



AGENDA

**WORKSHOP/MEETING
OF THE
BOARD OF DIRECTORS**

**WEDNESDAY, APRIL 3, 2019
10:00 A.M.**

**INLAND EMPIRE UTILITIES AGENCY*
AGENCY HEADQUARTERS
BOARD ROOM
6075 KIMBALL AVENUE
CHINO, CALIFORNIA 91708**

**CALL TO ORDER
OF THE INLAND EMPIRE UTILITIES AGENCY BOARD OF DIRECTORS
WORKSHOP/MEETING**

FLAG SALUTE

PUBLIC COMMENT

Members of the public may address the Board on any item that is within the jurisdiction of the Board; however, no action may be taken on any item not appearing on the agenda unless the action is otherwise authorized by Subdivision (b) of Section 54954.2 of the Government Code. Those persons wishing to address the Board on any matter, whether or not it appears on the agenda, are requested to complete and submit to the Board Secretary a "Request to Speak" form which is available on the table in the Board Room. Comments will be limited to three minutes per speaker. Thank you.

ADDITIONS TO THE AGENDA

In accordance with Section 54954.2 of the Government Code (Brown Act), additions to the agenda require two-thirds vote of the legislative body, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the local agency subsequent to the agenda being posted.

1. **WORKSHOP**

A. **SEWER SYSTEM MANAGEMENT PLAN (SSMP) (POWERPOINT)**

B. **PROPOSED BIENNIAL BUDGET FOR FYS 2019/20 AND 2020/21 (POWERPOINT)**

2. **CLOSED SESSION**


A. **PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)(2) CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION**

One Case

3. **ADJOURN**

*A Municipal Water District

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Board Secretary (909) 993-1736, 48 hours prior to the scheduled meeting so that the Agency can make reasonable arrangements.

Proofed by: 

Declaration of Posting

I, April Woodruff, Board Secretary 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. at the Agency's main office, 6075 Kimball Avenue, Building A, Chino, CA on Thursday, March 28, 2019.


April Woodruff

**WORKSHOP
ITEM**

1A

Sewer System Management Plan (SSMP)



