

NOTICE OF MEETING

**OF THE
REGIONAL SEWERAGE PROGRAM
TECHNICAL COMMITTEE**

OF THE



Inland Empire Utilities Agency

A MUNICIPAL WATER DISTRICT

**WILL BE HELD ON
THURSDAY, SEPTEMBER 29, 2016
3:30 P.M.
BOARD ROOM
AT THE OFFICE OF THE AGENCY
6075 KIMBALL AVENUE, BUILDING A
CHINO, CA 91710**

Regional Sewerage Program Technical Committee Meeting

AGENDA

Thursday, September 29, 2016
3:30 p.m.

Location

Inland Empire Utilities Agency
6075 Kimball Avenue
Chino, CA 91708

Call to Order and Roll Call

Additions to the Agenda

1. Action Items

- A. Approval of the August 25, 2016 Meeting Minutes

2. Informational Items

- A. Fiscal Year 2015/16 Budget Variance
- B. Regional Contract Update/Renewal (*Oral*)
- C. Water Connection Fees – Recycled Water

3. Receive and File

- A. Building Activity Report
- B. Recycled Water Distribution - Operations Summary

4. Other Business

- A. IEUA General Manager's Update
- B. Committee Member Requested Agenda Items for Next Meeting
- C. Committee Member Comments
- D. Next Meeting – October 27, 2016

5. Adjournment

DECLARATION OF POSTING

I, Laura Mantilla, Executive Assistant of the Inland Empire Utilities Agency, A Municipal Water District, hereby certify that a copy of this agenda has been posted by 5:30 p.m. in the foyer at the Agency's main office, 6075 Kimball Avenue, Building A, Chino, CA on Monday, September 26, 2016.



Laura Mantilla

**ACTION
ITEM**

1A



Regional Sewerage Program Technical Committee Meeting MINUTES OF AUGUST 25, 2016 MEETING

CALL TO ORDER

A regular meeting of the IEUA/Regional Sewerage Program – Technical Committee was held on Thursday, August 25, 2016, at the Inland Empire Utilities Agency located at 6075 Kimball Avenue, Chino, California. Committee Chairman Hays called the meeting to order at 3:32 p.m.

ATTENDANCE

Committee Members:

Chuck Hays	City of Fontana
Mike Hudson	City of Montclair
Rosemary Hoerning	City of Upland
John Bolser	Cucamonga Valley Water District
Mark Wiley	City of Chino Hills
Jesus Plasencia	City of Chino
Scott Burton	City of Ontario
P. Joseph Grindstaff	Inland Empire Utilities Agency

Others Present:

Dan Chadwick	City of Fontana
Nadeem Majaj	City of Chino Hills
Braden Yu	Cucamonga Valley Water District
Chris Berch	Inland Empire Utilities Agency
Christina Valencia	Inland Empire Utilities Agency
Shaun Stone	Inland Empire Utilities Agency
Joshua Aguilar	Inland Empire Utilities Agency
Ken Tam	Inland Empire Utilities Agency
Pietro Cambiaso	Inland Empire Utilities Agency
Lisa Snider	Inland Empire Utilities Agency
Peter Soelter	Inland Empire Utilities Agency
Laura Mantilla	Inland Empire Utilities Agency

1. ACTION ITEMS**A. Approval of the Meeting Minutes of May 26, 2016**

Motion: By Rosemary Hoerning/City of Upland and seconded by Jesus Plasencia/City of Chino to approve the minutes of the May 26, 2016 Technical Committee meeting.

Motion carried: Unanimously with Scott Burton/City of Ontario abstaining.

B. Construction Contract Award for RP-1 Mixed Liquor Return Pumps and Aeration Basin Panel Repairs

Shaun Stone/IEUA gave a presentation reviewing the RP-1 Mixed Liquor Return Pumps and Aeration Basin Panel Repairs project. He stated that IEUA has stringent current permit limitations and RP-1 is near capacity at current flows to meet the Total Inorganic Nitrogen (TIN) of 8 mg/L requirement for NPDES and groundwater recharge (GWR) permit limit of 5 mg/L total Nitrogen (TN). Mr. Stone indicated that this will keep nitrogen levels where they need to be, and it pushes out the overall plant expansion to about eight years; a much lower capital cost.

The second part of the project is repairing and replacing the aeration panels, which are replaced every 3 to 5 years, based on the decline of their performance. The aeration panels are due for repair and IEUA wants to take advantage of having one contractor do both projects. IEUA advertised for bids on July 14, 2016. Four bids were received on August 16, 2016, of which J.F. Shea Construction, Inc. was the lowest responsive and responsible bidder. The total project cost for the mixed liquor return pump is \$6.58 million and the aeration basin panel repairs is \$2.2 million. The construction contract award is scheduled for September 2016 and will be completed in January 2018.

IEUA is recommending the Committee to authorize the Agency to award the construction contract to J.F. Shea Construction, Inc.

Motion: By Mike Hudson/City of Montclair and seconded by Scott Burton/City of Ontario to make recommendation to authorize the Agency to award the construction contract for the RP-1 Mixed Liquor Return Pumps and the RP-1 Aeration Basin Panel Repairs to J.F. Shea Construction Inc.

Motion carried: Unanimously.

2. INFORMATIONAL ITEMS**A. Regional Contract Facilitation Process**

Chris Berch/IEUA stated that IEUA is seeking feedback from the Regional Technical Committee on the Regional Contract facilitator proposals provided and the process moving forward. IEUA and the Technical Committee have been discussing proactively the Regional Contract expiration of 2023. Mr. Berch indicated that although it has been a solid agreement for decades, IEUA and member agencies collectively brought up needs that need to be addressed. There are differences in opinions and interpretations of what needs to be in the contract amongst member agencies and IEUA. The other

concern is how to deal with future impacts of development to ensure that IEUA has a contract in place prior to issuing debt for new capital projects. In addition, IEUA and the Committee need to come to an agreement on a strategy on how to plan on collecting fees and ensuring revenue for the agency going past 2023.

Mr. Berch pointed out the following key items to be addressed: how property tax will be used; the roles of the Regional Committees; process for future contract amendments; budgets and reporting; equivalent dwelling unit determination (Exhibit J); connection fee collection; user fee collection; right to audit. As a result, IEUA and member agencies agreed to bring in a facilitator to help facilitate the renegotiation process during previous workshops. IEUA reached out to 10 firms and received three proposals, which are included in the package for your consideration. Mr. Berch stated that IEUA has received mixed feedback from the member agencies and IEUA does not think the Regional Contract can effectively be developed or amended without a use of a facilitator. Mr. Berch is recommending to the Committee to consider using a facilitator or come up with a process to start moving forward with the process.

Joe Grindstaff commented that it would be helpful to have somebody that the member agencies and IEUA can trust. Mr. Berch recommended that the Committee bring in some of the recommended or new facilitators for interviews. John Bosler/CVWD stated that it would be helpful to have a facilitator. He stated that he has concerns over the EDU process and would like to have that resolved sooner than later. Mr. Hays indicated that he is onboard with a facilitator. Mr. Burton indicated he is open to bring in a facilitator, but has concerns with the time schedule of six months to try and have all of this done in terms of the term sheet. He would like to know what the term sheet would be used for. He recommended doing it in a two-step process. Mr. Burton stated that the existing contract and existing practices, do not line up. Mr. Burton suggested working in parallel in search for a facilitator and when everybody is ready, have somebody available; however, he stated he is not ready to launch at this point.

Mr. Berch stated that he has confidence that if everybody is committed to doing this, it could be done in six months. Ms. Hoerning recommended setting up a program to meet regularly and establish a target date. Mr. Grindstaff indicated a facilitator could help us focus on the issue with the goal of six months and the group can meet once a week or biweekly. Mr. Hudson stated that though the consensus is to get a facilitator involved, he was opposed to bringing in a facilitator. He explained his concerns for not wanting to spend money on a facilitator. Mr. Grindstaff suggested the Committee figure out in a group who wants to be involved and focus on obtaining a facilitator onboard at the Technical Committee Workshop September 14, and if they are not happy with the proposals received, they can do an RFP. Mr. Berch encouraged the Committee to look through the proposals received and make that part of their discussion. Mr. Berch will work with Mr. Hays.

B. Salinity Update

The Committee requested that this item be moved to receive and file.

(Mr. Grindstaff and Christina Valencia left the room at 4:30 p.m.)

C. Sewer User Fee Evaluation

Kenneth Tam/IEUA gave an update on the sewer user fee evaluation. He stated that IEUA has brought on Carollo Engineers to help with the evaluation of the sewer user fee process, which also includes the evaluation of Exhibit "J" and the monthly sewer user fees. The main goals of the project is to evaluate alternative methodologies for calculating the sewer connection fees and the monthly sewer fees. The project goals are to review the revenue collection methodologies and review the feasibility of IEUA assuming the duties of collecting both the connection fees and the monthly sewer charges as well. Mr. Tam indicated that Carollo will also be looking at the public service facilities, collection of those connection fees and the allowing a lease option of sewer capacity as well.

Last week IEUA met with five of the member agencies and discussed the connection fee, collection process, and had a preliminary discussion on the alternative methodologies for collecting and calculating the EDUs of the connection fees. Carollo Engineers mentioned in the meetings of possibly using land use codes from the county or using square footage, water use data from the customers. Mr. Tam sent out an email to those member agencies requesting information. In terms of the project schedule, Carollo Engineers is working on evaluating the alternative methods for calculating the connection fees with the intent of presenting some preliminary data in terms of the revenue fee shift to the Special Technical Committee Workshop on September 14. Mr. Berch encouraged everyone to continue to provide information to Mr. Tam.

3. RECEIVE AND FILE**A. Pretreatment Committee Minutes**

The Pretreatment Committee Minutes were received and filed by the Committee

B. Draft Regional Policy Committee Agenda

The draft Regional Policy Committee Agenda was received and filed by the Committee.

C. Building Activity Update

The Building Activity Update Report was received and filed by the Committee.

D. Recycled Water Distribution Summary

The Recycled Water Distribution Summary was received and filed by the Committee.

E. Semi-Annual Recycled Water Distribution Update

The Semi-Annual Recycled Water Distribution Update was received and filed by the Committee.

4. OTHER BUSINESS**A. IEUA General Manager's Update**

None.

B. Committee Member Requested Agenda Items for Next Meeting

None.

C. Committee Member Comments

- Mr. Burton stated that Ontario is in the process of working with existing customers to retrofit to recycled water. It would be helpful to bring an informational item that shows how to treat an existing customer who has two meters already and are going to retrofit one to recycled water.
- Mr. Berch stated IEUA had a tour last week with the State Water Resources Control Board. He indicated that IEUA has submitted a couple of Prop 1 Applications to the state in regards to groundwater cleanup, TCE Plume in Ontario, the CDA Expansion and the recharge master plan projects. The tour went very well and IEUA received positive feedback from them. IEUA asked for approximately \$30 to \$40 million in funding. Furthermore, IEUA received just received notice that we received \$300,000 from USBR to apply towards the recharge projects.

D. Next Meeting – September 29, 2016

5. ADJOURNMENT – Meeting adjourned at 4:38 p.m.

Transcribed

by:

Laura Mantilla, Executive Assistant

**INFORMATION
ITEM**

2A



Inland Empire Utilities Agency
A MUNICIPAL WATER DISTRICT

Date: September 29, 2016
To: Regional Technical Committee
From: Inland Empire Utilities Agency
Subject: Fourth Quarter Budget Variance Report

RECOMMENDATION

This is an information item for the Regional Committees to review.

BACKGROUND

The item was presented as an informational item at the IEUA Board of Directors meeting on September 21, 2016.

Date: September 21, 2016

To: The Honorable Board of Directors

Through: Finance, Legal, and Administration Committee (09/14/16)

From:  P. Joseph Grindstaff
General Manager

Submitted by:  Christina Valencia
Chief Financial Officer/Assistant General Manager

 Javier Chagoyen-Lazaro
Manager of Finance and Accounting

Subject: FY 2015/16 Fourth Quarter Budget Variance, Performance Goals Updates,
and Budget Transfers

RECOMMENDATION

This was an informational item for the Board of Directors to receive and file.

BACKGROUND

The Budget Variance report presents the Agency's financial performance through the fourth quarter ending June 30, 2016, includes various analyses in the following attachments:

- Exhibit A provides a comparison of actual revenues and expenses against the current FY 2015/16 amended budget including a discussion of major categories with the most significant variances.
- Exhibit B provides a progress status of Division and Department Goals and Objectives as established in the FY 2015/16 adopted budget.
- Exhibit C-1 presents a summary of Operations and Maintenance (O&M) and capital project budget transfers approved by management during the fourth quarter.
- Exhibit C-2 presents a summary of the GM contingency account activity.
- Exhibit D lists Board approved budget amendments and management approved budget transfers for capital and O&M projects, with changes to total project budget.
- Exhibit E provides a FY 2015/16 financial overview of each of the Agency's programs.

Upon conclusion of the annual audit, a supplemental report will be provided to the Board identifying any material changes.

TOTAL REVENUES AND OTHER FUNDING SOURCES

Overall, the Agency received total revenues and other funding sources through the end of the fourth quarter of FY 2015/16 of \$194.0 million, or 91.9% of the amended budget (Exhibit A detail). The following section highlights key variances:

- **Connection Fees** – Total new equivalent dwelling unit (EDU) connections reported were \$25.8 million or 110.8% compared to the budget of \$23.2 million. A total of 4,774 new wastewater connections were reported by member agencies which includes 610 new EDU connections from Prologis, CSI, and California Speedway, compared to the budgeted new EDU connections for FY 2015/16 of 4,330. New connections are primarily from residential, retail stores, restaurants, and industrial facilities developments. The one-time 333 new EDU connections generated from California Speedway will be repaid in the form of Water Rights transfer to IEUA per the agreement for the provision of sewer and recycled water service dated November 24, 2015.
- **User Charges** – User charges were \$67.0 million, or 99.9% of the budget. The user charges also include EDU volumetric fees of \$49.6 million actual fees paid by users discharging to the regional wastewater system, \$10.7 million for Non-Reclaimable Wastewater pass-through fees paid by industrial and commercial users connected to the brine line system, \$4.7 million for imported water meter service charges to meet the readiness-to-serve obligation from Metropolitan Water District of Southern California (MWD) and water use efficiency programs, and \$1.9 million for other service charges.
- **Recycled Water Sales** – Recycled water sales at the end of fiscal year was \$11.4 million, or 95.4% compared to the budget of \$11.9 million. Direct sales were \$6.0 million or 19,397 acre feet (AF) and groundwater recharge sales were \$5.4 million or 13,222 AF, for total deliveries of 32,619 AF compared to the projected 35,150 AF. The demand for direct sales of recycled water decreased due to lower agricultural use and loss of customers but was partially offset with the increase in groundwater recharge deliveries.
- **MWD Imported Water Sales** – Total MWD adjusted imported water sales were \$17.3 million or 63.4% of the budget. A total of 29,441 AF of pass through water was delivered at the end of the fourth quarter compared to 50,000 AF budget. The lower sales can be attributed to the continuous response to drought condition and public outreach efforts aimed at water conservation.
- **Property Taxes** – Tax receipts were \$45.6 million or 110.9% of the amended budget. General ad-valorem property tax receipts from the San Bernardino County Tax Assessor (County) were \$29.3 million and “pass-through” incremental taxes received were \$15.2 million. The increase in tax receipts was accounted by incremental taxes of \$2.7 million the city of Ontario and a 5% growth in general ad valorem taxes compared to prior fiscal year receipt.

- **Grants & Loans** – Total receipts of \$14.1 million or 66.4% of the amended budget were received through the end of the fiscal year. Total grant receipts were \$6.2 million or 69.4% of the \$8.9 million budget for the Regional Recycled Water Distribution System, ground water supply wells and basins, water quality laboratory and drought and water conservation. Actual SRF Loan proceeds were \$7.9 million or 64.2% of the \$12.3 million budget for Wineville area project, new water quality laboratory and other recycled water projects. Grants and loans receipts are dependent on projects spending.
- **Other Revenues** – Total other revenues were \$3.5 million, or 57.4% of the amended budget. Actuals include \$1.4 million from lease revenue and energy rebates and \$1.8 million in project reimbursements. Delays in the reimbursable projects from Recycled Water and Water Resources Programs accounted for the lower revenue.

TOTAL EXPENSES AND USES OF FUNDS

The Agency's total expenses and uses of funds through the end of the fiscal year were \$148.2 million, or 66.7% of the amended budget. The following section highlights key variances:

- **Employment Expenses** – This category includes both wages and benefits. Employment expenses were \$38.0 million or 93.7% of the amended budget. Higher than anticipated vacancy factor of 9% (26 positions) compared to budgeted vacancy rate of 4% (12 positions) provides savings in wages and benefits.
- **Professional Fees & Services** – Total expenses were \$6.1 million, or 62.0% of the amended budget. The favorable variance can be attributed to timing of planned work or services not executed in the fiscal year, or work started in FY 2015/16 but expected to be completed in the following fiscal year. For example, delays in contract services, such as acquiring on-site professional service due to new requirements from California Environmental Quality Act (CEQA), and deferral of SAP related contract services. As a result, \$1.2 million of the FY 2015/16 amended budget was identified to be carried forward to FY 2016/17.
- **Chemicals** – Total expenses were \$3.9 million, or 83.6% of the amended budget. Favorable variance was due in large part to price decreases from re-bidding of certain chemicals, including sodium hypochlorite, ferric chloride, and sodium. Decrease in chemical use and reduction in plant influent flow enabled operations and maintenance to sustain lower expenditures.

- ***Operating Fees*** – Total expenses were \$11.3 million, or 85.5% of the amended budget. Favorable variance in this category was contributed by lower than anticipated strength and imbalance charges (pass through) in the Non Reclaimable Waste (NRW) system. In addition to industries being proactive in treating their water before discharging to the system helped reduced the strength charges.
- ***Utilities*** – Expenses in this category were \$8.8 million or 82.1% of the amended budget.
 - Electricity was slightly higher at \$6.6 million compared to \$6.0 million budget. Low production from fuel cell at RP-1 accounted for the increase in electricity costs. The current average rate for imported electricity of \$0.108 compared to \$0.125/kWh budgeted rate. Total usage through the end of the fiscal year was measured at 58,321,635 kWh.
 - Natural gas expense was low due to the lower rate (averaging \$0.41/therm compared to the budgeted rate of \$0.80/therm) and lower usage measured at 853,251 therms, or 71% of the annual agency average of 1,200,000 therms.
 - Fuel cell was \$1.1 million or 41.5% compared to \$2.6 million budget due to lower production of electricity.
 - Solar energy was slightly lower at 89.0% of the budgeted amount for the end of fiscal year. Electricity generated from solar power has slightly diminished which can be attributed to the age of the solar panels.
- ***MWD Imported Water Purchases*** – Total MWD pass-through imported water purchases were \$18.7 million or 31,714 AF compared to 50,000 AF budgeted. The decline in water purchase can be attributed to the continuous response to drought condition and public outreach efforts aimed at water conservation.
- ***O&M and Reimbursable Projects*** – The combined special and reimbursable project expenditures were \$7.2 million or 25.4% of the amended budget. The favorable variance was mainly due to the Chino Basin Groundwater Wells and Raw Water Pipeline budgeted at \$9.0 million or 31% of the category's amended budget, of which only \$1.1 million was expended. A total of \$6.5 million of the FY 2015/16 amended budget has been identified to be carried forward to FY 2016/17.
- ***Capital Projects***–Total capital project expenditures were \$24.5 million or 47.7% compared to the amended budget of \$51.4 million. The amended budget includes encumbrances of \$8.0 million of capital project budget carried forward from FY 2014/15 budget. Lower capital spending is attributed to delays in construction for the SCADA enterprise system, San Sevaine Basin Improvements and RP-1 related projects. A total of \$4.5 million of the FY 2015/16 amended budget has been identified to be carried forward to FY 2016/17.

As of June 30, 2016, there were an estimated eighty-eight (88) projects identified as eligible for closure since the start of the fiscal year.

Table 1 below identifies projects with project budget over \$500,000 which are not projected to be expended in the current fiscal year. These projects account for variances of approximately \$19.5 million, or 34.2% of the amended budget. Spending levels are largely driven by changes in project scope and schedule, construction bid results, regulatory issues, and available resources associated with such undertakings.

