4.91%	0.0	\$ -	0.00%	\$ 74,628.73
Glendora	904.7	\$ 7,663.07	1.74%	40.0	\$ 43,147.37	9.82%	28,209.3	\$ 48,088.35	10.94%	\$ 98,898.78
Joint Water Line (JWL)	15,960.9	\$135,193.29	30.76%	121.0	\$ 130,520.79	29.69%	0.0	\$ -	0.00%	\$ 265,714.07
La Verne	4,785.8	\$ 40,537.40	9.22%	15.0	\$ 16,180.26	3.68%	21,279.5	\$ 36,275.13	8.25%	\$ 92,992.79
Mt. Sac	300.3	\$ 2,543.91	0.58%	5.0	\$ 5,393.42	1.23%	2,578.5	\$ 4,395.64	1.00%	\$ 12,332.97
Pomona	0.1	\$ 1.21	0.00%	20.0	\$ 21,573.68	4.91%	46,058.0	\$ 78,515.00	17.86%	\$ 100,089.90
Rowland Water District	2,929.1	\$ 24,810.59	5.64%	30.0	\$ 32,360.53	7.36%	24,067.0	\$ 41,026.98	9.33%	\$ 98,198.10
GSWC (Claremont)	3,512.3	\$ 29,750.18	6.77%	15.0	\$ 16,180.26	3.68%	28,112.0	\$ 47,922.48	10.90%	\$ 93,852.93
GSWC (San Dimas)	7,062.1	\$ 59,817.75	13.61%	35.0	\$ 37,753.95	8.59%	33,262.0	\$ 56,701.68	12.90%	\$ 154,273.37
Suburban	0.0	\$ -	0.00%	0.0	\$ -	0.00%	16,901.5	\$ 28,811.96	6.55%	\$ 28,811.96
Covina Valley Water Company (VH)	0.0	\$ -	0.00%	4.0	\$ 4,314.74	0.98%	1,612.4	\$ 2,748.58	0.63%	\$ 7,063.32
Walnut Valley Water District	9,935.6	\$ 84,157.36	19.15%	79.0	\$ 85,216.05	19.39%	47,727.5	\$ 81,361.00	18.51%	\$ 250,734.41
TOTAL	51,894.8	\$ 439,564	100%	407.5	\$ 439,564	100%	257,854	\$ 439,564	100%	\$ 1,318,691

Notes:

1. The Imported Water Use Charge is based on average import water deliveries in the 2021/22, 2022/23 & 2023/24 fiscal years.
2. Connected Capacity for the Badillo-Grand Pipeline is according to WVWD's maintenance allocation: WVWD 60 cfs and Covina Valley Water Company (VH). 4 cfs.
3. BSA/City of Industry ESM Charge is calculated based on 0.1% of total ESMs; Cal Poly & Mt. SAC ESM Charges are calculated based on 1.0% of total ESMs
4. Covina, Glendora, and Covina Valley Water Company (VH) ESM Charges are calculated based on 27%, 98%, and 67%, respectively, of their corresponding total ESMs. Percentages are based on agencies' service area within TVMWD.
5. Fire Service Meters are not included in the ESM calculations

MWD READINESS-TO-SERVE CHARGE SUMMARY EFFECTIVE JANUARY 2026

AGENCY	EDU	ANNUAL CHARGE	MONTHLY CHARGE	%
Boy Scouts	11	\$ 68	\$ 6	0.01%
Covina	2,344	\$ 14,526	\$ 1,210	1.22%
Glendora	18,678	\$ 115,747	\$ 9,646	9.74%
La Verne	12,772	\$ 79,148	\$ 6,596	6.66%
Pomona	47,114	\$ 291,965	\$ 24,330	24.56%
Rowland Water District	23,840	\$ 147,736	\$ 12,311	12.43%
GSWC (Claremont)	16,136	\$ 99,994	\$ 8,333	8.41%
GSWC (San Dimas)	22,713	\$ 140,752	\$ 11,729	11.84%
Suburban	9,463	\$ 58,642	\$ 4,887	4.93%
Valencia Heights	1,102	\$ 6,829	\$ 569	0.57%
Walnut Valley Water District	37,643	\$ 233,273	\$ 19,439	19.62%
TOTAL	191,816	\$ 1,188,680	\$ 99,057	100.00%

Notes:

1. *The MWD Readiness-to-Serve (RTS) Charge is paid by Water Standby Charge Assessment, which would be collected at a maximum assessment rate of \$29.41 per EDU. Any resulting deficit would be pass-through to the member agencies proportional the parcel count (EDU) per agency.*
2. *Calculation subject to change per Engineer's Report for Water Standby Charge Assessment.*
3. *Invoiced in January and May of calendar year 2026.*



CAPITAL IMPROVEMENT PLAN

JUNE 2025

2026 CIP

THREE VALLEYS
MUNICIPAL WATER DISTRICT

FYE 2026 - FYE 2030



PM-21 SERVICE CONNCTION

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**CAPITAL IMPROVEMENT
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FIVE YEAR PLAN SUMMARY