What our Sewer Collection Team Does



Sewer Collection Video

Why We Do It

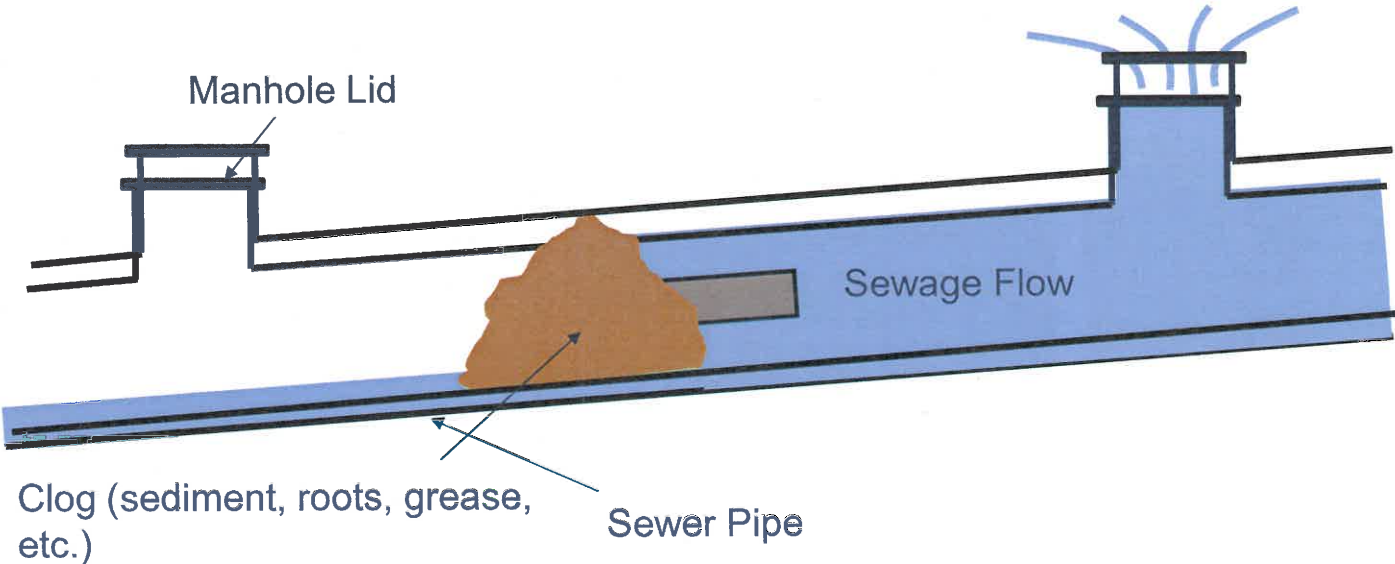


Before

After



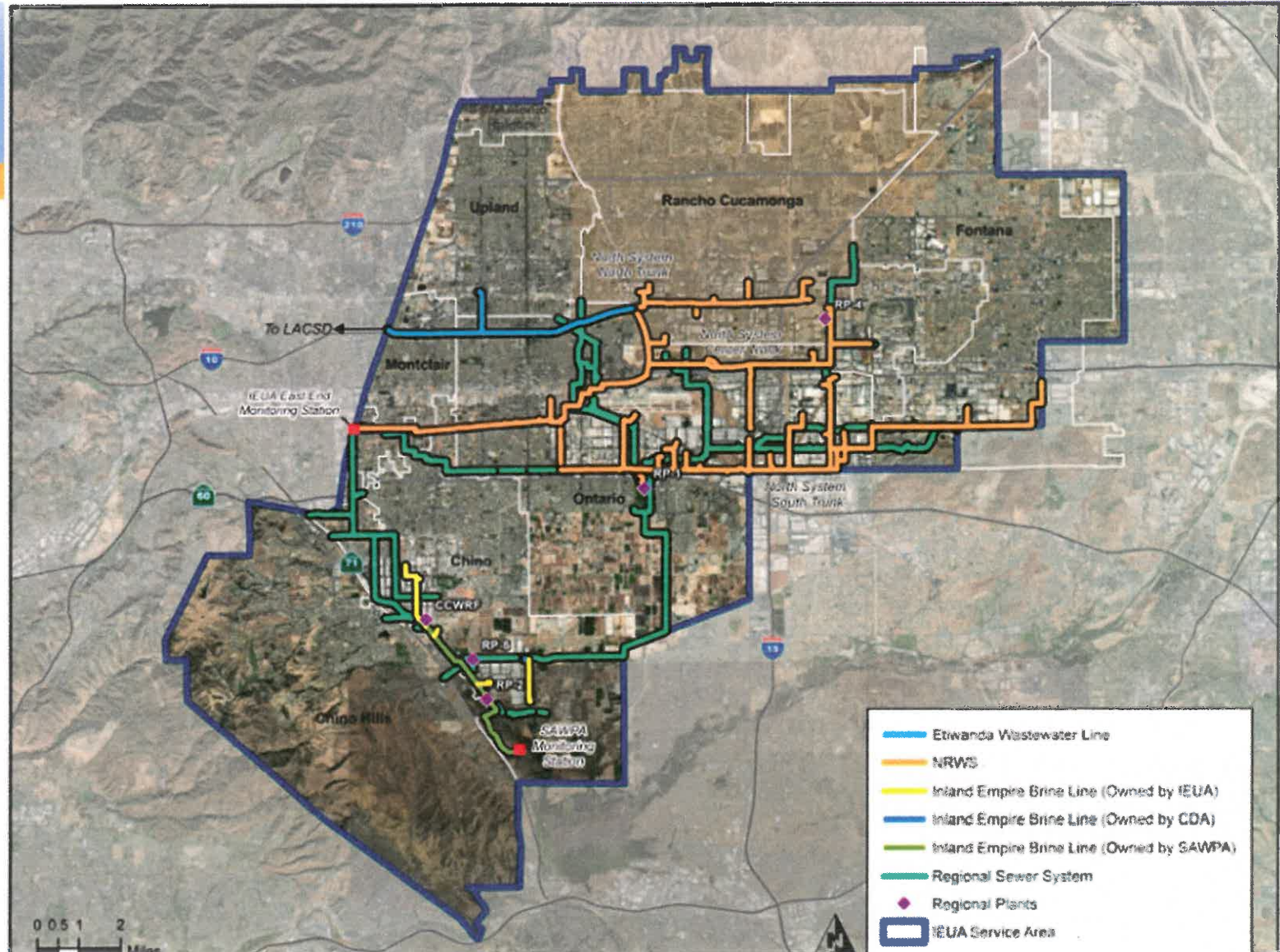
Spill Profile



Our System

Sewer Pipe: ~ 160 miles

Manholes: ~ 2,500



Plan


Owners of wastewater collections systems, with more than **one mile** of pipeline to have a **Sewer System Management Plan (SSMP)**.


Goal:

To reduce the number of sanitary sewer overflows (SSOs) and their impact should they occur.

The cover of the "IEUA SSMP Sewer System Management Plan" report. It features the title "IEUA SSMP" in large blue letters, with "Sewer System Management Plan" underneath. The Inland Empire Utilities Agency logo is centered, followed by a photograph of a blue utility truck. At the bottom, the date "April 17, 2019" and the agency's address are listed.

IEUA SSMP
Sewer System Management Plan

 *Inland Empire Utilities Agency*
A MUNICIPAL WATER DISTRICT



April 17, 2019

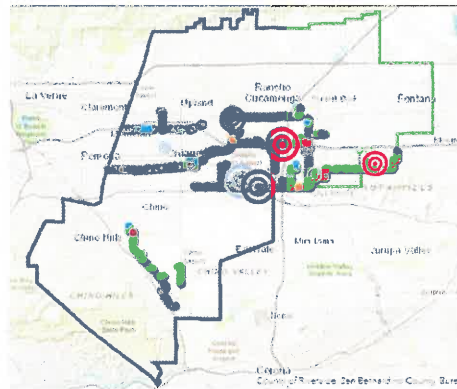
INLAND EMPIRE UTILITIES AGENCY
6075 Kimball Avenue
Chino, California 91708

Agency Reach

SSMP - 11 elements involving many of IEUA departments



Pre-Treatment/Source Control:
Sample Collection



Business Information Services:
Pipe/Manhole Mapping



Engineering:
Pipeline Repair



External Affairs:
Public Information &
Outreach



Wastewater Discharge Requirements (WDR)

- Internal audit every 2 years
- Revise plan (**Board approval**) every 5 years



2019 Audit & Revision Teams

Audit Team:

Reviewed 2014 SSMP &
Evaluated Effectiveness



Dan Dyer Teresa Velarde Ken Monfore

Revision Team: Created 2019 SSMP

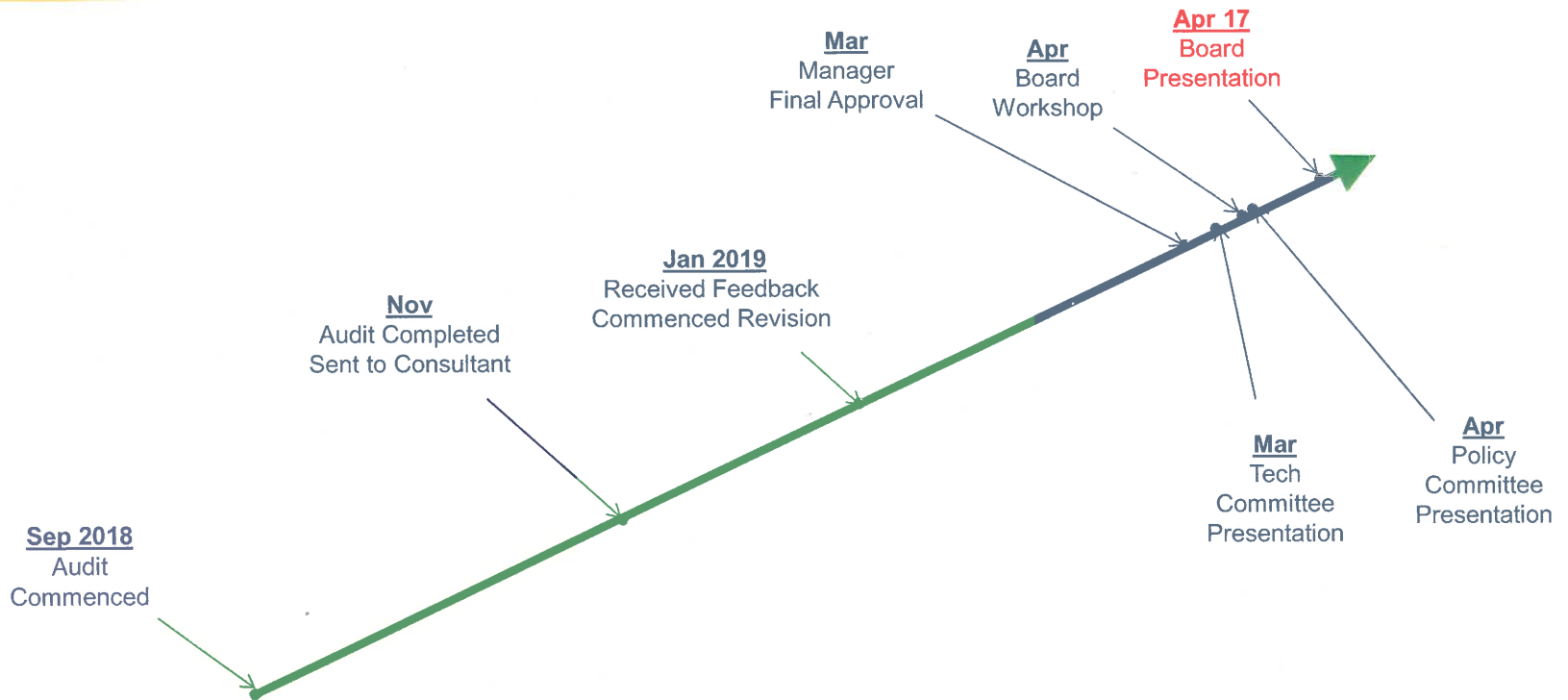


Madisen Marble Pietro Cambiaso Jerry Burke Dan Dyer Ken Monfore Andrea Carruthers

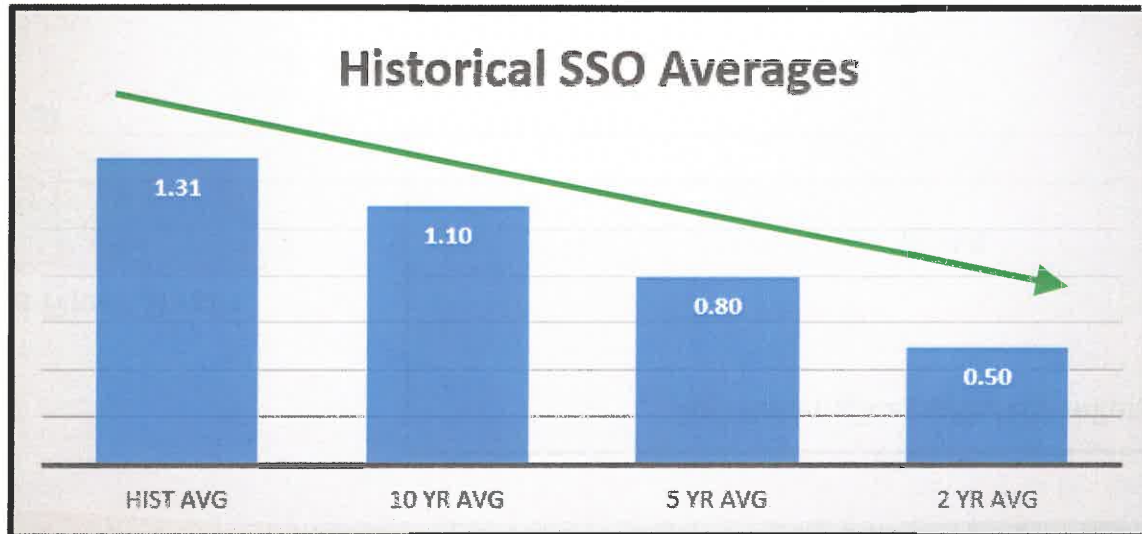
Not Pictured:

- Julio Im
- Paul Causey

Audit & Plan Revision Process

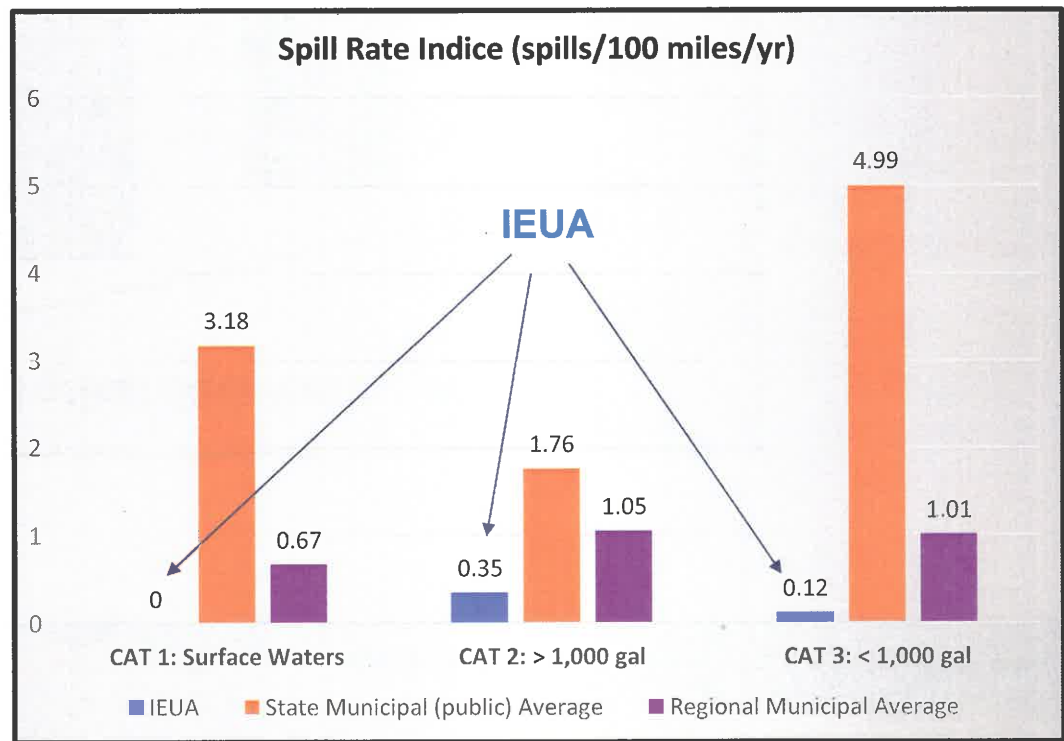


Results – IEUA Sewer System Overflows (SSO)



Comparison with State & Region (Last 5 years)

Region 8: Santa Ana River Basin



Evaluated Effectiveness

Effectiveness Evaluation	Ranking	Score
1. Element Rankings	C	2.3
2. 2014 SSMP Goals	B	3.0
3. California State Goals	B	3.3
Overall	B	2.9/4.0

Scoring	Ranking
3.6 - 4.0	A: Well Above Average
2.6 - 3.5	B: Above Average
1.6 - 2.5	C: Average
0.6 - 1.5	D: Below Average
0.0 - 0.5	F: Not In Compliance

Remaining Corrective Actions

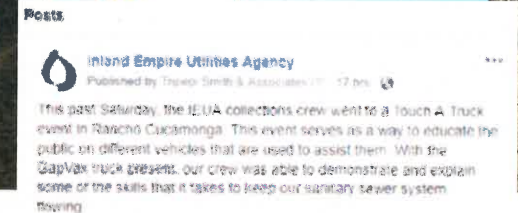
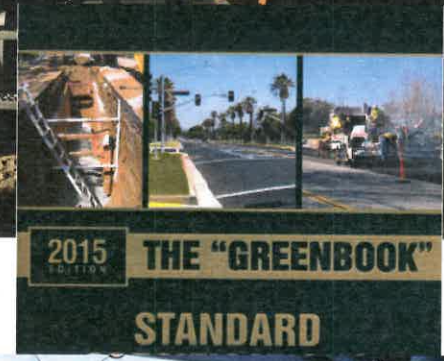
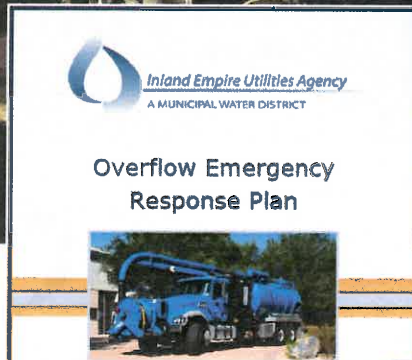
IEUA Corrective Actions
Add Storm Drain Maps
Create Water Quality Monitoring Plan
Redesign Agency Website
Update Mutual Aid Agreement
Collection Strategic Asset Management Plan

Keys to Success

Collaboration



Procedures / Standards




Training



Remaining Presentations

IEUA SSMP
Sewer System Management Plan

 *Inland Empire Utilities Agency*
A MUNICIPAL WATER DISTRICT



April 17, 2019

INLAND EMPIRE UTILITIES AGENCY
6075 Kimball Avenue
Chino, California 91708

- ✓ **Mar 28: Technical Committee**
- Apr 3: Board Workshop
- Apr 4: Policy Committee
- Apr 17: Board Presentation



Questions?



Acronyms

Acronym	Meaning
CIWQS:	California Integrated Water Quality System Project
FOG:	Fats, Oils, & Grease
MMPM:	Monitoring, Measurement, and Program Modifications
O&M:	Operations & Maintenance
OERP:	Overflow Emergency Response Plan
SECAP:	System Evaluation and Capacity Assurance Plan
SSMP:	Sewer System Management Plan
SSO:	Sanitary Sewer Overflow
WDR:	Waste Discharge Requirements
WQMP:	Water Quality Monitoring Plan