Table 1: Project Budget Not Planned to be Expended in FY 2015/16

Project #	Description	FY 15/16 Actuals	FY 15/16 Budget	Variance (FY Budget - FY Forecast)	Reason for Variance
1	EN06025 Wineville Ext RW Pipeline Segment A	1,125,665	2,135,354	1,009,689	The project finished under budget.
2	EN11031 RP-5 Flow Equalization and Effluent Monitoring	180,581	1,255,263	1,074,682	The project scope was modified to meet Agency operating requirements causing a schedule delay. Contract modifications are complete and the project has restarted
3	EN13001 San Sevaline Basin Improvements	318,958	3,500,000	3,181,044	The majority of the expenses are construction related and will begin during FY 2016/17.
4	EN13016 SCADA Enterprise System	3,476,753	4,297,500	820,747	Job is progressing with less than anticipated internal costs.
5	EN13018 Montclair Diversion Structure Retrofit	753,954	1,203,874	449,920	The expenditures were delayed to allow the contractor time to procure all materials necessary prior to closing the street to lessen the length of time for the road closure.
6	EN13045 Wineville RW Extension Segment B	1,694,443	2,506,255	811,812	The project completed under budget.
7	EN13048 RP-1 930-Zone RW Pump Station Load Analysis	291,168	1,000,000	708,832	An extensive analysis of the RP-1 existing load was required prior to launching the design. The majority of the budget (design and construction) will be consumed in FY 2016/17.
8	EN14018 RP-4 Disinfection System Retrofit	264,064	759,516	495,452	Additional scope to rehab the south side of the existing building impacted the completion of the design schedule.
9	EN14047 GWR and RW SCADA Control Upgrades	117,891	816,265	698,374	The planned schedule did not account for a lengthy pre-design effort. This pushed all of the construction cost to FY 2016/17.
10	EN15043 SBCFCD Recycled Water Easement	2,058	567,298	565,240	San Bernardino County has not completed the appraisal report reviews.
11	EN15044 SBCFCD NRW Easement	267	514,929	514,662	San Bernardino County has not completed the appraisal report reviews.
12	EN16021 Chino Basin Groundwater Supply Wells and Raw Water Pipelines	1,089,754	9,000,000	7,910,247	The project work has been delayed due to the ongoing settlement negotiations with the Regional Board. CDA has initiated project management with Michael Baker International, but design and construction cannot begin until Regional Board settlement is complete, per IEUA's agreement with CDA. The Regional Board has delayed the issuance of the Cleanup Order, which has pushed back the project start date. It is anticipated that the Regional Board will issue the Cleanup Order in Q3 of 2016.
13	EN16024 RP-1 Mixed Liquor Return Pumps	567,463	1,000,000	432,537	The project evaluation period was extended based on a review of project expectations and Stakeholder requirements. This reduced the amount of funding required for this year and moved expenditures into FY 2016/17.
14	EN16025 RP-1 Expansion PDR	220,836	1,000,000	779,164	The original Budget assumed 50/50 cost split between RP-1 & RP-5. Actual cost split is 20/80. Remaining \$850,000 will be transferred to EN16028.
		10,103,852	29,556,254	19,452,402	

Source: ECM Project Status – GM Report, July 2016

- **Debt Service** – Total principal, interest, financial, and inter-fund loan expenses were \$20.5 million or 87.3% compared to budget through the end of fiscal year. Actual costs included \$11.5 million in principal payments and \$9.0 million in interest, and other financial administration fee expense. The 2008B Variable Rate Demand Bonds interest rate continues to stay below the budgeted 1% rate, with the actual average rate of 0.12%, resulting in \$0.4 million in savings.

A detailed explanation of significant revenue and expenses are included in the attached Exhibit A.

FUND BALANCES AND RESERVES

Based on the preliminary unaudited year-end results, fiscal year 2015/16 indicated an increase of \$45.8 in total sources of funds over total uses of funds, resulting in an ending fund balance of \$191.9 million. Timing of expenditures, staff's continuous effort to improve and identify opportunities to reduce expenditures, and deferred execution of projects can be attributed for the increase in fund balance. Table 2 provides an overview of the fiscal year end budget variance in revenue, expense, and fund balance.

Table 2: Fiscal Year End Revenues, Expenses, and Fund Balance (\$Millions)

Operating	FY 2015/16 Amended Budget	Fourth Quarter Ended 6/30/16	Actual % of Amended Budget
Operating Revenue	\$118.8	\$106.9	90.0 %
Operating Expense	\$147.2	\$102.8	69.9%
Operating Net Increase/(Decrease)	(\$28.4)	\$4.1	
Non-Operating			
Non-Operating Revenue	\$92.2	\$87.1	94.4%
Non-Operating Expense	\$75.2	\$45.4	60.4%
Non-Operating Net Increase/(Decrease)	\$17.0	\$41.7	
Consolidated	FY 2015/16 Amended Budget	Fourth Quarter Ended 6/30/16	Actual % of Amended Budget
Total Sources of Funds	\$211.0	\$194.0	91.9%
Total Uses of Funds	\$222.4	\$148.2	66.6%
Total Net Increase/(Decrease)	(\$11.4)	\$45.8	
Beginning Fund Balance	\$146.1	\$146.1	
Ending Fund Balance	\$134.7	\$191.9	

GOALS AND OBJECTIVES

Exhibit B provides information on division and related department goals and objectives and the status of each through the end of the fiscal year. The goals and objective indicators are used to track the volume and complexity of work by type and to track the effort invested to accomplish that work. Staff also uses the indicators to track productivity and to justify current resource allocation, re-allocation and requests for additional staff.

BUDGET TRANSFERS AND AMENDMENTS

O&M budget transfers for the fourth quarter totaled \$384,060 and Capital budget transfer of \$205,000 as detailed in Exhibit C-1.

General Manager (GM) Contingency Account budget of \$500,000 included \$400,000 in the Regional Wastewater Operations & Maintenance (RO) Fund and \$100,000 in the Administrative Services (GG) Fund. Through the end of the fiscal year, \$238,000 from the RO Fund and \$76,700 from the GG Fund was utilized to support the unexpected and necessary expenses as listed in Exhibit C-2.

Capital and O&M projects budget transfers totaled approximately \$691,150, including net changes in total project budget of approximately \$95,350 approved by management during the fourth quarter as listed in Exhibit D.

The budget variance analysis report was consistent with the Agency's business goal of Fiscal Responsibility: to demonstrate the Agency appropriately funded operational, maintenance, and capital costs.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

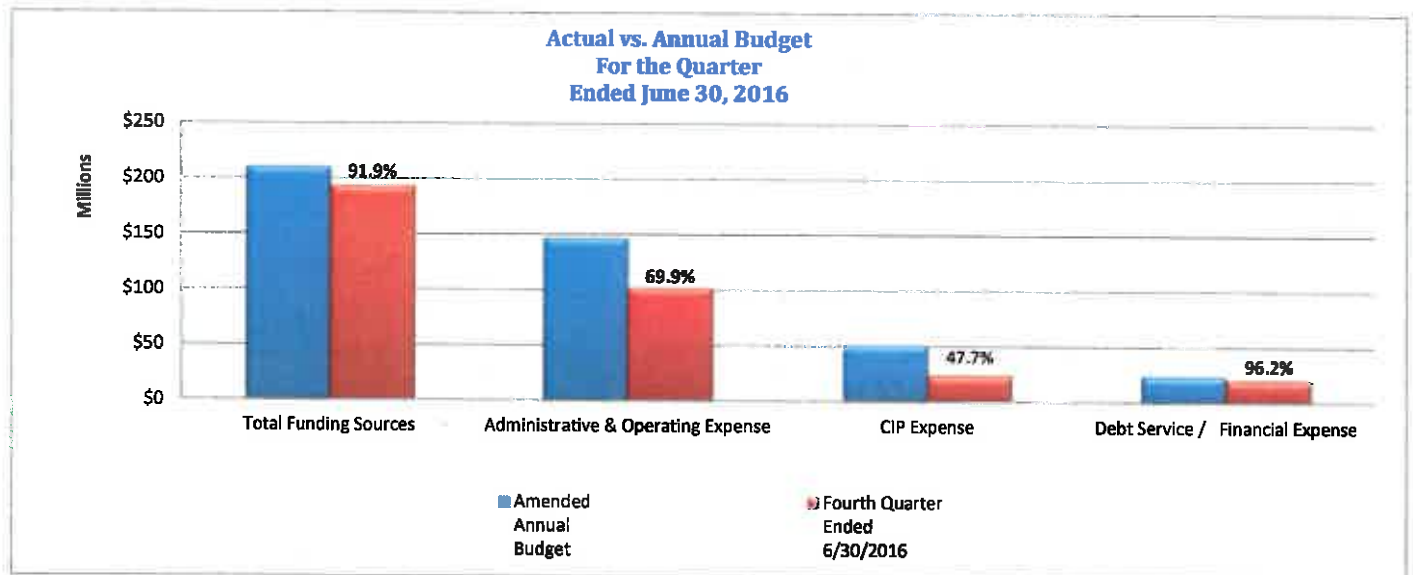
The net increase in total revenues over total expenses in the amount of \$45.8 million resulted in a total estimated fund balance of \$191.9 million, for the fiscal year ended June 30, 2016.

I. Actual vs. Budget Summary:

Fourth Quarter Ended June 30, 2016

% of the Year
Elapsed: 100%

	Adopted Annual Budget	Amended Annual Budget	Fourth Quarter Ended 6/30/2016	Amended vs. Actual	% of Amended Budget
Operating Revenues	\$130,814,725	\$118,833,896	\$106,928,732	(\$11,905,164)	90.0%
Non-Operating (Other Sources of Fund)	91,839,772	92,229,615	87,083,557	(5,146,058)	94.4%
TOTAL FUNDING SOURCES	222,654,497	211,063,511	194,012,289	(17,051,222.58)	91.9%
Administrative & Operating Expense	(152,929,623)	(147,150,528)	(102,812,437)	44,338,091	69.9%
CIP Expense	(43,886,402)	(51,443,821)	(24,519,900)	26,923,921	47.7%
Debt Service / Financial Expense	(23,802,656)	(23,802,656)	(20,907,247)	2,895,409	87.8%
TOTAL USES OF FUNDS	(220,618,681)	(222,397,005)	(148,239,584)	74,157,421	66.7%
Surplus/(Deficit)	\$2,035,816	(\$11,333,494)	\$45,772,705	\$57,106,198	



2. Actual Revenue vs. Budget:

% of the Year
Elapsed: 100%

	Adopted Annual Budget	Amended Annual Budget	Fourth Quarter Ended 6/30/2016	Amended vs. Actual	% of Amended Budget
Operating Revenues:					
User Charges	\$67,040,941	\$67,040,941	\$66,997,802	\$43,139	99.9%
Recycled Water Sales	11,942,682	11,942,682	11,389,182	553,500	95.4%
MWD Water Sales	41,440,829	29,460,000	18,653,793	10,806,207	63.4%
MWD LPP Rebate	2,079,000	2,079,000	2,079,000	0	100.0%
Property Tax - O&M	1,792,530	1,792,530	1,987,411	(194,881)	110.9%
Cost Reimbursement	5,482,843	5,482,843	5,258,477	224,366	95.9%
Interest	1,035,900	1,035,900	563,067	472,833	54.4%
OPERATING REVENUES	130,814,725	118,833,896	106,928,732	11,905,164	90.0%
Non-Operating Revenues:					
Property Tax - Debt, Capital, Reserves	\$39,364,099	\$39,364,099	\$43,643,703	(\$4,279,604)	110.9%
Connection Fees	23,329,423	23,329,423	25,843,506	(2,514,083)	110.8%
Grants & Loans	21,257,262	21,257,262	14,115,504	7,141,758	66.4%
Other Revenue	7,888,988	8,278,831	3,480,845	4,797,986	42.0%
NON-OPERATING REVENUES	91,839,772	92,229,615	87,083,558	5,146,057	94.4%
Total Revenues	\$222,654,497	\$211,063,511	\$194,012,289	\$17,051,222	91.9%

- User Charges, 99.9%** User charges were \$67.0 million, or 99.9% of the Amended Budget. The category includes equivalent dwelling unit (EDU) volumetric charges of \$49.6 million, \$10.7 million Non-Reclaimable wastewater fees paid by industrial and commercial users connected to the brine line system; \$4.7 million for water meter service charge to meet our Readiness-to-Serve obligation from MWD and water use efficiency programs; and \$1.9 million for other service charges.
- Property Tax/ AdValorem, 110.9%** Total property tax receipts were \$45.6 million or 110.9% of the amended budget. General ad-valorem property tax receipts from the San Bernardino County Tax Assessor (County) were \$29.3 million and "pass-through" incremental from Regional Development Agency (RDA) taxes received were \$15.2 million. The increase in tax receipts was accounted by the "one-time" incremental property tax receipts of \$2.7 million received in December 2015, as a result of the dissolution of redevelopment agencies and a 5% growth in tax receipts from the county compared to prior fiscal year receipt.
- Recycled Water Sales, 95.4%** Recycled water actual direct and groundwater recharge sales were \$6.0 million (19,397 AF) and \$5.4 million (13,222 AF) respectively, for a combined total \$11.4 million compared to \$11.9 million budgeted. Total year to date deliveries are 32,618 AF compared to the 35,150 AF projected for the fiscal year. The demand of recycled water increased in the drought season as the reliability of the supply of imported water may be uncertain.
- Interest Income, 54.4%** Interest Income is \$0.6 million or 54.4% of the annual budget. The current low interest rate environment accounts for low interest earnings with average sweep and LAIF pooled investments yielding 0.42% compared to the budgeted interest rate of 0.50%.
- MWD Water Sales, 63.4%** Total MWD pass-through imported water revenue was \$18.7 million or 63.4% of amended budget. The variance is due to the continuous response to drought condition and public outreach efforts aimed at reducing water. A total of 29,441 AF of pass through water was delivered at the end of the fourth quarter compared to 50,000 AF budgeted for FY 2015/16.
- MWD LPP Rebates, 100%** MWD LPP rebate was budgeted at \$2.1 million or \$154/AF for direct recycled water deliveries up to 17,000 AFY, excluding the initial 3,500 AFY. Total rebate of \$2.1 million or 100% of budget, a total of 17,000 AF was applied for at the end of the fiscal year.

Connection Fees, 110.8%	Member agencies reported \$25.8 million or 110.8% of the budget. A total of 4,774 new wastewater connections were reported by member agencies which includes 610 new EDU connections from Prologis, CSI, and California Speedway, compared to the budgeted new EDU connections for FY 2015/16 of 4,330.
Grants and Loans, 66.4%	Current grant and loan receipts total \$14.1 million at the end of the fiscal year or 66.4% of the amended budget of \$24.2 million. Total grant receipts were \$6.2 million or 69.4% of the \$8.9 million budget for the Regional Recycled Water Distribution System, ground water supply wells and basins, water quality laboratory and drought and water conservation. Actual SRF Loan proceeds were \$7.9 million or 64.2% of the \$12.3 million budget for Wineville area project, new water quality laboratory and other recycled water projects. Grant and loan revenues are cyclical in nature due to project spending trends and the multi-year funding for large projects.
Cost Reimbursements JPA, 95.9%	Total cost reimbursements were \$5.3 million, or 95.9% of the amended budget. Category actuals include reimbursements of \$3.4 million from the Inland Empire Regional Composting Authority (IERCA), \$1.4 million from Chino Basin Desalter Authority (CDA), and \$0.6 million from Chino Basin Watermaster (CBWM). Total cost reimbursement budget of \$5.5 million includes: \$3.4 million from IERCA, \$1.4 million from CDA, and \$0.7 million from CBWM.
Other Revenues, 42%	Total other revenues were \$3.5 million, or 57.4% of the amended budget. Actuals include \$1.4 million from lease revenue and energy rebates and \$1.8 million in project reimbursements. Delays in the reimbursable projects from Recycled Water and Water Resources Programs accounted for the lower revenue.

3. Actual Operating and Capital Expense vs. Budget:

				% of the Year Elapsed: 100%	
	Adopted Annual Budget	Amended Annual Budget	Fourth Quarter Ended 6/30/2016	Amended vs. Actual	% of Amended Budget
Operating Expenses:					
Employment	\$40,609,906	\$40,609,906	\$38,037,089	\$2,572,817	93.7%
Admin & Operating	112,319,717	106,540,622	64,775,348	\$41,765,275	60.8%
OPERATING EXPENSES	\$152,929,623	\$147,150,528	\$102,812,437	\$44,338,092	69.9%
Non-Operating Expenses:					
Capital	43,886,402	51,443,821	24,519,900	\$26,923,921	47.7%
Debt Service and All Other Expenses	23,802,656	23,802,656	20,907,245	\$2,895,410	87.8%
NON-OPERATING EXPENSES	\$67,689,058	\$75,246,477	\$45,427,145	\$29,819,331	60.4%
Total Expenses	\$220,618,681	\$222,397,005	\$148,239,582	\$74,157,423	66.7%

Employment Expense **Employment , 93.7%**
This category includes both wages and benefits. Employment expenses were \$38.0 million or 93.7% of the Amended Budget. Higher than anticipated vacancy factor of 9% (26 positions) compared to budgeted vacancy rate of 4% (12 positions) provides savings in wages and benefits.

Administrative & Operating Expense **Office and Administrative, 73.5%**
The favorable variance was due in part to the inclusion of \$185,000 for the GM contingency under this category. In addition, expenses related to conferences, training, and travel related expenses represent a savings of \$200,000 compared to budget as staffs continue to participate in free training and webinar sessions.

Professional Fees & Services , 62%

The favorable variance can be attributed to timing of planned work or services not executed in the fiscal year, or work started in FY 2015/16 but expected to be completed in the following fiscal year. For example, delays in contract services, such as acquiring on-site professional service due to new requirements from California Environmental Quality Act (CEQA), and deferral of SAP related contract services. As a result, \$1.2 million of the FY 2015/16 amended budget was identified to be carried forward to FY 2016/17.

INLAND EMPIRE UTILITIES AGENCY
Fiscal Year 2015/16
CONSOLIDATED BUDGET VARIANCE ANALYSIS REPORT
Fourth Quarter Ended June 30, 2016

	Adopted FY 2015/16 Annual Budget	Amended FY 2015/16 Annual Budget	Unaudited YTD Actual	YTD Variance	YTD % Budget Used
<u>OPERATING REVENUES</u>					
User Charges	\$67,040,941	\$67,040,941	\$66,997,802	(\$43,139)	99.9%
Recycled Water	11,942,682	11,942,682	11,389,182	(553,500)	95.4%
MWD Water Sales	41,440,829	29,460,000	18,653,793	(10,806,207)	63.4%
MWD LPP Rebates	2,079,000	2,079,000	2,079,000	-	100.0%
Property Tax - O&M	1,792,530	1,792,530	1,987,411	194,881	110.9%
Cost Reimbursement from JPA	5,482,843	5,482,843	5,258,477	(224,366)	95.9%
Interest Revenue	1,035,900	1,035,900	563,067	(472,833)	54.4%
TOTAL OPERATING REVENUES	\$130,814,725	\$118,833,896	\$106,928,732	(\$11,905,164)	90.0%
<u>NON-OPERATING REVENUES</u>					
Property Tax - Debt, Capital, Reserves	\$39,364,099	\$39,364,099	\$43,643,703	\$4,279,604	110.9%
Connection Fees	23,329,423	23,329,423	25,843,506	2,514,083	110.8%
Grants	8,942,419	8,942,419	6,208,230	(2,734,189)	69.4%
SRF Loan Receipts	12,314,843	12,314,843	7,907,274	(4,407,569)	64.2%
Project Reimbursements	4,994,447	5,384,290	1,818,003	(3,566,287)	33.8%
Other Revenue	2,894,541	2,894,541	1,662,841	(1,231,700)	57.4%
TOTAL NON OPERATING REVENUES	\$91,839,772	\$92,229,615	\$87,083,557	(\$5,146,058)	94.4%
TOTAL REVENUES	\$222,654,497	\$211,063,511	\$194,012,289	(\$17,051,222)	91.9%
<u>ADMINISTRATIVE and OPERATING EXPENSES</u>					
EMPLOYMENT EXPENSES					
Wages	\$22,448,006	\$22,448,006	\$24,006,053	(\$1,558,047)	106.9%
Benefits	18,161,900	18,161,900	14,031,036	4,130,864	77.3%
TOTAL EMPLOYMENT EXPENSES	\$40,609,906	\$40,609,906	\$38,037,089	\$2,572,817	93.7%
ADMINISTRATIVE EXPENSES					
Office & Administrative	\$1,281,624	\$1,870,444	\$1,375,450	\$494,994	73.5%
Insurance Expenses	775,500	747,425	673,039	74,386	90.0%
Professional Fees & Services	9,249,989	9,811,913	6,083,477	3,728,436	62.0%
O&M Projects	22,106,625	26,969,627	6,231,551	20,738,076	23.1%
Reimbursable Projects	100,000	1,534,476	962,252	572,223	62.7%
TOTAL ADMINISTRATIVE EXPENSES	\$33,513,738	\$40,933,885	\$15,325,769	\$25,608,116	37.4%

INLAND EMPIRE UTILITIES AGENCY
Fiscal Year 2015/16
CONSOLIDATED BUDGET VARIANCE ANALYSIS REPORT
Fourth Quarter Ended June 30, 2016