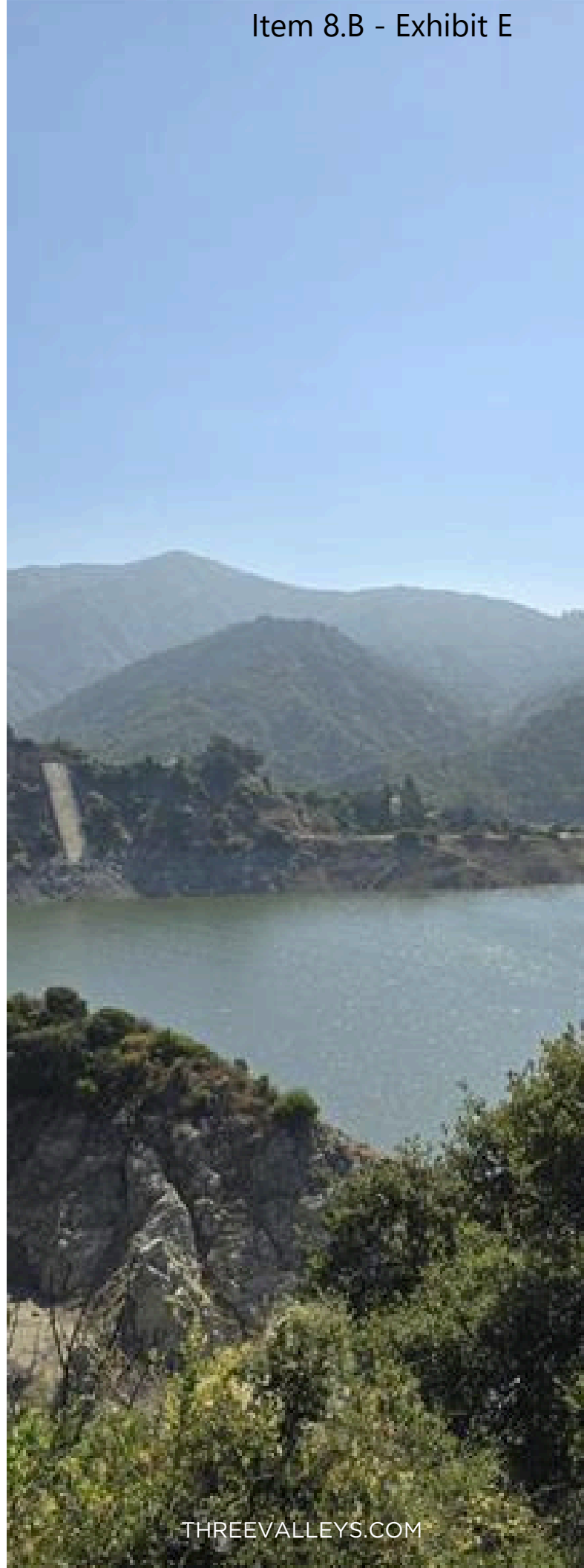
Summary of the proposed
plan

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INTRODUCTION

The **Capital Improvement Plan (CIP)** is a working blueprint for building and sustaining Three Valleys Municipal Water District's physical infrastructure. The purpose of the CIP is to identify capital improvement projects, identify and forecast funding sources, prioritize improvements based on funding available, and estimate a timeline for completion of individual improvements. Capital Improvement Projects are projects which involve the purchase, improvement or construction of major fixed assets and equipment, which are typically large in size, expensive, and permanent. Examples of capital projects include the expansion of treatment plants and the construction/rehabilitation of pipeline and pump stations.

This CIP identifies projects for the Fiscal Year 2025/26 through FY 2029/30 that are needed for the rehabilitation, replacement, or expansion of the facilities owned or operated by Three Valleys. Projects were identified based on physical conditions of assets, forecasted regional projections of water demands and outlook of water resource availability. The timing of the projects identified in the CIP are further refined during the fiscal year based on the availability of financial resources.



The CIP provides a holistic picture including recently completed projects, projects in the planning phase, the five-year plan, as well as projects that are envisioned to occur beyond the five-year planning horizon.

The CIP is consistent with and is instrumental in achieving Three Valleys' Strategic Plan objectives.

YEAR IN REVIEW

Three Valleys' capital project expense incurred through February 2025 is \$700,000, with another \$2 million encumbered for project expenses. Staff is projecting to incur additional expenses between February and June 30, 2025 of \$700,000. **83% or \$3.4 million of FYE 2025 budget of \$4.1 million is forecasted to be expended by June 30, 2025.**

- **\$84,400 of state funding** was received in July 2024 from the United States Bureau of Reclamation for the Turf Dashboard Project.
- **\$250,000 of federal funding** was awarded by the United States Department of Homeland Security through the State and Local Cybersecurity Grant program.
- **\$35,000,000 of federal funding** from the United States Congress through the Water Resources Development Act of 2024 was awarded in January 2025 for the Groundwater Reliability Improvement Program (GRIP).
- Three Valleys has focused its projects on upgrading end-of-life systems and improving the reliability of its infrastructure. Highlights of projects that were completed in the last FY are provided below.
 - **The Emergency Leaks Repairs** for the Miramar main distribution line was completed in August 2024 in the amount of \$2 million.
 - The **Security Equipment Project** was completed in February 2025 for a total project cost of \$603,000. Existing security cameras at both the on- and off-site locations were replaced and upgraded to enhance security.
 - The Design for the **Miramar Administrative Building Improvements** is expected to be completed by June 2025, at a total project cost of \$379,720.