**WORKSHOP
ITEM**

1B

Budget Workshop

Proposed Biennial Budget for FYs 2019/20 and 2020/21



Proposed Biennial Budget FYs 2019/20 – 2020/21

Supports Board-Adopted Business Goals

FISCAL RESPONSIBILITY

Rate Study to ensure full recovery of costs

Financing capital projects

Cost containment

WORK ENVIRONMENT

Training & development

Succession planning

WATER RELIABILITY

Water use efficiency programs

Chino Basin Program

WASTEWATER MANAGEMENT

RP-5 expansion construction

Asset Management Program

Biennial Budget FY 2019/20 and 2020/21



Adoption of two “single-year” budgets and TYCIP

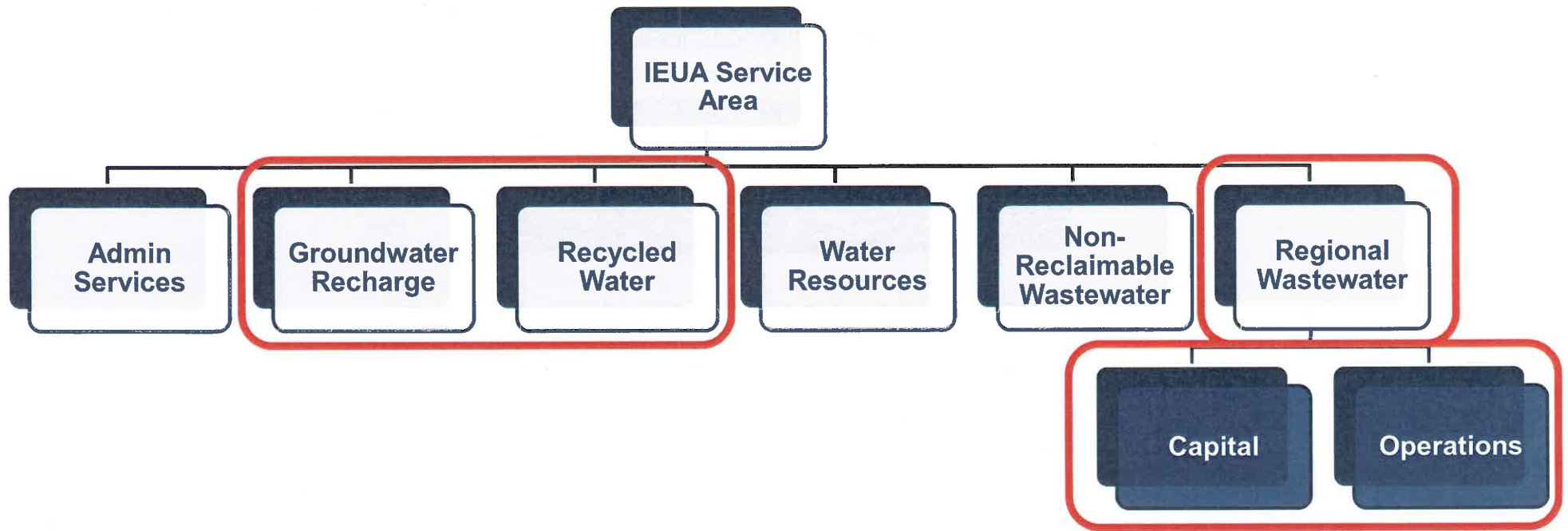


Appropriation limited to a single year



Mid-cycle review for the second budget year

IEUA Fund Structure



Key Drivers Funding Sources

- Stable and distinct revenue components
- FY 2019/20 last year of the multi-year rates adopted in 2015.
 - Rate Study Update for fiscal years beginning 2020/21.
- Conservative projection on new connections;
 - 4,000 new wastewater equivalent dwelling units (EDUs)
 - 4,000 new water meter equivalent units (MEUs)
- 3.5% average growth on property tax receipts

Current multiyear rates

Five year rates adopted June 2015 for Fiscal Years 2015/16 – 2019/20.

	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20
<i>Effective Date</i>	10/01/15	7/01/16	7/01/17	7/01/18	7/01/19
Wastewater Connection Fee/EDU	\$5,415	\$6,009	\$6,309	\$6,624	\$6,955
Monthly EDU Rate	\$15.89	\$17.14	\$18.39	\$19.59	\$20.00
Recycled Water Direct Delivery/AF	\$350	\$410	\$470	\$480	\$490
Groundwater Recharge/AF	\$410	\$470	\$530	\$540	\$550
Water Connection Fee /MEU	\$693	\$693	\$1,455	\$1,527	\$1,604
RTS TYRA 7YR Phase In	n/a	15%	30%	45%	60%
Meter Equivalent Unit	n/a	\$0.90	\$0.95	\$0.99	\$1.04