	Adopted FY 2015/16 Annual Budget	Amended FY 2015/16 Annual Budget	Unaudited YTD Actual	YTD Variance	YTD % Budget Used
OPERATING EXPENSES					
Material & Supplies/Leases	\$2,798,809	\$3,257,341	\$2,928,312	\$329,029	89.9%
Biosolids Recycling	4,358,631	4,204,597	3,797,996	406,601	90.3%
Chemicals	4,394,574	4,715,551	3,942,589	772,962	83.6%
MWD Water Purchases	41,440,829	29,460,000	18,653,793	10,806,207	63.4%
Operating Fees/RTS Fees/Exp. Alloc.	14,663,144	13,206,572	11,289,657	1,916,915	85.5%
Utilities	11,149,992	10,762,677	8,837,232	1,925,445	82.1%
TOTAL OPERATING EXPENSES	\$78,805,979	\$65,606,737	\$49,449,579	\$16,157,159	75.4%
TOTAL ADMINISTRATIVE and OPERATING EXPENSES	\$152,929,623	\$147,150,528	\$102,812,437	\$44,338,092	69.9%
<u>NON-OPERATING EXPENSES</u>					
CAPITAL OUTLAY	\$43,886,402	\$51,443,821	\$24,519,900	\$26,923,921	47.7%
FINANCIAL EXPENSES					
Principal, Interest and Financial Expenditure	23,462,656	23,462,656	20,492,764	2,969,892	87.3%
OTHER NON OPERATING EXPENSES	340,000	340,000	414,483	(74,483)	121.9%
TOTAL NON-OPERATING EXPENSES	\$67,689,058	\$75,246,477	\$45,427,147	\$29,819,330	60.4%
TOTAL EXPENSES	\$220,618,681	\$222,397,005	\$148,239,584	\$74,157,422	66.7%
REVENUES IN EXCESS/ (UNDER) EXPENSES	\$2,035,816	(\$11,333,494)	\$45,772,705	\$57,106,199	
FUND BALANCE SUMMARY					
Unaudited Beginning Balance, July 01	\$125,635,403	\$146,104,580	\$146,104,580	\$0	
Surplus/ (Deficit)	2,035,816	(11,333,494)	45,772,705	57,106,199	
ENDING BALANCE, June 30	\$127,671,219	\$134,771,086	\$191,877,285	\$57,106,199	

FY 2015/16

Business Goals & Objectives Report By Department

Department: ALL
Report Month: April, May, June : Year: 2016

8/24/2016

Goal FY ID	Reporting Required	Division	Buss. Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Note Month	Note Year	Status	Complete	Notes
Agency Management													
219	FY 2015/16	Quarterly	Agency Management	C	Continue to apply Lean management principles to streamline current business processes and systems and eliminate waste and redundancies	Develop and implement a standardized procedure for writing and processing committee/board letter	Completed by June 30, 2017	Implement two procedures per quarter until completed	April Woodruff	August	2016	On Schedule	The board letter process is expected to be completed in November 2016.
220	FY 2015/16	Quarterly	Agency Management	C	Continue to apply Lean management principles to streamline current business processes and systems and eliminate waste and redundancies	Develop a standard operating procedure handbook for the Executive Management Department area	Completed by June 30, 2017	Implement two procedures per quarter until completed	April Woodruff	August	2016	On Schedule	Four SOPs have been developed and are under review.
221	FY 2015/16	Quarterly	Agency Management	C	Continue to apply Lean management principles to streamline current business processes and systems and eliminate waste and redundancies	Update and maintain "Duties and Annual Calendar or Responsibilities" manual for the Board Secretary position	Completed by June 30, 2017	Update 25% per quarter	April Woodruff	August	2016	On Schedule	Project is on hold due to not being fully staffed.
222	FY 2015/16	Quarterly	Agency Management	C	Continue to apply Lean management principles to streamline current business processes and systems and eliminate waste and redundancies	Increases the efficiency of the executive administrative group through streamlining processes	Ongoing	Review and improve two processes per quarter	April Woodruff	August	2016	On Schedule	Agency Management staff works to continually improve procedures within the department to further streamline processes.
217	FY 2015/16	Quarterly	Agency Management	C	Continue to apply Lean Management principles to streamline current business processes and systems and eliminate waste and redundancies	Develop and implement a standardized procedure for writing and processing committee/board letter	Completed by June 30, 2017	Implement two procedures per quarter until completed	April Woodruff	August	2016	On Schedule	The board letter process is expected to be completed in November 2016.
Business Information Services													
248	FY 2015/16	Quarterly	Finance and Administration	A	Continue commitment to cost containment for operating and capital costs.	Maintain cost of external SAP support to be within contracted amounts for all vendors	Meet the set KPI	Actuals <= quarterly average of the contracted amounts	Kanes Pantayathwong	June	2016	On Schedule	Support cost for this quarter was \$35,643. The high cost for this quarter is attributed to a special project for the SAP EHP8 upgrade and the assistance with processing the Affordable Care Act report requirements - first time for the Agency.
249	FY 2015/16	Quarterly	Finance and Administration	B	Ensure staff understands and upholds their role in achieving the Agency's Mission, Vision, and Values	Release new enhancements to Agency's various software applications at fixed intervals (every 4 months).	Ongoing by June 2016	100% of enhancements released plus or minus two calendar weeks from scheduled release date	Kanes Pantayathwong	June	2016	On Schedule	Completed a major update to the Engineering Dashboard to include multiple baselines and cost information; completed a pilot project - Shift Notes - as a potential electronic replacement for Operations Daily Log Books; provided integration and automation for Water Connection Fee database and SAP invoice process
251	FY 2015/16	Monthly	Finance and Administration	B	Prepare and implement a Disaster Preparedness Plan and conduct periodic emergency response drills by July 2017	Implement recommended disaster plan per TMP.	Ongoing	BIS to lead the Business Continuity / Disaster Recover Subcommittee	Kanes Pantayathwong	June	2016	On Schedule	Working with ISS and secure contract with Sungard to provide near real-time backup of SAP server (every 2 hours). The remote access and testing was conducted successfully. In September, the team will be performing test at Sungard facility in Cypress for off-site testing. This will also provide the team with an opportunity to train as well as identifying any

FY 2015/16

Goal FY ID	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Note Month	Note Year	Status	Complete	Notes
252	FY 2015/16 Quarterly	Finance and Administration	C	Replace the legacy Document Management system to ensure it meets Agency-wide and regulatory public records requirements and eliminates redundant archiving systems by December 2015	Determine business requirements incorporating an updated taxonomy	Final report by July 2015	Issue final report to be used for software solution requirements	Kanes Pantayattwong	June	2016	On Schedule		The project was completed in FY2016.
253	FY 2015/16 Quarterly	Finance and Administration	C	Continue to apply Lean management principles to streamline current business processes and systems and eliminate waste and redundancies	Determine requirements for new SAP enhancement that improves cost tracking for projects that qualify for multiple grants	Establish baseline data; develop requirements; implement prototype.	>= 10% reduction in process time for grants analyst after implementation	Kanes Pantayattwong	June	2016	On Schedule		Please see item #177.
254	FY 2015/16 Quarterly	Finance and Administration	C	Continue to apply Lean management principles to streamline current business processes and systems and eliminate waste and redundancies	Evaluate potential improvements to budgeting process, if appropriate, through enhancing SAP functionality.	Assess potential solutions; determine change impact; obtain go/no-go decision to implement.	>= 10% reduction in budgeting cycle days for O&M and capital budgets.	Kanes Pantayattwong	June	2016	On Schedule		Please see item #178.
255	FY 2015/16 Quarterly	Finance and Administration	C	Continue to apply Lean management principles to streamline current business processes and systems and eliminate waste and redundancies	Assess challenges with Agency's financial processes; develop RFP for long term modifications.	Assess processes; develop requirements; develop change impact and proposal.	35% reduction in spreadsheets used by finance staff; 25% increase in report performance	Kanes Pantayattwong	June	2016	Behind Schedule		Due to priority with identifying and corrections for payroll rates, the team was not able to allocate time for this project in FY2016. BIS and Finance & Accounting will team up to draft the RFP with the goal of engaging consultant in Q2 or Q3 of FY2017.
177	FY 2015/16 Quarterly	Finance and Administration	C	Continue to apply Lean management principles to streamline current business processes and systems and eliminate waste and redundancies	Determine requirements for new SAP enhancement that improves cost tracking for projects that qualify for multiple grants – Timeline 15/16 reads: Establish baseline data; develop requirements; implement prototype	Ongoing	< 3 systems in use	Kanes Pantayattwong	June	2016	Behind Schedule	No	A combination of both Grants department transitioning to a different division and BIS analyst, specialized in grants management in SAP, being occupied with payroll retro analysis and GU MOU changes, this project was deferred until resources can be available. The project will begin in Q1 of FY2017.
178	FY 2015/16 Quarterly	Finance and Administration	C	Continue to apply Lean management principles to streamline current business processes and systems and eliminate waste and redundancies	Evaluate potential improvements to budgeting process, if appropriate, through enhancing SAP functionality	Ongoing	< 3 systems in use	Kanes Pantayattwong	June	2016	On Schedule	No	Following a product demo in February 2016, there have been a several conversations to explore the possibility of using spreadsheet-like tool that is integrated to SAP. BIS and Accounting & Finance will team up to work on the SAP Finance roadmap, which will address this needs along with other finance-related needs by all users. The needs assessment RFP will be developed in Q1 and Q2, with planned start date of Q3 in FY2017.

FY 2015/16

Goal FY ID	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Note Month	Note Year	Status	Complete	Notes
179	FY 2015/16 Quarterly	Finance and Administration	C	Continue to apply Lean management principles to streamline current business processes and systems and eliminate waste and redundancies	Assess challenges with Agency's financial processes; develop RFP for long term modifications	Ongoing	< 3 systems in use	Kanes Pantayathwong	June	2016	Behind Schedule	No	Due to resource constraint with payroll retro analysis in Q3 and Q4 of FY2016, this project was not started and completed within that fiscal year. BIS and Accounting & Finance will team up to work on the SAP Finance roadmap, which will address the needs along with other finance-related needs by all users. The needs assessment RFP will be developed in Q1 and Q2, with planned start date of Q3 in FY2017.
180	FY 2015/16 Quarterly	Finance and Administration	C	Continue to apply Lean management principles to streamline current business processes and systems and eliminate waste and redundancies	Reduce the number of external spreadsheets utilized to address NRW rate questions	Ongoing	< 3 systems in use	Kanes Pantayathwong	June	2016	On Schedule	No	Planning Department's availability was limited and focused on other priorities in FY2016. BIS will re-engage this project in FY2017.
Contracts and Facilities Services													
173	FY 2015/16 Quarterly	Finance and Administration	B	Promote a safer work environment by administering and monitoring required safety and regulatory trainings	Conduct Agency training on department processes that are in line with the Agency's MVV	Ongoing		Warren Green	August	2016	On Schedule	No	Additional training was completed regarding procedures on security alarms and protocols.
174	FY 2015/16 Quarterly	Finance and Administration	C	Continue to apply Lean management principles to streamline current business processes and systems and eliminate waste and redundancies	Maintain average processing time within CFS's published service level objectives =95%	Ongoing		Warren Green	August	2016	On Schedule	No	Ongoing
175	FY 2015/16 Quarterly	Finance and Administration	C	Provide timely updates to the Regional Committee and the IEUA Board on long term planning needs	Identify and participate in organizations that advance the Agency MV and key initiatives	Ongoing		Warren Green	August	2016	On Schedule	No	Staff continued to meet with the cooperative purchasing group in support of exploring saving opportunities. The Agency piggybacked on a number of contracts including Planet Bids.
176	FY 2015/16 Quarterly	Finance and Administration	F	Ensure Agency programs promote environmental stewardship, sustainability, and preservation of heritage measures, utilizing green procurement and reuse of surplus materials, equipment, and parts when possible.	Ensure all current and future landscaping, as well as new facilities, are in cooperation with current LEED and water-efficiency programs and advancements	complete by June 2016	Increase educational signage for Agency facilities where accessible by the public by 15%.	Warren Green	August	2016	On Schedule	No	Signage for landscape conversion projects have been posted at all Agency regional plant locations to provide the public with awareness that sites at the facilities are irrigated with non-potable recycled water and converting to drought tolerant landscapes.
113	FY 2015/16 Quarterly	Finance and Administration	F	Complete a performance assessment of the Platinum LEED rated headquarters and develop a plan to ensure performance, as appropriate, to the platinum standard	Evaluate the current standards for LEED qualifications and develop a plan for the Agency's HQ to maintain the ranking.	June-2016	Cross reference existing qualifications against new standards.	Warren Green	August	2016	On Schedule	No	The Agency has the consultant's report and is meeting with Maintenance staff in support of reviewing the details associated with LEED O&M requirements, as well as the processes required to reach and meet the goal.
242	FY 2015/16 Quarterly	Finance and Administration	C	Replace the legacy Document Management System to ensure it meets Agency-wide and regulatory public records requirement and eliminates redundant archiving systems	Implement the new ECM System, Agency taxonomy project, and legal holds process	Ongoing	Will conduct inventory of both paper and electronic records by October 15, 2016	Linda Johnson	August	2016	On Schedule	No	Staff is currently heavily involved in the ECM project. Inventory of the shared drives, liberynet and SAP have been identified and with Liberty and SAP being transferred over as part of the file conversion.

FY 2015/16

Goal FY ID	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Note Month	Note Year	Status	Complete	Notes
243	FY 2015/16 Annual	Finance and Administration	C	Replace the legacy Document Management System to ensure it meets Agency-wide and regulatory public records requirement and eliminates redundant archiving systems	In collaboration with BIS, implement an email or Electronic Data Interchange (EDI) solution for purchase order transmission to the vendors.	Ongoing	Transmission of purchase orders to vendors via direct email or EDI by January 2017.	Warren Green	August	2016	On Schedule		Purchase Orders issued from online catalogs are created and sent from SAP to email in PDF files. Staff has been testing this process before we go direct EDI with the catalogs. Unfortunately all Agency vendors are capable of supporting the EDI process so we will continue to evaluate.
244	FY 2015/16 Annual	Finance and Administration	C	Replace the legacy Document Management System to ensure it meets Agency-wide and regulatory public records requirement and eliminates redundant archiving systems	In collaboration with BIS, establish purchase requisition accessible Open Catalog Interface (OCI) catalogs for end user.	Ongoing	Add two new OCI vendors, open for use by all staff through the PR process, by June 2017	Warren Green	August	2016	On Schedule		Several OCI catalogs have been added include Office Depot, Grainger, etc. We will continue to evaluate vendor capabilities to support our OCI catalog goal.
245	FY 2015/16 Quarterly	Finance and Administration	C	Continue to apply Lean management principles to streamline current business processes and systems and eliminate waste and redundancies	Maintain average processing time within CFS's published service level objectives = 95%	Ongoing	Run quarterly staff and department service level reports and publish in the General Manager's quarterly report	Warren Green	August	2016	On Schedule		Ongoing
246	FY 2015/16 Monthly	Finance and Administration	C	Continue to apply Lean management principles to streamline current business processes and systems and eliminate waste and redundancies	Provide exceptional and responsive customer service.	Continuous	Increase facilities services response time for support services by 15%.	Warren Green	August	2016	On Schedule		Facilities Services staff continued to work diligently to complete all requests received from internal customers and has received appreciation from those customers for the timeliness and appreciation for staff efforts. To date a total of 361 support tickets have been completed.
247	FY 2015/16 Quarterly	Finance and Administration	F	Ensure Agency programs promote environmental stewardship, sustainability, and preservation of heritage measures, utilizing green procurement and reuse of surplus materials, equipment, and parts when possible	Identify educational opportunities for environmentally friendly facilities and landscapes	Ongoing	Increase educational signage by 10% for Agency facilities that are accessible by the public.	Lucia Diaz	August	2016	On Schedule		The educational signage for Regional Plant No. 5 was completed with coordination of External Affairs and the Operations departments. Install will be done in the new fiscal year.
214	FY 2015/16 Quarterly	Engineering, Planning and Science	E	Provide engineers training to understand business aspects of capital projects and increase engineering consultant design services in lieu of in-house designs to complete more projects in a shorter timeframe by July 2022	Provide high quality project management design for Capital Improvement Projects.	Ongoing	In-House Design Engineer = 10%	Shaun Stone	June	2016	Behind Schedule		16.98%, 9 of 53 Projects are in house design
215	FY 2015/16 Quarterly	Engineering, Planning and Science	E	Provide engineers training to understand business aspects of capital projects and increase engineering consultant design services in lieu of in-house designs to complete more projects in a shorter timeframe by July 2022	Provide high quality project management design for Capital Improvement Projects.	Ongoing	Fiscal Year Capital Spending = 90%	Shaun Stone	June	2016	Behind Schedule		FY Budget = \$53m; Projected spending = \$21M Overall projection = 40%. As of 08/30 Eng had 14 projects representing \$21M in budget variance mainly due to delay in construction activities. Increase in scope and projects completing under budget. Please see our June 2016 GM report for detail variances for the 14 projects.

FY 2015/16

Goal FY ID	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Note Month	Note Year	Status	Complete	Notes
216	FY 2015/16 Quarterly	Engineering, Planning and Science	 E	Conduct Larson's Learned sessions to evaluate key construction implementations	Review and evaluate all projects for best practices that can be applied to future projects.	Ongoing	100% year > 90%	Shaun Stone	June	2016	On Schedule		Conducted 3 Lessons Learned; RP-1 Primary Clarifier Rehab 2015; RP-4 MCC Bldg Stairway; Montclair Diversion Structure
156	FY 2015/16 Once Complete	Engineering, Planning and Science	E	Evaluate advances in laboratory design for inclusion in the construction of the Water Quality Laboratory facility	Upon funding, design and construct latest technology lab	48 months after funding is received	Upon funding 12 months for design and 36 months to construct	Shaun Stone	June	2016	On Schedule	No	The consultant contract was awarded in May 2015 and the design was completed 9 months later in February 2016. The construction contract was awarded in May 2016. The construction work is scheduled to be completed in August 2016.
External Affairs													
166	FY 2015/16 Quarterly	Agency Management	C	Promote regional projects and initiatives through presentations to community based organizations, service groups, and stakeholders	Cultivate positive relationships with local and regional media	Ongoing	Present to 6 associations /groups	Kathy Besser	August	2016	On Schedule	No	Presented to one city council and one professional organization on drought and conservation standards.
167	FY 2015/16 Quarterly	Agency Management	D	13. Advocate strategies that help anticipate and mitigate the impacts of droughts and climate change on the region	Develop, support, promote, and participate in water education programs	Ongoing		Kathy Besser	August	2016	On Schedule	No	Continued tours and other outreach to children. Increased digital marketing campaign utilizing new marketing logos and new platforms. Started using video as a means of outreach to Millennials.
168	FY 2015/16 Quarterly	Agency Management	F	Support legislation to reduce drugs in waterways through take back programs	Support legislation to reduce drugs in waterways through take back programs	Completed by FY 16/17		Kathy Besser	August	2016	On Schedule	No	Sent out press releases and used digital outreach to spread the word about a drug takeback day offered by local police departments.
223	FY 2015/16 Quarterly	Agency Management	B	Ensure staff understands and upholds their role in achieving the Agency's Mission, Vision, and Values	Incorporate the Agency's Mission, Vision, and Values into all staff activities including: creating collateral materials, employee newsletter, and posting to the IEUA website. Increase public recognition of Agency brand	By June 2016 and ongoing	Continue to update printed materials, newsletters, and websites with current content	Kathryn Besser	August	2016	On Schedule		Updated website to include a portal specifically for member agencies, added links for state reporting requirements.
224	FY 2015/16 Monthly	Agency Management	C	Update and maintain the Agency's website to clearly communicate key activities, issues, policies and key documents, and continue to optimize use of social network media	Serve as the Agency Webmaster and provide current and timely information	By June 2016 and ongoing	Review the website for accuracy on a continual basis	Kathryn Besser	August	2016	On Schedule		Switched out front page "sliders" on a timely basis to ensure most current information was easiest to access.
225	FY 2015/16 Quarterly	Agency Management	C	Meet annually with affiliated agencies and elected representatives	Maintain strong relationships with local stakeholders and city and county elected representatives in our region.	By June 2016	Meet with all member agencies in FY 2015/16; host facility tours and presentations for elected officials. Host quarterly Leadership Breakfasts. Meet with 60% of service area's school principals and superintendents	Kathryn Besser	August	2016	On Schedule		This continues to occur, with tours taking place on a regular basis. Achieved goal of meeting with 60% of principals in service area and hosted three leadership breakfasts.

