SCV WATER AGENCY
REGULAR BOARD MEETING

Tuesday, May 17, 2022
Meeting Begins at 6:00 PM

Members of the public may attend by the following options:

In Person	By Phone	Virtually
Santa Clarita Valley Water Agency Rio Vista Water Treatment Plant 27234 Bouquet Canyon Road Santa Clarita, CA 91350	Toll Free: 1-(833)-568-8864 Webinar ID: 161 028 4955	Please join the meeting from your computer, tablet or smartphone: https://scvwa.zoomgov.com/j/1610284955

Have a Public Comment?

Public comments may be made virtually or in-person the night of the meeting, as well as in writing via mail to the address listed above or email to the Board Secretary at ajacobs@scvwa.org by 4:00 PM the day of the meeting.*
(Public comments take place during Item 3 of the Agenda and before each Item is considered. Please see the Agenda for details.)

This meeting will be recorded and the audio recording for all Board meetings will be posted to yourscvwater.com within 3 business days from the date of the Board meeting.

*All written comments received after 4:00 PM the day of the meeting will be made available at the meeting and posted on the SCV Water Website the following day at yourscvwater.com. Public comments can also be heard the night of the meeting.

Disclaimer: Attendees should be aware that while the Agency is following all applicable requirements and guidelines regarding COVID-19, the Agency cannot ensure the health of anyone attending a Board meeting. Attendees should therefore use their own judgment with respect to protecting themselves from exposure to COVID-19.

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SANTA CLARITA VALLEY WATER AGENCY
REGULAR BOARD MEETING AGENDA

SANTA CLARITA VALLEY WATER AGENCY
RIO VISTA WATER TREATMENT PLANT
BOARD AND TRAINING ROOM
27234 BOUQUET CANYON ROAD
SANTA CLARITA, CA 91350

TUESDAY, MAY 17, 2022, AT 6:00 PM

IMPORTANT NOTICES

This meeting will be conducted in person at the address above. As a convenience to the public, members of the public may also participate virtually by using the **Agency's Call-In Number 1-(833)-568-8864, Webinar ID: 161 028 4955 or Zoom Webinar by clicking on the link https://scvwa.zoomgov.com/j/1610284955**. Any member of the public may listen to the meeting or make comments to the Board using the call-in number or Zoom Webinar link above. However, in the event there is a disruption of service which prevents the Agency from broadcasting the meeting to members of the public using either the call-in option or internet-based service, this meeting will not be postponed or rescheduled but will continue without remote participation. The remote participation option is being provided as a convenience to the public and is not required. Members of the public are welcome to attend the meeting in person.

Attendees should be aware that while the Agency is following all applicable requirements and guidelines regarding COVID-19, the Agency cannot ensure the health of anyone attending a Board meeting. Attendees should therefore use their own judgment with respect to protecting themselves from exposure to COVID-19.

Members of the public unable to attend this meeting may submit comments either in writing to ajacobs@scvwa.org or by mail to April Jacobs, Board Secretary, Santa Clarita Valley Water Agency, 27234 Bouquet Canyon Road, Santa Clarita, CA 91350. All written comments received before 4:00 PM the day of the meeting will be distributed to the Board members and posted on the Santa Clarita Valley Water Agency website prior to the start of the meeting. Anything received after 4:00 PM the day of the meeting will be made available at the meeting and posted on the SCV Water website the following day.

OPEN SESSION BEGINS AT 6:00 PM

1. **CALL TO ORDER**

2. **PLEDGE OF ALLEGIANCE**

3. **PUBLIC COMMENTS** – Members of the public may comment as to items within the subject matter jurisdiction of the Agency that are not on the Agenda at this time. Members of the public wishing to comment on items covered in this Agenda may do so at the time each item is considered. (Comments may, at the discretion of the Board's presiding officer, be limited to three minutes for each speaker.) Members of the public wishing to comment on items covered in Closed Session before they are considered by the Board must request to make comment at the commencement of the meeting at 6:00 PM.

4. **APPROVAL OF THE AGENDA**

5. **SPECIAL PROCEDURES** **PAGE**

5.1	Administer Ceremonial Oath of Office to Director Gutzeit	
5.2	Election of Second Vice President	

6. **CONSENT CALENDAR** **PAGE**

6.1 *	Approve Minutes of the April 19, 2022 Santa Clarita Valley Water Agency Regular Board of Directors Meeting	7
6.2 *	Approve Minutes of the April 25, 2022 Santa Clarita Valley Water Agency Special Board of Directors Meeting	11
6.3 *	Approve Minutes of the April 26, 2022 Santa Clarita Valley Water Agency Special Board of Directors Meeting	13

7. **ACTION ITEMS FOR APPROVAL** **PAGE**

7.1 *	Authorize the General Manager to Enter Into a Short-Term Water Exchange Agreement with Irvine Ranch Water District	19
7.2 *	Approve a Resolution Revising the FY 2022/23 Budget	39

8. **LOCAL HAZARD MITIGATION PLAN PRESENTATION – APPROXIMATELY 15 MINUTES** **PAGE** 67

9. **GENERAL MANAGER'S REPORT ON ACTIVITIES, PROJECTS AND PROGRAMS**

10. **PRESIDENT'S REPORT**

11. **AB 1234 WRITTEN AND VERBAL REPORTS** **PAGE**

11.1 *	April 27, 2022 Southern California Water Dialogue – Director Plambeck	157
11.2 *	April 27, 2022 Special Districts Association of North LA County, Executive Board meeting – Director Armitage	159
11.3 *	May 3-5, 2022 ACWA 2022 Spring Conference – President Martin and Directors Armitage, Atkins, Braunstein, Cooper, Kelly and Plambeck	161
11.4 *	May 4, 2022 SCV Chamber of Commerce 13th State of the County Luncheon – Director Ford	169
11.5	Other AB 1234 Reports	

12. CLOSED SESSION

12.1 Conference with Legal Counsel – Anticipated Litigation – Significant Exposure to Litigation Pursuant to Paragraph (2) of Subdivision (d) of Section 54956.9, Claim of Thomas Overstreet, against Santa Clarita Valley Water Agency, Claim for Property Damage, Date of Claim March 4, 2022

12.2 Conference with Legal Counsel – Existing Litigation – Paragraph (1) of Subdivision (d) of Government Code Section 54956.9, Santa Clarita Valley Water Agency v. Whittaker Corporation, Case No: 2:18-cv-6825 SB (RAOx)

13. CLOSED SESSION ANNOUNCEMENTS

14. DIRECTOR REQUESTS FOR FUTURE AGENDA ITEMS

15. ADJOURNMENT

* Indicates Attachment
♦ Indicates Handout

Note: The Board reserves the right to discuss or take action or both on all of the above Agenda items.

NOTICES

Any person may make a request for a disability-related modification or accommodation needed for that person to be able to participate in the public meeting by telephoning April Jacobs, Secretary to the Board of Directors, at (661) 297-1600, or in writing to Santa Clarita Valley Water Agency at 27234 Bouquet Canyon Road, Santa Clarita, CA 91350. Requests must specify the nature of the disability and the type of accommodation requested. A telephone number or other contact information should be included so that Agency staff may discuss appropriate arrangements. Persons requesting a disability-related accommodation should make the request with adequate time before the meeting for the Agency to provide the requested accommodation.

Pursuant to Government Code Section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection at the Santa Clarita Valley Water Agency, located at 27234 Bouquet Canyon Road, Santa Clarita, CA 91350, during regular business hours. When practical, these public records will also be made available on the Agency's Internet Website, accessible at http://www.yourscvwater.com.

Posted on May 11, 2022.

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ITEM NO. 6.1

Minutes of the Regular Meeting of the Board of Directors of the Santa Clarita Valley Water Agency – April 19, 2022

A regular meeting of the Board of Directors of the Santa Clarita Valley Water Agency was held at Santa Clarita Valley Water Agency 27234 Bouquet Canyon Road, Santa Clarita, CA 91350 at 6:00 PM on Tuesday, April 19, 2022. A copy of the Agenda is inserted in the Minute Book of the Agency preceding these minutes.

DIRECTORS PRESENT: Kathye Armitage, B. J. Atkins, Beth Braunstein, Ed Colley, William Cooper, Jeff Ford, Jerry Gladbach, R. J. Kelly (Arrived at 6:37 PM), Gary Martin, Piotr Orzechowski and Lynne Plambeck.

DIRECTORS ABSENT: None.

Also present: Assistant General Manager Steve Cole, Board Secretary April Jacobs, Chief Engineer Courtney Mael, Chief Financial and Administrative Officer Eric Campbell, Director of Operations and Maintenance Mike Alvord, Director of Technology Services Cris Perez, Engineer Yoganathan Thierumaran, General Counsel Joe Byrne, General Manager Matthew Stone, Information Technology Technician I Jonathan Thomas, Senior Engineer Shadi Bader, Water Resources Planner Sarah Fleury, Best Best and Kriger Attorney Sarah Owsowitz, as well as additional SCV Water Agency staff and members of the public.

President Martin called the meeting to order at 6:01 PM. A quorum was present.

President Martin announced that Item 12 Closed Session and Item 13 Closed Session Announcements were removed from the Agenda, there were no other changes to the April 19, 2022 Board Agenda and it was accepted with those changes. (Item 4).

Upon motion of Director Cooper, seconded by Director Atkins and carried, the Board approved the Consent Calendar by the following electronic votes (Item 5):

Director Armitage	Yes	Director Atkins	Yes
Director Braunstein	Yes	Director Colley	Yes
Director Cooper	Yes	Director Ford	Yes
Vice President Gladbach	Yes	Director Kelly	Not Present
President Martin	Yes	Director Orzechowski	Yes
Director Plambeck	Yes		

Upon motion of Director Cooper, seconded by Director Orzechowski and carried, the Board approved Resolution No. SCV-272 awarding a construction contract to Pacific Hydrotech Corporation for $17,526,700; and (2) authorized the General Manager to execute a purchase order with Woodard & Curran, Inc. for an amount not to exceed $1,175,000 for construction management and inspection services; and (3) authorized the General Manager to execute a purchase order with Lee & Ro, Inc. for an amount not to exceed $660,000 for engineering services during construction for the Earl Schmidt Filtration Plant (ESFP) Washwater Return and Sludge Systems Project by the following electronic votes (Item 6.1):

Director Armitage	Yes	Director Atkins	Yes

Director Braunstein	Yes	Director Colley	Yes
Director Cooper	Yes	Director Ford	Yes
Vice President Gladbach	Yes	Director Kelly	Yes
President Martin	Yes	Director Orzechowski	Yes
Director Plambeck	Yes		

RESOLUTION NO. SCV-272

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA CLARITA VALLEY WATER AGENCY AWARDING A CONTRACT TO PACIFIC HYDROTECH CORPORATION FOR THE EARL SCHMIDT FILTRATION PLANT (ESFP) WASHWATER RETURN AND SLUDGE SYSTEMS PROJECT

https://yourscvwater.com/wp-content/uploads/2022/05/SCV-Water-Approved-Resolution-041922-Resolution-SCV-272.pdf

Upon motion of Director Orzechowski, seconded by Director Ford and carried, the Board authorized the General Manager to execute construction change orders up to $371,872 for the Valley Center Well PFAS Groundwater Treatment Improvements project by the following electronic votes (Item 6.2):

Director Armitage	Yes	Director Atkins	Yes
Director Braunstein	Yes	Director Colley	Yes
Director Cooper	Yes	Director Ford	Yes
Vice President Gladbach	Yes	Director Kelly	Yes
President Martin	Yes	Director Orzechowski	Yes
Director Plambeck	Yes		

Upon motion of Director Colley, seconded by Director Atkins and carried, the Board voted to take no action and make no changes to the Board of Director Policies and Procedures as related to Director Conduct by the following electronic votes (Item 6.3):

Director Armitage	No	Director Atkins	Yes
Director Braunstein	No	Director Colley	Yes
Director Cooper	Yes	Director Ford	Yes
Vice President Gladbach	Yes	Director Kelly	Yes
President Martin	Yes	Director Orzechowski	Yes
Director Plambeck	Abstain		

Director Colley motioned to have one Vice President for the remaining 2022 calendar year, with a second from Director Gladbach, after a vote of 6 yes's and 5 no's this item did not pass and the Board will vote on May 17, 2022 at its regular Board meeting for a second Vice President by the following electronic votes (Item 6.4).

Director Armitage	No	Director Atkins	Yes
Director Braunstein	No	Director Colley	Yes
Director Cooper	No	Director Ford	Yes
Vice President Gladbach	Yes	Director Kelly	No
President Martin	Yes	Director Orzechowski	Yes
Director Plambeck	No		

Best Best & Krieger Attorney Sarah Owsowitz gave an overview presentation on the CEQA process (Item 7).

General Manager's Report on Activities, Projects and Programs (Item 8).

The General Manager reported the following:

He mentioned that today we held our first "in-person" All Staff meeting since January 2020. He stated that while the Agency has had virtual meetings, this gave staff a chance to see one another, laugh and cheer together, eat and share some recent organizational accomplishments and staff service milestone awards. He said, it is a credit to our staff that they have accomplished so much during the past several years, including two years of a pandemic. For some staff, it was their first in person all staff meeting. For others, they were recognized for many years of service, including two 35 year awards.

He then responded to an earlier public comment asking for the Agency's current outstanding debt, the current principal is $293,161,970 (as of today) and is reported in the quarterly financial report, as well as the annual budget document.

President's Report (Item 9).

The President updated the Board on upcoming meetings, events and Board reminders.

Committee Meeting Recap Report for Informational Purposes Only (Item 10).

There were no comments on the recap reports.

AB 1234 Written and Verbal Reports (Item 11).

Written reports were submitted by President Martin, Vice President Gladbach and Directors Armitage and Braunstein which was included in the Board packet. An additional written report was submitted by Vice President Gladbach which was posted on the SCV Water website and is part of the record.

Director Orzechowski reported that he attended a one-on-one meeting with the General Manager held at the Agency on April 18, 2022.

Director Cooper reported that he attended the Region 8 Membership meeting virtually on April 6, 2022 and attended the ACWA Board meeting in Sacramento on April 19, 2022.

Director Plambeck reported that she attended a one-on-one meeting with the General Manager held at the Agency on April 5, 2022.

There were no other AB 1234 Reports.

Director Requests for Future Agenda Items (Item 14).

Director Plambeck asked that the Board be informed of all (large) change orders, including an explanation of what the change is in a public setting even if the Board is not approving the change order and asked if at the Alignment Board Best Practices Workshop being held on August 12, 2022 that the Board revisit the policy on Director conduct as a discussion item.

Director Colley would like to have something similar to tonight's CEQA briefing but related to what our legal obligations are as it relates to approval of projects, the water supply of those projects and what it is that we are actually approving.

Director Orzechowski asked that an update from Director of Technology Cris Perez on the status of replacement and positioning of new security cameras on our SCVWA facilities and if LA County Sheriff Department's CPU has provided any helpful direction in their placement. He would like to see this update in Closed Session.

Director Armitage would like a presentation on the overview of the Agency's Strategic Plan and where we are on the Agency's goals and objectives. She also wanted to look into how we post written public comments on our website.

There were no other requests for future Agenda items.

The meeting was adjourned at 8:49 PM (Item 15).

_____
April Jacobs, Board Secretary

ATTEST:

_____
President of the Board

DRAFT

ITEM NO. 6.2

Minutes of the Special Meeting of the Board of Directors of the Santa Clarita Valley Water Agency – April 25, 2022

A special meeting of the Board of Directors of the Santa Clarita Valley Water Agency was held at Santa Clarita Valley Water Agency 27234 Bouquet Canyon Road, Santa Clarita, CA 91350 on Monday, April 25, 2022. A copy of the Agenda is inserted in the Minute Book of the Agency preceding these minutes.

DIRECTORS PRESENT: Kathye Armitage, B. J. Atkins, Beth Braunstein, Ed Colley, William Cooper, Jerry Gladbach, R. J. Kelly, Gary Martin, Piotr Orzechowski and Lynne Plambeck.

DIRECTORS ABSENT: Jeff Ford.

Also present: Assistant General Manager Steve Cole, Board Secretary April Jacobs, Chief Financial and Administrative Officer Eric Campbell, Director of Finance and Administration Rochelle Patterson, General Counsel Tom Bunn and Joe Byrne, General Manager Matthew Stone, Information Technology Technician I Jonathan Thomas, Senior Information Technology Technician Emmanuel Adinkra, as well as additional SCV Water Agency staff and members of the public.

President Martin called the meeting to order at 6:00 PM. A quorum was present.

There were no changes to the April 25, 2022 Board Agenda and it was accepted as shown (Item 4).

President Martin began the interview process at 6:15 PM. All four candidates were present and interviewed (Item 5.1).

President Martin recessed the meeting at 7:07 PM and reconvened the meeting at 7:12 PM.

Upon motion of Director Cooper, seconded by Vice President Gladbach and carried by a vote of 6 yes's, 3 no's and 1 abstained, the Board seated Maria Gutzeit as the appointed Division 3 Director to complete the vacancy term, subject to verification of minimum requirements by the following roll call votes (majority vote of 6 needed) (Item 5.2):

Director Armitage	No	Director Atkins	Yes
Director Braunstein	No	Director Colley	No
Director Cooper	Yes	Director Ford	Absent
Vice President Gladbach	Yes	Director Kelly	Yes
President Martin	Yes	Director Orzechowski	Yes
Director Plambeck	Abstain		

Upon motion of Director Colley, seconded by Director Atkins and carried, by a vote of 7 yes's, 2 no's and 1 abstained, the Board appointed Robert Lee Jenkens III as the alternate Candidate, should the main Candidate fail to complete the process or meet the minimum requirements and qualifications to hold office by the following roll call votes (majority vote of 6 needed) (item 5.2):

Director Armitage	No	Director Atkins	Yes
Director Braunstein	No	Director Colley	Yes
Director Cooper	Yes	Director Ford	Absent

Vice President Gladbach	Yes	Director Kelly	Yes
President Martin	Yes	Director Orzechowski	Yes
Director Plambeck	Abstain		

The meeting was adjourned at 8:10 PM (Item 6).

April Jacobs, Board Secretary

ATTEST:

President of the Board

DRAFT

ITEM NO. 6.3

Minutes of the Special Meeting of the Board of Directors of the Santa Clarita Valley Water Agency – April 26, 2022

A special meeting of the Board of Directors of the Santa Clarita Valley Water Agency was held at Santa Clarita Valley Water Agency 27234 Bouquet Canyon Road, Santa Clarita, CA 91350 at 6:00 PM on Tuesday, April 26, 2022. A copy of the Agenda is inserted in the Minute Book of the Agency preceding these minutes.

DIRECTORS PRESENT: Kathye Armitage, B. J. Atkins, Beth Braunstein, Ed Colley, William Cooper, Jerry Gladbach, R. J. Kelly, Gary Martin, Piotr Orzechowski and Lynne Plambeck.

DIRECTORS ABSENT: Jeff Ford.

Also present: Assistant General Manager Steve Cole, Board Secretary April Jacobs, Chief Engineer Courtney Mael, Chief Financial and Administrative Officer Eric Campbell, Chief Operating Officer Keith Abercrombie, Director of Finance and Administration Rochelle Patterson, General Counsel Joe Byrne, General Manager Matthew Stone, Information Technology Technician I Jonathan Thomas, Senior Information Technology Technician Emmanuel Adinkra, Senior Management Analyst Kim Grass, Sustainability Manager Matt Dickens, Water Resources Planner Sarah Fleury, RDN Consultant Ichiko Kido, several SCV Water Agency staff and members of the public.

President Martin called the meeting to order at 6:00 PM. A quorum was present.

President Martin announced that Item 5.1 Directors' Seating Selections at the Board Table and Item 7.2 Authorizing the General Manager to Enter Into a Short-Term Water Exchange Agreement with Irvine Ranch Water District would be pulled from tonight's Agenda, there were no other changes to the April 26, 2022 Board Agenda and it was accepted with those changes. (Item 4).

Upon motion of Director Orzechowski, seconded by Vice President Gladbach and carried, the Board approved the Consent Calendar including Resolution Nos. SCV-273 and SCV-274 by the following roll call votes (Item 6):

Director Armitage	Yes	Director Atkins	Yes
Director Braunstein	Yes	Director Colley	Yes
Director Cooper	Yes	Director Ford	Absent
Vice President Gladbach	Yes	Director Kelly	Yes
President Martin	Yes	Director Orzechowski	Yes
Director Plambeck	Yes		

RESOLUTION NO. SCV-273

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA CLARITA VALLEY WATER AGENCY AUTHORIZING AN APPLICATION FOR GRANT FUNDING BY THE BUREAU OF RECLAMATION'S WATERSMART TITLE XVI WIIN ACT WATER RECLAMATION AND REUSE PROJECTS FOR THE RECYCLED WATER EXPANSION PROJECT

https://yourscvwater.com/wp-content/uploads/2022/05/SCV-Water-Approved-Resolution-042622-Resolution-SCV-273.pdf

RESOLUTION NO. SCV-274

RESOLUTION CALLING THE SANTA CLARITA VALLEY WATER AGENCY ELECTION FOR OFFICES OF THE AGENCY'S BOARD OF DIRECTORS AND REQUESTING CONSOLIDATION OF SAID ELECTION WITH THE NOVEMBER 8, 2022 STATEWIDE GENERAL ELECTION AND APPROVING REQUIREMENTS OF THE CANDIDATE STATEMENTS

https://yourscvwater.com/wp-content/uploads/2022/05/SCV-Water-Approved-Resolution-052622-Resolution-SCV-274.pdf

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Upon motion of Director Cooper, seconded by Director Braunstein and carried, the Board adopted Resolution No. SCV-275 enacting Stage 2 of the Water Shortage Contingency Plan and Water Conservation and Water Supply Shortage Ordinance by the following roll call votes (Item 7.1):

Director Armitage	Yes	Director Atkins	Yes
Director Braunstein	Yes	Director Colley	Yes
Director Cooper	Yes	Director Ford	Absent
Vice President Gladbach	Yes	Director Kelly	Yes
President Martin	Yes	Director Orzechowski	Yes
Director Plambeck	Yes		

RESOLUTION NO. SCV-275

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA CLARITA VALLEY WATER AGENCY DIRECTING THE GENERAL MANAGER TO IMPLEMENT STAGE 2 OF THE WATER SHORTAGE CONTINGENCY PLAN AND DECLARE A STAGE 2 WATER SHORTAGE CONDITION PURSUANT TO ORDINANCE NO. 2

https://yourscvwater.com/wp-content/uploads/2022/05/SCV-Water-Approved-Resolution-042622-Resolution-SCV-275.pdf

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Item 7.2 was pulled from the Agenda.

Upon motion of Director Kelly, seconded by Vice President Gladbach and carried, the Board approved the revised position control for FY 2022/23 adding (1) Engineer, (1) Water Quality Technician, (1) Office Assistant, (1) Facilities Maintenance Technician, (1) Recycled Water Coordinator Technician, (1) Administrative Technician and (2) Utility Workers for a total position count of 233 by the following roll call votes (Item 7.3):

Director Armitage	Yes	Director Atkins	Yes

Director Braunstein	Yes	Director Colley	Yes
Director Cooper	Yes	Director Ford	Absent
Vice President Gladbach	Yes	Director Kelly	Yes
President Martin	Yes	Director Orzechowski	Yes
Director Plambeck	Yes		

After a presentation and discussion by the Board, Item 7.4 was moved to the May 17, 2022 regular Board meeting to allow staff time to address Board concerns. A presentation on the Capital Improvement Projects will be incorporated into the Budget presentation.

General Manager's Report on Activities, Projects and Programs (Item 8)

The General Manager reported the following:

First, he wanted to thank members of our staff who supported the development of information and a recommendation for the Stage 2 Declaration. He advised the Board that he has reprogrammed his own sprinklers to make sure that his watering days and times are correct.

He then acknowledged the work of the Finance team and all departments and staff members who worked to compile and refine the revised FY 2022/23 Budget. He congratulated and thanked them for the extra effort. He also acknowledged the staff who are supporting the hybrid Board meetings, which have been numerous this past month.

He updated the Board on the most recent case of Covid-19 among staff and that there were no close contacts in the workplace.

He informed the Board that since we are back to in-person meetings and with relaxing of COVID restrictions, staff is now planning Board tours of some SCV Water Agency facilities. He said, stay tune for more information. He then mentioned that the tours would be noticed as a Board meeting for Brown Act compliance and the public would be permitted to attend. Further, he mentioned that there will also be a second tour to see the Rio Vista Water Treatment plant most likely on a regular Board meeting night.

He reminded the Board that the Public Affairs and other staff will be participating in the Home and Garden Show in Central Park on April 30 and May 1, 2022.

In response to a couple of public comments that were made at tonight's meeting, he wanted to offer some information.

First, a member of the public expressed the belief that none of the former Newhall County Water District wells had been impacted by PFAS. He stated that this is not the case. PFAS has impacted alluvial wells at multiple locations within our service area. This includes wells that were part of the former Newhall County Water District. Part of the Agency's successful strategy to maintain service, while taking wells offline which exceed the state water quality levels, has been to complete interconnections and improve the ability to move imported water where needed in the system. As a series of PFAS treatment facilities are completed at various locations, the alluvial groundwater supply capability will be recovered. The first project that has been complete at the N wells, brought 3 wells back into service. The next project at Valley Center well should be completed later this year. He explained that the Board recently awarded a contract for the

Santa Clara and Honby wells project, and other sites are in the planning and preliminary design process. You will see these projects move forward over the next few years.

He then addressed the public comment inquiring whether water agencies in the Santa Clarita Valley have been planning to implement further recycled water. He described the Agency's efforts on recycled water, including the innovative new drop program, and explained some of the environmental and regulatory complexities involved in recycling water that has historically been treated and discharged into the river and that now supports the river's ecosystem. For the General Managers full comment pertaining to this item, please click on the following link for the April 26, 2022 Board recording and forward to Item 8 **https://yourscvwater.com/wp-content/uploads/2022/04/Board_Recording_042622.mp3**.

Committee Meeting Recap Reports for Informational Purposes Only (Item 9).

There were no comments on the recap reports.

Written Reports for Informational Purposes Only (Item 10).

Director Orzechowski had a question on the Finance, Administration and Information Technology Section Report pertaining to the air filters and what kind they were.

Director Armitage made several comments on the Water Resources Section report pertaining to the meeting with local nurseries to promote the Lawn Replacement Program, the CBS Interviews with staff regarding the drought and Agency efforts to support conservation, she was specifically pleased with the Spanish language interview and finally regarding the Consumer Confidence Report (CCR) that is currently being put together, she was hoping that the Board would get a similar update on CCR as was given last year.

There were no other comments on the written reports.

President's Report (Item 11).

The President updated the Board on upcoming meetings, events and Board reminders. He also briefly covered how written public comments are distributed.

AB 1234 Written and Verbal Reports (Item 12).

Director Atkins reported that he attended the SCWC Quarterly Luncheon held at the Wilson Creek Winery in Temecula on April 22, 2022.

President Martin reported that he attended the virtual DCA Board of Directors meeting on April 21, 2022.

There were no other AB 1234 Reports.

Director Reports (Item 13).

Vice President Gladbach advised the Board that he was re-elected as the Special District Voting Representative for LAFCO, term expiring on May 4, 2026.

Director Colley asked that the action items that come to the Board be phrased in a way that allows the Board to make decisions within the subject matter of the item on the Agenda.

There were no other Director Reports.

Director Requests for Approval for Event Attendance (Item 14).

There were no Director requests for event attendance.

The meeting was adjourned at 9:54 PM (Item 15).

April Jacobs, Board Secretary

ATTEST:

President of the Board

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ITEM NO. 7.1

BOARD MEMORANDUM

DATE: May 17, 2022

TO: Board of Directors

FROM: Dirk Marks
Director of Water Resources

SUBJECT: Authorize the General Manager to Enter Into a Short-Term Water Exchange Agreement with Irvine Ranch Water District

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SUMMARY

At its October 13, 2021 meeting, the Water Resources and Watershed Committee recommended that staff pursue additional programs to enhance water supply reliability in 2022. Staff has initiated discussions with Irvine Ranch Water District (IRWD) for a mutually beneficial Short-term Drought Relief and Transfer Program (Short-term Program). The Short-term Program would involve IRWD dedicating 5,000 AFY of its recovery capacity in the Strand and Stockdale Integrated Banking Projects (IRWD Water Bank) to SCV Water in 2022 and 2023 for recovery of SCV Water's Rosedale-Rio Bravo Water Storage District (Rosedale) banking program water (Rosedale Program). This water would be provided in exchange for the future transfer of an equivalent amount of SWP water from SCV Water to IRWD.

BACKGROUND

IRWD is an independent special district serving central Orange County and is a member agency of the Municipal Water District of Orange County (MWDOC). MWDOC receives imported water supplies from the State Water Project (SWP) through the Metropolitan Water District. IRWD and SCV Water both participate in water banking programs implemented in partnership with Rosedale. IRWD, SCV Water, and Rosedale have partnered in the past to enhance banking program recovery through development of six wells and conveyance facilities which became operational in 2019.

SCV Water has a water storage account in the Rosedale Program and has stored SWP water and other water supplies in the account to supplement water supplies during drought or shortage conditions. Available storage at the end of 2021 was approximately 79,000 AF. IRWD and Rosedale cooperate in the operation of IRWD's Strand Ranch and Stockdale Integrated Banking Projects which supplement supplies during drought or shortage conditions.

In October 2021, staff met with IRWD to discuss implementing a Short-term Program that could provide drought relief to SCV Water and a future water supply to the IRWD Water Bank. IRWD and SCV Water have negotiated terms of the proposed Short-term Program as described below:

Overview of Short-term Program

SCV Water anticipates the need for the recovery and delivery of additional banked water from its Rosedale Program in 2022 and potentially in 2023. IRWD and SCV Water would implement a

Short-term Program whereby IRWD would provide SCV Water drought relief by making available recovery capacity from the IRWD's banking programs to facilitate recovery up to 5,000 AFY of SCV Water's banked. When the final SWP allocation is 45% or greater, SCV Water would transfer an equal amount of its future SWP Table A water to Metropolitan Water District. Such transfer of water shall be completed prior to December 31, 2027. Metropolitan would accept this water, on IRWD's behalf, consistent with IRWD's Coordinated Operating and Exchange Agreement with Metropolitan. SCV Water would pay the costs to recover and convey the recovered water to California Aqueduct under its Banking Program Agreement with Rosedale, as well as certain administrative costs that may be applicable to recovery of this water. Exhibit A contains the proposed Short-term Program agreement.

The Water Resources and Watershed Committee reviewed the principles of agreement Term Sheet which was the basis of the Short-term Program and recommended that the Agreement be presented to the Board of Directors once completed.

CEQA DETERMINATION

The short-term water transfer agreement is exempt from environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b(3), the "common sense exemption," which provides that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Here, SCV Water finds the water transfer agreement exempt from CEQA as "it can be seen with certainty that there is no possibility that the activity in question" as it provides that SCV Water would receive 5,000 AFY of IRWD recovery capacity in 2022 and 2023 and then SCV Water would provide 5,000 AFY of SWP water, the same amount transferred in 2022/2023, to IRWD prior to December 31, 2027, such that the agreement will have no "significant effect on the environment."

FINANCIAL CONSIDERATIONS

Consistent with withdrawals from other drought programs, costs to recover water under the Short-term Program Agreement are anticipated to come from Operating Reserves. There is the potential that if the SWP allocation does not exceed 45% by 2027, that SCV Water may be required to withdraw water from storage programs to complete the water transfer required under this program.

RECOMMENDATION

The Water Resources and Watershed Committee recommends that the Board authorize, pursuant to an exemption under CEQA Guidelines Section 15061(b)(3), the General Manager to enter into a Short-term Water Exchange Agreement with Irvine Ranch Water District as described in Exhibit A.

SF

Attachment

M65

EXHIBIT A

Irvine Ranch
WATER DISTRICT

April 14, 2022

Matt Stone, General Manager
Santa Clarita Valley Water Agency
27234 Bouquet Canyon Road
Santa Clarita, CA 91350

Re: Short-Term Drought Relief and Transfer Program

Dear Mr. Stone:

Please be advised that that the Board of Directors of Irvine Ranch Water District ("IRWD") has determined to proceed with the Short-Term Drought Relief and Transfer Program ("Short Term Program") with Santa Clarita Valley Water Agency ("SCVWA") (IRWD and SCVWA collectively are referred to as the "Parties" and each individually may be referred to as a "Party"). The "Short Term Program" is described in the "Terms for a Short-Term Drought Relief and Transfer Program" ("Term Sheet") that is attached hereto as Exhibit "A" and incorporated herein by this reference. When you have countersigned below to indicate your acceptance, this letter and the provisions of the Term Sheet, which are incorporated by reference, together will constitute an agreement between IRWD and SCVWA to the terms and conditions contained in the Term Sheet and this letter (collectively forming the "Letter Agreement"). Capitalized terms used herein and not otherwise defined shall have the definitions given such terms in the Term Sheet. Each and all of the following terms and conditions of this letter are intended to supplement said Term Sheet and, to the extent they are inconsistent therewith, are intended to amend and replace said Term Sheet.

1. Mediation: The Parties agree that any and all disputes, claims or controversies regarding this Letter Agreement, shall be submitted to mediation in a mutually agreeable venue and if the matter is not resolved through mediation, then it may be submitted to any court of competent jurisdiction. Any affected Party may commence mediation by providing the other Party a written request for mediation, setting forth the subject of the dispute and the relief requested. The Parties shall cooperate with one another in selecting a mediator and in scheduling the mediation proceedings. The Parties covenant that they shall participate in the mediation in good faith, and that they shall share equally in costs charged by the mediator. All offers, promises, conduct and statements, whether oral or written, made in the course of the mediation by any of the Parties, their agents, employees, experts and attorneys, and by the mediator or any of the mediator's employees, are confidential, privileged and inadmissible for any purpose, including impeachment, in any arbitration or other proceeding involving the Parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the mediation. The provisions of this Letter Agreement with

respect to mediation may be enforced by any Court of competent jurisdiction, and the Party seeking such enforcement shall be entitled to an award of all costs, fees and expenses, including attorneys' fees, to be paid by the Party against whom such enforcement is ordered.

2. Release and Indemnification:

A. IRWD and its officers, agents, or employees shall not be liable for the control, carriage, handling, use, disposal, or distribution of Recovered Water downstream of the SCVWA POD, or for the control, carriage, handling, use, disposal, or distribution of Transfer Water upstream of the IRWD POD, nor for any claim of damage of any nature whatsoever, including but not limited to property damage, personal injury or death, arising out of or connected with the control, carriage, handling, use, disposal or distribution of such water, unless such damages or claims are a result of negligent, intentional or reckless misconduct on the part of IRWD.

B. SCVWA and its officers, agents, and employees shall not be liable for the control, carriage, handling, use, disposal, or distribution of Recovered Water upstream of the SCVWA POD or for the control, carriage, handling, use, disposal, or distribution of Transfer Water downstream of the IRWD POD, nor for any claim of damage of any nature whatsoever, including, but not limited to, property damage, personal injury or death, arising out of or connected with the control, carriage, handling, use, disposal, or distribution of such water, unless such damages or claims are a result of negligent, intentional or reckless misconduct on the part of SCVWA.

C. IRWD shall not be liable to SCVWA for any water quality impairment claims related to SCVWA water stored in Rosedale's bank facilities or aquifer that IRWD recovers for delivery to the SCVWA POD.

D. Each Party will indemnify, defend, and hold the other harmless from any claims made by landowners in the respective Party's service area (in the case of IRWD, and solely for the purpose of this Letter Agreement section 2(D), the service area will also include Rosedale's boundaries) as a result of activities of the indemnifying party or its diversion, control, carriage, handling, use, disposal or distribution of water into and out of storage in its performance under this Letter Agreement, and any claims relating to any third party claiming a prior right, or interference with their right, to water delivered from one Party to the other.

E. Each Party shall at all times indemnify, defend and save the other Party free and harmless from, and pay in full, any and all causes of action, claims, liabilities, obligations, demands, losses, judgments, damages or expenses, including reasonable attorney fees and costs ("claims") in any manner arising out of or connected with the indemnifying Party's activities in its performance under this Letter Agreement, except to the extent it is relieved of responsibility therefore under sections 2(A), 2(B) or 2(C), or its diversion, control, carriage, handling, use, disposal or distribution of water into and out of storage, excepting any loss, damage or expense and claims for loss, damage or expense resulting in any manner from the negligent act or acts of the other Party, or its Board of Directors, officers, representatives, consultants, contractors, agents or employees.

In the event a Party entitled to indemnification is made a party to any action, lawsuit, or other adversarial proceeding alleging negligent or wrongful conduct on the part of an

indemnifying Party, then (1) the indemnifying Party shall provide a defense to the other or, at the indemnitee's option, reimburse the indemnitee its costs of defense, including reasonable attorneys' fees, incurred in defense of such claims, and (2) the indemnifying Party shall promptly pay any final judgment or portion thereof rendered against the indemnitee(s).

3. Notices: All written notices required to be given pursuant to the terms of this Letter Agreement shall be either (i) personally delivered, (ii) deposited in the United States express mail or first class mail, registered or certified, return receipt requested, postage prepaid, (iii) delivered by overnight courier service, or (iv) delivered by facsimile transmission or e-mail, provided that the original of such notice is sent by certified United States mail, postage prepaid, or by overnight courier, no later than one (1) business day following such facsimile transmission or email. All such notices shall be deemed delivered upon actual receipt (or upon first attempt at delivery pursuant to the methods specified in clauses (i), (ii) or (iii) above if the intended recipient refuses to accept delivery). All such notices shall be delivered to the addresses below or to such other address as the receiving Party may from time to time specify by written notice to the other Party given in the manner provided herein.

To IRWD:	To SCVWA:
Irvine Ranch Water District	Santa Clarita Valley Water Agency
15600 Sand Canyon Avenue	27234 Bouquet Canyon Road
Irvine, CA 92619	Santa Clarita, CA 91350
Attn: General Manager	Attn: General Manager
Phone: (949) 453-5310	Phone: (661) 297-1600
Facsimile: (949) 453-1228	Facsimile: (661) 297-1611

4. Representations and Warranties:

A. Each of the Parties represents and warrants to the other Party that each is a duly organized or constituted entity, with all requisite power to carry out its obligations under this Letter Agreement, and that the execution, delivery and performance of these documents have been duly authorized by all necessary action of the board of directors or other governing body of such Party, and shall not result in a violation of such Party's organizational documents.

B. SCVWA represents and agrees that SCVWA has and, at all times during the term of this Letter Agreement shall have, insurance coverage for its facilities and operations, including those facilities owned or operated by SCVWA and those operations by SCVWA involved in the delivery of Transfer Water to the IRWD POD and receipt of Recovered Water at the SCVWA POD.

C. SCVWA has legally enforceable rights to the up to 10,000 AF of SCVWA SWP water banked in the Rosedale Program that provides the basis for IRWD's delivery of Recovered Water to the SCVWA POD under the terms of this Letter Agreement. SCVWA also has legally enforceable rights to the up to 10,000 AF of SCVWA SWP water that provides the basis for SCVWA's delivery of Transfer Water to the IRWD POD under the terms of this Letter Agreement.

D. SCVWA represents and warrants that entry into this Letter Agreement does not

create or result in the breach of any other agreement to which SCVWA is a party or to which SCVWA is otherwise subject to or bound.

E. SCVWA represents and warrants that, to its knowledge at the time SCVWA executed this Letter Agreement, there is no pending or threatened litigation involving SCVWA that will affect this Letter Agreement.

F. IRWD represents and agrees that IRWD has and, at all times during the term of this Letter Agreement shall have, insurance coverage for its facilities and operations, including those facilities owned or operated by IRWD and those operations by IRWD involved in the recovery and delivery of Recovered Water from the IRWD Water Bank to the SCVWA POD.