Projects in Planning

The Projects that are in the planning phase provides the context to develop an implementation plan working collaboratively with Three Valleys' member agencies to meet short- and long-term needs cost effectively. The Planning and Resource Studies is managed as part of the Annual Operating Expenses, and therefore any unencumbered budget will return to the general reserves. ***Unless otherwise specified, the planning projects are categorized as two sections: Engineering Reports & Studies and Grants Assistance.***



Engineering Reports & Studies: This category of funding is set aside annually for unplanned professional studies to be conducted during the course of the year; typical expenses to this category consist of special studies, partnership in research studies that provide value to its agencies, environmental studies to support feasibility studies, etc.

Grants Assistance: This category of funding is set aside annually for as needed professional assistance to identify funding opportunities applicable to Three Valleys and for support on applications that require substantial effort that cannot be completed by staff.

Summary of the planning efforts in progress and that will continue into the future years are provided below. The project costs are summarized in the Planning & Resources category in the Five-Year Plan.

PROJECTS IN PLANNING

WATER RESOURCES MASTER PLAN

A holistic plan that creates a road map of strategies, projects and schedules to develop sustainable local supplies that is resilient to unforeseen change in conditions. This plan will be developed along with the Drought Contingency Plan, which received \$200,000 in grant funding in 2023. The total project cost is \$400,000, and no new funds are allocated for FYE 2025; the project will be completed by FYE 2025.

FUNDING OPPORTUNITIES

The critical component of long-term strategy to create resilient and reliable water supplies is to seek opportunities for funding partners and grant opportunities to create a cost-effective portfolio. Three Valleys has set up a protocol in place to seek funding opportunities for itself and its member agencies.

GROUNDWATER RELIABILITY PARTNERSHIP

Partnership with City of Glendora and Puente Basin Water Agency [PBWA] to update the feasibility study to implement a regional distribution network and local supplies by utilizing 9,000 acre-feet per year of stranded City assets. Three Valleys has secured \$800,000 in funding for this project to date. ***In January 2025 the Groundwater Reliability Improvement Program (GRIP) was awarded \$35,000,000 by the United States Congress - Water Resources Development Act of 2024.***

GLENDORA WELL 3



PROJECTS IN PLANNING

STORAGE & RECOVERY PROGRAMS

As a region which relies 50 – 60% on imported water supplies, it is imperative to invest in local supplies and supply diversification. Three Valleys has been advocating amongst regional partnering agencies to increase investments in the three groundwater basins that Three Valleys overlies on, the Chino, Main San Gabriel and Six Basins groundwater basins. Three Valleys currently has water stored in all three groundwater basins, and is in the process of developing additional programs.

URBAN WATER MANAGEMENT PLAN 2025

For long-term resource planning, the Urban Water Management Plan characterizes Three Valleys' water use, supply and demand, and required contingencies in the event of water shortages and drought conditions. The plan provides an assessment of current and projected water conditions to prioritize regional projects which benefit the Three Valleys service area and member agencies. Three Valleys is required to update its Urban Water Management Plan every 5 years. The Plan is expected to be completed by June 2026, with total project costs to be determined.

WATER USE EFFICIENCY DASHBOARD

A water use efficiency dashboard will be developed to provide Three Valleys' member agencies with information, such as the amount of non-functional turf and irrigable area consistent with the Department of Water Resources land use classifications to assist with the compliance for the "Conservation as a Way of Life" regulations, and to effectively manage water use within the service area. Three Valleys received \$84,400 in funding for this project. The project is cost-shared with local participating retail water agencies. Total Project Cost: \$310,000. **Three Valleys' Total Project Cost: \$84,000.**

PROJECTS IN PLANNING

CYBERSECURITY RISK ASSESSMENT

The State and Local Cybersecurity Grant Program (SLCGP) Award consists of five projects that will reduce cyber risks, enhance TVMWD's cybersecurity posture, and improve resilience. The majority of projects support enhancing TVMWD's threat and vulnerabilities mitigation by implementing improvements to detection, identification, and response capabilities. A National Institute of Standards and Technology (NIST) Gap Analysis project is planned to assess current cybersecurity controls in relation to industry standards and best practices. ***Total Project Cost: \$250,000, which is 100% funded by the grant funding.***

SERVICE AREA BOUNDARY RECONCILIATION

Three Valleys identified parcels both outside and within its service area that needed to be realigned with the boundaries between the City of La Verne and Metropolitan Water District; the effort also includes realignment of the Three Valleys' and Upper San Gabriel Municipal Water District's service area boundaries to reconcile with the established Local Agency Formation Commission's (LAFCO) Boundary. The project schedule is delayed due to the lengthy administrative process and review with LAFCO and Metropolitan. The funding in FYE 2026 is for anticipated fees and studies to complete the effort. ***Total Estimated Project Cost: \$100,000 [cost shared with Upper District].***

PROJECTS IN PLANNING

TREATMENT PLANT EFFICIENCY STUDIES

Three Valleys has initiated efficiency studies of its treatment processes to establish baseline conditions, develop efficiency targets and identify asset improvements for outdated or deficient components. The solids treatment and the hydropower generation facilities have been prioritized to be analyzed to realize operational efficiencies and create long term projects for its appropriate replacement and rehabilitation.

