

**LA HABRA HEIGHTS COUNTY
WATER DISTRICT**

BOARD MEETING

OCTOBER 28, 2025

**AGENDA FOR REGULAR MEETING
BOARD OF DIRECTORS
LA HABRA HEIGHTS COUNTY WATER DISTRICT
October 28, 2025 @ 4:00PM**

- 1. Roll call of Directors by Secretary**
- 2. Notation of staff members and others present**
- 3. Public Communications** (Comments will be limited to 3 minutes)
- 4. Directors Report – Individual, Subcommittees and/or Attended Events**
- 5. Consent Items:** It is recommended these items be acted upon simultaneously unless separate discussion or action is requested by a member of the public or a Director.
 - a. Minutes of regular Board meeting for August 26, 2025 (approve)
 - b. Minutes of regular Board meeting for September 9, 2025 (approve)
 - c. Financial Reports – August 26, 2025 (approve)
 - d. Status of Investment – September 2025 (approve)
- 6. Approval of warrants and authorize signatures per warrant list**
- 7. Report from Superintendent**
- 8. Report and recommendations of General Manager:**
 - a. Discuss and Approve – Emerson and Highroad IT SCADA upgrade project proposals
 - b. Discuss and Adopt – Resolution 25-09 Accounting Policy and Procedures Manual

- c. Discuss and Approve – Changing the regularly scheduled November Board meeting to a special meeting on another day of the month
- d. Discuss - Reservoir 10A warranty
- e. Discuss – Monthly PFAS update

9. Closed Session

a. CONFERENCE WITH LEGAL COUNSEL - POTENTIAL INITIATION OF LITIGATION

Initiation of litigation pursuant to § 54956.9(c): One potential case.

b. THREAT TO PUBLIC SERVICES OR FACILITIES (Government Code § 54957) Consultation with: Michael Silander, District Counsel.

10. Adjournment

Any documents that are provided to the Board of Directors regarding items on this agenda less than 72 hours prior to this meeting will be available for public inspection at the front counter of the District office located at 1271 N. Hacienda Road, La Habra Heights, California 90631

MINUTES

MINUTES OF THE REGULAR BOARD MEETING
OF THE BOARD OF DIRECTORS
LA HABRA HEIGHTS COUNTY WATER DISTRICT
September 23, 2025

A regular meeting of the Board of Directors of La Habra Heights County Water District was held on September 23, 2025, at 4:00 p.m., at the office of the District, located at 1271 North Hacienda Road, La Habra Heights.

Item 1. Roll call of Directors by Secretary/General Manager, Joe Matthews.

PRESENT: Directors Baroldi, Cooke, Crabb, McVicar, and Perumean

ABSENT: None

Item 2. Staff members and others present. Staff: Joe Matthews, Secretary/General Manager and Ivan Ramirez, Superintendent. Others present: Michael Silander, District Counsel.

Item 3. Public Communications – None

Item 4. Directors Report – Individual, Subcommittees and/or Attended Events.

Item 5. a. b. & c. Minutes of Regular Board meeting for August 23, 2025, September 9, 2025 and Financial Reports August 31, 2025. After discussion, there was a motion by Director Baroldi and seconded by Director Perumean to approve minutes and financial reports. The vote was as follows:

AYES: Directors Baroldi, Cooke Crabb, McVicar, and Perumean

NOES: None

ABSENT: None

Item 6. Approval of warrants and authorized signatures per warrant list. After discussion, there was a motion made by Director McVicar and seconded by Director Crabb that warrant numbers 48073 through 48135 in the amount of \$435,656.94 and EFT transfers in the amount of \$14,914.12 be approved and signatures be authorized. The vote was as follows:

AYES: Directors Baroldi, Cooke Crabb, McVicar, and Perumean

NOES: None

ABSENT: None

Item 7. Report of Superintendent. The Superintendent discussed two service and two main leaks were repaired. Completed backflow and accuracy testing on temporary construction meter to comply with the new cross-connection program requirements. The District's landscape contractor retired, and a new contractor will begin with this month's maintenance. The new contractor will also take care of weed abatement around reservoirs, clearing twenty-five feet for fire protection to comply with our hazard mitigation plan.

Item 8.a. General Manager report on PFAS. The general manager provided an update on PFAS.

(closed session began at 4:20 p.m. and ended at 5:23 p.m.)

Item 9.a. CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION: Initiation of litigation pursuant to § 54956.9(c): Two cases. No reportable action was taken

Item 10. There being no further business to come before the Board, a motion was made by Director Cooke and seconded by Director McVicar that the meeting be adjourned at 5:23 p.m. The vote was as follows:

AYES: Directors Baroldi, Cooke, Crabb, McVicar, and Perumean

NOES: None

ABSENT: None

Dated: October 28, 2025

Brad Cooke, President

(SEAL)

Joe Matthews, Secretary

FINANCIAL REPORT

LA HABRA HEIGHTS COUNTY WATER DISTRICT

STATEMENTS OF NET POSITION

September 30, 2024 and September 30, 2025

	2024	2025
<u>ASSETS:</u>		
<u>Current Assets:</u>		
CASH-PETTY	300.00	300.00
CASH-CHECKING	1,416,979.46	1,243,526.47
CASH-SWEEP	668.12	96.42
INVESTMENT-LAIF	3,962,910.71	6,177,556.29
INVESTMENT-TREASURY BILLS	1,040,023.43	544,934.94
ACCOUNTS RECEIVABLE-WATER	545,793.08	597,563.42
ACCOUNTS RECEIVABLE-OTHER	295,077.89	361,314.86
LEASE RECEIVABLE	131,188.00	131,226.00
ACCRUED INTEREST RECEIVABLE	54,073.15	44,368.00
INVENTORY	226,648.69	299,639.75
PREPAID EXPENSES	45,813.17	83,107.91
Total Current Assets	7,732,051.94	9,483,634.06
<u>Noncurrent Assets:</u>		
Capital Assets:		
LAND	532,743.65	532,743.65
WATER RIGHTS	1,640,490.80	1,640,490.80
SOURCE OF SUPPLY	2,278,699.92	2,275,481.80
PUMPING PLANT	1,668,932.77	1,668,932.77
TRANSMISSION & DISTRIBUTION	26,552,921.13	28,052,424.01
GENERAL PLANT	1,656,631.36	1,666,748.78
CONSTRUCTION IN PROGRESS	1,681,109.16	466,511.84
Total Capital Assets	36,011,528.79	36,303,333.65
Accumulated Depreciation	(20,038,128.58)	(20,554,297.37)
Net Capital Assets	15,973,400.21	15,749,036.28
Other Noncurrent Assets:		
INVESTMENTS-CAL DOMESTIC WATER CO	591.00	591.00
LEASE RECEIVABLE	2,164,373.38	2,040,804.45
Total Other Noncurrent Assets	2,164,964.38	2,041,395.45
Total Assets	25,870,416.53	27,274,065.79
 DEFERRED OUTFLOWS OF RESOURCES- Deferred amount from pension plan	853,967.00	595,613.00
DEFERRED OUTFLOWS OF RESOURCES- Deferred amount from OPEB	199,012.00	430,354.00
Total Deferred Outflows of Resources	1,052,979.00	1,025,967.00

LA HABRA HEIGHTS COUNTY WATER DISTRICT

STATEMENTS OF NET POSITION

September 30, 2024 and September 30, 2025

	2024	2025
LIABILITIES		
Current Liabilities:		
ACCOUNTS PAYABLE	906,941.23	551,807.42
DEPOSITS-CUSTOMERS	4,100.00	3,000.00
DEPOSITS-CONSTRUCTION	23,000.00	58,520.73
ACCRUED EMPLOYEE BENEFITS	121,805.03	139,854.83
NET OPEB OBLIGATION	1,076,358.00	1,450,712.00
NET PENSION LIABILITY	1,431,442.00	1,407,148.00
Total Current Liabilities	3,563,646.26	3,611,042.98
Total Liabilities	3,563,646.26	3,611,042.98
DEFERRED INFLOWS OF RESOURCES- Deferred amounts from pension plan	176,276.00	140,658.00
DEFERRED INFLOWS OF RESOURCES- Deferred amounts from OPEB	914,390.00	782,327.00
DEFERRED INFLOWS OF RESOURCES- Deferred amounts from Leases	2,264,901.29	2,143,040.81
Total Deferred Inflows of Resources	3,355,567.29	3,066,025.81
Net Position:		
INVESTED IN CAPITAL ASSETS, NET RELATED DEBT	15,973,400.21	15,749,036.28
UNRESTRICTED	4,030,781.77	5,873,927.72
RESTRICTED	-	-
Total Net Position	20,004,181.98	21,622,964.00

LA HABRA HEIGHTS COUNTY WATER DISTRICT
STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN NET POSITION
For Three Months Ending September 30, 2024 and September 30, 2025

