

WALNUT VALLEY WATER DISTRICT

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AGENDA

SPECIAL BOARD MEETING THURSDAY, APRIL 24, 2025 4:00 P.M.

Agenda materials are available for public review at <https://walnutvalleywater.gov/about-us/meetings-minutes-and-agendas/>.

Materials related to an item on this agenda submitted after distribution of the agenda packet are available for public review during regular business hours at the District office, located at: 271 S. Brea Canyon Road, Walnut, CA.

1. Flag Salute
2. Roll Call: Mr. Hilden_____ Ms. Kwong_____ Ms. Lee_____ Mr. Tang_____ Mr. Woo_____
3. Public Comment President Kwong

The Presiding Officer of the Board of Directors may impose reasonable limitations on public comments to assure an orderly and timely meeting.

A. **Agenda Items** - Any person desiring to address the Board of Directors on any Agenda item may do so at the time the item is considered on the Agenda by requesting the privilege of doing so at this time and stating the Agenda item to be addressed. At the time the item is discussed, those requesting to speak will be called to do so.

B. **Non-Agenda Items** - At this time, the public shall have an opportunity to comment on any non-agenda item relevant to the jurisdiction of the District. Reasonable time limits on each topic and on each speaker are imposed in accordance with Board policy.

4. **Fiscal Year 2025-2026 Budget Overview** Mr. Ning
A. Discussion B. Action Taken
5. **Amend the Agreement with Resource Computer Solution for the District Headquarters IT, AV, Low Voltage and Security Services (P.N. 19-3569-1) and clarify award of contract to Axelliant for Switches, Access Points (Wifi), Network Security, Routers, Labor, etc.** Mr. Macias
A. Discussion B. Action Taken

Adjournment

Pursuant to the Americans with Disabilities Act, persons with a disability who require a disability-related modification or accommodation to participate in a meeting may request such modification or accommodation from the District's General Manager's Office at (909) 595-1268 Ext. 201.

I, Lucie Cazares, MMC, Walnut Valley Water District, do hereby certify, under penalty of perjury under the laws of the State of California that a full and correct copy of this agenda was posted pursuant to Government Code Section 54950 et. seq., at 271 S. Brea Canyon Road, Walnut, CA., and uploaded to the Walnut Valley Water District website <https://walnutvalleywater.gov/about-us/meetings-minutes-and-agendas/>

Date Posted: April 23, 2025

Lucie Cazares, MMC, Executive Services Administrator

WVWD – Staff Report



TO: Board of Directors
FROM: Accounting Manager
DATE: April 24, 2025
SUBJECT: Fiscal Year 25-26 Budget Workshop

☐ Action/Discussion ☐ Fiscal Impact ☐ Resolution ☒ Information Only

Recommendation

That the Board of Directors review the Proposed FY 25-26 Budget.

Background Information

The annual budget provides a means that allows the Board to review the ongoing and future objectives of the District and allocate funding based on available resources. The District's priorities and objectives through the proposed expenditures and anticipated revenues are developed prior to the fiscal year. The format will be similar to past budgets in the scope of detail and transparency.

Staff's preparation of the budget is guided by:

- *Are the expenses reasonable and consistent with District policies, initiatives, industry standards, customer expectations, and Board of Director's priorities?*
- *Will the existing and proposed infrastructure investments provide current and future benefit to our customers and utilize our existing funds wisely?*
- *Does the proposed budget remain committed to seeking efficiencies wherever feasible?*
- *Does the proposed budget reflect the District's ongoing commitment to water conservation?*

Additionally,

- The District's proposed FY 25-26 budget will continue funding our core mission of meeting the water supply needs of the communities we serve.
- The District's internal cost-controls are evident as we continue our long-term efforts to maintain efficiencies in all areas.
- Over the course of the past several years, the District has made a significant investment in alternative water supply projects. The FY 25-26 budget includes 1,209 acre-feet of water from the PBWA Cal Domestic project.

At the workshop, staff will start the discussion on the FY 25-26 Budget consisting of:

1. Revenue Summary

- Potable Water Sales
- Recycled Water Sales
- Other/Non-Operating Revenues

2. Major Expense Categories

- Purchased Water TVMWD's rates and charges
- TVMWD's assessments
- Walnut Valley Water District's Personnel Costs
- Walnut Valley Water District's Operations and Maintenance Costs
- Debt Service

3. FY 25-26 Capital Investment Program

Attachments:

- Budget Summary
- Expenses by Cost Category
- Water Supply
- Personnel Budget Summary
- CIP Budget

Board Budget Schedule:

Date	Item
January to April 2025	Staff preparation of DRAFT Budget
April 24, 2025 Budget Workshop I	Review of the District's DRAFT FY 25-26 Budget Revenues Expenses Capital Investment Program Budget
May 22, 2025 Budget Workshop II	Review of the District's DRAFT FY 25-26 Budget Revenues Expenses Capital Investment Program Budget
Adoption of Final Budget (by June 30, 2025)	

FY 25-26 Overview

Revenues

The Walnut Valley Water District budgeted 13,050 acre-feet of potable water sales and 1,526 acre-feet of recycled water sales for FY 25-26 compared to the prior year's budget of 13,038 acre-feet of potable water sales and 1,505 acre-feet of recycled water sales

Revenues by major category are summarized below:

Description	FY 24-25 Budget	FY 25-26 Budget	% Change
Water Sales - Base Rate	\$ 10,695,900	\$ 14,904,700	39.3%
Water Sales - Commodity	24,891,000	26,393,063	6.0%
Water Sales - Pump Zone	1,198,000	998,000	-16.7%
Water Sales - Recycled	1,714,900	2,107,600	22.9%
Other Fees	908,400	370,000	-59.3%
Standby By Charges	825,000	825,000	0.0%
Hydro Electric Sales	30,000	30,000	0.0%
SUBTOTAL OPERATING REVENUES	40,263,200	45,628,363	13.3%
Other Revenues	294,700	290,400	-1.5%
Non-Operating Revenues	1,798,700	1,838,500	2.2%
TOTAL REVENUES	\$ 42,356,600	\$ 47,757,263	12.8%

Total revenues are budgeted at \$47,757,263, a 12.8% increase when compared to the FY 24-25 budget.

Expenses

The budgeted expenses for FY 25-26 are estimated at \$46,699,895, a 14.4% increase when compared to the prior year. The major cost categories are summarized below:

Expense Category	FY 24-25 Budget	FY 25-26 Budget	% Diff
Purchased Water	\$ 19,943,500	\$ 22,281,550	11.7%
Personnel Costs	12,166,600	12,896,500	6.0%
Utilities	1,330,700	1,865,050	40.2%
O&M Expenses	6,138,000	6,478,795	5.6%
Net Operating Expenses	\$ 39,578,800	\$ 43,521,895	10.0%
Debt Payment	1,229,500	3,178,000	158.5%
Total Expenses	\$ 40,808,300	\$ 46,699,895	14.4%

A. Purchased Water

Total purchased water is estimated at 14,163 acre-feet for FY 25-26 compared to 13,920 acre-feet from the prior year's budget. The estimated cost of water purchases is \$22,281,550 for FY 2026

FY 21-22 Actual	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Projected	FY 25-26 Budget
16,844	13,921	14,163	15,118	14,163

*Excludes wholesale water sales

Water is purchased through Three Valleys Municipal Water District (TVMWD) who is a wholesaler of Metropolitan Water District (MWD). MWD approved a treated water rate increase of 9.5%, effective January 2026 and TVMWD increased their surcharge to \$32.00 per AF. The historical rates of MWD and TVMWD are listed below.

Item	CY 2023	CY 2024	CY 2025	CY2026
Tier 1 Supply Rate	\$ 321	\$ 332	\$ 290	\$ 313
System Access Rate	368	389	463	492
Water Stewardship	-	-	-	-
System Power Rate	166	182	159	179
<i>Tier 1 Untreated Water</i>	855	903	912	984
MWD' Treatment Cost	354	353	483	544
TVMWD' Surcharge		8	16	32
Totals	\$ 1,209	\$ 1,264	\$ 1,411	\$ 1,560

Regardless of the amount of water purchased, the District pays certain fixed charges to MWD and TVMWD. The historical fixed charges for MWD are shown below:

MWD Capacity Charges	CY 2024	CY 2025	CY 2026
Cost PER CFS	\$ 11,200	\$ 13,000	\$ 14,500
Total MWD Charges	\$ 1,548,960	\$ 1,797,900	\$ 1,600,800
WWWD's Obligation	\$ 468,700	\$ 546,900	\$ 488,900

* FY 25-26 expenses are \$517,900

The historical fixed charges for TVMWD are shown below:

TVMWD 'Fixed' Charges	CY 2024	CY 2025	CY 2026
Total TVMWD Fixed Charges	\$920,766	\$1,054,150	\$1,318,691
WVWD's Obligation	\$246,200	\$283,400	\$352,294
District's percentage of TVMWD Assessment	26.7%	26.9%	26.7%

*FY 25-26 expenses are \$317,800

The District has incurred an additional charge related to the Readiness-To-Serve Charge (RTS) that is charged by MWD. This charge was previously covered by TVMWD through a standby charge they impose on property taxes. As of January 1, 2025, the standby charge will no longer cover the full cost of MWD RTS charge. The new charges are shown below:

RTS Charge	CY 2025	CY 2026	CY 2027
TVMWD Portion of RTS Charge	\$ 6,168,637	\$ 6,865,400	\$ 7,384,450
TVMWD Standby Revenue	5,665,719	5,676,720	5,676,720
TVMWD Shortfall	502,918	1,188,680	1,707,730
WVWD Cost	102,200	233,273	320,718

*FY 25-26 expenses are \$167,800

B. Personnel Costs

Staffing levels are projected to remain at 57 FTE's. Proposed salaries, benefits, and employer costs for FY 25-26 will increase approximately \$729,900, or 6%, when compared to FY 24-25.

Description	FY 24-25 Budget	FY 25-26 Budget	\$ Diff
Wages	\$ 7,216,000	\$ 7,710,200	\$ 494,200
Employer Taxes & Insurance	717,300	714,700	(2,600)
Medical & Other Insurance Premiums	1,254,500	1,304,700	50,200
PERS Employer	2,221,600	2,234,500	12,900
Other	757,200	932,400	175,200
Total Annual Wages, Benefits & Employer Costs	12,166,600	12,896,500	729,900

The key assumptions for personnel costs are as follows:

- A COLA of 4% in January 2026 was included in the FY 25-26 District budget.
- Effective January 2026 Medical and dental premiums are estimated to increase 10%, and 3% respectively, subject to the established medical cap.

C. Operation and Maintenance Costs

The District continuously strives for operational efficiency and to ensure the budget reflects the current economic conditions, the District's mission statement, and the strategic values set by the Board of Directors. Operation and Maintenance Costs are estimated to increase 5.6% from the prior year.

D. Debt Service

- a. In August 2021, the District issued approximately \$15 million in revenue bonds to refinance bonds issued in March 2013. The annual debt service for FY 25-26 is \$1,232,600
- b. In June 1, 2024, the District issued approximately \$30.74 million in revenue bonds to finance the construction of a new administration building as well as modifications of the District's existing operations and maintenance building. The annual debt service for FY 25-26 is \$1,945,400
- c. As part of the bond covenants the District must collect net revenues equal to at least 125% of the annual debt service. Based on the draft budget the District will meet the covenant.

E. Capital Investment Program

- a. Current and past Boards have made it a priority to ensure that the District's infrastructure is maintained, repaired, and replaced appropriately. The continual investment in our water system helps to ensure we are able to meet the water demands of the community we serve.
- b. The CIP Budget for FY 25-26 includes costs related to the replacement and refurbishment of existing facilities, as well as for the acquisition and construction of new equipment and facilities.
- c. These projects are financed through the Replacement Fund, Capital Fund, and Restricted Reserves.