Total Project Cost: \$95,000.



SOLIDS PROCESSING

**THE PLANNING AND RESOURCE STUDIES FOR THE
FISCAL YEARS ENDING 2026-2030 IS \$1.65 MILLION.**

FIVE YEAR CIP

*The capital improvement projects (CIP) are categorized into two categories: Capital Repair and Replacement and Capital Investment Program. **The total CIP cost for the next 5 years is \$17.3 million.***

Capital Repair and Replacement projects will improve or maintain existing Three Valleys assets. Projects will address end-of-life systems and perform routine replacement and rehabilitation as needed. Highlights of major projects are provided below. *Capital Repair and Replacement Projects total \$11.4 million or 66% of the total five-year CIP.*

Capital Improvement Plan projects include long-term investment projects improving general Miramar facilities, systems, and needs. Highlights of major projects are provided below. *The Capital Investment Program Projects is \$5.9 million or 33% of the total five year CIP.*



Capital Repair & Replacement

01.

Miramar Administration Building Upgrades

The Miramar Administration and Operations Buildings facilitate Three Valleys Municipal Water District's critical operations in supporting its mission to supplement and enhance local water supplies. Some of critical components of the building such as roofing, lighting and HVAC (heating, ventilation and air conditioning) systems have not been updated and are approaching the end of life, requiring modifications. The project is currently in the preliminary design phase to evaluate the Heating, Ventilation and Air Conditioning [HVAC] system, conduct Tier 1 and Tier 2 seismic evaluation of the buildings along with the replacement of the roof to meet building code requirements and replace end of life components. The project will be phased based on the criticality of the improvements. **Budget of \$1,600,0000 and \$1,900,000 is allocated in FYE 2026 and FYE 2027** to continue the first phase of implementation and upgrade the existing roof and HVAC. Any improvements that are warranted based on the seismic evaluation will need to be included in the updated project cost to be developed by the end of FYE 2025. **Total Project Cost: \$6,200,000**

The Three Valleys Administration Building was constructed in the early 1980s.



Capital Repair & Replacement

02. Sludge Pond Mixing

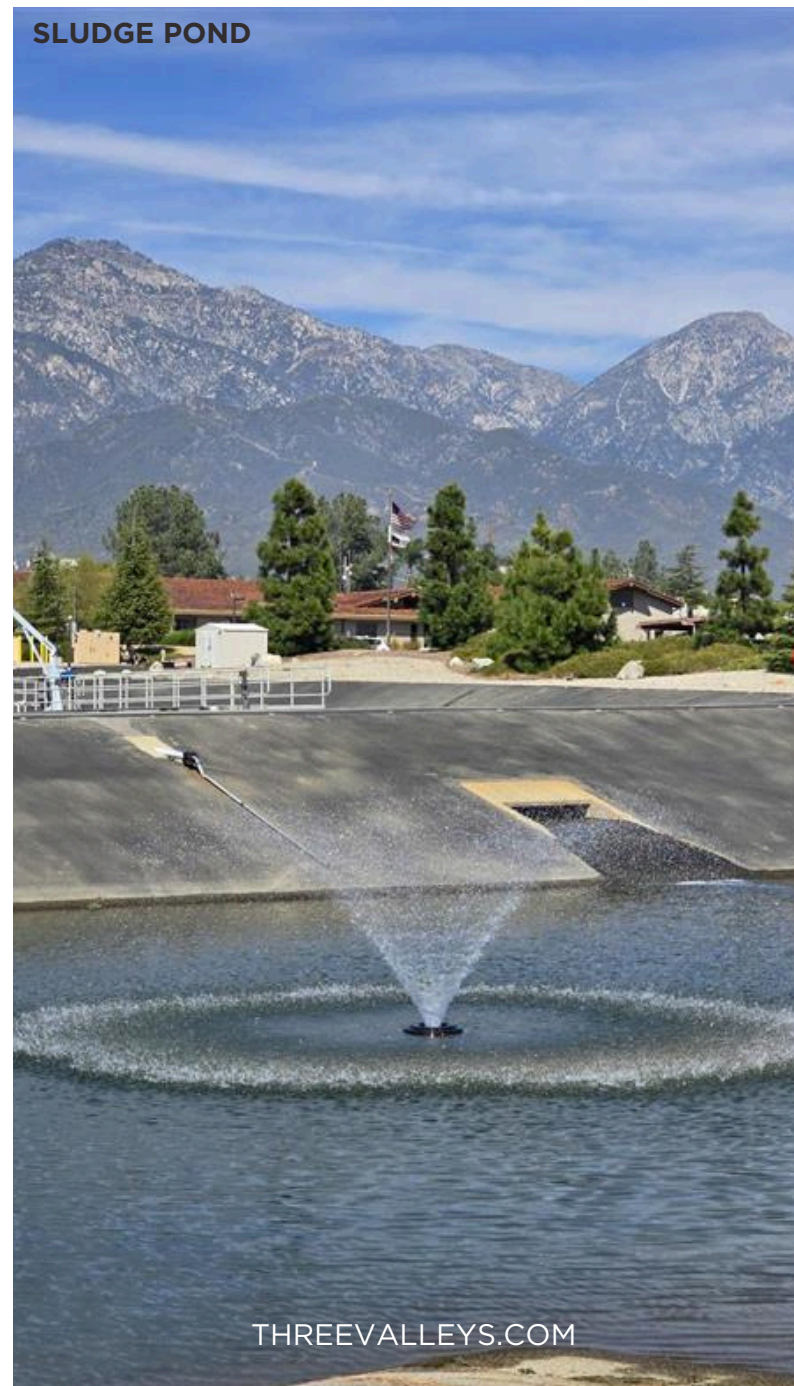
The current sludge pond mixer is no longer working as well as intended and requires upgrading. Better mixing will prevent the growth of algae and other organic material and will increase the amount of water recovered when the sludge is sent to the belt filter press. The Project is slated to begin in FYE 2027.