	Last Year Current Month Actual 9/30/2024	Current Month Actual 9/30/2025	Last Year YTD Actual 9/30/2024	Current YTD Actual 9/30/2025	Current Budget 2025/26	Actual 9/30/2025 % of budget 2025/26
Operating Revenue:	572,620.54	624,164.19	1,668,224.81	1,781,723.91	6,092,986.00	29%
Operating Expenses:						
Source of Supply	226,442.58	194,260.66	666,500.53	650,753.41	2,160,412.00	30%
Pumping	8,190.16	4,306.26	24,687.84	66,127.96	133,495.00	50%
Treatment	5,596.29	9,165.92	19,463.54	20,523.72	95,582.00	22%
Transmission & Distribution	15,794.38	72,739.48	85,230.78	123,065.85	700,407.00	18%
Customer Accounts	23,040.53	21,604.97	59,409.56	112,196.89	223,294.00	50%
Administrative and General	131,038.24	228,142.32	510,759.78	679,094.11	2,072,614.00	33%
Capital Improvements	154,511.75	154,511.75	463,535.25	463,535.25	1,874,006.00	25%
Other	6,168.17	7,699.84	24,834.19	27,515.59	98,875.00	28%
TOTAL OPERATING EXPENSES	570,782.10	692,431.20	1,854,421.47	2,142,812.78	7,358,685.00	29%
OPERATING INCOME (LOSS)	1,838.44	(68,267.01)	(186,196.66)	(361,088.87)	(1,265,699.00)	29%
Non-Operating Revenues	42,111.57	481,008.12	142,703.97	576,819.38	1,446,658.00	40%
Non-Operating Expenses	600.00	800.00	1,100.00	1,600.00	28,014.00	6%
NET NON-OPERATING REVENUES (EXPENSES)	41,511.57	480,208.12	141,603.97	575,219.38	1,418,644.00	41%
NET INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	43,350.01	411,941.11	(44,592.69)	214,130.51	152,945.00	140%
SYSTEM BUY IN FEE			36,166.00	-		
CAPITAL CONTRIBUTIONS			-	-		
NET INCOME (LOSS) IN NET POSITION			(8,426.69)	214,130.51		
NET POSITION-BEGINNING OF YEAR			20,012,608.67	21,408,833.49		
NET POSITION-END OF PERIOD			20,004,181.98	21,622,964.00		

LA HABRA HEIGHTS COUNTY WATER DISTRICT

STATEMENTS OF REVENUE AND EXPENSES

For Three Months Ending September 30, 2024 and September 30, 2025

	Last Year Current Month Actual 9/30/2024	Current Month Actual 9/30/2025	Last Year YTD Actual 9/30/2024	Current YTD Actual 9/30/2025	Current Budget 2025/26	Actual 9/30/2025 % of budget 2025/26 25%
OPERATING REVENUES						
SALES-WATER	351,524.62	391,075.01	1,006,626.87	1,081,518.57	3,289,482.00	33%
SALES-READINESS TO SERVE	214,826.51	229,491.39	646,019.23	689,081.66	2,733,327.00	25%
SALES-MISCELLANEOUS	6,269.41	3,597.79	15,578.71	11,123.68	35,854.00	31%
LEASE-WATER RIGHTS	-	-	-	-	34,323.00	0%
TOTAL OPERATING REVENUES	572,620.54	624,164.19	1,668,224.81	1,781,723.91	6,092,986.00	29%
OPERATING EXPENSES						
PURCHASED WATER	4,375.80	2,751.29	13,886.24	9,817.09	271,633.00	4%
GROUND WATER REPLENISHMENT ASSMT	115,765.67	119,342.98	362,303.59	377,818.80	1,103,284.00	34%
POWER	106,301.11	72,166.39	290,310.70	263,117.52	785,495.00	34%
TOTAL SOURCE OF SUPPLY	226,442.58	194,260.66	666,500.53	650,753.41	2,160,412.00	30%
LABOR-PUMPING	4,730.24	3,948.50	14,632.45	12,019.65	66,869.00	18%
MAINTENANCE-PUMPING	3,459.92	357.76	10,055.39	54,108.31	66,626.00	81%
TOTAL PUMPING	8,190.16	4,306.26	24,687.84	66,127.96	133,495.00	50%
MAINT & LABOR-TREATMENT	5,596.29	9,165.92	19,463.54	20,523.72	95,582.00	22%
TOTAL TREATMENT	5,596.29	9,165.92	19,463.54	20,523.72	95,582.00	22%
LABOR-TRANS & DISTRIBUTION	17,112.41	22,156.46	54,041.06	63,240.13	287,603.00	22%
MAINT-TRANS & DISTRIBUTION	4,124.45	28,955.29	19,159.24	31,599.46	208,926.00	15%
JOINT FACILITIES-WELL,LM CONDUIT&RES	1,240.57	45,175.19	41,438.31	85,779.06	423,601.00	20%
ORCHARD DALE PORTION	(6,683.05)	(23,547.46)	(29,407.83)	(57,552.80)	(219,723.00)	26%
TOTAL TRANSMISSION&DISTRIBUTION	15,794.38	72,739.48	85,230.78	123,065.85	700,407.00	18%
LABOR&MAINT-CUSTOMER ACCOUNTS	23,040.53	21,604.97	59,409.56	112,196.89	219,817.00	51%
UNCOLLECTIBLE ACCOUNTS	-	-	-	-	3,477.00	0%
TOTAL CUSTOMER ACCOUNTS	23,040.53	21,604.97	59,409.56	112,196.89	223,294.00	50%
TOTAL OTHER OPERATING EXPENSES	52,621.36	107,816.63	188,791.72	321,914.42	1,152,778.00	28%
TOTAL SOURCE OF SUPPLY & OPERATING EXPENSES	279,063.94	302,077.29	855,292.25	972,667.83	3,313,190.00	29%
ADMINISTRATIVE & GENERAL EXPENSES						
LABOR-FIELD-SICK,VAC,HOLIDAY	6,137.85	6,139.31	15,099.74	20,166.60	84,398.00	24%
WAGES-MANAGEMENT	10,603.80	12,424.12	37,265.27	31,642.15	160,333.00	20%
WAGES-OFFICE	11,048.64	23,980.79	57,528.35	71,909.52	296,733.00	24%
WAGES-MGMT&OFFICE-SICK,VAC,HOLIDAY	6,372.98	5,522.16	13,671.98	19,961.72	99,073.00	20%
OFFICE SUPPLIES	2,434.89	2,690.88	7,187.93	7,344.32	29,511.00	25%
AUTO SERVICE	3,767.64	3,471.40	14,931.23	10,848.18	52,399.00	21%
BANK SERVICE CHARGE	1,006.70	1,803.29	1,223.70	4,830.09	11,052.00	44%
DUES & SUBCRIPTIONS	16,209.00	17,769.00	21,716.39	24,633.93	43,107.00	57%
BUILDING SERVICE	2,030.26	2,291.13	6,515.37	4,940.83	22,609.00	22%
OFFICE EQUIPMENT MAINT	717.29	5,117.21	5,508.32	15,808.16	37,112.00	43%
PROFESSIONAL SERVICES	7,287.50	25,843.33	24,654.50	48,899.49	126,760.00	39%
EDUCATION & MEETINGS	435.89	1,782.66	3,286.11	2,987.62	17,894.00	17%

LA HABRA HEIGHTS COUNTY WATER DISTRICT

STATEMENTS OF REVENUE AND EXPENSES

For Three Months Ending September 30, 2024 and September 30, 2025

	Last Year Current Month Actual 9/30/2024	Current Month Actual 9/30/2025	Last Year YTD Actual 9/30/2024	Current YTD Actual 9/30/2025	Current Budget 2025/26	Actual 9/30/2025 % of budget 2025/26
LEGAL	5,400.00	4,900.00	13,537.50	7,550.00	61,712.00	12%
UTILITIES	7,622.95	6,426.43	25,344.34	24,279.87	109,604.00	22%
ENGINEERING	2,125.00	35,092.50	4,165.00	61,665.00	66,949.00	92%
INSUR-AUTO, LIABILITY & PROPERTY	9,670.31	11,829.60	30,550.48	37,145.82	154,417.00	24%
INSUR-GROUP HEALTH & LIFE	17,041.04	18,869.31	50,931.22	56,602.19	229,403.00	25%
EMPLOYEE WORKERS COMPENSATION	7,512.39	6,682.07	8,156.83	7,056.72	30,356.00	23%
DENTAL	664.00	629.60	5,908.32	1,928.48	12,754.00	15%
RETIREMENT-CALPERS	3,987.02	19,915.31	26,677.72	44,221.65	164,700.00	27%
RETIREMENT-DEFERRED COMP	1,360.82	1,747.82	5,332.87	5,988.11	22,828.00	26%
RETIREMENT-CALPERS UNFUND ACCR LIAB	-	-	108,463.00	135,260.00	139,783.00	97%
MAINTENANCE-GENERAL PLANT	7,602.27	13,214.40	23,103.61	33,423.66	99,127.00	34%
CAPITAL IMPROVEMENTS	154,511.75	154,511.75	463,535.25	463,535.25	1,874,006.00	25%
PROPERTY TAXES	444.74	445.70	1,882.61	1,901.95	5,630.00	34%
PAYROLL TAXES	5,723.43	7,254.14	22,951.58	25,613.64	93,245.00	28%
TOTAL ADMIN & GENERAL EXP	291,718.16	390,353.91	999,129.22	1,170,144.95	4,045,495.00	29%
TOTAL OPERATING EXPENSES	570,782.10	692,431.20	1,854,421.47	2,142,812.78	7,358,685.00	29%
OPERATING INCOME (LOSS)	1,838.44	(68,267.01)	(186,196.66)	(361,088.87)	(1,265,699.00)	29%
NONOPERATING REVENUES						
INTEREST INCOME	22,442.62	33,961.17	62,754.94	80,028.23	268,764.00	30%
PROPERTY TAX INCOME	-	-	37,558.01	25,344.22	1,036,498.00	2%
RENT/LEASE INCOME	11,057.42	11,089.44	31,769.38	32,301.90	127,274.00	25%
OIL ROYALTIES	1,054.03	1,657.33	3,064.14	2,374.85	12,133.00	20%
MISCELLANEOUS INCOME	-	434,674.17	-	437,144.17	1,989.00	0%
GAIN ON ASSET SOLD	7,557.50	(373.99)	7,557.50	(373.99)	-	0%
TOTAL NONOPERATING REVENUES	42,111.57	481,008.12	142,703.97	576,819.38	1,446,658.00	40%
NONOPERATING EXPENSES						
LOSS ON INVESTMENT	-	-	-	-	-	0%
DIRECTORS FEES	600.00	800.00	1,100.00	1,600.00	9,900.00	16%
DIRECTORS EXPENSES	-	-	-	-	4,481.00	0%
ELECTION	-	-	-	-	13,633.00	0%
TOTAL NONOPERATING EXPENSES	600.00	800.00	1,100.00	1,600.00	28,014.00	6%
NET NONOPER REVENUES(EXPENSES)	41,511.57	480,208.12	141,603.97	575,219.38	1,418,644.00	41%
NET INCOME (LOSS) IN NET POSTION	43,350.01	411,941.11	(44,592.69)	214,130.51	152,945.00	140%