G. IRWD represents and warrants that entry into this Letter Agreement does not create or result in the breach of any other agreement to which IRWD is a party or to which IRWD is otherwise subject to or bound.

H. IRWD has legally enforceable rights to carry out its performance under the terms of this Letter Agreement.

I. IRWD represents and warrants that, to its knowledge at the time IRWD executed this Letter Agreement, there is no pending or threatened litigation involving IRWD that will affect this Letter Agreement.

J. Prior to commencement of the delivery of Recovered Water pursuant hereto, there has been completed an environmental review under CEQA with respect to the IRWD Water Bank (i.e., the Strand Ranch Integrated Banking Project and the Stockdale Integrated Banking Project) and the use of water therein by IRWD, and the Environmental Impact Reports (EIRs) for the Strand Ranch Integrated Banking Project and the Stockdale Integrated Banking Project were certified on May 27, 2008 and December 8, 2015, respectively. To IRWD's knowledge, no actions or proceedings have been initiated attacking the validity of such EIRs.

K. The Parties have relied on the forgoing representations, warranties, and covenants as a material inducement to execute this Letter Agreement, and should any material representation not be correct or true, it shall constitute a material breach of this Letter Agreement.

5. Increase in Recovered Water; Expansion and Long-Term Agreement: IRWD, with the consent of Metropolitan, may offer SCVWA the ability to increase the amount of Recovered Water and/or extend the term of this Letter Agreement, including the period during which SCVWA may deliver Transfer Water, as specified in the Term Sheet paragraphs respectively entitled "Recovered Water" and "Transfer Water," by giving a written notice to SCVWA without the need for any amendment of this Letter Agreement.

6. Termination For Breach. Either Party may terminate this Letter Agreement if the other Party breaches any material obligation under this Letter Agreement and such breach continues for a period of sixty (60) days, or such other period as may be reasonable under the circumstances, after the date on which written notice is issued by the non-breaching Party. The non-breaching Party shall be entitled to seek any and all legal or equitable damages and/or

remedies as a result of the breaching Party's breach.

In the event that either IRWD or SCVWA is in material default of this Letter Agreement, the non-defaulting Party shall provide written notice to the defaulting Party, identifying with reasonable specificity the nature of the claimed default. If the defaulting Party has not cured the event(s) of material default which is (are) identified in the notice required by this section within twenty (20) business days after receipt of written notification, or such other period as is reasonable under the circumstances, the non-defaulting Party shall be entitled to any and all remedies which may be available to it at law or in equity. This provision is not intended to provide a separate termination right, which is set forth in the first paragraph of this Section.

7. Governing Law: This Letter Agreement shall be construed and enforced in accordance with the laws of the State of California.

8. Amendments: No amendment of this Letter Agreement shall be binding upon the Parties unless it is in writing and executed by both of the Parties.

9. Further Action: The Parties agree to and shall take such further action and execute and deliver such additional documents as may be reasonably required to effectuate the Short-Term Program, consistent with each and all of the terms and conditions of this Letter Agreement.

10. Assignment: No Party shall assign or otherwise transfer its rights or obligations in, under or to this Letter Agreement, in whole or in part, without the prior written consent of the other Party. All covenants and agreements contained in this Letter Agreement shall bind and inure to the benefit of the Parties' respective successors and permitted assigns.

11. Force Majeure; Change In Law. The respective obligations of each Party hereto shall be suspended while it is prevented from complying by acts of God; war; riots; civil insurrection; acts of civil or military authority; fires; floods; earthquakes; labor accidents or incidents; rules and regulations of any federal, state, or other governmental agency (other than the Parties themselves); changes in law, rules, or regulations of any federal, state or other governmental agency (other than the Parties themselves); or other cause of the same or other character any of which are beyond the reasonable control of such Party (collectively, "Force Majeure"). In the event of a suspension due to the foregoing, the Party whose obligations are suspended shall promptly notify the other Party in writing of such suspension and the cause and estimated duration of such suspension.

The Party providing such notice shall be excused from fulfilling its obligations under this Agreement until such time as the Force Majeure has ceased to prevent performance or other remedial action is taken, at which time the Party shall promptly notify the other Party of the resumption of its obligations under this Letter Agreement. Any Party rendered unable to fulfill any of its obligations by reason of a Force Majeure shall exercise due diligence to remove such inability with reasonable dispatch within a reasonable time period and mitigate the effects of the Force Majeure. The relief from performance shall be of no greater scope and of no longer duration than is required by the Force Majeure.

12. Joint Drafting and Negotiation: This Letter Agreement has been jointly negotiated and drafted and shall be construed as a whole according to its fair meaning and without regard to or

aid of Civil Code Section 1654 or similar judicial rules of construction. Each Party acknowledges that it has had the opportunity to seek the advice of experts and legal counsel prior to executing said documents and that it is fully aware of and understands all of their respective terms and the legal consequences thereof.

13. Headings. Headings used in this Letter Agreement are for reference only and shall not affect the construction of this Letter Agreement.

14. No Third Party Beneficiaries. No third party beneficiaries are intended by the Parties hereto, and no third party shall be entitled to claim or enforce any rights under this Letter Agreement.

15. Severability. In the event that any provision of this Letter Agreement is determined by a court to be invalid, the court shall reform the provision in a manner that is both consistent with the terms of this Letter Agreement taken as a whole and legally valid. The remainder of this Letter Agreement shall not be affected thereby.

16. Successors and Permitted Assigns. All covenants and agreements contained in this Letter Agreement by or on behalf of any of the Parties shall bind and inure to the benefit of their respective successors and permitted assigns under Section 10, whether so expressed or not.

17. Approval by DWR. The effectiveness of this Letter Agreement shall be contingent upon consent to the herein-described transaction by Metropolitan, as indicated by its signature below, and approval of the herein-described transaction by the California Department of Water Resources (DWR). If Metropolitan does not consent, or if the Kern County Water Agency or DWR disapproves the transaction described herein, this Letter Agreement shall not be effective; provided, the Parties may mutually agree to and make any modifications to this Letter Agreement that they determine are necessary to gain such consent or approval.

By its signature hereon, IRWD accepts this Letter Agreement. Please indicate the acceptance by SCVWA of this Letter Agreement by signing and returning the enclosed copy. Thank you for your cooperation.

IRWD intends that this Letter Agreement be consistent with, and is entered into by IRWD pursuant to, that certain Water Banking and Exchange Program Agreement between Rosedale and IRWD dated February 4, 2016 and that certain Water Banking and Exchange Program Agreement between Rosedale and IRWD dated January 13, 2009.

This Letter Agreement may be signed in counterparts, each of which shall be deemed an original, and when taken together shall constitute one in the same instrument.

Sincerely,

IRVINE RANCH WATER DISTRICT

By:_____
General Manager

READ, APPROVED AND ACCEPTED:

SANTA CLARITA VALLEY WATER AGENCY

By:_____
Title:

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CONSENT:
In accordance with Paragraph 3.2 of that agreement entitled "Coordinated Operating, Water Storage, Exchange and Delivery Agreement," (the "COA") dated as of April 21, 2011, by and among The Metropolitan Water District of Southern California ("Metropolitan"), the Municipal Water District of Orange County and the Irvine Ranch Water District, and in accordance with Section 15(d) of Metropolitan's State Water Project Contract with the California Department of Water Resources, THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA hereby provides its written consent to IRWD's acquisition of State Water Project Water on Metropolitan's behalf as described in the Short-Term Program defined herein, so long as that water meets the requirements of the COA.

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

By:_____
Title:

Terms for a Short-Term Drought Relief and Transfer Program
Between Irvine Ranch Water District and Santa Clarita Valley Water Agency

Parties	The Irvine Ranch Water District (IRWD) and the Santa Clarita Valley Water Agency (SCVWA)
Existing Water Banking Programs	The IRWD Water Bank, located in Kern County, is owned by IRWD and operated by Rosedale-Rio Bravo Water Storage District (Rosedale). IRWD holds first priority rights to the use of the recovery facilities within the IRWD Water Bank. SCVWA is a participant in a water banking program developed by Rosedale (the Rosedale Program) where SCVWA has stored State Water Project (SWP) water.
Purpose	IRWD and SCVWA to implement a Short Term Drought Relief and Transfer Program (Short-Term Program) through which IRWD provides SCVWA with drought relief assistance by utilizing available recovery capacity within the IRWD Water Bank to recover a portion of SCVWA SWP water banked in the Rosedale Program. In exchange for providing this drought relief, SCVWA would transfer for the benefit of IRWD an equal amount of its future SWP Table A water to Metropolitan or another SWP Contractor willing to act on IRWD's behalf, when the final SWP allocation is 45% or greater.
Term	The term of the Program would be through December 31, 2027.
Quantity	Up to 5,000 acre-feet (AF) of SCVWA's SWP water stored in the Rosedale Program would be recovered in 2022 and up to 5,000 AF would be recovered in 2023.
Recovered Water	Recovered Water shall be the water that IRWD recovers for SCVWA from the Rosedale Program utilizing capacity within the IRWD Water Bank. IRWD shall make every effort to have recovery capacity available for SCVWA to recover up to 5,000 AF in 2022 and up to 5,000 AF in 2023 during the months of June, July, August and September of those years.
Transfer Water	The Transfer Water amount shall be equal to the cumulative AF amounts recovered by SCVWA in 2022 and 2023 utilizing the IRWD Water Bank recovery capacity. Transfer Water shall be delivered to Metropolitan Water District of Southern California (Metropolitan) or another SWP Contractor on IRWD's behalf, from SCVWA's future approved SWP Table A water when the final SWP allocation is 45% or greater. All Transfer Water would be delivered no later than December 31, 2027. Metropolitan or the SWP Contractor, at its discretion, may direct the Transfer Water to be delivered to either the IRWD Water Bank or to IRWD's service area. SCVWA shall cooperate with IRWD and Metropolitan or the SWP Contractor in scheduling the Transfer Water deliveries, which would be subject to available recharge capacity in the IRWD Water Bank. The delivery of Transfer Water would be subject to provisions of IRWD's Coordinated Operating, Water Storage, Exchange and Delivery Agreement with Metropolitan and the Municipal Water District of Orange County (MWDOC) (Coordinated Agreement).
Quality	The quality of Recovered Water and Transfer Water will be limited as follows: if and to the extent that either party delivers water to and into the California Aqueduct, the quality of water shall meet the water quality standards established by DWR for pump-in to the California Aqueduct.

Delivery Points	The Recovered Water shall be extracted utilizing capacities in the IRWD Water Bank and conveyed to the Cross Valley Canal (CVC) and to the pump-in location at Reach 12E of the California Aqueduct. SCVWA shall coordinate with DWR for delivery of Recovered Water to the SCVWA requested point of delivery (SCVWA POD) in the California Aqueduct. SCVWA shall deliver Transfer Water from its future SWP Table A allocation to either the IRWD point of delivery (IRWD POD), which will be the IRWD Water Bank turnouts on the CVC, or as directed by Metropolitan or the SWP Contractor.
Losses	SCVWA assumes the banking losses of the Recovered Water. The Transfer Water shall be equal to the amount of water recovered by SCVWA utilizing IRWD Water Bank recovery capacity, and IRWD will incur the banking losses if Metropolitan or the SWP Contractor decides to take delivery of the Transfer Water at the IRWD Water Bank. SCVWA and IRWD each may incur additional conveyance losses of 1% to 2% in the CVC for conveyance, as measured and assessed by Kern County Water Agency (KCWA).
Recovered Water Costs	SCVWA shall pay any costs assessed by Rosedale for the extraction of Recovered Water utilizing capacities within the IRWD Water Bank including costs associated with groundwater pumping, administrative costs, other associated O&M costs, applicable costs of CVC pumping and use of CVC capacity. SCVWA would be responsible for any costs assessed by Rosedale under its Long Term Operations Plan for implementing provisions to prevent impacts from operations. It is expected that banking projects, such as the IRWD Water Bank, may be required to contribute $2.00 per AF for recovered water to a fund, which may be used to meet mitigation obligations.
Transfer Water Costs	SCVWA shall pay all fixed SWP costs associated with making Transfer Water available for delivery to the IRWD POD or as directed by Metropolitan or the SWP Contractor. IRWD shall pay the costs assessed by Rosedale for the recharge of the Transfer Water consistent with that certain Water Banking and Exchange Program Agreement between Rosedale and IRWD dated January 13, 2009. These estimated costs may include Rosedale's administrative charge, applicable fixed and variable O&M water bank costs. IRWD shall be responsible for all recovery costs associated with its future use of the Transfer Water. An agreement is expected to be required among the DWR, Metropolitan or the SWP Contractor, SCVWA and KCWA for the delivery of Transfer Water to the IRWD Water Bank. IRWD and SCVWA shall share equally in the third party wheeling fee of $5.00 per AF that may be assessed by KCWA.
SWP Variable OMP&R Costs	For delivery of Recovered Water to SCVWA, SCVWA will pay all DWR Variable OMP&R charges from Reach 12E to the SCVWA POD in the California Aqueduct. To the extent applicable, for delivery of Transfer Water, Metropolitan will pay all DWR Variable OMP&R charges in accordance with the Coordinated Agreement.
Agency Coordination	IRWD and SCVWA would cooperate with DWR, KCWA, and Metropolitan or the SWP Contractor in preparing all necessary agreements to facilitate the Program. IRWD and SCVWA shall each be responsible for their own costs associated with such coordination.
Environmental Compliance	Both parties shall comply with California Environmental Quality Act (CEQA) and cooperate with one another with respect to CEQA compliance that may be required by the DWR for the proposed Program. IRWD has already conducted environmental

	review under CEQA for the Strand and Stockdale Integrated Banking Projects that takes into consideration the delivery, storage and recovery of SWP water. Rosedale certified and IRWD approved the CEQA documents for the Strand and Stockdale Integrated Banking Projects. Corresponding Notices of Determination were filed by both Rosedale and IRWD. Both IRWD and SCVWA shall each be responsible for any other environmental review or permitting necessary to implement the Program within their own respective service areas.
Water Rights	It is expressly agreed, understood, and acknowledged by IRWD and SCVWA that any recovery of water for SCVWA or the transfer of SWP Water to the IRWD Water Bank by SCVWA will not result in or be considered a sale or transfer of SCVWA's contractual rights to SWP water or a sale or transfer of IRWD's ownership in the IRWD Water Bank.
General Expenses	Each Party would be responsible for its own fees and expenses arising out of the negotiation and execution of the Program Agreement, obtaining necessary approvals, and the like.

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Short-Term Water Exchange Agreement with Irvine Ranch Water District

SCV WATER AGENCY SPECIAL BOARD MEETING

MAY 17, 2022

ITEM 7.1

Background

- October 2021 - pursue new water supply programs to enhance water supply reliability for 2022
- December 2021 – staff presented Committee options with Irvine Ranch Water District (IRWD)
  - Short-term drought relief water exchange
  - Committee recommend staff negotiate agreement with IRWD

Rosedale Rio Bravo Water Storage District Programs

SCV Water Banking Program

- Banked Storage 2022 – 79,000 AF
- 1st priority recovery capacity – 10,000 AFY
- 2nd priority recovery capacity – 10,000 AFY (as available)
  - 2022 – at least 5,000 AF available
  - 2023 - TBD

IRWD Water Bank

- Rosedale Program
  - Water storage account
- Strand & Stockdale Integrated Banking Projects
  - 1st priority recovery rights
  - Recharge facilities

Short-term Drought Relief and Transfer Program

Terms

- 2022-2027
- 5,000 AFY (2022 & 2023)
- SCV Water banked water recovered
  - 1-2% CVC conveyance loss
- IRWD 1st priority recovery capacity
- Table A water returned by 2027
  - SWP allocation > 45%

Costs

- SCV Water pays to use IRWD Banking Program Facilities
- IRWD pays costs to recharge
- Divide Kern County Water Agency wheeling fee if assessed ($5/AF)

SCV Water Program Benefits

Short-term Program

- Increases firm recovery from Rosedale 2022 & 2023 from 10,000 AFY to 15,000 AFY
  - Plus, second priority recovery
- Cost effective compared to open market transfer options ($1,400/AF in 2022)
- Provides additional drought relief benefit through 2023.

RECOMMENDATION

The Water Resources and Watershed Committee recommends that the Board authorize, pursuant to an exemption under CEQA Guidelines Section 15061(b)(3), the General Manager to enter into a Short-term Water Exchange Agreement with Irvine Ranch Water District as described in Exhibit A.

ITEM NO. 7.2

BOARD MEMORANDUM

DATE: May 19, 2022

TO: Board of Directors

FROM: Rochelle Patterson
Director of Finance and Administration

SUBJECT: Approve a Resolution Revising the FY 2022/23 Budget

SUMMARY AND DISCUSSION

Management is pleased to present the revised Operating FY 2022/23 Budget (budget) for SCV Water.

In February 2019 the multi-year budget format or biennial budget process was adopted by the Board. As a reminder, the biennial budget process cycle is as follows:

- The budget for the upcoming fiscal year is approved and the following year budget (spending plan) is conditionally approved.
- At the following budget season, the budget that was conditionally approved is updated and approved.
- The following year during budget season, a two-year conditional budget is approved.
- Last year, the first year of a biennial budget (FY 2021/22) was formally adopted and the second year's (FY 2022/23) appropriations were conditionally approved to be used as the spending plan for year two.

Staff has completed its review process of the conditionally approved FY 2022/2023 spending plan (revised budget). This report contains a review of the adopted FY 2021/22 Budget and a comparison of the conditionally approved vs. the revised FY 2022/23 spending plan.

Table Definitions

- *Adopted Budget FY 2021/22* – Adopted Biennial Budget (June 1, 2021)
- *Projected FY 2021/22* – Projected account balances at fiscal yearend (June 30, 2022) using actuals through December 2021 and projecting account balances through the end of the fiscal year
- *Approved Budget FY 2022/23* – Conditionally approved budget (June 1, 2021), second year of Biennial Budget FY 2022/23
- *Revised Budget FY 2022/23* – Revised spending plan for FY 2022/23

FY 2022/23 Revised Budget

The FY 2022/23 conditionally approved Budget has been revised to reflect planned activities to meet SCV Water's Mission Statement and remains aligned with the Strategic Plan while also addressing new regulations and water quality mandates. This revised Budget represents the

spending plan for fiscal year beginning July 1, 2022, and the revenues and resources available to fund the plan.

Organizational staffing and strategic planning information is presented by the functional areas of SCV Water (Management; Water Resources Operations, Maintenance and Treatment; Engineering Services; and Finance & Administration). Financial information is reported on an enterprise fund accounting basis as required by SB 634. SB 634 (section 4(l)) also allows the Agency to treat divisions as a single unit for purposes of operations and expenses to the extent that it is economically beneficial for the operations of the Agency as a whole. Outstanding preexisting indebtedness of a retail division is required to be accounted for separately. As part of the recent cost-of-service study, that indebtedness continues to be allocated to that retail division and paid from that retail division's rates and charges.

State Mandates, Key Initiatives and Activities

Projects and programs are undertaken either due to state mandates or to achieve strategic objectives (or both). SCV Water will comply with state water mandates, integrate technology throughout the new Agency and lay the groundwork for water resiliency to ensure the Agency's water resources are sustainable. This Budget enables these important activities while maintaining the financial health of the Agency.

State Mandate – Sustainable Groundwater Management Act (FY 2022/23 - $450,000)

2014 saw the passage of the Sustainable Groundwater Management Act (SGMA), authored by State Senator Fran Pavley and State Assemblyman Roger Dickinson. The resulting Santa Clarita Valley Groundwater Sustainability Agency (SCV GSA) is composed of SCV Water, LA County Waterworks District #36, the County of Los Angeles, and the City of Santa Clarita. It is required by law to develop a Groundwater Sustainability Plan (GSP). The legislation, and subsequent administrative guidance developed by the State, drove large new state-mandated expenditures to meet the new requirements for technical studies, governance, stakeholder engagement, and preparation of the plan itself. Plan development was a multi-year effort, requiring significant expenditures for consultant services, as well as staff time. The GSP was adopted by the SCV-GSA Board of Directors in early 2022. Refinement of estimated consultant costs and staff costs is done annually in line with SCV-GSA adoption of its annual budget. The latest refinement was done in FY 2021/22.

The FY 2022/23 estimated cost is $450,000. It includes ongoing technical studies for the GSP, facilitation support, legal services, and staff time. Total grant revenue from two grants is approximately $1.3 million. The revised FY 2022/23 Budget includes all SGMA and SCV-GSA costs. As we move towards GSP Implementation, we estimate remaining available grant revenue of approximately $550,000 will be applied to offset current and future costs.

Environmental Spending – Water Resiliency Initiative (FY 2022/23 - $1,500,000)

SCV Water's supplies will be subject to a wide variety of known and unknown risks in the coming years. To ensure a sustainable water supply for its customers, SCV Water will need to respond to more extreme droughts, floods, rising temperatures, and changing regulatory requirements. The Board approved a multi-year Water Resiliency Initiative with the objective of taking actions that will ensure safe and resilient water supplies and healthy ecosystems for our community, economy, and the environment. The Santa Clara River's environmental resources and water supplies are interdependent, and an integrated approach is required. Further, SCV

Water will face financially significant investment decisions related to water supplies in upcoming years. The Water Resiliency Initiative seeks to expand our knowledge, develop necessary analytic tools, and prepare associated studies and other activities to inform SCV Water's investment strategies.

Technology Initiative – Technology Improvements (FY 2022/23 - $2,261,000)

Technology plays a critical role in our everyday business as a water utility. The proliferation of technology, software, data, and connectivity offer great potential to reach higher levels of productivity, service and informed decision making. However, this area also comes with a range of security concerns and threats, which must be actively monitored and managed. The Agency is continuing to integrate four locations into one and the goal is to upgrade and standardize our technology throughout. Hardware and software improvements need to be made to keep pace with technology and equipment, and the rapid adoption of internet connectivity, security, and communication. Technology improvement capital projects include an asset management program, PC and mobile device replacements, SMARTworks technology platform for Customer Care, unified IP security camera system, DATACENTER server replacements, forecasting and debt management software, and a data warehouse system (legacy accounting, finance, customer service, engineering and operations data).

PFAS Treatment – Water Treatment Facilities (FY 2022/23 - $10,850,000)

Like many communities throughout the nation, a group of chemicals known as Per- and polyfluoroalkyl substances (PFAS) have been found in our water supply. PFAS chemicals exceed the State's Response Level in multiple SCV Water wells, which have been removed from service while treatment facilities can be designed and installed. PFAS are a group of man-made chemicals which have been manufactured and used in a variety of industries worldwide for more than 70 years.

These chemicals are found in thousands of commonly used products, such as non-stick cookware, shampoo, food wrappers, firefighting foam, clothing, paints, and cleaning products. Additionally, these chemicals exist in the environment due to manufacturing, product use and discharge of treated wastewater. Most people have measurable amounts of PFAS in their blood and are typically exposed to PFAS through eating food grown in contaminated water/soil or consuming food from packaging that contains PFAS; breathing air with dust particles from contaminated soil, upholstery, clothing; inhaling fabric sprays containing PFAS; or drinking water containing PFAS.

Our first new PFAS water treatment facility opened in fall 2020 at the N-Wells site. It is an investment in our long-term water supply and will restore use of a substantial portion of our groundwater that has been impacted due to PFAS chemicals and will provide enough water to serve 5,000 families for a year. Additional projects are in the planning, design or construction phases and are set to go online in 2022 and 2023. The Agency is projected to spend $5.4 million in FY 2021/22 and has estimated the cost of this work in FY 2022/23 to be $10.9 million.

Operating Budget

For more than four years, SCV Water has focused on integrating the merged organizations. The Agency is committed to synchronizing business processes and functions, as well as cultures and objectives. The Operating Budget consists of revenues from water sales, one-percent property taxes, one-time water sales, grants and reimbursements and other miscellaneous revenue sources. These revenue sources are used to fund operating expenses that includes expenses, debt service and pay-go capital.

Water Sales Revenues

The revised FY 2022/23 Budget water sales revenues are projected at $92.7 million which is a slight increase over the previous projection. Revenue projections include a 6.5% revenue increase consistent with the Retail Cost-of-Service Study. It is projected that 59,073-acre feet will be sold in FY 2022/23 under normal conditions. Water sales in FY 2021/22 are projected at 62,445-acre feet due to less than average rainfall in the area.

Other Revenues

Other revenues consist of property taxes, communication/rental income, connection/facility capacity fees (FCF), grants and reimbursements, and investment revenues. The FY 2022/23 revised Budget projects approximately $55.8 million, which is an increase of $9.8 million from the FY 2022/23 conditionally approved Budget. The primary reason for the increase is the reimbursements expected from the perchlorate settlement as the Saugus 3 & 4 replacement wells are constructed. Grants and Reimbursements are expected to be received for the LARC pipeline project, recycled water phase 2C and the SGIP incentive for the battery energy storage projects at both of the treatment plants.

Property tax revenues for the FY 2022/23 revised Budget assumes a 2.34% increase over the FY 2021/22 projected Budget. This assumption is based on historical data (2008-2019) that was calculated using the mean which gave a growth rate of 2.34% and included the low years of the recession and drought to estimate future property tax revenue. FCF/ Connection fees are based on engineers' estimate.

Operating Revenues	Budget FY 2022/23	Revised Budget FY 2022/23	Difference	%
Water Sales	$ 92,436,885	$ 92,701,626	$ 264,741	0.29%
Property Tax	28,588,472	30,244,543	1,656,071	5.79%
FCF/ Connection Fees	8,733,500	6,300,000	(2,433,500)	-27.86%
Misc. Revenues	2,546,289	3,162,241	615,952	24.19%
Reimbursements	3,519,785	10,738,688	7,218,903	205.09%
Grants	2,535,000	5,315,000	2,780,000	109.66%
	$138,359,931	**$ 148,462,098**	**$ 10,102,167**	**7.30%**

Operating Expenses

Operating expenses includes expenses from all departments, debt service payments and pay-go capital. The FY 2022/23 revised operating expenses are projected to be approximately $148.5 million which is an increase of $10.1 million from the FY 2022/23 spending plan. New

drivers in operating expenses are inflation and supply chain impacts to prices of treatment chemicals, fuel, employee cost of living adjustments and merit increases and other items.

Operating Expenses	Approved Budget FY 2022/23	Revised Budget FY 2022/23	Difference	%
Operating Expenses	$ 85,919,563	$ 94,061,061	$ 8,141,498	9.48%
Debt Service	33,214,071	33,214,071	-	0.00%
Capital Project (Pay-Go) *	19,226,297	21,186,966	1,960,669	10.20%
	$ 138,359,931	**$ 148,462,098**	**$ 10,102,167**	**7.30%**

**Capital Project (Pay-Go) funded by rates and other revenues*

Expenses from all departments increased by 9.48% in the FY 2022/23 revised Budget over the FY 2022/23 conditionally approved Budget.

Operating Expenses	Approved Budget FY 2022/23	Revised Budget FY 2022/23	Difference	%
Management	$ 3,763,699	$ 5,722,541	$ 1,958,842	52.05%
Finance, Administration & IT	17,033,325	18,743,254	1,709,929	10.04%
Customer Care	2,493,223	2,810,685	317,462	12.73%
Transmission & Distribution	11,626,869	12,492,910	866,041	7.45%
Pumping Wells & Storage	14,550,742	14,008,422	(542,320)	-3.73%
Water Resources	9,555,012	9,584,404	29,392	0.31%
Source of Supply	11,794,910	12,535,000	740,090	6.27%
Water Quality, Treatment & Maintenance	11,406,417	12,821,482	1,415,066	12.41%
Engineering Services	3,695,369	5,342,361	1,646,992	44.57%
	$ 85,919,563	**$ 94,061,061**	**$ 8,141,498**	**9.48%**

Significant expense increases >10% are attributable to:

- Finance, Administration & IT – An increase in Technology Services due to the enQuesta upgrade/integration, Azure Cloud services, Oracle managed services, office technology professional services and watershed modeling.
- Customer Care – Cost increases associated with banking/credit card fees, bill printing and processing, increased customer messaging and employee training and travel.
- Water Quality, Treatment and Maintenance – A 41% increase in chemicals used to treat and disinfect drinking water, purchased power, full-lab audit, and NPDES Permits.
- Engineering – Cost of engineering consulting services to develop the Agency's Master Plan, property management (including title reports, appraisals, cell tower management and legal fees), pipeline inspection, hydraulic model support and other consultants.

Debt Service

The FY 2022/23 revised Budget debt service is unchanged and remains at $33,214,071 for principal and interest payments. The total principal outstanding, before any new debt is issued is $264,029,218 (excluding the VWD Acquisition Interfund Loan). In order to complete the major capital projects as identified, a $75 million new debt acquisition needs to be considered.

Capital Projects – Pay-go

Pay-go capital projects increased by 36% or $19.9 million in the FY 2022/23 revised Budget. There were many projects that were deferred from the FY 2021/22 adopted Budget due to timing differences, delays due to the COVID-19 pandemic and supply chain issues. It is projected that $29.2 million will be spent in FY 2021/22, out of a $47.2 million Budget. Using the carryover funds from FY 2021/22 of $18 million, the FY 2022/23 pay-go capital budget will increase to $75.8 million. See below for a summary of projects by category and the funding source. The revised FY 2022/23 capital projects were presented to the Engineering and Operations Committee on April 7, 2022.

Capital Improvement Projects By Category	PAY-GO Adopted Budget FY 2021/22	PAY-GO Projected FY 2021/22	PAY-GO Approved Budget FY 2022/23	PAY-GO Revised Budget FY 2022/23
Admin & Tech	$5,709,729	$4,875,000	$1,770,000	$3,141,000
Appurtenance Improvements	410,000	410,000	410,000	410,000
Booster Station/Turn Out Impr	3,850,200	1,005,000	3,547,000	4,625,000
Capital Planning & Studies	4,912,506	4,267,506	5,487,832	5,926,832
Disinfection Projects	1,010,000	325,000	1,010,000	775,000
General Facility Replacements[1]	2,160,000	585,000	2,025,000	3,025,000
Meter & Meter Infra Imp & Repl	2,075,000	2,075,000	2,075,000	2,075,000
Pipelines & Pipeline Replacements	6,500,000	2,811,100	7,865,000	13,177,900
R&R Budget[2]	2,178,450	2,104,450	2,153,450	1,460,000
Recycled Water Improvements	1,574,950	772,450	3,944,850	1,345,000
Tank & Tank Facility Improvements	7,575,000	1,325,000	9,805,000	7,515,000
Technology	375,000	200,000	375,000	300,000
Treatment Plant Improvements	526,000	250,000	1,449,000	100,000
Water Resources & Supply	1,510,000	395,000	200,000	5,289,098
Wellhead Treatment Improvements	810,000	437,000	9,490,000	615,000
Wells & Well Facility Improvements	6,052,000	7,330,000	4,293,000	26,026,000
Total CIP	**$47,228,835**	**$29,167,506**	**$55,900,132**	**$75,805,830**

[1] General Facility Improvements, General Warehouse & Surface Improvements, Laboratory Improvements

[2] Operations, ESFP Improvements, ESIPS Improvements, Minor Capital, R&R Budget, RVIPS Improvements, RVTP Improvements

Sources of Funding

Capital Improvement Projects	Revised Budget FY 2022/23	Revenues	Available Funds/ Carryover	Retail Connection Fees
Pay-Go	$75,805,830	$21,186,966	$47,358,694	$7,260,170

Pipeline Replacements – Planned pipeline projects, such as the Valencia Marketplace pipeline were expected to be completed in FY 2021/22, but due to timing and project delays, this project has been added to the FY 2022/23 revised Budget.

Tank Improvements – The two Deane Tanks ($2.5 million) were expected to be completed in FY 2021/22, but due to timing delays, the project has been added to the FY 2022/23 revised Budget for a total of $5.2 million.

Well Replacements & Improvements – The Saugus 3 and 4 Replacements Wells were expected to start construction in FY 2019/20; however, due to project permitting delays, the entire project is expected to be completed in FY 2022/23. The original project estimate was approximately $8.5 million but is now projected at $14.2 million. Construction of PFAS well treatment facilities are funded from pay-go funds and grants to the extent available. The FY 2022/23 estimate for these projects is $10.9 million.

Reserves

Based on the current reserve policy, Agency reserve targets are projected to increase by $2.6 million and are projected to be fully funded at FYE (fiscal year end). Reserve fund levels can fluctuate from year-to-year based on the Reserve Requirements.

Reserves	**Adopted Budget FY 2022/23**	**Revised Budget FY 2022/23**
Capital Reserves	$20,505,140	$16,028,922
Emergency/Disaster Reserves	$28,742,788	$31,353,687
Operating Reserves	$39,814,145	$42,425,044
Revenue Rate Stabilization Reserves	$16,324,788	$18,183,048
Water Supply Reliability Reserves	$6,000,000	$6,000,000
	$111,386,861	**$113,990,701**

Reserve Requirements	
Reserve	**Target**
Capital Reserve	Upcoming year budget for pay-go projects
Emergency/Disaster Reserve	120 days of operating expenses, excluding debt service
Operating Reserve	120 days of annual budgeted operating expense, including debt service
Revenue Rate Stabilization Reserve	20% of annually budgeted operating revenues
Water Supply Reliability Reserve	The cost to produce 10,000-acre feet from the Agency's banking program in a dry year

On April 18, 2022, the Finance and Administration Committee considered staff's recommendation to approve a resolution revising the FY 2022/23 Budget. While two members did not support approval, all Committee members present supported advancing the proposed resolution revising the FY 2022/23 Budget for full Board consideration at the April 26, 2022, special Board meeting.

On April 26, 2022, the Board of Directors considered the Finance and Administration Committee's recommendation to approve a resolution revising the FY 2022/23 Budget. The Board requested that prior to approving the Budget, the Engineering department present more information on their Capital Improvement Plan for FY 2022/23. That item, along with this item, will be presented at the May 17, 2022, regular Board meeting.

Since the April 26, 2022 presentation, one CIP item has been added to the project list (Office Improvements-Chiller Replacement at Rio Vista Admin Building-$600k) and the budget results have been updated. No other changes impacting the financial position have been made.

FINANCIAL CONSIDERATIONS

The revised Budget is consistent with current rate studies, rate structures and financial forecasts.

RECOMMENDATION

The Finance and Administration Committee recommends that the Board of Directors approve the attached resolution revising the FY 2022/23 Budget.