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Goal ID	FY Start	Reporting Required	Division	Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Note Month	Note Year	Status	Complete	Notes
226	FY 2015/16	Quarterly	Agency Management	Bus. Goal C	Meet annually with the region's congressional and state delegations to advance key legislation	Maintain strong relationships with elected officials here and in DC/Sacramento	Travel to Sacramento and Washington D.C. in FY2015/16	Attend Lobby Days in Sacramento and Washington D.C., Host facility tours and presentations for officials and/or staff Host quarterly Leadership Breakfasts.	Kathryn Besser	August	2016	On Schedule		Attended conferences in Sacramento and DC, and went to DC one additional time with Board member and Sacramento three additional times to advocate on behalf of SB970 with staff and agency officials.
227	FY 2015/16	Monthly	Agency Management	C	Identify and participate in organizations that advance the Agency's mission, vision, and key initiatives	Communicate the role of the Agency in the region through local partnerships.	By June 2016	Attend one association/organization meeting a month	Kathryn Besser	August	2016	On Schedule		This continues on an ongoing basis.
228	FY 2015/16	Quarterly	Agency Management	C	Promote regional projects and initiatives through presentations to community based organizations, service groups, and stakeholders	Communicate the importance of regional/local water independence and conservation	By June 2016 and ongoing	Form a Drought Task Force with member agencies Continue marketing campaigns and social media outreach. Present to associations or community organizations quarterly	Kathryn Besser	August	2016	On Schedule		Regional drought campaign throughout the service area continues, changing messaging for summer months to address different water usage. All marketing now being done in Spanish and English.
229	FY 2015/16	Quarterly	Agency Management	D	Complete water softener ordinance by December 2014 and continue to reduce salinity and nutrients in recycled water	Work with the cities of Chino, Chino Hills, and Ontario to pass the water softener ordinance	By June 2016 and ongoing	Remaining cities to pass ordinance by end of FY 2015/16	Kathryn Besser	August	2016	On Schedule		Three remaining cities have not passed ordinance. Auditing of "big box" stores continues, with results showing that they still do not sell the salt-based water softeners.
230	FY 2015/16	Monthly	Agency Management	F	Develop a communication plan to promote being a good neighbor	Communicate the Agency-wide goals, services, and functions to our entire service area, including all community members, businesses, and stakeholders.	By June 2016 and ongoing	FY2015/16 will continue to increase number of events attended in order to reach the entire service area	Kathryn Besser	August	2016	On Schedule		Brochures and technical illustrations continue to be updated and sent to interested parties. Outreach list for press materials continues to grow, adding almost 100 in the past year. Significantly increased number of press releases and social media postings.

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Finance and Accounting

Goal ID	FY Start	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Note Month	Note Year	Status	Complete Notes
257	FY 2015/16	Quarterly	Finance and Administration	A	Adopt rates that fully meet cost of service for key Agency programs; Non-Reclaimable Wastewater (NRW) System by July 2018, Water Resources by July 2020.	Adopt rates that fully meet cost of service for key Agency programs; Non-Reclaimable Wastewater (NRW) System by July 2018, Water Resources by July 2020.	Complete by June 2016	Adopt rates that meet cost of service.	Javier Chagoyen-Lazaro	August	2016	On Schedule	Proposed FY 2016/17 rates and rate resolutions on RTS (TYRA), MEUs, NRWS north and south system, laboratory fees and equipment rentals were adopted in June 2016. Began the participation in the Sewer Service Fees Study conducted by Canab; provided financial data on Regional capital and O&M revenues and expenditure and related TYCIP information
258	FY 2015/16	Quarterly	Finance and Administration	A	Advocate for continued receipt of property taxes and optimize grants and other funding sources to support Agency and regional investments.	Advocate for continued receipt of property taxes and optimize grants and other funding sources to support Agency and regional investments.	Ongoing	Review program fund allocations and adjust if necessary to meet program needs.	Tina Cheng	August	2016	On Schedule	The updated FY 2016/17 budget amendments included the transfer of property tax from Administrative Service (GG) fund to Water Resources (WW) fund to support water resources initiatives not supported by the water rates, such as SARGCLUP and IRP Phase II projects, as well as RTS fees not recovered through the TYRA direct charge (a 7-year implementation period)
259	FY 2015/16	Annual	Finance and Administration	A	Fully fund the Other Post Employment Benefit (OPEB) unfunded accrued liability by July 2018	Fully fund the Other Post Employment Benefit (OPEB) unfunded accrued liability by July 2018	Annual funding by June 2016	Annual contributions until reaching fully funded status.	Javier Chagoyen-Lazaro	August	2016	On Schedule	Scheduled payment in July to fund the Agency's OPEB contributions for FY 2015/16
260	FY 2015/16	Annual	Finance and Administration	A	Fully fund the pension unfunded accrued liability by July 2024	Fully fund the pension unfunded accrued liability by July 2024	Annual funding by June 2018	Annual contributions until reaching fully funded status.	Javier Chagoyen-Lazaro	August	2016	On Schedule	Scheduled payment to CalPERS in July to fund the Agency's retirement unfunded liability
261	FY 2015/16	Semi-Annual	Finance and Administration	A	Integrate projects identified in the long range financial planning documents, such as the Urban Water Management Plan, and Integrated Resources Plan	Work with pertinent departments in identifying projects from various master plan and integrated into the respective program budget	Complete by June 2016	Additional projects identified are to be included in the FY 2016/17 updated budget document.	Tina Cheng	August	2016	On Schedule	Updated FY 2016/17 TYCIP and budget amendments on revenues and expenditures in the Agency's business system
52	FY 2015/16	Quarterly	Finance and Administration	A	Annually, review and update the Agency's reserve policy to ensure sufficient funding to meet operating, capital, debt service, obligations, unforeseen events, and comply with legally mandated requirements	Reserve levels will be evaluated as part of the budget/rate setting process using the financial model to ensure all short term and long term initiatives are supported	June 30, 2015	Annually	Javier Chagoyen-Lazaro	August	2016	On Schedule	Revised Reserve Policy adopted by Board on May 18, 2016. Renewed contract with Rafella in updating the financial model which allows various scenarios on Agency's financial resources, expenditures, and impact on reserve level for various programs
184	FY 2016/16	Quarterly	Finance and Administration	A	Reinstate the Agency's long term credit rating to AAA and maintain a debt coverage ratio to support such rating	Reinstate the Agency's long term credit rating to AAA and maintain a debt coverage ratio to support such rating	Ongoing		Tina Cheng	August	2016	On Schedule	Will continue the review with the financial advisor regarding the strategies for refinancing or retiring the 2006A bonds, which will have positive effect on the Agency's debt coverage ratio and credit rating in the long term.
185	FY 2015/16	Quarterly	Finance and Administration	A	Continue to monitor market opportunities for refinancing, refunding, or restructuring of outstanding debt to reduce costs.	Monitor market opportunities for refinancing, refunding, or restructuring of outstanding debt to reduce costs.	Ongoing		Tina Cheng	August	2016	On Schedule	Continue to review with the financial advisor in developing the strategies and scenarios in the refinancing/retirement of 2006A bonds
186	FY 2015/16	Quarterly	Finance and Administration	B	Promote a safer work environment by administering and monitoring required safety and regulatory trainings.	Promote a safer work environment by administering and monitoring required safety and regulatory trainings.	Ongoing		Tina Cheng	August	2016	On Schedule	Staff attended all required safety training sessions.

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Goal FY ID	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Note Month	Note Year	Status	Complete	Notes
Grants													
181	FY 2015/16 Quarterly	Engineering, Planning and Science	A	Advocate for continued receipt of property taxes and optimize grants and other funding sources to support Agency and regional investments	Recommend potential grant opportunities that align with the Agency mission and financial goal	Ongoing		Jason Gu	August	2016	On Schedule	No	Recommended multiple State and Federal Grant and SRF loan opportunities that align with the Agency mission and financial goal. Several applications and pre-applications were submitted.
182	FY 2015/16 Quarterly	Engineering, Planning and Science	A	Advocate for continued receipt of property taxes and optimize grants and other funding sources to support Agency and regional investments	Pursue new grant awards to diversify revenue	Ongoing		Jason Gu	August	2016	On Schedule	No	Major new grant applications and pre-applications were submitted to the State Water Resources Control Board and USBR. Opportunities through the CEC's Electric Program Investment Charge (EPIC) Program and through the DOE (Department of Energy) are continually being reviewed for potential grants.
183	FY 2015/16 Quarterly	Engineering, Planning and Science	A	Advocate for continued receipt of property taxes and optimize grants and other funding sources to support Agency and regional investments	Collaborate with departments that have projects that need grant funding	Ongoing		Jason Gu	August	2016	On Schedule	No	Collaborating with Planning, Engineering, Construction Management, and Operations on preparing, submitting and monitoring grant and SRF loan applications for eligible projects.
273	FY 2015/16 Semi-Annual	Engineering, Planning and Science	A	Advocate for continued receipt of property taxes and optimize grants and other funding sources to support Agency and regional investments	Manage congressional grant authorizations for water desalinization projects in the Chino Basin	Ongoing	Until completion of the \$26M congressional authorization	Jason Gu	August	2016	On Schedule		IELUA has received \$20.75 million out of the \$26M Congressional Grant Authorization.
Human Resources													
33	FY 2015/16 Quarterly	Finance and Administration	B	Draft a new consolidated Personnel Rules and Regulations for the Agency across all bargaining units, thereby streamlining individual Unit MOUs by July 2016	Draft a new consolidated Personnel Rules and Regulations	July-2016	Prepare a first draft for review by April 2016	Shameen Bhojani	June	2016	Behind Schedule	No	A draft outline will be prepared in the beginning of the second quarter for FY 16/17.
187	FY 2015/16 Quarterly	Finance and Administration	B	Ensure staff understands and upholds their role in achieving the Agency's Mission, Vision, and Values	Assist in the development of the cross-training program by providing guidance, coordination, and administrative skills in the program design, course content development, marketing and evaluation with various stakeholders and subject matter experts	Ongoing June 2015???	Survey and employee feedback/ Number of on-site visits, lunch and learns and other educational sessions held	Shameen Bhojani	June	2016	Behind Schedule	No	Meet with the new Executive Manager of Operations in the first quarter of FY 16/17 to determine the priorities and timeline for this project
188	FY 2015/16 Quarterly	Finance and Administration	B	Implement strategies and recruitment practices that provide flexible and responsive solutions to assist the Agency in filling positions in a timely and effective manner	Draft a new consolidated Personnel Rules and Regulations	Ongoing	Track the average number of weeks it takes to complete the recruitment process from beginning to end	Shameen Bhojani	June	2016	Behind Schedule	No	Average number of weeks is 12 weeks.
262	FY 2015/16 Semi-Annual	Finance and Administration	B	Ensure staff understands and upholds their role in achieving the Agency's Mission, Vision, and Values	Promote a positive work environment that holds managers, supervisors and employees accountable for creating and maintaining positive work relationships.	Ongoing	Survey and employee feedback	Shameen Bhojani	June	2016	Behind Schedule		Training topics for supervisors and managers has been determined for the next FY. Dates have been set for the in-house training provided by HR staff for first quarter in FY 16/17.

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Goal ID	FY	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Month	Year	Status	Complete Notes
253	FY 2015/16	Quarterly	Finance and Administration	Ensure staff understands and upholds their role in achieving the Agency's Mission, Vision, and Values		Develop creative communication methods and continue education of employees benefits to increase knowledge of benefit programs and services including visiting and scheduling appointments with employees at other facilities, holding continuous lunch and learn sessions and other educational workshops/presentations.	Ongoing	Number of onsite visits, lunch and learns, and other educational sessions held	Shameen Bhojani	June	2016	On Schedule	Retirement workshop was held on June 15th with over 70 employees attending.
264	FY 2015/16	Quarterly	Finance and Administration	Develop and implement plan to mentor and prepare the next generation of Agency leaders by July 2017		Develop a process to identify potential leaders within the Agency; utilize the Leadership Academy and other training opportunities to enhance existing talent.	Leadership Academy January – June 2016	Number of employee participants in the Academy and other training programs. Percentage of internal promotions	Shameen Bhojani	June	2016	On Schedule	5 managers participated in the 2016 Leadership Academy
265	FY 2015/16	Semi-Annual	Finance and Administration	Develop a plan to conduct a feedback study to measure employee satisfaction.		Create and distribute an employee satisfaction survey	Employee Climate Survey by June 2016	Conduct an Employee Climate Survey after Class and Comp Study implementation	Shameen Bhojani	June	2016	Behind Schedule	Climate survey was postponed due to class and comp study.
266	FY 2015/16	Quarterly	Finance and Administration	Develop a plan to conduct a feedback study to measure employee satisfaction.		Identify strategies to increase employee morale and promote employee retention.	Ongoing	Surveys and employee feedback/Retention of employees	Shameen Bhojani	June	2016	On Schedule	Completed the implementation of the General Unit's Class and Comp Study retroactively to November 2014 by early June. The majority of the unit received retroactive pay.
267	FY 2015/16	Semi-Annual	Finance and Administration	Implement the Agency-wide Classification and Compensation Study.		Finalize the Agency-wide Classification and Compensation Study to develop a fair, consistent and competitive compensation program	Complete by June 2016	Successfully ratify and implement the new structure for remaining represented units.	Shameen Bhojani	June	2016	Behind Schedule	Pursuing unit modification for six employees to ensure proper unit representation based on their job responsibilities. Scheduled to go to the board in the first quarter of FY 16 17.
268	FY 2015/16	Annual	Finance and Administration	Review and update the STAR Award program to more effectively recognize outstanding performance		Change the format of the STAR Award Program to ensure more employees have an opportunity to receive the award	Review and recommendation by June 2016	Updated Agency Policy A-79.	Shameen Bhojani	June	2016	Behind Schedule	Policy review is deferred to the first quarter of FY 16 17 due to higher priority for other policies which have been identified by labor and agency counsel.
269	FY 2015/16	Quarterly	Finance and Administration	Achieve a Cal Star Award certification from OSHA by June 2019		Research requirements needed to obtain the award/certification by OSHA; work with Maintenance and Operations to develop a plan that ensure commendable safety and risk management practices.	Schedule meetings with Operations and Maintenance to review requirements and develop an action plan by June 2016	Prepare applications submit(s) by November 2016.	Shameen Bhojani	June	2016	On Schedule	A meeting has been scheduled with Operations and Maintenance in July to discuss what is required in order to achieve a Cal-Star Voluntary Protection Program Certification from Cal-OSHA. An Action Log will be provided after the meeting detailing department specific responsibilities. Status meetings will be held periodically. Based on outside information gathered, this is generally a long process with preparation taking 4 / 5 years. Once the Agency is in compliance with the required elements an application will be submitted to Cal-OSHA. Upon application acceptance by Cal-OSHA, a full inspection of all our facilities will be conducted. Results of the inspection will determine our certification status.

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Goal FY ID Start	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Note Month	Note Year	Complete Notes
Internal Audit											
231	FY 2015/16	Monthly	Agency Management	A	Continue commitment to cost containment for operating and capital costs.	Promote a strong control environment by conducting independent and objective audits of Agency operations where the focus and audit scope includes identifying areas and providing recommendations for cost containment, effectiveness and efficiency in operations and opportunities to improve and areas of cost containment	On-going and through the audits approved by the Audit Committee and the Board during the Annual Audit Plan presentation	Completed planned and scheduled audits approved through the Annual Audit Plan. Comments and discussions during Audit Committee Meetings and exit meeting	August	2016	On Schedule
Completed and On-Going. This objective is achieved with the performance and completion of each operational audit. In those audits, IA makes recommendations to the business units providing opportunities to improve processes, contain costs, consider methods to complete work in a more effective and efficient manner. By completing operational audits, this objective is realized each and every time. The audit observations and recommendations are discussed in detail during the regularly scheduled Audit Committee meetings as well as with management and line supervisors. Recommendations are provided to promote a strong control environment.											
232	FY 2015/16	Monthly	Agency Management	A	Initiate discussions to review and renew the Regional Sewerage Service Contract set to expire in 2023 by January 2018	Close out and finalize the Regional Contract Review with recommendations to improve the consistent and fair application of the Regional Contract requirements among all Regional Contract Agencies. Additionally, provide recommendations to Agency management to improve and clarify clause and requirements of the contract to negotiate a new contract going forward. Complete the evaluation of the connection and monthly sewer rate calculations, as well as Exhibit J application, as well as RCA's internal processes and procedures, supporting documentation to determine if these meet the intent and requirements of the contract. And provide workshops for the Board of Directors and the Regional Policy and Technical Committees, and provide workshops for the Board of Directors and the Regional Policy and Technical Committees	On-going follow-up review or additional evaluation as needed or requested by Management or the Board	Completion. Comments and discussions during Executive Management Meetings. Audit Committee Meetings and exit meetings	August	2016	On Schedule
Completed the audits of the 7 member agencies, discussed the results with the contracting agencies, ELUA Planning Department and Executive Management Team, the Audit Committee and the Board as well as with Tech Committee. The Final Report was completed in October of 2015. Over 20 recommendations were provided to evaluate, change and improve the monthly sewer billing, the connection fee billing, the business model of the Regional Contract. Various meetings, discussions and presentations were provided by IAD. IAD continues to stay involved, and is ready and available to assist as needed and as requested with discussions of moving forward, implementing the recommendations, and helping correct issues. IA stands ready to assist in any way possible and requested.											

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Goal FY ID	Reporting Required	Division	Bue. Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Note Month	Note Year	Status	Complete Notes
233	FY 2015/16 Annual	Agency Management	B	Develop and implement a plan to mentor and prepare the next generation of Agency leaders by July 2017	Maintain knowledgeable, skilled and experienced audit staff and promote continuous professional development and professional certifications and higher education, as recommended and required under the auditing standards and the IAD Charter to ensure continuous IAD improvement and to stay abreast of developing trend	Annually and on-going complete training and professional development training and participation	A minimum of sixteen hours of continuous professional development, annually. Participation in a professional association	Teresa Velarde	August	2016	On Schedule	Completed and On-Going. Training and professional development is mandatory for professional internal auditors, as a requirement of their job and required by the Institute of Internal Auditors and the IAD Charter. All auditors attend at minimum of 8 continuing professional education hours of training and development in various subjects of internal auditing, along with additional in-house, Agency-specific training. Additionally, to enhance the quality of the audits and demonstrate our commitment to the profession of internal auditing, all three auditors in the department are preparing for the certification. All three plan to complete the certification requirements by December 2016. All three auditors already have a higher professional designation and regularly attend continuous professional development to stay abreast of best practices. All three auditors have passed parts 1 and 2 of the examination and only part 3 is pending and scheduled for completion.
234	FY 2015/16 Monthly	Agency Management	B	Develop a plan to conduct a feedback study to measure employee satisfaction	Perform a survey of auditee/customer satisfaction at the conclusion of each audit project to gather information about auditor involvement, professionalism, knowledge and ability to communicate to gain information on continuous improvement	After each completed audit/project	Feedback from customers. Discussions during regularly scheduled Audit Committee Meetings	Teresa Velarde	August	2016	On Schedule	Completed during and after each audit. Either via email, paper or discussion to evaluate the overall satisfaction with the audit process.

Goal FY ID	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Note Month	Note Year	Status	Complete	Notes
235	FY 2015/16 Monthly	Agency Management	 Uphold a strong internal control environment by conducting independent objective internal and external audits of Agency finances and operations		Promote a strong control environment by conducting independent objective audits of Agency operations where the focus and audit scope includes identifying areas and providing recommendations for strong internal controls, effectiveness and efficiency in operations. Broaden, improve and expand knowledge, reliance and utilization of financial and information systems to gather, research, analyze, and examine different types, more detailed and larger scopes of data to evaluate and test during audit procedures for any type of audit or reviewed. Promote a strong control environment that preserve the public perception of the Agency and safeguard Agency assets where the focus is identifying areas and providing recommendations to improve customer service that is effective and responsive Per direction or approval by the Audit Committee and Board, and through coordination with senior management, Internal Audit would identify areas for audit where the goal and scope are to measure the performance of a program, a process, or a service or compare results to goals and identify areas for improvement, make recommendations to improve efficiencies. Conduct independent objective audits of Agency operations	Ongoing and through approved audits as approved through the Annual Audit Plan	Completed audits Comments and discussions from stakeholders and during Executive Management Meetings. Audit Committee Meetings and exit meetings	Teresa Velarde	August	2016	On Schedule		Completed and On-Going. The Internal Audit Department must complete projects proposed through the Board-approved Annual Audit Plan and any amendments if any. IAD completes and projects proposed and assigned and provides recommendations for the improvement of Agency processes and procedures. Any changes to the plans are communicated to the Audit Committee and the Board. In addition to scheduled projects, IA maintains a list of on-going and potential audit projects. The list of potential/proposed audit projects is a list of items that can be evaluated and audited should the risk increase or IA is directed to accelerate the planned and proposed projects.