STATUS OF INVESTMENTS

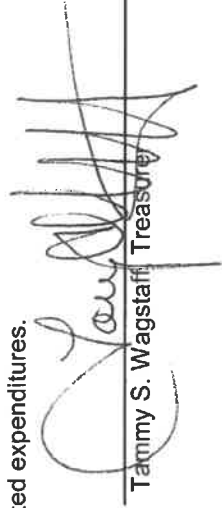
LA HABRA HEIGHTS COUNTY WATER DISTRICT
REPORT OF INVESTMENTS
FOR QUARTER ENDED SEPTEMBER 30, 2025

TYPE OF INVESTMENT	ISSUER	PURCHASE DATE	DAYS TO MATURITY	YIELD	AGENT/ BROKER	SOURCE OF VALUATION	BEGINNING BALANCE	ACTIVITY	ENDING BALANCE	MARKET VALUE	% ENDING BALANCE TO TOTAL PORTFOLIO
Sweep Account	Wells Fargo Bank	NA	1	4.167	Wells Fargo Bank	Wells Fargo Bank	2,104,456	-860,930 a	1,243,526	1,243,526	15.6%
Pooled fund	Local Agency Investment Fund (LAIF)	NA	1	4.575	State Treasurer	State Treasurer	4,127,391	2,045,219 b	6,172,610	6,177,556 c	77.5%
United States Treasury Bill	United States Treasury	3/14/2025	0	4.230	Charles Schwab	Charles Schwab Statement	535,405	-535,405 d	0	0	0.0%
United States Treasury Bill	United States Treasury	6/27/2025	87	4.240	Charles Schwab	Charles Schwab Statement	538,809	6,126 e	544,935	544,935	6.8%
TOTAL							7,306,061	655,010	7,961,071	7,966,017	84.4%

- a- Activity in sweep account for the month
b- Deposited on 7/15/25, \$45,219 interest earned from April-June 2025: deposited \$2,000,000 in September
c- LAIF ending balance net adjustment is \$4,946 as of June 2025 to market value
d- United States Treasury Bill matured on September 11, 2025; \$540,000 maturity, gain \$4,595, net \$535,405
e- Unrealized gain as of 9/30/25

All current investments and transactions during the month comply with the investment policy adopted by Resolution 25-01 adopted February 25, 2025

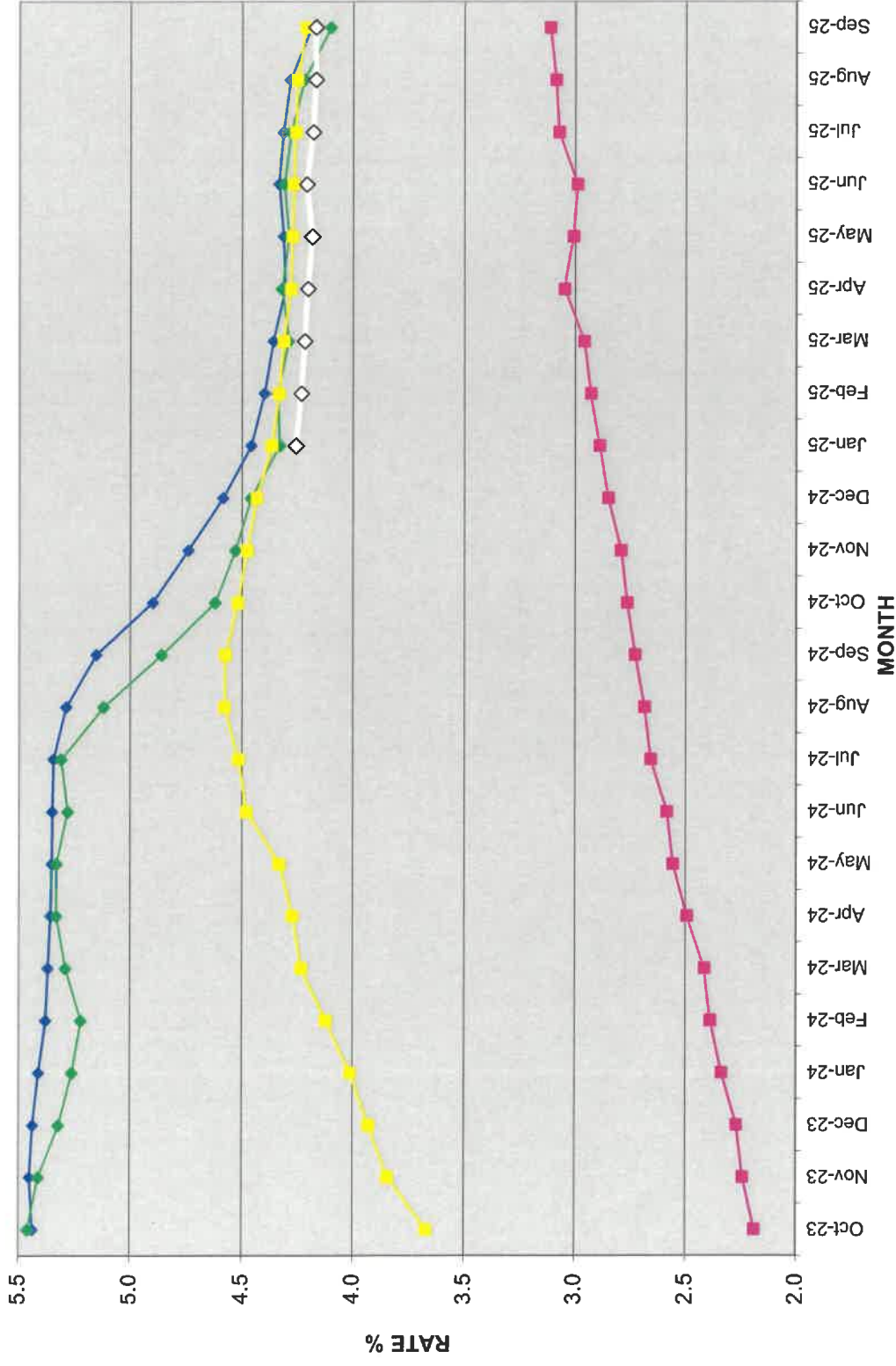
Pending any future action of Board of Directors or any unforeseen catastrophe, I certify that sufficient investment liquidity and anticipated revenue are available to meet the next six months of estimated expenditures.


Tammy S. Wagstaff Treasurer

October 28, 2025
Date

LA HABRA HEIGHTS COUNTY WATER DISTRICT

Historical Interest Rates



WARRANTS

La Habra Heights County Water District
AP Check Register (Current by Bank)

Check No.	Date	Status*	Vendor ID	Payee Name	Amount
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BANK ID: 13100 - EFT TRANSFERS

1003020940	10/03/25		0130	CALPERS	\$5,217.91
1003020941	10/03/25		0130	CALPERS	\$2,096.78
1003021780	10/06/25		0130	CALPERS	\$40.00
1003024368	10/07/25		0130	CALPERS	\$5,217.91
1003024369	10/07/25		0130	CALPERS	\$2,096.78
BANK 13100 REGISTER TOTAL:					\$14,669.38