RP

Attachments

M65

SCV WATER - SUMMARY BUDGET
FY 2022/23 REVISED BUDGET

OPERATING REVENUES	ADOPTED BUDGET FY 2021/22	PROJECTED FY 2021/22	APPROVED BUDGET FY 2022/23	REVISED BUDGET FY 2022/23	% of change	(1)
Water Sales - Residential	$ 48,050,285	$ 58,600,215	$ 51,449,640	$ 51,449,640	0%	
Water Sales - Commercial	4,601,362	6,222,249	4,926,889	4,926,889	0%	
Water Sales - Industrial	1,508,643	1,767,194	1,615,373	1,615,373	0%	
Water Sales - Irrigation	18,028,286	19,752,896	19,303,711	19,303,711	0%	
Water Sales - Public Authority & Other	3,243,583	2,454,495	3,473,053	3,473,053	0%	
Water Sales - Fire	620,264	584,760	669,515	669,515	0%	
Legacy Debt Revenue - VWD	3,577,842	4,951,180	3,603,809	3,603,809	0%	
Legacy Debt Revenue - SCWD	5,749,937	4,636,722	5,873,249	5,873,249	0%	
Water Sales - WWR Variable	1,000	1,380	1,000	1,045	5%	
Water Sales - WWR Fixed	67,392	92,849	32,033	296,729	826%	(a)
Water Sales - Recycled	408,445	516,574	468,612	468,612	0%	
Misc Fees and Charges	1,000,000	44,577	1,020,000	1,020,000	0%	
Lab Revenues	23,000	17,080	23,000	23,000	0%	
Communication & Rental	730,266	543,565	752,174	752,174	0%	
Property Tax 1%	27,934,798	29,553,003	28,588,472	30,244,543	6%	
Annexation Reimbursements	224,032	1,100,042	67,902	2,099,650	2992%	(b)
Interest Income	1,678,043	513,956	1,703,213	650,000	-62%	
PERCH Reimbursements - O&M & CIP	8,172,198	3,200,000	3,309,785	8,900,000	169%	(c)
Grants & Reimbursements	1,345,000	1,628,200	2,745,000	6,791,105	147%	(d)
Transfer In - Facility Capacity/Conn Fees	8,576,000	7,300,000	8,733,500	6,300,000	-28%	
Total Operating Revenues	**$ 135,540,375**	**$ 143,480,936**	**$ 138,359,931**	**$ 148,462,098**	**7.3%**	

OPERATING EXPENSES	ADOPTED BUDGET FY 2021/22	PROJECTED FY 2021/22	APPROVED BUDGET FY 2022/23	REVISED BUDGET FY 2022/23	% of change
Management	4,300,023	7,262,233	3,763,699	5,722,541	52.0%
Finance, Administration & IT	16,849,949	15,358,950	17,033,325	18,743,254	10.0%
Customer Care	2,347,601	2,443,614	2,493,223	2,810,685	12.7%
Transmission & Distribution	11,358,359	11,220,965	11,626,869	12,492,910	7.4%
Pumping Wells & Storage	13,649,535	11,156,899	14,550,742	14,008,422	-3.7%
Water Resources	9,648,561	6,297,088	9,555,012	9,584,404	0.3%
Source of Supply	11,690,219	11,249,211	11,794,910	12,535,000	6.3%
Water Quality, Treatment & Maintenance	10,903,336	11,471,989	11,406,417	12,821,482	12.4%
Engineering Services	3,661,019	4,133,492	3,695,369	5,342,361	44.6%
Debt Service	32,960,792	32,960,792	33,214,071	33,214,071	0.0%
Capital (Pay-go)	18,170,982	29,167,506	19,226,297	21,186,966	10.2%
Total Operating Expenses	**$ 135,540,375**	**$ 142,722,740**	**$ 138,359,931**	**$ 148,462,098**	**7.3%**
Total Operating Expenses	107,402,576	112,284,347	109,193,145	118,215,995	8.3%
Total Salaries and Benefits	28,137,799	30,438,393	29,166,786	30,246,103	3.7%
Net Operating Expenses	**$ 135,540,375**	**$ 142,722,740**	**$ 138,359,931**	**$ 148,462,098**	**7.3%**
Available Fund Balance, July 1	*$ 57,553,945*	*$ 67,510,623*	*$ 36,444,684*	*$ 75,010,273*	
Capital Pay-go	(29,057,853)	-	(29,167,506)	(54,618,864)	
CF Transfer to Offset CIP Pay-go	2,771,100	499,650	2,276,000	7,260,170	
FCF Transfer to Offset Debt Payments	14,014,468	7,000,000	6,457,500	5,606,225	
Ending Fund Balance, June 30	***$ 45,281,660***	***$ 75,010,273***	***$ 16,010,678***	***$ 33,257,802***	
Stage 2 of the Water Shortage Contingency Plan (assuming full year of 15% compliance)				(8,553,148)	
Ending Fund Balance, June 30				***$ 24,704,655***	

(1) Changes of more than 10% and $20,000 (Revenue only - Expense variances noted in Department schedules)

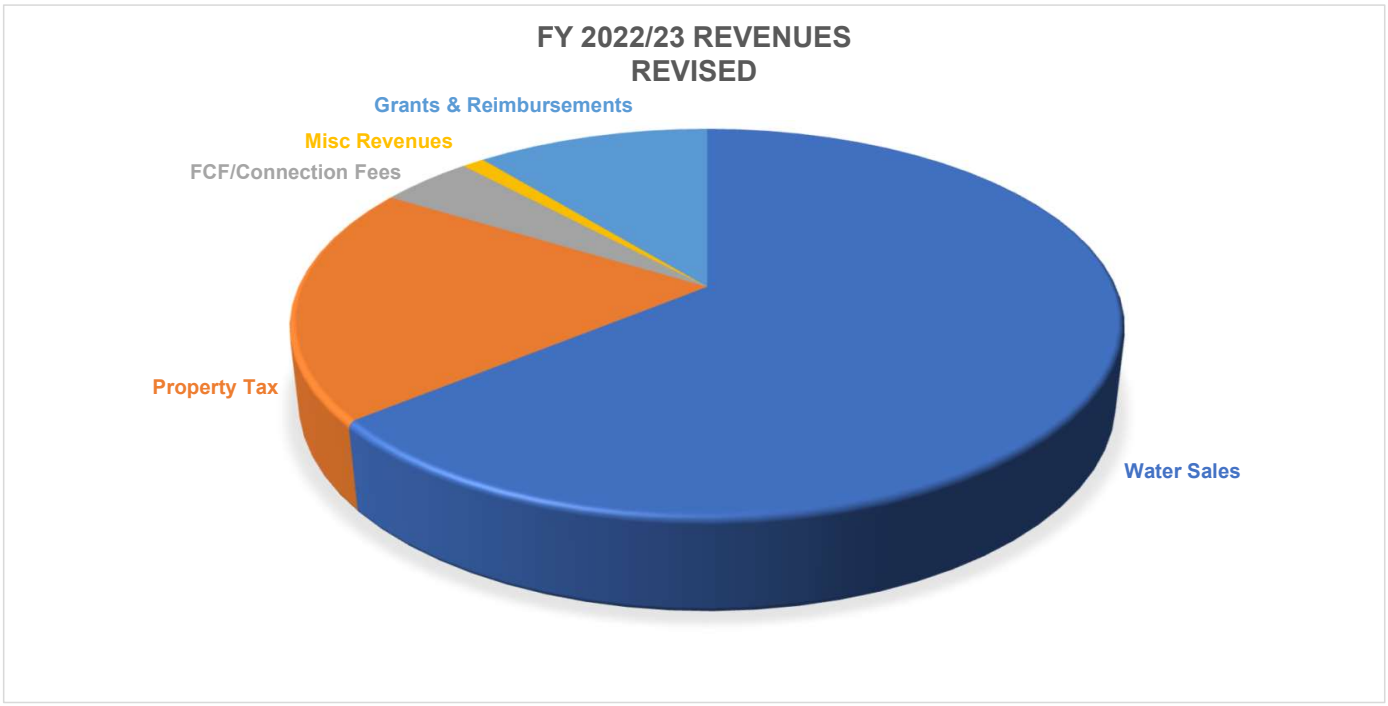
(a) New Wholesale Water Rates Effective April 2022

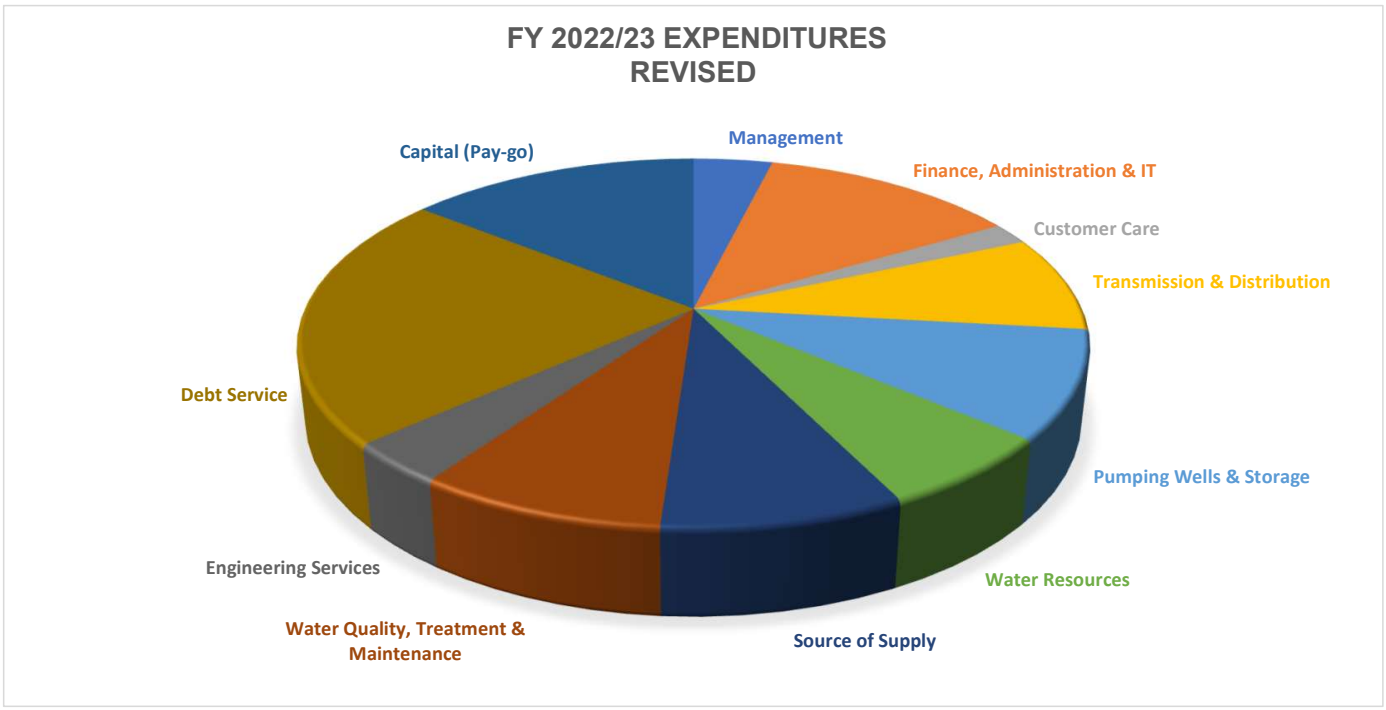
(b) Annexation Reimbursements from Tapia and Tesoro carrying costs

(c) Forecasted Reimbursements from Whittaker

(d) LARC Grant and SGIP Incentive

SCV WATER - SUMMARY BUDGET
FY 2022/23 REVISED BUDGET





SCV WATER - FINANCIAL SUMMARY
FY 2022/23 REVISED BUDGET

Pro Forma FY 2022/23

Description	General Fund/ Operating	Capital Project Fund	State Water Contract Fund	Capacity Fees Fund	TOTAL
Beginning Fund Balance	$ 189,000,974	$ 17,508,121	$ 86,945,848	$ 15,489,529	$ 308,944,472
RESERVES:					
Capital Reserves	(16,028,922)	$ -	$ -	$ -	$ (16,028,922)
Emergency/Disaster Reserves	(31,353,687)	-	-	-	(31,353,687)
Operating Reserves	(42,425,044)	-	-	-	(42,425,044)
Revenue Rate Stabilization Reserves	(18,183,048)	-	-	-	(18,183,048)
Water Supply Reliability Reserves	(6,000,000)	-	-	-	(6,000,000)
Subtotal	**$ (113,990,701)**	**$ -**	**$ -**	**$ -**	**$ (113,990,701)**
Net Available	**$ 75,010,273**	**$ 17,508,121**	**$ 86,945,848**	**$ 15,489,529**	**$ 194,953,771**
REVENUES:					
Water Sales - Retail	$ 90,915,239	$ -	$ -	$ -	90,915,239
Water Sales - Wholesale	297,774	-	-	-	297,774
Water Sales - Recycled	468,612	-	-	-	468,612
Misc Fees and Charges [1]	1,020,000	-	-	-	1,020,000
Communication and Rental	752,174	-	-	-	752,174
Property Tax	30,244,543	-	36,826,000	-	67,070,543
Facility Capacity/Connection Fees	-	-	-	6,300,000	6,300,000
Interest Income	650,000	375,000	435,000	-	1,460,000
Reimbursements [2]	10,999,650	-	-	-	10,999,650
Grants & Reimbursements	6,791,105	-	-	-	6,791,105
Forecasted Funding	-	*75,000,000*	-	-	*75,000,000*
Other Revenues [3]	23,000	-	-	-	23,000
Subtotal	**$ 142,162,098**	**$ 75,375,000**	**$ 37,261,000**	**$ 6,300,000**	**$ 261,098,098**
EXPENDITURES:					
Operating	$ (94,061,061)	$ -	$ -	$ -	(94,061,061)
Capital Improvement Program	(68,545,660)	(41,981,000)	-	(7,260,170)	(117,786,830)
Department of Water Resources	-	-	(37,235,000)	-	(37,235,000)
Debt Service Principal & Interest	(21,307,847)		-	(11,906,223)	(33,214,071)
Subtotal	**$ (183,914,568)**	**$ (41,981,000)**	**$ (37,235,000)**	**$ (19,166,393)**	**$ (282,296,961)**
Available Fund Balance EOY (Estimated)	**$ 33,257,802**	**$ 50,902,121**	**$ 86,971,848**	**$ 2,623,136**	**$ 173,754,907**

Notes:

[1] *Water Sales Misc. includes Late Charges, Misc. Retail Charges, Rebates and Penalties*

[2] *Reimbursements include Annexation and PERCH Reimbursements - O&M & CIP*

[3] *Other includes Laboratory Revenues, Other Non-Operating Revenues,DWR Refund and Water Sales-One time*

SCV WATER - OPERATING EXPENSE
DEPARTMENT- MANAGEMENT
FY 2022/23 REVISED BUDGET

	ADOPTED BUDGET FY 2021/22	PROJECTED FY 2021/22	APPROVED BUDGET FY 2022/23	REVISED BUDGET FY 2022/23	% of change	(1)
SALARY	$ 510,728	$ 580,947	$ 527,486	$ 519,756	-1%	
OVERTIME	15,185	5,417	15,489	2,708	-83%	
BENEFITS	198,037	344,691	203,382	389,916	92%	(a)
51326 - Directors Compensation	445,072	298,715	453,842	236,160	-48%	(a)
51327 - Directors Expenses	60,000	4,196	60,000	70,000	17%	
51328 - Directors Travel	40,000	1,692	40,000	40,000	0%	
51329 - Directors Training	35,000	9,762	35,000	35,000	0%	
51505 - Employee Expense	5,000	346	7,000	8,000	14%	
51515 - Employee Travel	3,500	804	5,000	5,000	0%	
53101 - Employee Education/Seminars	5,000	1,450	6,500	6,000	-8%	
53202 - Legal General	1,040,000	552,832	1,110,000	1,110,000	0%	
53204 - Litigation Perchlorate	1,071,000	5,110,991	-	2,000,000	0%	(b)
53205 - Litigation Other	200,000	-	200,000	200,000	0%	
53236 - Professional Services - Other	346,500	106,328	200,000	200,000	0%	
53241 - Temporary Personnel Services	-	-	-	-	0%	
53242 - Legislative Advocate Services	325,000	244,062	350,000	350,000	0%	
Total Management Expenses	**$ 4,300,023**	**$ 7,262,233**	**$ 3,763,699**	**$ 5,722,541**	**52.0%**	

(1) Changes of more than 10% and $20,000

(a) Only Director compensation is included in Acct #51326 and Director benefits are included with employee benefits
(b) Ongoing Perchlorate Litigation Costs

SCV WATER - OPERATING EXPENSE
DEPARTMENT- FINANCE, ADMINISTRATION and IT
FY 2022/23 REVISED BUDGET

	ADOPTED BUDGET FY 2021/22	PROJECTED FY 2021/22	APPROVED BUDGET FY 2022/23	REVISED BUDGET FY 2022/23	% of change	(1)
SALARY	$ 4,751,435	$ 4,535,325	$ 4,844,076	$ 4,920,446	2%	
OVERTIME	57,757	78,147	58,912	28,412	-52%	
BENEFITS	1,962,067	1,970,877	1,964,710	2,088,425	6%	
51505 - Employee Expense	92,900	3,377	93,500	51,150	-45%	
51515 - Employee Travel	71,500	338	71,600	23,800	-67%	
52010 - Supplies & Services	420,000	183,985	420,000	420,000	0%	
52085 - Small Tools, Materials and Supplies	200,000	84,812	206,000	150,000	-27%	
53101 - Employee Education/Seminars	134,500	17,275	134,500	94,400	-30%	
53104 - Uniforms & Apparel	130,300	713	106,700	106,700	0%	
53105 - Outside Service/Contracting	760,000	688,249	760,000	1,005,000	32%	(a)
53111 - Maintenance - Contracts	170,000	-	170,000	-	-100%	(b)
53210 - Professional Services Accounting	109,000	111,000	111,000	111,000	0%	
53212 - Licenses & Fees	200,000	151,310	206,000	206,000	0%	
53213 - Office Storage and Rent/HOA Dues	50,000	113,667	50,000	150,000	200%	(b)
53214 - Technology Services	3,609,996	3,903,348	3,576,996	4,503,129	26%	(c)
53215 - Recruitment Expenses	48,000	39,730	48,000	51,000	6%	
53216 - Security & Alarm Services	200,000	75,814	200,000	-	-100%	
53218 - Printing & Publications	20,000	387	15,000	15,000	0%	
53228 - Pipe Inspection Program Services	-	-	-	175,000	100%	(d)
53236 - Professional Services - Other	650,000	118,643	700,000	600,000	-14%	
53241 - Temporary Personnel Services	240,000	245,202	248,100	255,000	3%	
53304 - Dues & Memberships	115,000	170,685	120,000	120,000	0%	
53329 - Other General Expenses	102,200	135,180	105,300	135,000	28%	
53330 - Other Rent	55,000	-	55,000	-	-100%	
54205 - Telephone	-	13,580	-	-	0%	
54305 - Irrigation	15,000	-	15,000	-	-100%	
54310 - Refuse Disposal	20,000	27,852	20,000	40,000	100%	
54408 - Electricity - Other	400,000	152,772	400,000	250,000	-38%	
55200 - Retiree Med/Dental Insurance	605,295	606,904	621,932	808,792	30%	(e)
55205 - Unemployment Insurance	60,000	5,354	63,000	63,000	0%	
55215 - Liability Insurance	1,600,000	1,825,841	1,648,000	2,282,000	38%	(f)
57501 - Real Property Taxes	-	85,916	-	90,000	100%	(g)
59999 - PO Conversion Clearing Account	-	12,669	-	-	0%	
Total Finance, Adminsitration and IT Expenses	**$ 16,849,949**	**$ 15,358,950**	**$ 17,033,325**	**$ 18,743,254**	**10.0%**	

(1) Changes of more than 10% and $20,000

(a) Professional Services Contracts for Ratepayer Advocate, Investment Advisor Services, Debt Financing Services
(b) Maintenance - Contracts moved to Acct #53213
(c) Increase due to enQuesta upgrade/integration, Azure Cloud services, Oracle managed services, Office Technology professional services, watershed modeling
(d) Purchase of Pipe Inspection Program Services
(e) Addition of (7) retirees and plan changes
(f) Liability Insurance expected 17% increase, Cyber Insurance expected increase between 40 - 70%
(g) Agency paid property taxes for parcels owned outside Agency service area

SCV WATER - OPERATING EXPENSE
DEPARTMENT- CUSTOMER CARE
FY 2022/23 REVISED BUDGET

	ADOPTED BUDGET FY 2021/22	PROJECTED FY 2021/22	APPROVED BUDGET FY 2022/23	REVISED BUDGET FY 2022/23	% of change	
SALARY	$ 1,001,933	$ 1,045,574	$ 1,044,532	$ 1,053,582	1%	(1)
OVERTIME	8,669	32,126	8,842	4,389	-50%	
BENEFITS	452,200	489,820	466,848	459,213	-2%	
51505 - Employee Expense	1,200	94	1,500	1,500	0%	
51515 - Employee Travel	900	-	1,000	1,500	50%	
53101 - Employee Education/Seminars	9,700	3,000	10,500	10,500	0%	
53105 - Outside Service/Contracting	780,000	780,000	810,000	1,110,000	37%	(a)
53241 - Temporary Personnel Services	18,000	18,000	-	20,000	0%	
53301 - Uncollectible Accounts	75,000	75,000	150,000	150,000	0%	
Total Customer Care Expenses	**$ 2,347,601**	**$ 2,443,614**	**$ 2,493,223**	**$ 2,810,685**	**12.7%**	

(1) Changes of more than 10% and $20,000

(a) Cost increases associated with banking/credit card fees, bill printing and processing, and increased customer messaging

SCV WATER - OPERATING EXPENSE
DEPARTMENT- TRANSMISSION and DISTRIBUTION
FY 2022/23 REVISED BUDGET

	ADOPTED BUDGET FY 2021/22	PROJECTED FY 2021/22	APPROVED BUDGET FY 2022/23	REVISED BUDGET FY 2022/23	% of change	(1)
SALARY	$ 3,110,491	$ 3,749,408	$ 3,254,603	$ 3,317,523	2%	
OVERTIME	491,271	731,029	501,097	338,834	-32%	
BENEFITS	1,586,597	1,984,207	1,640,670	1,683,553	3%	
51505 - Employee Expense	10,000	3,133	10,000	10,000	0%	
51515 - Employee Travel	15,000	80	15,000	15,000	0%	
52075 - Parts & Materials	-	(17,202)	-	-	0%	
52085 - Small Tools, Materials and Supplies	180,000	105,718	180,000	245,000	36%	(a)
52604 - Chlorine	-	11,914	-	-	0%	
52651 - Fuel	560,000	455,644	576,500	576,500	0%	
52654 - M&R - Vehicles & Equipment	800,000	816,023	824,000	824,000	0%	
53101 - Employee Education/Seminars	30,000	1,412	30,000	32,500	8%	
53105 - Outside Service/Contracting	170,000	12,226	170,000	190,000	12%	(b)
53120 - M&R - Asphalt Replacement	-	-	-	1,800,000	0%	(c)
53122 - M&R - Mains	1,500,000	762,577	1,500,000	900,000	-40%	
53123 - M&R - Services	900,000	1,456,228	900,000	250,000	-72%	
53124 - M&R - Hydrants	185,000	182,315	185,000	185,000	0%	
53126 - M&R Meters	300,000	405,982	300,000	610,000	103%	(d)
53135 - M&R - Mains & Services - Recycled Water	200,000	20,018	200,000	200,000	0%	
53136 - M&R - Valves	300,000	53,778	300,000	300,000	0%	
53137 - M&R - Control Valves	200,000	101,572	200,000	200,000	0%	
53138 - M&R - Air Vac / Blow Offs	80,000	152,252	100,000	100,000	0%	
53139 - M&R - Warehouse & Yard	180,000	114,819	180,000	180,000	0%	
53215 - Recruitment Expenses	-	66	-	-	0%	
53229 - Hazardous Waste Disposal	255,000	1,422	255,000	255,000	0%	
53232 - Tools & Equipment Rental	75,000	25,768	75,000	75,000	0%	
53239 - Other - Misc Permits	125,000	46,913	125,000	100,000	-20%	
53241 - Temporary Personnel Services	75,000	22,577	75,000	75,000	0%	
54415 - Natural Gas	30,000	21,087	30,000	30,000	0%	
Total Transmission and Distribution Expenses	**$ 11,358,359**	**$ 11,220,965**	**$ 11,626,869**	**$ 12,492,910**	7.4%	

(1) Changes of more than 10% and $20,000

(a) Combined Parts & Material with Small Tools, now including Field Services materials and tools
(b) Outside contractors for hydrant maintenance
(c) Reduced M&R Budgets for asphalt repairs and added a new account for improved tracking of asphalt replacement costs
(d) Additional outside services for meter repairs during AMI changeouts, large meter testing and replacements of out of warranty meters

SCV WATER - OPERATING EXPENSE
DEPARTMENT- PUMPING WELLS and STORAGE
FY 2022/23 REVISED BUDGET

	ADOPTED BUDGET FY 2021/22	PROJECTED FY 2021/22	APPROVED BUDGET FY 2022/23	REVISED BUDGET FY 2022/23	% of change	
SALARY	$ 1,015,431	$ 1,268,326	$ 1,064,203	$ 1,259,004	18%	(a)
OVERTIME	314,492	305,605	320,782	191,037	-40%	
BENEFITS	514,181	629,877	532,628	628,596	18%	(a)
51505 - Employee Expense	5,000	488	5,000	5,000	0%	
51515 - Employee Travel	5,000	-	5,000	5,000	0%	
52085 - Small Tools, Materials and Supplies	50,000	27,889	60,000	50,000	-17%	
53101 - Employee Education/Seminars	25,000	-	25,000	25,000	0%	
53105 - Outside Service/Contracting	225,000	37,468	250,000	200,000	-20%	
53121 - M&R - Storage - Potable Water	180,000	89,065	200,000	180,000	-10%	
53127 - M&R - Wells and Structures	150,000	120,749	175,000	150,000	-14%	
53128 - M&R - Pumping Stations & Structures - Potable Water	200,000	186,134	225,000	200,000	-11%	
53129 - M&R - Sewer Lift Station & Structures	45,000	-	45,000	45,000	0%	
53130 - M&R - Equipment Water Treatment	65,000	58,208	70,000	65,000	-7%	
53131 - M&R - Pumping Equipment & Structures - Recycled Water	30,000	2,185	35,000	30,000	-14%	
53132 - M&R - Storage - Recycled Water	20,000	-	25,000	20,000	-20%	
53133 - M&R - Groundwater PFAS Treatment	2,039,596	616,635	2,796,648	1,810,000	-35%	
53134 - M&R - Groundwater Perchlorate Treatment	1,827,198	443,110	1,554,785	1,554,785	0%	
53241 - Temporary Personnel Services	-	-	-	-	0%	
54401 - Electricity - Wells, Pump Stations, and Potable Water Facilities	6,848,638	7,295,914	7,066,097	7,500,000	6%	
54405 - Electricity - Sewer Lift Station	10,000	10,000	10,600	20,000	89%	
54407 - Electricity - Recycled Water Pump Stations & Facilities	80,000	65,248	85,000	70,000	-18%	
Total Pumping Wells and Storage Expenses	**$ 13,649,535**	**$ 11,156,899**	**$ 14,550,742**	**$ 14,008,422**	-3.7%	

(1) Changes of more than 10% and $20,000

(a) Additional Staff - Recycled Water Coordinator Technician

SCV WATER - OPERATING EXPENSE
DEPARTMENT- WATER RESOURCES
FY 2022/23 REVISED BUDGET

	ADOPTED BUDGET FY 2021/22	PROJECTED FY 2021/22	APPROVED BUDGET FY 2022/23	REVISED BUDGET FY 2022/23	% of change	
SALARY	$ 2,587,728	$ 1,908,657	$ 2,729,563	$ 2,842,424	4%	(1)
OVERTIME	853	2,479	870	1,065	22%	
BENEFITS	878,237	672,500	911,521	950,123	4%	
51505 - Employee Expense	43,495	6,630	53,565	54,755	2%	
51515 - Employee Travel	42,660	8,810	55,960	55,960	0%	
52010 - Supplies & Services	84,500	21,000	127,500	127,500	0%	
52024 - Internal Relations	86,600	56,000	86,600	86,600	0%	
52030 - DD Landowner Expenditures	176,500	176,500	176,500	176,500	0%	
53101 - Employee Education/Seminars	28,750	5,970	30,555	34,500	13%	
53104 - Uniforms & Apparel	-	64,542	-	-	0%	
53218 - Printing & Publications	27,100	15,000	32,100	32,100	0%	
53219 - BMP Implementation	2,462,000	1,027,000	2,535,860	2,535,860	0%	
53222 - Public Affairs & Partnerships	85,000	60,000	110,000	110,000	0%	
53223 - Public Outreach Consultants	91,000	91,000	95,000	120,000	26%	(a)
53236 - Professional Services - Other	1,774,738	1,140,000	1,892,018	1,642,017	-13%	
53241 - Temporary Personnel Services	-	26,000	-	104,000	0%	
53243 - Groundwater Sustainability Agency	1,015,000	860,000	450,000	450,000	0%	
53244 - Website Online Presence	64,400	61,000	67,400	61,000	-9%	
53245 - Campaigns & Messaging	100,000	94,000	100,000	100,000	0%	
54300 - DD Variable DWR Charges	100,000	-	100,000	100,000	0%	
Total Water Resources Expenses	**$ 9,648,561**	**$ 6,297,088**	**$ 9,555,012**	**$ 9,584,404**	0.3%	

(1) Changes of more than 10% and $20,000

(a) Additional public outreach contract services

SCV WATER - OPERATING EXPENSE
DEPARTMENT- SOURCE OF SUPPLY
FY 2022/23 REVISED BUDGET

	ADOPTED BUDGET FY 2021/22	PROJECTED FY 2021/22	APPROVED BUDGET FY 2022/23	REVISED BUDGET FY 2022/23	% of change	(1)
SALARY	$ -	$ 34,519	$ -	$ -	0%	
OVERTIME	-	4,350	-	-	0%	
BENEFITS	-	22,358	-	-	0%	
54426 - Recycled Water Purchase	230,000	191,000	335,000	335,000	0%	
55501 - Core Water Supplies	7,460,219	7,456,984	7,459,910	8,200,000	10%	
55502 - Firming Programs	4,000,000	3,540,000	4,000,000	4,000,000	0%	
Total Source of Supply Expenses	**$ 11,690,219**	**$ 11,249,211**	**$ 11,794,910**	**$ 12,535,000**	6.3%	

(1) Changes of more than 10% and $20,000

SCV WATER - OPERATING EXPENSE
DEPARTMENT- WATER QUALITY, TREATMENT and MAINTENANCE
FY 2022/23 REVISED BUDGET

	ADOPTED BUDGET FY 2021/22	PROJECTED FY 2021/22	APPROVED BUDGET FY 2022/23	REVISED BUDGET FY 2022/23	% of change	(1)
SALARY	$ 4,385,405	$ 4,280,927	$ 4,615,179	$ 4,781,233	4%	
OVERTIME	143,204	364,924	149,423	159,109	6%	
BENEFITS	2,060,879	2,152,884	2,136,602	2,222,141	4%	
51505 - Employee Expense	33,500	8,972	33,500	33,500	0%	
51515 - Employee Travel	51,000	2,326	51,500	22,000	-57%	
52005 - Safety Training & Expense	325,000	185,393	350,000	300,000	-14%	
52050 - Analytical Supplies	280,000	198,606	290,000	305,000	5%	
52055 - Microbiological Supplies	-	1,820	-	-	0%	
52075 - Parts & Materials	-	22,887	-	-	0%	
52085 - Small Tools, Materials and Supplies	220,000	253,964	220,000	245,000	11%	(a)
52605 - Gases	5,000	4,411	5,000	5,000	0%	
52611 - Chemicals	1,527,000	1,182,224	1,632,000	2,307,000	41%	(b)
53101 - Employee Education/Seminars	50,500	4,507	51,500	49,500	-4%	
53105 - Outside Service/Contracting	781,000	501,811	806,000	785,000	-3%	
53140 - M&R Treatment Plants and Intake Pump Stations	160,000	61,956	160,000	160,000	0%	
53212 - Licenses & Fees	-	285	-	-	0%	
53241 - Temporary Personnel Services	132,000	26,464	132,000	82,000	-38%	
53246 - Regulatory Fees	320,000	119,019	332,000	365,000	10%	
54402 - Electricity - Treatment Plant & Intake Pump Stations	428,848	2,098,610	441,713	1,000,000	126%	(c)
Total Water Quality,Treatment and Maintenance Expenses	**$ 10,903,336**	**$ 11,471,989**	**$ 11,406,417**	**$ 12,821,482**	12.4%	

(1) Changes of more than 10% and $20,000

(a) Additional tools and supplies projected (recycled water)
(b) Relying on more supply from groundwater requires additonal chemical purchases to treat water, as well as the increasing costs for chemicals
(c) Including a contingency if SCE solar credits are not available due to a shutdown of the Rio Vista solar facilities, and SCE rate increases

SCV WATER - OPERATING EXPENSE
DEPARTMENT- ENGINEERING SERVICES
FY 2022/23 REVISED BUDGET

	ADOPTED BUDGET FY 2021/22	PROJECTED FY 2021/22	APPROVED BUDGET FY 2022/23	REVISED BUDGET FY 2022/23	% of change	(1)
SALARY	$ 1,464,622	$ 2,246,097	$ 1,528,334	$ 1,718,737	12%	(a)
OVERTIME	16,968	9,525	17,307	7,689	-56%	
BENEFITS	609,429	926,571	629,728	678,185	8%	
51505 - Employee Expense	12,000	6,000	12,000	28,400	137%	
51515 - Employee Travel	15,000	5,092	15,000	16,050	7%	
52085 - Small Tools, Materials and Supplies	12,000	12,000	12,000	30,300	153%	
53101 - Employee Education/Seminars	13,000	13,000	13,000	43,000	231%	(b)
53105 - Outside Service/Contracting	3,000	15,207	3,000	-	-100%	
53226 - Engineering Consulting	1,500,000	900,000	1,450,000	2,810,000	94%	(c)
53241 - Temporary Personnel Services	15,000	-	15,000	10,000	-33%	
Total Engineering Services Expenses	**$ 3,661,019**	**$ 4,133,492**	**$ 3,695,369**	**$ 5,342,361**	44.6%	

(1) Changes of more than 10% and $20,000

(a) Additional Staff - Engineer

(b) Additional training and educational opportunties

(c) Increase to Engineering Consulting for professional services contracts for the Agency's master plan, hydraulic model support, pipeline inspections, property management (surveys, titles, legal, cell site management)

SCV WATER - SALARIES, BURDEN and BENEFITS
FY 2022/23 REVISED BUDGET

DEPARTMENT	ADOPTED BUDGET FY 2021/22	PROJECTED FY 2021/22	APPROVED BUDGET FY 2022/23	REVISED BUDGET FY 2022/23	% of change
Management					
Salary	$ 510,728	$ 580,947	$ 527,486	$ 519,756	-1%
Overtime	15,185	5,417	15,489	2,708	-83%
Burden & Benefits*	198,037	344,691	203,382	389,916	92%
Finance, Administration and IT					
Salary	4,751,435	4,535,325	4,844,076	4,920,446	2%
Overtime	57,757	78,147	58,912	28,412	-52%
Burden & Benefits	1,962,067	1,970,877	1,964,710	2,088,425	6%
Customer Care					0%
Salary	1,001,933	1,045,574	1,044,532	1,053,582	1%
Overtime	8,669	32,126	8,842	4,389	-50%
Burden & Benefits	452,200	489,820	466,848	459,213	-2%
Transmission and Distribution					0%
Salary	3,110,491	3,749,408	3,254,603	3,317,523	2%
Overtime	491,271	731,029	501,097	338,834	-32%
Burden & Benefits	1,586,597	1,984,207	1,640,670	1,683,553	3%
Pumping Wells and Storage					0%
Salary	1,015,431	1,268,326	1,064,203	1,259,004	18%
Overtime	314,492	305,605	320,782	191,037	-40%
Burden & Benefits	514,181	629,877	532,628	628,596	18%
Water Resources					0%
Salary	2,587,728	1,908,657	2,729,563	2,842,424	4%
Overtime	853	2,479	870	1,065	22%
Burden & Benefits	878,237	672,500	911,521	950,123	4%
Source of Supply					0%
Salary	-	34,519	-	-	0%
Overtime	-	4,350	-	-	0%
Burden & Benefits	-	22,358	-	-	0%
Water Quality, Treatment and Maintenance					0%
Salary	4,385,405	4,280,927	4,615,179	4,781,233	4%
Overtime	143,204	364,924	149,423	159,109	6%
Burden & Benefits	2,060,879	2,152,884	2,136,602	2,222,141	4%
Engineering Services					0%
Salary	1,464,622	2,246,097	1,528,334	1,718,737	12%
Overtime	16,968	9,525	17,307	7,689	-56%
Burden & Benefits	609,429	926,571	629,728	678,185	8%
Total					0%
Salary	18,827,774	19,684,297	19,607,976	20,412,705	4%
Overtime	1,048,398	1,537,952	1,072,721	733,243	-32%
Burden & Benefits	8,261,627	9,216,144	8,486,088	9,100,154	7%
Total Personnel Costs	**$ 28,137,798**	**$ 30,438,393**	**$ 29,166,786**	**$ 30,246,103**	**3.7%**
Burden & Benefits as a % of Salary	**42.31%**	**43.43%**	**41.79%**	**43.28%**	

** In FY 2022/23 Revised Budget, Director Benefits have a been allocated to the Burden and Benefit section of the Management Department*

Salary Charged to CIP	3,893,523	4,067,443	4,144,027
Burden & Benefits Charged to CIP	1,794,610	1,855,591	1,845,100
Total Salary, Benefits incl CIP	**33,825,931**	**35,089,821**	**36,235,229**

PAY-GO BUDGET

Priority 1 = Highest Priority, Priority 5 = Lowest Priority

Dept	Category	Capital Project Description	Adopted Budget FY 2021/22	Projected FY 2021/22	Priority FY 22/23	Approved FY 2022/23	Revised FY 2022/23
Administration	Admin & Tech	Office Furniture - General	$ 30,000	$ 20,000	1	$ 30,000	$ 30,000
Administration	Admin & Tech	Office Improvements - Various	$ 170,000	$ 125,000	1	$ 270,000	$ 850,000
Administration	Capital Planning & Studies	Capital Program/Facility Capacity Fees				$ 50,000	
Administration	Capital Planning & Studies	Debt Financing and Administration				$ 25,000	$ -
Administration	Capital Planning & Studies	SCVWA Integration				$ 100,000	
B&G	Admin & Tech	Security Equipment Upgrades				$ 15,000	
B&G	Admin & Tech	Video Surveillance Equipment				$ 10,000	
ESS	Booster Station/Turnout Improvements	Catala Pump Station			2		$ 150,000
ESS	Booster Station/Turnout Improvements	Deane Pump Station @ Sand Canyon Plaza*	$ 1,232,200	$ 225,000	1	$ 407,000	$ 2,400,000
ESS	Booster Station/Turnout Improvements	Deane Pump Station @ Skyline Ranch*	$ 900,000	$ 150,000	1	$ 400,000	$ 750,000
ESS	Booster Station/Turnout Improvements	Deane SC-6 Pump Station	$ 175,000		2	$ 750,000	$ 50,000
ESS	Booster Station/Turnout Improvements	Deane SC-6 Soledad Pipeline	$ 200,000		2	$ 250,000	$ 50,000
ESS	Booster Station/Turnout Improvements	Friendly Valley Booster Station (Crossroads)	$ 75,000		2	$ 125,000	$ 75,000
ESS	Booster Station/Turnout Improvements	Market Street Pump Station	$ 50,000			$ 300,000	
ESS	Booster Station/Turnout Improvements	V-9 Improvements	$ 158,000	$ 80,000	1	$ 630,000	$ 100,000
ESS	General Facility Improvements & Replacements	Asset Management			1		$ 200,000
ESS	General Facility Improvements & Replacements	Office Reconfiguration - Summit Circle	$ 15,000	$ 10,000			
ESS	Pipelines & Pipeline Replacements	Catala PS Pipelines (Bouquet & Central Park)			2		$ 150,000
ESS	Pipelines & Pipeline Replacements	Dickason Pipeline Replacement	$ 20,000	$ 20,000	1		$ 2,300,000
ESS	Pipelines & Pipeline Replacements	Dockweiler-Sierra Hwy Pipeline*	$ 175,000		2	$ 300,000	$ 150,000
ESS	Pipelines & Pipeline Replacements	Friendly Valley Pipeline @ Via Princessa (Crossroads)	$ 100,000		2	$ 125,000	$ 50,000
ESS	Pipelines & Pipeline Replacements	Golden Valley Pipeline @ Via Princessa (Crossroads)	$ 100,000		2	$ 125,000	$ 50,000
ESS	Pipelines & Pipeline Replacements	Golden Valley Road Bore & Jack			1		$ 100,000
ESS	Pipelines & Pipeline Replacements	Honby Pipeline Bottleneck	$ 100,000	$ 100,000	3	$ 500,000	$ 500,000
ESS	Pipelines & Pipeline Replacements	Market Street/Shadeland/Maple Street Pipeline	$ 75,000			$ 150,000	
ESS	Pipelines & Pipeline Replacements	Pipeline Relocations/Modifications	$ 213,900	$ 200,000	1	$ 500,000	$ 4,334,900
ESS	Pipelines & Pipeline Replacements	Pitchess Pipeline Modifications Project	$ 12,100	$ 12,100	2		$ 9,000
ESS	Pipelines & Pipeline Replacements	SC-12 Warmuth Pipeline	$ 50,000			$ 50,000	
ESS	Pipelines & Pipeline Replacements	Sierra Hwy Bridge Expansion Water Pipelines Protection	$ 54,000	$ 54,000	2		$ 84,000
ESS	Pipelines & Pipeline Replacements	Valencia Marketplace Pipeline Replacement	$ 200,000	$ 200,000	1	$ 1,965,000	$ 3,200,000
ESS	Pipelines & Pipeline Replacements	Vista Cyn Bridge Piping at Soledad/Lost Canyon	$ 300,000	$ 25,000	1		$ 150,000
ESS	R&R Budget	ESFP Standby Generator	$ 1,025,000	$ 775,000	1		$ 10,000
ESS	Recycled Water Improvements	Recycled Water Program Phase II, 2B - Vista Cyn Distribution	$ 400,000	$ 400,000	1		$ 200,000
ESS	Recycled Water Improvements	Recycled Water Program Phase II, 2C - South End Distribution	$ 327,450	$ 327,450	1	$ 3,572,350	$ 50,000
ESS	Tanks & Tank Facility Improvements	Deane Tank (One 2.08 MG Tank) @ Skyline Ranch*	$ 1,420,000	$ 150,000	1	$ 1,100,000	$ 3,500,000
ESS	Tanks & Tank Facility Improvements	Deane Tank (Second 2.08 MG) @ Skyline Ranch					
ESS	Tanks & Tank Facility Improvements	Deane Tank Site (Existing) Improvements	$ 50,000		1	$ 550,000	$ 275,000
ESS	Tanks & Tank Facility Improvements	Deane Tanks - One 1.5 MG Tank @ Sand Canyon Plaza*	$ 1,175,000	$ 150,000	1	$ 1,845,000	$ 1,750,000
ESS	Tanks & Tank Facility Improvements	Deane Zone Disinfection @ Skyline Ranch*	$ 250,000	$ 25,000	1	$ 250,000	$ 100,000
ESS	Tanks & Tank Facility Improvements	ESFP Two 5 MG Tanks Improvements	$ 1,595,000	$ 200,000	3	$ 2,200,000	$ 50,000
ESS	Tanks & Tank Facility Improvements	Friendly Valley Tank (3.25 MG) @ Crossroads	$ 100,000		3	$ 150,000	$ 150,000
ESS	Tanks & Tank Facility Improvements	Golden Valley Tank (1.6 MG) @ Crossroads	$ 100,000		3	$ 100,000	$ 50,000
ESS	Tanks & Tank Facility Improvements	Newhall Tanks 1 and 1A - Tank Upgrades	$ 50,000	$ 50,000	1		$ 700,000
ESS	Tanks & Tank Facility Improvements	Placerita Tanks (Two 1.6 MG Tanks)	$ 75,000			$ 100,000	
ESS	Tanks & Tank Facility Improvements	Stair/Ladder Safety Improvements	$ 790,000	$ 50,000	2	$ 2,300,000	$ 100,000
ESS	Tanks & Tank Facility Improvements	Tank 4 (1.5 MG Tank @Wiley Canyon)	$ 75,000			$ 150,000	
ESS	Treatment Plant Improvements	RVWTP Underground Storage Tank Replmt	$ 526,000	$ 250,000	2	$ 1,449,000	$ 100,000
ESS	Wellhead Treatment Improvements	Well 205 (Perchlorate)	$ 510,000	$ 137,000	1	$ 9,490,000	$ 615,000
ESS	Wellhead Treatment Improvements	Well Q2 (Perchlorate)	$ 300,000	$ 300,000			
ESS	Wells & Well Facility Improvements	Saugus 3 & 4 Replacement Wells (Complete by 7/1/25)	$ 4,882,000	$ 1,400,000	1	$ 3,288,000	$ 14,200,000
ESS	Wells & Well Facility Improvements - PFAS	Additional Wells (T7, U4, U6) (includes S1&S2 Wells VOC Treat	$ -	$ 500,000	1		$ 1,400,000

