

***IRVINE RANCH WATER DISTRICT
OPERATING BUDGET
FISCAL YEAR 2014-15***



“ADOPTED”

April 28, 2014



OPERATING BUDGET

*Assumptions as of April 28, 2014
Fiscal Year 2014-15*

The goal of the District's budgeting process remains to fund the resources required to provide services to the District's customers as cost efficiently as possible. Over the past two years, the District's operating budget has increased marginally by aggressively pursuing reductions in expenses to offset uncontrollable expenses such as pass-through rate increases from outside agencies on which the District depends for the purchase of water and the treatment of wastewater and biosolids. In FY 2014-15, pass through increases in the cost of water and electricity were significantly higher than in prior years in addition to increasing water needs from the prior year due to higher sales resulting from District growth and the drought. The additional demands are met by purchasing imported water from the Municipal Water District of Orange County (MWDOC) which is the District's most expensive alternative. Some of the increased costs were the result of pass-through increases, including a 6.5% increase from the Orange County Water District (OCWD) and a 3.7 % increase from MWDOC. Other pass-through costs increases include a 12% estimated increase from Southern California Edison (SCE), in addition to an 11% increase over budget from the prior year. The FY 2014-15 Operating Budget also includes additional expenses associated with operating and maintaining substantial new capital facilities, some currently under construction and others recently completed.

This document is a preliminary summary of the major assumptions driving the development of the operating budget for FY 2014-15 for input by the Board.

I. REVENUES

Growth Estimates:

Residential development growth included both apartments and single family homes for FY 2014-15. The unit estimate is based on the most current projections received from the major developers in the service area. Current estimates identify approximately 2,900 mixed units coming on line in FY 2014-15. As a result, the growth factor for residential development was estimated at 1.5% for FY 2014-15.

The District experienced an increase in commercial volume which is helping to meet a return of the base that was lost previously from the economy. Current development projections for the commercial/industrial sector identify nearly 30 acres of development occurring in FY 2014-15 as well as 45 acres developing in the current fiscal year. Staff included a 1% growth rate for commercial and industrial development for FY 2014-15. Revenue assumptions used to estimate sewer revenue match the assumptions included for potable water.

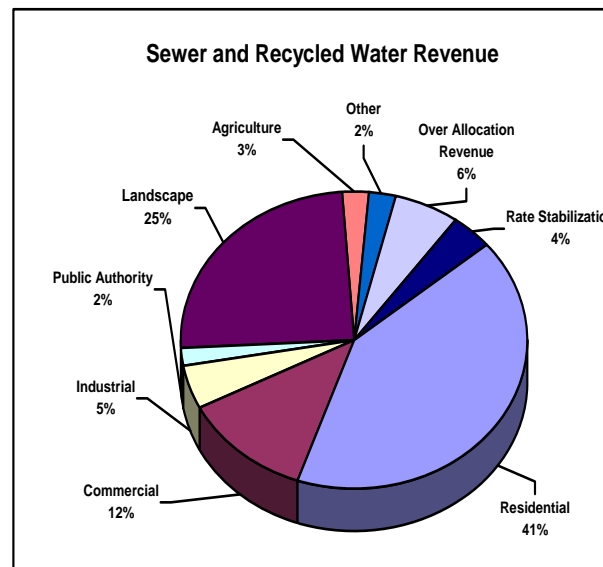
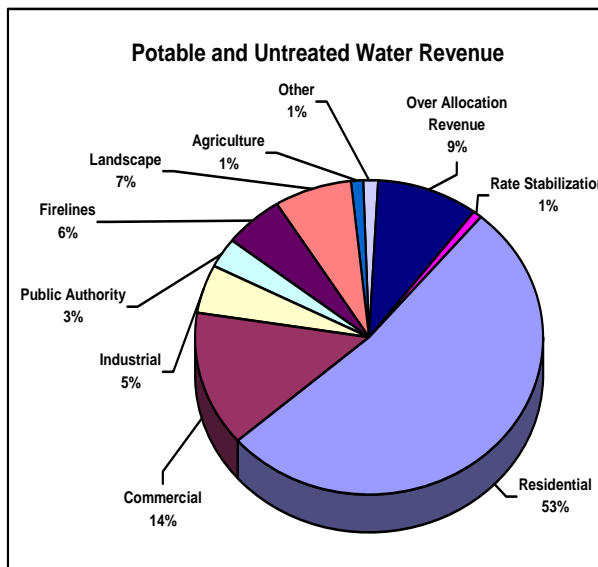


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*Assumptions as of April 28, 2014
Fiscal Year 2014-15*

FY 2014-15 Estimate for Operating Revenue Sources, by Customer Type (in thousands):

Customer Type	Sewer/ Recycled		Total
	Water	Water	
Residential	\$ 35,725	\$ 26,844	\$ 62,569
Commercial	9,349	7,933	17,282
Industrial	3,583	3,108	6,691
Public Authority	2,005	1,253	3,258
Fire Protection	3,807	0	3,807
Landscape Irrigation	4,872	16,058	20,930
Agriculture Irrigation	813	1,650	2,463
Other	937	1,599	2,536
Over Allocation Revenue	6,428	3,958	10,386
Rate Stabilization	516	2,522	3,038
Total	\$ 68,035	\$ 64,925	\$ 132,960



The projected revenue sources and their respective percentage of the total are presented in the graph above. Total Residential, Landscape, Commercial, and Industrial revenue constitute approximately 80% of the total operating revenues.