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Goal FY ID	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Note Month	Note Year	Status	Complete Notes
235	FY 2015/16 Monthly	Agency Management	B	Prepare and implement a Disaster Preparedness Plan and conduct periodic emergency responses drills by July 2017	Update and maintain the IAD's Disaster Preparedness Plan and submit to the Audit Committee for review and submittal to the Board	Annually as part of the review of all IAD procedures and Charter	Review with the Audit Committee Advisor and Audit Committee members as well as Executive Management	Teresa Velarde	August	2016	On Schedule	The Internal Audit Department documented IA SOP -006 Business Continuity and Disaster Recovery in 2013 and is reviewed for any needed updates, annually, as required by the Charter. This SOP requires that IA assist any critical mission of the Agency first, before continuing with audit assignments, when and in the event of an emergency/disaster. Additionally, the Manager has recently attended FEMA training and is assigned the Communications Liaison. Other members of the IAD are on the Safety Committee and also are responsible for ensuring the department completes are required Safety Triage topics. The IAD is proactive preparedness and response ready. Additionally, the Manager of IA recently completed several on-line trainings and attended meetings to discuss the roles and responsibilities expected during a disaster or emergency.
237	FY 2016/16 Annual	Agency Management		Promote a safe work environment by administering and monitoring required safety and regulatory trainings	Comply with all required IEUA safety and regulatory trainings for required department personnel	Annually as assigned by Safety personnel	Safety Triage Tracker	Teresa Velarde	August	2016	On Schedule	Completed and ongoing. Each year IA completes all required safety trainings as required by the Agency, in addition to other outside and volunteer training.
238	FY 2015/16 Semi-Annual	Agency Management	B	Develop and implement a plan to mentor and prepare the next generation of Agency leaders by July 2017	Achieve the Certified Internal Auditor Designation by two auditors	One by December 2015	Certification	Teresa Velarde	August	2016	On Schedule	All three auditors in the department are preparing for the certification exam. The only globally accepted certification for the profession of Internal Auditing. All three plan to complete the certification requirements by December 2016. All three auditors already have a higher professional designation and regularly attend continuous professional development to stay abreast of best practices. All three auditors have passed parts 1 and 2 of the examination and only part 3 is pending and scheduled for completion by December 2016.

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Goal ID	FY Start	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Note Month	Note Year	Status	Complete	Notes
239	FY 2015/16	Semi-Annual	Agency Management	B	Develop and implement a plan to mentor and prepare the next generation of Agency leaders by July 2017	Conduct Control Self-Assessment of the Internal Audit Department	On-going	Certification	Teresa Velarde	August	2016	On Schedule		Planned and on schedule. As required by the IAD Charter, each year, we review the IAD Charter, the department SOPs and the Annual Audit Plan and make the necessary adjustments according to best practices, new/requested project and other requirements. The IAD is continuously self-evaluating. A comprehensive self-evaluation is planned for the end of 2016. Once all three auditors have obtained the certification of Certified Internal Auditor, a peer review of the IAD will be planned and completed for the purpose of evaluating the internal auditing activity and make the necessary adjustments/changes based on any recommendations provided. Certifications are planned for December 2016. A self-assessment is planned for early 2017 and a peer review for December 2017.
240	FY 2015/16	Semi-Annual	Agency Management	B	Develop and implement a plan to mentor and prepare the next generation of Agency leaders by July 2017	Peer-review of the Internal Audit Department functions	Work on Preparation	Peer-review certification or approval	Teresa Velarde	August	2016	On Schedule		Planned and on schedule. As required by the IAD Charter, each year, we review the IAD Charter, the department SOPs and the Annual Audit Plan and make the necessary adjustments according to best practices, new/requested project and other requirements. The IAD is continuously self-evaluating. A comprehensive self-evaluation is planned for the end of 2016. Once all three auditors have obtained the certification of Certified Internal Auditor, a peer review of the IAD will be planned and completed for the purpose of evaluating the internal auditing activity and make the necessary adjustments/changes based on any recommendations provided. Certifications are planned for December 2016. A self-assessment is planned for early 2017 and a peer review for December 2017.
241	FY 2015/16	Monthly	Agency Management	C	Leverage private/public partnership opportunities	Establish, maintain and strengthen audit-related private/public partnership opportunities to have network ties and associations where audit-related topics can be shared, discussed, and evaluated with the goal of continuous internal audit processes improvement	On-going	Feedback from auditees, senior/Executive Management, the Audit Committee Advisor, the Audit Committee and Board	Teresa Velarde	August	2016	On Schedule		This is achieved through every audit project as it becomes an opportunity to promote friendly, helpful customer service, build the business networks and provide any assistance or information necessary.
169	FY 2015/16	Quarterly	Agency Management	B	Develop and implement a plan to mentor and prepare the next generation of Agency leaders by July 2017	Achieve the Certified Internal Auditor Designation by two auditors - One by Dec. 2015, one by Dec. 2016	One completed by December 2015, One completed by December 2016	A minimum of eight hours of continuous professional development, annually.	Teresa Velarde	August	2016	On Schedule	No	This goal is in progress. Two auditors will take the exam before December 31, 2016. One auditor will be delisting plans to complete the designation due to a recent medical leave.
170	FY 2015/16	Quarterly	Agency Management	B	Develop and implement a plan to mentor and prepare the next generation of Agency leaders by July 2017	Conduct control self-assessment of the internal audit dept.	Complete by December 2016	A minimum of eight hours of continuous professional development, annually.	Teresa Velarde	August	2016	On Schedule	No	In Progress. Staff is preparing for a self assessment. Research and plans and test documents are in progress of being developed. A self-assessment is planned before the end of December 2016.

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Goal ID	FY	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Note Month	Note Year	Status	Complete	Notes
171	FY 2015/16	Quarterly	Agency Management	B	Develop and implement a plan to mentor and prepare the next generation of Agency leaders by July 2017	Peer-review of the Internal Audit dept functions	Complete by December 2016	A minimum of eight hours of continuous professional development, annually.	Teresa Velarde	August	2016	Behind Schedule	No	This goal is postponed for calendar year 2017. Before a peer review can be scheduled and completed, it is desirable there is one Certified Internal Auditor in the Department. With two auditors planning to be certified in the next few months, it would be prudent to plan the Peer Review after the certifications.
218	FY 2015/16	Annual	Agency Management	E	Ensure staff understands and upholds their role in achieving the Agency's Mission, Vision, and Values	"Promote a strong control environment by conducting independent objective audits of Agency operations where the focus and audit scope includes identifying areas and providing recommendations for strong internal controls, effectiveness and efficiency in operations Broaden, improve and expand knowledge, reliance and utilization of financial and information systems to gather, research, analyze, and examine different types, more detailed and larger scope of data to evaluate and test during audit procedures for any type of audit or reviewed Promote a strong control environment that preserve the public perception of the Agency and safeguard Agency assets where the focus is identifying areas and providing recommendations to improve customer service that is effective and responsive For direction or approval by the Audit Committee and Board, and through coordination with senior management, Internal Audit would identify areas for audit where the goal and scope are to measure the performance of a program, a process, or a service or compare results to goals and identify areas for improvement, make recommendations to improve efficiencies. Conduct independent objective audits of Agency operations	"Ongoing and through approved audits as approved through the Annual Audit Plan *Completed audits. Comments and discussions from stakeholders and during Executive Management Meetings, Audit Committee Meetings and exit meetings	Teresa Velarde	August	2016	On Schedule	Completed and On-Going. This objective is achieved with the performance and completion of each operational audit. In those audits, IA makes recommendations to the business units providing opportunities to improve processes, contain costs, consider methods to complete work in a more effective and efficient manner. By completing operational audits, this objective is realized each and every time. The audit observations and recommendations are discussed in detailed during the regularly scheduled Audit Committee meetings as well as with management and line supervisors. Recommendations are provided to promote a strong control environment.		

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Goal FY ID Start	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Note Month	Note Year	Status	Complete	Notes
Laboratory													
300	FY 2015/16	Quarterly	Engineering, Planning and Science	A	Continue commitment to cost containment for operating and capital costs	Evaluate advances in laboratory design for inclusion in the construction of the new Water Quality Laboratory	December 2015	Support Engineering during design phase by participation in design review.	Nel Groenewald	August	2016	On Schedule	Design phase complete. Lab staff has communicated to Engineering staff any critical information regarding instrumentation.
301	FY 2015/16	Annual	Engineering, Planning and Science	A	Continue commitment to cost containment for operating and capital costs	Maintain Laboratory certification for all current analysis performed, add certification if justified to reduce cost of contracting out some analysis	December 2015	Annually obtain 100% acceptable results on PE samples	Nel Groenewald	August	2016	On Schedule	Lab had 100% acceptable results on Annual Performance Evaluation samples to maintain laboratory ELAP certification.
302	FY 2015/16	Monthly	Engineering, Planning and Science	B	Promote a safer work environment by administering and monitoring required safety and regulatory trainings	Meet the bi-weekly safety tailgate meeting requirement	December 2015	Hold bi-weekly safety meetings	Nel Groenewald	August	2016	On Schedule	Continue to have required safety trainings to meet safety regulations
303	FY 2015/16	Annual	Engineering, Planning and Science	F	Annually review and update Key Performance Indicators (KPIs) to monitor and comply with all regulatory requirements	Annually review and update monitoring and analysis protocols to reflect any new regulatory requirements	December 2015	Ongoing review of approved test methods	Nel Groenewald	August	2016	On Schedule	Lab is reviewing new method and instrument regulations, is in the process of obtaining certification to perform Coliform analysis using the Colliert method in order to obtain results in 24 hours, after the Colliert method was approved for Recycled Water in May 2016.
197	FY 2015/16	Quarterly	Engineering, Planning and Science	B	Promote a safer work environment by administering and monitoring required safety and regulatory trainings.	Complete a Review/Update of the Laboratory Chemical Hygiene Plan annually. (CHP)	Complete by December 2015		Nel Groenewald	August	2016	On Schedule	Annual review is complete and new revision has been issued
Maintenance													
142	FY 2015/16	Annual	Operations	B	Ensure staff understands and upholds their role in achieving the Agency's Mission, Vision, and Values	Develop a training program for the Operations division	FY 2015/16	Complete training program for Maintenance Department	Nelson Hloy	August	2016	On Schedule	Training schedule is currently ongoing, a training schedule is developed to complete the Mechanical, Electrical, and Instrumentations Modules through January 2017. A contract with a training vendor was recently approved by the Board of Directors to provide instructions for the needed training modules.
308	FY 2015/16	Quarterly	Operations	B	Establish a cross training program across departments and divisions to enhance understanding of Agency programs	Develop and implement a division-wide training program to enhance understanding by Agency staff of wastewater treatment process and compliance; modern maintenance practices; and recycled water maintenance.	By June 30, 2016	Hold one training session each quarter	Randy Lee	August	2016	Behind Schedule	This particular division training was put on hold due to the priority of CSM and Class & Comp related maintenance training. The effort to revisit this training will occur in mid-FY16/17.
309	FY 2016/16	Annual	Operations	E	Ensure reliability of Agency assets by annually implementing the asset management monitoring and assessment program (Asset Management Plan)	Conduct major condition assessments annually.	By June 30, 2016	Complete condition assessments of RP-5 and CCWRF	Randy Lee	August	2016	On Schedule	Condition assessment of major structures at RP-4 and RP-5 were completed. Condition assessments of Preliminary through Secondary Treatment processes at CCWRF are currently being planned through Maintenance, Operations, and Engineering.

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Goal FY ID	Reporting Required	Division	Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Note Month	Note Year	Complete Notes		
304	FY 2015/16	Operations	B	Review and revise the Emergency Preparedness Plan by July 2017	Support Human Resources in the development of an Emergency Preparedness Plan for the Operations Department.	As needed	Attend quarterly meetings and provided requested support within requested timeline.	Chander Letulle/Matt	July	2016	On Schedule	Operations staff have attended required meetings. An Operations specific plan has been developed and shared with HR/Safety.	
308	FY 2015/16	Operations	F	Strive for 100% use of Agency bi-products by 2021	Support the development and implementation of the Energy Management Plan to ensure 100% use of digester gas	By June 2018 Ongoing	Meet 100% of established implementation goals; on-going	Chander Letulle, Matt Melendrez	July	2016	On Schedule	Operations has supported all implementation goals. Due to equipment issues at RP-1 and RP-2 gas utilization is lower than expected.	
307	FY 2015/16	Operations	F	Strive for 100% use of Agency bi-products by 2021	Maximize use of biosolids by sending 90% of organics to IERCF	By June 2016 Ongoing	Send 90% of organics to IERCF; on-going	Randy Lee	July	2016	On Schedule	All Agency biosolids have been sent to the IERCF, processed into compost and sold into landscape and agricultural markets.	
79	FY 2015/16	Operations	D	Optimize IEUA's use of potable and recycled water by July 2016	Measure baseline usage of potable and recycle water at all Agency facilities.	FY 2015/16	One facility per quarter	Matt Melendrez	July	2016	On Schedule	Potable water usage data is collected and monitored for all sites. Recycled water usage data is collected and monitored at RP-5, CCWRF, and RP-2. Projects are identified and scheduled to add meters at RP-1 and RP-4.	
198	FY 2015/16	Operations	D	Develop and implement a communication plan to promote water use efficiency and the value of water by July 2015	Measure baseline usage of potable and recycled water usage.	Ongoing through June 2016		Chander Letulle, Matt Melendrez	July	2016	On Schedule	Potable water usage data is collected and monitored for all sites. Recycled water usage data is collected and monitored at RP-5, CCWRF, and RP-2. Projects are identified and scheduled to add meters at RP-1 and RP-4.	
199	FY 2015/16	Operations	D	Develop and implement a communication plan to promote water use efficiency and the value of water by July 2015	Maintain peak demand management readiness	Ongoing through June 2016		Steve Smith	August	2016	On Schedule	No	
199	FY 2015/16	Operations	D	Develop and implement a communication plan to promote water use efficiency and the value of water by July 2015	Maintain peak demand management readiness	Ongoing through June 2016		Steve Smith	August	2016	On Schedule	No	This goal was completed and on-going. Weekly internal peak demand meetings are held to discuss strategies to meet customer demands and maximize GWR.
200	FY 2015/16	Operations	D	Develop and implement a communication plan to promote water use efficiency and the value of water by July 2015	Maintain pump station readiness	Ongoing through June 2016		Steve Smith	August	2016	On Schedule	No	This goal was met by coordinating weekly peak demand management meetings to discuss pump station readiness and reliability to meet direct use and GWR demands.
201	FY 2015/16	Operations	D	Develop and implement a communication plan to promote water use efficiency and the value of water by July 2015	Continue weekly Peak Demand Management meetings with key operations staff for start of 2016 Peak Demand season.	Ongoing through June 2016		Steve Smith	August	2016	On Schedule	No	Demand Management meeting were held with member Agencies (Chino and Ontario) to discuss strategies to meet GWR goals while maintaining adequate pressure and flow to direct use Ag customers.
202	FY 2015/16	Operations	D	Develop plan to improve the quality of recycled water to meet customer's needs by June 2017	Prepare and submit to CDPH start-up reports for new basin as delivery mechanisms are completed	Completed by June 2016 and Ongoing		Steve Smith	August	2016	On Schedule	No	Declez Basin Start up period began in December 2015. Due to the interference of storms with sample data, DDW has given a 4 month extension to the SUP at Declez and will be complete at the end of October 2016
203	FY 2015/16	Operations	D	Identify and protect the best recharge land sites in the service region by June 2016	Ensure all treatment standards are met to maximize availability of recycled water.	Completed by June 2016 and Ongoing		Matt Melendrez and	July	2016	On Schedule	No	According to Compliance's Incident Report Summary all facilities are meeting or exceeding standards.

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Goal FY ID	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Note Month	Note Year	Status	Complete	Notes
204	FY 2015/16 Quarterly	Operations	D	Identify and protect the best recharge land sites in the service region by June 2016	Identify projects necessary to reduce potable and promote recycled water usage	Completed by June 2016 and Ongoing		Matt Melendrez and	July	2016	On Schedule	No	Projects have been identified to switch processes from potable to recycled water. Operations is working with Maintenance, and Engineering to complete these projects. For example San Bernardino Lift Station packing water system.
205	FY 2015/16 Quarterly	Operations	D	Identify and protect the best recharge land sites in the service region by June 2016	Develop recycled and groundwater recharge SCADA improvements that implement storage and delivery strategies by working with the DCS department	Completed by June 2016		Steve Smith	August	2016	On Schedule	No	Several RW/GWR department work orders were completed that resulted in more efficiency while managing the RW/GWR activities. 1) developed code to auto-report monthly RW deliveries (Vantagepoint). 2) improved SCADA screens to more accurately reflect critical basin structure elevations, and 3) refined code to increase RW deliveries and decrease discharge to creeks.
206	FY 2015/16 Quarterly	Operations	D	Conduct research to find new methods to safely recharge more water into Chino Basin by June 2016	Maintain basin readiness through basin cleanings	Completed by June 2016 and Ongoing		Steve Smith	August	2016	On Schedule	No	8th Street Basin and Turner Basin 1 cleaning were completed in FY15/16. Contracts were awarded for the RP-3 call 1 and Victoria Basin infiltration restoration. RFPs are being developed for the Junipero Station Clean-up. Turner basin 3 and 4a IR, and Declaz Basin call 1 clean up.
207	FY 2015/16 Quarterly	Operations	D	Conduct research to find new methods to safely recharge more water into Chino Basin by June 2016	Develop written RW storage and delivery strategies to meet department forecasts of diurnally variable RW supplies and seasonally variable RW demands	Completed by June 2016	Written strategies and forecasts to be developed by RW and GWR staff	Steve Smith	August	2016	On Schedule	No	Continuing to work with both Ops and Planning staff to develop written RW storage and delivery strategies.
Planning and Environmental Compliance													
188	FY 2015/16 Quarterly	Engineering, Planning and Science	A	Initiate discussions to revise and renew the Regional Sewerage Service Contract set to expire in 2023 by January 2018	Develop consensus on the language for revision of the Regional Sewerage Contract. Update to meet current practices and needs.	To be Completed by January 2016		Sylvie Lee	August	2016	Behind Schedule	No	Recycled Water Policy Principles approved by Resolutions adopted in June 2016. The remainder of the contract amendments has been delayed. Parties discussing possibility of bringing in facilitator to assist in the contract renegotiation process.
190	FY 2015/16 Quarterly	Engineering, Planning and Science	C	Continue to apply Lean management principles to streamline current business processes and systems and eliminate waste and redundancies	Apply LEAN management principles to streamline current practices and develop long-term strategy for permitting of the O&M activities of recharge basins	To be Completed by June 2017		Sylvie Lee	August	2016	On Schedule	No	IEUA and consultant met US Army Corps of Engineers (ACOE) on 8/21/2016 to discuss about the application. IEUA will submit additional information requested by ACOE.
191	FY 2015/16 Quarterly	Engineering, Planning and Science	C	Continue to apply Lean management principles to streamline current business processes and systems and eliminate waste and redundancies	Develop a regulatory permitting strategy to support the implementation of the regional water and wastewater programs as identified in the planning documents	To be Completed by June 2017		Sylvie Lee	August	2016	On Schedule	No	Consultant preparing the draft Programmatic Environmental Impact Report for the Agency's planning initiatives. Notice of Preparation completed. Public Scoping Meeting on 7/21/2016. Adoption expected Winter 2017.
192	FY 2015/16 Annual	Engineering, Planning and Science	D	Identify and protect the best recharge land sites in the service region by June 2016	Strategically pursue projects to maximize funding/grant opportunities	To be Completed by June 2016	Meet the schedule as defined by the IRP	Sylvie Lee	August	2016	On Schedule	No	Project let developed in IRP Phase 1 will be modified in FY16/17 during IRP Phase 2 to include grant-searchable terms and project prioritization.
193	FY 2015/16 Quarterly	Engineering, Planning and Science	D	Identify and protect the best recharge land sites in the service region by June 2016	Evaluate new projects and programs to support regional water reliability	Continuous	Meet the schedule as defined by the IRP	Sylvie Lee	August	2016	On Schedule	No	Routine updates being performed on planning doc

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Goal FY ID	Reporting Required	Division	Engineering, Planning and Science	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Note Month	Year	Status	Complete	Notes
194	FY 2015/16 Quarterly	Engineering, Planning and Science	Engineering, Planning and Science	D	Work Plan Conduct research to find new methods to safely recharge more water into Chino Basin by June 2016	Department Goal Develop and implement the RRPDMAP to optimize efficient use of recycled water. Work with member agencies to encourage new developments to connect to recycled water.	To be completed by June 2016	Develop the plans	Sylvia Lee	August	2016	On Schedule	No	Agency has been continuing to work with member agencies on an ongoing basis to seek, educate and help convert customers to recycled water
195	FY 2015/16 Quarterly	Engineering, Planning and Science	Engineering, Planning and Science	D	Conduct research to find new methods to safely recharge more water into Chino Basin by June 2016	Complete the MWD Foundational Action Research Program and develop a tertiary injection research project plan to find new methods to safely recharge more water in to Chino Basin	Through June 2016 and Ongoing	Develop the plans	Sylvia Lee	August	2016	On Schedule	No	RW Injection Pilot demonstration project - Evaluated proposals for contracting with a hydrogeologist to start an initial investigation.
196	FY 2015/16 Quarterly	Engineering, Planning and Science	Engineering, Planning and Science	D	Accelerate implementation of capital projects where appropriate to "drought proof" regional water supplies and optimize use of available federal and state grants and low interest rate financing	Accelerate implementation of "Drought Proof" projects to optimize use of federal and state grants and loans; develop the project list based on priority.	Continuous	Keep updated project list and be coordinated with member agencies	Sylvia Lee	August	2016	On Schedule	No	The drought projects will be discussed in the IRP Phase 2. IRP Phase 2 discussions are expected to begin in Summer 2016
270	FY 2015/16 Quarterly	Engineering, Planning and Science	Engineering, Planning and Science	D	Identify and protect the best recharge land sites in the service region by June 2016	Implement the schedule consistent with the IRP	continuous	Meet the schedule as defined by the IRP	Sylvia Lee	August	2016	On Schedule	No	IRP Phase 1 complete, pending CEQA per PEIR, Phase 2 to commence in 4th qtr 2016.
271	FY 2015/16 Monthly	Engineering, Planning and Science	Engineering, Planning and Science	A	Advocate for continued receipt of property taxes and optimize grants and other funding sources to support Agency and regional investments	Recommend potential grant opportunities that align with the Agency mission and financial goal.	Ongoing	Grants Opportunities announcements to Agency departments and member agencies.	Sylvia Lee	August	2016	Behind Schedule		The Department is continuing to work with the Grants Department on the Strategic Plan and should be completed by the first quarter.
272	FY 2015/16 Monthly	Engineering, Planning and Science	Engineering, Planning and Science	A	Initiate discussions to revise and renew the Regional Sewerage Service Contract set to expire in 2023 by January 2018	Collaborate with the Member agencies, JPAs, and the regional lenders on projects that can be partially funded by grant or SRF loan programs	Ongoing	Collaborating with IEUA and member agencies on preparing, submitting and monitoring grant and SRF loan applications for eligible projects.	Sylvia Lee	August	2016	On Schedule		CEQA was adopted for the Pomona/MWD/IEUA Recycled Water Interline Project. The Feasibility Study is near completion, and the agencies will be evaluating the next stages of the project.
273	FY 2015/16 Monthly	Engineering, Planning and Science	Engineering, Planning and Science	A	Advocate for continued receipt of property taxes and optimize grants and other funding sources to support Agency and regional investments	Pursue new grant awards to diversify revenue.	Ongoing	Grants Opportunities announcements to Agency departments and member agencies.	Sylvia Lee	August	2016	On Schedule		Agency received \$200,000 Grant to develop a regional drought contingency plan from USBR.
276	FY 2015/16 Quarterly	Engineering, Planning and Science	Engineering, Planning and Science	A	Integrate projects identified in the long	NRWS & IEEL - Develop rate models to fully support cost of service	July 2014-June 2019	Collect revenues to be within 5% of actual cost of program.	Sylvia Lee	August	2016	On Schedule		NRWS and IEEL programs are meeting cost of service.