BANK ID: 13110 - CHECKING- WELLS FARGO

47998	10/02/25	V	373	RUSH TRUCK CENTER	(\$300.00)
48136	09/30/25	P	565	ALERT 360	\$134.00
48137	09/30/25	P	354	BEST LAWNMOWER, INC	\$35.88
48138	09/30/25	P	13	CANNINGS HARDWARE	\$52.15
48139	09/30/25	P	588	CARDMEMBER SERVICE (CHASE)	\$2,021.98
48140	09/30/25	P	14	CENTRAL BASIN MWD	\$2,751.29
48141	09/30/25	P	441	CINTAS CORPORATION	\$75.92
48142	09/30/25	P	145	CIVILTEC ENGINEERING INC	\$592.50
48143	09/30/25	P	464	ENVIROKLEEN USA	\$950.00
48144	09/30/25	P	99	GRAINGER INC	\$686.98
48145	09/30/25	P	447	IVAN RAMIREZ	\$250.00
48146	09/30/25	P	453	MATTHEW CERDA	\$416.00
48147	09/30/25	P	503	MICHELLE SAVAGE	\$213.60
48148	09/30/25	P	534	ODP BUSINESS SOLUTIONS, LLC.	\$742.47
48149	09/30/25	P	258	S&J SUPPLY CO, INC	\$3,452.68
48150	09/30/25	P	68	SOUTHERN CALIF EDISON CO	\$15,022.38
48151	09/30/25	P	386	VERIZON WIRELESS	\$952.10
48152	09/30/25	P	94	WECK LABORATORIES, INC	\$2,083.00
48153	10/02/25	P	13	CANNINGS HARDWARE	\$25.40
48154	10/02/25	P	441	CINTAS CORPORATION	\$37.96
48155	10/02/25	P	ONETIME	CUNNINGHAM DAVIS CORP.	\$495.73
48156	10/02/25	P	164	EXCEL TELEMESSAGING	\$150.00
48157	10/02/25	P	569	GOTO COMMUNICATIONS, INC.	\$326.93
48158	10/02/25	P	369	HIGHROAD INFO TECHNOLOGY	\$5,895.00
48159	10/02/25	P	33	J A SALAZAR CONSTRUCTION	\$18,500.00
48160	10/02/25	P	51	LINCOLN FINANCIAL GROUP	\$3,406.43
48161	10/02/25	P	51	LINCOLN FINANCIAL GROUP	\$100.00
48162	10/02/25	P	453	MATTHEW CERDA	\$250.00
48163	10/02/25	P	430	MICHAEL SILANDER	\$2,750.00
48164	10/02/25	P	594	NOBEL SYSTEMS, INC.	\$34,500.00
48165	10/02/25	P	373	RUSH TRUCK CENTER	\$300.00
48166	10/02/25	P	68	SOUTHERN CALIF EDISON CO	\$57,905.09
48167	10/02/25	P	427	TPX COMMUNICATIONS	\$4,388.64
48168	10/02/25	P	78	UNDERGROUND SERVICE ALERT	\$162.00
48169	10/02/25	P	562	VERIZON	\$496.29
48170	10/02/25	P	12	VULCAN MATERIALS COMPANY	\$1,238.19
48171	10/02/25	P	94	WECK LABORATORIES, INC	\$265.00
48172	10/14/25	P	5	ACWA	\$16,830.00
48173	10/14/25	P	116	ACWA-JPIA	\$19,084.57
48174	10/14/25	P	139	ACWA/JPIA	\$5,850.79
48175	10/14/25	P	385	ADMIRAL PEST CONTROL	\$203.00
48176	10/14/25	P	353	ARCO BUSINESS SOLUTIONS	\$2,827.40
48177	10/14/25	P	13	CANNINGS HARDWARE	\$128.69
48178	10/14/25	P	432	CHARTER COMMUNICATIONS	\$599.00
48179	10/14/25	P	441	CINTAS CORPORATION	\$37.96
48180	10/14/25	P	143	CITY OF LA HABRA HEIGHTS	\$282.42

La Habra Heights County Water District
AP Check Register (Current by Bank)

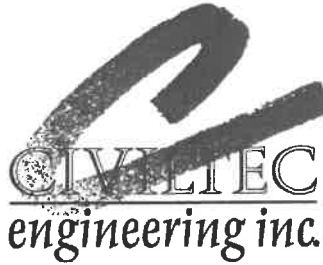
Check No.	Date	Status*	Vendor ID	Payee Name	Amount
48180	10/15/25	V	143	CITY OF LA HABRA HEIGHTS	(\$282.42)
48181	10/14/25	P	518	CLIFTON LARSON ALLEN LLP	\$7,943.25
48182	10/14/25	P	558	CONEXWEST	\$228.86
48183	10/14/25	P	211	DIVE/CORR, INC	\$3,800.00
48184	10/14/25	P	464	ENVIROKLEEN USA	\$650.00
48185	10/14/25	P	389	FRONTIER COMMUNICATIONS	\$103.20
48186	10/14/25	P	49	GOLDEN METERS SERVICE INC	\$1,020.00
48187	10/14/25	P	99	GRAINGER INC	\$85.13
48188	10/14/25	P	586	HALOGEN SYSTEMS, INC.	\$1,166.84
48189	10/14/25	P	153	HOME DEPOT CR SERVICES	\$223.96
48190	10/14/25	P	252	INFOSEND, INC	\$1,632.30
48191	10/14/25	P	33	J A SALAZAR CONSTRUCTION	\$19,062.63
48192	10/14/25	P	545	J. RODRIGUEZ TREE CARE MAINT.	\$6,950.00
48193	10/14/25	P	133	KONICA MINOLTA	\$133.03
48194	10/14/25	P	579	KONICA MINOLTA BUSINESS SOL.	\$134.35
48195	10/14/25	P	50	LA COUNTY TAX COLLECTOR	\$21,202.19
48196	10/14/25	P	51	LINCOLN FINANCIAL GROUP	\$3,406.43
48197	10/14/25	P	430	MICHAEL SILANDER	\$2,937.50
48198	10/14/25	P	231	O'REILLY AUTO PARTS	\$170.53
48199	10/14/25	P	514	PALMFELX	\$257.10
48200	10/14/25	P	495	PUBLIC WATER AGENCIES GROUP	\$875.00
48201	10/14/25	P	68	SOUTHERN CALIF EDISON CO	\$22,958.85
48202	10/14/25	P	267	STAMPS BY MAIL	\$156.00
48203	10/14/25	P	268	UNIVAR USA, INC	\$2,029.79
48204	10/14/25	P	595	W. A. Rasic Construction	\$9,384.00
48205	10/14/25	P	16	WATER REPLENISHMENT DISTRICT	\$131,619.14
48206	10/14/25	P	0094	WECK LABORATORIES, INC	\$265.00
BANK 13110 REGISTER TOTAL:					\$445,282.08
GRAND TOTAL :					\$459,951.46

* Check Status Types: "P" - Printed ; "M" - Manual ; "V" - Void (Void Date) ; "A" - Application; "E" - EFT** Denotes broken check sequence.

Credit Card Transactions

ACCOUNT ACTIVITY

Date of Transaction	Merchant Name or Transaction Description	\$Amount
09/10	Payment Thank You Image Check	-1,102.07
08/18	2025 SCWUA Vendors Fai 162-6385715 CA - <i>Fair Admission, Lunch for Joe & Field Employees</i>	300.00
08/25	Creating An Unforgetta 190-9908582 FL – <i>Service Training for Office Staff</i>	300.00
08/27	ACWA EVENT REGISTRATION 916-441-4545 CA – <i>Fall Registration for Joe M.</i>	999.00
09/09	BOARD ACCOUNTANCY 916-574-7771 CA– <i>CPA license fee for Tammy W.</i>	340.00
09/11	TST*MARIE CALLENDERS'S LA HABRA CA – <i>Pies for Staff meeting</i>	42.98
09/07	LATE FEE – inaccurate charge – will have this removed	40.00



Civil, Water, Wastewater, Drainage and Transportation Engineering
Construction Management • Surveying
California • Arizona

September 18, 2025

La Habra Heights County Water District
1271 North Hacienda Road
La Habra Heights, CA 90631

Attention: Joe Matthews, General Manager

Subject: Engineering Activities for the Month of **August 2025**
Invoice Backup Support - Billing Period through August 31, 2025

Dear Mr. Matthews:

The La Habra Heights County Water District requires Engineering Support from **CIVILTEC engineering, inc. (Civiltec)** at times on various projects. This work is provided on a time and materials basis when requested and directed by LHHWCWD management. Following is an explanation of time spent backing up the **August 2025** invoicing. The numbering system is the **Civiltec** project number and tracking system.

2025143.00 – General Engineering Support FY25-26. This project has been established to aid the District in general engineering inquiries, participate in meetings, hydraulic modeling and calibration and overall engineering support. The total budget for General Engineering Support has been established at \$25,000.00 for each Fiscal Year. Below is an accounting of expenditures under this **Civiltec** job number for FY 2025-26.

There were no expenditures in August 2025. The remaining budget is \$25,000.00.

2025144.00 – Engineering Fire flow Modeling FY25-26. This project has been established to aid the District with computer model simulations for fire flow requests by LHHWCWD customers. Below is an accounting of expenditures under this **Civiltec** job number for FY 2025-26.

There were expenditures in the month of August 2025 totaling \$592.50. We have set up project numbers per fire flow simulation. We are using this main number 2025144 and have put on extensions starting with .01 for the first request.

2025144.04	Fire Flow Modeling- 1166 Encanada Drive	\$592.50
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2022169.00 – Well No. 12 Well Siting Study. LHHCWD plans to drill a new well in the Judson Well Field. The overall budget for the project is \$157,770.00. There were no expenditures in August 2025. The District is currently considering the destruction of Well No. 9 and civil improvements to the Well No. 9 discharge pit. The remaining budget is \$27,946.50.