The "Other" category in the chart above includes revenue from the following sources in the order of total estimated receipts:

- Construction/Temporary accounts
- United States Department of the Navy contribution for the Shallow Ground Water Unit identified as Irvine Desalter Project (IDP) Reimbursements
- Recycled water sales to the Santa Margarita Water District
- Green Acres Project (GAP) recycled water sales
- Recycled Water Conversion Loan payments



OPERATING BUDGET

*Assumptions as of April 28, 2014
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Internal Cost of Service Study:

Each year, staff reviews the revenue generated from commodity and service charges and proposes rate increases that maintain the District's approach of connecting the all-in cost of water to the commodity rate and providing for all other operating costs being funded from the fixed rate service charge.

District staff has prepared a cost of service analysis in order to ensure the rate setting practice is consistent with industry cost of service principles and state law requirements. This study provides for a review of District costs and comparison to industry standards. The analysis includes:

- Review the allocation of costs between commodity and service charge revenue; and
- Review of the allocation of costs between the meter sizes for proportionality.

An analysis of the results indicates that the allocation of costs between commodity and fixed service charge revenue is appropriate. It also identifies a need to re-establish the proportionality for certain meter charges. Specifically, certain residential meter charges between 3/4" and 2" require increases and certain larger meter charges will be reduced. Increasing the charges in one year would be significant for some of the smaller residential meters. Staff included 100% of the reductions identified in the study to existing rates and applied 50% of the increase to the 3/4", 1", 1.5", and 2" residential meters with the remainder to be captured in the following year, prior to any rate increase identified for FY 2014-15.

Meter Size	Capacity (gpm)	Factor	Current Rate	Recommended		# of Meters
				Proposed	Change	
5/8"	20	1	9.85	9.85	0	0
5/8x3/4	20	1	9.85	9.85	0	69,446
3/4"	30	1.5	9.85	12.32	2.47	11,702
1" Residential	50	2.5	9.85	17.24	7.39	9,391
1" Commercial	50	2.5	19.45	24.63	5.18	1,817
1.5" Residential	100	5	23.2	36.23	13.03	2,082
1.5" Commercial	100	5	53.85	49.25	-4.60	3,544
2" Residential	160	8	31.75	55.28	23.53	1,750
2" Commercial	160	8	88.65	78.8	-9.85	4,956
4" compound	500	25	342.2	246.25	-95.95	4
6" compound	1000	50	549.4	492.5	-56.90	10
8" compound	1600	80	1226.65	788	-438.65	4
2" turbo	190	9.5	118.85	93.58	-25.27	1,364
3" turbo	435	21.75	272.95	214.24	-58.71	532
4" turbo	750	37.5	811.15	369.38	-441.77	218
6" turbo	1600	80	1435.7	788	-647.70	44
8" turbo	2800	140	2099.7	1379	-720.70	22
10" turbo	4200	210	3268.35	2068.5	-1199.85	15
16' prop	5700	285	3301.85	2807.25	-494.60	3
Totals						106,910



OPERATING BUDGET

Assumptions as of April 28, 2014 *Fiscal Year 2014-15*

The District plans to prepare a more detailed cost of service study on all aspects of the District's rates and charges prior to the rate setting process for FY 2015-16.

II. OPERATING EXPENSES

Notable expected changes in operating expenses are addressed below by system and function:

A. Treated Water

The state is facing a significant drought and District customers will be receiving this messaging from a variety of sources. In addition, the District will make efforts to do its part in encouraging its customers to conserve.

Staff considered approaches that will apply conservation efforts where possible and to include a price signal in the messaging rewarding those who are conserving.

In a drought year, the District intends to encourage conservation by making customers that use more water pay for it. The District utilized its Demand and Elasticity Model to forecast the impact of various scenarios on conservation and two changes in allocation were identified that are expected to reduce total demands:

- The Gallons Per Capita per Day (GPCD) was reduced from 55 to 50 because the average residential customer currently uses less than 55 GPCD; and
- Each of the Over Allocation tiers for residential customers were tightened by 20% to match the messaging being promoted. Landscape allocations were not changed because they are significantly tighter.