Total Project Cost: \$1,300,000.

03. Hydroelectric Facility Upgrade

The Miramar hydroelectric generators have nearly been in operation for 40 years since initial installation and require a reassessment of its structural and mechanical integrity. This project will upgrade current hydroelectric facilities and provide repairs if found. \$200,000 is included in the five-year plan, with the remainder occurring beyond the time period. **Total Project Cost: \$3,000,000 [2028 - 2032].**

Three Valleys staff installed a water agitation system to address algae growth during the hot summer months



Capital Repair & Replacement



FILTERS DURING PLANT MAINTENANCE

04.

Reservoir Cover Inspection and Repair

The Miramar Reservoir covers were previously replaced in 2009. The reservoir has been regularly inspected and has begun to show its wear and needs thorough inspection with a capital layout of the improvements needed to maintain the structural integrity of the reservoir. **Total Project Cost: \$2,500,000 [2028 - 2030]**

05.

Miramar Treatment Plant Unplanned Repairs & Rehabilitation

This category of projects is set aside as an annual budget from which unplanned repairs and rehabilitation projects are funded from those not foreseen as a need. Three Valleys does not currently have an asset management plan to develop the forecast repairs and rehabilitation and is replaced as needed. **Total Project Cost: \$100,000 per year.**

UNPLANNED REPAIRS WITHIN TREATMENT PLANT



Capital Repair & Replacement

CAPITAL R&R	FYE 2026	FYE 2027	FYE 2028	FYE 2029	FYE 2030
Reservoir Cover Repairs				\$300,000	\$2,200,000
Miramar Admin Building Upgrades	\$1,600,000	\$1,900,000			
Miramar Unplanned R&R	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Traveling Bridge		\$300,000			
Miramar Security Fence Upgrades	\$100,000				
Parking Cover Replacements	\$150,000				
Well 2 Improvements	\$200,000				
Manways Replacements	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
Analyzer Enclosures	\$50,000				
Battery/Solar for EOC	\$50,000	\$50,000			
Wheeler Cabinet Replacement	\$200,000				
Leak Detection Inspection					\$100,000

Capital Repair & Replacement

CAPITAL R&R	FYE 2026	FYE 2027	FYE 2028	FYE 2029	FYE 2030
Reservoir Actuators		\$200,000			
Sludge Pond Mixing Upgrades		\$100,000		\$1,000,000	\$200,000
Filter Valves			\$250,000		
Acid Feed System	\$100,000				
Soft Water System			\$300,000		
Hydroelectric Facility Improvements				\$200,000	
Main Breaker Replacements	\$100,000	\$100,000	\$200,000	\$100,000	
Miramar Asphalt Reseal	\$100,000				
TOTAL	\$2,900,000	\$2,900,000	\$1,000,000	\$1,850,000	\$2,750,000

FIVE YEAR CAPITAL REPAIR & REPLACEMENT: \$11,400,000

Capital Improvement Program

Chemical Feed System Inspection during Miramar Treatment Plant Maintenance Shutdown, February 2025



PM-21 [Miramar] Bypass Magmeter

Miramar Treatment Plant's design capacity is 40 cubic feet per second [cfs]. Lower demands due to factors of water use efficiency and water shortage conditions requires the plant to operate at minimal flows of 8 cfs. This effort initiates a project with Metropolitan Water District to install a meter suitable for lower flow conditions, increasing meter accuracy and reduce potential for apparent water losses. Metropolitan is currently in the design phase of the project and the project is delayed due to Metropolitan's schedule. Project costs are expected to be incurred in FYE 2026, with a project completion date of FYE 2027. **Total Project Cost: \$2,300,000.**