WALNUT VALLEY WATER DISTRICT
BUDGET SUMMARY
FY 2025-26

Department	G/L Classification	2022-23 Budget	2022-23 Actual	2023-24 Budget	2023-24 Actual	2024-25 Budget	2024-25 Projected	2024-25 % Budget	2025-26 Budget	Increase (Decrease)
REVENUES:										
Water Sales - General	4100's	34,933,900	33,411,625	36,977,100	35,084,055	37,693,300	40,373,200	107%	42,665,763	4,972,463
Water Sales - Wholesale	4100-4235	0	3,808,690	0	986,552	0	700,000	0%	0	0
Water Sales - Recycled	4100-REC	2,205,400	1,665,973	2,376,100	1,772,820	1,714,900	1,911,900	111%	2,107,600	392,700
Standby By Charges	4400-4955	825,000	761,611	825,000	738,652	825,000	825,000	100%	825,000	0
Hydro Electric Sales	4200's	40,000	21,871	30,000	25,735	30,000	30,000	100%	30,000	0
SUBTOTAL OPERATING REVENUES	See Revenues Schedule	38,004,300	39,669,771	40,208,200	38,607,814	40,263,200	43,840,100	109%	45,628,363	5,365,163
Other Revenues	4300's	310,500	1,015,610	315,100	1,166,490	294,700	329,800	112%	290,400	(4,300)
Non-Operating Revenues	4400's	1,747,600	2,116,683	1,757,400	2,197,070	1,798,700	1,809,800	101%	1,838,500	39,800
TOTAL REVENUES		40,062,400	42,802,064	42,280,700	41,971,373	42,356,600	45,979,700	109%	47,757,263	5,400,663
EXPENSES:										
Operations	52XX	6,718,900	6,695,219	7,346,000	7,396,957	7,781,600	7,649,472	98%	8,517,750	736,150
Engineering	53XX	1,604,600	1,354,030	1,772,950	1,489,465	1,601,850	1,489,055	93%	1,854,750	252,900
Finance	54XX	2,120,100	1,964,618	2,268,400	2,152,691	2,610,300	2,500,706	96%	2,721,450	111,150
GM/Governance	55XX	1,706,000	1,517,895	1,700,200	1,600,894	1,755,600	1,613,219	92%	1,920,000	164,400
Administrative Services	56XX	3,413,100	3,359,437	3,693,150	3,507,670	4,417,150	3,851,896	87%	4,504,550	87,400
General and Administrative	57XX	1,242,000	1,252,026	1,461,800	1,306,326	1,468,800	1,498,246	102%	1,721,845	253,045
SUBTOTAL OPERATING EXPENSES		16,804,700	16,143,225	18,242,500	17,454,002	19,635,300	18,602,594	95%	21,240,345	1,605,045

WALNUT VALLEY WATER DISTRICT
BUDGET SUMMARY
FY 2025-26

Department	G/L Classification	2022-23 Budget	2022-23 Actual	2023-24 Budget	2023-24 Actual	2024-25 Budget	2024-25 Projected	2024-25 % Budget	2025-26 Budget	Increase (Decrease)
Water Supply & Related Costs	See Water Supply Schedule	18,458,200	21,092,433	19,532,800	19,568,329	19,943,500	20,579,790	103%	22,281,550	2,338,050
SUBTOTAL OPERATING & WATER		35,262,900	37,235,659	37,775,300	37,022,331	39,578,800	39,182,383	99%	43,521,895	3,943,095
Long Term Debt	69XX	277,400	280,828	907,400	383,288	1,229,500	2,575,000	209%	3,178,000	1,948,500
TOTAL OPERATING, WATER, LT DEBT		35,540,300	37,516,487	38,682,700	37,405,619	40,808,300	41,757,383	102%	46,699,895	5,891,595
Net Revenues Before Adjustments & Reserve Program Funding		4,522,100	5,285,577	3,598,000	4,565,754	1,548,300	4,222,317	273%	1,057,368	(490,932)
Adjustment									713,650	
RESERVE PROGRAM FUNDING									1,771,018	
Replacement Reserve Program Funding									(114,518)	
Capital Reserve Program Funding									(500,000)	
Stored Water Reserve									(406,500)	
Long-Term Liability Program Funding									(750,000)	
NET REVENUES									0	

WALNUT VALLEY WATER DISTRICT
EXPENSES BY COST CATEGORY
FY 2025-26

Description	G/L Classification	2022-23 Budget	2022-23 Actual	2023-24 Budget	2023-24 Actual	2024-25 Budget	2024-25 Projected	2024-25 % Budget	2025-26 Budget	Increase (Decrease)
Wages & Benefits	See Personnel Schedule	10,382,300	9,735,531	11,290,300	10,440,008	12,166,600	11,544,200	95%	12,896,500	729,900
Utilities	5400's	1,120,500	1,249,071	1,205,500	1,485,550	1,330,700	1,657,900	125%	1,865,050	534,350
Vehicle Expenses	5500's	160,300	224,962	184,800	219,151	222,400	278,500	125%	229,500	7,100
Human Resource Expenses	5600's	761,200	722,185	848,900	721,838	798,100	787,500	99%	800,955	2,855
Professional Development	5700's	221,600	161,079	256,000	213,199	261,600	223,596	85%	335,290	73,690
Safety	5800's	99,400	96,151	100,900	96,498	174,200	89,487	51%	112,600	(61,600)
Professional Services	6100's	720,000	585,022	741,300	691,318	926,000	733,000	79%	1,063,400	137,400
Insurance	6200's	170,000	215,205	215,000	241,259	260,000	268,910	103%	267,000	7,000
Outside Services	6300's	1,664,050	1,705,781	1,876,100	1,824,871	1,848,200	1,705,170	92%	2,105,300	257,100
Materials & Supplies	6400's	1,285,350	1,226,969	1,341,700	1,312,914	1,394,800	1,098,272	79%	1,325,950	(68,850)
Equipment Lease	6500's	28,600	27,837	28,600	28,211	28,600	29,500	103%	35,500	6,900
Other Agency Costs	6600's	181,300	204,588	143,300	168,250	224,000	186,059	83%	203,200	(20,800)

WALNUT VALLEY WATER DISTRICT
EXPENSES BY COST CATEGORY
FY 2025-26

Description	G/L Classification	2022-23 Budget	2022-23 Actual	2023-24 Budget	2023-24 Actual	2024-25 Budget	2024-25 Projected	2024-25 % Budget	2025-26 Budget	Increase (Decrease)
Collection Expense	6700's	10,100	(11,156)	10,100	10,980	100	500	500%	100	-
Miscellaneous	6800's	-	0	-	(47)	-	-	0%	-	-
TOTAL OPERATING		16,804,700	16,143,225	18,242,500	17,454,002	19,635,300	18,602,594	95%	21,240,345	1,605,045
Water Supply and Related	See Water Supply Schedule	18,458,200	21,092,433	19,532,800	19,568,329	19,943,500	20,579,790	103%	22,281,550	2,338,050
Long Term Debt		277,400	280,828	907,400	383,288	1,229,500	2,575,000	209%	3,178,000	1,948,500
TOTAL EXPENSES		35,540,300	37,516,487	38,682,700	37,405,619	40,808,300	41,757,383	102%	46,699,895	5,891,595

WALNUT VALLEY WATER DISTRICT
WATER SUPPLY (5100) BUDGET DETAIL
FY 2025-26

Description	Account Number	2022-23 Budget	2022-23 Actual	2023-24 Budget	2023-24 Actual	2024-25 Budget	2024-25 Projected	2024-25 % Budget	2025-26 Budget	Increase (Decrease)
Water Supply - Purchased Water	5110	16,408,000	18,912,308	17,317,300	17,558,594	16,955,100	18,269,400	108%	18,104,600	1,149,500
Purchased Water	5190	895,400	861,929	824,000	808,779	1,418,200	785,900	55%	2,387,900	969,700
Water Supply - TVMWD Surcharges	5120	(127,100)	(122,037)	49,300	-	145,100	101,100	70%	280,300	135,200
Water Supply - TVMWD Connected Capacity Charges	5125	78,100	78,082	82,800	82,766	91,200	91,200	100%	109,500	18,300
Water Supply - TVMWD Equiv. Small Meter Charge	5130	52,200	52,245	55,600	55,608	60,900	60,900	100%	73,100	12,200
Water Supply - TVMWD Water Use Charges	5135	92,600	93,199	100,200	100,517	112,700	112,700	100%	135,200	22,500
Water Supply - TVMWD RTS Charge	5137	-	-	-	-	51,100	51,100	100%	167,800	116,700
Water Supply - PWR Surcharge	5140	19,900	19,836	19,900	19,836	19,900	19,900	100%	19,900	-
Water Supply - MWD Capacity Reserv. Charges	5145	493,000	485,209	453,200	449,631	507,800	507,800	100%	517,900	10,100
Water Supply - Purchased Water - LACSD	5150	168,300	195,397	214,600	143,992	145,600	193,290	133%	164,500	18,900
Water Supply - Purchased Water - WVWD	5155	6,500	3,790	6,500	-	6,500	-	0%	6,500	-
LACSD Capacity Charge	5170	85,000	87,101	89,000	85,491	89,000	85,600	96%	-	(89,000)

WALNUT VALLEY WATER DISTRICT
WATER SUPPLY (5100) BUDGET DETAIL
FY 2025-26

Description	Account Number	2022-23 Budget	2022-23 Actual	2023-24 Budget	2023-24 Actual	2024-25 Budget	2024-25 Projected	2024-25 % Budget	2025-26 Budget	Increase (Decrease)
PWR Budget Assessment	6620	32,300	33,600	32,300	33,600	32,300	32,300	100%	32,300	-
Puente Basin Water Agency	6625	210,900	125,340	173,500	165,030	193,500	180,000	93%	193,450	(50)
Puente Basin Watermaster	6630	5,600	3,983	5,600	2,382	5,600	5,600	100%	5,600	-
Spadra Basin GSA	6635	37,500	262,452	109,000	62,104	109,000	83,000	76%	83,000	(26,000)
TOTAL		18,458,200	21,092,433	19,532,800	19,568,329	19,943,500	20,579,790	103%	22,281,550	2,338,050

WALNUT VALLEY WATER DISTRICT
PERSONNEL BUDGET SUMMARY
FY 2025-26

Description	2021-22 Budget	2022-23 Budget	2023-24 Budget	2024-25 Budget	2025-26 Budget	Budget Difference
Wages	5,853,504	6,053,600	6,707,400	7,216,000	7,710,200	494,200
Certification Pay	42,500	37,100	49,900	47,100	56,400	9,300
Medical & Other Insurance Premiums	1,236,288	1,199,300	1,123,500	1,254,500	1,304,700	50,200
PERS Employer	1,782,696	1,951,100	1,924,900	2,221,600	2,234,500	12,900
Other	573,288	578,200	819,600	710,100	876,000	165,900
Total Annual Benefits	3,634,772	3,765,700	3,917,900	4,233,300	4,471,600	238,300
Employer Taxes & Insurance	527,876	563,000	665,000	717,300	714,700	(2,600)
Total Annual Benefits & Employer Costs	4,162,648	4,328,700	4,582,900	4,950,600	5,186,300	235,700
Total Annual Wages, Benefits & Employer Costs	10,016,152	10,382,300	11,290,300	12,166,600	12,896,500	729,900