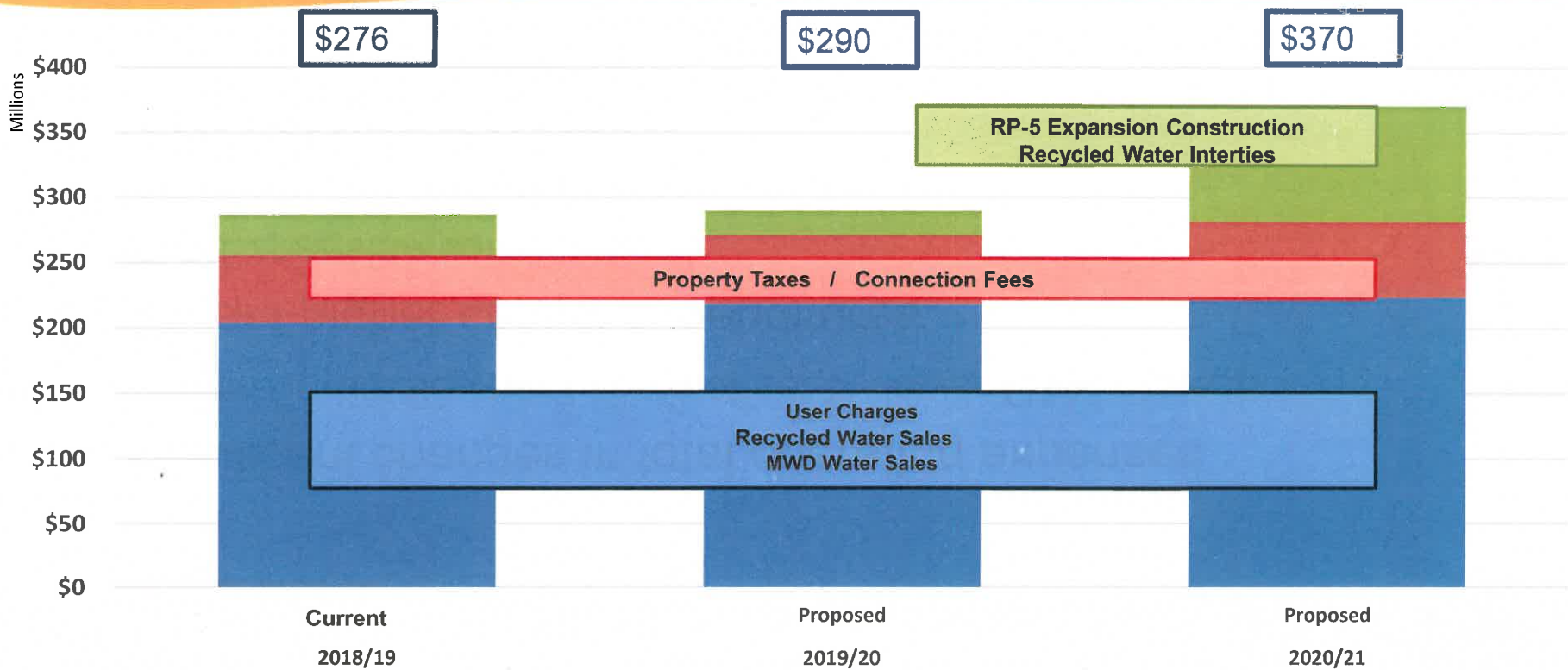
(AF) acre foot

(EDU) Equivalent Dwelling Unit

(RTS TYRA) – Readiness to Serve Ten Year Rolling Average

Total Funding Sources

(\$ Millions)



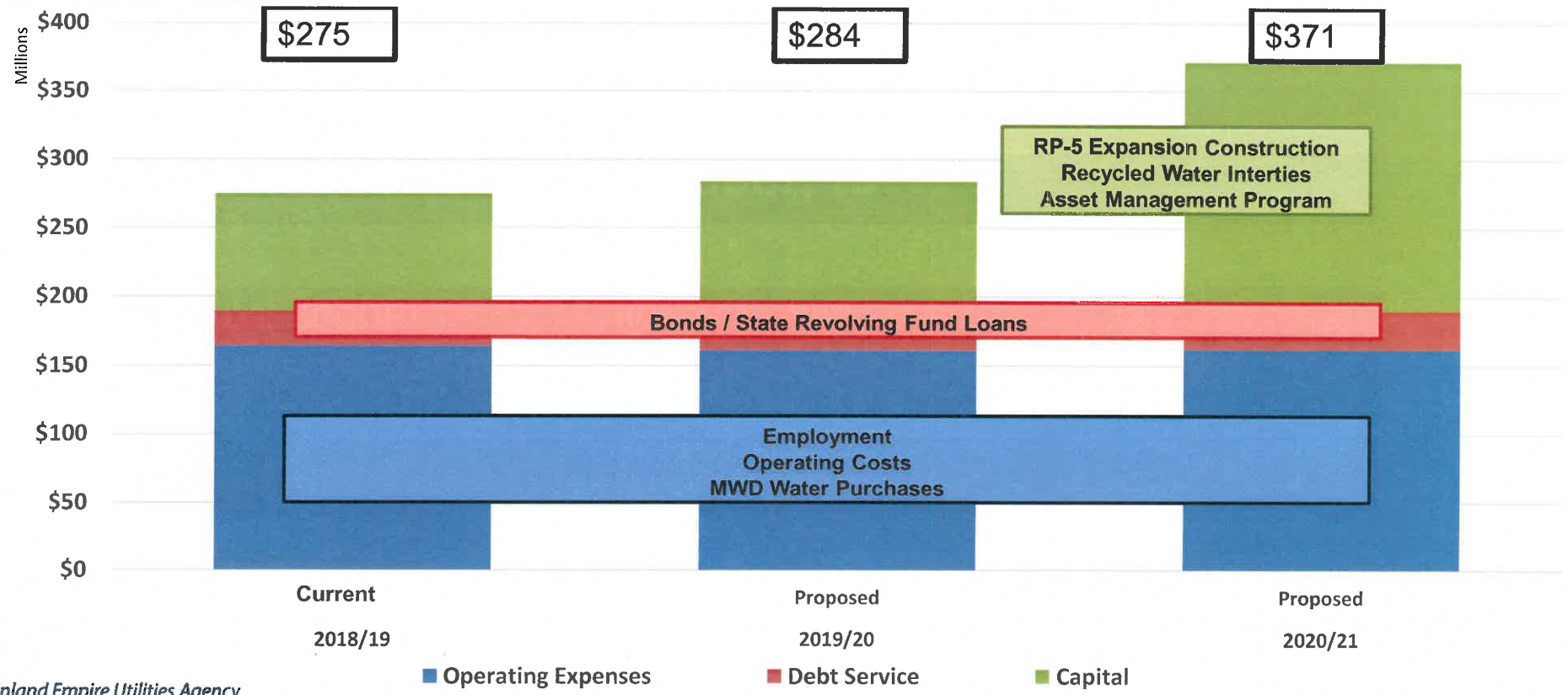
■ Operating Revenues
 ■ Non Operating Revenues
 ■ Debt Proceeds

Key Drivers Uses of Funds

- No significant changes in total operating expenses
 - Increase in employment costs offset by lower O&M projects
- Significant higher capital expenditures
 - RP-5 Expansion construction
 - Pomona/JCSD Recycled Water Interties
 - Asset Management Program
 - Chino Basin Program (CBP)

Total Uses of Funds

(\$ Millions)



Employment Costs

(\$ Millions)

	FY 2018/19 Current	FY 2019/20 Proposed	% Change	FY 2020/21 Proposed	% Change
Total Employment Cost	\$55.0	\$59.3	7.8%	\$62.6	5.6%
% TOTAL BUDGET	20%	21%		18%	