Capital Improvement Program



Miramar Pumpback Upgrades

The project was initiated to increase system flexibility by moving water from Colorado River [MWD's Weymouth Treatment Plant] into the Miramar Distribution normally served by the State Water Project from Three Valleys' Miramar Treatment Plant. The project addresses Metropolitan's supply constraints with the State Water Project while also providing benefit to SWP dependent agencies. The project is envisioned to be cost shared with by Metropolitan. **Total Project Cost: \$7,400,000, with the cost share for the project yet to be developed with Metropolitan.**



MIRAMAR PUMPBACK

Capital Improvement Program

PADUA PROPERTY ACQUISITION

A property northeast of Baseline Road and Padua Avenue is in the process of being acquired by Three Valleys from California Department of Transportation (CalTrans). The property will be utilized for a pump station to boost water from the future Metropolitan's Pure Water Southern California Project and State Water Project from San Gabriel Valley Municipal Water District during Metropolitan's Rialto Feeder Shutdown and emergencies. The property negotiation has been ongoing since 2018 and is in the final stages of negotiations. The schedule for the project is delayed due to CalTrans' internal review schedules. The property acquisition is expected to be completed by FYE 2026. **Total Project Cost: \$650,000.**

GROUNDWATER RELIABILITY IMPROVEMENT PROGRAM

The Project will construct three new wells that will replace City of Glendora's existing wells, provide well head treatment and develop a regional distribution system to create water supply and system flexibility within the Three Valleys service area. The Project is in the feasibility stage and will only proceed if funding agreements are developed with either the GW Reliability Partnership or rates to support the construction and operation of the facilities. Assumption for the funding in the CIP includes 100% funding from grants and/or the Partnership [City of Glendora, City of Pomona and PBWA] without any current rate impact for Three Valleys customers. **Total Project Cost: \$127,000,000.**

SCADA & COMMUNICATION SYSTEMS

This category of projects include site to site communication, business network communication, Programmable Logic Controllers [PLC], software and programming to maintain industry standards and best practice. **Total Project Cost: \$300,000 over the five-year period.**

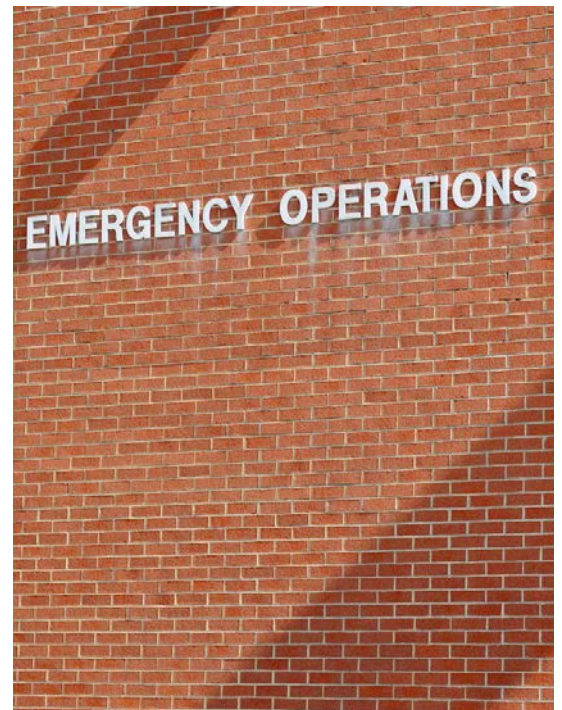


EMERGENCY OPERATIONS CENTER REPLACEMENT

Three Valleys' Emergency Operations Center vehicle is vital in keeping the Miramar Treatment Plant and its associated facilities running in the event of an emergency. However, the existing EOC is now outdated and requires upgrades to its computers and technology, as well as the vehicle itself. **Total Project Cost: \$650,000.**

SECURITY SYSTEMS

This category of projects includes onsite and offsite security enhancements with improved surveillance and communication that are needed on a routine basis. **Total Project Cost: \$600,000 over the five-year period.**



Capital Improvement Program

CAPITAL IMPROVEMENT PROGRAM	FYE 2026	FYE 2027	FYE 2028	FYE 2029	FYE 2030
Security Systems	\$100,000	\$200,000	\$100,000	\$100,000	\$100,000
PM-21 Bypass Magmeter	Project Carried Forward				
Vehicle Replacements	\$60,000		\$150,000		\$75,000
SCADA & Communication	\$100,000	\$50,000	\$50,000	\$50,000	\$50,000
Emergency Operations Center Upgrades			\$650,000		
Miramar System Inspection	\$170,000		\$200,000	\$1,600,000	
Miramar Pumpback	\$100,000	\$500,000	\$1,500,000		
Groundwater Reliability Improvement Program GRIP	\$200,000 GRANT FUNDS	\$500,000	\$127 Million To be included in future based on final project & funding commitment		
TOTAL	\$530,000	\$750,000	\$2,650,000	\$1,750,000	\$225,000