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Goal FY ID	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Note Month	Note Year	Status	Complete	Notes
277	FY 2015/16 Quarterly	Engineering, Planning and Science	A	Integrate projects identified in the long range financial planning documents, such as the Urban Water Management Plan, and the Integrated Resources Plan	Integrate projects identified in the various planning documents into the TYCIP (Biennial).	Complete by March 2016	Adopt the Biennial TYCIP by March 2016.	Sylvia Lee	August	2016	On Schedule	Completed	
278	FY 2015/16 Annual	Engineering, Planning and Science	C	Identify and participate in organizations that advance the Agency's mission, vision, and key initiatives	Participate in local and regional meetings such as CASA, SCAP, Water Reuse, SCWC, CWEA, and ACWA, to advance the Agency's mission, vision and key initiatives.	Continuous	Attend at regular meetings	Sylvia Lee	August	2016	On Schedule		On going. Staff is actively attending meetings and workshops.
279	FY 2015/16 Quarterly	Engineering, Planning and Science	C	Promote regional projects and initiatives to boost business and industry relocations and promote economic development in the region	Promote local initiatives: consider and recognize the business impacts when developing regulations, policies, and planning documents	Continuous	Maintain the schedules as established in the regulations, policies and planning documents	Sylvia Lee	August	2016	On Schedule		On going. Its considered in each of the planning initiatives for the department.
280	FY 2015/16 Monthly	Engineering, Planning and Science	C	Provide timely updates to the Regional Committees and the IEUA Board on long term planning needs	Provide regular updates to the Regional Committees and IEUA Board on long term planning needs.	Continuous	Provide monthly/ quarterly/annual updates as needed.	Sylvia Lee	August	2016	On Schedule		Updates have been provided on planning issues through the quarter.
281	FY 2015/16 Quarterly	Engineering, Planning and Science	D	Complete update of the Water Efficiency Business Plan, the Integrated Resources Plan, and the Urban Water Management Plan	Complete update of the WUE, and UWMP	WUE: Nov 2015	Completion and adoption of WUE and UWMP	Sylvia Lee	August	2016	On Schedule		Water Use Efficiency Business Plan and the 2015 Regional Urban Water Management Plan (UWMP) were presented to the Board in June for adoption. The UWMP was filed with DWR on June 28th as requirement of the State statute and deadline of July 1, 2016. Both plans were completed in May 2016
282	FY 2015/16 Annual	Engineering, Planning and Science	D	Develop new targets and programs to achieve 20 x 2020 requirement through water use efficiency measures, including: improve rate structures, integrate water use to billing, expand outdoor water use efficiency, and increase local use of stormwater	Revise and develop annual targets, tools, and programs to achieve the 20 x 2020 requirements	Complete by August 2016	228 gpd by 2015	Sylvia Lee	August	2016	On Schedule		The Regional Water Use Efficiency Business Plan was completed in June 2016. This document serves and the roadmap over the next five years to meet the 20x2020 target. Several new programs were launched in June 2016. A residential Pressure Regulation Program and an Education, Survey and controller Upgrade Program consistent with continuing to target residential demand reduction through the service
283	FY 2015/16 Quarterly	Engineering, Planning and Science	D	Advocate for ordinances requiring use of permeable pavement in new parking lots	Work with member agencies to develop ordinances, programs, and initiatives to promote storm water capture.	June 2016 Ongoing	Ongoing development of programs, plans, and policies to support storm water capture	Sylvia Lee	August	2016	On Schedule		The Stormwater Resources Plan was adopted into OWOW in June 2016 by the SAWPA Commission.
284	FY 2015/16 Semi-Annual	Engineering, Planning and Science	D	Optimize IEUAs use of potable and recycled water by July 2016	Optimize IEUA's use of potable and recycled water by completion of the recommended updates of the Recycled Water Program Strategy (RWPS).	June 2016 Ongoing	Adopt the RWPS	Sylvia Lee	August	2016	On Schedule		RWPS completed. Projects are being implemented on schedule with the RWPS and are included in TYCIP and IRP project lists.
285	FY 2015/16 Quarterly	Engineering, Planning and Science	D	Identify and evaluate supplemental water supplies for the region	Identify and evaluate supplemental water supplies for the region through completion of the Integrated Resources Plan (IRP).	January 2016	Adopt the IRP by January 2016	Sylvia Lee	August	2016	On Schedule		IRP was adopted in June 2016

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Goal FY ID	Reporting Required	Division	Engineering, Planning and Science	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Note Month Year	Status	Complete	Notes
286	FY 2015/16 Annual	Engineering, Planning and Science	D	Achieve 20,000 acre feet of recycled water recharge in Dry Years by June 2019	Implement the planning and permitting schedule of the Recharge Master Plan Update.	June 2020	Meet the schedules as defined by the RMPU	Sylvia Lee	August 2016	On Schedule	Complete	IEUA staff meet monthly with the RIPcom at CBWM to discuss and present project design and budget status.	
287	FY 2016/16 Quarterly	Engineering, Planning and Science	D	Identify and protect the best recharge land sites in the service region by June 2016	Strategically pursue projects to maximize funding/grant opportunities	Annual	Participate with SAWPA and other Regional Agencies in developing potential project lists.	Sylvia Lee	August 2016	On Schedule		East Decatur project has been closed. Other sites and conceptual projects will be discussed during IRP Phase 2.	
288	FY 2015/16 Quarterly	Engineering, Planning and Science	D	Identify and protect the best recharge land sites in the service region by June 2016	Evaluate new projects and programs to support regional water reliability	Continuous	Identify and evaluate new opportunities for water reliability	Sylvia Lee	August 2016	On Schedule		A new MOU of the SARCCUP parties was approved in June 2016. IEUA began the PEIR process as the SARCCUP lead. SARCCUP members have met with MWD to develop banking opportunities.	
289	FY 2015/16 Annual	Engineering, Planning and Science	D	Conduct research to find new methods to safely recharge more water into Chino Basin by June 2016	Develop and Implement the Recycled Water Peak Demand Management Plan to optimize efficient use of recycled water. Work with member agencies to encourage new developments to connect to recycled water.	Continuous	Continuous dialogue with member agencies and through customers as needed to connect new customers and support demand management initiatives.	Sylvia Lee	August 2016	On Schedule		Coordination with Member Agencies for RW demand management is ongoing.	
290	FY 2015/16 Annual	Engineering, Planning and Science	E	Update Wastewater Facilities Master Plan to ensure timely expansion of Agency facilities to address anticipated growth	Update annual demand forecast to address anticipated regional growth	October 2015	Update regional wastewater flow forecast annually based on member agency input, and verify with projections provided in the Wastewater Facility Master Plan.	Sylvia Lee	August 2016	On Schedule		Completed. Demand forecast was updated as part of the FY16/17 TYCIP per Member Agency EDU forecasts. Additional projections in the WWFMPU were developed based on actual flow monitoring.	
291	FY 2015/16 Monthly	Engineering, Planning and Science	E	Monitor and integrate the Building Activity Report (BAR) data for actual and projected growth with the Asset Management Plan into regional wastewater planning	Continue to work with regional contracting agencies to review and maintain accurate building activity reports		Provide monthly updates on the status of the connections in the region	Sylvia Lee	August 2016	On Schedule		Continue to work with RCAs to review and maintain accurate building activity reports.	
292	FY 2015/16 Annual	Engineering, Planning and Science	E	Develop comprehensive Energy Management Master Plan	Develop and coordinate an Energy Management Master Plan (EMP) consistent with IEUA planning documents (BI-Annual).	June 2016	Provide annual review of the Agency's progress based on the initiatives included in the EMP.	Sylvia Lee	August 2016	On Schedule		Energy Management Plan update to the Board scheduled for October 2016.	
293	FY 2015/16 Annual	Engineering, Planning and Science	E	Complete an Agency-wide greenhouse gas emission (GHG) baseline assessment using the Climate Registry protocol to allow the Agency to sell credits by July 2016	Develop annual GHG emission report.	June 2016	Complete annual emissions report	Sylvia Lee	August 2016	On Schedule		Staff is preparing the 2015 GHG report. Verified emission report to The Climate Registry is due 12/15/2016.	
294	FY 2015/16 Annual	Engineering, Planning and Science	F	Complete odor baselines report	Conduct odor surveys consistent with the needs of the Agency	August 2015	Provide annual updates of the results of the odor surveys including recommendations for process optimization	Sylvia Lee	August 2016	On Schedule		Odor survey results will be presented during the quarterly Planning and Environmental Resources update.	

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Goal FY ID Start	Reporting Required Quarterly	Division Engineering, Planning and Science	Bur. Goal F	Work Plan Develop a communication plan to promote being a good neighbor	Department Goal Develop a communication plan to neighboring businesses of odor performance monitoring.	Time Line Continuous	KPI Periodic/as needed monitoring	Assigned To Sylvia Lee	Note Month August	Note Year 2016	Status On Schedule	Complete	Notes Perform quarterly odor survey at all facilities.
286 FY 2015/16	Quarterly	Engineering, Planning and Science	F	Develop a communication plan to promote being a good neighbor	Assist Operations and External Affairs with odor complaint investigations and assist with mitigation.	Continuous	Provide support as needed	Sylvia Lee	August	2016	On Schedule		Perform odor monitoring, as needed to assist Operations. External Affairs during complaints investigation and mitigation.
287 FY 2015/16	Quarterly	Engineering, Planning and Science	F	Lead efforts to advocate for emerging trends and proposed changes to rules and regulations	Actively participate in the legislative process through advice letters and comments	Continuous	Actively participate and submit comments/letters as issues arise through ACWA, WaterReuse, SCAP.	Sylvia Lee	August	2016	On Schedule		Several initiatives were completed during the fourth quarter including RW general order, emergency regulations for drinking water, organics initiative, and comment letter to the California Public Utilities Commission to express support for the Alternate Proposed Decision on Interconnection Cost Certainty.
288 FY 2015/16	Quarterly	Engineering, Planning and Science	F	Ensure Agency programs promote environmental stewardship, sustainability, and preservation of heritage resources, utilizing green procurement and reuse of surplus materials, equipment, and parts when possible	Update IEBL Ordinance and Enforcement Response Plan.	March 2016	Adopt the IEBL Ordinance by March 2016	Sylvia Lee	August	2016	On Schedule		IEBL Ordinance will be completed upon adoption of SAWPA Ordinance No. 8 in Oct. '16. ERP scheduled for completion in early '17.
289 FY 2015/16	Annual	Engineering, Planning and Science	F	Develop a regionally focused Comprehensive Mitigation Plan for construction projects by July 2016	Complete a Santa Ana River Multi Species Habitat Conservation Plan (SAR-MSHCP) and develop a long-term strategy for mitigation for other regional projects.	June 2017	Adopt the SAR-MSHCP by June 2017	Sylvia Lee	August	2016	On Schedule		SBVAMWD completed hydraulic modeling and is working on biological impacts evaluation with expected completion in Jan. 2017.
Technical Services													
310 FY 2015/16	Annual	Operations	C	Review and update the Asset Management Plan	Update the AMP	February 2017	Complete and distribute AMP	Jeff Noelle	August	2016	On Schedule		The FY 16/17 AMP was completed and distributed in July.
208 FY 2015/16	Quarterly	Operations	D	Work with other agencies on the implementation of local regional programs to meet the region's goal of reaching 50,000 AFY of recycled water use by June 2022	Perform evaluations to identify measures to improve recycled water quality and implement measures based on priority.	Ongoing	Install recycle water screens at RP-1 and RP-5	Jeff Noelle	August	2016	On Schedule	No	It was determined that strainer gates could not be installed in a cost-effective manner at the RP-5 CCB. Straining equipment will be evaluated as part of the RP-5 RW piping upgrade project.

Inland Empire Utilities Agency
Inter-Departmental/Division Budget Transfer
FY 2015/16 - 4th Quarter

Fund	Date	O & M Transfer From	Category	Amt Transfer Out	O & M Transfer To	Category	Amount Transfer In	Description	QTR
10200	4/7/16	521080	Other Cont. Services	\$10,000	512950	Promotional Items	\$10,000	Transfer to fund purchase of promotional product inventory for the upcoming Earth Day event.	4
10200	4/28/16	520980	Prof. Svcs. - Other	\$10,000	512730	Leases and Rentals	\$10,000	A lease and rental category needed to be created in order for invoices to be charge to the appropriate category. Budget needed to be transferred to that new account.	4
10200	5/9/16	521080	Other Contract Services	\$11,000	521080	Other Contract Services	\$11,000	Transfer to fund new contract with Rafellis to update/modify the existing LRP model.	4
10200	6/2/16	513020	Conference Expense	\$2,700	511230	Travel/ Transportation	\$2,700	Transfer required as more funds were required than was expected for department travel.	4
10200	6/2/16	513030	Contributions/ Sponsorship	\$9,300	511230	Travel/ Transportation	\$9,300	Transfer required as more funds were required than was expected for department travel.	4
10200	6/6/16	511250	Travel/ Lodging	\$1,600	511230	Travel/ Transportation	\$1,600	Transfer to cover travel expenses.	4
10200	6/6/16	514110	Subscriptions/ Publications	\$6,000	511230	Travel/ Transportation	\$6,000	Transfer to cover travel expenses.	4
10200	6/16/16	513020	Conference Expense	\$2,500	521010	Contract Labor	\$2,500	Transfer to cover deficit within fund.	4
10300	6/15/16	555010	Interest Expense	\$11,408	520920	Professional Services - Other	\$11,408	Transfer for service that were not fully covered due to an increase in Midge Fly prevention services and an increase in chemical costs	4
10300	6/15/16	555010	Interest Expense	\$48,592	520920	Professional Services - Other	\$48,592	Transfer for service that were not fully covered due to an increase in Midge Fly prevention services and an increase in chemical costs	4
10500	5/19/16	521410	Computer Maint	\$10,000	545110	Electricity	\$10,000	Transfer to cover slight increase in energy costs for pumping a the Philly Lift Station due to piping pressure issues.	4
10600	5/11/16	521010	Contract Labor	\$15,000	512160	Lab Supplies	\$15,000	Transfer to cover the purchase of high grade solvents and standards for the testing of Priority Pollutants in the Lab	4
10600	6/21/16	521080	Other Contract Services	\$40,000	521220	Lab Svcs - Outside	\$40,000	Transfer for analysis sampling that is required per new regulation requirements.	4
10800	5/4/16	521110	Out Svcs - Lndscp	\$35,000	PK11001	Water Discovery Field Trip & Bus Grant	\$35,000	Transfer required to fund unplanned, Grant-Related programming for the Water Discovery program for the Chino Creek Wetlands and Educational Park to finish out the fiscal year.	4
10800	6/2/16	521080	Other Contract Services	\$1,500	519530	Fines & Penalties	\$1,500	Transfer to cover the expense for the RP-5 NOV settlement agreement to the appropriate account.	4
10800	6/16/16	545370	Water	\$3,460	512170	Materials & Supplies	\$3,460	Transfer to cover expenses that were charged to 10200 and subsequently reclassified to 10800, leaving a shortage of \$3,460.	4
10800	6/21/16	526310	Residuals Disposal	\$38,000	530028	Polymer	\$38,000	Transfer to cover chemical costs	4
10800	6/21/16	526310	Residuals Disposal	\$37,000	530012	Aluminum Sulfate	\$37,000	Transfer to cover chemical costs	4
10800	6/21/16	545370	Water	\$1,000	512110	General Supplies	\$1,000	Transfer due to warehouse supply orders that caused the category to be over budget	4

Inland Empire Utilities Agency
Inter-Departmental/Division Budget Transfer
FY 2015/16 - 4th Quarter

Fund	Date	O & M Transfer From	Category	Amt Transfer Out	O & M Transfer To	Category	Amount Transfer In	Description	QTR
10800	6/27/16	EN14039	Dig. Gas Analysis & RP1 Net Meing	\$65,000	520980	Professional Services - Other	\$65,000	Transfer needed for inspection services related to SIO No. EN-14: RP-5 Battery Storage	4
10900	6/27/16	EN15032	Agency-wide HVAC Improvements	\$25,000	EN13056	RP4 MCC PCS Roof Access	\$25,000	Transfer needed for the construction phase of the project and for TP purposes/annual BOD.	4
			Total O&M Transfers Out	\$384,060		Total O&M Transfers In	\$384,060		

Fund	Date	Project	Project Description	Amt Transfer Out	Project	Project Description	Amt Transfer In	Justification	QTR
10900	6/30/16	EN11031	RP5 Flow Eq and EFF Monitor	\$205,000	EN13056	RP4 MCC PCS Roof Access	\$205,000	Transfer needed to reconcile the FY 15/16 budget overage for EN13056	4
			Total Project Transfers Out	\$205,000		Total Project Transfers In	\$205,000		

Inland Empire Utilities Agency
FY 2015/16 GM Contingency Account Activity (10200-112100-100000-519010)

Date	Description	Account/Project No.	Requestor	GM Contingency		
				Budget	Transfers	Balance
7/1/2015	FY 2015/16 Adopted budget	RO Fund 10800-112100-501000-519010				\$400,000
3/3/2016	Budget transfer to cover legal litigation projection in Water Resources fund	RO Fund 10700-112100-110000-520230	J. Chagoyen-Lazaro	\$400,000	\$105,000	\$295,000
3/3/2016	Budget transfer to cover general legal projection in Water Resources fund	RO Fund 10700-112100-110000-520210	J. Chagoyen-Lazaro		\$16,000	\$279,000
3/3/2016	Budget transfer to cover general legal projection in Recycled Water fund	RO Fund 10600-112100-130000-520210	J. Chagoyen-Lazaro		\$67,000	\$212,000
3/3/2016	Budget transfer to cover general legal projection in Regional Capital fund	RO Fund 10900-112100-500000-520210	J. Chagoyen-Lazaro		\$50,000	\$162,000
	RO Fund GM Contingency			\$400,000	\$238,000	\$162,000
7/1/2015	FY 2015/16 Adopted budget	GG Fund 10200-112100-100000-519010				\$100,000
7/6/2015	Budget transfer to cover fees for hiring temporary help within Agency Mgmt Dept	GG Fund 10200-112100-100000-521080	A. Woodruff	\$100,000	\$30,000	\$70,000
1/1/2016	Budget transfer to hire consultant for proposed consolidation of CBWCD	GG Fund 10200-113100-100000-520980	K. Besser		\$40,000	\$30,000
3/24/2016	Budget transfer to purchase computer hardware for CAFS department	GG Fund IS16015	K. Baxter		\$1,500	\$28,500
3/23/2016	Budget transfer to purchase a laptop for new hire in Engineering department	GG Fund IS16015	S. Stone		\$2,200	\$26,300
3/31/2016	Budget transfer to purchase a computer for new hire in Records Management	GG Fund IS16015	W. Green		\$1,500	\$24,800
	GG Fund GM Contingency			\$100,000	\$75,200	\$24,800
GM CONTINGENCY GRAND TOTAL				\$500,000	\$313,200	\$186,800

cc: Joe Grindstaff, Christina Valencia

Changes in Total Project Budgets: Inter-Departmental/Division Budget Transfer FY 2015/16 - 4th Quarter