**Capital Investment Program Budget by Reserve Fund
Fiscal Year 2025-26**

Item No.	Department	Project Name	Funding Source	Budgeted FY 24-25	New Fund Requested	Total Project Costs	Current Year Projections FY 24-25	Projected Expenditure FY 25-26	Projected Expenditure FY 26-27	Projected Expenditure FY 27-28
1	OP	Gang Truck	Capital	350,000		350,000	350,000			
2	OP	Leak Detection Program	Capital	75,000	165,000	240,000	75,000	50,000	55,000	60,000
3	EXT	Mobile Fill Station	Capital	55,000		55,000	55,000			
4	OP	SCADA Security Enhancements 24-25	Capital	100,000		100,000		100,000		
5	OP	Seismic Controller Upgrade	Capital		100,000	100,000		25,000	75,000	
6	OP	Valve Operator/ Vac Truck 26-27	Capital		290,000	290,000			290,000	
7	GM/ENG	Spadra Recycled Reservoir (also funded through RCC & WSC)	Capital		2,969,000	2,969,000			1,419,000	1,550,000
8	ENG	1050 Main Extension (also funded through ASC)	Capital		400,000	400,000		400,000		
9	OP	Mini Excavator & Transport Trailer	Capital		110,000	110,000		110,000		
10	OP	Trailer for Traffic Control Deployment	Capital		30,000	30,000		30,000		
11	OP	CMMS Software (Setup & Integration)	Capital		75,000	75,000		75,000		
		TOTAL Capital		580,000	4,139,000	4,719,000	480,000	790,000	1,839,000	1,610,000
12	ENG	57/60 Freeway and Grand Avenue Improvement	Replacement	1,000,000		1,000,000		40,000	960,000	
13	OP	AMI Meter Upgrade 23-24	Replacement	2,809,690		2,809,690	2,809,690			
14	OP	Asphalt Replacement - Pathfinder	Replacement	75,000	125,000	200,000		200,000		
15	OP	Asphalt Replacement - Terminal Storage	Replacement	350,000		350,000		350,000		

Item No.	Department	Project Name	Funding Source	Budgeted FY 24-25	New Fund Requested	Total Project Costs	Current Year Projections FY 24-25	Projected Expenditure FY 25-26	Projected Expenditure FY 26-27	Projected Expenditure FY 27-28
16	IT	Cisco Hosts (DR Site)	Replacement		162,800	162,800		162,800		
17	IT	Cisco Hosts (PROD)	Replacement		54,300	54,300				54,300
18	IT	Data Domain (DR Site)	Replacement		54,700	54,700				54,700
19	IT	Exchange Server	Replacement		52,800	52,800			52,800	
20	IT	Diamond Bar Pump Station Emergency Generator	Replacement	2,769,973		2,769,973	2,769,973			
21	OP	Diamond Bar (P1) Pump Station Paint	Replacement	145,000		145,000		145,000		
22	OP	Electrical Panel Modification Program	Replacement	813,000	532,800	1,345,800	130,050	232,950	490,800	492,000
23	OP	Equipment - Compressor	Replacement	40,000		40,000	40,000			
24	OP	Equipment Arrow Board	Replacement	17,000		17,000	17,000			
25	OP	Equipment Forklift	Replacement		40,000	40,000		40,000		
26	OP	Equipment Small Trailers	Replacement		19,600	19,600			19,600	
27	OP	Equipment Skid Steer	Replacement		61,900	61,900				61,900
28	ENG	Fairway Drive Facilities Relocation (ACE)	Replacement	2,350,000		2,350,000	2,350,000			
29	FIN	Financial System	Replacement	300,000	200,000	500,000		500,000		
30	ADM/OP	Gasoline Fuel Tank Replacement	Replacement	200,000	300,000	500,000		500,000		
31	ENG	Improvement of Grand Avenue & Golden Springs Drive	Replacement	152,000		152,000	152,000			
32	OP	Iron Saddle Replacement Program	Replacement		490,000	490,000		157,500	163,800	168,700
33	OP	Meter Replacement	Replacement		617,400	617,400			617,400	
34	OP	Mixer and Analyzer Replacement @ Ridgeline A	Replacement	32,600		32,600	32,600			
35	OP	Mixer and Analyzer Replacement @ Ridgeline C	Replacement	32,600		32,600	32,600			
36	OP	Mixer and Analyzer Replacement @ Eastgate B	Replacement	32,600		32,600	32,600			
37	OP	Mixer and Analyzer Replacement @ Armitos A	Replacement	32,600		32,600	32,600			

Item No.	Department	Project Name	Funding Source	Budgeted FY 24-25	New Fund Requested	Total Project Costs	Current Year Projections FY 24-25	Projected Expenditure FY 25-26	Projected Expenditure FY 26-27	Projected Expenditure FY 27-28
38	OP	Reservoir Mixer Replacements	Replacement		277,500	277,500		90,000	92,500	95,000
39	OP	Reservoir Water Quality Analyzer Replacements	Replacement		234,000	234,000		76,000	78,000	80,000
40	OP	Chemical Feed Pump Replacements	Replacement		186,000	186,000		60,000	62,000	64,000
41	OP	Potable Water Main Replacement	Replacement	250,000	204,000	454,000	250,000	204,000		
42	OP	PRV Rehab Program	Replacement	484,900	1,118,700	1,603,600	260,200	822,100	256,800	264,500
43	OP	Pump Rehabilitation Program	Replacement	108,400	829,900	938,300	40,200	313,100	310,000	275,000
44	OP	RCS System Brea Canyon Cut-Off Reservoirs	Replacement	500,000		500,000		500,000		
45	OP	Recycled Water Main Replacement	Replacement	200,000	150,000	350,000	350,000			
46	OP	Reservoir Coating Program	Replacement	651,600	1,033,000	1,684,600		651,600	370,500	662,500
47	EXT	Reservoir Entrance/Demo Garden	Replacement	100,000		100,000				100,000
48	OP	Service Line Replacements	Replacement	125,000	675,000	800,000	125,000	225,000	225,000	225,000
49	OP	Valve Replacement Program	Replacement	150,000	725,600	875,600	150,000	225,000	250,600	250,000
50	OP	Vehicles Replacement Program	Replacement	236,000	770,900	1,006,900	236,000	247,800	257,700	265,400
51	OP	Towable Emergency Pump	Replacement		265,000	265,000		265,000		
52	OP	Truck #90 Retrofit for Transport Trailer	Replacement		20,000	20,000			20,000	
53	Op/Eng	Valley, Otterbein, Colima Main Replacment Project Phase 1	Replacement		650,000	650,000		400,000	250,000	
54	Op	Repair/Replace panels on TEMCOR Domes	Replacement		150,000	150,000		150,000		
		TOTAL Replacement		13,957,963	10,000,900	23,958,863	9,810,513	6,557,850	4,477,500	3,113,000
55	ENG	1050 Main Extension (also funded through ASC)	ASC	450,000	10,000	460,000		460,000		
		TOTAL ASC		450,000	10,000	460,000	-	460,000	-	-
56	Op	RCS/Mixing System Terminal Storage	RCC	250,000		250,000		250,000		

Item No.	Department	Project Name	Funding Source	Budgeted FY 24-25	New Fund Requested	Total Project Costs	Current Year Projections FY 24-25	Projected Expenditure FY 25-26	Projected Expenditure FY 26-27	Projected Expenditure FY 27-28
57	GM/ENG	Spadra Recycled Reservoir (also funded through Capital & WSC)	RCC		380,000	380,000		380,000		
58	OP	Pump Addition Program	RCC	155,400		155,400	155,400			
		TOTAL RCC		405,400	380,000	785,400	155,400	630,000	-	-
59	GM/AGM	Pomona Basin Projects	WSC	2,000,000		2,000,000	2,000,000			
60	ENG	Royal Vista Purchase & repair (also funded through Capital)	WSC		50,000	50,000		50,000		
61	GM/ENG	Spadra Recycled system improvements	WSC	30,000	721,000	751,000		751,000		
		TOTAL WSC		2,030,000	771,000	2,801,000	2,000,000	801,000	-	-
		TOTAL		17,423,363	15,300,900	32,724,263	12,445,913	9,238,850	6,316,500	4,723,000



Walnut Valley Water District
Official Chart of Positions FY 2025-26 in Full-time Equivalents (FTE's)
Revisions for FY 2025-26
 Effective July 1, 2025

General Manager's Office	FTE's	Engineering	FTE's	Operations	FTE's	Finance	FTE's	External Affairs & Sustainability	FTE's
General Manager/Chief Engineer	1.0	Director of Engineering	1.0	Director of Operations	1.0	Director of Finance	1.0	Director of External Affairs & Sustainability	1.0
Assistant General Manager	1.0	Technical Design Manager	1.0	Operations Manager	1.0	Customer Service Manager	1.0	External Affairs & Sustainability Manager	1.0
		Senior Civil Engineer		Field Supervisor	1.0	Customer Service Supervisor	1.0	Senior External Affairs & Sustainability Coordinator	1.0
Administrative Support		Civil Engineer	1.0	Construction Inspection Supervisor	1.0	Sr. Customer Service Rep.	1.0	External Affairs & Sustainability Coordinator II	
Executive Services Administrator	1.0	Senior Civil Engineering Assistant	1.0	Utility Service Lead	2.0	Customer Service Rep. II	1.0	External Affairs & Sustainability Coordinator I	1.0
Administrative Assistant I	1.0	Civil Engineering Assistant	1.0	Cross Connection Specialist	1.0	Customer Service Rep. I	2.0		
		Senior Executive Assistant	1.0	Cross Connection Technician I		Accounting Manager	1.0		
				Utility Service Worker III		Accounting Supervisor	1.0		
				Utility Service Worker II	6.0	Senior Accountant	1.0		
				Utility Service Worker I	3.0	Accounting Technician I	1.0		
				Water Production Supervisor	1.0				
Safety / HR / Risk Management / IT				Water Production Lead	1.0				
Director of Administrative Services	1.0			Instrumentation/Electrical Systems Technician	1.0				
Human Resources Analyst	1.0			Water Quality Specialist					
Information Technology Manager	1.0			Water Production Operator II	1.0				
Information Technology Specialist (1)	1.0			Water Production Operator I	3.0				
Information Technology Technician									
Safety Officer	1.0			Water Maintenance & Facility Manager (2)	1.0				
				General Services & Procurement Manager					
				Water Maintenance & Facility Supervisor (3)	1.0				
				General Services Supervisor					
				Water Maintenance & Facility Worker III (4)					
				Facility Maintenance Wkr III					
				Water Maintenance & Facility Worker II (5)	1.0				
				Facility Maintenance Wkr II					
				Water Maintenance & Facility Worker I (6)	1.0				
				Facility Maintenance Wkr I					

Full-time Positions:	9.0	Full-time Positions:	6.0	Full-time Positions:	27.0	Full-time Positions:	11.0	Full-time Positions:	4.0
Part-Time Positions:	0.0	Part-Time Positions:	0.0	Part-Time Positions:	0.0	Part-Time Positions:	0.0	Part-Time Positions:	0.0

1. Proposed reclassification from "Information Technology Technician" to "Information Technology Specialist"
2. Proposed reclassification from "General Services & Procurement Manager" to "Water Maintenance & Facility Manager"
3. Proposed reclassification from "General Services Supervisor" to "Water Maintenance & Facility Supervisor"
4. Proposed reclassification from "Facility Maintenance Worker III" to "Water Maintenance & Facility Worker III"
5. Proposed reclassification from "Facility Maintenance Worker II" to "Water Maintenance & Facility Worker II"
6. Proposed reclassification from "Facility Maintenance Worker I" to "Water Maintenance & Facility Worker I"

Fiscal Year Recaps	FTE's	Fiscal Year Recaps	FTE's
FY 2011-12	55.6	FY 2018-19	56.5
FY 2012-13	55.5	FY 2019-20	57.5
FY 2013-14	55.75	FY 2020-21	57.0
FY 2014-15	55.8	FY 2021-22	57.0
FY 2015-16	55.8	FY 2022-23	57.0
FY 2016-17	56.0	FY 2023-24	57.0
FY 2017-18	56.5	FY 2024-25	57.0
		FY 2025-26 (Proposed)	57.0