FIVE YEAR CAPITAL IMPROVEMENT PROGRAM: \$5,905,000



ALL
SYSTEMS
FAST
LOC

POLYMER

POLYMER

AMMONIA

POLYMER

AMMONIA

FIVE YEAR PLAN SUMMARY

TOTAL CAPITAL PROJECTS FOR THE NEXT FIVE YEARS IS \$17.3 MILLION

	FYE 2026	FYE 2027	FYE 2028	FYE 2029	FYE 2030
Capital Repair & Replacement	\$2,900,000	\$2,900,000	\$1,000,000	\$1,850,000	\$2,750,000
Capital Improvement Program	\$530,000	\$750,000	\$2,650,000	\$1,750,000	\$225,000
TOTAL	\$3,430,000	\$3,650,000	\$3,650,000	\$3,600,000	\$2,975,000

The capital projects spanning across the multiple years from FYE 2026 to FYE 2030 will maintain and upgrade the Miramar treatment and distribution system to continue to provide reliable supplemental supplies for the Three Valleys' service area.

PROJECTS IN PLANNING

	FYE 2026	FYE 2027	FYE 2028	FYE 2029	FYE 2030
Planning & Resources	\$300,000	\$375,000	\$375,000	\$300,000	\$300,000

The various planning efforts and studies that are planned to be conducted over the next five years to improve general Miramar operations and bolster Three Valleys' water supply reliability in its service area.

Three Valleys' staff conducting an inspection of the polymer system during the regularly scheduled Miramar Treatment Plant shutdown in February 2025.



THREE VALLEYS MUNICIPAL WATER DISTRICT



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VISIT US ONLINE

Project Updates
Annual Reports


WWW.THREEVALLEYS.COM



BOARD INFORMATION

BOARD OF DIRECTORS
STAFF REPORT

To: TVMWD Board of Directors

From: Matthew H. Litchfield, General Manager 

Date: April 2, 2025

Subject: Review of FY 2025/2026 Water Standby Charge

Funds Budgeted: \$

Fiscal Impact: \$

Staff Recommendation

No Action Necessary – Informational Item Only

Background

On July 10, 1996, the District's Board of Directors adopted Resolution No. 7-96-361 which established a standby charge under the Act that was designed to fund the Readiness-to-Serve ("RTS") charge imposed upon the District by the Metropolitan Water District of Southern California ("MWD") and related administrative costs incurred by the District in connection therewith. Resolution No. 7-96-361 expressly provided that the District's standby charge was based upon the report of a qualified engineer which fixed that amount of the standby charge for the 1996-97 fiscal year at \$5.92 per equivalent dwelling unit ("EDU") and provided for the adjustment of that standby charge during subsequent fiscal years according to the actual amount by which the RTS charge increased, and subject to a maximum assessment amount of \$29.41 per EDU.

Discussion

MWD adopted the RTS charge for CY 2026 in April 2024 stating each MWD member agency's portion. TVMWD's portion of the MWD RTS charge for FY 2025/2026 increased from \$7.9 million to \$8.6 million. The funds will be collected on property taxes in the following manner:

- MWD will collect \$1.8 million via a water standby charge imposed on parcels within the Three Valleys’ service area at \$12.21 per parcel.
- TVMWD will collect \$5.7 million (plus \$76,000+ for other charges of the engineering report, county admin fees, public hearing notices and legal costs) via a water standby charge imposed based on EDU’s within TVMWD’s service area. The proposed standby charge for FY2025/2026 for a typical residential homeowner will remain at \$29.41, which is the maximum assessment.
- The remaining \$1.2 million will be assessed to the District’s member agencies as a pass-through charge, proportionate to the EDUs within the member agency’s service areas.

Each year TVMWD must take steps to approve and implement this standby charge. The rate and methodology will be described in the Draft Engineer’s report that will be provided at the Board Meeting on April 16, 2025.

The proposed schedule to implement the charge for the current year is as follows:

Task		Date
Harris & Associates to prepare a draft copy of the Engineer’s Report and electronically submit to TVMWD		3/27/25
Harris & Associates to electronically submit the Engineer’s Report to TVMWD for the Resolution of Intention Board Meeting		4/2/25
Resolution of Intention Board Meeting		4/16/25
TVMWD to publish Joint Public Meeting/Public Hearing Notice:	First notice	4/23/25
	Second notice	4/30/25
	Third notice	5/7/25
Public Meeting to consider Resolution to Adopt Standby Charge		6/4/25
TVMWD to publish Public Hearing Notice:	First notice	6/4/25
	Second notice	6/11/25
Harris & Associates to electronically submit the final Engineer’s Report to TVMWD for the Public Hearing		6/11/25
Public Hearing to consider Resolution to Adopt Standby Charge		6/18/25
Submit assessments to Los Angeles County		8/10/25
Submit levy correction to Los Angeles County		8/31/25
Submit report with applied levy summary to TVMWD		9/30/25

Environmental Impact

None

Strategic Plan Objective(s)

2.1 – Financial Stability

2.2 – Accountability

2.3 – Public Engagement

2.5 – Operational Strategies

Attachment(s)