Exhibit D

Capital or Fund Spec Proj	Original Date	Total Proj Budget Change (Y/N)?	Annual Proj Budget Change (Y/N)?	Project Number	Project Title	Adopted Total Project Budget	Prior FY 2015/16 TP Changes	Current Total Project Budget	Amount of Transfer In / Out	New TP Budget	FY 2015/16 Annual Project Budget	Annual Proj Budget Change	New Annual Project Budget	Project Transferred To/From	Justification
10200 Capital	4/28/16	Yes	Yes	No	IS16015	Workstation Replacement		\$27,600	\$145,600	\$1,500	\$148,800	\$1,500	\$147,100	(GM Contingency)	Transfer from the GM Contingency to IS16015 to fund the purchase of a computer for the new hire in Contracts & Procurement.
Capital	5/19/16	Yes	Yes	No	IS15004	Executive Dashboard	\$84,000	\$75,700	\$159,700	(\$5,500)	\$107,723	(\$5,500)	\$102,223	IS16015	Transfer from IS15004 to IS16015 to provide additional funding for new workstations for new Maintenance staff during the current fiscal year.
					IS16015	Workstation Replacement	\$118,000	\$29,100	\$147,100	\$5,500	\$152,600		\$152,600	(IS15004)	
Capital	6/2/16	Yes	Yes	No	FP10200	Financial Planning Forecast	\$2,718,000	\$0	\$2,718,000	(\$80,000)	\$162,000	(\$80,000)	\$82,000	CP16006	Transfer from FP10200 to CP16006 to fund purchase of HQ staff chairs in a timely and efficient manner.
					CP16006	HQ Chairs Replacement	\$0	\$7,300	\$7,300	\$80,000	\$87,300		\$87,300	(CP16006)	
Capital	6/8/16	Yes	Yes	No	EN15052	Primavera Enhancements	\$200,000	\$0	\$200,000	(\$6,600)	\$193,400	(\$6,600)	\$102,670	IS16015	Transfer from EN15052 to IS16015 to fund the purchase of computers for three new United Term Assistant Engineers hired in the Engineering department.
					IS16015	Workstation Replacement	\$118,000	\$34,600	\$152,600	\$6,600	\$159,200		\$159,200	(EN15052)	
Capital	7/12/16	Yes	Yes	No	FP10200	Financial Planning Forecast	\$2,718,000	(\$80,000)	\$2,638,000	(\$82,000)	\$82,000	(\$82,000)	\$0	IS16021	Transfer from FP10200 to support Implementation of IS16021 during FY 2016/17. After this transfer FP10200 will be closed.
					IS16021	SAP Roadmap & Strategy	\$300,000	(\$280,000)	\$20,000	\$82,000	\$102,000		\$102,000	(FP10200)	
Capital	7/12/16	Yes	Yes	No	IS14025	Finance Process/ SAP Function	\$48,000	\$0	\$48,000	(\$48,000)	\$0	(\$48,000)	\$0	IS16021	Transfer from IS14025 to support Implementation of IS16021 during FY 2016/17. After this transfer IS14025 will be closed.
					IS16021	SAP Roadmap & Strategy	\$800,000	(\$158,000)	\$102,000	\$48,000	\$150,000		\$150,000	(IS14025)	
Subtotal Administration (d/c)						\$4,172,000			\$6,389,000	\$1,083,593					
10300 Capital	4/20/16	Yes	Yes	No	WRL3002	Prado Basin Habitat Well Monitoring	\$680,000	\$10,000	\$690,000	\$304,500	\$60,968	\$334,500	\$395,468	(RW Reserve)	Board approved amendment to the reimbursement agreement with Chino Basin Watermaster for the Prado Basin Habitat Sustainability Program. Total project cost is estimated to be \$934,500.
					Subtotal Groundwater Recharge (RW)						\$680,000		\$934,500	\$395,468	
10600 Capital	4/28/16	Yes	Yes	Yes	EN17004	Energy Efficiency Improvements	\$1,700,000	\$0	\$1,700,000	(\$100,000)	\$200,000	(\$100,000)	\$100,000	EN16070	Transfer from EN17004 to new project, EN16070, to cover the costs of the next energy efficiency project, as EN17004 is close to completion.
					EN16070	Agencywide Pumps Efficiencies	\$0	\$0	\$0	\$100,000	\$100,000		\$100,000	(EN17004)	
Capital	6/27/16	Yes	Yes	No	EN13054	Montclair Lift Station Upgrades	\$3,549,600	\$0	\$3,549,600	(\$15,000)	\$68,883	(\$15,000)	\$68,883	EN16067	Transfer from EN13054 to EN16067 for costs incurred during the close-out of EN16067.
					EN16067	RP-1 DAFs Plug Valve Replacement	\$0	\$120,000	\$120,000	\$15,000	\$135,000		\$135,000	(EN13054)	
Subtotal Regional Operations (RO)						\$5,289,600			\$5,969,600	\$403,883					

Inland Empire Utilities Agency
Changes in Total Project Budgets: Inter-Departmental/Division Budget Transfer FY 2015/16 - 4th Quarter

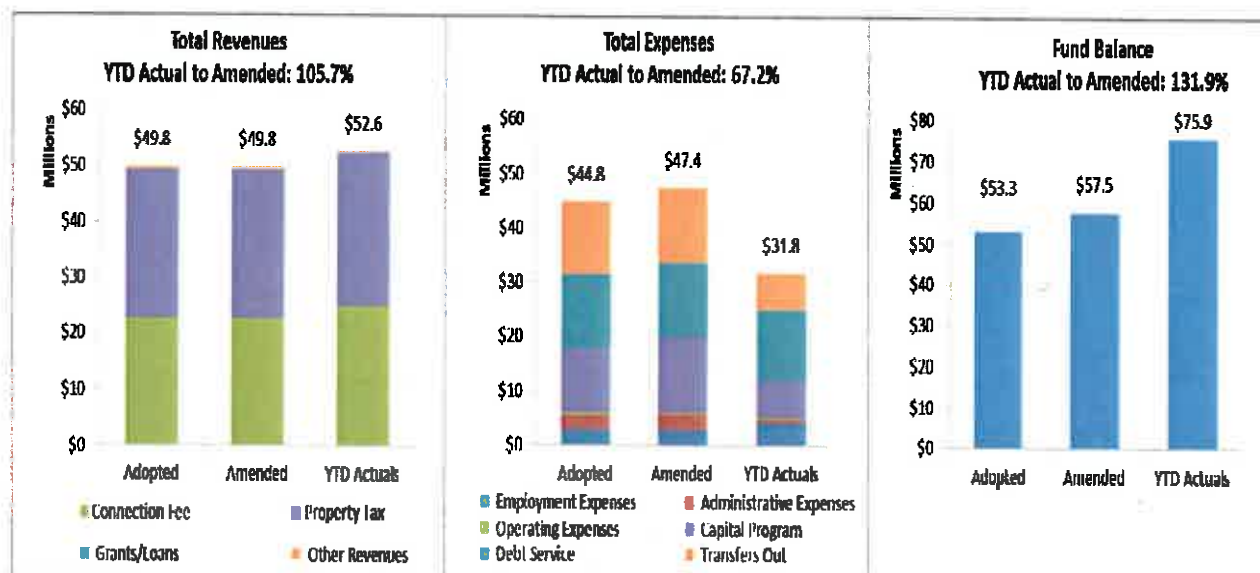
Capital or Proc. Proj.	Request Date	Total Proj Budget Change (Y/N)?	Approved Proj? Budget Change (Y/N)?	Project Number	Project Title	Adopted Total Project Budget	FY 2015/16 TP Changes	Current Total Project Budget	Ant. of Transfer in / (Out)	New TP Budget	FY 2015/16 Annual Project Budget	Annual Proj. Budget Change	New Annual Project Budget	Project Transferred To/(From)	Justification	
10000 Capital	6/27/16	Yes	Yes	EN15032	Agency-Wide HVAC Improvements Pkg No 3	\$1,200,000	(\$20,000)	\$1,180,000	(\$25,000)	\$1,155,000	\$989,250	(\$25,000)	\$964,250	EN13056	Transfer from EN15032 to EN13056 to cover the construction phase of the project.	
				EN13056	Agency-Wide HVAC Improvements Pkg No 2	\$1,086,500	\$20,000	\$1,106,500	\$25,000	\$1,131,500	\$90,556	\$25,000	\$115,556	(EN15032)		
				Subtotal Regional Capital (RC)						Capital Total Project Budget	Total Annual Capital Budget		Adopted	Amended		
						\$2,286,500		\$2,286,500		\$1,930,400	\$1,079,806		\$2,964,250			
						Adopted					\$14,859,100					
10200 O&M Proj	6/1/16	Yes	Yes	CP16004	Headquarters LEED OM Certification Process	\$25,000	\$0	\$25,000	\$23,050	\$48,050	\$25,000	\$23,050	\$48,050	(O&M: \$21,080)	Transfer from Contract Labor to CP16004 to fund additional services for the LEED certification process.	
				Subtotal Administration (OA)						O&M Total Project Budget	Total Annual O&M Project Budget		Adopted	Amended		
										\$25,000		\$48,050	\$25,000			\$48,050

Total Capital and O&M Project Transfers
 TPB Change - Capital \$694,150
 TPB Change - O&M Project \$72,500
 Net Change - TPB \$966,650

**Financial Overview of Agency's Programs
FY 2015/16 Fiscal Year ended June 30, 2016
Total Revenues, Expenses, and Fund Balance
(Unaudited)**

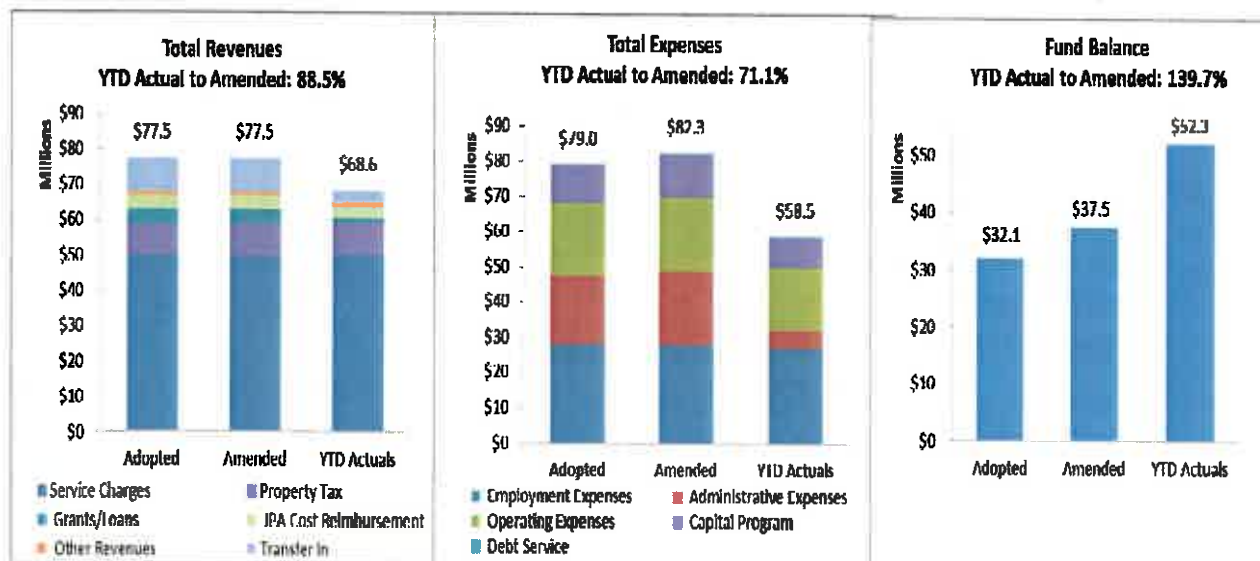
Regional Wastewater Capital Improvement (RC) Fund

The unaudited ending fund balance indicated an increase of \$18.4 million compared to the amended budget primarily due to higher connection fee revenues, increase in property tax receipts, low capital spending and eliminated the \$6 million transfer to the RO fund for supporting the Plume Cleaning project, which will be supported by grants and property tax. A total of \$2.5 million of FY 2015/16 amended budget was identified to be carried forward to FY 2016/17.



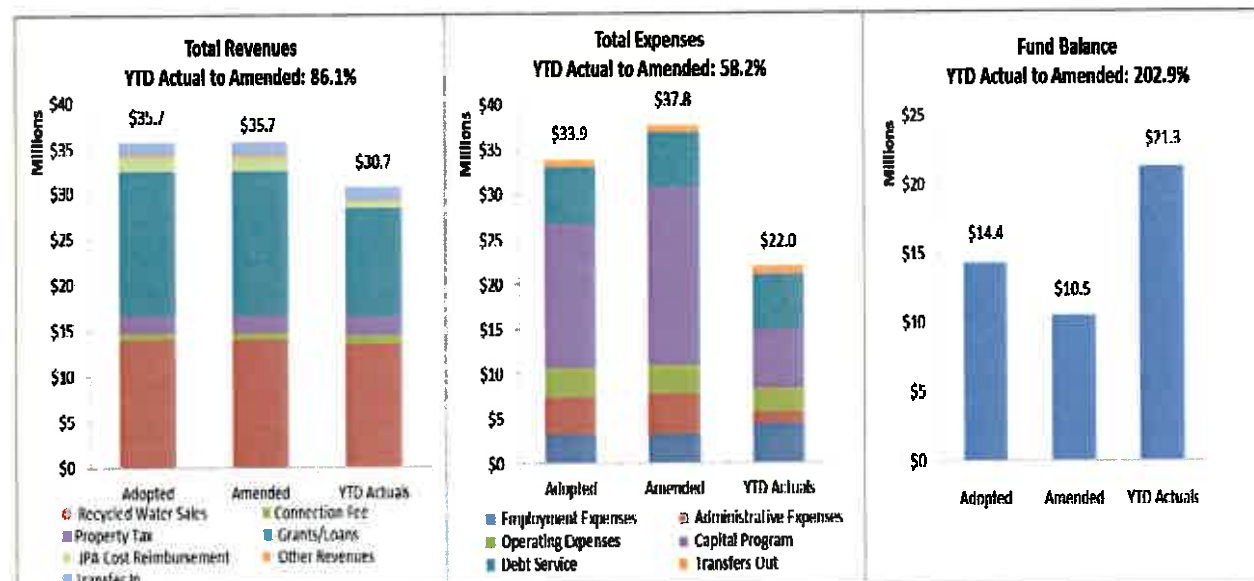
Regional Wastewater Operations and Maintenance (RO) Fund

The unaudited ending fund balance indicated an increase of \$14.8 million compared to the amended budget mainly due to the delayed execution of O&M and capital replacement and rehabilitation projects. A total of \$2.5 million of FY 2015/16 amended budget was identified to be carried forward to FY 2016/17.



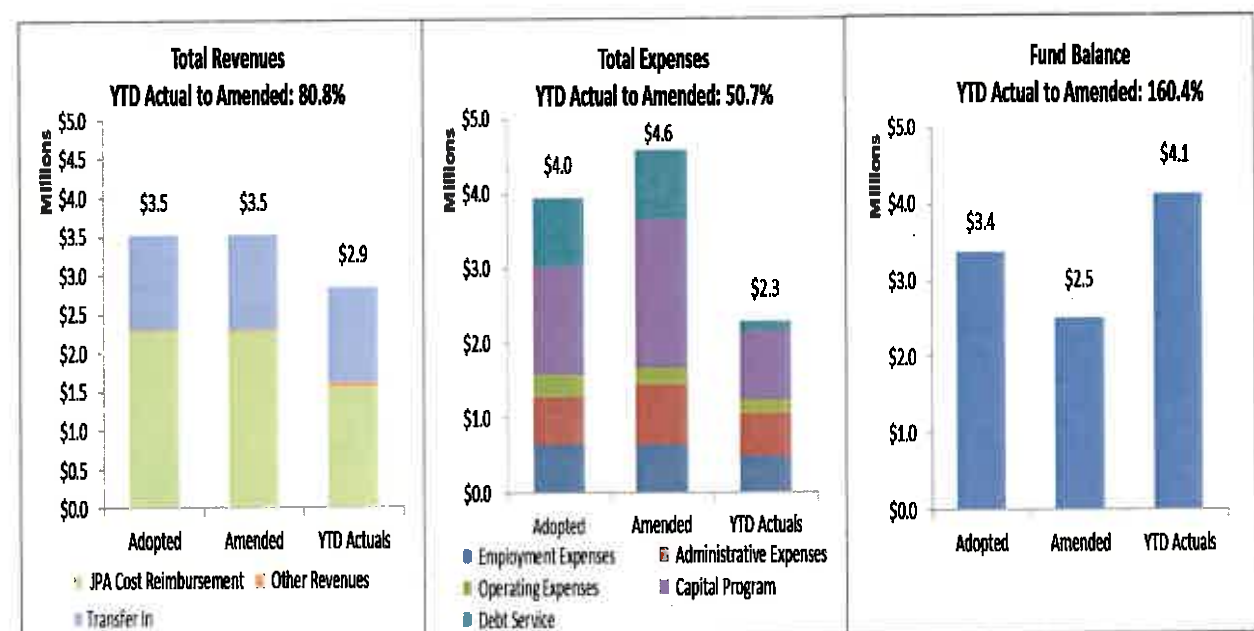
Recycled Water (WC) Fund

The unaudited ending fund balance indicated an increase of \$10.8 million compared to the amended budget primarily due to low administrative expenses and delay in the execution of capital projects. A total of \$2.6 million of FY 2015/16 amended budget was identified to be carried forward to FY 2016/17.



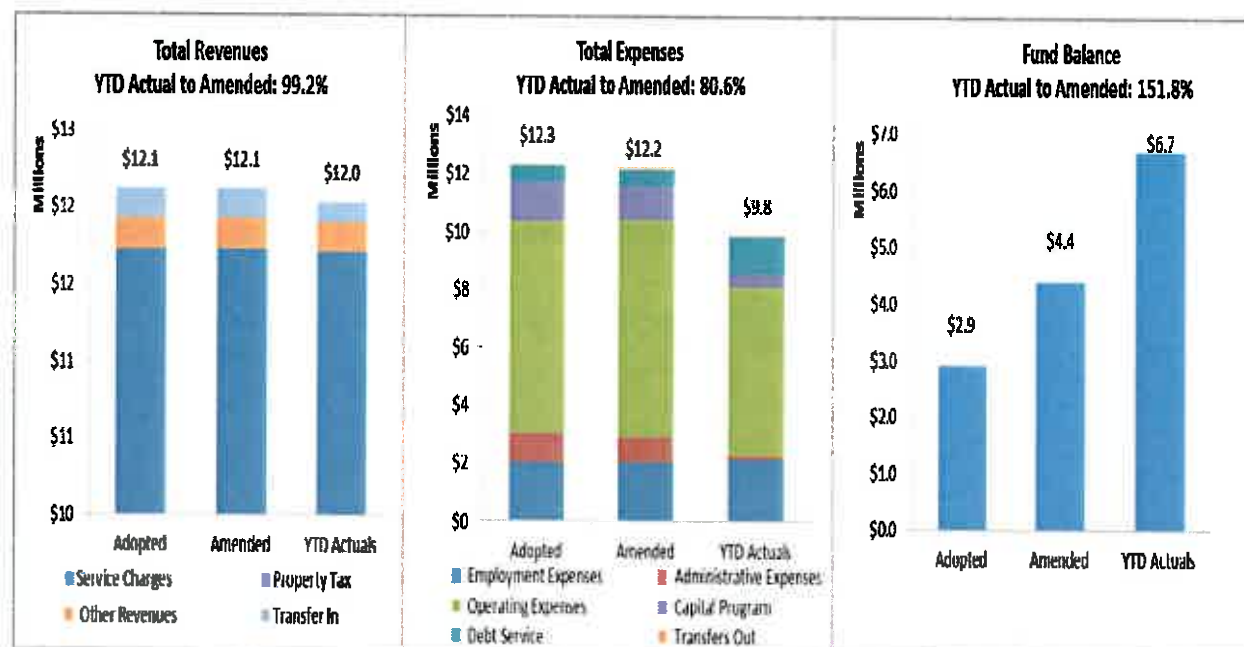
Recharge Water (RW) Fund

The unaudited ending fund balance shows a slight increase of \$1.6 million compared to the amended budget due to timing of operation spending & delays in capital project execution. A total of \$0.8 million of FY 2015/16 amended budget was identified to be carried forward to FY 2016/17.