PAY-GO BUDGET

Priority 1 = Highest Priority, Priority 5 = Lowest Priority

Dept	Category	Capital Project Description	Adopted Budget FY 2021/22	Projected FY 2021/22	Priority FY 22/23	Approved FY 2022/23	Revised FY 2022/23
ESS	Wells & Well Facility Improvements - PFAS	E Wells (E-14, E-15, E-16, E-17)		$ 265,000	1		$ 1,800,000
ESS	Wells & Well Facility Improvements - PFAS	S Wells (S6, S7 and S8)		$ 250,000	1		$ 750,000
ESS	Wells & Well Facility Improvements - PFAS	Santa Clara and Honby Wells		$ 865,000	1		$ 6,400,000
ESS	Wells & Well Facility Improvements - PFAS	Valley Center Well		$ 3,500,000	1		$ 500,000
ESS - EXP	Capital Planning & Studies	System Hydraulic Model	$ 100,000	$ 100,000		$ 100,000	
ESS - EXP	Pipelines & Pipeline Replacements	Pipeline Inspection Facility Modifications	$ 300,000	$ 100,000		$ 150,000	
TDOMS	Appurtenance Improvements	Appurtenance Improvements & Replacements	$ 410,000	$ 410,000	1	$ 410,000	$ 410,000
TDOMS	Booster Station/Turnout Improvements	Booster Station/Turnout Improvements & Replacements	$ 1,060,000	$ 550,000	1	$ 685,000	$ 1,050,000
TDOMS	Disinfection System Improvements	Disinfection System Improvements & Replacements	$ 1,010,000	$ 325,000	1	$ 1,010,000	$ 775,000
TDOMS	ESFP Improvements	ESFP Imrovements & Replacements	$ 385,000	$ 385,000	1	$ 385,000	$ 450,000
TDOMS	ESIPS Improvements	ESIPS Improvements & Replacements	$ 100,000	$ 100,000	1	$ 100,000	$ 100,000
TDOMS	General Facility Improvements & Replacements	Equipment and Vehicle Improvements & Replacements	$ 1,375,000	$ 200,000	1	$ 1,575,000	$ 1,575,000
TDOMS	General Warehouse & Surface Improvements	Warehouse & Surface Improvements &Replacements	$ -	$ -	1		$ 850,000
TDOMS	Laboratory Improvements	Laboratory Improvements & Replacements	$ 770,000	$ 375,000	1	$ 450,000	$ 400,000
TDOMS	Meter & Meter Infrastructure Improvements	Meter & Meter Infrastructure Improvements & Replacements	$ 2,075,000	$ 2,075,000	1	$ 2,075,000	$ 2,075,000
TDOMS	Operations	Lab Equipment	$ 50,000			$ 50,000	
TDOMS	Operations	Miscellaneous Large Tools and Equipment	$ 35,000			$ 35,000	
TDOMS	Pipelines & Pipeline Improvements	Pipelines & Pipeline Improvements & Replacements	$ 4,800,000	$ 2,100,000	1	$ 4,000,000	$ 2,100,000
TDOMS	R&R Budget	ESFP Access Road Automatic Gate	$ 75,000	$ 75,000			
TDOMS	R&R Budget	Pipeline Repair & Replacement	$ 25,000			$ 25,000	
TDOMS	R&R Budget	Recycled Water System Repair & Replacement	$ 550,000			$ 550,000	
TDOMS	R&R Budget	RVTP Access Road Automatic Gate	$ -			$ 50,000	
TDOMS	R&R Budget	Sand Canyon System Repair & Replacement	$ 65,000			$ 65,000	
TDOMS	R&R Budget	Saugus 1 and 2 Wells Repair & Replacement	$ 75,000			$ 75,000	
TDOMS	R&R Budget	WR-Summit Circle - Repair & Replacement	$ 24,000			$ 24,000	
TDOMS	RVIPS Improvements	RVIPS Improvements & Replacements	$ 115,000	$ 115,000	1	$ 115,000	$ 100,000
TDOMS	RVTP Improvements	RVTP Improvements & Replacements (includes Access Gate Im	$ 579,450	$ 579,450	1	$ 579,450	$ 700,000
TDOMS	Tanks & Tank Facility Improvements	Tanks & Storage Facility Improvements & Repalcements	$ 970,000	$ 700,000	1	$ 1,060,000	$ 840,000
TDOMS	Technology Improvements	SCADA Improvements & Replacements	$ 375,000	$ 200,000	1	$ 375,000	$ 300,000
TDOMS	Wells & Well Facility Improvements	Wells & Well Facility Improvements	$ 1,170,000	$ 550,000	1	$ 1,005,000	$ 976,000
Technology	Admin & Tech	CIS Software Integration & Upgrade	$ 1,050,000	$ 970,000			
Technology	Admin & Tech	ERP Software (Finance & Accounting)	$ 1,627,229	$ 1,560,000			
Technology	Admin & Tech	Technology Improvements and Replacements	$ 2,832,500	$ 2,200,000	1	$ 1,445,000	$ 2,261,000
WR	Capital Planning & Studies	BVRRB Storage and Recovery Program	$ 2,797,506	$ 2,797,506	1	$ 2,937,832	$ 2,937,832
WR	Capital Planning & Studies	Feasibility Study and Environmental Docs GSP			1	$ 250,000	$ 150,000
WR	Capital Planning & Studies	GSP Implementation (monitoring,data base, reporting)	$ 50,000		1	$ 50,000	$ -
WR	Capital Planning & Studies	Invasive Species Management	$ 250,000		1	$ 250,000	$ 250,000
WR	Capital Planning & Studies	Resiliency Water Master Plan	$ 1,210,000	$ 650,000	1	$ 1,320,000	$ 1,500,000
WR	Capital Planning & Studies	Yuba Accord Water	$ 455,000	$ 720,000	1	$ 455,000	$ 1,089,000
WR	Minor Capital	Devil's Den Property Solar Project	$ 100,000	$ 75,000	1	$ 100,000	$ 100,000
WR	Recycled Water Improvements	Recycled Water Program Phase II, 2B - Vista Cyn Customer Co	$ 240,000	$ 25,000	1	$ 80,000	$ 295,000
WR	Recycled Water Improvements	Recycled Water Program Phase II, 2C - South End	$ -	$ -		$ 80,000	
WR	Recycled Water Improvements	Recycled Water Program Phase II, 2D - West Ranch Customer	$ 607,500	$ 20,000	1	$ 212,500	$ 800,000
WR	Water Resources & Supply	Battery Energy Storage and Solar Project - ESFP	$ 175,000	$ 125,000	1		$ 1,892,652
WR	Water Resources & Supply	Battery Energy Storage Project - RVWTP	$ 175,000	$ 150,000	1		$ 1,166,446
WR	Water Resources & Supply	Bridgeport Pocket Park	$ 250,000	$ 20,000	1		$ 230,000
WR	Water Resources & Supply	Update Water Conservation and Education Garden	$ 910,000	$ 100,000	1	$ 200,000	$ 2,000,000
			$ 47,278,835	$ 29,167,506		$ 55,950,132	$ 75,805,830

DEBT FUNDED

Priority 1 = Highest Priority, Priority 5 = Lowest Priority

Dept	Category	Capital Project Description	Adopted Budget FY 2021/22	Projected FY 2021/22	Priority FY 22/23	Approved FY 2022/23	Revised FY 2022/23
ESS	Capital Planning & Studies	As-Needed Regulatory Support for Non-Potable Recycled	$ 65,000	$ 65,000			$ 100,000
ESS	Pipelines & Pipeline Replacements	Castaic Conduit	$ 180,000	$ 150,000	2	$ 520,000	$ 4,200,000
ESS	Pipelines & Pipeline Replacements	Honby Parallel	$ 135,000	$ 135,000	3	$ 110,000	$ 100,000
ESS	Pipelines & Pipeline Replacements	LARC Pipeline*	$ 825,000	$ 250,000			$ 1,500,000
ESS	Pipelines & Pipeline Replacements	Magic Mountain Pipeline No. 4	$ 420,000	$ 380,000			$ 250,000
ESS	Pipelines & Pipeline Replacements	Magic Mountain Pipeline No. 5	$ 552,000	$ 500,000			$ 250,000
ESS	Pipelines & Pipeline Replacements	Magic Mountain Pipeline No. 6	$ 8,900,000	$ 7,000,000			$ 3,400,000
ESS	Recycled Water Improvements	Recycled Water Fill Station	$ 78,000	$ 78,000	1	$ 705,000	$ 1,000,000
ESS	Recycled Water Improvements	Recycled Water Program Phase II, 2A - Central Park	$ 1,000	$ 1,000	5	$ 1,000	$ 1,000
ESS	Recycled Water Improvements	Recycled Water Program Phase II, 2B - Vista Canyon Bac	$ 5,250,000	$ 5,250,000		$ -	$ 200,000
ESS	Recycled Water Improvements	Recycled Water Program Phase II, 2C - South End Backb	$ 857,550	$ 200,000	1	$ 6,082,650	$ 6,000,000
ESS	Tanks & Tank Facility Improvements	Magic Mountain Reservoir	$ 977,000	$ 200,000	1	$ 6,502,000	$ 3,000,000
ESS	Treatment Plant Improvements	ESFP Sludge Collection System	$ 5,666,000	$ 2,000,000	1	$ 8,675,000	$ 15,000,000
ESS	Wellhead Treatment Improvements	Mitchell 5A Replacement	$ 300,000	$ 20,000	1	$ 375,000	$ 150,000
ESS	Wellhead Treatment Improvements-PFAS	Additional Wells (T7, U4, U6) (includes S1&S2 Wells VOC	$ 1,000,000	$ -		$ 9,375,000	
ESS	Wellhead Treatment Improvements-PFAS	E Wells (E-14, E-15, E-16, E-17)	$ 265,000	$ -		$ 977,000	
ESS	Wellhead Treatment Improvements-PFAS	S Wells (S6, S7 and S8)	$ 400,000	$ -		$ 750,000	
ESS	Wellhead Treatment Improvements-PFAS	Santa Clara and Honby Wells	$ 5,665,000	$ -		$ 2,845,000	
ESS	Wellhead Treatment Improvements-PFAS	Valley Center Well	$ 3,805,000	$ -			
ESS	Wells & Well Facility Improvements	Saugus Dry Year Reliability Wells 5 & 6	$ 220,000	$ 20,000	3	$ 230,000	$ 230,000
WR	Capital Planning & Studies	New Water Banking Program (AVEK/Mid Valley/Rosedale	$ 100,000	$ 100,000	1	$ 2,300,000	$ 2,300,000
WR	Capital Planning & Studies	Sites Reservoir	$ 750,000	$ 750,000	1	$ 1,000,000	$ 1,000,000
		Well 201 VOC Groundwater Treatment Improvements	$ 400,000	$ 200,000			$ 3,300,000
			$ 36,811,550	**$ 17,299,000**		**$ 40,447,650**	**$ 41,981,000**

RESOLUTION NO. ____

RESOLUTION OF THE
SANTA CLARITA VALLEY WATER AGENCY BOARD OF DIRECTORS
REVISING THE BUDGET FOR FISCAL YEAR 2022/23

WHEREAS, the Santa Clarita Valley Water Agency has determined under its Board Procedures Manual that the Agency shall annually adopt a budget prior to the commencement of each fiscal year; and

WHEREAS, the Board of Directors approved the FY 2021/22 and FY 2022/23 Biennial Budget on June 1, 2021, but updated and current information calls for the FY 2022/23 Budget to be revised; and

WHEREAS, the Board of Directors has reviewed the Fiscal Year (FY) 2022/23 Budget, including sections on the Operating Budget and Capital Expenditures.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Santa Clarita Valley Water Agency hereby:

1. Adopts the revised FY 2022/23 Budget (Attachment 1).

2. Appropriates the Operating Expenditures, Capital Expenditures, and Debt Principal and Interest Payment for FY 2022/23 as shown in the Financial Summary (Attachment 1).

3. Authorizes the General Manager to adjust the allocations within each fund, provided however, the total appropriations for the entire fund do not exceed the amounts approved in this budget resolution (or amending resolution).

4. Acknowledges that any debt financing required to pay for the approved capital plan will require separate Board approval.

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ATTACHMENT 1

SCV WATER - FINANCIAL SUMMARY
FY 2022/23 REVISED BUDGET

Pro Forma FY 2022/23

Description	General Fund/ Operating	Capital Project Fund	State Water Contract Fund	Capacity Fees Fund	TOTAL
Beginning Fund Balance	$ 189,000,974	$ 17,508,121	$ 86,945,848	$ 15,489,529	$ 308,944,472
RESERVES:					
Capital Reserves	(16,028,922)	$ -	$ -	$ -	$ (16,028,922)
Emergency/Disaster Reserves	(31,353,687)	-	-	-	(31,353,687)
Operating Reserves	(42,425,044)	-	-	-	(42,425,044)
Revenue Rate Stabilization Reserves	(18,183,048)	-	-	-	(18,183,048)
Water Supply Reliability Reserves	(6,000,000)	-	-	-	(6,000,000)
Subtotal	**$ (113,990,701)**	**$ -**	**$ -**	**$ -**	**$ (113,990,701)**
Net Available	**$ 75,010,273**	**$ 17,508,121**	**$ 86,945,848**	**$ 15,489,529**	**$ 194,953,771**
REVENUES:					
Water Sales - Retail	$ 90,915,239	$ -	$ -	$ -	90,915,239
Water Sales - Wholesale	297,774	-	-	-	297,774
Water Sales - Recycled	468,612	-	-	-	468,612
Misc Fees and Charges [1]	1,020,000	-	-	-	1,020,000
Communication and Rental	752,174	-	-	-	752,174
Property Tax	30,244,543	-	36,826,000	-	67,070,543
Facility Capacity/Connection Fees	-	-	-	6,300,000	6,300,000
Interest Income	650,000	375,000	435,000	-	1,460,000
Reimbursements [2]	10,999,650	-	-	-	10,999,650
Grants & Reimbursements	6,791,105	-	-	-	6,791,105
Forecasted Funding	-	*75,000,000*	-	-	*75,000,000*
Other Revenues [3]	23,000	-	-	-	23,000
Subtotal	**$ 142,162,098**	**$ 75,375,000**	**$ 37,261,000**	**$ 6,300,000**	**$ 261,098,098**
EXPENDITURES:					
Operating	$ (94,061,061)	$ -	$ -	$ -	(94,061,061)
Capital Improvement Program	(68,545,660)	(41,981,000)	-	(7,260,170)	(117,786,830)
Department of Water Resources	-	-	(37,235,000)	-	(37,235,000)
Debt Service Principal & Interest	(21,307,847)		-	(11,906,223)	(33,214,071)
Subtotal	**$ (183,914,568)**	**$ (41,981,000)**	**$ (37,235,000)**	**$ (19,166,393)**	**$ (282,296,961)**
Available Fund Balance EOY (Estimated)	**$ 33,257,802**	**$ 50,902,121**	**$ 86,971,848**	**$ 2,623,136**	**$ 173,754,907**

Notes:

[1] *Water Sales Misc. includes Late Charges, Misc. Retail Charges, Rebates and Penalties*

[2] *Reimbursements include Annexation and PERCH Reimbursements - O&M & CIP*

[3] *Other includes Laboratory Revenues, Other Non-Operating Revenues,DWR Refund and Water Sales-One time*

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ITEM NO. 8

BOARD MEMORANDUM

DATE: May 5, 2022

TO: Board of Directors

FROM: Keith Abercrombie
Chief Operating Officer

SUBJECT: Local Hazard Mitigation Plan

SUMMARY

Pursuant to The Stafford Act as amended by the Disaster Mitigation Act of 2000, Hazard Mitigation Plans are designed to reduce the loss of life and property, human suffering, economic disruption, and disaster assistance costs resulting from natural disasters. Furthermore, Section 322 of the Act specifically addresses mitigation planning and requires the preparation of multi-hazard mitigation plans as a precondition for receiving FEMA mitigation project grants and other federal funding assistance.

SCV Water began the process of creating a Local Hazard Mitigation Plan (LHMP) in early 2021. We contracted with Engineering Solutions Services (ESS) to help guide us through the process of preparing the plan. A planning team (Team) was created consisting of representatives from Operations, Water Resources, Communications, Safety, and ESS. Early activities included coordinating with other jurisdictions (City of Santa Clarita, Los Angeles County Sanitation District, Metropolitan Water District, Los Angeles Department of Water and Power, Los Angeles County Department of Public Works) to discuss the upcoming LHMP and seek input. The Team provided public outreach to inform the community of the ongoing work of preparing the LHMP. Tools including customer bill messaging, local newspaper, SCV Water website, Facebook, Twitter, Instagram, and "Water Currents" newsletter were used.

Work continued to assess the Hazards impacting SCV Water's facilities and operations. Part of this effort included reviewing historical state, regional and local disasters as well as various hazard mapping sources. The Team then worked to set mitigation goals and mitigation measures to achieve those goals. Examples of hazards identified include earthquake, wildfire, drought, flooding, windstorm, and dam inundation. Examples of mitigation measures include seismic shut off valves, improved communication equipment, flexible pipe joints, brush clearance, improved drainage systems. Going forward the plan will be reviewed annually and mitigation projects will be incorporated into the annual budgeting process. Every five years, the plan will go through a complete review and update.

The current status is that the completed LHMP has been posted on the SCV Water website for public comment/review. Simultaneously, the Board is receiving this presentation on the LHMP. After the 30-day comment period, the Team will incorporate comments into the plan and send the plan to CalOES and FEMA for their review/approval. This review/approval process could take up to 6 months. Once FEMA has approved the plan, it will be brought back to the Board for adoption.

Attachment: Draft Local Hazard Mitigation Plan

MGS

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Santa Clarita Valley Water Agency

Local Hazard Mitigation Plan

FEMA Approval Date: XX-XX-XXXX

Date of Santa Clarita Valley Water Agency Board Approval: XX-XX-XXXX

Primary Contact During Development
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SECTION 1. INTRODUCTION

1.1. Purpose of the Plan

Emergencies resulting from disasters can have severe negative impacts on a community if not properly identified and addressed. Disasters can leave people injured or displaced, result in fatalities, cost tremendous amounts in terms of the response and recovery dollars and economic loss, and cause other significant negative impacts to our communities, businesses, infrastructure and environment. Hazard mitigation planning reduces the risk of these negative impacts by providing a comprehensive plan designed to mitigate hazards specific to the Santa Clarita Valley Water Agency (SCV Water).

When a disaster occurs, repairs and reconstruction are typically completed to restore infrastructure to its pre-disaster conditions. Such efforts expedite a return to normalcy; however, merely replicating pre-disaster conditions results in a cycle of damage, reconstruction, and repeated damage which is ultimately detrimental to SCV Water and its customers. Although we cannot prevent disasters from happening, hazard mitigation attempts to break this cycle by outlining tangible steps to reduce SCV Water's hazard vulnerability. For those hazards that cannot be fully mitigated, the community must be prepared to provide an efficient and effective response to expedite the recovery process. This can be accomplished through a well-organized public education and awareness effort.

The purpose of this Local Hazard Mitigation Plan (LHMP) is to identify potential hazards to SCV Water and to formulate mitigation measures for future protection of SCV Water's critical infrastructure and the community's safety with respect to SCV Water's facilities and services. Acceptance of this LHMP by the State of California Office of Emergency Services (CalOES) and then approval by the Federal Emergency Management Agency (FEMA) will allow SCV Water to become eligible to receive federal funding assistance under the Local Hazard Mitigation Grant Program or the Pre-Disaster Mitigation program and the Building Resilient Infrastructure Community. The established mitigation projects provided herein were identified and reviewed by members of SCV Water's Safety Planning Committee led by Engineering Solutions Services, Inc. (ESS or the Consultant).

SCV Water's staff, customers, and professionals active in disaster planning, response, and mitigation provided important input in the development of this LHMP including the recommended goals and objectives, mitigation measures, and priorities for each action.

This plan fulfills the requirements of the following programs:

1. **Pre-Disaster Mitigation (PDM)**
2. **Hazard Mitigation Grant Program (HMGP)**
3. **Flood Mitigation Assistance (FMA) Program**
4. **Building Resilient Infrastructure Community (BRIC)**

For reference, Section 322 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5165, enacted under section 104 of the Disaster Mitigation Act of 2000, P.L. 106-

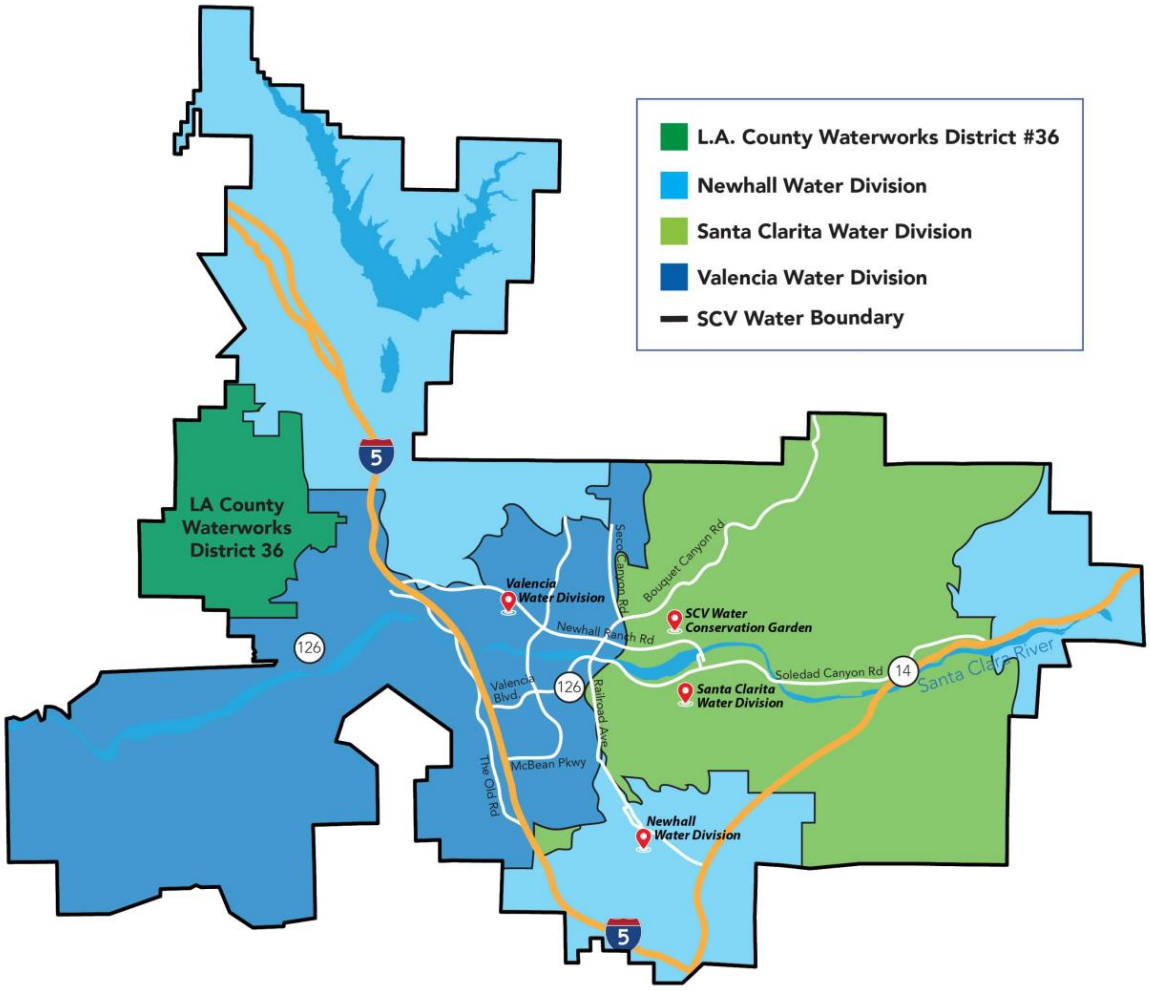
390, provides new and revitalized approaches to mitigation planning. Section 322, in concert with other sections of the Act, provides a significant opportunity to reduce the Nation's disaster losses through mitigation planning and emphasizing the need for State, local and tribal entities to closely coordinate mitigation planning and implementation efforts. An important requirement of the law is the development of local hazard mitigation plans. These plans must be developed, and approved by the CalOES and FEMA for the local jurisdictions to be eligible for HMGP funding from State- and Federal-declared disasters that occur after 2001. Local mitigation plans must be reviewed, updated, and re-approved by FEMA every five years to remain eligible. This LHMP has been completed to meet the requirements of the Act and the regulations established by FEMA.

1.2. Service Area Physical Setting

SCV Water's service area is located in the northern part of Los Angeles County approximately 33 miles north of the City of Los Angeles, 35 miles east of the City of Ventura, and 20 miles west of the City of Palmdale. The lowest elevation in its service area is 774 feet in Pinetree and the highest elevation is 2,887 feet in Tesoro. SCV Water's current service area encompasses approximately 195 square miles or 125,000 acres and serves a population of 280,192. SCV Water's service area is the same as one of its predecessor agencies, the former Castaic Lake Water Agency (CLWA). CLWA was the former wholesale water provider to the Santa Clarita Water Division, Newhall County Water District, and the Valencia Water Company. As you will read below, these three agencies were consolidated with the formation of SCV Water in 2018 in accordance with Senate Bill 634 (SB634). The major cities and unincorporated areas within SCV Water's service area includes the City of Santa Clarita and the unincorporated areas of Los Angeles County known as Stevenson Ranch, Castaic, Pinetree, and Tesoro and small sections in Ventura County.

Temperatures within SCV Water's service area range from an average high of 88ºF to an average low of 55ºF. The record high for the area is 110ºF, and the record low is 31ºF. The annual average rainfall for the area is 18 inches. The climate is characterized by hot, dry summers when temperatures can rise above 90º, and moderate winters, with rare freezing temperatures. A major portion of the precipitation occurs between December and March.

FIGURE 1. Santa Clarita Valley Water Agency Service Area Map



1.3. History

SCV Water was formed in 2018 by California State Senate Bill 634 which consolidated operations of CLWA with three retail water purveyors (Santa Clarita Water Division, Newhall County Water District, and the Valencia Water Company). Los Angeles County Waterworks District #36 is operated by Los Angeles County Public Works and receives wholesale water service from SCV Water.

1.4. Demographics

According to SCV Water's 2020 Urban Water Management Plan (UWMP), the SCV Water service area has a population of 280,192 of which 7.0% are under the age of 5, 25.8% are under the age of 18 and 11.7% are over the age of 65. The average person per household is 3.06 and the Median Household Income is $99,666. These datapoints and other relevant demographic data are summarized in Table 1 below.

TABLE 1. SCV Water Demographics

Demographic Category	Value
Age and Sex	
Persons under 5 years, percent	7.0%
Persons under 18 years, percent	25.8%
Persons 65 years and over, percent	11.7%
Female persons, percent	50.1%
Race and Hispanic Origin	
White alone, percent	71.0%
Black or African American alone, percent	3.9%
American Indian and Alaska Native alone, percent	0.8%
Asian alone, percent	11.1%
Native Hawaiian and Other Pacific Islander alone, percent	0.1%
Two or More Races, percent	5.9%
Hispanic or Latino, percent	33.5%
White alone, not Hispanic or Latino, percent	47.9%
Housing	
Owner-occupied housing unit rate, 2015-2019	70.0%
Median value of owner-occupied housing units, 2015-2019	$537,000
Median gross rent, 2014-2018	$2,647
Families & Living Arrangements	
Persons per household, 2015-2019	3.06
Education	
High school graduate or higher, percent of persons age 25 years+, 2015-2019	90.5%
Bachelor's degree or higher, percent of persons age 25 years+, 2015-2019	36.8%
Economy	
In civilian labor force, total, percent of population age 16 years+, 2015-2019	67.9%
Median household income (in 2018 dollars), 2015-2019	$99,666
Persons in poverty, percent	8.2%

Note: Categories and values presented in this table reflect those provided at: https://www.census.gov/quickfacts/fact/table/santaclaritacitycalifornia/PST045219 ; 2010-2019 data.

1.5. Population

According to SCV Water's 2020 Urban Water Management Plan (UWMP), SCV Water directly serves a total population of 280,192 and provides water resources to an additional 9,000 residents who are served by LACWWD 36) for a total of 289,192.

1.6. Existing Land Use

Based upon current land-use policies of the City of Santa Clarita and Los Angeles County within the boundaries of SCV Water, SCV Water projects that the undeveloped land within its boundaries will continue to be developed, as building of new homes and business around the nation are in full swing and booming. SCV Water's service area is being developed rapidly.

There are several large residential home development projects in various stages of the permitting process in the service area. The existing land uses within SCV Water are controlled by the City of Santa Clarita and Los Angeles County.

SCV Water operates within 49 pressure zones due to changes in elevation within its service area. Due to the intricate nature of operating many pressure zones, equal attention was directed to specific areas particularly vulnerable to certain hazards. These pressure zones are distributed as follows: Castaic – 3 zones; Newhall – 7 zones; Pinetree – 4 zones; Santa Clarita – 17 zones; Tesoro – 2 zones; and Valencia – 16 zones.

All of SCV Water's facilities listed below are vulnerable to drought, earthquakes, floods, and wildfire.

TABLE 2. Facility Vulnerability List

Facility	Drought	Earthquake	Flood	Wildfire	Wind
Administrative Offices		✓	✓	✓	
Water Treatment Plants	✓	✓	✓	✓	✓
Water Filtration Facility	✓	✓	✓	✓	✓
Wells	✓	✓	✓	✓	✓
Reservoirs	✓	✓	✓	✓	✓
Pump Stations	✓	✓	✓	✓	✓
Operations Facilities		✓		✓	
Warehouses		✓		✓	

1.7. Development

Currently, housing development in the service area is strong with at least 20 new home subdivisions under various stages of construction. Additionally, there are numerous shopping centers and businesses being developed in SCV Water's service area. Although it is not SCV Water's responsibility to approve new developments in the service (this function is done by the City of Santa Clarita and Los Angeles County), SCV Water is responsible for reviewing the development plans and determining if SCV Water is capable of providing water services to these new developments. If SCV Water has the capacity to serve water to the new developments, SCV Water will issue a 'Will Serve Letter'.

1.8. Water Development Trends

The water facilities required to accommodate new development may consist of the following components:

- Sources of Supply
- Booster Pumping Plants
- Water Pipeline Facilities
- Water Storage Reservoirs
- Water Treatment Plants

It is expected that the majority of future developments will occur in the southern and western portion of SCV Water's service area which will yield additional dwelling units and businesses. Some of the developments are equipped with dual-plumbed system to accommodate the future use of recycled water.

The Santa Clarita Valley has experienced significant growth in the last 20 years. Within the last several years, Santa Clarita growth has increased significantly following 8 years of recession in the United States.

As captured in the 2020 SCV Water UWMP, SCV Water projects growth within each category listed below. While water use efficiency is always at the forefront of SCV Water's goals, increased development will also increase water use. From 2020 to 2040, SCV Water projects the following increase to the drinking water sectors.

TABLE 3. SCV Water Projected Demands (2020 UWMP)

Water Use (AF)	2020	2050	% Increase
Single Family	34,300	39,100	14
Multi-Family	7,000	11,500	64
Commercial	5,300	7,300	38
Industrial	1,900	2,700	42
Institutional	2,400	2,000	-17
Irrigation	12,100	12,900	7
Other*	1,700	23,300	1271
Total	**64,700**	**98,800**	**53**

* Other water demands include recycled water and non-potable water demands, which will be expanded in future years.

1.9. Infrastructure Overview

Table 4 below provides an overview of the key facilities SCV Water currently owns and operates.

TABLE 4. SCV Water Facilities Overview

SCV Water Facilities Overview	
Facility	**Units**
Admin Office	5
Water Treatment Plants	2
Water Wells	42
Miles of Water Main	879
Booster Stations	52
Storage Reservoirs	96
Turnouts	24
Hydrants	7,126
Operations Facilities	2
Warehouses	3

SECTION 2. PLAN ADOPTION

2.1. Adoption by Local Governing Body

SCV Water is part of the Los Angeles County Operational Area. Prior to submittal of the plan to CalOES, SCV Water will post the final draft on its website and notify its residents to review and comment through posting on the website and by including notice of the plan in the SCV Water newsletter and on customer's monthly bills.

Pursuant to the mitigation planning regulations, SCV Water's LHMP will be submitted to CalOES for review and approval. CalOES will conduct a review of the Plan in accordance with the Code of Federal Regulations; once this review is complete and any revisions are made, CalOES will forward the plan to FEMA for another review and potential revisions. FEMA will notify SCV Water when FEMA has approved the final LHMP. Upon FEMA's approval of the LHMP, the SCV Water Board of Directors will forward a Resolution adopting the LHMP to CalOES, and CalOES will submit the Resolution to FEMA. ESS will then send a copy of the LHMP and Resolution to the Los Angeles Office of Emergency Management.

2.2. Promulgation Authority

This Hazard Mitigation Plan will be adopted by the SCV Water elected Board of Directors, following approval of the plan by CalOES and FEMA:

TABLE 5. SCV Water Board of Directors (2021)

Board of Directors	Division
Gary R. Martin (President)	One
Vacancy (Director)	Three
Jerry Gladbach (Vice President)	Two
Kathye Armitage (Director)	Three
BJ Atkins (Director)	Three
Beth Braunstein (Director)	One
Ed Colley (Director)	Two
William Cooper (Director)	One
Jeff Ford (Director)	Appointed Director for Los Angeles County Waterworks District #36
R.J. Kelly (Director)	One
Piotr Orzechowski (Director)	Two
Lynne Plambeck (Director)	Three

2.3. Primary Point of Contact

The points of contact are listed below:

Michael Alvord, Director of Operations & Maintenance
Santa Clarita Valley Water Agency
661-702-4429 (Office)
malvord@scvwa.org

Gary Sturdivan, ESS (Consultant)
Engineering Solutions Services
909-658-5974
gsturdivan@engineeringsolutionsservices.net

SECTION 3. PLANNING PROCESS

This section documents the planning process used to review and compile information that leads to an effective LHMP. A comprehensive description of the planning process informs citizens and other readers how the plan was developed and provides a permanent record of how decisions were reached. These decisions can be reconsidered, replicated, or modified in future updates. Documentation of how the public was engaged throughout the process is an integral part of the planning process.

This LHMP was completed with the coordination and involvement of SCV Water staff, representatives from the City of Santa Clarita and other local agencies and organizations that have a vested interest in the performance and resiliency of SCV Water. The consultant contacted the agencies below via email and provided a draft of the final LHMP to receive comments on the document and revised the document as necessary based on the comments received. There were *<number placeholder>* comments on the LHMP, all comments are listed in Appendix C of this LHMP.

- LADWP – has underground facilities within the service area
- MWD – has underground facilities within the service area
- DWR – operator of Castaic Lake and the Castaic Dam
- Los Angeles County Sanitation District – sewer collection and treatment facilities
- Los Angeles County Department of Public Works – sewer and storm water collection
- City of Santa Clarita – sewer and storm water collection

Additionally, this section includes a list of the Planning Team Members and coordination efforts with the surrounding communities/groups, and public outreach efforts.

3.1. Plan Development Process

The Planning Team reviewed FEMA's "Hazard Mitigation Plan Crosswalk," the Los Angeles County HMP, and the City of Santa Clarita HMP. The consultant completed a FEMA Hazard Profile of the area to determine the most significant hazards in the area. The Hazard Profile maps were used in the planning meetings to show past flood areas, earthquakes, fire hazard zones, power outages, and other disasters that have historically affected the area. Other written documentation of past events was also reviewed. The team discussed the different events that have happened in the area, such as widespread fires, flash flooding, earthquakes, windstorms, and power outages. Some members of the planning team have been longtime residents of the community and have lived through many of these emergency events.

The planning process pursued by the consultant consisted of:

- Documenting past events
- Incorporating data
- Engaging the Planning Team
- Posting the meeting agendas, meeting minutes, and draft LHMP onto SCV Water's

website and asking for public input and comments on the LHMP sections
- Sharing information at the Board of Directors meetings
- Conducting public outreach

Drafting the Hazard Mitigation Plan was accomplished in 8 Phases:

FIGURE 2. Flow Chart for Developing a Hazard Mitigation Plan

During the planning process, the Planning Team used the following plans to gain information on the hazards facing the area and mitigation goals of Los Angeles County.

TABLE 6. Plans Reviewed by Team

Study Plan	Approval Date	Key Information
2018 California HMP	9/28/2018	Goals for the State of California
Los Angeles County, Approved HMP	2/9/2018	Hazard identification, mitigation measures
USGS Golden Guardian 2008	5/23/2008	Earthquakes, affects, planning
Santa Clarita Valley Water Agency Urban Water Management Plan	6/29/2021	Goals, hazards, water use and water demand
City of Santa Clarita Draft HMP	10/21/2021	Land use for area, future projects

TABLE 7. Financial Resources for Future Mitigation Project Funding

Local	Revenues	Amount
SCV Water's Budgets and Financial Planning Documents	Retail Water Sales, Wholesale Water Sales, Recycled Water Sales, Property Tax, and Facility Capacity Fee, Bonds	Varies from year to year
Grants and Reimbursements	Various funding sources	Varies from year to year
CalOES Mitigation Grants	SCV Water has applied for CalOES funding in the past	See below

TABLE 8. SCV Water Grant Funding Sources

Grant	Start Date	End Date	# of SCV Water Projects within Grant	SCV Water Project Names	Total Project Costs	Grant Funding	Funding Match (Non-State/Federal Share)	Other Non-State/Federal Share
DWR Prop 84 Round 1 Implementation	4/10/12	3/31/22	4	1. Grant Administration 2. SCV Water Use Efficiency Plan 3. Santa Clara River Sewer Truck Line Relocation 4. Recycled Water Project Phases 2B & 2D	$ 14,057,107	$ 6,264,551	$ 4,110,280	$ 7,792,556
DWR Prop 84 Round 2 Implementation	6/17/14	12/31/20	4	1. Grant Administration 2. CLWA SCV WUE Program 3. SCWD WUE Programs 4. Foothill Feeder Connection	$ 7,804,002	$ 4,008,399	$ 3,800,608	
DWR Prop 84 2014 Drought Grant	7/20/15	12/31/20	3	1. Grant Administration 2. RRB/CLWA Banking Program 3. CLWA/SWSD Extraction & Conveyance	$ 15,646,780	$ 11,535,067	$ 4,081,713	
DWR Prop 1 Sustainable Groundwater Planning	12/5/18	12/31/22	2	1. Grant Administration 2. Planning Activities	$ 2,047,434	$ 1,307,265	$ 740,169	
DWR Prop 1 Round 1 IRWM Implementation	9/24/20	3/31/26	2	1. Grant Administration 2. Recycled Water Phase 2C	$ 9,200,450	$ 3,216,800	$ 4,829,205	$ 1,154,445
Community Power Resiliency Allocation - Special Districts Program - CalOES subaward	7/1/21	10/31/21	1	Generator Replacement at Earl Schmidt Filtration Plant	$ 249,854	$ 249,854	$ -	

3.2. The Planning Team

The Planning Team compiled information and reviewed this LHMP under the authorization of the General Manager of SCV Water. The Planning Team members include:

Name: Michael Alvord
Title: Director of Operations and Maintenance
Description of Involvement: Lead for Internal Planning Team
Mike Alvord has worked in the water industry for 25 years. He received a Bachelor of Science degree in Biology and a graduate degree in Environmental/Occupational Health both from California State University, Northridge. He began his career as a Water Quality Specialist and is currently working as the Director of Operations and Maintenance for SCV Water. Mr. Alvord oversees all field operations, water quality and safety departments. Throughout his career he has been an integral part of various groundwater treatment projects, including perchlorate and per- and polyfluoroalkyl substances (PFAS) removal and centralized groundwater softening.