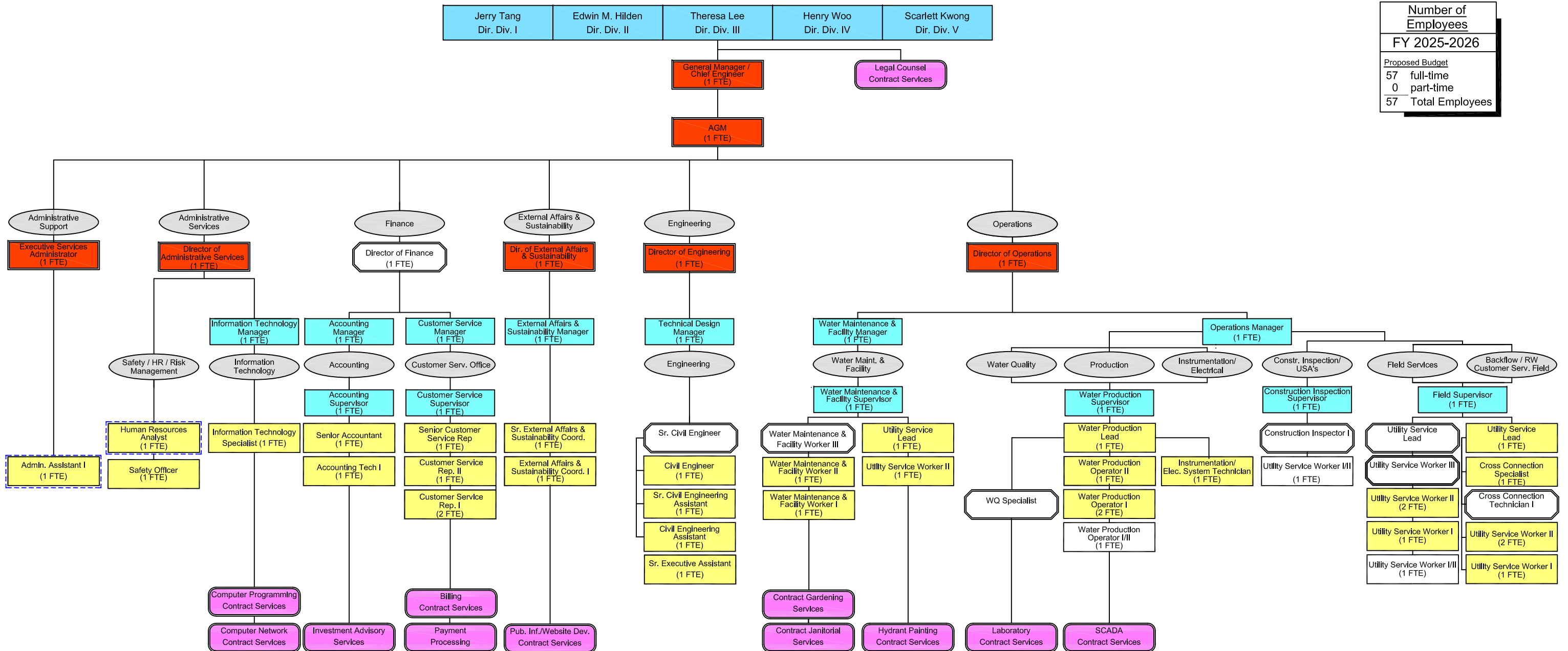
WALNUT VALLEY WATER DISTRICT ORGANIZATIONAL CHART FISCAL YEAR 2025-2026



LEGEND

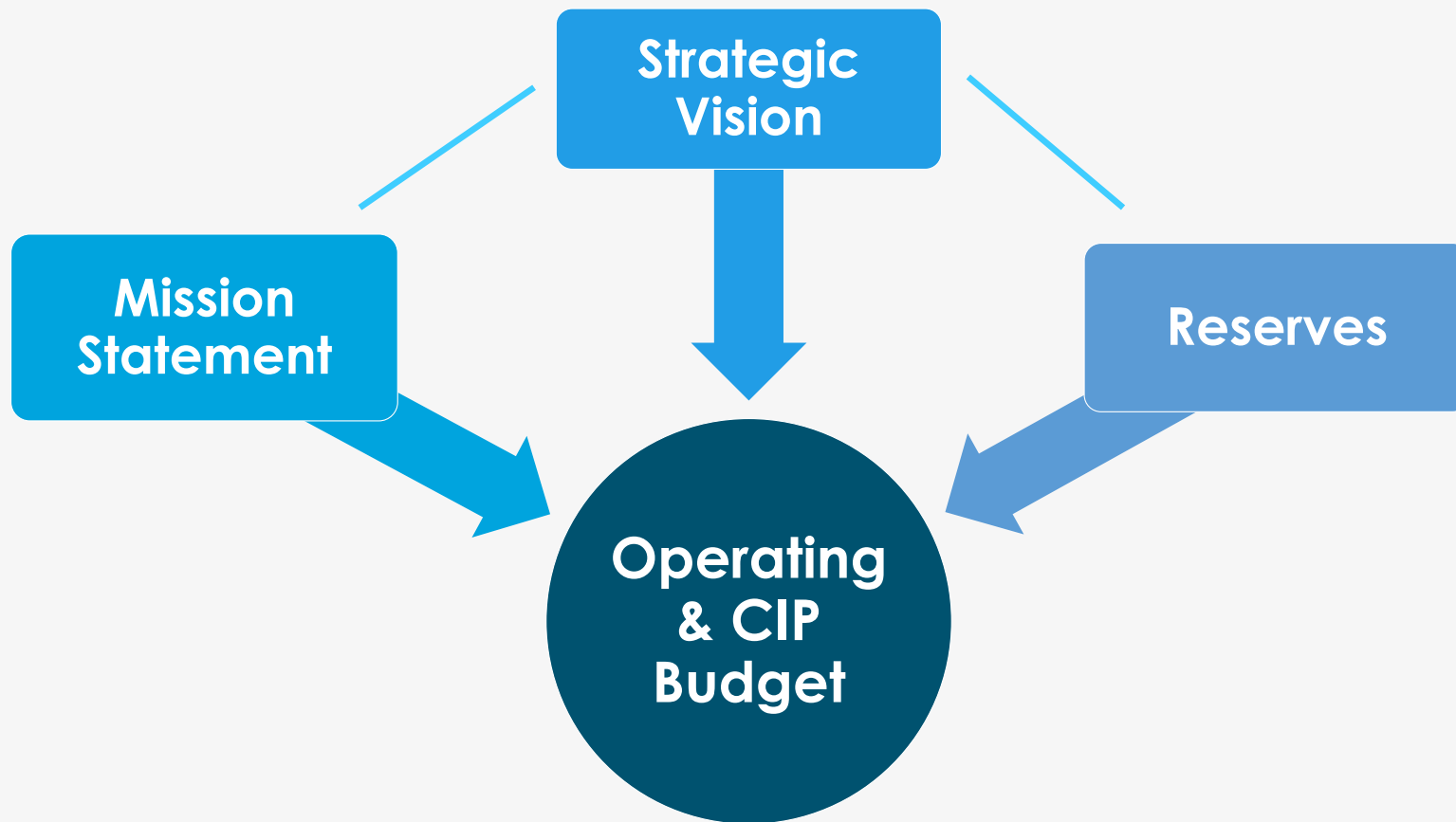
Staff Positions	Part-Time Positions
Mid-Management Positions	Vacant
GEU Positions	Positions Under Contract
Incentive Position	Confidential Positions

Number of Employees	
FY 2025-2026	
Proposed Budget	
57 full-time	
0 part-time	
57 Total Employees	



Walnut Valley Water District Draft Budget FY 25-26





OUR MISSION & VALUES

Mission

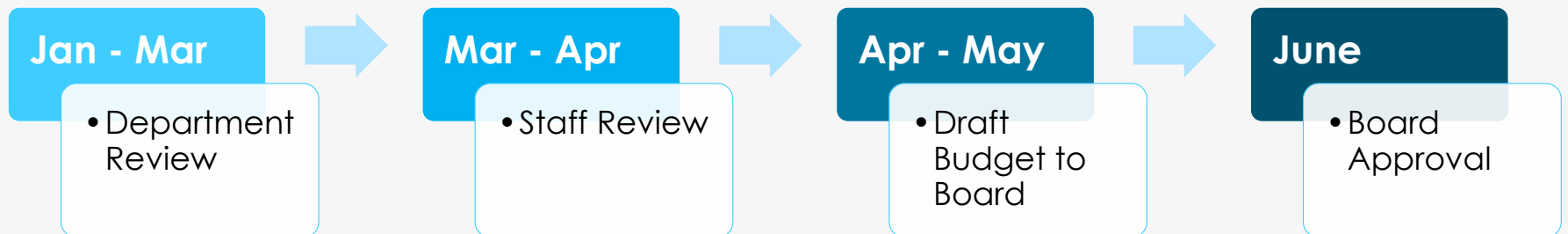
"Dedicated to meeting the water supply needs of the communities we serve."

Values

- Reliability
- Customer Service
- Efficiency
- Communication
- Quality
- Accountability



BUDGET TIMELINE



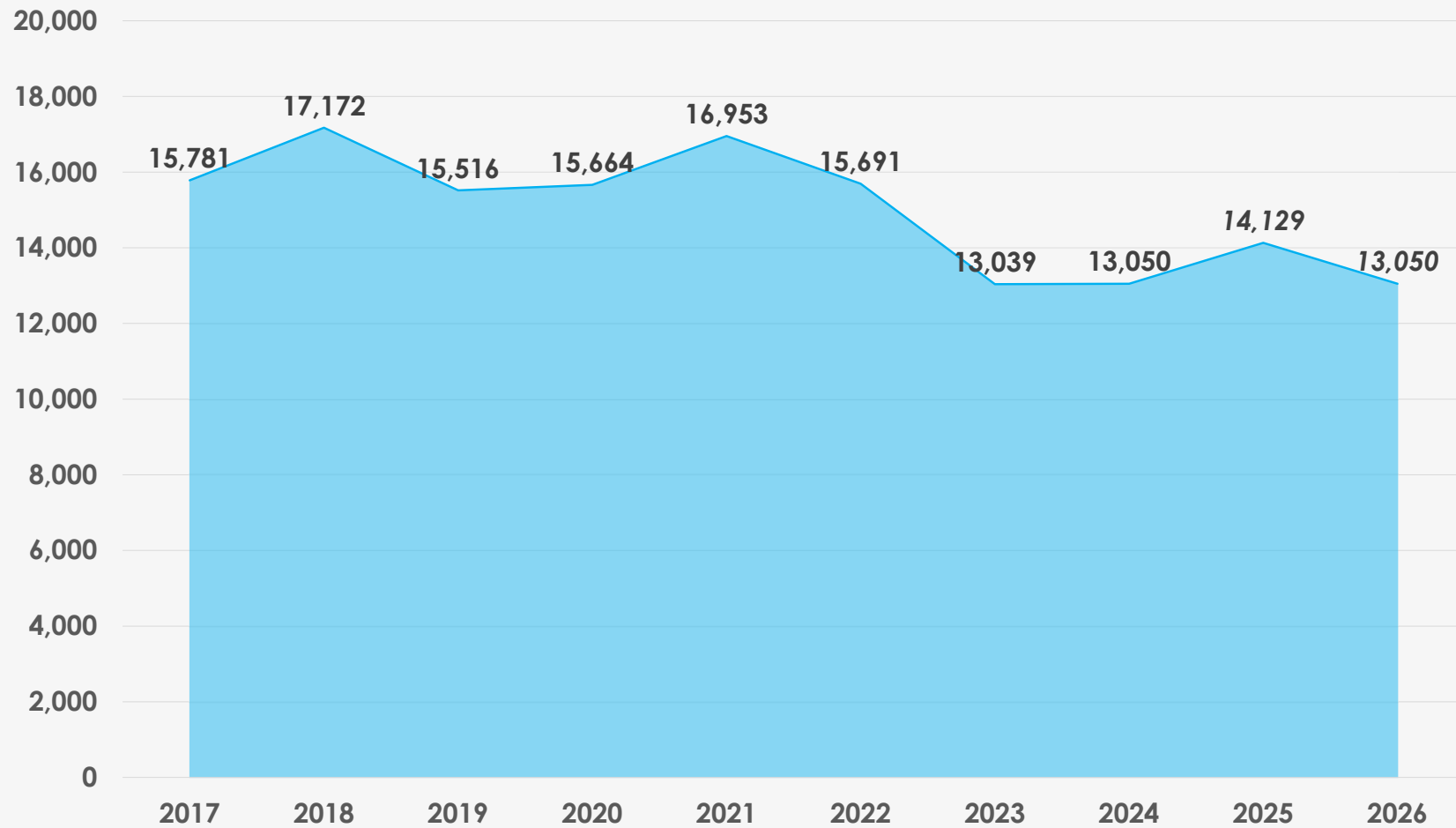
BUDGET PROCESS

Budget	Rates and Charges
Fiscal Year	Calendar Year
July to June	January to December