Other factors that may influence demands within the District include the messaging from outside agencies and changes within rates and charges.

As a result, the District estimates the potable sales for FY 2014-15 to be 55,634 acre feet (AF).

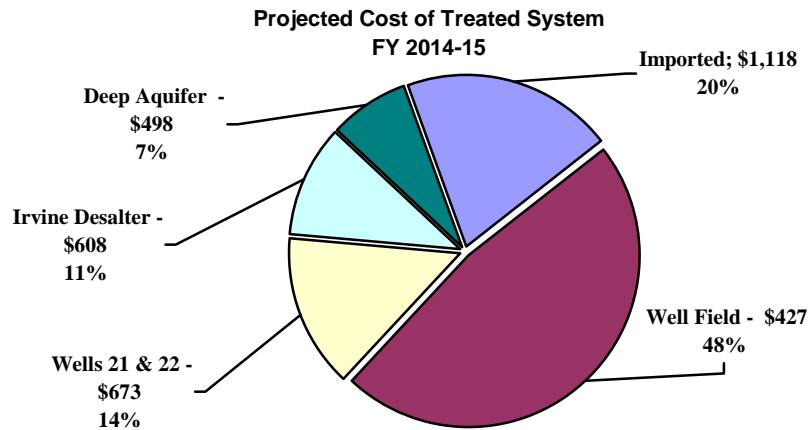
The Sources used to meet potable demands, their respective cost per AF, inclusive of labor, electricity, chemicals, etc., and their respective share of the total water



OPERATING BUDGET

*Assumptions as of April 28, 2014
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purchased are identified in the graph.



Groundwater Production

The major assumptions associated with the respective sources of water include the following:

- The current Replenishment Assessment (RA) is \$276 per AF and the rate used is \$294 per AF. The District's basin production percentage (BPP) is set at 70%.
- The Dyer Road Well Field (DRWF) pumping costs:
 - Actual energy usage will be factored with a rate increase of 12%.
 - Chemical expense is relatively flat.
- Primary changes in costs include a \$18 per AF estimated rate increase for RA and a 12% increase in energy for the Irvine Desalter Project (IDP), the Potable Treatment Plant (PTP), and the Deep Aquifer Treatment System (DATS).

Treated Water – Metropolitan Water District of Southern California (MWD)

- MWD is expected to increase its rates again on January 1, 2015 by 3.7% and other components will have a small net increase for the District. Readiness-to-Serve (RTS) will increase by 4.7%, the capacity charge (CC) will increase by 16.7%.
 - RTS from \$1.29 million to 1.35 million;
 - CC from \$0.30 million \$0.35 million; and
- Staff assumes no substantial change to the costs associated with the IRWD Reservoir Management Systems.
- Los Alisos rate area demands are met almost entirely from MWD/MWDOC imported water.



OPERATING BUDGET

Assumptions as of April 28, 2014 Fiscal Year 2014-15

Untreated Water

The sources for untreated water for FY 2014-15 will include purchased water.

- MWDOC purchases, and Santiago Aqueduct Commission (SAC) water is expected to be used to meet all untreated demands.
- Any MWDOC increases discussed above also apply to purchases for the untreated system.

B. Sewer and Recycled Water

Sewer:

Production and storage generated from operations at the Michelson Water Recycling Plant (MWRP) and Los Alisos Water Recycling Plant (LAWRP) are expected to provide 22,300 AF of recycled water for FY 2014-15.

Recycled:

- Total recycled demand is estimated at 29,367 AF.
 - The Irvine Desalter will provide an additional 2,900 AF net of water lost through treatment.
 - SAC water will provide an additional 282 AF of water.
 - The recycled water system is expected to purchase 5,355 acre-feet of supplemental water from the untreated system.

C. Salaries and Benefits

- Each year, staff prepares a labor budget based upon the total positions in the organization chart, expected merit and cost of living increases, and promotional allowances.
 - Each salary is identified and included in January and then projected forward adding merit increases that are based on prior review ratings where necessary in order to reach a starting July salary base.
 - New Positions and promotions are added and all salaries are projected forward on a month by month basis.
 - In December, a COLA and promotional factor are applied to all salaries - Assumed at 2.0% and 0.9%, respectively.
 - Although staffing is below the current budget, staff anticipates all positions being occupied by FY 2014-15.



OPERATING BUDGET

*Assumptions as of April 28, 2014
Fiscal Year 2014-15*

Regular Salaries and Wages	
FY 2013-14 Labor	\$27,221
Additions	861
Promotions	154
COLA	557
Merit	304
Total	\$29,097

The following table identifies the current and proposed contribution of the District toward employee benefits.