2024807.00 – PFAS Grant Application. LHHCWD is working with WRD to secure grant funding for a new PFAS Treatment Plant. Grace Kast is preparing the grant funding applications to WRD and assisting with the EPA grant. *Civiltec* staff is supporting Ms. Kast with as needed cost estimating and preparing exhibits. The budget established for the *Civiltec* effort is \$15,915.00. There were no expenditures in the month of August 2025. The remaining budget is \$906.25.

2024814.00 – PFAS Treatment Plant Design. We have slowed the development of the final design documents until proposals from treatment systems suppliers are received, a supplier selected, and supplier equipment data sheets obtained. This approach will allow the project team to have in hand the supplier's equipment submittals for incorporation into the final design documents and the procurement schedule which will provide the ability to better forecast the required timing of obtaining a general contractor for installation. We are on standby awaiting the District's decision to move forward with the RFP. The budget established for the *Civiltec* effort is \$421,360.00. There were no expenditures in the month of August 2025 totaling. The remaining budget is \$111,427.00.

I hope this information helps with your processing of the project invoices. Please let me know if you have any questions.

Very truly yours,

CIVILTEC engineering, inc.

A handwritten signature in dark ink, appearing to read 'W. David Byrum', is written over a horizontal line.

W. David Byrum, P.E.
President, Principal Engineer

Michael Silander

Attorney at Law

3625 E. Thousand Oaks Blvd., Suite 224

Westlake Village, CA 91362

INVOICE

DATE: OCTOBER 1, 2025

TO:

La Habra Heights County Water District

1271 Hacienda Road

La Habra Heights, CA 90631

PLEASE REMIT PAYMENT TO:

Michael Silander

3625 E. Thousand Oaks Blvd., Suite 224

Westlake Village, CA 91362

SPECIFICATIONS:

LHHCWD/TOTAL

Invoice for legal services rendered in August 2025.

MATTER	HOURS	AMOUNT
Transactional - General	12.0	\$1,500.00
Retainer	Flat fee	\$1,250.00
		TOTAL: \$2,750.00

Please make all checks payable to Michael Silander

If you have any questions concerning this invoice,

please email michael@silanderlaw.com or call 805-490-9247

Michael Silander

Attorney at Law

3625 E. Thousand Oaks Blvd., Suite 224

Westlake Village, CA 91362

INVOICE

DATE: OCTOBER 1, 2025

TO:

La Habra Heights County Water District

1271 Hacienda Road

La Habra Heights, CA 90631

PLEASE REMIT PAYMENT TO:

Michael Silander

3625 E. Thousand Oaks Blvd., Suite 224

Westlake Village, CA 91362

SPECIFICATIONS:

LHHCWD/TOTAL

Invoice for legal services rendered in September 2025.

MATTER	HOURS	AMOUNT
Transactional - General	13.5	\$1,687.50
Retainer	Flat fee	\$1,250.00
		TOTAL: \$2,937.50

Please make all checks payable to Michael Silander

If you have any questions concerning this invoice,

please email michael@silanderlaw.com or call 805-490-9247

REPORT OF SUPERINTENDENT

LA HABRA HEIGHTS COUNTY WATER DISTRICT

MEMORANDUM

DATE: 10/22/25

**TO: JOE MATTHEWS, GENERAL MANAGER
& BOARD OF DIRECTORS**

FROM: IVAN RAMIREZ, SUPERINTENDENT

SUBJECT: SUPERINTENDENT'S REPORT FOR OCTOBER 2025

System and Equipment Maintenance

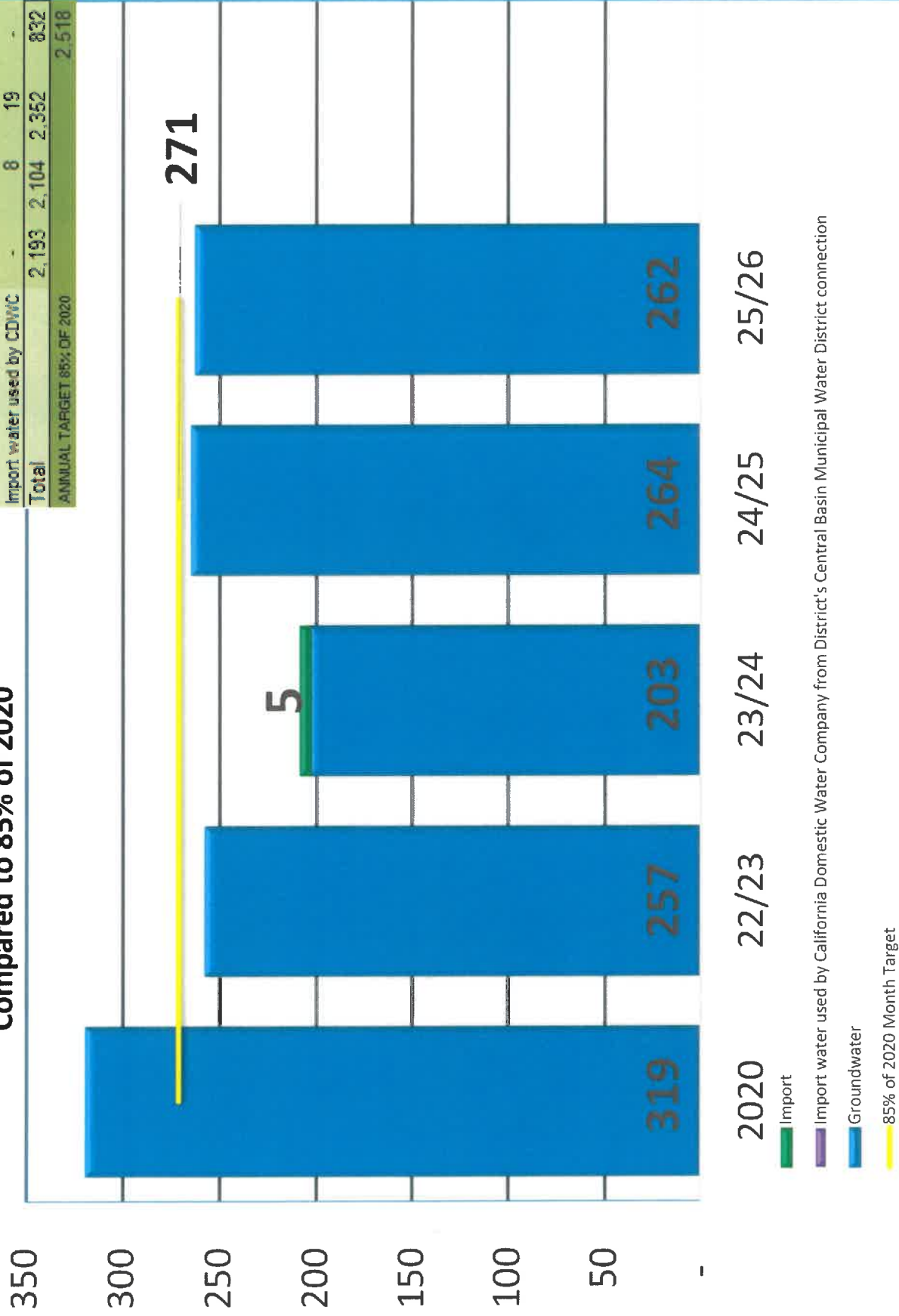
- Repaired four service leaks and W.A. Rasic installed a new two-inch service for a new customer.
- Nobel Systems trained our field staff on our GIS mapping system. They are finalizing the last entries of our valve program to have it current moving forward.
- Dive /Corr Inc. completed Reservoir 10A's annual warranty inspection after the rehabilitation.
- Our field staff completed an OSHA approved AC pipe training class. In addition, JPIA provided in office training for the field staff on trench shoring.

LA HABRA HEIGHTS COUNTY WATER DISTRICT

Production in acre feet for **SEPTEMBER**

Compared to **85% of 2020**

ANNUAL WATER USAGE					
Water Source	2022/2023	2023/2024	2024/2025	2025/26 THRU SEPT	
Groundwater	2,193	2,083	2,332	832	
Import	-	13	1	-	
Import water used by CDWC	-	8	19	-	
Total	2,193	2,104	2,352	832	
ANNUAL TARGET 85% OF 2020					2,518



Import water used by California Domestic Water Company from District's Central Basin Municipal Water District connection

Groundwater

85% of 2020 Month Target

**DISCUSS AND APPROVE
EMERSON AND HIGHROAD IT
SCADA UPGRADE PROJECT
PROPOSALS**

LA HABRA HEIGHTS COUNTY WATER DISTRICT

MEMORANDUM

DATE: OCTOBER 28, 2025
TO: BOARD OF DIRECTORS
FROM: JOE MATTHEWS, SECRETARY/GENERAL MANAGER
SUBJECT: SCADA SYSTEM COMPUTER UPGRADES

We have previously discussed the Microsoft Windows 10 operating system's retirement resulting in other SCADA computer system related issues. While researching our options I found our SCADA system software needs replacement to run on Windows 11. I have received a proposal from Emerson, our SCADA system provider, and I have also received a proposal from Highroad IT that addresses the obsolete Windows software and the need for a 3rd party computer consultant.