Name: Keith Abercrombie
Title: Chief Operating Officer
Description of Involvement: Internal Planning Team Member
Keith Abercrombie is the Chief Operating Officer of SCV Water and was the Retail Manager of SCWD. Mr. Abercrombie received his degree in Agricultural Business from Colorado State University and received his Master's degree in Business Administration, Agribusiness from Santa Clara University. Prior to employment with SCV Water, Mr. Abercrombie served as General Manager of the Valencia Water Company. Mr. Abercrombie previously worked at the Newhall Land and Farming Company serving as assistant to the Vice President of Agriculture and Manager of Energy Resources. Mr. Abercrombie holds a Grade 5 Water Distribution Operator certification and a Grade 2 Water Treatment Operator certification from the State Water Resources Control Board – Division of Drinking Water and is a member of the American Water Works Association and the Association of California Water Agencies.

Name: Steve Cole
Title: Assistant General Manager
Description of Involvement: Internal Planning Team Member
Steve Cole is the Assistant General Manager of SCV Water and was the general manager of the former NCWD, acting as the chief executive officer responsible for the operations and management of NCWD for the past thirteen years. He has over twenty years of experience dealing with a variety of issues in the water field and actively participates in the Association of California Water Agencies serving as the Region 8 Chair. Mr. Cole is certified by the State of California as a Grade V Water Distribution Operator, a Grade 3 Water Treatment Operator and a Registered Environmental Health Specialist. He received his Bachelor of Science degree in Environmental Science from Fresno State and his Master of Science degree in Environmental Science from California State University Northridge.

Name: Cheryl Fowler
Title: Management Analyst II
Description of Involvement: Internal Planning Team Member - Agency Coordination
Cheryl Fowler is a career administrative professional with over 35 years of experience in various industries including legal (transactional/litigation), real estate development, medical device design and marketing, technology, and most recently, six years in the Water Resources Department at SCV Water. In 2018, possessing strong organizational skills, an understanding of legal terminology and contracts, and a penchant for following rules, she transitioned into grant administration when a need arose within the SCV Water. In that role, Ms. Fowler serves as the Project Manager on several multi-project state grants, acts as liaison to grantor agencies, and oversees and assists with preparation of state and federal grant and loan applications and contracting.

Name: Kathie Martin
Title: Communications Manager
Description of Involvement: Internal Planning Team Member - Public Outreach Coordination
Kathie Martin was first hired as the Public Information Officer for SCV Water in December 2017, and currently serves as the Communications Manager. She has 20 years of experience in government communications and holds a bachelor's degree from Cal Poly Pomona. Her areas of responsibility include strategic communications planning and implementation, media relations, stakeholder engagement, social media, and legislative affairs. She is also trained in crisis and emergency communications.

Name: Jose Diaz
Title: Emergency Preparedness and Safety Coordinator
Description of Involvement: Internal Planning Team Member
Jose Diaz has been with SCV Water for over a year. Mr. Diaz retired as a Firefighter with over 25 years and specialized in wildland fire fighting, emergency management, hazardous materials and technical rescue. He spent several years teaching basic and advanced firefighting skills with various organizations and assisted with the CERT program (community emergency response team). Mr. Diaz is a certified emergency medical technician (EMT) and certified BLS (basic life support) American Heart Association instructor for SCV Water.

The Planning Team participated in monthly meetings to coordinate efforts, provide input, and receive support for the LHMP. The support received from the planning team included technical expertise, resource materials, and tools. SCV Water facilitated the LHMP process and provided information to follow FEMA's requirements for the program. The tools, resource materials, and other project-related information are maintained on a project portal on SCV Water's website at www.yourSCVwater.com/lhmp/, which allowed access to the information by all participants and the public. All Draft LHMPs were posted on SCV Water's website and a press release issued. A statement was posted on social media (Facebook, Instagram and Twitter), the monthly e-newsletter and monthly bills letting the customers know how to access the LHMP. Gary Sturdivan's contact information was listed on the newsletter, press release and website for residents to direct their questions and concerns. The SCV Water LHMP Planning Team reviewed the document and made corrections or voiced concerns to the consultant. These comments were discussed at the next Team meeting, and corrections were then made to the document.

3.3. Coordination with other Jurisdictions, Agencies and Organizations

The Planning Team undertook several initiatives to inform other jurisdictions, agencies and organizations of the hazard mitigation planning effort and to solicit their input. The Planning Team discussed several alternatives, including hosting workshops, sending emails, and making phone calls to other agencies to stimulate communications. Due to the COVID-19 pandemic, contactless engagement processes were selected. The selected jurisdictions, agencies and organizations were invited to participate in meetings for the development of the LHMP.

The Consultant first called representatives from the City of Santa Clarita, Los Angeles County Sanitation District, Metropolitan Water District (MWD), Los Angeles Department of Water and Power, Los Angeles County Department of Public Works, Los Angeles Department of Water Resources, to discuss the upcoming LHMP and receive guidance. The Consultant sent a draft of various sections of the LHMP electronically to each reviewer and gave each a month to make comments. The Planning Team considered all comments received and incorporated them into the final document.

3.4. Public Involvement/Outreach

SCV Water engaged in a widespread announcement for preparation of the Plan by issuing a press release to invite the community members to participate in the process. The information was posted on social media (Facebook, Instagram and Twitter), customer bills and in the monthly newsletter "Water Currents" providing a link to SCV Water's website. Residents were asked to participate in an online survey (Survey Monkey) that was linked on SCV Water's website and provide their experience with natural disasters as well as their input on greatest threats to the community.

Residents were regularly informed and invited to participate in review of the draft documents as they were prepared and posted on SCV Water's website. The information was posted on social media (Facebook, Instagram and Twitter), and in the monthly newsletter "Water Currents" providing a link to SCV Water's website, where the draft LHMP sections were posted.

The Planning Team participated in monthly meetings on Zoom to coordinate public outreach efforts, post the relevant information and discuss the comments received from public for the LHMP. The final draft LHMP was provided to the public during a 30-day review and comment period, as required by FEMA through SCV Water's website www.yourscvwater.com. The consultant's (Gary Sturdivan) contact email address and phone number were listed on the draft LHMP to receive all comments on the LHMP. The Appendices in this LHMP provide details of the public involvement process such as the meeting dates, purpose, agendas, public comments, and a screenshot of the webpage showing requests for public participation. This LHMP, with the accompanying appendices, will be sent to CalOES and FEMA.

3.5. Assess the Hazards

A critical component of the LHMP process is to assess the likely hazards that may have an

impact on SCV Water's facilities and operations. It is important to have a thorough understanding of these hazards without over-analyzing remote or highly unlikely hazards to ensure the efficiency of the LHMP. This LHMP has been developed through an extensive review of available information on hazards SCV Water has faced in the past and that it will most likely face in the future.

The Planning Team reviewed and discussed state, regional, and local disasters that have happened in the State of California, in Southern California, and SCV Water's service area. The LHMP Planning Team reviewed documents such as engineering drawings, photographs, and available geotechnical and geologic data both from the internet and outside sources such as FEMA Hazard Mapping, Los Angeles County hazard maps, and other documents. SCV Water used a GIS database to provide mapping of critical hazard risk areas. The team used data from this mapping to determine hazards that present the greatest risk to SCV Water.

The Planning Team completed the assessment of the various hazards in a group setting. The team members have many years of personal experience working in the local area and many working in a water utility agency. Team members know the history of past hazardous or emergency events, such as the California fire incidents in 2018 and 2019, the 6.7 magnitude Northridge earthquake of 1994 and several other hazards and the effects on SCV Water.

3.6. Set Goals

The process of identifying mitigation goals began with a review and validation of damages caused by specific hazards at similar agencies in the surrounding area. Damages to other agencies outside the area were also considered. In addition, the Planning Team estimated damages using engineering budget estimates for anticipated response and replacement costs. The Planning Team completed an assessment of the likelihood and damages for each identified hazard and discussed whether each of the mitigation goals were valid. This discussion led to the identification of new goals and objectives for mitigation in the LHMP. From this, the Planning Team determined the best mitigation goals to reduce or avoid long-term vulnerabilities.

3.7. Review and Propose Mitigation Measures

A wide variety of mitigation measures that can reduce the impact of the hazards or the severity of damage from hazards were examined. These measures were identified to help ensure the implementation of the Planning Team's goals and objectives. The following categories were used in the review of possible mitigation measures:

1. Public Information and Education – Outreach projects and technical assistance
2. Preventive Activities – Zoning, building codes, stormwater ordinances
3. Structural Projects – Retention basins, reservoirs, road, and bridge improvements
4. Property Protection – Acquisition, retrofitting
5. Emergency Services – Warning, sandbagging, road signs/closures, evacuation
6. Natural Resource Protection – Wetlands/environmental protection, best management practices

Throughout the discussions, the Planning Team focused on the mitigation aspects recommended by FEMA in STAPLEE (Social, Technical, Administrative, Political, Legal, Economical, and Environmental) to arrive at their suggestions. The Planning Team then prioritized the individual mitigation measures considered the most appropriate for SCV Water.

Based on STAPLEE, the Planning Team addressed the following questions to determine mitigation options:

Does the Action:

1. Solve the problem?
2. Address vulnerability assessment?
3. Reduce the exposure or vulnerability to the highest priority hazard?
4. Address multiple hazards?
5. Address more than one (1) goal/objective?
6. Benefits equal or exceed costs?

Can the Action:

1. Be implemented with existing funds?
2. Be implemented by existing state or federal grant programs?
3. Be completed within the 5-year life cycle of the LHMP?
4. Be implemented with currently available technologies?

Will the Action:

1. Be accepted by the community?
2. Be supported by community leaders?
3. Adversely impact segments of the population or neighborhoods?
4. Result in legal action such as a lawsuit?
5. Positively or negatively impact the environment?

Is there:

1. Sufficient staffing to undertake the project?
2. Sufficient funds to complete the project?
3. Existing authority to undertake the project?

3.8. Draft Local Hazard Mitigation Plan

SCV Water's consultant led the Planning Team and prepared the draft LHMP with input from the Planning Team, representatives from other organizations, and the public. The Planning Team reviewed and commented on the draft LHMP, and subsequent changes were made before the LHMP was finalized and submitted to CalOES. All draft sections of the LHMP were posted on SCV Water's website. Customers and other agencies in the service area were notified via email, social media, press release and a monthly e-newsletter, stating that all LHMP documents were

posted at www.yourSCVwater.com/LHMP and asked for comments. The consultant, Gary Sturdivan, addressed all comments and concerns by email or phone calls.

The LHMP was reviewed in comparison to the FEMA-designed Review Tool. The Review Tool links the federal requirements and identifies the sections in the LHMP where the information can be found and provides a rating as to the level of compliance with the federal regulations.

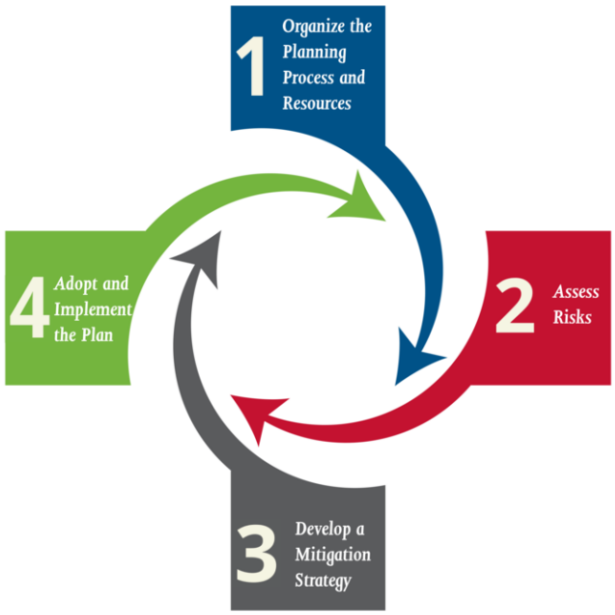
3.9. Adopt the Plan

After the public review, the draft plan will be submitted to CalOES for review. Once the CalOES has approved the LHMP, the document will be sent to FEMA by CalOES. FEMA will provide SCV Water with an "Approval Pending Adoption" letter when the LHMP update meets all federal requirements. Upon receipt of this letter, the final plan will need to be submitted to SCV Water's Board of Directors for consideration and adoption. Once adopted, the adopting Resolution will be submitted to FEMA and CalOES for incorporation into the LHMP. A copy of the final LHMP will be delivered to Los Angeles County office of Emergency Management.

SECTION 4. RISK ASSESSMENT

The goal of mitigation is to reduce the future impacts of a hazard, which can include property damage, disruption to local and regional economies, and the amount of public and private funds spent for recovery. Mitigation decisions are based on risk assessments where the probability of an event is evaluated with respect to the anticipated damages caused by the event.

The purpose of this section is to understand the hazards and their risks in SCV Water's service area. There are generally four steps in this process which include; Hazard Identification, Vulnerability Analysis, Risk Analysis and Vulnerability Assessment. The Vulnerability Assessment also includes an estimation of potential losses.



4.1.Hazard Identification

The Planning Team discussed potential hazards and evaluated their probability of occurrence. The following sections describe this process and the results.

4.2. Hazard Screening Criteria

The intent of screening the hazards is to help prioritize which hazards create the greatest concern to SCV Water. A list of natural hazards to consider was obtained from Federal Emergency Management Agency's (FEMA) State and Local Mitigation Planning How-to Guide: Understanding Your Risks (FEMA 386-1). The team used the Stafford Act, the California Emergency Service Act and STEPLEE (Social, Technical, Administrative, Political, Legal, Economic, and Environmental) feasibility criteria to help rank each risk. The risks were given a

ranking of 1 – 4: with (1) being a “Highly Likely” event, (2) being a “Likely” event (3) being a “Somewhat Likely” event, and (4) being a "Least Likely" event

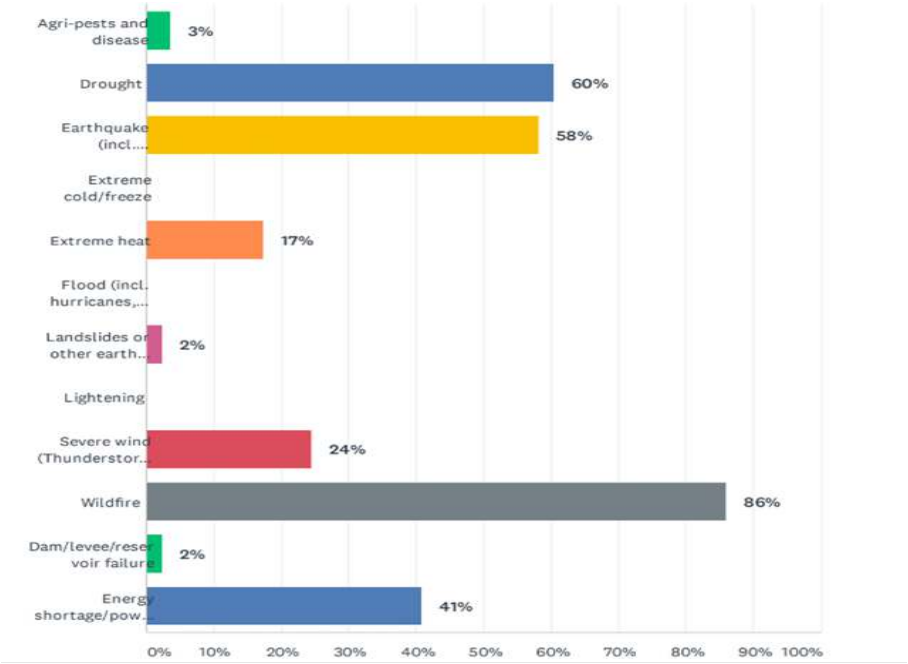
The Planning Team reviewed each hazard on the list using their experience, considering the public survey, and historical data pertaining to each hazard and developed the following ranked list in Table 9. The natural hazards that were considered not to affect or be a risk to SCV Water were given a ranking of 4 and are not considered applicable to SCV Water for mitigation.

TABLE 9. Hazard Risk Rankings

Hazard	Risk Ranking (1-3)
Earthquake	1
Wildfire	2
Climate Change Induced Drought	2
Flooding	3
Windstorm	3
Dam Inundation	3
Volcanoes	4
Tsunami Liquefaction	4
Landslides	4

SCV Water released an online survey to the public to understand its constituents’ hazard concerns. Figure 3 is the survey results for the top three hazards within the service boundaries. The full survey report is located in Appendix C.

FIGURE 3. SCV Water Constituents Survey Results: Top Three Hazards



Hazard Assessment Matrix
SCV Water used a qualitative ranking system for the hazard screening process consisting of generating a high/medium/low style of rating for the probability and impact of each screened hazard. The probability and impact ranking system categories are summarized as follows:

Probability Ratings: Highly Likely, Likely, or Somewhat Likely
Impact Ratings: Catastrophic, Critical, or Limited

Screening Assessment Matrix
The Planning Team used a screening assessment matrix to prioritize SCV Water's hazards to be mitigated. The hazards have been placed in the appropriate cell of the corresponding "Screening Assessment Matrix" based on the Planning Team's collective experience. The hazard screening assessment is shown in Table 10. Prioritization of the hazards is discussed in the following section. The probability and impact ranking are based on a 5-year occurrence and are presented as percentages representing the likelihood of the hazard within the 5-year occurrence.

TABLE 10. Screening Assessment Matrix

	Impact			
Probability	**Probability/Impact Rating**	*Catastrophic*	*Critical*	*Limited*
	Highly Likely (1) *(75 – 100%)*	Earthquake		
	Likely (2) *(50-75%)*		Climate Change Induced Drought	Wildfires
	Somewhat Likely (3) *(25 – 50%)*	Dam Inundation		Flooding Windstorms

4.3. Hazard Profiles

This section looks at all the hazards identified by the Planning Team that may affect SCV Water within its boundaries. This section also provides an overview of each hazard, the definition of each hazard, and a description of how each hazard is expected to affect SCV Water's service and/or service area. The expected effects of each hazard are predicted using observed hazards in SCV Water's service area, the hazards identified on the FEMA website, and the FEMA software program known as HAZUS. HAZUS contains models of natural disasters and the effects the disasters can have on a region. The subsequent sections provide the results of the probability, impact, and priority ranking of each notable hazard as well as general information on the hazard.

The below sections provide information for all the hazards affecting the agency as identified by the Planning Team within its boundaries.

4.3.1. Earthquakes

Probability: (75-100%)
Impact: Catastrophic
Priority: Highly Likely

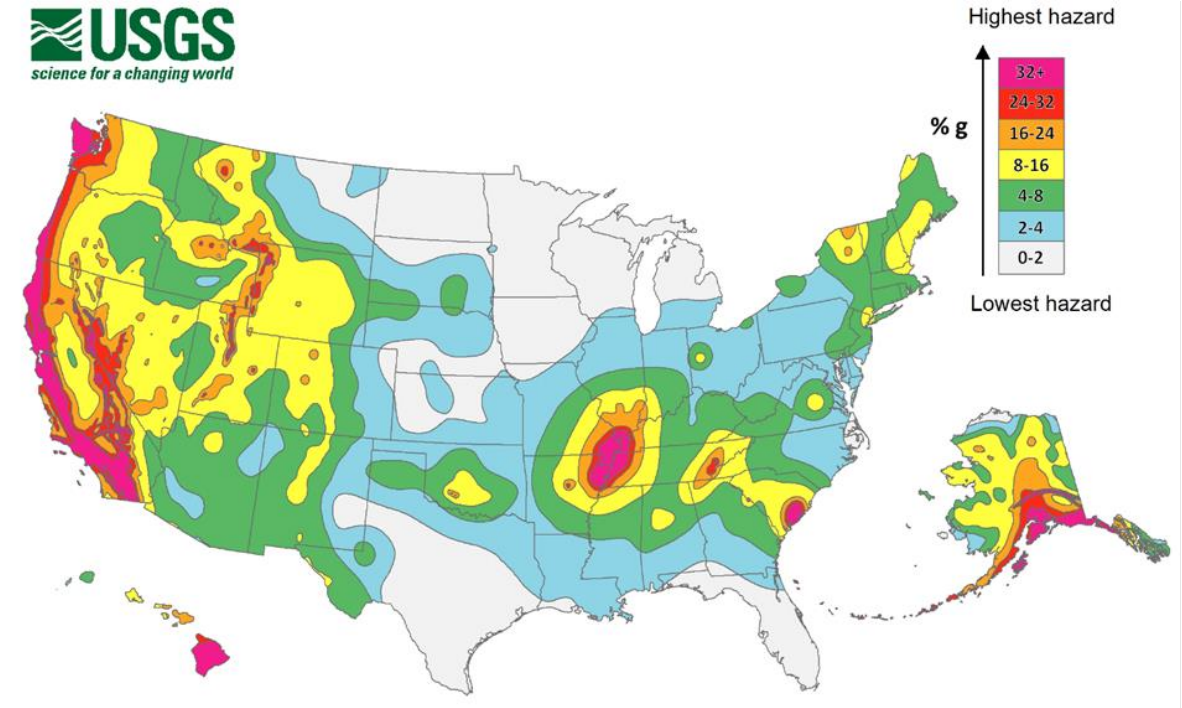
General Definition: An earthquake is defined as a sudden, rapid shaking of the earth caused by the breaking and shifting of rock beneath the earth's surface. For hundreds of millions of years, the forces of plate tectonics have shaped the earth's surface. As the plates move slowly over, under, and past each other, mountains, valleys, and all other geological formations are created. Usually, the movement is gradual; however, increased movement occurs when the plates become locked together for long periods of time and are unable to release the accumulating energy. When the accumulated energy grows strong enough, the plates break free causing the ground to shake. Most earthquakes occur at the boundaries where plates meet; however, some earthquakes occur in the middle of plates.

Ground shaking from earthquakes can cause liquefaction, landslides, fires, tsunamis, utility pipeline failures, dam failures, collapse of buildings and bridges, disruption of utilities (gas, electric, water, and phone services). Buildings with foundations resting on unconsolidated fill material and other unstable soil, as well as homes not tied to their foundations, are at risk because they can be shaken off their mountings even during a mild earthquake. When an earthquake occurs in a populated area, it may cause deaths, injuries, and/or extensive property damage to the local population.

Earthquakes strike suddenly at any given time of year and without warning. On a yearly basis, 70 to 75 damaging earthquakes occur throughout the world. Estimated of losses from a 7.8 magnitude earthquake in the southern section of the San Andreas Fault System (located in the regional area near Los Angeles County) could easily reach $200 billion in damages. This information was gathered from the California Great ShakeOut United States Geological Survey (USGS) scenario.

Earthquakes pose a moderate to very high risk for 45 states and territories in the United States of America, and can occur in every region of the Country. Of the 45 states and territories, California experiences the most frequent damaging earthquakes. However, Alaska experiences the greatest number of large earthquakes, most located in uninhabited areas. The nearby southern section of the San Andreas Fault is ranked in the top five (5) most likely faults to cause major damage in the United States by USGS.

FIGURE 4. United States Earthquake Hazard Map



The greatest earthquake threat in the United States is along tectonic plate boundaries and seismic fault lines located in the central and western states. A new earthquake rupture forecast for California was developed by the 2007 Working Group on California Earthquake Probabilities (WGCEP 2007). The Earthquake Working Group was organized in September 2005 by the USGS, the California Geological Survey (CGS), and the Southern California Earthquake Center (SCEC) to better understand the locations of faults in California. The group produced a revised, time-independent forecast for the National Seismic Hazard Map for California.

Description: Several earthquake faults run through or in close proximity to SCV Water's boundaries; however, the San Fernando Fault and San Andreas Fault lines are the most known.

The San Fernando Fault runs though SCV Water's service area on an east-west trajectory. This fault can generate a maximum moment magnitude of 6.7 approximately every 200 years.

The San Andreas Fault is located approximately 16 miles northeast of SCV Water's service area along a north-south trajectory and is the dominant active fault in California. There have been numerous historic earthquakes along the San Andreas Fault. This fault can produce a moment magnitude of 8-8.5 magnitude. Geologists estimate the recurrence interval of a major quake along this fault to be 130-140 years.

The San Gabriel Fault Zone is primarily right-lateral strike-slip with an estimated magnitude of 7.2 and approximately 140 km long. Reoccurrence intervals for this fault is not known.

The Holser Fault trends along the northern border of the Santa Clarita River Valley. This fault is

an east-west trending fault that dips to the North. It is capable of generating a maximum moment magnitude of 6.5. The interval between major ruptures on this fault is uncertain.

While there have been many earthquakes in and around SCV Water, there has not been a major earthquake in many years. In an event that there is an earthquake from multiple faults it would disrupt SCV Water's water service infrastructure.

FIGURE 5. Santa Clarita Valley Water Agency Fault Map

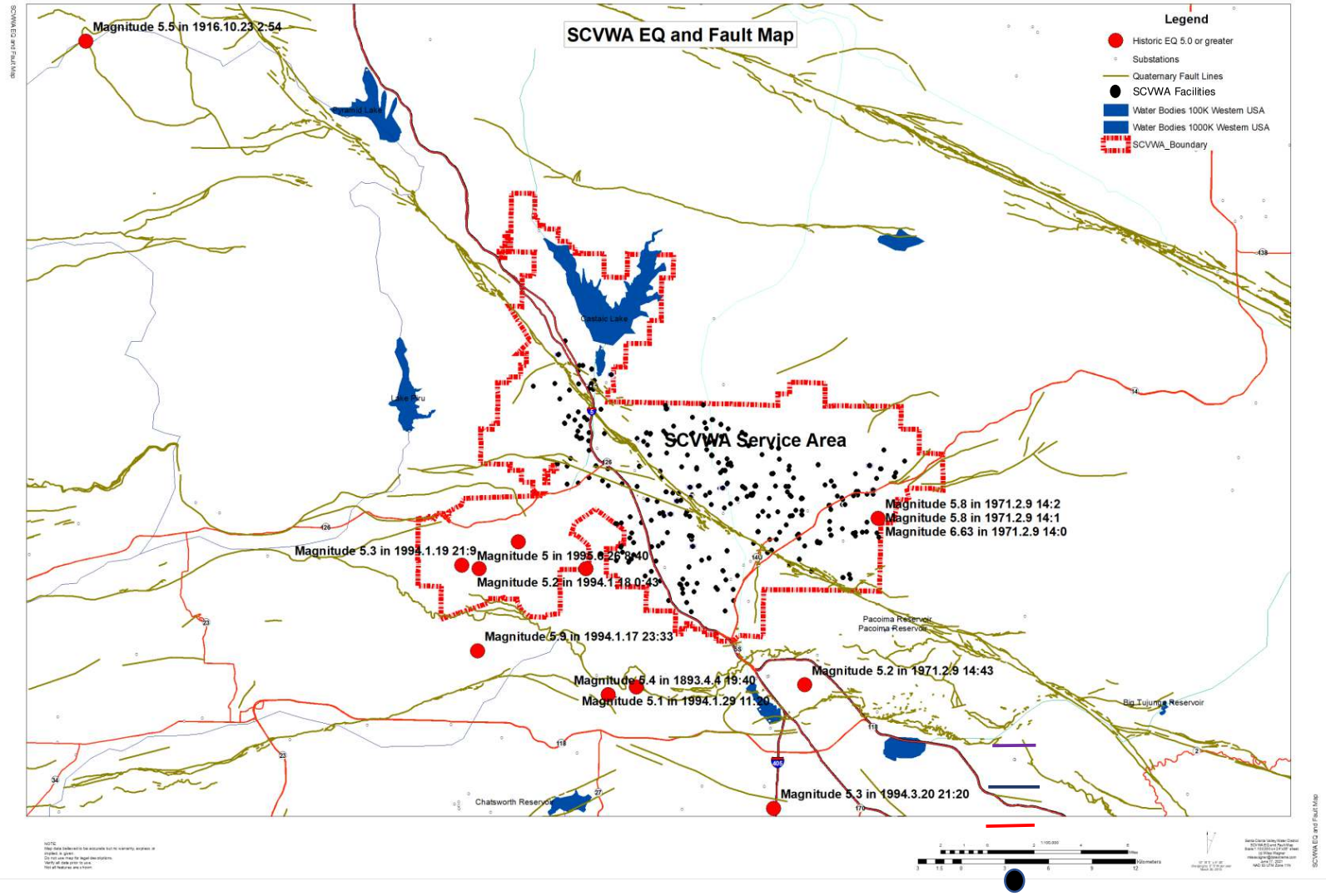


FIGURE 6. Santa Clarita Valley Water Agency, USGS ShakeOut Map

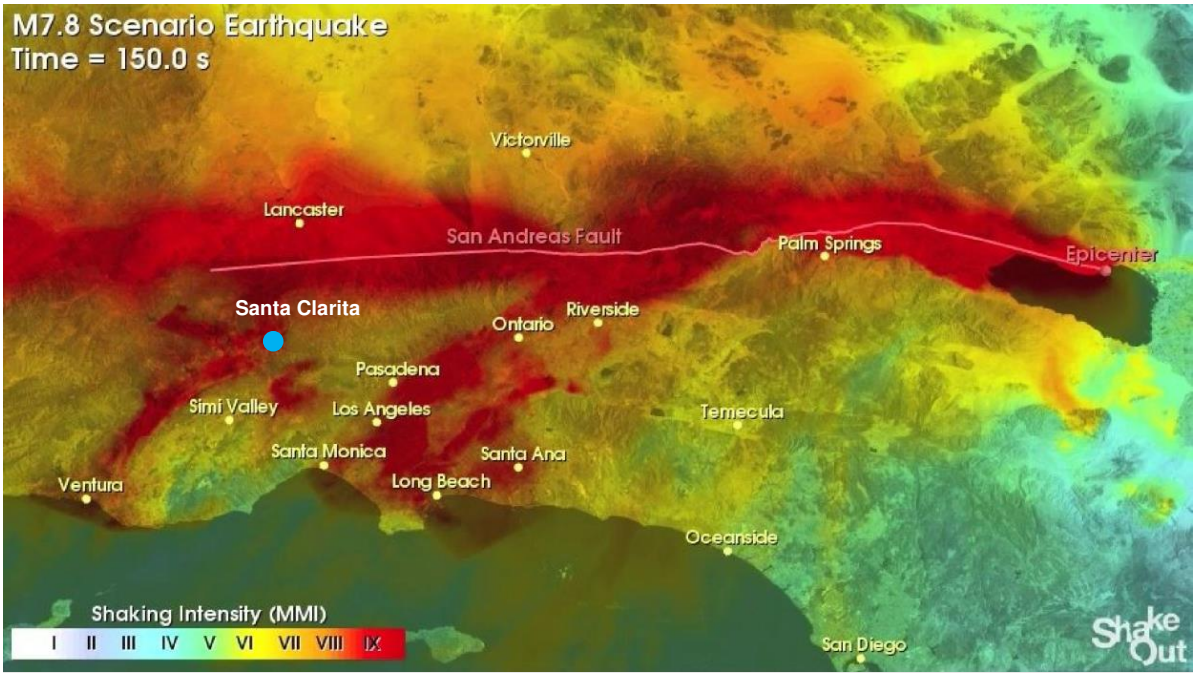


FIGURE 7. USGS Modified Mercalli Intensity Scale

Intensity	Shaking	Description/Damage
I	Not felt	Not felt except by a very few under especially favorable conditions.
II	Weak	Felt only by a few persons at rest,especially on upper floors of buildings.
III	Weak	Felt quite noticeably by persons indoors, especially on upper floors of buildings. Many people do not recognize it as an earthquake. Standing motor cars may rock slightly. Vibrations similar to the passing of a truck. Duration estimated.
IV	Light	Felt indoors by many, outdoors by few during the day. At night, some awakened. Dishes, windows, doors disturbed; walls make cracking sound. Sensation like heavy truck striking building. Standing motor cars rocked noticeably.
V	Moderate	Felt by nearly everyone; many awakened. Some dishes, windows broken. Unstable objects overturned. Pendulum clocks may stop.
VI	Strong	Felt by all, many frightened. Some heavy furniture moved; a few instances of fallen plaster. Damage slight.
VII	Very strong	Damage negligible in buildings of good design and construction; slight to moderate in well-built ordinary structures; considerable damage in poorly built or badly designed structures; some chimneys broken.
VIII	Severe	Damage slight in specially designed structures; considerable damage in ordinary substantial buildings with partial collapse. Damage great in poorly built structures. Fall of chimneys, factory stacks, columns, monuments, walls. Heavy furniture overturned.
IX	Violent	Damage considerable in specially designed structures; well-designed frame structures thrown out of plumb. Damage great in substantial buildings, with partial collapse. Buildings shifted off foundations.
X	Extreme	Some well-built wooden structures destroyed; most masonry and frame structures destroyed with foundations. Rails bent.

TABLE 11. Significant Southern California Earthquakes

Date	Area	Location	Mag	MI	Total damage / notes
4/5/2019	Kern/SB	Ridgecrest/Trona	7.1 M_w	VI	Unknown
7/4/2019	Kern/SB	Ridgecrest	6.72M_w	VIII	Limited
7/29/2008	Los Angeles Area	Chino Hills Earthquake	5.5 M_w	VI	Limited
10/16/1999	Eastern	Hector Mine Earthquake	7.1 M_w	VII	Limited
*1/17/1994	Los Angeles Area	Northridge Earthquake	6.7 M_w	IX	$13–$40 billion
6/28/1992	Inland Empire	Big Bear Earthquake	6.5 M_w	VIII	Moderate/Triggered
6/28/1992	Inland Empire	Landers Earthquake	7.3 M_w	IX	$92 million
4/22/1992	Inland Empire	Corona	6.3 M_w	VII	Light–moderate
6/28/1991	Los Angeles Area	Sierra Madre Earthquake	5.6 M_w	VII	$33.5–40 million
2/28/1990	Los Angeles Area	Upland Earthquake	5.7 M_w	VII	$12.7 million
11/24/1987	Imperial Valley		6.5 M_w	VII	Triggered
11/23/1987	Imperial Valley		6.1 M_w	VI	$3 million
10/1/1987	Los Angeles Area	Whittier Narrows Earthquake	5.9 M_w	VIII	$213–358 million
7/21/1986	Eastern	Chalfant Valley Earthquake	6.2 M_w	VI	$2.7 million / sequence
7/13/1986	South Coast		5.8 M_w	VI	$700,000
7/8/1986	Inland Empire	North Palm Springs Earthquake	6.0 M_w	VII	$4.5–6 million
4/26/1981	Imperial Valley	Calexico	5.9 M_w	VII	$1–3 million
5/25/1980	Eastern	Salton Sea	6.2 M_w	VII	$1.5 million/Swarm

*Events with an asterisk indicate a direct effect on SCV Water.

The General Manager of the Valencia Water Company (now part of SCV Water) published an

abstract titled: “Northridge Earthquake: A Review of the Performance of Various Water Main and Service Line Materials”. This paper notes that “the Northridge earthquake dewatered the Valencia water system in 30 minutes from three water storage tank failures and hundreds of water main and service line breaks.” Three other water storage tanks had significant but repairable damage. The earthquake disabled electricity and phone communications, which rendered the Supervisory Control and Data Acquisition (SCADA) system non-functional. Most of the significant ‘above-ground’ issues were identified within a matter of hours such as destroyed water storage tanks or collapsed walls at well sites. Some indications of underground pipeline failures were obvious because of cavities in water storage tank access roads or public roadways while other below-ground failures were less obvious. Electrical service was restored to portions of the service area within 12 hours with all electrical service restored in 24 hours. At that point the task of evaluating the condition of the pumping equipment (wells and booster stations) began. Fortunately, most of these facilities were operable, suffering from only minor damage such as wall failure or piping breaks within the facilities.

The majority of the pipeline breaks were experienced by asbestos-cement pipe. These breaks were generally beam breaks or collar breaks. While there are less steel or ductile iron pipe in the system, there were a number of failures with these types of materials as well. Steel pipe failed at weld-joints at angle points but also on straight runs. Several instances of ductile iron failure appeared to be caused by the pipes separating at the joints (push-on type fittings). Connections on bridges oftentimes failed at the abutments.

Service lateral failures typically occurred at the connection point with the mainline or at the meter box location. Both PVC and PE laterals performed similarly, with most breaks at the connection points. Within four days of the earthquake, Valencia had restored service to 75% of its customers. Progress continued but the remaining customers out of service were not fully back in service until 13 days after the earthquake. The boil-water notice was lifted a week after water services were restored, which was 19 days after the earthquake itself. Though service was restored, repairs would continue for 1 ½ to 2 years after the earthquake. Due to the necessity of returning service to customers as quickly as possible, some repairs were made without the proper materials or coating systems. These would need to be repaired again in the future in the event of a significant earthquake. Also, the destruction of three water storage tanks and damage to three other tanks required some temporary connections between zones to allow for the repairs and reconstruction of the tanks. These temporary inter-connections would need to be removed once the tanks had been repaired and replaced.

Impact Statement: A significant earthquake could have a devastating impact on SCV Water and its assets. Shaking during earthquakes can cause structural failures, while ground displacement and liquefaction can cause infrastructure to sink, sag, float, rupture, or sever completely. Access to all assets may be impeded if the access roads are damaged and impassable. An extended loss of power or widespread damage to a system could impair SCV Water’s ability to provide service, especially if generators are compromised. This could, in turn, lead to not only a loss service but also a loss of revenue during a time when costly repairs are required. Fires following earthquakes are also a significant concern and could affect operations. A severe earthquake would have direct impacts to SCV Water personnel as well, which would impede the ability of essential personnel to report for duty and may further hinder operations.

Domestic Water Assets

Ground shaking, displacement, and liquefaction may cause structural failure of steel reservoirs (e.g., elephant foot buckling), as demonstrated by the Landers Earthquake. Water treatment plants and wells could also fail due to severe shaking or when the ground beneath them becomes displaced.

Breaks in piping (water mains, laterals) can not only cause physical damage to pipes but can also cause loss of pressure needed to keep a water system functioning. Figure 8 below shows how different types of ground displacement can sever pipes. Cast iron pipes have the highest susceptibility to breaking during earthquake events. Asbestos cement pipes have moderate to high susceptibility to breaking and are particularly vulnerable to liquefaction. Pipes are most prone to breaking at connections to above-ground structures, such as reservoirs, treatment plants, or booster stations. To mitigate this vulnerability, SCV Water has installed flexible pipe fittings where many pipes meet these types of structures.

FIGURE 8. How Ground Displacement Can Sever Pipes

Liquefaction may cause buried domestic water pipes to sink, affecting gravity-fed systems. Once liquefied soils re-solidify after an earthquake, they would need to be uncovered and repaired. Lateral spreading may damage wells and percolation ponds.

SCV Water could experience a loss of water from damaged systems. SCV Water has installed earthquake shutoff valves that will automatically stop water from being released from its reservoirs if seismic shaking above a magnitude 5.0 is detected to help mitigate potential water loss at reservoirs.

Irrigation assets similar to water pipelines, ground shaking, displacement, and liquefaction may cause irrigation canals and laterals to crack, sever and otherwise fail.