Support to

**RP-5 Expansion Construction
Asset Management Program
Chino Basin Program**

Labor allocation by program

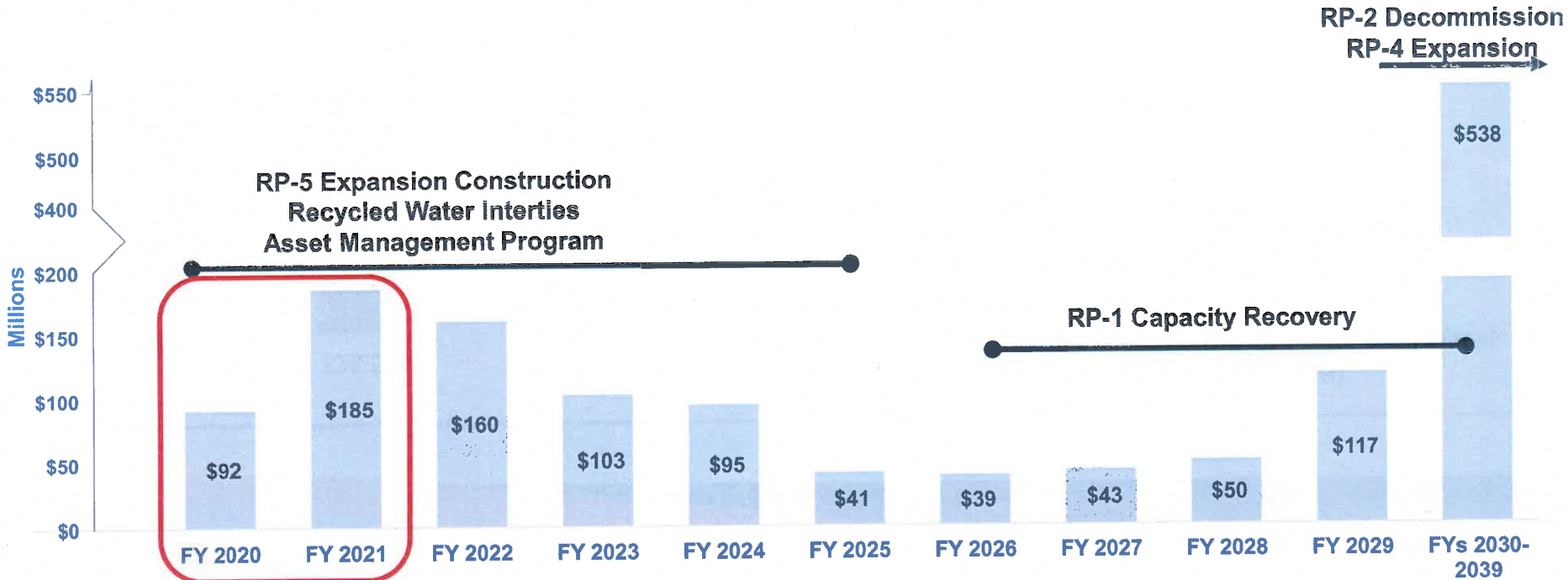
	FY 2018/19 Current	FY 2019/20 Proposed	FY 2020/21 Proposed
Wastewater	81%	80%	80%
Water	16%	17%	17%
Administration	3%	3%	3%
Grand Total	100%	100%	100%

Succession Planning

- ~30%(77 FTEs) of proposed staffing eligible to retire in the next 5 years
 - 12 identified critical positions may retire within the next 2 years
- \$800,000 per year to support succession planning
 - Timely recruitment and transition of critical positions
 - Adequate overlap for knowledge transfer and training
 - Minimize impact to productivity

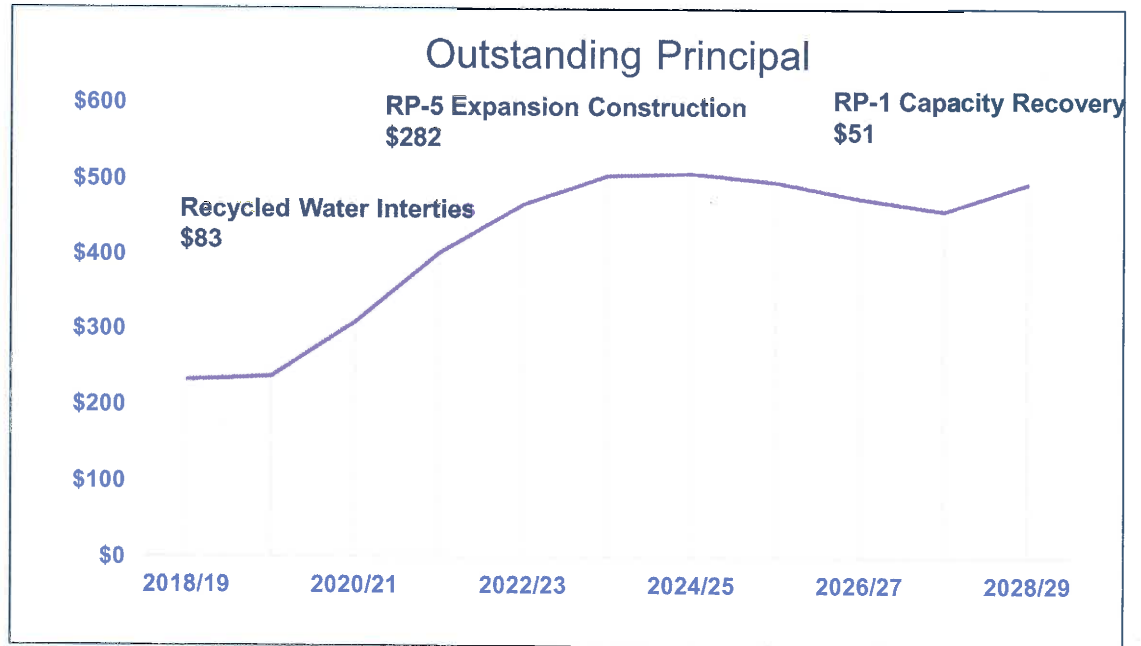
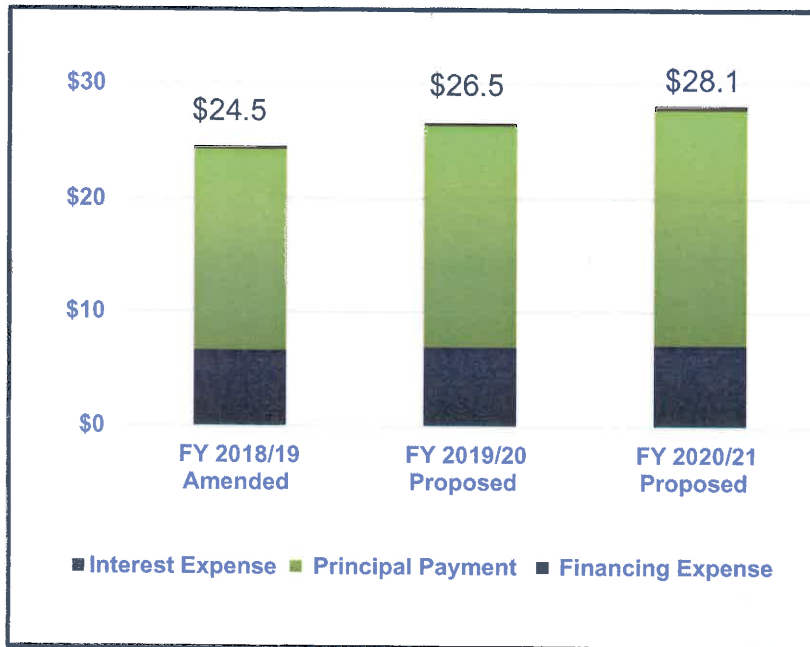
Proposed TYCIP \$924M