Highroad IT proposes providing a new SCADA computer system and installing Windows 11 Pro operating system, all the necessary networking and firewall configuration, equipment and labor needed for proper SCADA system back-ups. Everything after the Windows 11 operating system will be Emerson's responsibility. Highroad's proposal has been provided for your review with a total cost of a **onetime payment of \$9,023.00 and ongoing monthly Total of \$50.00.**

Emerson proposes to provide, install, maintain and support all SCADA-related software for the computer provided by Highroad IT after the Windows 11 Pro is installed. All functions of our SCADA system and other software needed to operate the SCADA computer, other than the Windows 11 operating system, will be the responsibility of Emerson. The Emerson proposal is included for your review at a cost of **\$48,376.51 (+ all applicable tax).**

I recommend approval of both proposals. This approach solves a series of problems we have never had before, including but not limited to assigning Highroad IT the responsibility for the network the District owned SCADA computer runs on, providing timely computer back-ups, the ability for complete system recovery if needed due to system compromise or hardware malfunction, and the operating system's security and performance. This option also leads us toward a more permanent solution once the CalOES server is installed. Once that work is completed, we can leverage Microsoft's Azure cloud as back-up solution to the stationary computer.



Quote for Products and Services

Company Name	La Habra Heights County Water District	Quote Number	LHHCWD25-1020A
Requested By	Highroad IT	Initiate Date	October 20,2025
Quote Type	Project	Expiration Date	November 21,2025
Description	SCADA PC & Backup Upgrade plus Licenses		

Cost Breakdown						
Item Description	Qty	Unit Price	Total	Type	Taxable	Notes
SCADA PC i7 Proc / 32GB / 1TB SSD / Win11	1	1,588	1,588	Hardware	Yes	*3 Yr Mfr Support
UI 8 Bay NAS Unit 4 x 24TB HDD	1	4,865	4,865	Hardware	Yes	*5 Yr Mfr Support
GoDaddy SSL Certificate	1	170	170	Software	No	*Annual Renewal
Azure Subscription (Traffic Manager)	1	17/mo	17/mo	Software	No	*Added to monthly invoice
MS Business Standard	1	13/mo	13/mo	Software	No	*Added to monthly invoice
VEEAM Server Backup	1	20/mo	20/mo	Software	No	*Added to monthly invoice
Professional Services Setup & Deployment	24	100	2,400		No	
Total			<i>One Time Total – \$ 9,023.00</i> <i>Ongoing Monthly Total – \$ 50.00</i>			

All applicable taxes, shipping and handling will be applied at the time of invoice.

As evidenced by the signature below, I hereby authorize Highroad IT to furnish all materials and services mentioned in this quote, and La Habra Heights County Water District agrees to pay the quoted amount, including all applicable taxes, shipping, and handling costs.

Approval Signature	
Printed Name	
Title	
Approved Date	



Emerson Power & Water
Solutions
1000 Westinghouse Drive
Suite 500
Cranberry Township, PA 16066
USA
www.Emerson.com

October 24, 2025

La Habra Heights County Water District
1271 North Hacienda Road,
La Habra Heights, CA 90631

Attention: Joe Matthews

Subject: Workstation Upgrade, SCADA Software Upgrade Project
Emerson Process Management Power & Water Solutions
Offer No.: WAS014732R2

Dear Mr. Matthews,

Emerson Process Management Power & Water Solutions, Inc. (Emerson), part of the Emerson family of businesses, is pleased to submit this revised offer to the La Habra Heights County Water District for the Workstation Upgrade, and SCADA Software Upgrade Project. This offer is in response to your inquiry and is based upon the attached commercial description, the contents of this submittal (including attachments), and any reference made herein.

Thank you for the opportunity to submit this offer. If you should have any questions or require additional information, please feel free to contact your local representative, Thomas Madson at 951-288-9238.

Sincerely,

Maria Rodriguez/ Thomas Madson

Emerson Automation Solutions
Power & Water Solutions, Inc.

Commercial Description for the La Habra Heights County Water District Workstation Upgrade, and SCADA Software Upgrade

This document defines the commercial basis under which Emerson makes this offer to the La Habra Heights County Water District for the Workstation Upgrade, and SCADA Software Upgrade Project.

Terms and Conditions	All purchases of the Emerson offerings described in this offer document are subject to Emerson's Standard Terms and Conditions of Sale located at https://www.emerson.com/en-us/my-account/terms-conditions (the "Terms") unless the Parties have entered into a separate signed agreement that expressly covers the purchase of the software, goods, and services set forth in this offer document. Any such separate signed agreement or the Terms (as applicable) is hereinafter referred to as the "Governing Terms". Some or all of the offerings in this Emerson offer are Software Offerings, which may include term-limited, subscription-based software licenses ("Subscription Offerings") or perpetual software licenses ("Perpetual Offerings") as indicated in this offer document. The license term for each Software Offering is as specified in this offer document ("License Term"). The License Term for Subscription Offerings may be automatically renewed in accordance with the Software License Agreement located at www.Emerson.com/Software-License-Agreement (the "Software License Agreement"). Notwithstanding anything to the contrary in any agreement between the parties, License Terms for Subscription Offerings are non-cancelable and fees paid are non-refundable. If Licensee terminates the License Term prior to the end of the License Term, all amounts that would have become due for the remainder of the License Term shall accelerate and become immediately due and payable. Emerson's provision of any software identified in a Software Offering is conditioned upon Licensee's acceptance of the Software License Agreement. Notwithstanding anything to the contrary in the Governing Terms, Customer's rights, and Emerson's (and its affiliates) obligations, regarding Emerson software are governed solely by the Software License Agreement.
Legal Name and Address for Doing Business	Please use the following legal name and address for all purchase orders and contracts: Emerson Process Management Power & Water Solutions, Inc. 2507 Lovi Rd Building 3 / 3A Freedom, PA 15042 USA Electronic Transmission: Purchase orders sent by email should be addressed to your local representative. Hardcopy Transmission: Hardcopy (or printed versions) of purchase orders and contracts should be mailed to the following address and addressed to Geok Wah Ser.

Purchase Orders and Contracts Requirements	For Emerson to process the Customer's PO, the following must be included in the PO. ▪ Purchase order number ▪ Emerson's offer number (WAS#) including revision ▪ PO must match the unit price (\$) and list each item in Emerson's valid offer ▪ Ship to address ▪ Bill to address ▪ A copy of the tax certificate is needed if your organization is tax-exempt ▪ <u>For Software orders</u>, please include the utility/end-user contact information (name, contact, location, phone, email address) at the time of order to ensure proper warranty, trade compliance, and ISO procedural adherence												
Pricing	The price for the scope offered is: <table><tr><th>Item</th><th>Description</th><th>Price</th></tr><tr><td>1</td><td>Workstation with Open Enterprise software, Iconics Gen64, & Win-911 software, and engineering services</td><td>\$48,335.55</td></tr><tr><td>2</td><td>Freight (FCA; Jobsite)</td><td>\$40.96</td></tr><tr><td colspan="2">TOTAL</td><td>\$48,376.51</td></tr></table> Unless otherwise specified, all offer pricing is in US Dollars. Taxes are not included in the price and will be added to each invoice unless a tax certification is provided with the purchase order. Delivery shall be FCA (Jobsite).	Item	Description	Price	1	Workstation with Open Enterprise software, Iconics Gen64, & Win-911 software, and engineering services	\$48,335.55	2	Freight (FCA; Jobsite)	\$40.96	TOTAL		\$48,376.51
Item	Description	Price											
1	Workstation with Open Enterprise software, Iconics Gen64, & Win-911 software, and engineering services	\$48,335.55											
2	Freight (FCA; Jobsite)	\$40.96											
TOTAL		\$48,376.51											
Terms of Payment	Emerson's offer is based exclusively upon the payment schedule below. Invoices will be issued for each of the milestones below. The amount of each invoice shall be calculated by applying the percentages (%) shown against the total order price, including any changes. If the project is taxable, every invoice will include tax regardless of the milestone deliverables or definition. The tax amount is calculated using the taxable base on each invoice multiplied by the tax rate. For pro rata deliverables, Emerson reserves the right to submit multiple partial invoices proportionate to work completed associated with individual phases or deliveries. All payments are due Net 30 days from the date of the invoice. 10% Upon Contract Award 60% Upon System Complete on Test Floor 25% Upon System Shipment (on pro rata basis) 5% Upon completion of startup and customer acceptance (but in any event not later than 90 days after last major product shipment).												

Delivery	Delivery is based on current availability and will be confirmed after the formation of a contract for the purchase of the Emerson offerings. Emerson is committed to meeting the project schedule. However, in light of the current geopolitical, global supply chain, and economic environment, some items in the bill of materials may be substituted, and/or the schedule may be impacted. Emerson will discuss these changes with La Habra Heights County Water District before implementation. If, after the project has started, La Habra Heights County Water District requests a delay in delivery, installation, or acceptance testing of any of the products or services purchased under this offer, then Emerson reserves the right to invoice for payment for all goods and services provided to date and close out the project. Upon Emerson's request, La Habra Heights County Water District will issue a new purchase order for any remaining scope of supply using the previously offered pricing.
Bid Validity	This offer shall remain valid for forty-five (45) days from the date of this letter, unless otherwise extended, modified, or withdrawn in writing by Emerson. The return of a purchase order acceptable to Emerson during such validity period will be sufficient to form an agreement based exclusively on the terms and conditions of this offer.
Proprietary and Confidential Information	This offer and any subsequent communications relative to this offer are considered to be proprietary and confidential information of Emerson. Accordingly, such proprietary and confidential information shall not be published, used, reproduced, transmitted or disclosed to others outside your organization without prior written consent by Emerson.
Questions & Support	At Emerson, we value your feedback and are always looking for ways to improve our proposals. If you have any questions, comments, or need further clarification about the offer, please reach out to your sales representative or the offer owner. As an alternative, you can also contact us at our dedicated toll-free support line at 1-844-635-0100. Kindly reference the offer number in any correspondence for a quicker response.