Earthquakes may also trigger landslides that can damage utility service lines. The size of a landslide usually depends on the geology, moisture content, and the nature of the underlying materials and hillside conditions. Areas where landslides have occurred before or areas that have been altered for construction of buildings and roads and steep slopes are more susceptible to experiencing landslides.

As a result of the magnitude 6.7 Northridge, California, earthquake, more than 11,000 landslides occurred over an area of 10,000 square kilometers. Most were in the Santa Susana Mountains and in mountains north of the Santa Clara River Valley. The earthquake destroyed dozens of homes, blocked roads, and damaged oil-field infrastructure.

Building Facilities
Shaking, ground displacement, and liquefaction have the potential to cause structural failure to buildings, including the office buildings at SCV Water's administrative locations. Less catastrophic events may cause unanchored furniture and items on shelves to fall. If an event were to occur during working hours, failure may result in employee and customer deaths and injuries. Further, crews out in the field may also be subject to injury or death.

Energy Storage and Power Failure
An adequate supply of energy is critical for SCV Water to maintain its daily processes and functions. Power failures occur when the reliable, uninterrupted supply of energy to all or part of service area is disrupted, causing detriment to the SCV Water's ability to provide service.

In summary, the SCV Water service area, inclusive of all current and future assets (infrastructure, buildings, critical facilities, and population), are considered at-risk to earthquake events.

4.3.2. Wildfires

Probability: (50-75%)
Impact: Limited
Priority: Likely

General Definition: A wildfire is any fire occurring in a wildland area (i.e. grassland, forest, brush land) except for fire under prescription or a "controlled burn" fire, undertaken by land management agencies. For reference, controlled burn is the process of igniting fires under selected conditions, in accordance with strict parameters, in order to reduce the impact of a wildfire. Wildfires are natural events that contribute to the natural management of wildland ecosystems; however, wildfire may also be caused by human activity. Nationally, more than 80 percent of wildfires are started by negligent human behavior such as smoking in wooded areas or improperly extinguishing campfires. The second most common cause for wildfire is lightning. Other common causes of wildfires are downed utility poles or power lines.

There are three classes of wildland fires: surface fire, ground fire, and crown fire. A surface fire is the most common of these three classes and burns along the floor of a wildland area, moving slowly and killing or damaging trees and plants. A ground fire (muck fire) is usually started by lightning or human carelessness and burns on or below the forest floor. Crown fires spread rapidly by wind and move by jumping along the tops of trees. Wildland fires are usually signaled by dense smoke that fills the area for miles around.

Wildfire probability depends on local weather conditions, outdoor activities such as camping, debris burning, and construction, and the degree of public cooperation with fire prevention measures. Drought conditions and other natural hazards (such as tornadoes, severe winds, etc.) increase the probability of wildfires by producing fuel in both urban and rural settings. Cyclical climate events, such as El Niño-La Niña events, can also have a dramatic effect on the risk of wildfires. Fewer fires are typically seen during El Niño (when more rain is present) and larger, more frequent fires are typical during La Niña events.

California is highly susceptible to wildfires, especially during the fall and summer months. Southern California experiences Santa Ana winds that develop mostly in the late summer and fall seasons. These winds are known for their high speeds and drying effect, which turn the natural grasses brown and dry. These winds are also capable of causing downed power lines that can start fires in the mountains and hills. The fires are driven by the high winds and can become large events that destroy enormous areas, including towns and cities, leading to loss of life and millions of dollars in property damage. In the jurisdictional boundaries, brush fires are known to jump from place to place due to patches of dry vegetation and winds. The fires that burned in and around the Santa Clarita Valley in October of 2003 were made far more dangerous by Santa Ana winds that continually changed directions and enabled the fire to spread extremely quickly. Eventually the fire threatened thousands of homes in the western Santa Clarita Valley before firefighters gained control of and extinguished the blaze.

Description: Local wildfires are a significant concern to SCV Water because the service area is arid and surrounded by a mountainous terrain that influences the air movement. For example, canyons can funnel air and act as chimneys, which can intensify fire and cause it to spread faster. From an urban setting perspective, another influential factor is the presence of diverse fuels in the landscape, such as natural vegetation, manmade structures, and combustible materials. In addition, weather patterns combined with certain geographic locations can create a favorable climate for wildfire activity. Areas where annual precipitation is less than 30 inches per year are extremely fire susceptible. Recent concerns about the effects of climate change, particularly drought, contribute to concerns about wildfire vulnerability. Unusually dry winters, or significantly less rainfall than normal, can lead to relatively drier conditions and leave reservoirs and water tables lower, thereby reducing the amount of water available to fight wildfires. Prolonged drought leads to problems with irrigation and may contribute to additional fires, or additional difficulties in fighting fires.

The largest fire in the area has been the Powerhouse Fire that began on May 20, 2013, and lasted for 10 days before it was contained. This fire burned over 30,000 acres, resulted in 10 injuries and destroyed 58 structures. Several lawsuits were subsequently filed alleging that the Los Angeles County of Department of Water and Power (LACDWP) was responsible for the fire because of poor equipment maintenance and power lines near the DWP Powerhouse No. 1 power plant off San Francisquito Canyon Road.

SCV Water has facilities within the FEMA fire zone, which would be adversely affected by a large, uncontrolled, wind-driven fire in mountainous areas that could easily spread throughout SCV Water's territory. SCV Water is also concerned about the impact wildfires can have on electrical outages thus limiting water operations and services during a wildfire event.

FIGURE 9. SCV Water Fire

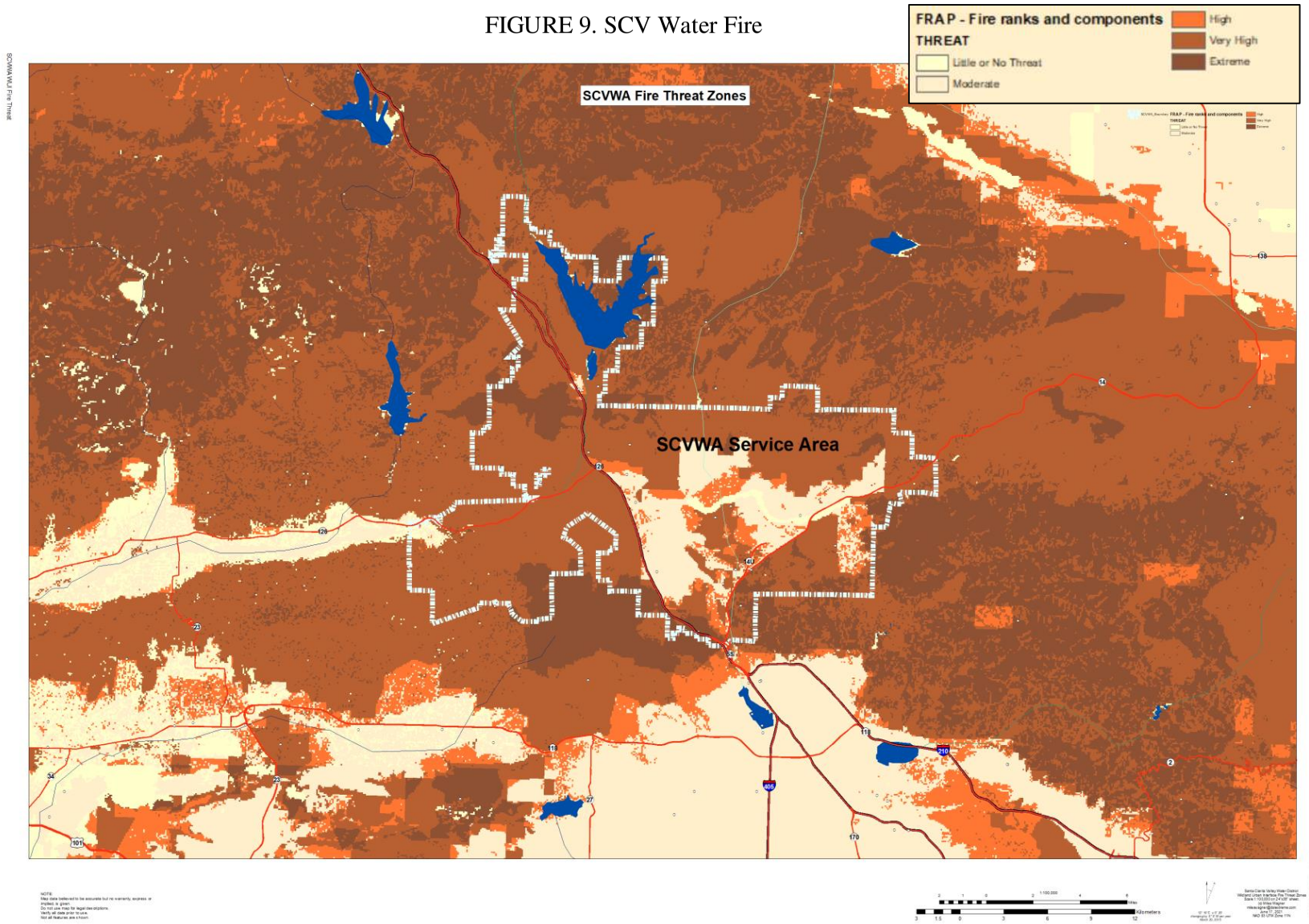


Figure 9 above shows that 80-90 percent of SCV Water's territory is located in a Very High to Extreme fire threat area.

TABLE 12. Santa Clarita Wildfires

Fire Name	Date	Acres Burned
North Fire	April 2021	650
Soledad Fire	July 2020	1,525
Castaic Fire	August 2020	178
Tick Fire	October 2019	4,615
Stone Fire	June 2018	1,352
Charlie Fire	August 2018	3,380
Rye Fire	December 2017	6,049
Castaic Fire	August 2017	30
Lake Fire	June 2016	800
Sage Fire	July 2016	1,109
Calgrove Fire	June 2015	415
Powerhouse Fire	May 2013	30,274
Lake Fire	May 2013	712
Magic Fire	May 2013	149

Impact Statement: Wildfire events have the potential to cause a variety of impacts to SCV Water and its assets. Wildfires could directly damage above-ground assets that are burned or melted by fires. In addition, wildfires have the potential to cause damage to underground pipes in domestic water systems, as demonstrated in Santa Rosa, CA, where heat from a wildfire melted underground pipes, causing benzene to leach into the water supply. Wildfires may also impede access to assets that need maintenance or repair which could pose life safety threats to SCV Water employees trying to access those assets. SCV Water will also need to supply water for fighting wildfires, which could affect available supply.

In addition, wildfires can also have indirect, or cascading, hazards to SCV Water. For example, wildfires can cause power outages if utility lines are damaged or downed. Once the wildfire has burned through an area and destroyed the natural vegetation, the burned areas are much more susceptible to landslides, as demonstrated by the 2018 mudflows in Montecito, CA. Further, large wildfires may have devasting impacts to agricultural and/or tourism industries, which would have widespread economic impacts throughout the area.

Of note, many individual homes and cabins, subdivisions, resorts, recreational areas, organizational camps, businesses, industries, and the water infrastructure serving those areas are located within high wildfire hazard areas. This results in the need to build infrastructure in wildfire hazard areas.

A power outage has the potential to disrupt services provided in the service area. SCV Water relies on an adequate energy source to power many of its assets, including booster stations, lift stations, reclamation plants, water treatment plants, and any other asset that requires an electrical

component. SCV Water has back-up power supplies located at a number of its critical assets to minimize the impacts of power outages. However, long term outages may exceed fuel required to power back-up generators. This could compromise nearly all services including domestic water delivery, water treatment, and irrigation. Administrative buildings also require an energy source and disruptions could compromise operations, billing, and communications. A loss of power resulting in the inability of SCV Water to provide essential services could have direct impacts in terms of revenue loss and reputational impacts, in addition to far-reaching community impacts.

In summary, the entire service area, inclusive of all current and future assets (infrastructure, buildings, critical facilities, and population), are considered at-risk to wildfire events. All current and future above-ground assets, drinking water systems, and populations (e.g., employees) are considered to be most at-risk to wildfire.

4.3.3. Climate Change Induced Drought

Probability: (50-75%)
Impact: Critical
Priority: Likely

General Definition: A drought is a period of below-average precipitation in a given region resulting in prolonged shortages in surface water and groundwater. Droughts are often associated with climatic factors such as high temperatures, high wind, and low relative humidity. Drought occurs in virtually all climatic zones, varying significantly from one region to another. Droughts occur when there are long periods of inadequate rainfall. The cycle of droughts and wet periods are often part of the El Niño and La Niña weather cycles.

The severity of a drought depends on the degree of moisture deficiency, the duration, and the size and location of the affected area. It is generally difficult to pinpoint the beginning and the end of a drought. In California, a few dry months do not typically constitute a drought. Because the impacts of a drought accumulate slowly at first, one may not be able to recognize a drought until it has become well established. Even during a drought there may be one or two months with above average precipitation totals. However, these wet months do not necessarily signal the end of a drought and generally do not have a major impact on moisture deficits. Droughts can persist for several years before regional climate conditions return to normal. While drought conditions can occur at any time throughout the year, the most apparent time is during the summer months.

Research supports that climate change will have significant impacts on drought frequency and intensity depending on the region. Higher temperatures lead to increased evaporation rates, including increasing loss of moisture in plant leaves (creating fuel for wildfires as discussed previously). Even in regions where precipitation does not decrease, increases in surface evaporation will lead to more rapid drying of soil if not offset by other changing factors, such as reduced wind speed or increased humidity. As soil dries, a larger proportion of the sun's incoming heat will go toward heating soil and adjacent air rather than evaporating moisture, resulting in hotter temperatures and drier conditions.

Measuring Droughts: The United States has several quantitative methods for measuring drought. The U.S. Drought Monitor is a relatively new index that combines quantitative measures with input from experts in the field.

U.S. Drought Monitor

The U.S. Drought Monitor is designed to provide the general public, media, government officials, and others with an easily understandable overview of weekly drought conditions by region, state, or county, throughout the United States. The U.S. Drought Monitor is unique because it assesses multiple numeric measures of drought, including the PDSI and three other indices, as well as the interpretations of experts to create a weekly map depicting drought conditions across the United States. As shown below, the U.S. Drought Monitor uses five drought intensity categories, D0 through D4, to identify areas of drought.

TABLE 13. U.S. Drought Monitor Categories of Drought

D0	**Abnormally Dry**	Going into drought: short-term dryness slowing planting, growth of crops or pastures. Coming out of drought: some lingering water deficits; pastures or crops not fully recovered
D1	**Moderate Drought**	Some damage to crops, pastures; streams, reservoirs, or wells low, some water shortages developing or imminent; voluntary water-use restrictions requested
D2	**Severe Drought**	Crop or pasture losses likely; water shortages common; water restrictions imposed
D3	**Extreme Drought**	Major crop/pasture losses; widespread water shortages or restrictions
D4	**Exceptional Drought**	Exceptional and widespread crop/pasture losses; shortages of water in reservoirs, streams, and wells creating water emergencies

A drought is a regional event that is not confined to geographic or political boundaries; it can affect several areas at once. It can also range in severity across those areas.

Drought is now one of the main concerns in California, as the State has been in a drought period for the last eight years. Northern California experienced some relief in the winter of 2016; however, the El Niño effect that was expected to relieve the statewide drought did not materialize in Southern California. The lack of rain and, most importantly, the lack of snowfall in the Sierra Nevada Mountain range severely affected most residents of California. The SCV Water service area is at risk for drought occurrence and impacts.

Description: SCV Water's water supply comes from four main sources, including: imported water, groundwater, recycled water and water banking (storage). In 2020, SCV Water's water supply was distributed between; groundwater (26.0% of annual supply), recycled water (0.7% of annual supply), imported water (39.0% of annual supply), and water banking (34.3% of annual supply). SCV Water's groundwater supply is obtained sustainably from local aquifers. SCV Water's recycled water is developed by treating used water within SCV Water's service area. SCV Water's imported water supply is sourced from the State Water Project (SWP) which

imports surface water from the San Francisco Bay-Delta (the Delta). Lastly, SCV Water maintains water banking (storage) programs which makes water available for use in times of need, such as during a drought or emergency.

Climate change can be expected to increase drought frequency and severity in the SCV Water's service area. Warmer temperatures cause drought conditions by reducing soil moisture. Additionally, increased evapotranspiration and reduced snowpack projected with warmer temperatures is expected to result is reduced flows to the SWP that SCV Water relies on.

The National Integrated Drought Information System (NIDIS) is a tool that measures the drought-related risks in certain areas of the U.S. Figures 10, 11, and 12 below shows that Los Angeles County (as with most of California), despite the high levels of precipitation in 2020, is currently in the midst of another severe drought.

The maps below are taken from https://droughtmonitor.unl.edu/Maps/MapArchive.aspx and show the drought differences in the period between 2011, 2016, and 2021, which vary drastically from each monitor recording.

FIGURE 10. August 16, 2011 California Drought Monitor

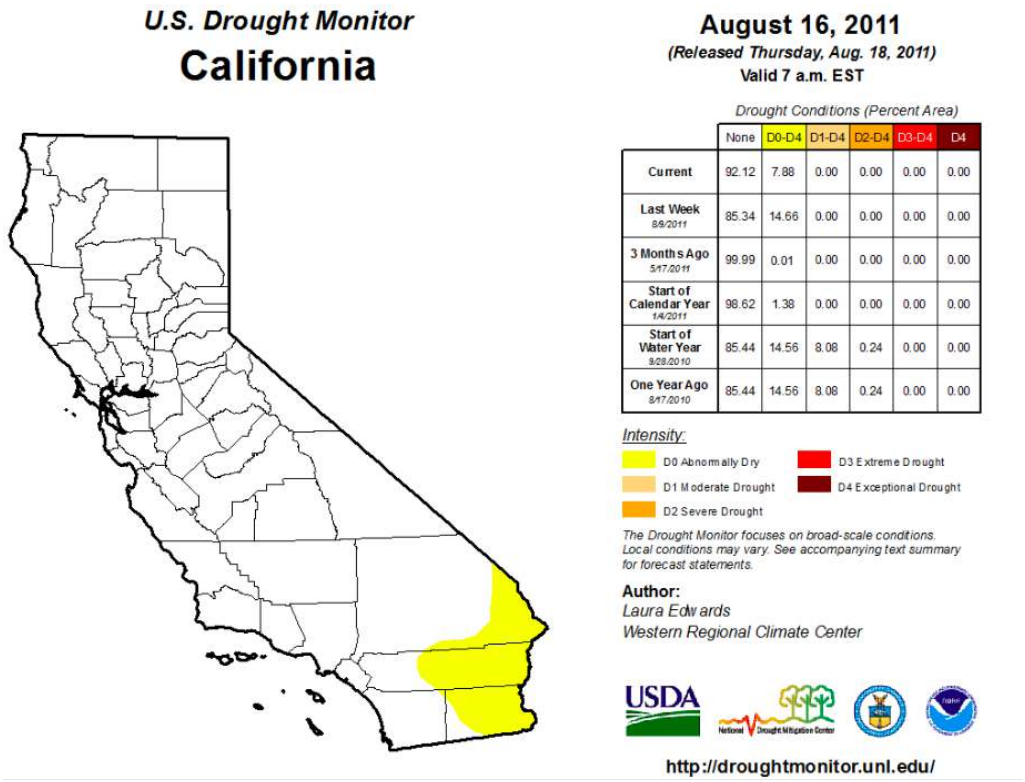


FIGURE 11. August 16, 2016 California Drought Monitor

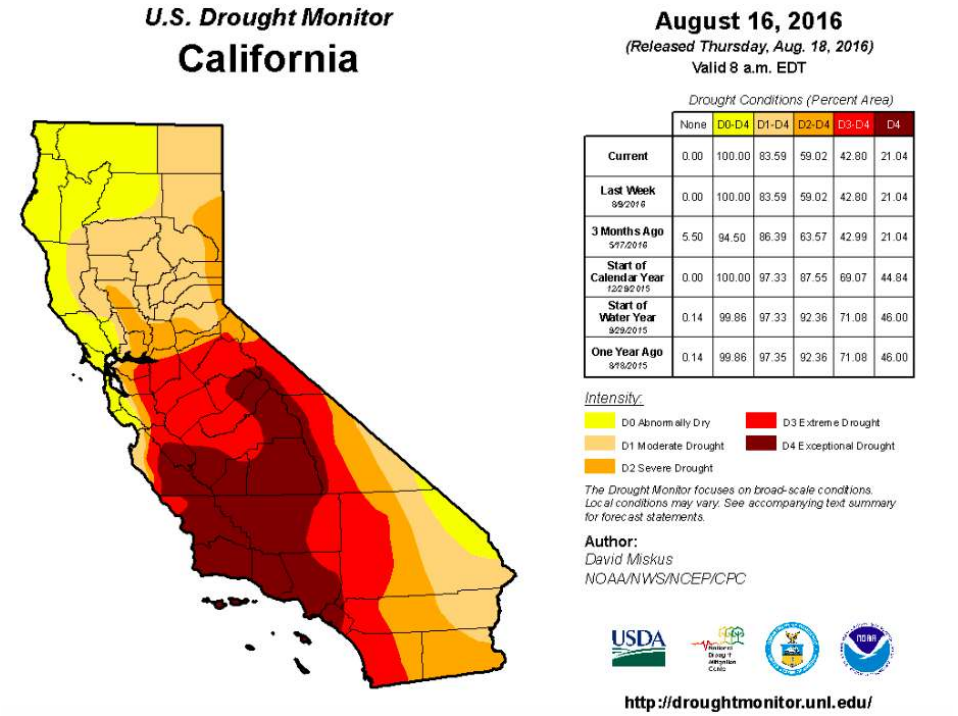


FIGURE 12. August 17, 2021 California Drought Monitor

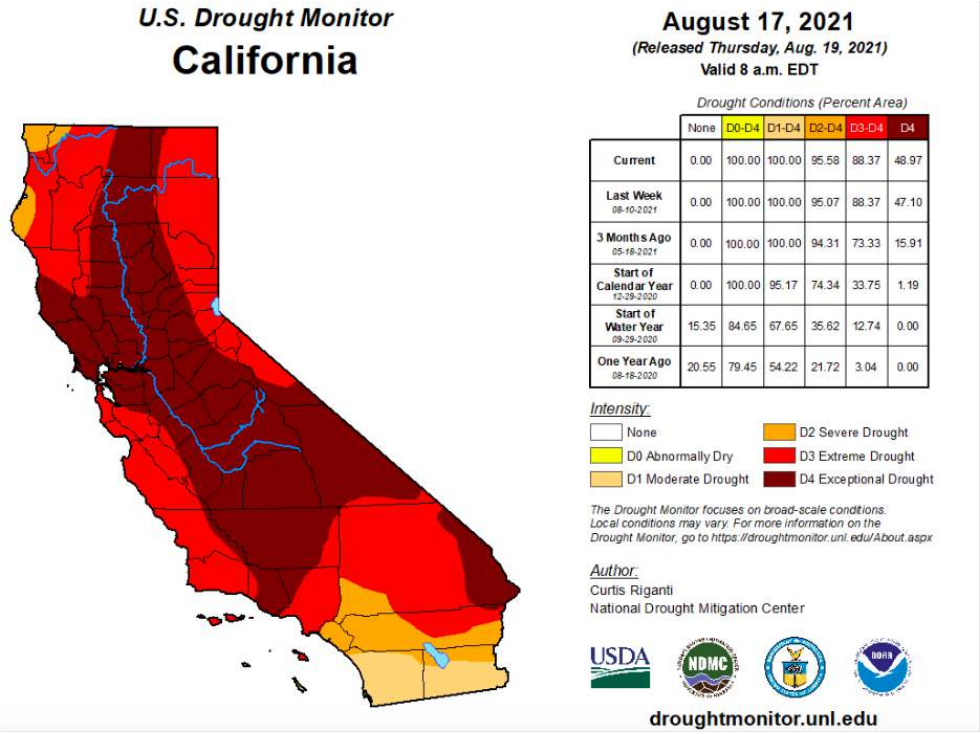


TABLE 14. California Drought History (extracted from USGS, California Drought History)

Year	Drought History
2021 - Present	The state of California is currently in the midst of another major drought as per the U.S. Drought Monitor. The effects and severity of this drought is too early to tell since it is ongoing.
2011-2017	From December 2011 to March 2017, the state of California experienced one of the worst droughts to occur in the region on record. The period between late 2011 and 2014 was the driest in California history since record keeping began.
2007–2009	2007–2009 saw three years of drought conditions, the 12th worst drought period in the state's history, and the first drought for which a statewide proclamation of emergency was issued. The drought of 2007–2009 also saw greatly reduced water diversions from the State Water Project. The summer of 2007 saw some of the worst wildfires in Southern California history.
1986–1992	California endured one of its longest droughts ever observed from late 1986 through early 1992. Drought worsened in 1988 as much of the United States also suffered from severe drought. In California, the six-year drought ended in late 1992 as a significant El Niño event in the Pacific Ocean (and the eruption of Mount Pinatubo in June 1991) most likely caused unusual persistent heavy rains.
1976–1977	1977 had been the driest year in state history to date. According to the Los Angeles Times, “Drought in the 1970s spurred efforts at urban conservation and the state’s Drought Emergency Water Bank came out of drought in the 1980s.”
1950s	The 1950s drought contributed to the creation of the State Water Project.
1929–1934	This drought was during the infamous Dust Bowl period that ripped across the plains of the United States in the 1920s and 1930s. The Central Valley Project was started in the 1930s in response to drought.
1924	This drought encouraged farmers to start using irrigation more regularly because of the fluctuation in California weather the need for consistent water availability was crucial for farmers.
1864	This drought was preceded by the torrential floods of 1861-1862, showing the fluctuation in climate back in the 1800s.
1841	The drought was so bad that “a dry Sonoma was declared entirely unsuitable for agriculture”

Progression of the drought from December 2013 to July 2014 (extracted from USGS, California Drought History)

The period between late 2011 and 2014 was the driest in California history since record keeping began. In May 2015, a state resident poll conducted by Field Poll found that two out of three respondents agreed that it should be mandated for water agencies to reduce water consumption by 25%.

The 2015 prediction of El Niño raised hopes of bringing rains to California to end the drought. In the spring of 2015, NOAA named the probability of the presence of El Niño conditions until the end of 2015 at 80%. Historically, 16 winters between 1951 and 2015 had created El Niño. Six of those had below-average rainfall, five had average rainfall, and five had above-average rainfall. However, as of May 2015, drought conditions had worsened, and above-average ocean temperatures had not resulted in large storms. The drought led to Governor Jerry Brown instituting mandatory 25% water use reductions in June 2015.

Approximately 102 million trees in California died from the 2011–2016 drought, of which, 62 million died in 2016 alone. By the end of 2016, 30 percent of California had emerged from the drought, mainly in the northern half of the state, while 40 percent of the state remained in the extreme or exceptional drought levels. Heavy rains in January 2017 were expected to have a significant benefit to the State's northern water reserves, despite widespread power outages and erosional damage in the wake of the deluge. The winter of 2016–17 turned out to be the wettest on record in Northern California, surpassing the previous record set in 1982–83. Governor Brown declared an official end to the drought on April 7, 2017.

Drought affects all of Los Angeles County including SCV Water. Consumers in the SCV Water service area have been affected during droughts and are asked to conserve water in extreme drought conditions.

Impact Statement: Water is also needed to manage structural fires and wildfires. A lack of, or limited, water supply presents wildfire management vulnerability. Substantial water is needed to fight wildfires, which are also more frequent in dry conditions. While water for firefighting is a priority and no restrictions are in place, a lack of availability could slow this capability.

The majority of drought impacts are societal impacts. A drought's impacts on society, and thus the SCV Water's service area, result from the interplay between a natural event and the demand people place on water supply. SCV Water is in charge of supplying potable and recycled water within its service area; therefore, SCV Water would be greatly affected, both fiscally and politically, if it was unable to provide a reliable water supply because of drought conditions. Economically, water restrictions imposed during drought periods could result in lost revenue for SCV Water.

To ensure adequate water supplies, SCV Water employs a portfolio approach to its water resources strategy and prepares a Water Shortage Contingency Plan. This plan is required by the state of California and will help improve water conservation and water shortage planning, especially during a drought or catastrophic event.

4.3.4. Flooding

Probability: (25-50%)
Impact: Limited
Priority: Somewhat Likely

General Definition: A flood is defined as an unusually heavy rain in a concentrated area, over a short or long period of time that collects on the ground in low areas of the land. Flooding occurs when there are large amounts of rainfall in areas where the water runs off to lower elevations.

Flooding is a very frequent, dangerous, and costly hazard. Globally, it accounts for 40 percent of all natural disasters and results in an average of more than 6,500 deaths annually. In the U.S., flooding results in an average of 86 deaths annually. Nearly 90 percent of all presidential disaster declarations result from natural events where flooding was a major component. On average,

flooding causes more than $2 billion in property damage each year in the United States. Floods cause utility damage and outages, infrastructure damage, structural damage to buildings, crop loss, decreased land values and impeded travel.

Flooding is the most common environmental hazard, due to the widespread geographical distribution of valleys and coastal areas. The severity of a flooding event is typically determined by a combination of several major factors including: stream and river basin topography and physiography; precipitation and weather patterns; recent soil moisture conditions; and the degree of vegetative clearing and impervious surface. Flooding events can be brought on by severe (heavy) rain. The types of floods impacting the SCV Water's service area is flash flooding or riverine flooding that are described below.

Flash Flooding

Flash floods occur within a few minutes or hours of heavy amounts of rainfall and can destroy buildings, uproot trees, and scour out new drainage channels. Heavy rains that produce flash floods can also trigger mudslides and landslides. Most flash flooding is caused by slow-moving thunderstorms, repeated thunderstorms in a local area, or by heavy rains from hurricanes and tropical storms. Although flash flooding often occurs in mountainous areas, it can also occur in urban centers where much of the ground is covered by impervious surfaces.

Riverine Flooding

Periodic flooding of lands adjacent to non-tidal rivers and streams (known as the floodplain) is a natural and inevitable occurrence. When stream flow exceeds the capacity of the normal watercourse, some of the above-normal stream flows onto adjacent lands within the floodplain. Riverine flooding is a function of precipitation levels and water runoff volumes within the watershed of a stream or river. According to USGS, the recurrence interval of a flood is defined as probability of an event in any given year (e.g., 1% annual chance). Flood magnitude increases with increasing recurrence interval.

Wildfires can exacerbate flooding conditions, when soil infiltration is affected, and limited vegetation is in place. Major wildfires are known to contribute to major flooding, as less vegetation on hillsides allows the rainwater to run off of the hills onto the valleys below. While the recent drought conditions have resulted in a lack of rain events, the potential for future flooding still exists.

Description: The Santa Clarita Valley climate is classified as Semiarid or Mediterranean in the Koppen climate classification system. The Santa Clarita Valley is generally hot and dry through most of the year, ranging from 70-100 degrees during the summer, and 40-65 degrees during the winter. Monthly precipitation ranges from 0-5 inches, depending on the month. The "wettest" months occur between December and March, with very little rain in Santa Clarita from April through August. Flooding is most common during El Niño years with the potential to bring intense rainfall to the area. Urban flooding in SCV Water's service area occurs when the amount of water from rainfall and runoff exceeds the City's stormwater capacity. The service area may also be subject to riverine flooding which is the overbank flooding of rivers and streams. The Santa Clara River runs through the City of Santa Clarita and is susceptible to flooding events. This river is the only major river drainage from the San Gabriel Mountains that remains un-

channelized for most of its length. Another potential for flooding in the service area would be by inundation from Castaic Reservoir or Bouquet Reservoir. SCV Water is a special district and are not allowed to participate in the National Flood Insurance Program (NFIP).

FIGURE 13. Flooding Map

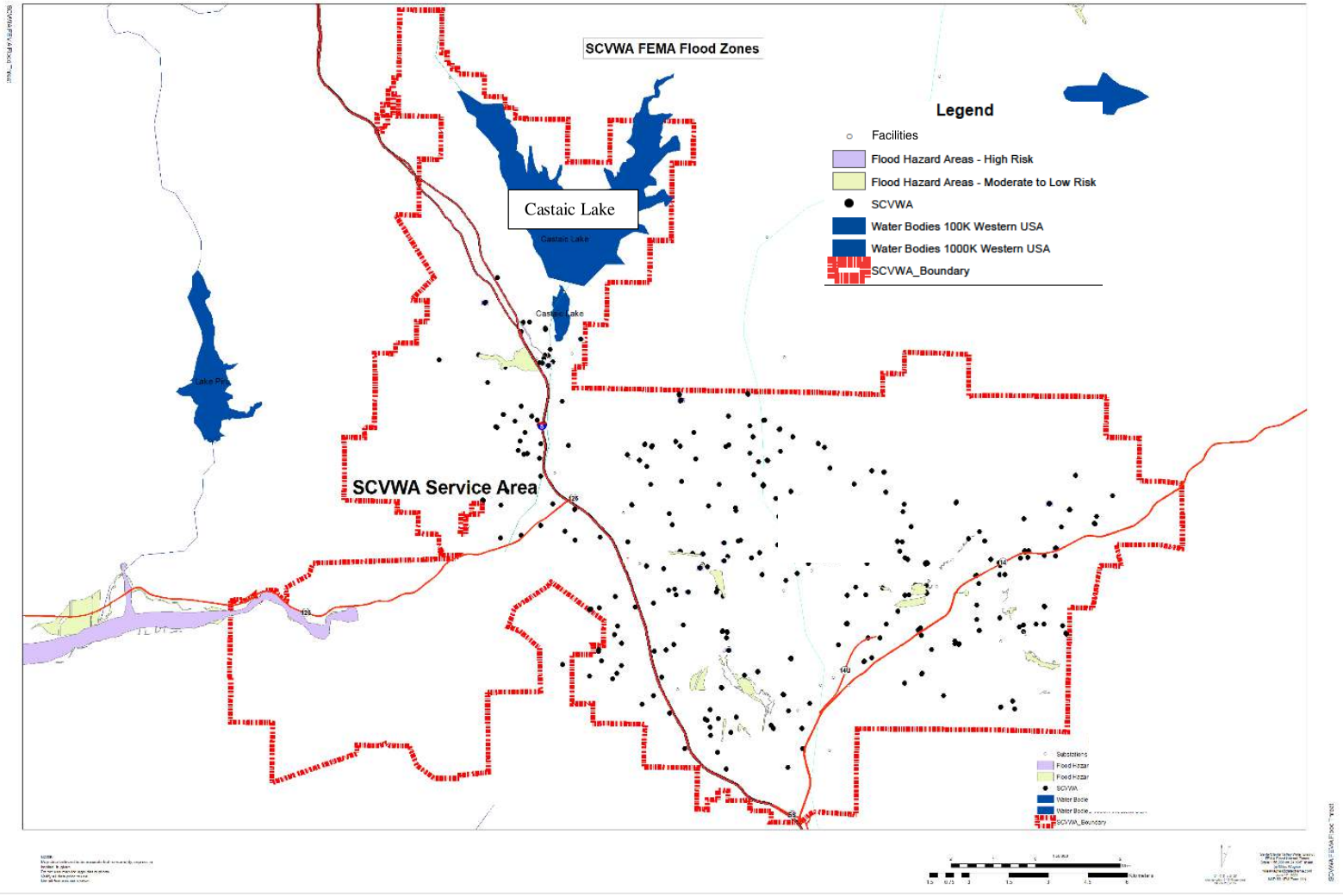


TABLE 15. USGS Flooding History

Date of event	Type of Damage	Amount of Damage	Statewide or Local
*March 2010	FEMA Disaster No 1584	Severe storms, flooding, debris flows, and mudslides	Local
*April 2005	FEMA Disaster No 1585	Severe storms, flooding, debris flows, and mudslides	Local
*Feb 2005	FEMA Disaster No 1577	Severe storms, flooding, debris flows, and mudslides	Local
Feb-1998	17 deaths	$550 M	Various
Feb-1995	17 deaths	Public property $190.6 M; individual $122.4 M; business $46.9 M; highways $79 M; ag $651.6 M; TOTAL approximately $1.1 billion; damage to homes: major-1,322; minor-2,299; destroyed 267	57 counties (all except Del Norte)
Jan-1995	11 deaths	Public $299.6 M; individual $128.4 M; businesses $58.4 M; highways $158 M; ag-$97 M; TOTAL $741.4 M; damage to homes: major-1,883; minor 4, 179; destroyed-370.	Various
Dec-1992	Snow, rain, and high winds, 20 deaths, 10 injuries	Total - $600 M	Various
Feb-1992	Flash Flooding, rainstorms, mud slides; 5 deaths	Public-$95 M; private-$18.5 M; business $8.5 M, agricultural $1.5 M; TOTAL $123 M	Los Angeles, Ventura, Kern, Orange, San Bernardino Counties
Winter 1982-1983	Heavy rains, high winds, flooding, levee breaks	Public $151 M; private $159 M; agricultural $214 M; Total $524 M	Various
Feb-1980	Rain, wind, mud slides, and flooding	18M to 20M	Various
Winter 1978	14 dead, at least 21 injured	Public $73 M; private-$44 M; Total $117 M; 2,538 homes destroyed	Various
Winter 1969	Storms, flooding, 47 dead, 161 injured. An alluvial flood and debris flow on Deer Creek in San Bernardino County killed 11 people.	Public $185 M, Private -$115 M; Total $300 M	Various
Winter 1966	Abnormally heavy and continuous rainfall.	Public- $14.6 M; private $14 M; Total $28.7 M	Various

Date of event	Type of Damage	Amount of Damage	Statewide or Local
Apr-58	13 deaths, several injuries	$20 M, plus $4 M agricultural	Statewide
Dec-55	74 deaths	$200 M	Statewide

*Events with an asterisk indicate a direct effect on Santa Clarita Valley Water Agency.

SCV Water has been experiencing severe damage to its pipelines traversing rivers:
Placerita Creek

1. Hacienda Lane – about 175 feet of 10" ductile iron pipe (DIP) washed out and was replaced in 2010.
2. Meade View Avenue – about 120 feet of 8" DIP washed out and was replaced in 2008.
3. Railroad/Placerita Creek Bridge – about 500 feet of 8" Asbestos Cement Pipe (ACP) washed out and was replaced in 2008.

Eastern Portion of Santa Clara River

1. In the Santa Clara River – about1800 feet of 10" VCP sewer pipe washed out and was replaced in 2008.
2. In the Santa Clara River – about1500 feet of 10" VCP sewer pipe washed out and was replaced in 2006.
3. Sand Canyon Rd – about 200 feet of 8" ACP washed out and was replaced in 2006.