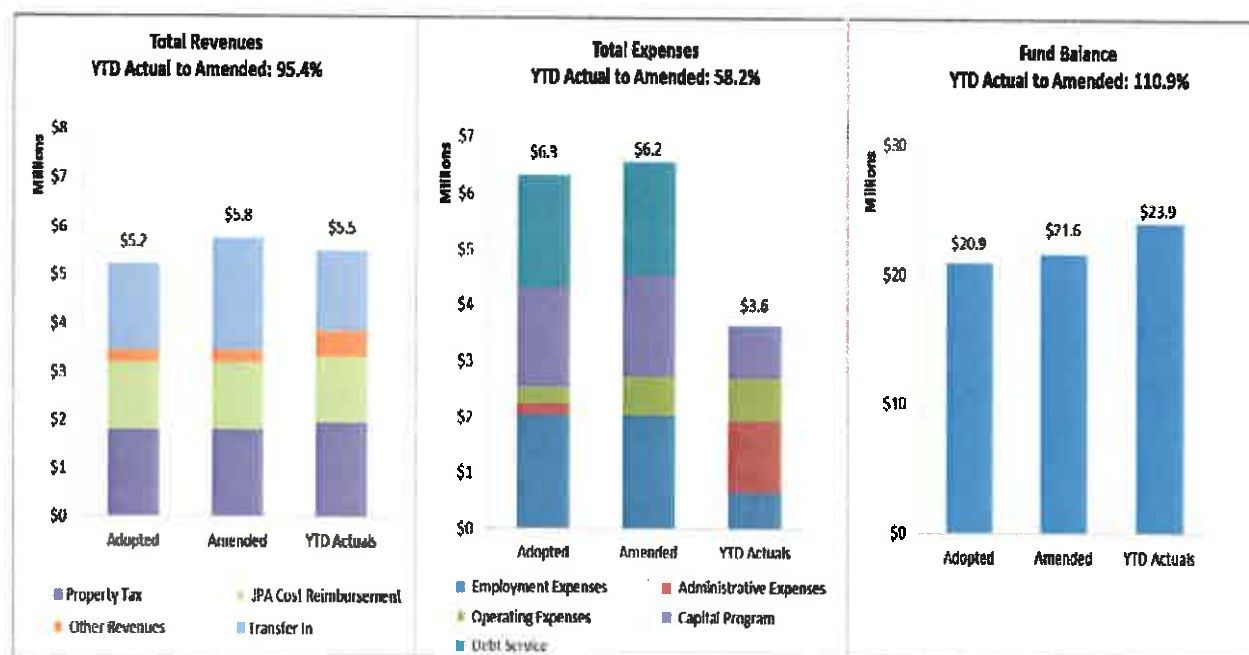
Non-Reclaimable Wastewater (NRW) Fund

The unaudited ending fund balance indicated an increase of \$2.3 million compared to the amended budget due to low administrative expense and delays in capital project execution.



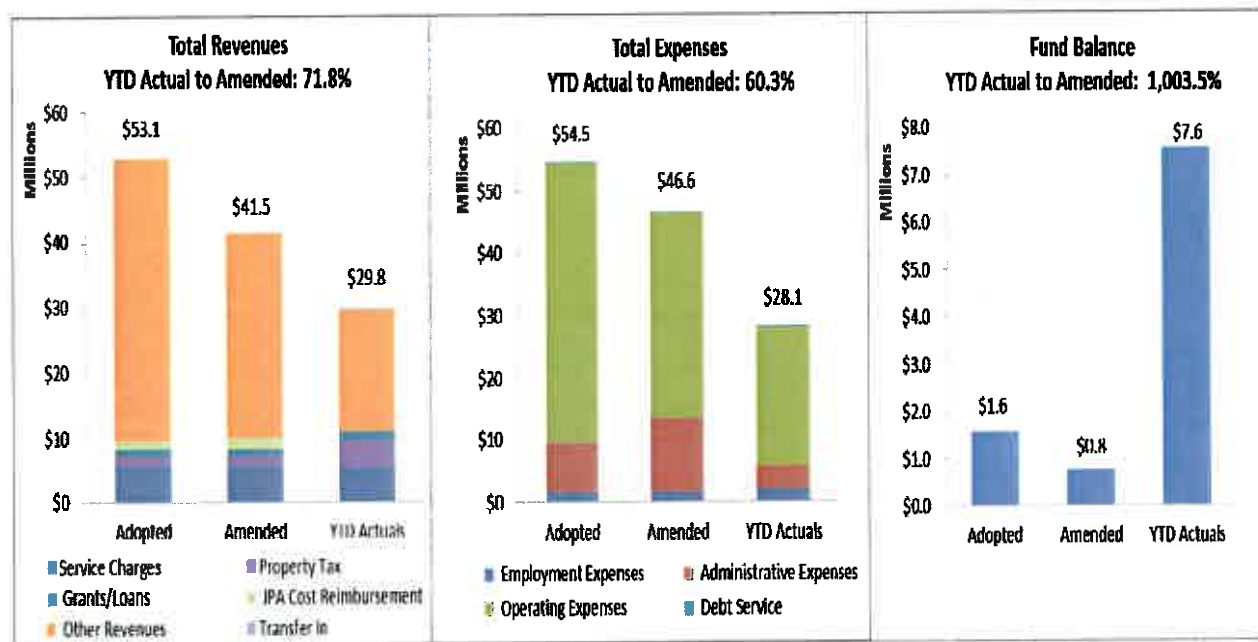
Administrative Services (GG) Fund

The unaudited ending fund balance indicated an increase of \$2.4 million compared to the amended budget due higher than anticipated property tax receipts, deferment of inter-fund loan to WW fund, and lower capital expenditures. A total of \$1.9 million of FY 2015/16 amended budget was identified to be carried forward to FY 2016/17.



Water Resources (WW) Fund

The unaudited ending fund balance indicates an increase of \$6.8 million compared to the amended budget due to addition of the one-time RDA tax receipt of \$2.7 million and lower spending on special projects. A total of \$3.5 million of FY 2015/16 amended budget was identified to be carried forward to FY 2016/17.



FY 2015/16

Budget Variance Report

4th Quarter ended June 30, 2016

Regional Committees

September 2016

Sources of Funds Highlights

Actuals compared to Amended Budget

Favorable Variance:

- ❖ **Connection Fees:** \$25.8M, 110.8%
 - Wastewater \$24.8M, Water \$1.0M
 - 4,774 new EDU wastewater connections vs. 4,330 budgeted new EDU
 - 575 new EDU water connections vs. 394 budgeted new EDU
- ❖ **Property Taxes:** \$45.6M, 110.9%
 - Wastewater \$37.3M, Recycled Water \$2.1M
 - 5% growth year-to-date vs. 4% budgeted growth, plus a one-time tax receipt of \$2.7M

Unfavorable Variance:

- ❖ **Recycled Water Sales:** \$11.4M, 95.4%
 - 32,619 AF actual year to date vs. 35,150 AFY budgeted
- ❖ **Grants & Loans:** \$14.1M, 66.4%
 - Recycled Water \$11.8M



Uses of Funds Highlights

Actuals compared to Amended Budget

Favorable Variance:

- ❖ **Employment Expenses:** \$38.0M, 93.7%
 - Wastewater \$30.9 M, Recycled Water \$4.3M
 - Higher vacancy factor of 9% (26 positions) compared to budgeted vacancy rate of 4% (12 positions)
- ❖ **Utilities:** \$8.8M, 82.1%
 - Wastewater \$5.8M, Recycled Water \$2.4M
 - Electricity rate \$0.108/kWh vs. \$0.125/kWh budgeted
 - Natural gas rate \$0.41/therm vs. \$0.80/therm budgeted



Uses of Funds Highlights

Actuals compared to Amended Budget

Favorable Variance:

- ❖ **Debt Service:** \$20.5M, 87.3%
 - Wastewater \$13.0M, Recycled Water \$6.2M
 - 2008B Variable Bond rate 0.12% average vs. 1.0% budgeted
- ❖ **Capital Projects:** \$24.5M, 47.7%
 - Wastewater \$15.5M, Recycled Water \$4.3M



FY 2015/16 Q4 Consolidated Fund Balance

(Total Revenue and Other Sources

of Funds for Wastewater and Recycled Water Funds)

Operating	FY 2015/16 Amended Budget	Fourth Quarter Ended 6/30/16	Actual % of Amended Budget
Operating Revenue	\$69.8	\$68.0	97.5 %
Operating Expense	\$86.4	\$63.1	73.0%
Operating Net Increase/(Decrease)	(\$16.6)	\$4.9	
Non- Operating			
Non-Operating Revenue	\$82.2	\$83.9	102.0%
Non-Operating Expense	\$66.3	\$49.2	74.2%
Non-Operating Net Increase/(Decrease)	\$15.9	\$34.7	
Consolidated	FY 2015/16 Amended Budget	Fourth Quarter Ended 6/30/16	Actual % of Amended Budget
Total Sources of Funds	\$152.0	\$151.9	99.9%
Total Uses of Funds	\$152.7	\$112.3	73.5%
Total Net Increase/(Decrease)	(\$0.7)	\$39.6	
Beginning Fund Balance	\$106.3	\$110.0	
Ending Fund Balance	\$105.6	\$149.6	

Questions?

The budget variance analysis report is consistent with the Agency's business goal of fiscal responsibility

**INFORMATION
ITEM**

2C

Water Connection Fees Recycled Water



Inland Empire Utilities Agency

A MUNICIPAL WATER DISTRICT

Regional Technical Committee

September 29, 2016

Water Connection Fees

RW Retrofits Example – 1

- Assumptions
 - Customer has existing 2” potable meter
 - Customer installs 2” recycled water meter
 - Customer does not downsize 2” potable meter

Existing Potable Meter	New RW Meter	Water Connection Fee	Downsize Potable Meter	Applicable Credit	Applicable Fee
2 inch	2 inch	\$5,544	No	\$0	\$5,544

Water Connection Fees

RW Retrofits Example – 2

- Assumptions
 - Customer has existing 2” potable meter
 - Customer installs 2” recycled water meter
 - Customer downsizes 2” potable meter to 1”

Existing Potable Meter	New RW Meter	Water Connection Fee	Downsize Potable Meter	Applicable Credit	Applicable Fee
2 inch	2 inch	\$5,544	Yes (2” to 1”)	\$3,811	\$1,733

Water Connection Fees RW Retrofits Example – 3

- Assumptions
 - Customer has existing 1” potable meter
 - Customer installs 2” recycled water meter
 - Customer does not downsize 1” potable meter

Existing Potable Meter	New RW Meter	Water Connection Fee	Downsize Potable Meter	Applicable Credit	Applicable Fee
1 inch	2 inch	\$5,544	No	\$0	\$5,544

**RECEIVE AND
FILE**

3A

Building Activity Report - YTD Fiscal Year 2016/17



Legend

Service Area

Unincorporated

EDU (YTD)

Residential

Commercial

Industrial

≤1.0

1.0 - 10.0

>10.0

≤1.0

1.0 - 10.0

>10.0

≤1.0

1.0 - 10.0

>10.0

HALF MILE GRID: TOTAL EDU's (YTD)

TOTAL EDU BY CONNECTION TYPE (YTD)

	YTD Actual			Total (EDU)	Projected
	Commercial (EDU)	Industrial (EDU)	Residential (EDU)		
Chino	12	0	36	60	610
Chino Hills	6	0	6	12	1236
CVWD	9	0	9	18	364
Fontana	13	0	13	26	695
Montclair	3	0	13	16	85
Ontario	8	35	50	93	2050
Upland	0	0	3	3	237
Total	51	35	130	216	5277

Fontana (July 2016)

Cucamonga Valley Water District (July 2016)

Upland (July 2016)

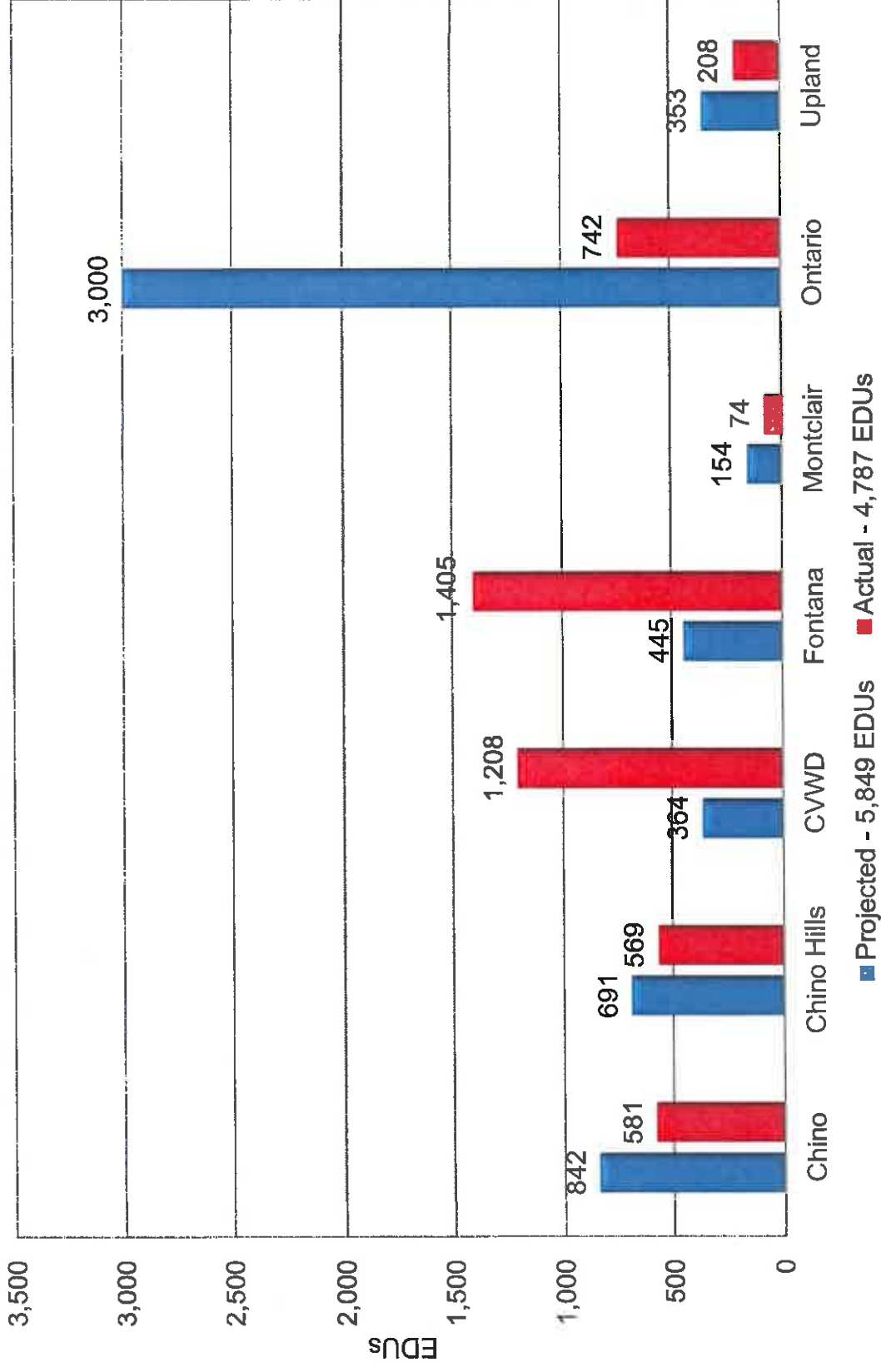
Montclair (July 2016)

Ontario (July 2016)

Chino (July 2016)

Chino Hills (July 2016)

FY15/16 Building Activity Summary

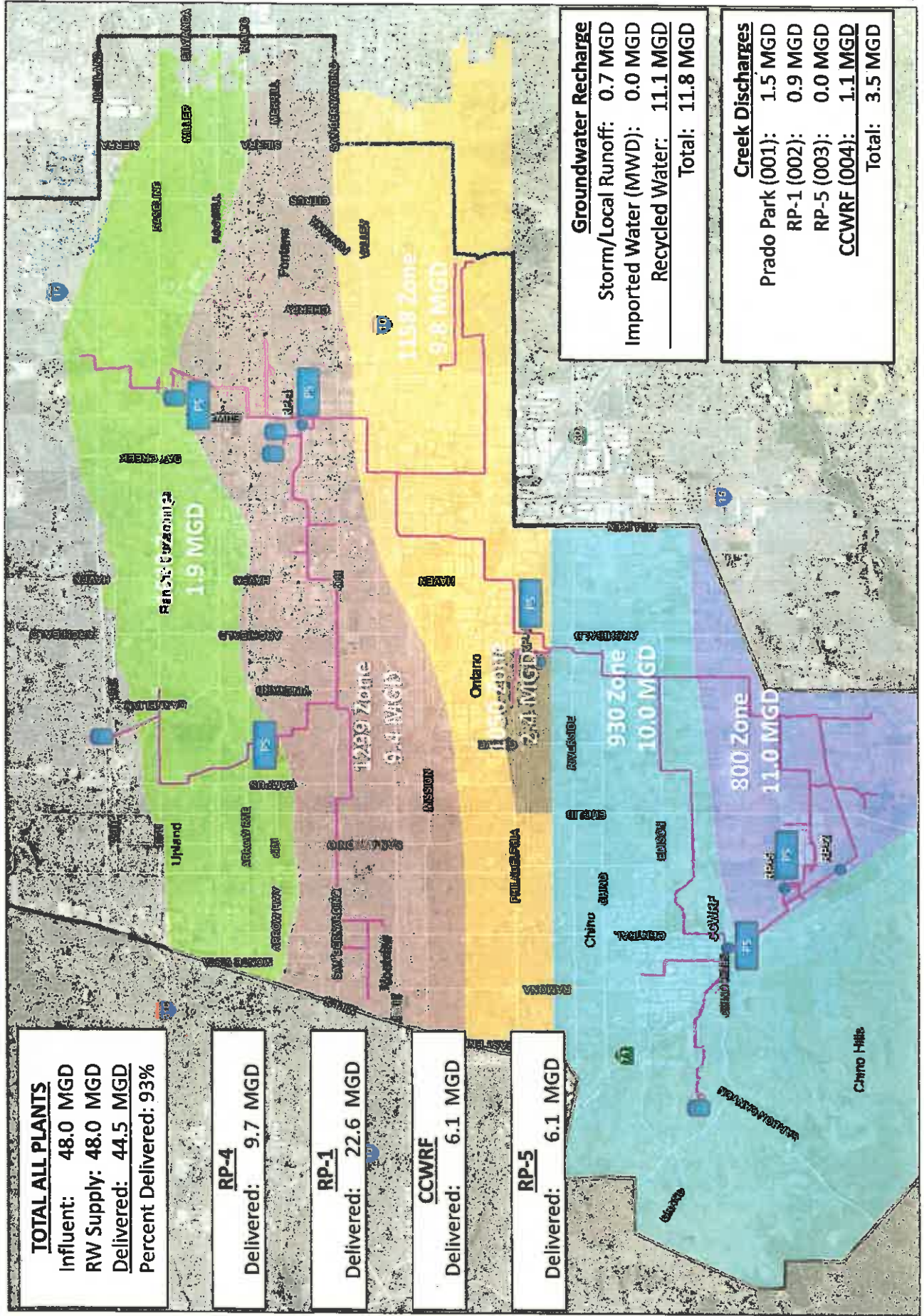


Partial EDUs rounded to the nearest whole number

RECEIVE AND
FILE

3B

IEUA RECYCLED WATER DISTRIBUTION – AUGUST 2016



Deliveries are draft until reported as final.

Recycled Water Recharge Actuals / Plan - August 2018 (Acre-Feet)

Basin	8/1-8/5	8/6-8/12	8/13-8/19	8/20-8/26	8/27-8/31	Month Actual	Month Plan	FY To Date Actual
Ely	22.6	31.8	27.0	4.6	3.3	89.3	50	202
Banana	16.0	0.0	12.3	12.4	7.9	48.5	50	232
Hickory	1.7	0.0	0.0	27.0	20.4	49.1	50	49
Turner 1&2	0.0	36.4	15.9	0.0	0.0	52.3	100	137
Turner 3&4	0.0	0.0	0.0	0.0	0.0	0.0	0	0
8th Street	27.7	62.4	54.2	76.0	47.2	267.5	50	527
Brooks	0.0	0.0	0.0	0.0	0.0	0.0	100	0
RP3	24.4	78.4	72.4	68.8	45.2	289.2	200	388
Deleze	28.6	36.5	46.1	94.3	53.3	269.8	0	462
Victoria	0.0	0.0	0.0	0.0	0.0	0.0	100	0
San Seavine	0.0	0.0	0.0	0.0	0.0	0.0	0	0
Total	121.1	247.5	227.8	263.1	177.2	1,056.6	800	1,357