Scope of Work

Emerson will be providing and installing upgraded SCADA software and licenses on the new Windows 11 computer.

Emerson will install, configure, and execute in-house testing of the configured software. The computer will be deployed at the customer's site (i.e., District Office), and a field startup will be performed to ensure proper functioning of the configured applications.

Services provided:

1. Project Management
2. In-house staging, software installation, and testing
 - a. Stage the computer and network with Emerson Control Wave RTU.
 - b. Install and license Emerson OE Simplex software on the new computer.
 - c. Install and license Iconics Genesis64 suite of software packages, along with WIN-911 and other software, on the new computer.
 - d. Import current SCADA System software configurations from the existing computer to the new one.
 - e. Setup / Test configuration of items b, c, and d above.
 - f. Configure and test Iconics Mobile HMI software.
 - g. Verify that the new computer functions properly; sample test displays, trends, alarms and historical data with a live RTU connected as a system.
 - h. Package computer and transport to the customer facility when going to the site.
3. Onsite startup for the new computer
 - a. Set up the computer at the customer's site.
 - b. Verify the computer functions properly on the SCADA system: test displays, trends, and alarms.
 - c. Transfer past recorded data for OE Simplex and Gen64 software packages from the old system to the new system.
 - d. Verify that the new Iconics Mobile HMI software functions properly on the customer's devices.

Bill of Materials

Software Licenses

- (1) Emerson OpenEnterprise Simplex OESL1 v3.3 **
- (1) Iconics Genesis64 - v.10.97.3 (includes Iconics MobileHMI) **
- (1) Win-911 Pro Subscription *
- (1) TeamViewer Subscription (to allow remote support of the system) *

Notes:

- * This software is on a subscription basis and is renewed annually.
- ** This project includes upgrading the software to the version indicated. This upgrade is contingent upon the Owner maintaining an active Emerson maintenance contract and Emerson receiving the updated software version from the software vendor (Emerson will not be responsible for the cost of any additional software license fees. If any additional software license fees are required, this shall be the responsibility of the Owner).
- Emerson can provide on-going support for patching, software updates, and vulnerability mitigations for system. Any labor or additional software to perform on – going maintenance after system install is not included in this offer. La Habra Heights County Water District will own installed software licenses.
- Emerson will provide an inventory of all software installed on new system including names and version numbers.
- Emerson will change all default passwords on system as part of commissioning.
- Emerson will remove all non-essential windows users during commissioning.
- Emerson will enable multi-factor authentication for Team Viewer.

Customer Responsibilities

Customer will be responsible for providing Emerson with the PC to perform the SCADA upgrade.

Minimum Suggested Machine Specifications:

- Processor suggested: Intel® 8 Core 3.40 GHz
- Memory 32 GB
- Video port for one monitor
- Hard Drive 1TB SSD
- Communications Ethernet: 3 NICs (SCADA Network + Firewalled Internet connection + spare)
- Video requirements DirectX 10 compatible
- Windows 11 Pro License
- PDF Software (such as Adobe)
- Microsoft Excel

General Clarifications and Exclusions

A. Materials not included:

- Any wire or cable (power, fiber optic, patch cables, signal, communications, grounding or other), conduit, junction boxes, and/or other material and hardware pertaining to the installation of equipment, including but not limited to, ground wires, ground lugs, ground rods, wire labels, wire lugs and/or connectors, except as indicated in this proposal.
- Any mounting, fastening and support hardware and materials (such as nuts, bolts, washers, unistrut, channels, antenna mounting hardware, cable hanging kits, etc.), custom installation hardware, special brackets and U-bolts/V-bolts, lightning rods, antenna towers, poles, and masts of any kind, mounting stands, pipe stands, etc. for instruments and/or other equipment, and concrete bases that may be required to mount panels, instruments and/or other equipment unless otherwise indicated in this proposal.
- Except for the materials and services specifically defined in Emerson's bill of material, all materials and services are excluded from Emerson's scope of supply.

B. Services

- Emerson's scope is exclusive of any interdisciplinary site coordination for all scheduling and planning of site activities as well as third party material and services scope related RFI resolution.
- Services as part of this proposal are to be provided during normal business hours (8:00 AM to 5:00 PM Monday through Friday Holidays Excluded).
- All physical installation and electrical installation (including but not limited to moving, mounting and fastening of equipment, signal wiring and terminations, communication wiring and terminations, power wiring and terminations, and ground wiring and terminations), will be by others unless otherwise indicated herein.
- Field support schedule is subject to availability of field resources. Project schedule will be as mutually agreed.

C. Others

- Power and signal wiring and grounding of all equipment supplied hereunder must be completed in full accordance with the manufacturer's requirements and in compliance with applicable specifications, codes standards, including but not limited to, NEC.
- Duties and taxes are excluded from Emerson's offer.
- Bonds, fees, and licenses are not included in our offer.
- Emerson's warranty liability will not be extended due to failure by others to complete the designated work in a timely fashion.
- Start-up and operational testing services will require personnel to use services equipment such as hand tools, test equipment, etc. This will, in certain instances, involve removing wires from terminals to perform loop checkout, testing and calibration. In no circumstance will Emerson accept any responsibility for additional cost incurred by the use of union personnel as a result of jurisdictional labor requirements due to service personnel start-up activity on this project. Union fees and union labor are not included.
- All on site shipments, receiving, handling, safe storage and local transportation will be by others.
- Emerson's standard warranty, as defined in its standard terms and conditions, shall apply.
- Any delays caused by the customer will be handled on a T&M basis with the rate and travel expenses that will be incurred.

**DISCUSS AND ADOPT
RESOLUTION 25-09
ACCOUNTING POLICY AND
PROCEDURES MANUAL**

LA HABRA HEIGHTS COUNTY WATER DISTRICT

MEMORANDUM

DATE: OCTOBER 28, 2025
TO: BOARD OF DIRECTORS
FROM: JOE MATTHEWS, SECRETARY/GENERAL MANAGER
**SUBJECT: RESOLUTION 25-09 ACCOUNTING POLICY AND
PROCEDURES MANUAL**

Grace Kast, the District's grant consultant advised the Environmental Protection Agency (EPA) contacted her to confirm a need for an accounting manual adopted by the Board. Even though the EPA grant implementation staff does not require this manual. We drafted a policy to approve now; in the event we are audited in the future.

RESOLUTION NO. 25-09

RESOLUTION OF THE BOARD OF
LA HABRA HEIGHTS COUNTY WATER DISTRICT
ADOPTING ACCOUNTING POLICIES AND PROCEDURES MANUAL

WHEREAS, the La Habra Heights County Water District is committed to maintaining transparency, accountability, and efficiency in its financial management; and

WHEREAS, sound financial management requires the adoption of a formal accounting policy to guide the recording, classification, reporting, and auditing of all financial and

WHEREAS, the adoption of an official accounting policy will ensure consistency, improve internal controls, and enhance the reliability of financial information for decision-making and external reporting;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. **Adoption of Accounting Policy and Procedure Manual**

The Board of Directors hereby adopts the Accounting Policies and Procedures Manual as outlined in the attached document titled "Accounting Policies and Procedures Manual" effective with the adoption of this resolution by the Board of Directors.

2. **Scope and Applicability**

The accounting policy shall apply to all departments, divisions, programs, and projects and shall govern all financial transactions, including division of responsibilities, chart of accounts and general ledger, cash receipts, inter-account bank transfers, disbursements & expense allocations, bank account reconciliations, end of month and fiscal year end close and financial reports.

3. **Roles and Responsibilities**

The General Manager shall be responsible for implementing the policy, training relevant staff, and ensuring compliance across the organization. Department heads shall ensure adherence within their respective areas.

ADOPTED, SIGNED AND APPROVED this 28th day of October 2025.

Brad Cooke, President
La Habra Heights County Water District

ATTEST:

Joe Matthews, Secretary
La Habra Heights County Water District

[SEAL]

I, JOE MATTHEWS, Secretary to the Board of Directors of the La Habra Heights County Water District, do hereby certify that the foregoing Resolution was introduced at a regular meeting of the Board of Directors of said District held on the 28th day of October 2025, and was adopted at that meeting by the following vote:

AYES: Directors Baroldi, Cooke, Crabb McVicar and Perumean

NOES:

ABSTAIN:

ABSENT:

Joe Matthews, Secretary
Board of Directors of the
La Habra Heights County Water District

LA HABRA HEIGHTS COUNTY WATER DISTRICT

ACCOUNTING POLICIES AND PROCEDURES MANUAL

Adopted: (10/28/25)

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Section I. Introduction

The purpose of this manual is to describe all accounting policies and procedures that will be followed by the La Habra Heights County Water District (LHHCWD) and to ensure that the financial statements conform to generally accepted accounting principles; assets are safeguarded; guidelines of grantors and donors are complied with; and finances are managed with accuracy, efficiency, and transparency.

All LHHCWD's staff, consultants, and Board of Directors with a role in the management of fiscal and accounting operations are expected to comply with the policies and procedures in this manual.