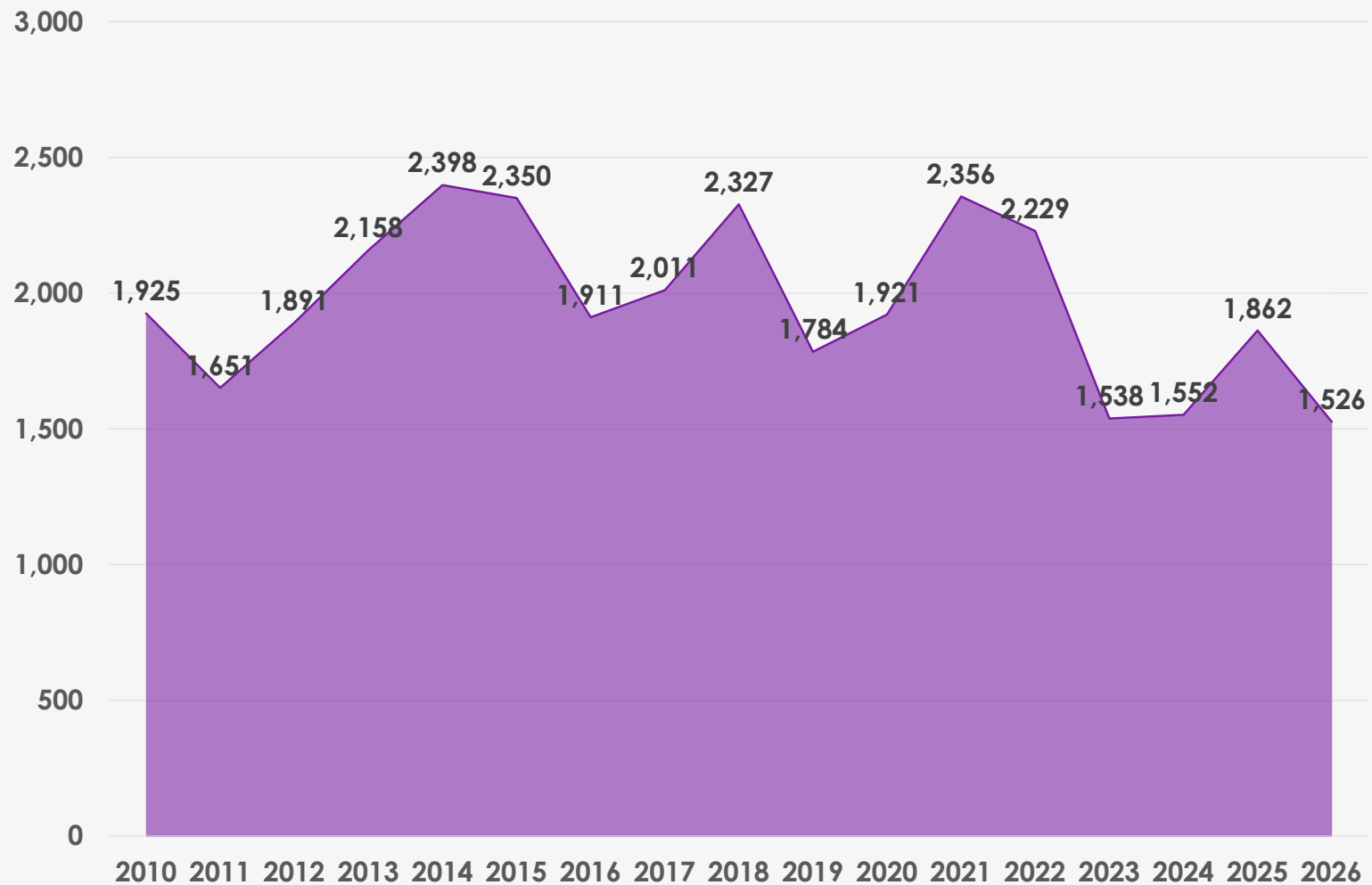


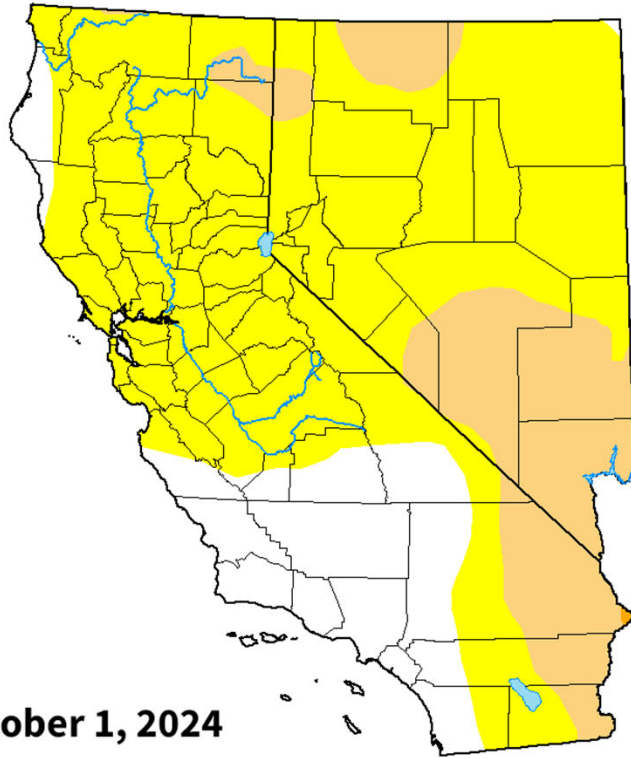
		FY 22-23 Budget	FY 23-24 Budget	FY 24-25 Budget	FY 24-25 Projected	FY 25-26 Budget
Revenues	Operating Revenues	38,004,300	40,208,200	40,263,200	43,840,100	45,628,363
	Other Revenues	310,500	315,100	294,700	329,800	290,400
	Non-Operating	1,747,600	1,757,400	1,798,700	1,859,800	1,838,500
	Total	40,062,400	42,280,700	42,356,600	46,029,700	47,757,263
Expenses	Purchased Water	18,458,200	19,532,800	19,943,500	20,579,790	22,281,550
	Personnel Costs	10,382,300	11,290,300	12,166,600	11,544,200	12,896,500
	Utilities	1,120,500	1,205,500	1,330,700	1,657,900	1,865,050
	Operating Expenses	5,301,900	5,746,700	6,138,000	5,400,494	6,478,795
	Total Operating	35,262,900	37,775,300	39,578,800	39,182,384	43,521,895
Debts & Reserves	Debt Service	277,400	907,400	1,229,500	2,575,000	3,178,000
	Net Operating Revenue	4,522,100	3,598,000	1,548,300	4,272,316	1,057,368
	Long Term Liability Program	955,346	327,100	375,000	375,000	750,000
	Net Revenue	3,566,754	3,270,900	1,173,300	3,897,316	307,368
	Adjustment	701,400	308,800	337,950	307,250	713,650
	Reserve Funding	4,268,154	3,579,700	1,511,250	4,204,566	1,021,018
	Calculated Coverage	1730%	497%	226%	266%	133%

POTABLE WATER



RECYCLED WATER

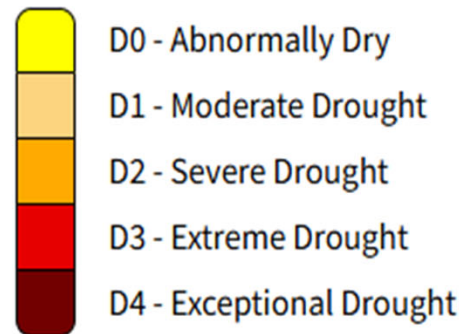




October 1, 2024

Legend

U.S. Drought Monitor Categories

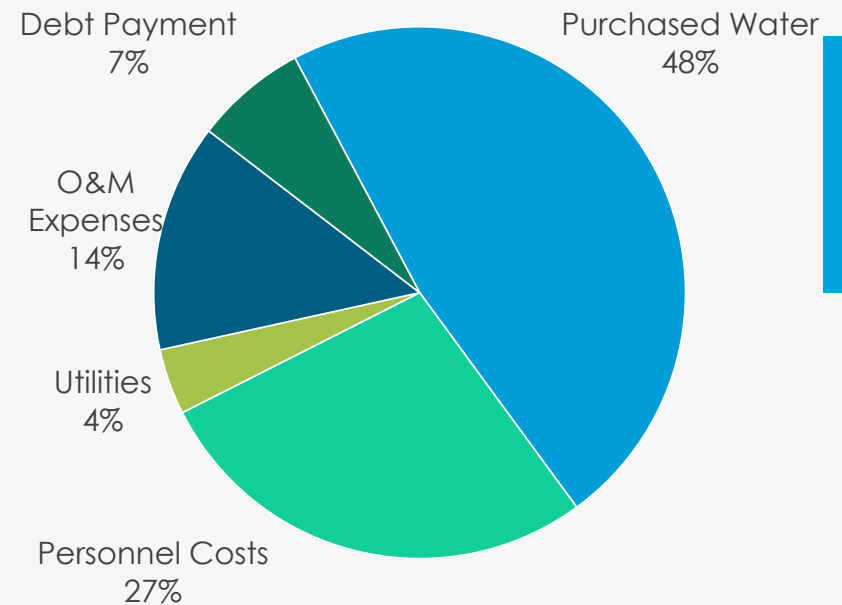


REVENUES

Description	2024-25 Budget	2024-25 Projected	2025-26 Budget	\$ Diff	% Diff
Water Sales - Base Rate	\$ 10,695,900	\$ 11,805,100	\$ 14,904,700	\$ 4,208,800	39.3%
Water Sales - Commodity	24,891,000	26,728,600	26,393,063	1,502,063	6.0%
Water Sales - Wholesale	-	700,000	-	-	0.0%
Water Sales - Pump Zone	1,198,000	1,099,100	998,000	(200,000)	-16.7%
Water Sales - Recycled	1,714,900	1,911,900	2,107,600	392,700	22.9%
Other Fees	908,400	740,400	370,000	(538,400)	-59.3%
Standby By Charges	825,000	825,000	825,000	-	0.0%
Hydro Electric Sales	30,000	30,000	30,000	-	0.0%
SUBTOTAL OPERATING REVENUES	40,263,200	43,840,100	45,628,363	5,365,163	13.3%
Other Revenues	294,700	329,800	290,400	(4,300)	-1.5%
Non-Operating Revenues	1,798,700	1,809,800	1,838,500	39,800	2.2%
TOTAL REVENUES	\$ 42,356,600	\$ 45,979,700	\$ 47,757,263	\$ 5,400,663	12.8%

EXPENSES

Expense Category	FY 24-25 Budget	FY 25-26 Budget	\$ Diff	% Diff
Purchased Water	\$ 19,943,500	\$ 22,281,550	\$ 2,338,050	11.7%
Personnel Costs	12,166,600	12,896,500	729,900	6.0%
Utilities	1,330,700	1,865,050	534,350	40.2%
O&M Expenses	6,138,000	6,478,795	340,795	5.6%
Net Operating Costs	39,578,800	43,521,895	3,943,095	10.0%
Debt Payment	1,229,500	3,178,000	1,948,500	158.5%
Total Expenses	\$ 40,808,300	\$ 46,699,895	\$ 5,891,595	14.4%