Impact Statement: Flooding can result in a variety of impacts, such as death and injury, asset damage, inability to access facilities or assets and road closures. Normal operations may be interrupted due to flooding. Some impacts from flooding include:

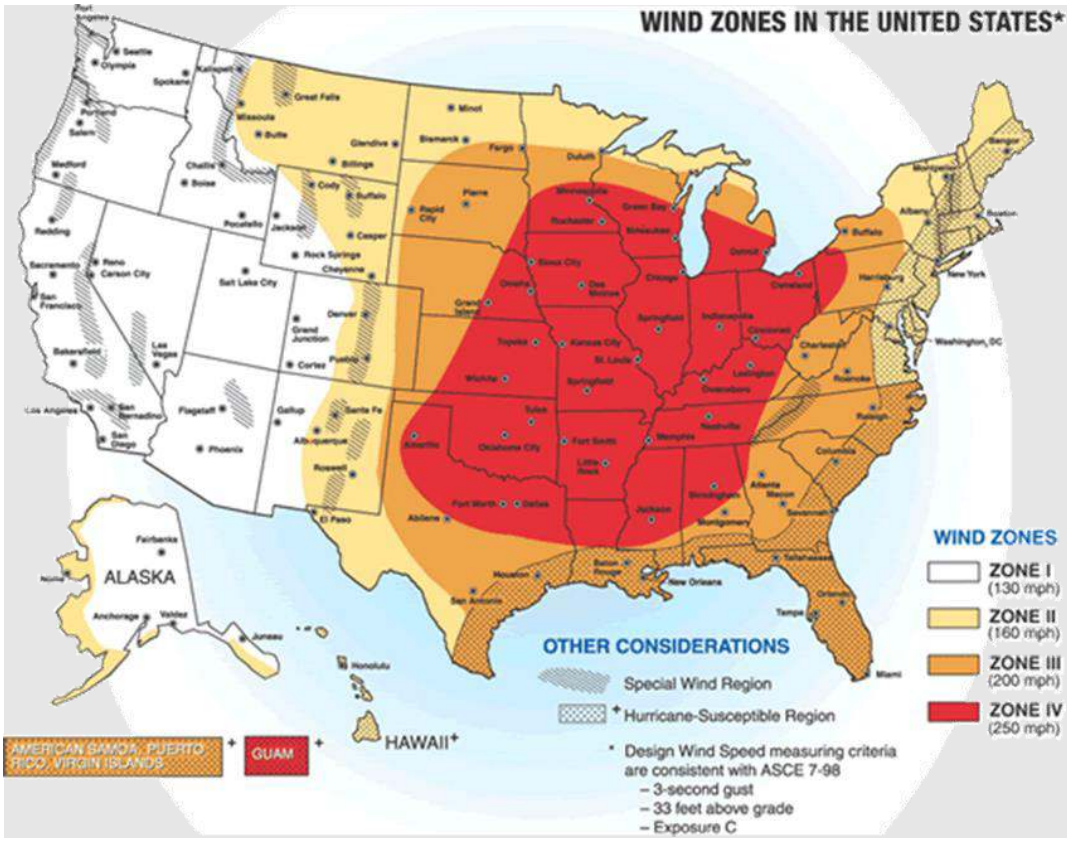
- Floodwaters often contain bacteria and chemicals. Flooding of wells or reservoirs may result in water contamination, resulting in boil water advisories or reduced service.
- Floodwaters can prevent normal access to assets and facilities. This presents a danger when motorists and pedestrians attempt to traverse floodwaters. Motor vehicles and pedestrians can get swept up in flood currents, increasing the risk for drowning. Even in shallow waters, fast-moving currents can carry individuals or vehicles into deeper waters, where pressure from flowing water can prevent drivers from escaping submerged vehicles. As little as six inches of floodwater can move a vehicle, and as little as two inches can move a person.
- Replenishment facilities, including peculation ponds, may be washed out by flooding, resulting in damages.
- Assets with electrical parts or motors may be damaged by flooding if these parts are submerged.
- Structures exposed to flooding, including critical facilities, can be severely damaged. Building contents can be lost, damaged, or destroyed, and structures themselves can be compromised by floodwaters. Pressure from floodwater, especially as seepage through soil, can damage foundations.
- Buildings exposed to floodwaters may develop mold or wood rot.

4.3.5. Windstorms

Probability: (25-50%)
Impact: Limited
Priority: Somewhat Likely

General Definition: There are several types of wind hazards that affect the planning area. These include high or strong wind events (typically associated with Santa Ana winds) and thunderstorm wind events (including straight line winds and microbursts). High wind definitions can vary by region; however generally speaking high wind events are those that are greater than normal averages and have the potential to cause property damage. Wind events are common throughout the U.S.; however, the severity varies depending on location.

FIGURE 14. Wind Zones in the United States



Santa Ana winds are a regional wind hazard specific to Southern California. Santa Ana winds are known to cause large amounts of damage and increase the spread of wild and structural fires. Santa Ana winds are generally defined as warm, dry winds that blow from the east. The complex topography of Southern California combined with various atmospheric conditions creates numerous scenarios that may cause widespread or isolated Santa Ana wind events. Santa Ana windstorms are common during the late summer and fall months in Southern California. Winds

are caused by a low-pressure system over the southern coastline and a high pressure over the Great Basin in Nevada. When the high pressure turns counterclockwise, the warm, dry air is pulled to the low-pressure zone and out to the Pacific Ocean. Due to the warm and dry characteristics of Santa Ana winds, Santa Ana winds are quick and effective at spreading wildfires. The combination of windstorm activity with the major fires that occur every few years creates the greatest danger to the urban and wild land interface. Santa Ana winds spread the flames in even greater speed than in times of calm wind conditions.

The National Weather Service Center normally issues a high wind advisory or warning depending on the following criteria: A wind advisory is issued when conditions are favorable for the development of high winds over all or part of the forecast area, but the occurrence is still uncertain. The criteria of a wind advisory are sustained winds of 31 to 39 mph and/or gusts 46 to 57 mph for any duration. A high wind warning is issued when sustained winds from 40 or higher are expected for at least one hour or any wind gusts are expected to reach 58 mph or more. Forecasters at the National Weather Service in Oxnard and San Diego usually place speed minimums on these winds and reserve the use of "Santa Ana" for winds greater than 25 knots (approximately 29 miles per hour). Table 16 is a Beaufort Wind Scale that shows the appearance of wind effects based on the knots of wind and its classification.

TABLE 16. Beaufort Wind Scale

Force	Wind (Knots)	WMO Classification	Appearance of Wind Effects	
			On the Water	On Land
0	Less than 1	Calm	Sea surface smooth and mirror-like	Calm, smoke rises vertically
1	1-3	Light Air	Scaly ripples, no foam crests	Smoke drift indicates wind direction, still wind vanes
2	4-6	Light Breeze	Small wavelets, crests glassy, no breaking waves	Wind felt on face, leaves rustle, vanes begin to move
3	7-10	Gentle Breeze	Large wavelets, crests begin to break, scattered whitecaps	Leaves and small twigs constantly moving, light flags extended
4	11-16	Moderate Breeze	Small waves 1-4 ft. becoming longer, numerous white caps	Dust, leaves, and loose paper lifted; small tree branches move
5	17-21	Fresh Breeze	Moderate waves 4-8 ft. taking longer form, many whitecaps, some spray	Small trees in leaf begin to sway
6	22-27	Strong Breeze	Larger waves 8-13 ft., whitecaps common, more spray	Larger tree branches moving, whistling in wires
7	28-33	Near Gale	Sea heaps up, waves 13-20ft, white foam streaks off breakers	Whole trees moving, resistance felt walking against wind
8	34-40	Gale	Moderately high (13-20 ft.) waves of greater length, edges of crests begin to break into spindrift, foam blown into streaks	Whole trees in motion, resistance felt walking against wind
9	41-47	Strong Gale	High waves (20 ft.), sea begins to roll, dense streaks of foam, spray may reduce visibility	Seldom experienced on land, trees broken or uprooted, considerable structural damage
10	48-55	Storm	Very high waves (20-30 ft.) with overhanging crests, sea white with densely blown foam, heavy rolling, lowered visibility	"

11	56-63	Violent Storm	Exceptionally high (30-45 ft.) waves, foam patches cover sea, visibility more reduced	“
12	64+	Hurricane	Air filled with foam, waves over 45 ft., sea completely white with driving spray, visibility greatly reduced	“

Description: The service area of SCV Water is subject to continual strong winds. Wind speeds can reach 100 mph during these events and can represent significant threat to life and property. These annual events occur during the late summer and fall months and drive wildfires in California, causing electrical outages, downed power lines, fallen trees, fires, and pose risks to life and safety of the residents as well as catastrophic destruction to property as seen during the devastating fires in California in the last several years. Within SCV Water's boundaries the damages from high-wind storms include loss of power, downed power lines, and wildfires which will affect the entire service area. SCV Water faces the ultimate hazard of windstorms when one is accompanied with wildfire. This increases the damage done both from wildfire and windstorms and increases damage from power loss. Significant peak wind events identified by the National Weather Service (National Weather Service, National Climate Data Center, 2015) include the following high wind events for the Santa Clarita Valley Zone:

TABLE 17. Significant Wind Events Since 2007

Date	Magnitude (MPH)	Deaths/ Injuries	Event Summary
2/17/2017	66	0/0	Strong southerly winds were reported in the Santa Clarita Valley. Some wind gusts from local RAWS stations include: Saugus (gust 66 MPH) and Newhall Pass (gust 61 MPH).
11/15/2015	71	0/0	Strong northerly wind developed across the Santa Clarita Valley. The RAWS sensor at Saugus reported northerly wind gusts of 71 MPH while the sensor at Del Valle reported gusts to 68 MPH.
4/8/2013	79	0/0	An extended northerly wind event developed across Southwestern California. The combination of strong northerly (offshore) pressure gradient and strong winds above the surface produced northerly wind gusts between 65 and 85 MPH across sections of Ventura and Los Angeles counties.
12/1/2011	67	0/0	On December 1st, a strong north to northeast wind event, which developed on November 30th, continued across sections of Southern California. Widespread wind gusts between 60 and 70 MPH were reported across the mountains of Ventura County as well as the mountains and valleys of Los Angeles County through December 1st. Widespread power outages were reported, especially across the San Gabriel Valley where over 350,000 residents lost power. In the city of Pasadena, significant wind damage was reported with at least 42 buildings red-tagged due to wind damage. Along with the power outages, numerous trees were uprooted or severely damaged from La Canada-Flintridge to Monrovia. Strong northerly cross winds at Los Angeles International Airport resulted in 23 flights being diverted to Ontario International Airport.
3/7/2011	71	0/0	Strong northwest to north winds developed across sections of Southwestern California. The strongest winds occurred in the mountains of Los Angeles and Ventura counties, the Antelope Valley and the Santa Clarita Valley. Sustained winds as high as 59 MPH were reported along with gusts as high as 76 MPH.

1/10/2009	72	0/0	The combination of strong surface high pressure over the Great Basin and a ridge aloft produced strong and gusty Santa Ana winds across Ventura and Los Angeles counties. Across the higher terrain, wind gusts as high as 73 MPH were reported.
11/15/2008	66	0/0	An extended period of offshore winds affected Southern California. North to northeast wind gusts in excess of 65 MPH were reported in some areas. The strong winds, combined with very dry conditions, helped fuel two significant wildfires. The Tea Fire, near Montecito in Santa Barbara County, burned 1,940 acres. The Sayre Fire, north of Sylmar in Los Angeles County, burned 11,262 acres. Both fires produced significant loss of residences.
10/21/2007	69	0/0	Between October 20th and 24th, strong surface high pressure developed over the Great Basin and produced a strong and long-lasting Santa Ana wind event across Southern California. This particular Santa Ana wind event was the strongest and most widespread in recent memory with peak wind gusts over 100 mph reported at Laguna Peak and Whitaker Peak. The offshore winds produced very warm and dry conditions across Southern California which led to 9 different wildfires across Santa Barbara, Ventura and Los Angeles counties. Four of the wildfires exceeded 700 acres with one fire burning nearly 60,000 acres.

The 2003 fires that burned in and around the Santa Clarita Valley were perpetuated by the Santa Ana winds that continually changed directions and allowed the fire to pose a greater danger to the residents in the service area.

Windstorms can have direct consequences to the local economy related to both physical damages and interrupted services. For example, severe windstorms with over 70 mph winds in San Gabriel Valley in 2011 resulted in thousands of downed trees, fallen power lines causing widespread area outages for more than 400,000 Southern California Edison customers. The resulting damage from this windstorm to public infrastructure was estimated at $33 million.

Prior occurrences of wildfires are discussed in the previous sections.

Impact Statement: SCV Water's service area has been experiencing local winds that are generally below 50 mph and higher velocity winds exceeding 70 mph.

Severe wind has the potential to damage reservoirs, treatment plant facilities, wells, and ponds. Severe winds can also damage structures including shingles, siding, awnings, and other features of buildings and overturn trees. Severe winds can also blow objects through the air at high velocities, which could damage assets and structures. In some cases, structures may be blown off foundations or infrastructure. In addition, mobile or modular units (such as those installed for temporary uses) are considered at a higher risk to severe wind. Severe winds can cause damage to communications infrastructure, utility poles, and above-ground power lines, resulting in loss of power. Fallen trees also contribute to power line disruptions. When strong winds reach a force great enough to threaten above-ground facilities, areas may experience power outages.

The entire service area, including all current and future assets (infrastructure, buildings, critical facilities, and population), is vulnerable to annual severe wind because the topography and movement of weather fronts through the area. Exposed (e.g., above-ground) assets are considered most at risk to severe winds.

4.3.6. Dam Inundation

Probability: (25-50%)
Impact: Catastrophic
Priority: Somewhat Likely

General Definition: A dam failure is the partial or total collapse, breach, or other failure of a dam that causes flooding downstream. Dam failures are usually considered secondary events to natural hazards such as a flood event, earthquakes, or landslides. Earthquakes can undermine the structure of dams and cause breaches or complete failures. Dam failures may also be caused by human-induced events such as improper maintenance. In the event of a dam failure, the people, property, and infrastructure downstream could be subject to devastating damage.

Description: Areas downstream of dams are considered at risk. A failure of the Castaic Dam and inundation from the Castaic Lake and could cause major flooding in SCV Water's service area. Castaic Dam is located within SCV Water boundaries. The dam is located southwest of Castaic Lake, just north of Castaic Lagoon. Castaic Lake, completed in 1974 and located 45 miles north of downtown Los Angeles, provides a water supply to more than 5.2 million Californians.

Drinkwater Dam is located 7 miles northeast of Castaic and would cause minor inundation if it were to break according to Division of Safety of Dams (DSOD).

Dry Canyon Dam is considered to have an extremely high downstream hazard according to DSOD. The Dry Canyon Dam inundation zone runs northeast of Santa Clarita and cuts west within the city center. The main concern for the downstream hazard is loss of life, damage to homes, businesses, streets, and bridges.

Bouquet Reservoir failure would include Saugus and Valencia areas. In such a situation, any structure situated north of McBean Parkway in the Bouquet Canyon area at an elevation under 1,200 feet would be exposed to flood waters within 49 minutes of dam failure. This area includes Rosedell Elementary School and Saugus High School and residential areas around King Crest and Alaminos Drive. After flooding down Bouquet Canyon, the floodwaters would enter the Santa Clara River. The water level would rise and likely inundate Newhall Ranch Road and parts of Interstate 5 south of Castaic Junction.

FIGURE 15. Drinkwater Inundation Map

FIGURE 16. Dry Canyon Inundation Map

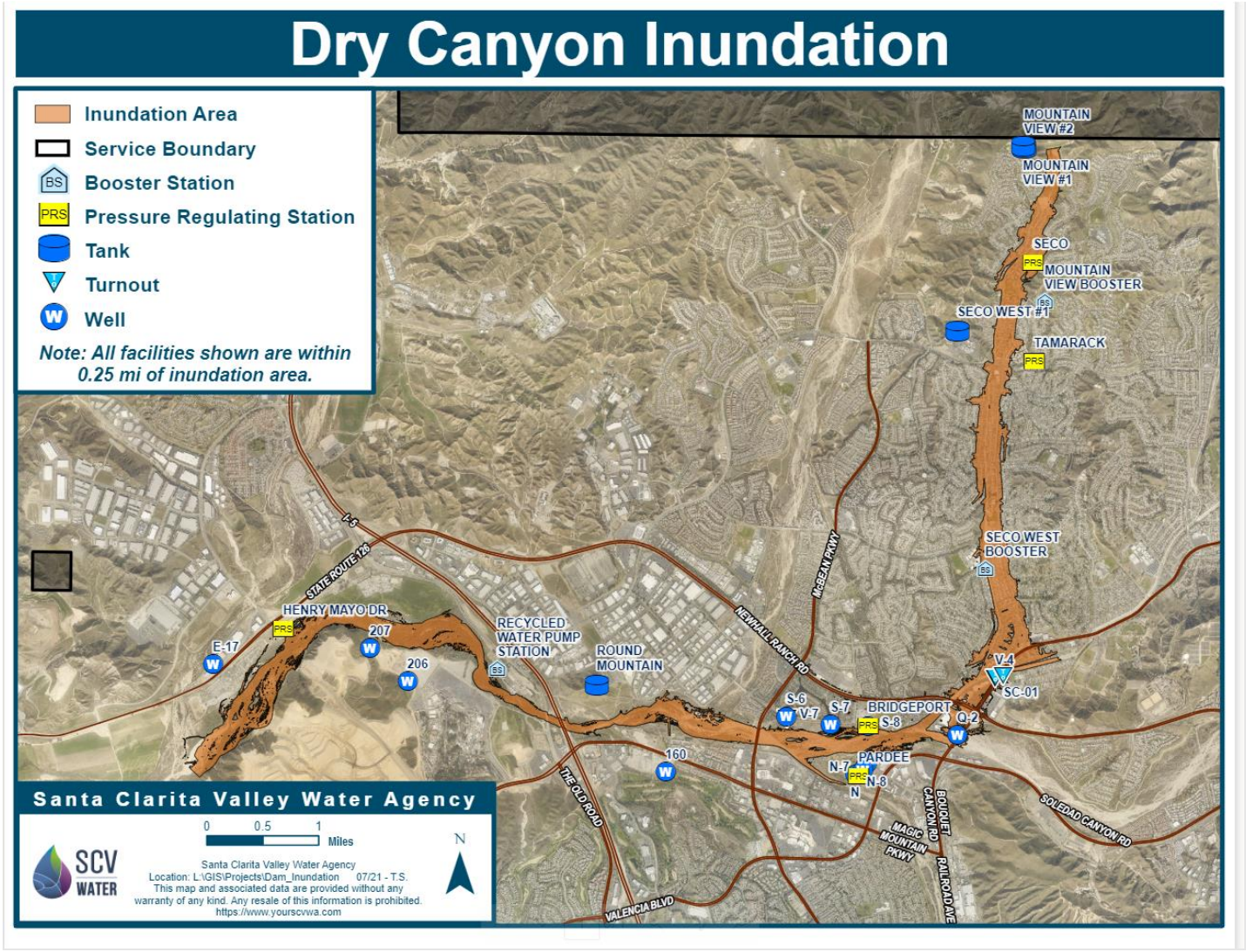
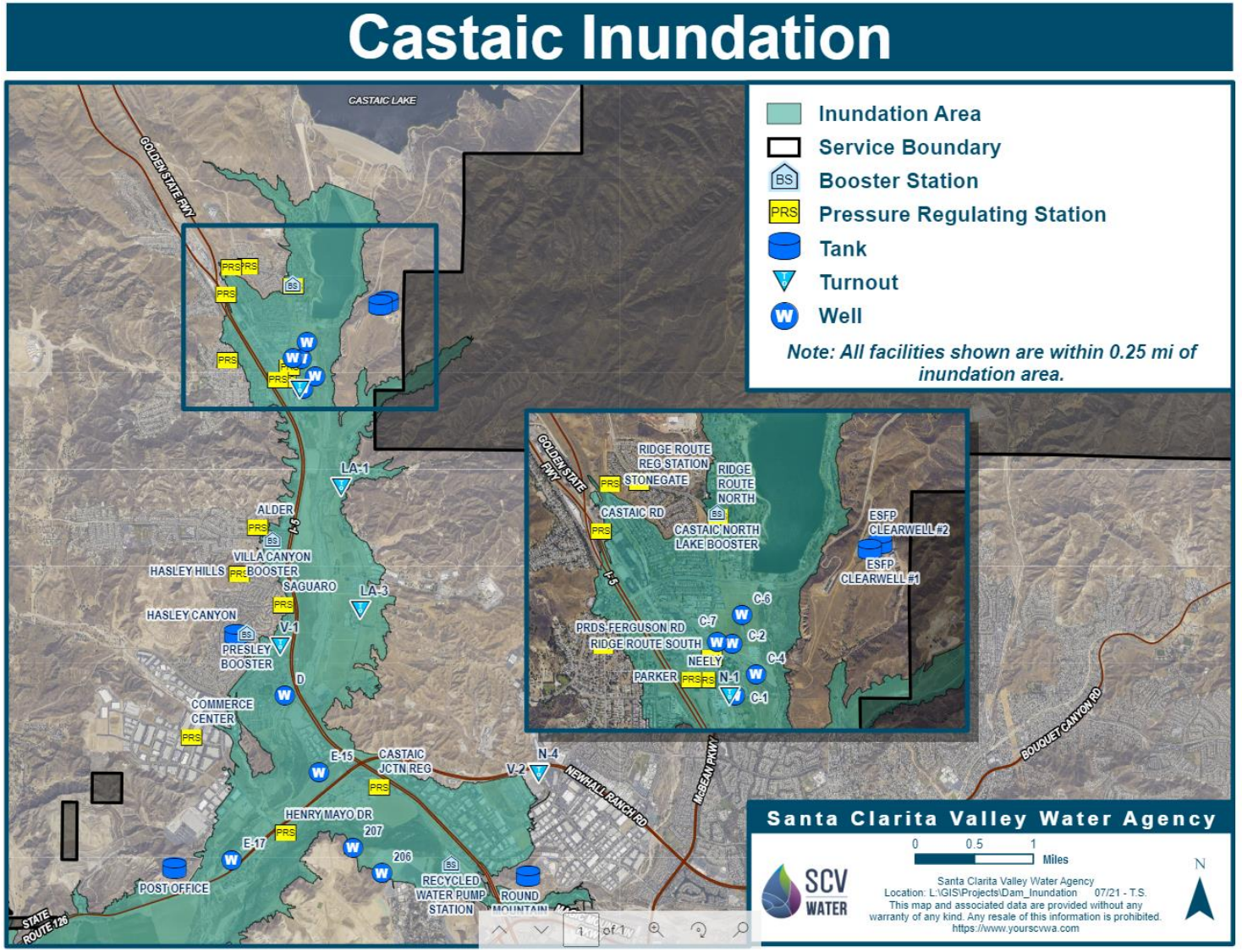


FIGURE 17. Castaic Dam Inundation Map



In the San Fernando earthquake in 1971, the Von Norman Dam showed signs of structural damage, prompting a mass evacuation of tens of thousands of people. They evacuated because of fears of a dam failure until the dam could be drained. This dam has never been refilled.

Impact Statement: Dam failure can be measured in terms of loss of life or property such as the SCV Water's assets. Because it is required for each dam to have their own dam failure flood inundation maps, we know that there will be severe impacts on some of the SCV Water infrastructure depending on which dam fails. Both the Castaic Dam and the Dry Canyon Dam are located in an unincorporated area but, if a failure were to occur, sections of the areas within the SCV Water boundaries could be severely impacted.

4.4. Inventory Assets Hazard Susceptibility

The following sections provide an overview of the assets owned by SCV Water and the hazards to which these facilities are susceptible.

Facilities Owned Overview

- Administrative Offices: 5
- Water Treatment Plants: 2
- Water Wells: 42
- Miles of Water Main: 879
- Booster Stations: 52
- Storage Reservoirs: 96
- Turnouts: 24
- Hydrants: 7,126
- Operations Facilities: 2
- Warehouses: 3

Vulnerability Assessment

The Planning Team reviewed USGS, FEMA HAZUS maps for each of SCV Water's hazards. The maps were overlayed with SCV Water's infrastructures in place to present the potential impacts for each hazard. The Planning Team has extensive knowledge of the area and knowledge of the potential disasters and emergencies that can occur in and around SCV Water's boundaries. The team has the knowledge to assess the system and give valuable input into the assessment and vulnerabilities to SCV Water.

Methodology

The Planning Team reviewed SCV Water's infrastructure and applied their local and operational knowledge to evaluate the vulnerability of each facility for a potential hazard. The team ranked the facilities and infrastructure by their importance to SCV Water. The team then used the ranking and insurance documents provided by SCV Water to develop an estimate of potential economic impacts that could be caused by the high priority hazards. Based on the ranking of

annual revenue projected for 2020-2021, a percentage was used to assess the annual economic impact for each hazard.

4.4.1. Earthquake Vulnerability Analysis

Population: Approximately 100% of SCV Water is vulnerable.

Critical Facilities: Approximately 100% of SCV Water critical facilities are vulnerable.

All facilities are vulnerable in the event of a major earthquake within SCV Water's boundaries. Multiple nearby faults could affect SCV Water's facilities, the largest being the San Andreas and the San Fernando faults. If any of these faults experience a rupture of 6.5 magnitude or more, it will have a negative effect on SCV Water's facilities and pipelines.

Estimated Losses: The economic loss resulting from this hazard is approximately $41,197,000. The loss from damage to structures and pipelines from this hazard is approximately $531,441,000.

4.4.2. Wildfire Vulnerability Analysis

Population: Approximately 100% SCV Water population is vulnerable.

Critical Facilities: Approximately 50% of SCV Water critical facilities are vulnerable.

Wildfires are a major concern in California. Most of the facilities within SCV Water are in a high fire risk zone, which is a major concern.

Estimated Losses: The economic loss resulting from this hazard is approximately $20,549,000. The loss from damage to structures from this hazard is approximately $354,250,000.

4.4.3. Drought Vulnerability Analysis

Population: 100% of SCV Water population is vulnerable to drought.

Critical Facilities: Approximately 50% of SCV Water critical facilities are vulnerable.

Estimated Losses: The economic loss resulting from this hazard is approximately $16,478,745. The loss from damage to structures from this hazard is approximately $338,700,000.

4.4.4. Flooding Vulnerability Analysis

Population: Approximately 50% of the SCV Water population is vulnerable.

Critical Facilities: Approximately 25% of SCV Water critical facilities are vulnerable.

Flooding predominately happens when heavy and concentrated rains occur in the area and runoff is channeled down the hills into the low sections within SCV Water's boundaries.

Estimated Losses: The economic loss resulting from this hazard is approximately $4,119,686. The loss from damage to structures from this hazard is approximately $38,422,000.

4.4.5. Windstorm Vulnerability Analysis

Population: Approximately 25% of SCV Water's population is vulnerable.

Critical Facilities: Approximately 25% of SCV Water's critical facilities are vulnerable.

Above-grade facilities are vulnerable in the event of a Santa Ana wind event within SCV Water's boundaries. These events damage water storage tanks, down power lines, and cause long-term power outages. When a potable water utility loses power during a long-term power outage and cannot maintain a system pressure of 25 psi, the water in the system is no longer potable. Windstorms can affect the entire service area.

Estimated Losses: The economic loss resulting from this hazard is approximately $1,647,875. The loss from damage to structures from this hazard is approximately $38,400,000.

4.4.6. Dam Inundation Vulnerability Analysis

Population: Approximately 40% of SCV Water population is vulnerable.

Critical Facilities: impacted by dam inundation from all dams were 17 water wells, 10 booster stations and 3 turnouts.

Castaic Dam, Dry Canyon Dam, Drinkwater Dam.

Estimated Losses: The economic loss resulting from this hazard is approximately $16,478,745. The loss from damage to structures from this hazard is approximately $56,100,000.

SECTION 5. COMMUNITY CAPABILITY ASSESSMENT

5.1. Introductions

The purpose of conducting the capability assessment is to determine the ability of SCV Water to implement a comprehensive mitigation strategy and to identify potential opportunities for establishing or enhancing specific mitigation policies, programs, or projects.

The capability assessment has two components: 1) an inventory of the existing relevant plans, ordinances, or programs and 2) an analysis of SCV Water's capacity to bring them to fruition. A capability assessment highlights the positive mitigation activities already in place within SCV Water and will detect the potential gaps in addressing hazard mitigation.

5.2. Emergency Management

SCV Water is in the Northeastern section of Los Angeles County. SCV Water serves the City of Santa Clarita and some unincorporated areas of Los Angeles and Ventura Counties. SCV Water serves approximately 73,542 service connections and a population of approximately 280,192.

The General Manager, Matthew Stone, has nearly 30 years of water experience and has been with SCV Water since December 2015. Mr. Stone spent his first two years at SCV Water as the General Manager of the predecessor agency, Castaic Lake Water Agency. Throughout his career, he has been mitigating fire, earthquake, flood, and drought impacts that affect the public. The Chief Operating Officer, Keith Abercrombie, has worked with SCV Water, or one if its successor agencies, for over 25 years and has experience in fire, drought, and earthquake mitigations. The Emergency Preparedness and Safety Coordinator, Jose Diaz, has over 25 years of experience in the safety management industry and has been involved in emergency management and mitigation of various disasters ranging from earthquake, flood, drought, and power shut-off events. SCV Water also utilizes engineering consultants who design infrastructure to mitigate impacts from earthquake, fire, wind, and landslides at SCV Water's reservoir sites.

To help mitigate the potential impacts of disasters, SCV Water joined the California Water/Wastewater Agency Response Network (CalWARN). SCV Water has a mutual aid agreement with CalWARN that covers most water and wastewater agencies in California. As a government entity (Special District, within California Law), SCV Water can access the Emergency Managers Mutual Aid (EMMA) and the Emergency Management Assistance Compact (EMAC) for national mutual aid. In addition, the National WARN System through the American Water Works Association (AWWA) can be accessed by SCV Water.

CalWARN holds workshops twice a year for water agency members. CalWARN engages in public outreach so the public has a better understanding of hazard mitigation planning in their communities. These workshops promote mitigation and address how to prevent the impacts of hazards on the utility's infrastructure. CalWARN has access to utility leaders and their experience in addressing past emergencies. Sharing ideas and experiences is key to

understanding future mitigation strategies and actions.

SCV Water employs approximately 220 full-time staff members, and by joining CalWARN, SCV Water has the potential of having hundreds of additional mutual aid workers at its disposal within hours of an emergency.

Emergency Response Plan: An emergency response plan (ERP) outlines responsibilities and how resources are deployed during and following an emergency or disaster. The primary objective of the plan is to guide the identification of potential emergencies, a timely and effective response, and the protection of the health and safety of the community. The ERP guides the process when an emergency occurs, including being a blueprint for general operations during a disaster, assigning and managing responsibilities among authorities, and identifying liability.

SCV Water's ERP was last revised in September 2020 and details how SCV Water will respond to various emergencies and disasters including:

- Operational incidents, such as power failure or bacteriological contamination of water.
- Outside or inside malevolent acts, such as threatened or intentional contamination of water, intentional damage/destruction of facilities, detection of an intruder or intruder alarm, bomb threat, cyber security, or suspicious mail.
- Natural disasters, such as earthquakes, wildfires or floods.
- Recurring disasters as a result of climate change or other causes (e.g., wildfires, prolonged drought).
- Communications with critical customers, media outreach, and public notification process.

SCV Water is also required to follow the Standard Emergency Management System (SEMS), the National Incident Management System (NIMS), and the Incident Command System (ICS) when responding to emergencies.

Emergency Operations Center (EOC): An EOC provides a location, on or off-site, from which an agency coordinates a disaster response operation. In times of non-disasters, EOCs typically provide a centralized hub for communication and security oversight. SCV Water currently uses a meeting room as an EOC during events.

SCV Water is also in the process of evaluating emergency management software and will coordinate with Los Angeles County Emergency Management departments to make the software interoperable, if possible.

Emergency Management Training and Staff: Dedicated emergency management staff and regular training can help prepare an agency for events and guide effective response and recovery. SCV Water has a dedicated Emergency Preparedness and Safety Coordinator, Jose Diaz, who will manage staff and staff training for emergency response.

SCV Water conducts regular emergency exercises, following their emergency training plan. Through this training, the staff is trained across divisions within each department to assist with

emergency response operations. The Safety Coordinator has on-call 24/7 access to the executive authority. Additionally, SCV Water has a well-developed emergency notification process for critical staff. SCV Water has multiple office locations throughout the Santa Clarita Valley. Therefore, in addition to the overall Agency-wide Emergency Response Plan, there are individual location-based Emergency Action Plans.

As mentioned previously, SCV Water participates in California Water/Wastewater Agency Response Network (CalWARN) and California Utilities Emergency Association (CUEA), both of which facilitate training workshops.

5.3.Planning and Regulatory Capability

Planning and regulatory capability is based on the implementation of plans, policies, and programs that demonstrate SCV Water's commitment to guiding and managing growth while maintaining the general welfare of the community. It includes emergency response and mitigation planning, master planning, capital planning, and enforcement of design and construction standards. Although conflicts can arise, these planning initiatives present significant opportunities to integrate hazard mitigation principles into SCV Water's decision-making process.

Urban Water Management Plan
The Urban Water Management and Planning Act was passed in 1983 under Assembly Bill 797, which requires water suppliers to estimate current and future water demands and available water supplies. SCV Water's updated 2020 Urban Water Management Plan (UWMP) was completed in June 2021. UWMPs are required to evaluate the adequacy of water supplies, including projections of water supply and demands up to 20 years in the future. These plans are also required to include impacts of climate change and water shortage contingency planning for dealing with shortages, including a catastrophic water supply interruption.

Water Supply Reliability Assessment is a section of the UWMP that aims to understand the ability to satisfy the water demand during different types of years (e.g., years with average rainfall versus drier years).

UWMPs are intended to be integrated with other urban planning requirements and management plans. Some of these plans include Water Master Plans, Recycled Water Master Plans, Integrated Water Resource Plans, Integrated Regional Water Management Plans, Groundwater Sustainability Plans, Emergency Response Plans, and others.

Water Shortage Contingency Plan
Certain elements of the Water Shortage Contingency Plan (WSCP) are required by California Water Code (Water Code), including five specific response actions that align with six standard water shortage levels based on SCV Water's water supply conditions and shortages resulting from severe water supply interruptions. The WSCP also contains SCV Water's procedures for conducting an annual water supply and demand assessment, which is the written decision-making process for determining supply reliability each year, along with the data and methods used to evaluate reliability.

The WSCP is implemented through a series of strategies, programs, and by ordinance of water use restrictions in different stages. For instance, Stage 1 requires a 10% reduction of water use, and Stage 5 requires a 50% reduction of water use. The preferred methods to reduce water use include education, engagement, and conservation program support (rebates, incentives, and onsite check-ups).

Groundwater Basin Salt and Nutrient Management Plan
The Salt and Nutrient Management Plan (SNMP) is an effort to manage salts and nutrients on a groundwater basin-wide or watershed-wide basis while also encouraging recycled water use.

The study of salt and nutrients in groundwater is vital to future water quality. The SNMP examines the geologic structure, hydrology, hydro stratigraphy, and other details of each sub-basin in the SCV Water's service area. Also, the SNMP addresses management strategies including public outreach, source water quality management, demand management and conservation, and stormwater management. The SNMP also includes a monitoring plan and compliance with CEQA.

5.4. Existing Plans

The following emergency-related plans apply as appropriate:

- CalWARN Emergency Operations Plan – Updated every 10 years
- SCV Water Emergency Response Plan – Updated in 2020
- 2020 SCV Water Risk and Resilience Assessment
- SCV Water Emergency Action Plan (for each location)
- SCV Water's Illness Injury Prevention Plan (IIPP) – Updated annually
- SCV Water's Urban Water Management Plan – Updated every 5 years
- SCV Water's Water Shortage Contingency Plan (WSCP) – Updated every 5 years
- Los Angeles County Fire Master Plan – Updated annually
- Los Angeles County Flood Master Plan – Updated annually

5.5. Mitigation Programs

SCV Water staff have been involved with several mitigation activities such as those caused by the Northridge earthquake, various flooding events and drought events.

SCV Water employees have experience with past hazard mitigation and hazard planning and can enhance their hazard mitigation skills by participating in trainings offered by other local agencies or regional governments.

SCV Water holds public outreach sessions to educate the community concerning hazard mitigation and planning. SCV Water will improve public outreach by utilizing social media (Facebook, Instagram, and Twitter) and sending the monthly newsletter "Water Currents" to help reach out to their customers.

5.6. Fiscal Resources

The ability of SCV Water to act during an emergency event is closely associated with the fiscal resources available to implement mitigation policies and projects. This may take the form of outside grant funding awards or Agency-based revenue and financing. The costs of mitigation policy and project implementation vary widely. In some cases, mitigation actions are tied primarily to staff time or administrative costs associated with creation and monitoring of a given program. In other cases, direct expenses are linked to an actual project, such as installing backup power generators and sustainable energy resources, which can require a substantial commitment from SCV Water, state, and federal funding sources. SCV Water has made fiscal commitments to the mitigation of hazards through its capital improvement program.

The fiscal resources for SCV Water include the following:

- Wholesale & Retail Water Sales
- Regional Water Rate Revenues
- Recycled Water Sales
- One-Percent Property Tax Revenues
- Facility Capacity Fee Revenues
- Grants and Reimbursements
- Other non-Operating Revenues, i.e., investment income and cell site leases

Through the Bureau of Reclamation, California State Water Resources Control Board, California Office of Emergency Services, California Department of Water Resources, local grants and/or loans are available for water conservation, groundwater management, studies, and activities to enhance local water supply quality and reliability. Project eligibility depends on the type of organization(s) applying and participating in the project, as well as the specific type of project. More than one grant or loan may be appropriate for a proposed activity. Completing the LHMP will allow SCV Water to apply for and obtain grant funding from FEMA programs such as BRIC, HMGP, or FMA grants. Grant opportunities will be reviewed each year to ensure there will be funding available for specific mitigation items.

5.7. Capabilities Assessment

A Capability Assessment examines SCV Water's capabilities to detect any existing gaps or weaknesses within ongoing activities that could hinder proposed mitigation activities and possibly exacerbate community hazard vulnerability. The conclusions of the Risk Assessment and Capability Assessment serve as the foundation for the development of a meaningful hazard mitigation strategy. The list below outlines key capabilities SCV Water may consider in the Mitigation Strategy.

1. **Coordinate** with the City of Santa Clarita and County Emergency Management Departments to achieve interoperability of EOC software and representations in appropriate EOC.
2. **Provide** necessary staffing and software for GIS department for ongoing maintenance of asset management program data.

3. **Add funding** for hazard mitigation actions to SCV Water's Capital Improvement Program planning efforts.
4. **Incorporate** projects from the capital improvement program into the mitigation strategy (and vice versa).
5. **Expand** public outreach and education on emergency management**.** This allows SCV Water to form a plan to continually educate their customers regarding natural hazards and the effects these hazards have on the drinking water system. They are educating the residents on the importance of mitigation of these hazards to build a more resilient community for the betterment of the community and to lessen the impacts of hazards on the community. This plan should begin with education in the local K-12 schools with presentations on mitigation, at community meetings, and on the SCV Water's Website.
6. **Broaden** staff training. SCV Water employees have experience with past hazard mitigation and hazard planning and can improve their hazard mitigation skills by participating in trainings offered by other agencies or other regional governments.

SECTION 6. MITIGATION STRATEGIES

6.1.Overview

The intent of the Mitigation Strategy ("Strategy") is to provide SCV Water with the goals that will serve as guiding principles for future mitigation implementation along with the identification of mitigation actions deemed obtainable to meet those goals and reduce the impact of identified hazards. Mitigation measures are designed to be comprehensive, strategic, and functional in nature:

- Comprehensive: The development of the Mitigation Strategy will include a thorough review of all hazards and will identify extensive mitigation measures intended to not only reduce the future impacts of hazards, but also to help achieve compatible economic, environmental, social, and security goals.
- Strategic: The development of a Strategy that works to align proposed policies and projects with pre-identified, long-term planning goals.
- Functional: Each proposed mitigation action is linked to established priorities with target completion deadlines. When available, funding sources are identified that can be used to assist in project implementation.

Because this is SCV Water's first hazard mitigation plan, the Mitigation Strategy was developed through a process with the Consultant Team and the Planning Team in a manner that followed a traditional format which is as follows:

- Identify Goals
- Identify Actions
- Develop a Mitigation Action Plan

SCV Water derived its mitigation strategy from the in-depth review of the existing vulnerabilities and capabilities outlined in previous sections of this plan, combined with a vision for creating a disaster resistant and sustainable system for the future. This vision is based on informed assumptions that recognize both mitigation challenges and opportunities are demonstrated by the goals and objectives outlined below. Additionally, the mitigation measures identified under each objective include an implementation plan for each measure. The measures were individually evaluated during discussions of mitigation alternatives and the conclusions were used as inputs when priorities were decided. All priorities are based on consensus of the Planning Team.