These policies will be reviewed periodically and revised as needed and approved by the Board of Directors.

Section II. Division of Responsibilities

The following represents a general listing of LHHCWD-related fiscal and accounting responsibilities:

Board of Directors

1. Reviews and approves the annual budget
2. Reviews, approves and/or receives annual and periodic financial statements and information
3. The Board, Secretary/General Manager and Treasurer/ Office Manager are approved by the Board to be authorized signers on the bank accounts of which two are required on all checks issued by the LHHCWD.
4. Reviews and approves all contracts, agreements, and MOUs/MOAs
5. Reviews and approves all monthly expenditures
6. Resolves/addressess issues with Management Personnel

Secretary/General Manager

1. Reviews and approves all financial reports including cash flow projections
2. Sees that an appropriate budget is developed annually
3. Reviews and authorizes invoices for preparing checks for Board approval
4. Works with Legal Counsel to develop all contracts and makes recommendations to the Board of Directors for approval
5. Reviews and approves all grant submissions
6. Oversees the adherence to all internal controls and procedures

Treasurer/Office Manager

1. Reviews, approves and processes inter-account bank transfers including investment accounts
2. Reviews monthly warrant list
3. Reviews monthly and year-end journal entries, as needed
4. Reviews and prepares monthly and year-end financial statements
5. Assures that an annual financial statement audit is performed by an independent certified public accountant "CPA"
6. Assist auditors as needed
7. Coordinates preparation of audit papers for annual audit conducted by Board-selected auditor
8. Monitors budgets
9. Manages cash flow
10. Reviews all reimbursements and fund requests
11. Development of annual budgets
12. Receives all incoming accounting department mail
13. Monitors all expenses and communicates any issues with Secretary/General Manager
14. Assists with grant reporting and appropriate release of funds
15. Oversees expense allocations and classifications
16. Follows internal accounting controls and procedures
17. Develops, maintains, and reviews all financial reports
18. Responsible for data entry into accounting system and integrity of accounting system data
19. Maintains general ledger
20. Reviews bank reconciliations and compares cleared checks with Board-approved monthly warrant list
21. Approves bank reconciliations with signature and date
22. Reviews all bank statements for any irregularities

Section III. Chart of Accounts and General Ledger

LHHCWD will maintain a designated Chart of Accounts specific to its operational needs and the needs of its financial statements. The Chart of Accounts is structured so that financial statements can be shown by natural classification (expense type) as well as by functional classification (by Water operations, Grant, or other funding source). The Treasurer/Office Manager is responsible for maintaining the Chart of Accounts and revising as necessary.

The general ledger is automated and maintained using CYMA software. All input and balancing is the responsibility of the Treasurer/Office Manager.

Section IV. Cash Receipts

Cash receipts generally arise from:

1. Water sales
2. Contracts, MOUs and Agreements
3. Grants

The principal steps in the cash receipts process are:

A copy of each check received shall be made and retained for official records in accordance with LHCWD record retention policy. The Customer Service/Accounting Clerk shall batch and file checks received with its corresponding customer statement stub. The cash receipts shall be entered into UMS software. The Customer Service/Accounting Clerk shall then prepare a bank deposit slip(s) with corresponding checks for deposit. Checks are scanned and electronically transmitted to bank daily. Checks received shall be deposited as soon as possible into the appropriate LHCWD bank account(s). Checks shall be restrictively ("For Deposit Only") endorsed with the appropriate bank account information (the bank shall provide a stamp with the requisite information for checks physically deposited). Checks shall be securely filed in a locked cabinet until as required by LHCWD record retention policy shredded by an outside company.

Checks physically taken to the bank have a deposit receipt prepared by Customer Service/Accounting Clerk. Treasurer/Office Manager transports these deposits to the bank.

Section V. Inter-Account Bank Transfers

The Treasurer/Office Manager monitors the balances in the bank and investment accounts to determine when there is a shortage or excess in the checking account. Treasurer/Office Manager recommends to the Secretary/General Manager when a transfer should be made to safeguard monies and then to maximize the potential for earning interest. The Treasurer/Office Manager is directed by the Secretary/General Manager when to make a transfer and in what amount. The transfer is recorded in the Financial Statements which are presented to the Board at monthly meeting for ratification.

Section VI. Disbursements & Expense Allocations

Disbursements Overview:

Disbursements are generally made for:

1. Payments to vendors, contractors and consultants for goods and services
2. Taxes/license fees/insurance
3. Memberships and subscriptions
4. Meeting expenses

Requests for disbursements are submitted in three ways:

1. Original invoice
2. Purchase request (submitted on approved purchase order form)
3. Board member and employee expense report or reimbursement request

Disbursements Protocol & Procedures:

All invoices must have the account code written on them and approved by Treasurer/Office Manager.

Every reimbursement or purchase request must be documented with travel authorization indicating the person for whom the expense was incurred, receipts detailing what was purchased, nature of business, program allocation, and funding source (if applicable) before approving for reimbursement.

The Secretary/General Manager shall review all contract invoices to determine if billed costs are authorized under a contract, if applicable, and are within budgeted amounts. Project-related invoices are presented to Secretary/General Manager, who will follow the same procedures as listed below, and initial and date the invoice to indicate approval. The invoice will then be sent back to the Customer Service/Accounting Clerk for input into the financial system.

The following procedures shall be followed to validate all professional services billed costs:

1. Verify that billed costs are correct and have proper supporting documentation and/or backup.
2. On Time and Material contracts, verify the billed labor rates to the negotiated hourly labor rates by classification, verify that labor classifications agree with the contract and check mathematical accuracy of billed labor costs.
3. For other direct costs (ODC's), verify the billed costs to supporting documentation (i.e. expense reports, purchase orders, receipts), verify that costs are allowable under the project contract and check mathematical accuracy of ODC's. If ODC's are lump sum, then verify that percentage billed is accurate.
4. Verify that any billed costs have not been previously billed and the costs relate to the proper billing period.

5. Compare the total billed costs to date with the authorized contract amount to ensure accumulated billings will not exceed contract authorization. Change Order billings shall only be permitted when the Change Orders are properly approved by the Secretary/General Manager or Governing Board.

Once the process above is complete, the Customer Service/Accounting Clerk shall assign an accounting code to the invoice. Treasurer/Office Manager will review/approve invoice with the supporting documentation and initial the invoice after ensuring the following:

- Supporting documentation that agrees to the invoice
- Proper account coding of the disbursement

Cash Disbursements:

After disbursement protocol and procedures of invoice have been reviewed and approval procedures have been followed, the Customer Service/ Accounting Clerk will enter the bills in the financial system. Next, the checks will be printed by the Customer Service/Accounting Clerk. Treasurer/Office Manager ensures secure custody of the checks. If checks are voided or printed incorrectly, those checks shall be retained to account for all checks in sequence.

Treasurer/Office Manager will review/approve/sign checks with the supporting documentation and initial the invoice after ensuring the following:

- Proper payee and amounts
- All check numbers are in sequence and accounted for

Once approved, the Customer Service/Accounting Clerk submits checks with attached backup documentation to the Secretary/General Manager for second signature, review and approval. All checks require two signatures of an authorized signer. Thereafter, the Board will approve or ratify the expenditures at a subsequent Board meeting.

After checks are signed, the Customer Service/Accounting Clerk files a copy of the check stub and invoices. The checks are mailed by the Customer Service/Accounting Clerk.

Section VII. Bank Account Reconciliations

The Treasurer/Office Manager shall ensure that the general ledger is reconciled with all other subsidiary ledgers and adequate documentation maintained for all entries.

The Treasurer/Office Manager shall review, initial and date the reconciliation of the monthly bank and investment activity reports including:

- Automatic deposits from funding agencies
- Interest income earned on investments
- Income deposits and miscellaneous reimbursements
- Automatic charges, such as bank fees

For the end of month bank reconciliation, the Management Assistant/Accountant shall:

- Ensure that cleared checks shown in the bank statements no longer appear as outstanding in the books
- Shall follow up on any outstanding checks identified by the Treasurer/Office Manager

The monthly bank statement is reviewed by the Management Assistant/Accountant. Management Assistant/Accountant reconciles the monthly bank statement against the general ledger. Any discrepancies shall be investigated in a timely manner. The monthly bank statement and reconciliations will be made available to any Board Member as requested.

Section VIII. End of Month and Fiscal Year-End Close

1. Secretary/General Manager and Treasurer/Office Manager will review the accounting for the month ended. This review will entail the following analytical review:
 - a. Verification of balance sheet amounts, including reconciliations for cash and other major accounts
 - b. A reasonableness check on revenues and expenses
 - c. Agreement of the financial system records to the reports to be presented to the Board of Directors.
2. Monthly financial reports will be provided to the Board of Directors.
3. All reports shall be prepared using the accrual basis of accounting. Year-end reports will follow generally accepted accounting principles, which may differ from the budgeting basis of accounting throughout the year.
4. All required government filings will be completed and filed with the appropriate agency.

Section IX. Financial Reports

Treasurer/Office Manager will prepare monthly, quarterly and/or annual financial reports as requested by the Board of Directors at any time. The requested reports may include: statement of net position, statement of revenues, expenses and changes in net position, a budget versus actual report for the organization, or other requested reports.

Upon request, a general financial statement of periodic and annual financial activity can be provided to the Board of Directors for review.