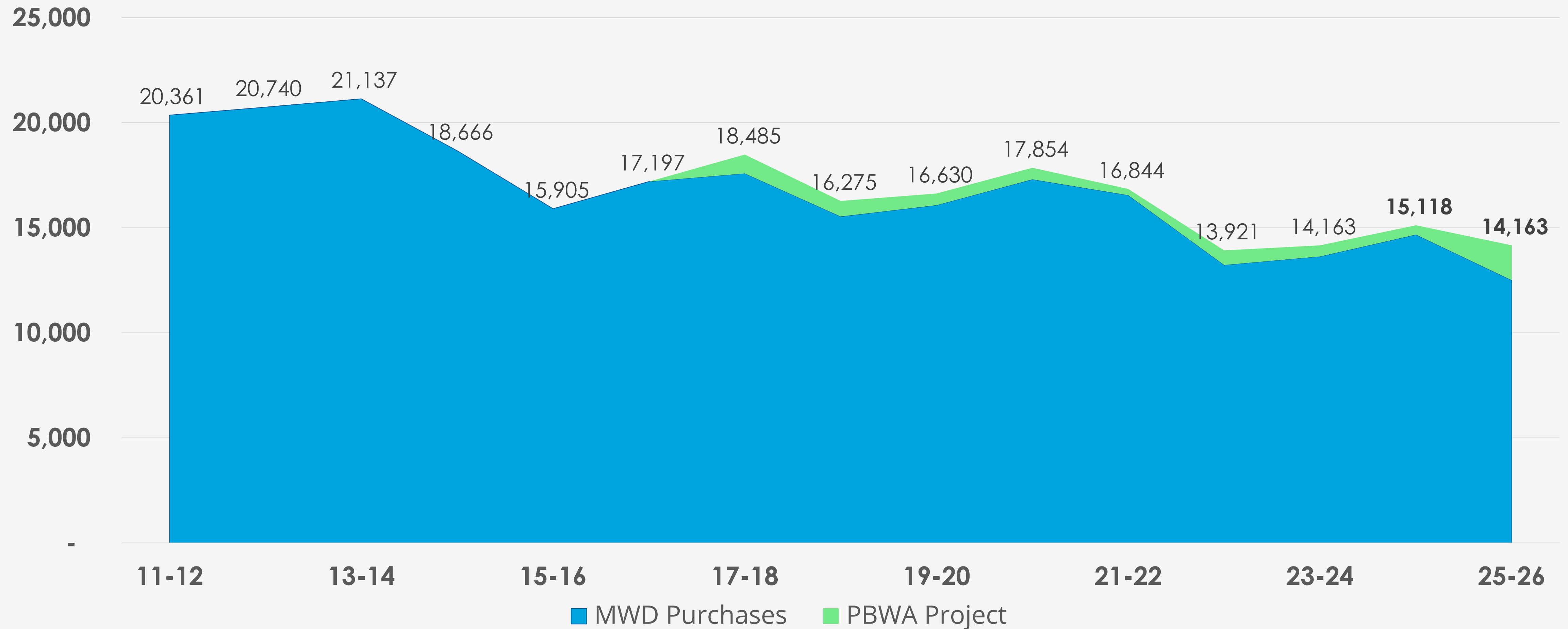
PURCHASED WATER

(MWD/TVMWD)



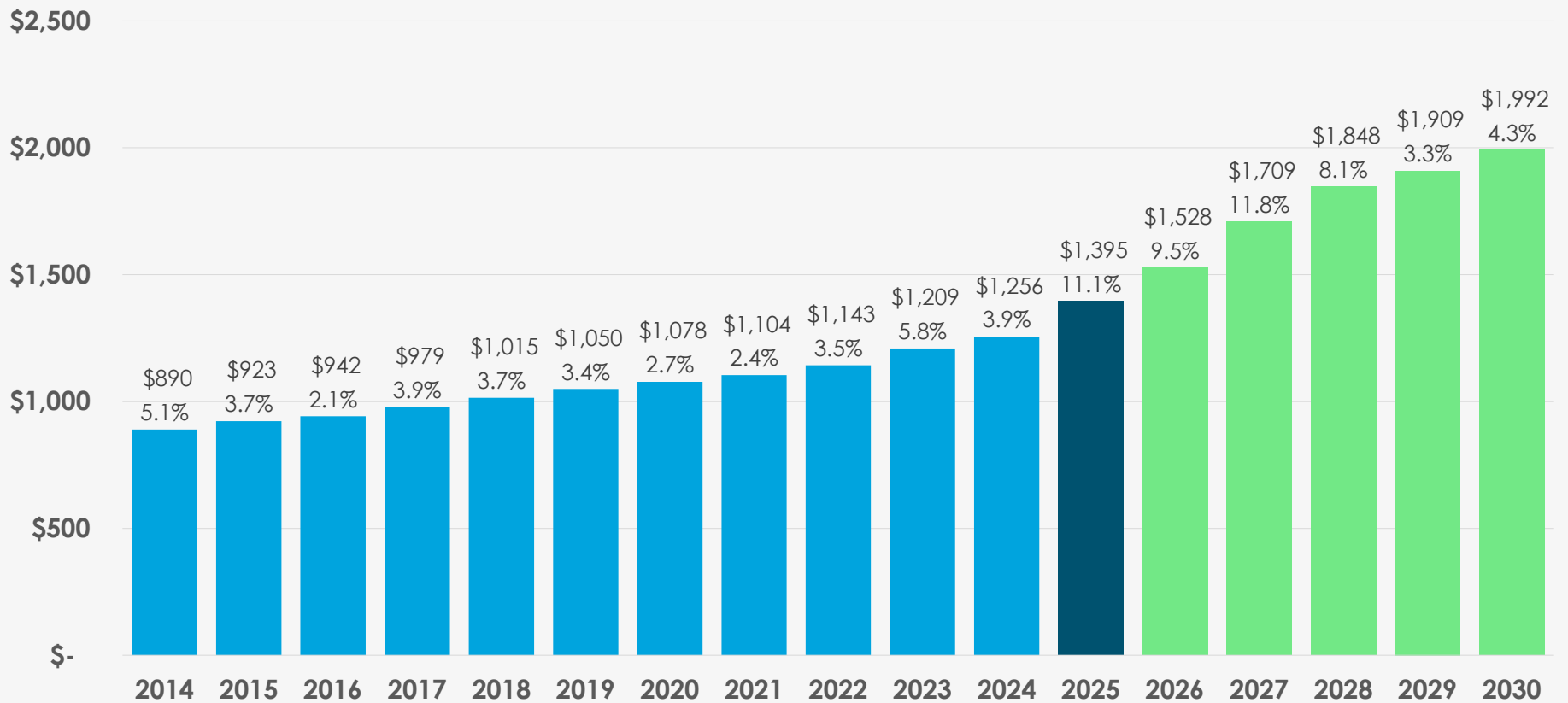
Purchased Water

Water Usage (AF)