None

Meeting History

None

NA/BA






BOARD INFORMATION

BOARD OF DIRECTORS
STAFF REPORT

To: TVMWD Board of Directors

From: Matthew H. Litchfield, General Manager 

Date: April 2, 2025

Subject: Water Reuse Collaborative

Funds Budgeted: \$

Fiscal Impact: \$

Staff Recommendation

No Action Necessary – Informational Item Only

Discussion

At the March 5, 2025, Board of Directors meeting, Metropolitan Water District (Metropolitan) staff presented on the status of the Metropolitan Pure Water Southern California project (Pure Water). **Pure Water** is a partnership between Metropolitan and the Los Angeles County and Three Valleys is a Letter-of-Intent (LOI) holder to potentially purchase up to 6,500 AFY of water from the Pure Water project. Pure Water is one of two major water reuse projects planned in Los Angeles County – Pure Water and the City of Los Angeles' **Operation NEXT/Hyperion 2035** – these two projects combined would be among the largest water recycling investments in the world.

Previously, Metropolitan and the City of Los Angeles created the Water Reuse Collaborative (Collaborative) since collaboration and information sharing among participating agencies will be essential to achieve the highest value of these new supply sources and create benefits for a wide range of interests, including underserved communities and the environment, while keeping water affordable for both wholesale and retail customers. Multiple other agencies and organizations have since joined. Metropolitan has extended the invitation to Three Valleys to participate in the Collaborative. An informational sheet on the Collaborative is attached as **Exhibit A**.

Staff recommends Three Valley's participation in the Collaborative to ensure our input is recognized and to work together collaboratively during the planning and implementation of Pure Water Southern California and Operation NEXT/Hyperion 2035. There is no financial impact as a result of this membership.

This item will be brought back for consideration of adoption on April 16, 2025.

Environmental Impact

None

Strategic Plan Objective(s)

- 1.2 – Diverse Portfolio
- 1.5 - Advocacy
- 2.5 - Operational Strategies
- 3.3 - Emerging Technology

Attachment(s)

Exhibit A – Water Reuse Collaborative Informational Sheet

Meeting History

None

NA/ML

Water Reuse Collaborative



We believe that working together will help us construct a more sustainable, equitable and resilient future for our region.

Alex Rojas
General Manager, Central Basin

Victor Meza
General Manager of Water Dept., City of Compton

Mark Pestrella
Director, LA County Public Works

Robert Ferrante
Chief Engineer and General Manager,
LA County Sanitation Districts

Anselmo G. Collins
Sr. Asst. General Manager- Water System, LADWP

Barbara Romero
Director and General Manager,
LA Sanitation and the Environment

Chris Garner
General Manager, Long Beach Water Department

Adel Hagekhalil
General Manager, Metropolitan Water District

Craig Bilezerian
General Manager, Torrance Municipal Water

Stephan Tucker
General Manager, Water Replenishment District

E.J. Caldwell
General Manager,
West Basin Municipal Water District

Statement of Intent

A changing climate and the growing uncertainty of Southern California's water supplies have increased the urgency and role of large-scale water reuse projects to improve regional reliability and resiliency. Two major projects planned in Los Angeles County -- **Pure Water Southern California**, a partnership between Metropolitan and the Los Angeles County Sanitation Districts; and the city of Los Angeles' **Operation NEXT/Hyperion 2035** Program -- would be among the largest water recycling investments in the world. Together, with the Groundwater Replenishment System in Orange County and Pure Water San Diego, these projects position Southern California as a global leader in water reuse.

These two projects would produce a total of more than 350 million gallons of water per day of potable water and have the potential to satisfy a substantial percentage of regional water needs. As water providers expand their own water reuse programs, collaboration and information sharing will be essential to achieve the highest value of these new supply sources and create benefits for a wide range of interests, including underserved communities and the environment, while keeping water affordable for both wholesale and retail customers.

We recognize that infrastructure investments, regulatory decisions and funding commitments made today will have lasting effects, both for our agencies and the region. We intend to work together collaboratively during the planning and implementation of **Pure Water Southern California** and **Operation NEXT/Hyperion 2035** to:

- **Increase the resilience** of the region's water supply
- **Create multiple benefits** from and add value to existing and planned infrastructure and new water supplies, interconnecting the conveyance infrastructure of these two projects to improve operational flexibility and enhance regional water supply reliability
- **Support affordability goals**, including cost savings in infrastructure, efficiencies in storage and operations, and avoidance of redundant or stranded investments
- **Increase access to funding** through coordinated pursuit of external funding opportunities and compatibility of funding requests
- **Improve environmental and water quality**, reduce wastewater discharges, lower our carbon footprint, and support uniformity around water treatment standards and regulations
- **Extend the impact of research** by coordinating pilot projects and sharing technical information and findings
- **Identify and pursue benefits to disadvantaged and underserved communities**, which area large portion of affected retail customers
- **Provide interagency support** that helps bridge the financial and technical capacity differences between smaller and larger agencies served by new water supply
- **Implement workforce development strategies** that grow the pool of candidates to meet anticipated regional needs to build and operate this new infrastructure