\$277 M planned over the next two years



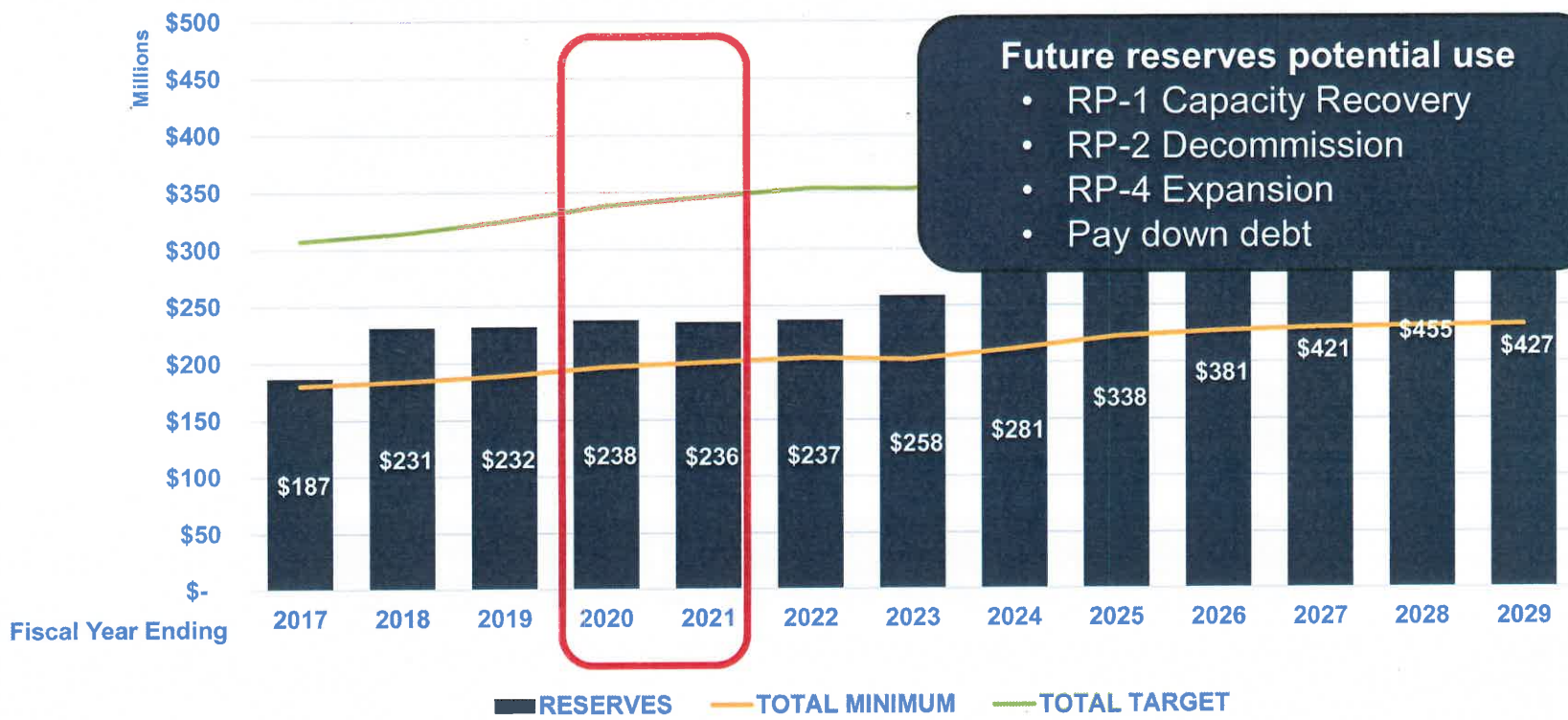
Debt Service and Outstanding Principal

(\$ Millions)



Total Reserves

(\$ Millions)



Future reserves potential use

- RP-1 Capacity Recovery
- RP-2 Decommission
- RP-4 Expansion
- Pay down debt

Key take-aways

Balanced Budget.

FY 2019/20 last year of multiyear rates. Rate study underway for FY 2020/21.

RP-5 Expansion construction phase begins evaluation of financing options.

Asset Management Program.

Chino Basin Program.

Review and Approval Timeline

Month	IEUA Committee	IEUA Board	Regional Technical Committee	Regional Policy Committee
March	03/13	03/20	03/28	
April	04/10	04/03 04/17	04/25	04/04
May	05/08	05/15	05/30	05/02
June	06/12	06/19		06/06