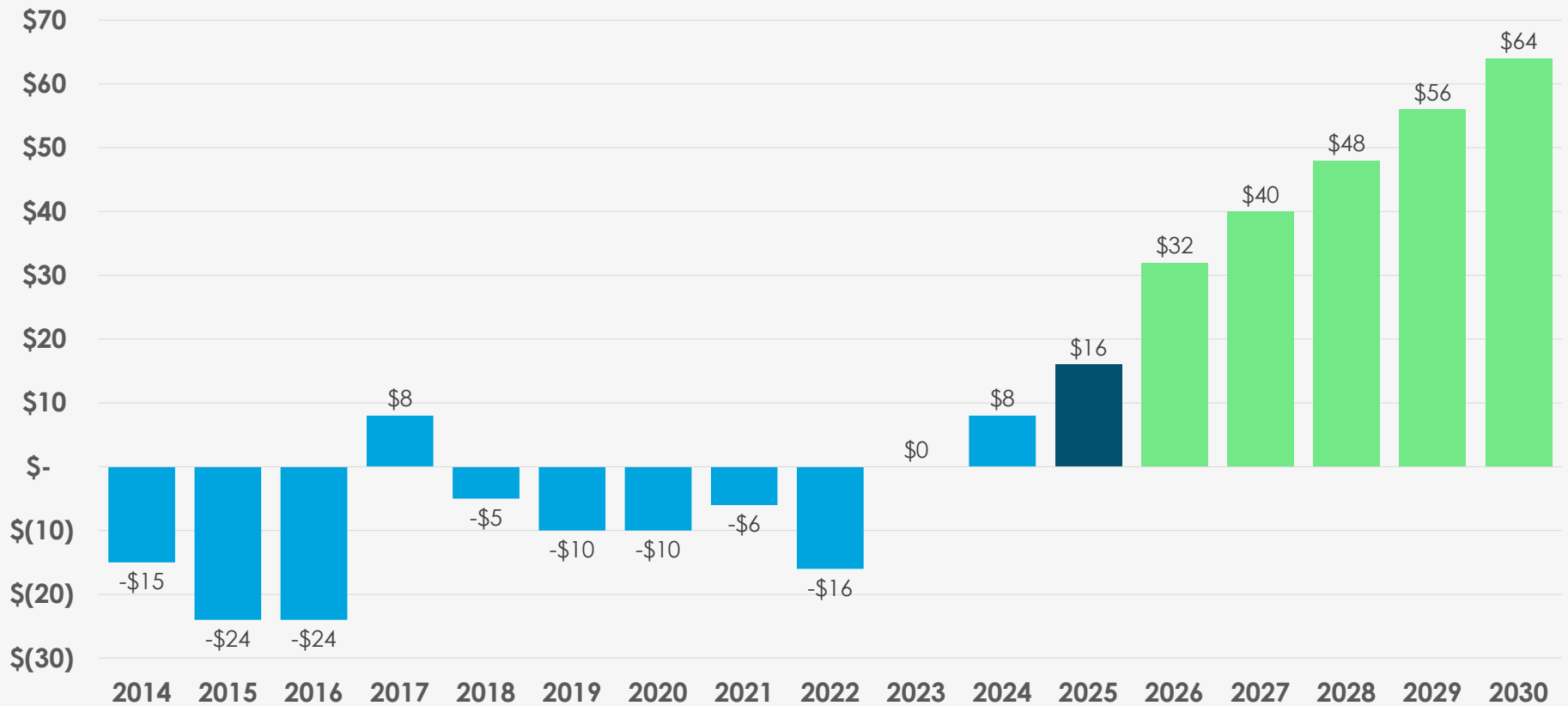


*FY 24/25 budget was 13,920 AF

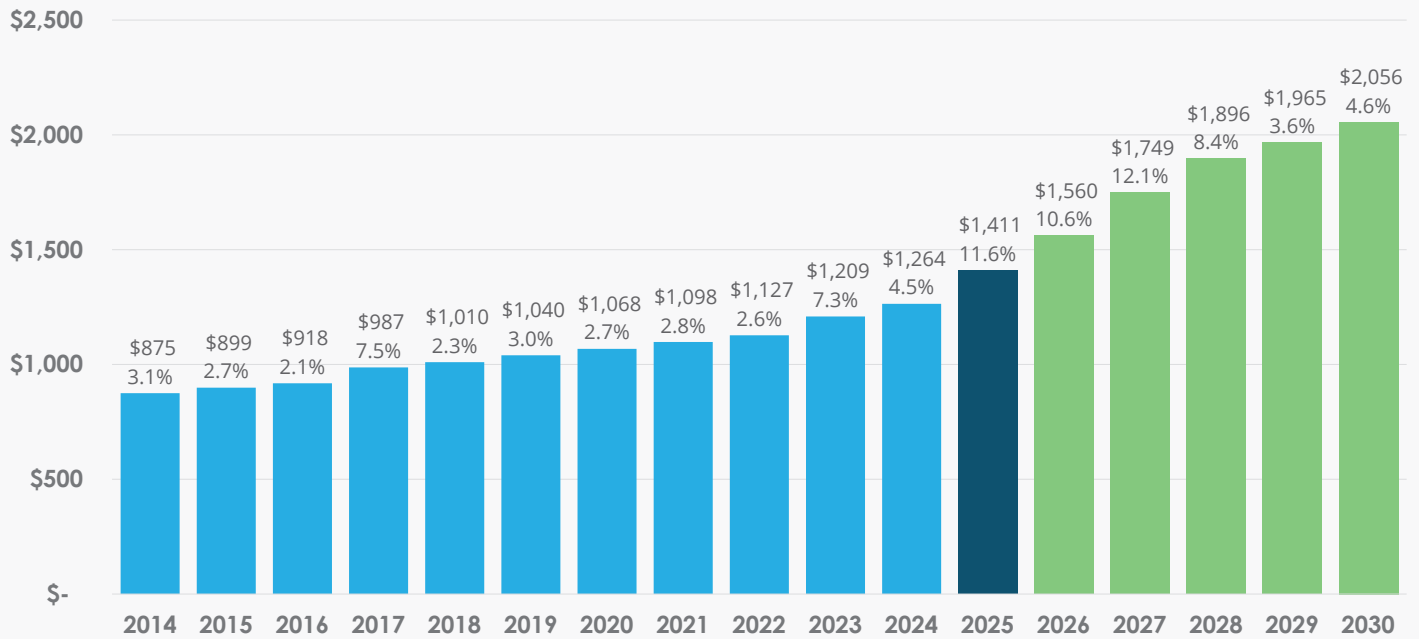
MWD TREATED RATES



TVMWD SURCHARGE



MWD & TVMWD RATES



CAPACITY CHARGE

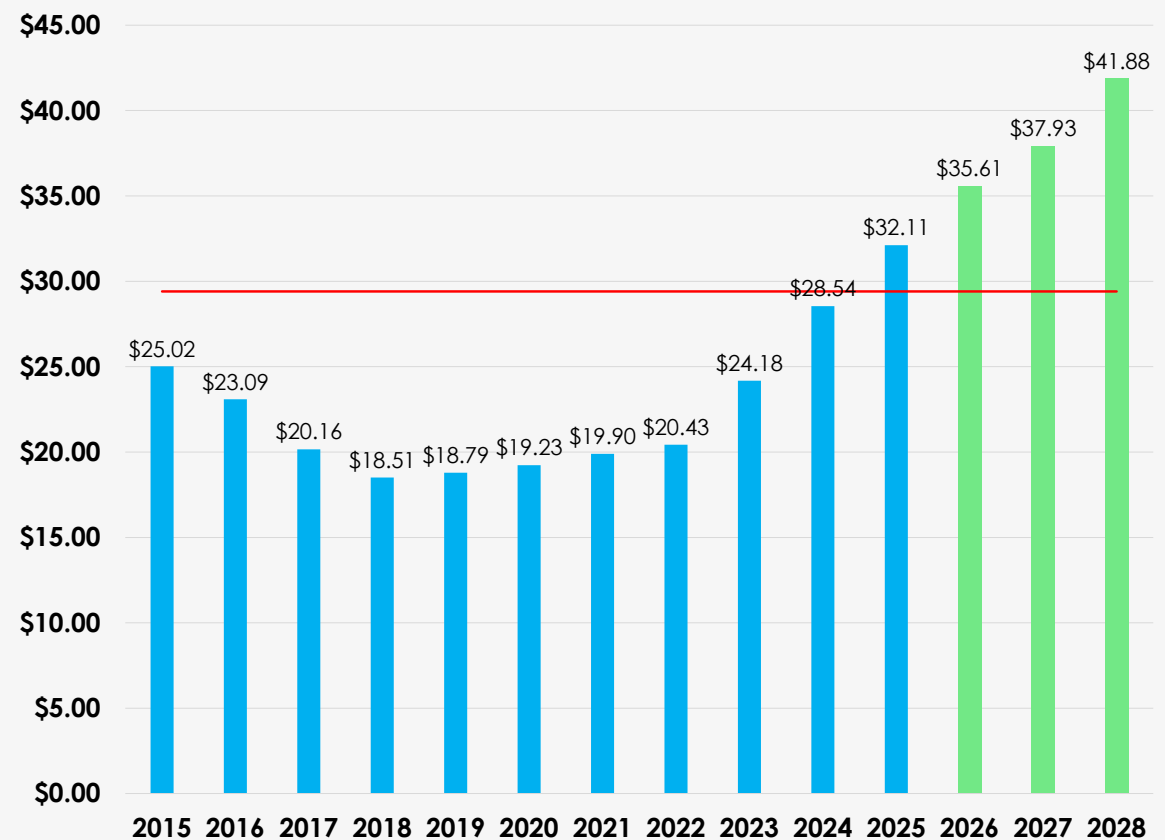
- The Capacity Charge is levied by MWD based on TVMWD's highest peak demand (May to Sep) during the previous three years (2022-2024).
- Effective January 2026 the rate will increase from \$13,000 per CFS to \$14,500 per CFS.
- The total charge for 2026 is \$488,900, a decrease of \$58,000 from the 2025 charge of \$546,900.
- Total charges for FY 25-26 are \$517,900

READINESS TO SERVE CHARGE

Levied by MWD to it's Member Agencies to recover a portion of their debt service to finance capital facilities.

Calendar Year	2025	2026	2027	2028
RTS Charge	\$6.2M	\$6.9M	\$7.3M	\$8.1M
Standby per EDU	\$32.01	\$35.61	\$37.93	\$41.88
WVWD Cost (CY)	102,200	233,273	320,718	469,408

FY 25-26 Cost is \$167,800

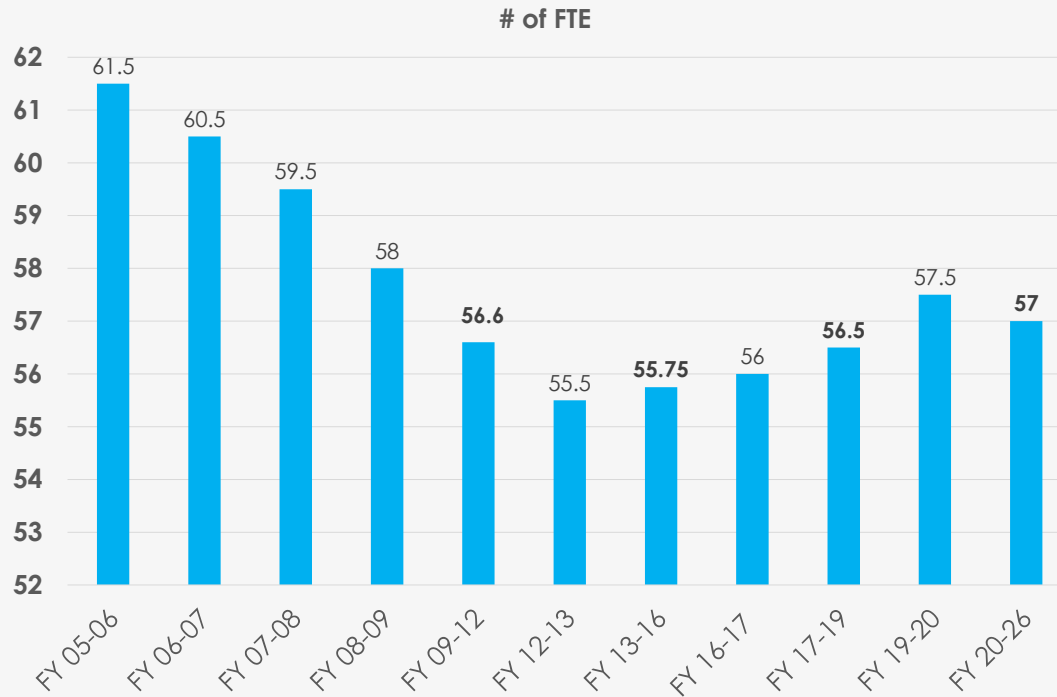


TVMWD FIXED CHARGES

	2022	2023	2024	2025	2026
Total TVMWD Fixed Charges	\$819,318	\$871,956	\$920,766	\$1,054,150	\$1,318,691
WVWD's Obligation	\$214,874	\$231,000	\$246,200	\$283,400	\$352,294
District's percentage of TVMWD's total assessment	26.2%	26.5%	26.7%	26.9%	26.7%

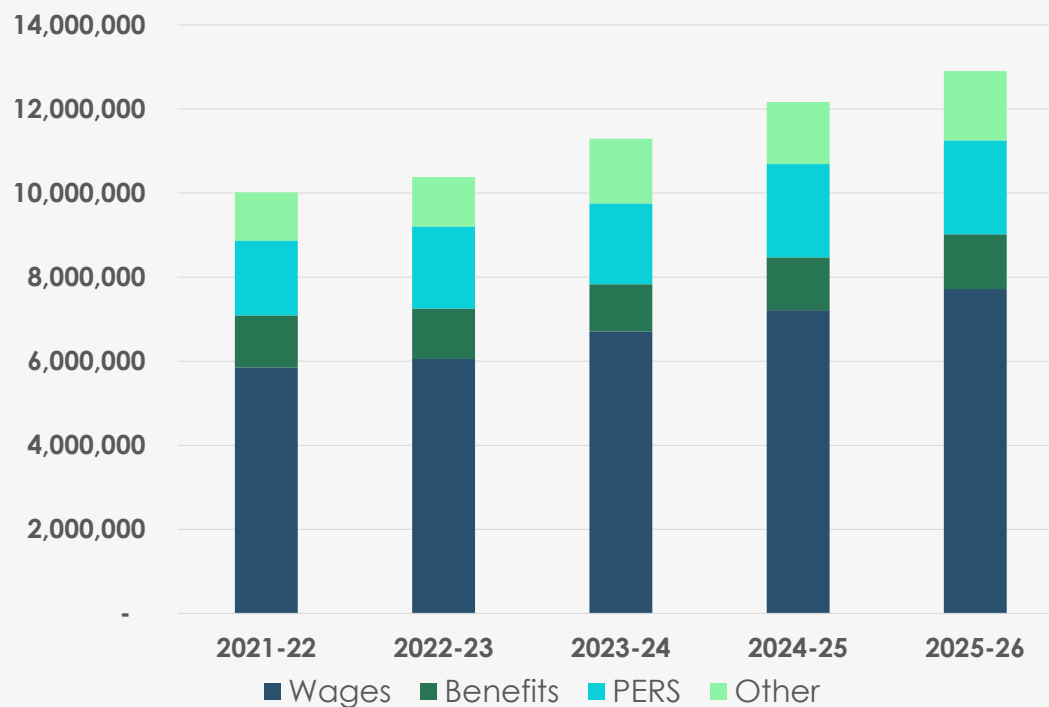
FY 25-26 costs are \$317,800

PERSONNEL



- Proposed salaries, benefits, and employer costs for FY 25-26 are projected to increase \$729,900 (6.0%), when compared to the FY 24-25 budget
- A COLA of 4% in January was included in the projected FY 25-26 Budget.
- Medical premiums are estimated to increase 10%, effective January 2026.
- Dental premiums are estimated to increase 3%, effective January 2026.

PERSONNEL



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- A COLA of 4% in January was included in the projected FY 25-26 Budget.
- Medical premiums are estimated to increase 10%, effective January 2026.
- Dental premiums are estimated to increase 3%, effective January 2026.