Mitigation measures are categorized generally for all hazards and specifically for the six high-risk hazards facing cities and districts that were extensively examined in the risk assessment section. These hazards include earthquakes, wildfires, climate change induced drought, flooding, windstorms, and dam inundation.

6.2.Mitigation Goals, Objectives, and Projects

As stated before, this is the first LHMP for SCV Water. The process of identifying goals began

with a review and validation of the FEMA Hazard Maps for SCV Water and surrounding cities in Los Angeles County. The team completed an assessment and discussion of whether each of the goals was valid. These discussions led to the opportunity to identify the recommended Goals and Objectives. In reviewing the mitigation objectives and actions, it was the Planning Team's consensus that the following goals should be included in the LHMP.

Overall, the primary objective is to protect lives and prevent damages to infrastructure that disrupts water services. Global measures that apply across all hazards include:

- Identify and expand hazard mitigation activities to protect SCV Water's assets from current and future hazard events.
- Increase the resilience of SCV Water by ensuring hazard mitigation and climate change policies, projects, and activities receive considerations for funding, integration, and implementation.
- Continually improve the community's understanding of potential impacts due to hazards and the measures needed to protect lives and critical infrastructure.
- SCV Water communications should provide public outreach to inform the public of the hazards identified to the drinking water system in emergencies and instructions on how to conserve water in the event of a disaster and how to obtain drinking water when water may not be available.
- Engage in a regional mitigation effort by continuing to build stronger partnerships between SCV Water, local and county governments, businesses, residents, and other entities within the service area and provide state and local agencies with updated information about hazards, vulnerabilities, and mitigation measures at SCV Water.
- Review the key facilities and developments in high-risk areas to verify that they are appropriately protected from potential hazards.
- Identify and mitigate imminent threats to life, safety, and facility damage.

The six high-profile hazards for SCV Water are earthquake, wildfire, climate change induced drought, flooding, windstorms, and dam inundation. While other hazards were profiled in the hazard risk assessment, SCV Water's priority and focus for the mitigation projects will be for the six high-profile hazards.

6.2.1. Earthquake

Goal: To protect life and property in SCV Water's service area in the event of an earthquake.

Description: *The goal is to avoid injury, loss of life, and damages to property*. SCV Water agrees that strengthening of buildings and fire codes related to construction of the utility components are critical to the protection of property, life and the reduction of seismic-caused damages. These codes help water utilities design and construct reservoirs, pump stations, groundwater wells, and pipelines to resist the forces of nature.

Objectives:

- Design new facilities and upgrade existing facilities to withstand a 7.0 earthquake. SCV Water is in a high-risk earthquake area with many geologic fault zones
- Adopt cost-effective standards to protect life, properties and critical infrastructure

- Establish partnerships with other levels of government and business community to improve and implement methods to protect property

Mitigation Projects:
The identified projects and current cost estimates include:

TABLE 18. Earthquake Mitigation Projects

Action Description	Priority	Implementation Timeframe*	Estimated Cost	Responsible Department
Flexible pipe joints at wellheads, pump stations, and storage tanks/reservoirs	High	2 years	Very High	Operations
Seismic shut-off valves	High	2 years	High	Operations
Tie-down equipment	Medium	2 years	Moderate	Operations
Seismic retrofit of storage tanks/reservoirs	High	5 years	Very High	Operations
Communication equipment interoperable with the County	Medium	Annually	Moderate	Operations/Engineering

Potential Funding Sources: Projects will be implemented as funding becomes available. Some of the mitigation efforts may be funded by grants from FEMA/CalOES, HGMP, and BRIC.

6.2.2. Wildfires

Goal: To protect life and property in SCV Water's service area in the event of a wildfire.

Description: *The goal is to avoid injury, loss of life, damage to property, and to maintain water flow for firefighting efforts.* SCV Water has a large area of open land within and surrounding its service area that is comprised of vegetation subject to becoming fire fuel in the event of a wildfire. Wildfires have been and will continue to be a relevant hazard within SCV Water's service area. SCV Water's goal is to ensure there is enough water available in the distribution system for firefighters in the event of a wildfire and to ensure minimal impact to the operation of its water distribution system.

Mitigation Projects:
Below you will find the priority of the project, internal department responsible for implementation, and the source of funding. Further analysis will be required for each mitigation project to provide a more accurate cost estimate when ready to implement. The identified projects and current cost estimates include:

TABLE 19. Wildfire Mitigation Projects

Action Description	Priority	Implementation Timeframe*	Estimated Cost	Responsible Department

Provide generators for critical booster stations and well sites	Medium	3 years	High	Operations
Install Heli-port/ hydrant connections	High	2 years	Very High	Operations/ Engineering
Clear trees and bush 25 feet from all facilities	Medium	Annually	Low	Operations
Foster better communication programs with fire/ police departments	Medium	Annually	Low	Operations
Develop a refueling plan for generators	High	Semi-Annually	Low	Operations
Regional emergency storage project	Medium	5 years	Very High	Engineering
Communication equipment interoperable with the County	Medium	Annually	Moderate	Operations/ Engineering

Potential Funding Sources: Projects will be implemented as funding becomes available. Some of the mitigation efforts may be funded by grants from FEMA/CalOES, or California Department of Forestry and Fire Protection (Cal Fire).

6.2.3. Climate Change Induced Drought

Goal: To protect life and property in SCV Water's service area in the event of a drought.

Description: *The goal is to avoid injury, loss of life, and damages to property*. Because of climate change, there are more extremes in the weather, which means the summers can be hotter, the winters colder, and periods of rain can become less wet or wetter, which causes flooding. It is expected that there will be greater fluctuations in weather patterns, including prolonged dry periods and the drought hazard, which can be mitigated over the long-term. The objectives listed below have been taken from the declaration of a Drought, State of Emergency for California, signed by Governor Jerry Brown in May of 2015.

Mitigation Projects:

TABLE 20. Climate Change Mitigation Projects

Action Description	Priority	Implementation Timeframe*	Estimated Cost	Responsible Department
Complete well siting/ construction for dry-year well program	High	5 years	Very High	Operations
Improve operational efficiency/ system leaks	High	5 years	Very High	Operations
Water conservation outreach	High	1 year	Low	Water Resources
Increase water-pumping capabilities	Medium	2 years	Very high	Operations/Engineering

Interconnections within the various pressure zones of the distribution system	High	1 year	Moderate	Operations
Develop customer notification of water conservation during events	High	Annually	Low	Water Resources
Regional emergency storage project	Medium	5 years	Very High	Engineering

Potential Funding Sources: Projects will be implemented as funding becomes available. Some of the mitigation efforts may be funded by grants from FEMA/CalOES and a variety of federal and state agencies.

6.2.4. Floods[1]

Goal: To protect life and property in SCV Water's service area in the event of a flood.

Description: *The goal is to avoid injury, loss of life, and damages to property*. SCV Water will work to replace and upgrade its storm water facilities in its service area (as-needed) to have enough capacity to remove flood waters during a flood event and install retaining walls around vulnerable and critical facilities.

Mitigation Projects:

TABLE 21. Flood Mitigation Projects

Action Description	Priority	Implementation Timeframe*	Estimated Cost	Responsible Department
Install retaining walls around vulnerable and critical facilities	Medium	2 years	High	Operations/Engineering
Improve drainage system in vulnerable facilities	Medium	5 years	Very High	Engineering
Communication equipment interoperable with the County	Medium	Annually	Moderate	Operations/Engineering

Potential Funding Sources: Projects will be implemented as funding becomes available. Some of the mitigation efforts may be funded by grants from FEMA/CalOES BRIC, HMGP and a variety of federal and state agencies.

6.2.5. Windstorms

Goal: To protect life and property in SCV Water's service area in the event of a windstorms.

Description: *The goal is to avoid injury, loss of life, and damages to property*. The Santa Ana winds are notorious in Southern California for wreaking havoc during the fall and winter months

[1] SCV Water is **not** a participant under the National Flood Insurance Program (NFIP).

each year. The winds are known for their hot, dry weather and bring the lowest relative humidity of the year. The Santa Ana winds easily reach speeds of over 40 miles per hour with a gust of over 60 miles per hour. These winds topple trees, power lines, start wildfires, and generally cause havoc throughout the region. This has caused Southern California Edison and other power providers in California to cut power in regions during these wind events; these actions are called Public Safety Power Shutoff (PSPS) events.

Mitigation Projects:

TABLE 22. Windstorm Mitigation Projects

Action Description	Priority	Implementation Timeframe*	Estimated Cost	Responsible Department
Develop better communication with Edison (SCE)	High	Annually	Low	Operations
Provide generators for critical booster stations and well sites	Medium	3 years	High	Operations
Install Heli-port/ hydrant connections	High	2 years	Very High	Operations/Engineering
Foster better communication programs with fire/ police departments	Medium	Annually	Low	Operations
Develop a refueling plan for generators	High	Semi-Annually	Low	Operations
Communication equipment interoperable with the County	Medium	Annually	Moderate	Operations/Engineering

Potential Funding Sources: Projects will be implemented as funding becomes available. SCV Water will research available funding from federal and state sources for the mitigations.

6.2.6. Dam Inundations

Goal: To protect life and property in SCV Water's service area in the event of dam inundation.

Description: *The goal is to avoid injury, loss of life, and damages to property*. The areas downstream of dams are considered at risk. The failure of the dams would inundate and could cause major flooding in SCV Water's service area. Castaic Dam is located within SCV Water boundaries. The main concerns for the downstream hazard are loss of life, damage to homes, businesses, streets, and bridges.

Mitigation Projects:

TABLE 23. Dam Inundation Mitigation Projects

Action Description	Priority	Implementation Timeframe*	Estimated Cost	Responsible Department

Install retaining walls around vulnerable and critical facilities	Medium	2 years	High	Operations/Engineering
Improve drainage system in vulnerable facilities	Medium	5 years	Very High	Engineering
Communication equipment interoperable with the County	Medium	Annually	Moderate	Operations/Engineering

Potential Funding Sources: Projects will be implemented as funding becomes available. Some of the mitigation efforts may be funded by grants from FEMA/CalOES BRIC, HMGP and FMA.

6.3. Planning level Cost Estimates

To estimate the cost, the planning level cost of each action was categorized based on the following criteria:

- Low Estimated Cost ($5000 - $49,999)
- Moderate Estimated Cost ($50,000 - $249,999)
- High Estimated Cost ($250,000 - ($1,000,000)
- Very High Estimated Cost ($1,000,000 - Above)

Further analysis will be required for each mitigation project to provide a more accurate cost estimate when ready to implement.

6.4. Mitigation Priorities

During the development of the risk assessment for SCV Water, the Planning Team proposed and discussed alternative mitigation goals, objectives, and specific mitigation measures that SCV Water should undertake to reduce the risk from the six high-risk hazards facing SCV Water.

The team considered multiple factors to establish the mitigation priorities included in this plan. It assigned the highest priority rankings to those mitigation measures that met three primary criteria:

- Greatest potential for protecting life and safety
- Greatest potential for maintaining critical Agency functions and operability following a disaster
- Achievability in terms of residents' support and cost effectiveness

All rankings were determined by the consensus of the Planning Team. As described in the previous section on hazard and risk assessment, it is clear that earthquakes have the potential to affect the largest number of people, damage critical facilities and buildings, and to cause the greatest economic losses. This fact, combined with the relatively high probability of an earthquake occurrence in the next several decades, makes increasing disaster resistance and readiness to earthquakes a high priority. Given the extreme importance of maintaining critical functions in times of disaster and the large number of customers who depend and rely on SCV

Water services and infrastructure, those mitigation measures that improve disaster resistance, readiness, or recovery capacity are generally given higher priority.

Drought, earthquake, wildfires, climate change induced drought, flooding, windstorms, and dam inundation mitigation actions are identified and assigned a priority according to their importance, cost, funding availability, project planning readiness, and the anticipated time to implement the measures.

Using the above rationale for establishing mitigation priorities, each mitigation measure is assigned a priority ranking as follows:

- High – Projects that will be the primary focus of implementation over the next five years
- Medium – Projects that may be implemented over the next five years
- Low – Projects that will not be implemented over the next five years unless conditions change (new program and funding source)

This document provides SCV Water with a proactive approach to disaster management and risk reduction, to meet the defined goals of this LHMP. The cohesive collection of actions listed below can also serve as an easily understood menu of mitigation policies and projects SCV Water's decision makers who want to quickly review the recommendations and proposed actions of the plan and potentially integrate with other planning documents.

6.5. Implementation Strategy

The implementation strategy is intended to successfully mitigate the hazards identified in this plan within a reasonable amount of time. SCV Water is currently operating within its annual budget and has been fortunate that recent recessions didn't cause major issues with the budget or revenue. SCV Water revenues have remained strong throughout the recent recessions, and capital improvement projects have remained a priority. SCV Water staff will review the LHMP each year before obtaining the next year's fiscal budget. The LHMP will also be reviewed by the Board of Directors for items to be included in the new fiscal budget. SCV Water staff will also look for ways to obtain hazard mitigation grants each year to off-set the impacts on the fiscal budget and to show some relief for the residents. It is relevant to note that the Hazard Mitigation Grants require a Benefit Cost Analysis based on the formula shown below:

$$B/C = \left[\frac{B_0}{(1+i)^0} + \ldots + \frac{B_T}{(1+i)^T}\right] \div \left[\frac{C_0}{(1+i)^0} + \ldots + \frac{C_T}{(1+i)^T}\right]$$

6.6. Mitigation Projects Funding Source

There is currently limited funding in SCV Water's budget for mitigation efforts. SCV Water will include mitigation funding considerations into the budgeting process and determine what mitigation projects could be funded in future budget cycles.

6.7. Timeframe

Over the next five years, SCV Water will incorporate mitigation into all capital improvement projects that SCV Water undertakes. SCV Water prepares a Capital Improvement Plan (CIP) on annual basis. When funding is available, SCV Water replaces outdated pipelines, reservoirs, wells, and buildings as part of its CIP.

SCV Water will apply for mitigation grants as the opportunities become available from federal, state, and local agencies each year. SCV Water will consider all mitigation items during the annual budget workshops, conducted each spring.

SECTION 7. Plan Maintenance

7.1. Monitoring, Evaluating, and Updating the Plan

The General Manager or his/her assignee will evaluate the plan on an annual basis and consider whether new hazards have emerged, community vulnerability has changed, and goals and objectives are still relevant to current conditions. The LHMP will be reviewed as part of the annual budget process in the spring of each year. The General Manager or his/her designee will ensure the LHMP is reviewed annually, and any items that have been mitigated will be removed from the LHMP. At that time, staff and elected Board of Directors will review funding and capital improvement projects in the next fiscal year's budget. Annually, the General Manager or his/her assignee and the Board of Directors will review funding and determine the projects to be included in the next fiscal year's CIP budget. The General Manager or their assignee will include the LHMP in all budget workshops and grant planning meetings. This will allow open discussion, evaluation, and assessment of the LHMP to achieve goals, allowing the addition and removal of mitigated items.

The General Manager or his/her designee and Environmental Health and Safety Department will lead a full review of the LHMP at five-year intervals in the same manner as the initial LHMP. At this time, progress in reaching mitigation goals, assessment of new and existing hazards, development of new mitigation strategies and goals will be addressed by the Planning Team that will include the General Manager or his/her assignee. The consumers within the boundaries of Santa Clarita Valley Water Agency and SCV Water's personnel will be asked to participate in the update process.

7.2. Implementation Through Existing Programs

Once CalOES and FEMA approve the LHMP, SCV Water will incorporate the LHMP into capital improvement projects, capital replacement programs, building design, and any updates or repairs to the water distribution system. SCV Water will submit a Notice of Intent to the State of California to help facilitate opportunities in obtaining FEMA and State funding to mitigate hazards within the service area. The General Manager or his/her designee will be responsible for implementing the LHMP and ensuring the LHMP recommended goals and objectives are met. The General Manager or his/her designee will be liable to place the LHMP on SCV Water's website and incorporate the LHMP into the annual budget workshops. The General Manager or his/her designee will verify that the LHMP is updated on a 5-year cycle. In order to ensure ample time to obtain CalOES and FEMA approval of the LHMP and to apply for grant funding, SCV Water needs to start the update of the LHMP 18 months prior to the expiration of this LHMP.

7.3. Continued Public Involvement

The approved LHMP will be posted on SCV Water's website with contact information in the spring of each year at the SCV Water's Board of Directors budget workshop. The General Manager or his/her appointee is responsible for ensuring the LHMP is brought before the Board

of Directors each year. Public comments will be taken regarding the LHMP, and projects that could be included in the next year's budget will be considered. As new facilities are incorporated into SCV Water, the LHMP will be updated to include new facilities and new hazards, if warranted. When the LHMP needs updating, a public engagement process will be utilized to review and coincide with the document's changes. It is the General Manager or his/her designee's responsibility to ensure the LHMP is reviewed annually, as well as, ensuring the LHMP is updated every 5 years.

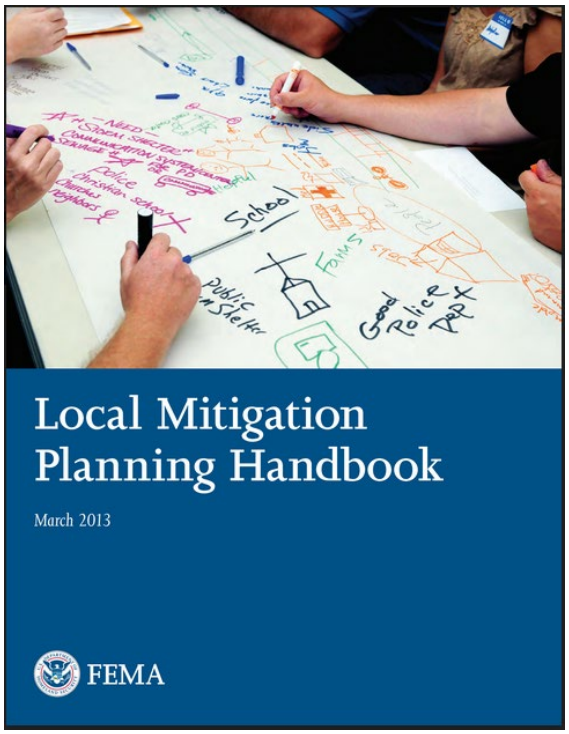
Santa Clarita Valley Water Agency

Local Hazard Mitigation Plan

Regular Board Meeting
May 17, 2022

Presentation Overview

- Purpose of the Plan
- Plan Development Process
- Risk and Capability Assessment
- Mitigation Strategies
- Plan Maintenance
- Next Steps
- Questions and Answers

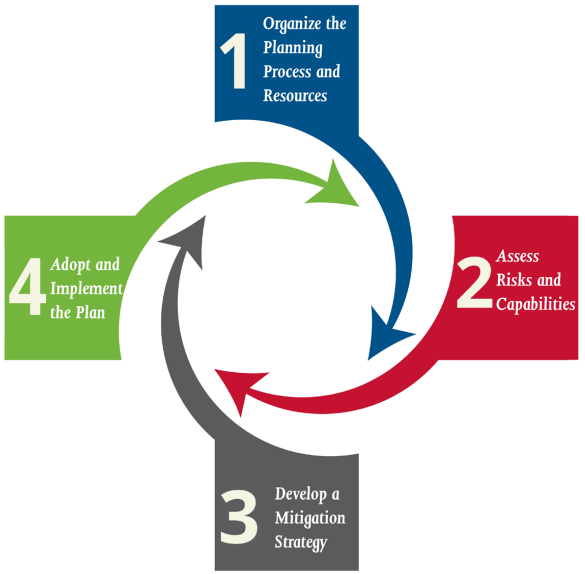


Purpose of the Plan

- Identify Hazards
- Formulate Mitigation Strategies
- Eligibility for Federal Funding Assistance

Plan Development Process

- SCV Water Planning Team
- Other Lead Agencies
- Review of Other Hazard Mitigation Plans
- Public Outreach



Risk and Capability Assessment

- Hazard Identification
- Hazard Susceptibility
- Capability to Implement Mitigation Strategies

Mitigation Strategies

- Identify Goals
- Identify Objectives
- Identify Mitigation Projects

Plan Maintenance

- Annual Review
- 5 Year Full Review/Update of Plan

Next Steps

- Public Comment Period Underway
- Plan Submittal to CalOES and FEMA
- Board Adoption

Questions?

THANK YOU

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ITEM NO. 11.1

AB1234
Lynne Plambeck

SoCal Water Dialogue
Wednesday, April 27, 2022
12:00 – 1:30 pm
Zoom Webinar

"The 21st Century of Water in Southern California: Living Within Our Means"

With drought tightening its grip on the region, why aren't we fully utilizing existing local resources? Modeling shows significant capacity to develop and store more local water in the region's groundwater basins, while holistic planning that considers investments from source-to-tap-to-waste-to-reuse can support transitions to sustainable water management. This will help us optimize available supplies in the region, especially when we incorporate climate-appropriate landscapes.

Speakers:

Dr. Erik Porse, Research Engineer, Office of Water Programs, Sacramento State University and Assistant Adjunct Professor, California Center for Sustainable Communities at UCLA

He has completed a study for Los Angeles County about how we will deal with major reductions in water supply. He believes water can continue to be supplied by Reducing demand through eliminating turf, and upgrading plumbing

New Supply for L.A. area
Managed aquifer recharge
Recharge groundwater with storm water and recycled water, ground water storage in years when there is SWP excess.
Import water only during wet years.

Dr. Stephanie Pincetl, Chair, Environmental Science and Engineering, UCLA Institute of the Environment and Sustainability

Landscaping change – must eliminate lawns and move towards natives, more tree canopy, less no-native shrubbery. Water guzzling landscape is a product of migration from the east coast.

Problems – Nurseries don't sell natives. Gardeners will lose jobs, because natives are low maintenance. this must be addressed. Changing landscapes is expensive. Showed examples of native plant gardens.

The next Water Dialogue meeting will be on Wednesday, May 25

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ITEM NO.
11.2

DIRECTOR AB 1234 REPORT

Director Name: Kathye Armitage

Meeting Attended: Special Districts Association of North Los Angeles County, Executive Board Meeting

Date of Meeting: April 27, 2022

Location: Virtual

Board Meeting to Be Presented At: May 17, 2022

Points of Interest:

Background
The California Special Districts Association (CSDA) is a non-profit association that promotes good governance and services through professional development and advocacy for independent special districts. SCV Water is a special district that is a member of CSDA.

CSDA has 23 chapters throughout California, the newest of which is the Special Districts Association of North Los Angeles County (SDANLAC) with two representatives from SCV Water serving on the Executive Board.

Purpose of meeting
The purpose of this meeting was to get updates from the CSDA Senior Public Affairs Field Coordinator, debrief about the inaugural general membership meeting that took place on 3/31/22, and begin planning for next general membership meeting.

Key points
- The Senior Public Affairs Field Coordinator for the CSDA, Chris Palmer, gave an update on upcoming events and trainings
- The inaugural general membership meeting on 3/31/22 was well attended and well received
- Discussion about potential membership dues was deferred
- The idea about workforce retention as a future topic was discussed
- Ideas for the next general membership meeting were discussed
  - Potential speakers
  - Location: Antelope Valley
  - Dates: end of June
- The next meeting of the Executive Board of SDANLAC is scheduled for May 12th.

Special Districts Association of North Los Angeles County

Board Meeting (Virtual)

10 a.m. April 27, 2022

Agenda

1. Roll Call - Director Gloria Dizmang

2. Approval of Minutes from March 23 Meeting

3. CSDA Updates - Chris Palmer, CSDA Senior Public Affairs Field Coordinator

4. Debrief - Inaugural General Membership Lunch Meeting on 3/31/22

· Pros/Cons

· Non-Board, non-staff guests

5. Next Quarterly Membership Luncheon (June)

6. Membership Dues

7. Workforce Retention - Director Kathye Armitage

8. Other Discussions

9. Next Board Meeting

10. Adjournment

ITEM NO. 11.3

DIRECTOR AB 1234 REPORT

Director Name: Kathye Armitage

Meeting Attended: Association of California Water Agencies (ACWA) Spring Conference

Date of Meeting: May 3, 2022 - May 5, 2022

Location: Sacramento, CA

Board Meeting to Be Presented At: May 17, 2022

Points of interest from the main sessions I attended:

- Local Government Committee Meeting
  - The idea of putting fixed service charges onto property taxes (vs. billing for them each month) was presented and discussed
    - Reasons why agencies might want to do that: more predictable/sustainable revenue and helps disadvantaged communities since it puts the burden of payment onto property owners vs. renters
    - This could work for wastewater agencies, but agencies that provide drinking water would need to do more work to be able to do this due to language in the Public Health & Safety Code
    - The committee approved the handout that was developed by the working group and it will be presented to the ACWA Board and posted on the website
      - I have a copy of the handout in anyone would like to see it
    - The working group will also make the State Legislation Committee aware of the issue and let them decide if they would like to advocate for language that would allow drinking water agencies to use this billing method
  - A working group was formed to address the issue of connection fees and impact of densification of housing to educate local government officials about how higher domestic water demand affects existing systems
  - Another working group was formed to work with cities to: 1) help them understand how changing repair standards for street maintenance leads to increased costs for water agencies, and 2) how cities can better coordinate with water agencies as they use new transportation funding for street improvements (where water infrastructure can be damaged in the process)

- Water Quality Committee Meeting
  - Special guest: Nichole Morgan from the State Water Resources Control Board (SWRCB)
    - She shared her background and information related to the drought
    - One key point she made was that it is never too early to submit an application for funding to the SWRCB
      - The first ones in get first consideration

        - Staff will work with applicants to help with their applications
    - Presentation on microplastics related update
        - Comments were submitted on the Draft Microplastics in Drinking WaterPolicy Handbook
        - There are two pilot research projects being conducted
        - I can forward presentation to anyone interested
    - Hexavalent Chromium
        - ACWA sent a comment letter to the SWRCB regarding the Administrative Draft of the Adoption of a Regulation for the Hexavalent Chromium Maximum Contaminant Level (MCL)
            - I can share a copy of the letter with those interested
    - Bills the committee is watching
        - AB 1931 (Rivas) - lead surface line replacement
        - AB 1817 (Ting) - PFAS in textiles
        - AB 2247 (Bloom) - registering PFAS in manufactured products
        - AB 2787 (Quirk) - ban products with microplastics
        - SB 1124 - public health goal for manganese

- Welcome Breakfast
    - ACWA is launching a campaign about the importance of water infrastructure in California
        - QuenchCA.com
    - Keynote speaker was Martha Guzman, Regional Administrator of EPA Region 9
        - We are at a unique moment with significant federal infrastructure funding and a state surplus
        - Tremendous opportunity to lead with solutions
        - We need to ensure funding goes to areas that need it most
            - Racial justice and equity are important
        - Three areas that solutions need to include consideration of
            - Environmental justice
            - Climate change
            - Restoration of scientific integrity

- “Focus on the Fix, Not the Fight”
    - Speakers: Jacob Katz, Cal Trout Senior Scientist and Luke Matthews, Wildlife Biologist with the California Rice Commission
    - This session provided a good example of how ecological and agricultural stakeholders can work together to meet different but interconnected goals
    - Functional ecosystems depend on healthy landscapes
        - Focus on landscapes as a way to support rivers
    - Natural flooding cycles of the Sacramento Valley were important to the region’s ecosystem
        - There is value to spreading water out and slowing it down
        - Flooding allows plant materials to break down in the water and make the water richer in energy for fish so they grow larger and healthier

        - The management of the waterways has removed the flooding cycles, but we can reactivate them
    - The Floodplain Forward Coalition is working to bring back the use of flooding and mimic the natural cycles of wetlands while still allowing for agricultural use of lands
        - The California Rice Commission is using rice fields to produce rice and also provide habitat for fish and birds
    - Data is showing a fourfold increase in fish survival rates

- "Meeting California's Water Needs in A Changing Climate"
    - Climate projections through 2100 reveal a low-to-no snow future for California
    - Snowpack loss is not a future issue; it will likely happen in our lifetime
    - Changes in snow translate to changes in hydrology
        - Cascading impact on land processes
        - Shifts in vegetation species
        - Increased wildfire
    - New modeling techniques can decrease uncertainty
        - Important to track atmospheric rivers
    - However, this is not set in stone
        - Commitment to decarbonize is important and can be impactful
        - We need proactive climate adaptation strategies
    - We are in the hardest period of change in California water in generations
    - Difficult decisions will need to be made so we can be ready
    - The last two years have been instructive
        - Runoff forecasts have been way off
        - California Department of Water Resources has been focused on improving forecasting
    - It's essential to integrate resources
    - Karla Namath (Director of CA Department of Water Resources): "All that information on climate that we were content to keep in the appendices have moved into the main documents."

- "Protecting Communities in the Era of Wildfire: The Important Role of Water Purveyors"
    - Wildfires are more intense today
        - Reasons
            - Tribes managed watersheds historically with periodic burns
            - Fire suppression practices of the recent past has made forests more dense
            - Climate change is an accelerant; drought kills trees in dense patches
        - This all makes for more fuel for fires
            - Phenomenon called "standing combustion"
        - Wildfires impact the functionality of watersheds
            - Hydrophobic soil (layer of clay topsoil that doesn't absorb water)
            - Less trees to provide ecosystem services
        - This affects reservoirs

- We need to think of managing watersheds for water yield, but the problem is the surrounding forests are managed by the forest service or private land owners and there hasn't been collaboration in the past
  - Both overly dense planting and underplanting affects the watershed
- Good news is investments are being made into managing upper watersheds and wildfire resilience
  - 553 projects have been launched by the California Natural Resources Agency
- Three core fronts:
  - Restore natural fire ecologies across landscapes
  - Invest around communities with strategies like firebreaks
  - Invest within communities with strategies like home hardening and defensible space
- Lessons learned by the South Tahoe Public Utility District when the Caldor Fire was nearing their community (Julie Ryan, Engineering Department Manager)
  - They made sure they had a representative in the Incident Command Room to remind the first responders they are the only people who provide water
    - Worked with firefighters to help them identify key areas of their water systems so they could keep their water flowing for the firefighting efforts
  - They made sure they kept on top of repairing leaks
  - They relied on their Geographical Information Systems team to provide a list of priority areas that needed to be protected from the fire
  - They continuously updated their back-up plan
  - They took advantage of an empty town (that was evacuated) to do maintenance that they'd normally have to shut down major streets for
- Facilities critical to fighting the fire
  - High capacity wells and booster stations
  - Water lines with fire hydrants
  - Instrumentation/remote monitoring stations
  - AMI
  - Back up power
- Water systems are key to fighting wildfires - it's important to be prepared

- "Roundtable Discussion: Implementing DEI Initiatives"
  - Developing and implementing an effective Diversity Equity and Inclusion (DEI) strategy within an agency can help make sure there is a culture of acceptance and appreciation of people of all backgrounds, beliefs, and experiences
  - Data can be collected and used to identify areas of opportunity, track progress toward goals, and demonstrate improvements
  - The California Urban Water Agencies developed DEI Policy Principles which include a toolkit with best practices from member agencies

ITEM NO. 11.3

AB1234
Lynne Plambeck
ACWA Conference
Mya 3-May 5, 2022
Sacramento Convention Center

Ground Water Committee 10 AM

Drought Order Well permitting (DWR, Paul Gosselin)–
bring a pause of well permits that will exacerbate dry wells and subsidence. No enforcement, but ignoring order may affect grants, crop insurance.
Permitting for wells did not get shifted from County to GSA. County must make two conditions to consider, must contact and talk to the GSA. GSAs should communicate with well permitting agency if limits have been imposed. Don't need to do detailed analysis, just common sense where there are problems, no new permits should be issued.
Historic Drought conditions
Addressing dry wells and subsidence
Stream lining recharge – similar to what was put into place in 2015, CEQA exemptions ok'd

SGMA – developing Guidebook on drinking water wells
Funding – 350 mill over next three years for implementation, awards this week for critically over drafted basins. Later for high and medium. There is a lot of money for recharge projects.
Increasing release of subsidence data to a quarterly basis.

Div of Land Resource Protection (Dept. of Conservation) – Kyle Bright
Primary role to work with growers and land trust to conserve agricultural land. Williamson Act, they verified that lands were really in AG. They work with rural counties to implement the Williamson Act. Work with folks that do conservation and land trusts. With reduced ground water availability, we need to look at land re-purposing. Flexible funding and tools to manage the reduction of ground water availability. Where should fallowing must ideally occur. Minimize impacts to communities around these areas. At is core this is a ground water sustainability program to avoid piece meal fallowing that causes harm. Supporting disadvantaged communities. Built program around block grant approach. Acknowledge of the importance for regonas to lead local programs. It is meant to align with the constellation of water authorities and across grant programs. Gave a program update for various projects.

Ground water subcommittees
Land use subcommittee, Iris Priestaff – purpose of landuse committee in work plan – to address regulatory power and provide purposed solutions and coordinate with the Ag committee.
Water Quality, Greg Woodside – working on hex Chromium, Arsenic, PFAS
Trevor Joseph, SGMA Implementation Subcommittee, looking at DWR evaluations

Chris Anderson AB2201 – Would have turned GSAs into permitting agencies, gutted after Gov.'s order, 30 day public comment period. It advanced out of Water, Parks, Wildlife.

Committee work plan approved.
Dave Reynolds, Federal Issues – PFAS is being found in waste water sludge, and must come up with removal from soil – organic company in Maine now out of business because of this problem. Lots of Federal dollars, going back to Obama NEPA standards and buy America, Build America.

3 PM Water Quality Com
Presentation from Nicole Morgan, civil engineer – new State Water Board member
34 dry wells reported in the last week. Small system emergencies have been called in L.A., Kern Tulare. Report was similar to that given in the Ground water and water management committees. Get your application in early, even if the guidelines have been completed, then the staff will work with the agency to get it completed. 810M srf , more for emergency contaminants and PFAS. Looking for where PFAS is coming from to find responsible parties.

Microplastics – There have been studies conducted, but need more. They have microplastics in human blood, lungs and it blocks placental blood exchange. Overview of legislation, mostly focused on manufacturers, now focused on drinking water. Proposed legislation required Water Agencies to report microplastics in their consumer confidence report.

Chrom 6, Begley - have developed removal protocol's. (reverse osmosis filtration, etc.). o.o5 proposed MCL

Federal Affaires – report on PFAS in CERCLA, ACWA took oppose position on lead bill because of implementation on customer side.

Adam Canones
AB2787 – ban products that produce microplastics
SB1124 – now focuses on manganese would require Health Services to develop health goal

Water Quality Committee work plan – moved to adaption by Regions
Next meeting dates for committees July 26-27

Wednesday 5-4-22
Breakfast Keynote – EPA talked about funding available, a lot of money to replace lead infrastructure and address lead pollution. Feds said that perchlorate doesn't need an MCL.

10am – Water Law update
Cliff Lee - Highlights from the reform legislation. There has not been any review of water rights lase since the 1970s. Drought has driven the need to take another look. 7 member board volunteered to review, initiated by PCL (limited to initiating discussion). First, look forward at what climate change will do rather than backward at historical data that may no longer be relevant, 2nd, look at codes, State WRCB be granted a way to ensure that that the status quo remains the same until after the hearing, 4th, give the Board that authority t initiate a statutory adjudication, real time monitoring and reporting of diversions- due a pilot program. Implementing the human right to water that is reliable and safe (already law), exploring ways to fund NGOs participation in SWRCB, thus providing more parody for participation. and that one SWRCB have a background in Environmental Justice. Mitigation of adverse effects due to ground water extraction assigned to GSA. Require a change to 6537 to release water to keep temperature at level where fish can survive. The Water Quality Plan for Bay Delta should be updated with final action by 2023.
Rebecca Akroid – legislation AB202, funding of NGOs for actions before SWQCB and add someone to Board enviro justice – AB1537 – GSA compensate people for impacts to individual wells AB2021, would prohibit County from a new well unless they consult with the GSA and find that there will not be an impact AB2639 require state board to adopt final update by 2023. No new water rights or diversion coan occur if deadlines are missed.
SB1205 – must include climate change in water availability reports.
Funding – pre-1914 pay nothing, everything funded by post 1914. Rebecca suggested that the public should pick up proposal costs. Monitoring – about 600 diverters are responsible for 90%

of Delta diversions. Suggested that we review old requirement so that uniformly formatted and usable. Funding from mitigation for impacts to wells? Lee- suggested general fund money. Becca says its not doable because GSAs don't have plans finalized.

1:45 PM Water Issues Forum – Meeting California's Water Needs in a Changing Climate
Steve LaMar Moderator
Andy Fecko, GM Placer County Water Agency – basin study for their area set off a review of how to solve issues Did a study that showed the temp would be 6.2 degrees higher, so they had to admit they had a problem. Winters will be compressed and snowless, but may come as as rain. This is going to make it really difficult for salmon.
Karla Nemeth, Director of Water Resources – most difficult change experienced in multiple generations. water Plan out in 2023, climate. Need to deal with species and habitat to make other solutions work.
Erica Woodburn, Research Scientist, Berkeley Lab – Studies snowpack. Water is managed based on a reliable snowpack connecting to major rivers and reservoirs. Biggest shift in water availability is reduction in snowpack. In CA, snowpack accounts for 73% of additional storage beyond resevoirs. When? "A low to no snowpack" paper. Synthesized several articles extracted meta data 25% decline, by mid contrary, 50% by end of century. Sierra snow pack more susceptible because of warming.
LaMar – the public may welcome natural infrastructure more than "gray" infrastructure.

Thursday 9:30am
Protecting Communities in the New Era of Wildfire
Moderator Sean Barcly, GM Tahoe City
Julie Ryan, Engineering Depart, Tahoe City, had to explain to fire fighters about the water system, to keep them with water. Relied on GIS – very affective in providing priority list to incident command. Back up technology – the tank that burned overflowed and flooded the house. Individual home owners left water running, so they had to turn it off.
Dan Corcoran, El Dorado Irrigation We need to learn to live with wildfire, humans are the main source of ignition, should look at the whole watershed. Establish incident liaison. Expect communication interruptions. Protect high priority infrastructure, not los. Expect damage to fire hydrants and lines. Rotate work crews. Book hotel rooms.
Jessica Morse – CNR, tribal burning, forests too dense. Hot fires created a clay (hydrophobic) soil surface that discouraged water absorption.

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ITEM NO.
11.4

DIRECTOR REPORT AB 1234

Director Name: Jeff Ford

Conference/Seminar Name: 13th Annual State of the County Luncheon

Date: 5/4/2022

To Be Presented at Next Regularly Scheduled Board Meeting on: 5/17/2022

Subject Matter of Conference/Seminar:
Status of programs in the 5th Supervisorial District

Speakers and Persons of Interest in Attendance:
Katherine Barger, 5th District Supervisor

Points of Interest:
Supervisor Barger effusively praised county and city personnel for their efforts during the pandemic and promised to continue to get all future requirements based on the best science. She presented commendations to Magic Mountain, College of the Canyons and Henry Mayo Newhall Hospital for their efforts to fight the pandemic.

Supervisor Barger noted that the city was recently ranked the third safest in the nation by one poll and mentioned her appreciation of the efforts by local law enforcement and noted her commitment to fully funding the L.A. County Sheriff's Department as well as enhanced mental health response for afflicted residents. She said she has been actively working with the local

development community to help meet the county's housing needs and noted that although there has been plenty of funding to address homelessness issues, the county lacks the necessary feedback to determine the effectiveness of the money spent to date and she will be working to change that fact. She also praised the city for opening The Bridge to Home facility.

A full program can be found at:
https://online.flippingbook.com/view/681317584/