PERSONNEL BUDGET

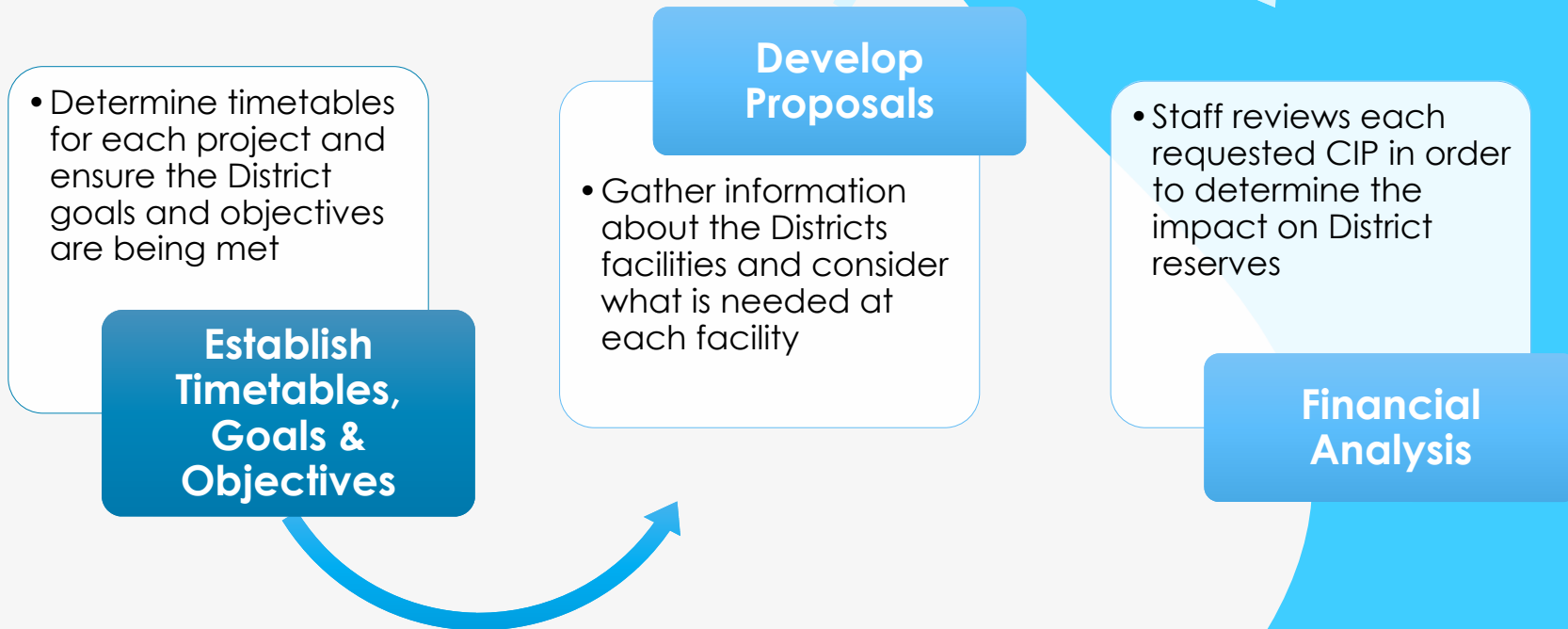
Description	FY 24-25 Budget	FY 25-26 Budget	\$ Diff
Wages	7,216,000	7,710,200	494,200
Employer Taxes & Insurance	717,300	714,700	(2,600)
Medical & Other Insurance Premiums	1,254,500	1,304,700	50,200
PERS Employer	2,221,600	2,234,500	12,900
Other	757,200	932,400	175,200
Total Annual Wages, Benefits & Employer Costs	12,166,600	12,896,500	729,900

O&M EXPENSES

Expense Category	FY 24-25 Budget	FY 24-25 Projected	FY 25-26 Budget	\$ Diff
Vehicle Expenses	222,400	278,500	229,500	7,100
Human Resource Expenses	798,100	787,500	800,955	2,855
Professional Development	261,600	223,596	335,290	73,690
Safety	174,200	89,487	112,600	(61,600)
Professional Services	926,000	733,000	1,063,400	137,400
Insurance	260,000	268,910	267,000	7,000
Outside Services	1,848,200	1,705,170	2,105,300	257,100
Materials & Supplies	1,394,800	1,098,272	1,325,950	(68,850)
Equipment Lease	28,600	29,500	35,500	6,900
Other Agency Costs	224,000	186,059	203,200	(20,800)
Collection Expense	100	500	100	-
Total	6,138,000	5,400,494	6,478,795	340,795

		FY 22-23 Budget	FY 23-24 Budget	FY 24-25 Budget	FY 24-25 Projected	FY 25-26 Budget
Revenues	Operating Revenues	38,004,300	40,208,200	40,263,200	43,840,100	45,628,363
	Other Revenues	310,500	315,100	294,700	329,800	290,400
	Non-Operating	1,747,600	1,757,400	1,798,700	1,859,800	1,838,500
	Total	40,062,400	42,280,700	42,356,600	46,029,700	47,757,263
Expenses	Purchased Water	18,458,200	19,532,800	19,943,500	20,579,790	22,281,550
	Personnel Costs	10,382,300	11,290,300	12,166,600	11,544,200	12,896,500
	Utilities	1,120,500	1,205,500	1,330,700	1,657,900	1,865,050
	Operating Expenses	5,301,900	5,746,700	6,138,000	5,400,494	6,478,795
	Total Operating	35,262,900	37,775,300	39,578,800	39,182,384	43,521,895
Debts & Reserves	Debt Service	277,400	907,400	1,229,500	2,575,000	3,178,000
	Net Operating Revenue	4,522,100	3,598,000	1,548,300	4,272,316	1,057,368
	Long Term Liability Program	955,346	327,100	375,000	375,000	750,000
	Net Revenue	3,566,754	3,270,900	1,173,300	3,897,316	307,368
	Adjustment	701,400	308,800	337,950	307,250	713,650
	Reserve Funding	4,268,154	3,579,700	1,511,250	4,204,566	1,021,018
	Calculated Coverage	1730%	497%	226%	266%	133%

CIP PROCESS



MAJOR PROJECTS

Recycled Reservoir- \$4,100,000

- Multi-year project to construct a 3,000,000 gallon reservoir for the recycled system

57/60 Freeway and Grand Avenue Improvement - \$1,000,000

- Relocate water facilities due to bridge reconstruction

1050 Main Extension - \$1,000,000

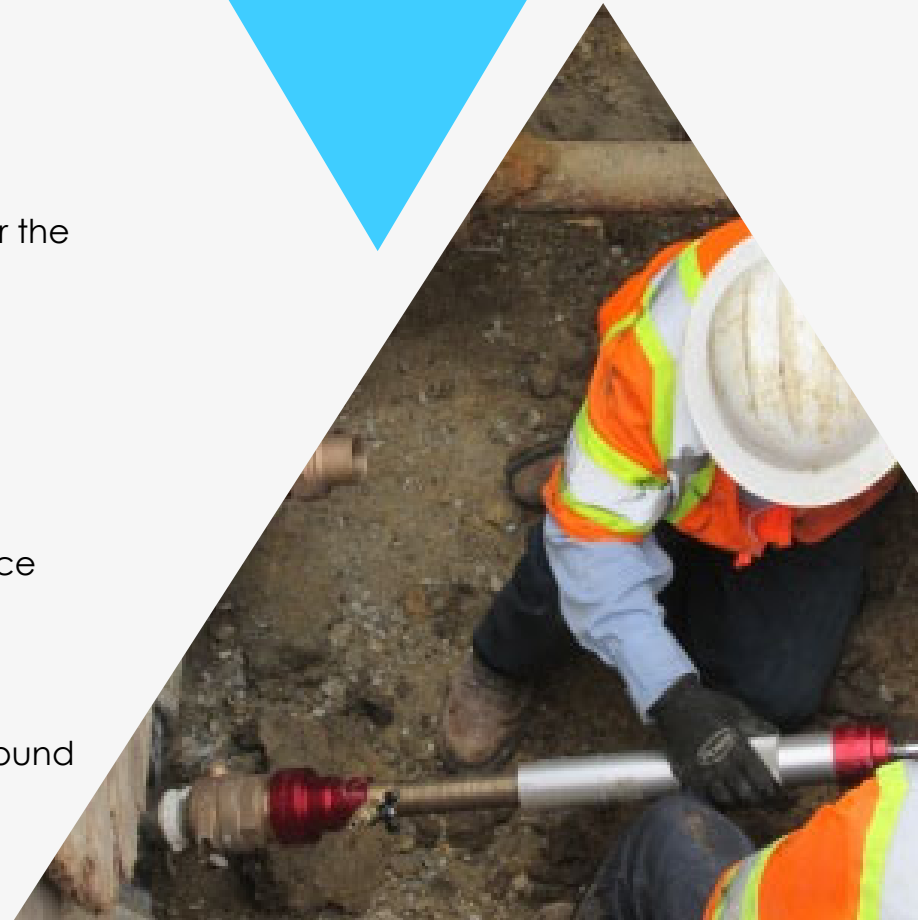
- Main Extension to loop 1050 Zone for water quality and Service reliability

Gasoline Fuel Tank Replacement- \$500,000

- Replace Underground Storage Gasoline tank with above ground gasoline tank

Financial System - \$500,000

- Replace the current billing and financial system due to its obsolescence in December 2026.



CAPITAL INVESTMENT PROGRAM BUDGET

Funding Source	Project Costs FY 24-25	New Funds Requested	Total Project Costs	Projected Expenditure FY 24-25	Projected Expenditure FY 25-26	Projected Expenditure FY 26-27	Projected Expenditure FY 27-28
Capital Reserve	\$ 580,000	\$ 4,139,000	\$ 4,719,000	\$ 480,000	\$ 790,000	\$ 1,839,000	1,610,000
Reserve for Replacement	13,957,963	10,000,900	23,958,863	9,810,513	6,557,850	4,477,500	3,113,000
Acreage Supply Reserve	450,000	10,000	460,000	-	460,000	-	-
Reservoir Capacity Reserve	405,400	380,000	785,400	155,400	630,000	-	-
WSC	2,030,000	771,000	2,801,000	2,000,000	801,000	-	-
Total	\$ 17,423,363	\$ 15,300,900	\$ 32,724,263	\$ 12,445,913	\$ 9,238,850	\$ 6,316,500	\$ 4,723,000

RESERVE FUNDING

- Ensures the long-term financial stability of the District, and provides sufficient funds to maintain the integrity of the District's distribution system
- The Board established reserve funding goals contained in the District's Reserve Policy serves as the basis for the long-term funding needs



QUESTIONS, COMMENTS, & DIRECTION TO STAFF



Continue to refine
budget and water
use projections



Continue to evaluate
the needs of the
District



Review CIP and
reserve funding



THANK YOU!



WVWD – Staff Report

TO: Board of Directors
FROM: General Manager/Chief Engineer
DATE: April 24, 2025
SUBJECT: Amend the District Headquarters IT, AV, Low Voltage and Security Services (P.N. 19-3569-1)

<input checked="" type="checkbox"/> Action/Discussion	<input checked="" type="checkbox"/> Fiscal Impact	<input type="checkbox"/> Resolution	<input type="checkbox"/> Information Only
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Recommendation

Request the Board of Directors:

1. Award a contract to Resource Computer Solutions in the amount of \$566,866.92 for the District Headquarters IT, AV, Low Voltage and Security Services (P.N. 19-3569-1).
2. Award a contract to Axelliant in the not to exceed amount of \$250,000 for Switches, Access Points (Wifi), Network Security, Routers, etc.
3. Authorize the General Manager to execute the contracts in a form acceptable to General Counsel.

Clarification: This project involves two contractors. The contract awarded on April 21, 2025 pertained specifically to Resource Computer Solutions for the IT, AV, Low Voltage, and Security Services component. A separate contract will be presented for the additional scope of work being performed by Axelliant, the second contractor. The total amount, combined between the two contracts, equals the amount of \$816,866.92 mistakenly approved for the Resource Computer Solutions' contract at the April 21 Board meeting.

Background Information

As part of the ongoing District Headquarters Remodel Phase 1 Project (Project), the District continues to make progress on key project milestones:

- November 15, 2021, the Board of Directors approved a contract with La Canada Design Group (LCDG), to complete the design for the District Headquarters Remodel Phase 1 project.
- August 21, 2023, Searock and Stafford Construction Management (Searock) was retained to provide construction management services related to the District Headquarters.
- March 27, 2024, Searock issued a Request for Proposal for the construction of the District's Headquarters Remodel Phase 1.
- May 20, 2024, Board of Directors approved a contract with DPR Construction (DPR) for the construction of the District Headquarters Remodel Phase 1 project.

The next step in the implementation of the project is the award of contracts for the installation and integration of IT infrastructure, audio/visual systems, low-voltage wiring, and security systems. Resource Computer Solutions and Axelliant have been identified as the most qualified vendors to provide these services and have been working with the District's IT department, LCDG, and Searock to satisfy the needs of the Project.

As mentioned above, Axelliant will be providing services and work related to the Switches, Access Points (Wifi), Network Security, Routers and other related items. Resource Computer Solutions will furnish the remainder of the items and related services.

Funds for this project will be provided from the District Headquarters Remodel Capital Improvement Project. The contract agreement prepared by the District has been reviewed and approved by legal counsel.