Additional Contributions Provided by the District		
	FY 13-14	FY 14-15
PERS Employer Contribution	16.8%	17.7%
PERS in Excess of ARC	<u>8.2%</u>	<u>7.3%</u>
Combined Total	25.0%	25.0%
District Employee Contribution	1.6%	0.0% ¹
District's Senior Staff Contribution	0.0%	0.0%
401A Matching Contribution of 3%	2.8%	2.8%

III. USE OF OTHER FUNDS

A. Over Allocation Revenue

Over Allocation Revenue is used to offset the following expenses:

- The low volume shortfall is the rate difference between the low volume rate and the base rate. Over allocation revenue is used to offset this differential.
- Budgeted conservation expenses are funded from over allocation revenue and conservation funds if expense exceeds actual revenue.
- Urban runoff (NTS) and San Joaquin Marsh maintenance expenses are the third component of expenses funded using over allocation revenue and conservation funds.
- For FY 2014-15, over allocation tiers will also be used to fund the MWDOC cost of water (approximately \$900 per AF).
- Total costs funded using over allocation revenue is expected to exceed over allocation revenue projected in FY 2014-15. The conservation fund (\$19.1M) will provide funding for those costs that exceed over allocation revenue.

¹ The District's employee contribution is 1.6% and it will terminate in March 2015.



OPERATING BUDGET

Assumptions as of April 28, 2014 Fiscal Year 2014-15

B. Enhancement Fund User Rate Component

The current enhancement fund contribution for both the water and sewer system for FY 2013-14 was a combined \$1.40 per month (\$0.70 each for water and sewer) for the average residential customer. No increase was built into this rate for FY 2014-15.

C. Replacement Fund User Rate Component

The current sewer service charge of \$6.05 per month for the average residential customer in FY 2013-14 will increase by \$0.65 to \$6.70, to provide additional funding for the Biosolids project. No increase was assumed for the water service charge replacement component. The combined replacement contribution for FY 2014-15 will be \$7.50 per month for the average residential customer.

D. Rate Stabilization – Replacement Fund

The District has elected to use the Replacement Fund to minimize the impact of the rate increases for FY 2014-15. This is due to significant one time increases experienced in FY 2014-15. This use of the Replacement Fund will provide \$3.0 million to offset increases included in FY 2014-15 proposed budget.

IV. ALLOCATION OF COSTS BETWEEN IRWD & LOS ALISOS RATE AREAS

- A. Costs that are directly related to providing service or are clearly associated with the Irvine Ranch or Los Alisos rate areas for treated water are allocated to the respective system expenses of that rate area.
- B. Those costs that are attributable to system operations but that are not unique to one rate area are allocated based upon the ratio of the budgeted acre-feet.
- C. All direct labor costs are allocated General & Administrative (G&A) charges based upon the budgeted G&A factor.

Irvine Ranch Water District
Consolidated Operating Budget for All Departments for FY 2014-15

<u>Expense Category / Name</u>		2012-13 Actual	2013-14 Actual thru 12/31/13	2013-14 Orig Budget	2014-15 Prop	Incr/(Decr)
Salaries & Benefits	Regular Labor	18,598,378	12,839,909	27,221,420	29,097,300	1,875,880
	Overtime Labor	1,095,682	725,540	1,131,560	1,448,615	317,055
	Employee Benefits	12,023,334	5,845,149	15,094,100	15,701,750	607,650
	Contract Labor	1,522,426	951,820	1,216,550	1,282,190	65,640
	Total	33,239,820	20,362,418	44,663,630	47,529,855	2,866,225
Purchased Water & Utilities	Water Purchases	31,285,119	16,852,468	26,352,300	31,528,450	5,176,150
	Electricity	9,750,931	6,720,106	11,686,240	16,033,150	4,346,910
	Fuel	745,365	353,512	730,500	733,800	3,300
	Telecommunication	334,900	192,060	394,300	418,700	24,400
	Other Utilities	66,921	72,961	110,500	137,320	26,820
	Total	42,183,236	24,191,107	39,273,840	48,851,420	9,577,580
Material & Supplies	Chemicals	3,068,152	1,747,665	2,867,190	2,133,340	(733,850)
	Operating Supplies	649,200	483,353	1,122,760	1,205,660	82,900
	Printing	230,964	80,829	362,150	337,550	(24,600)
	Postage	515,636	295,137	507,720	515,060	7,340
	Permits, Licenses and Fees	389,027	467,402	753,945	887,075	133,130
	Office Supplies	71,326	33,144	91,600	85,300	(6,300)
	Duplicating Equipment	193,496	84,991	189,000	174,000	(15,000)
	Equipment Rental	116,519	52,170	114,860	118,700	3,840
	Total	5,234,320	3,244,691	6,009,225	5,456,685	(552,540)
Professional Services	Rep & Maint Other Agencies	10,121,572	5,446,413	11,222,140	11,419,560	197,420
	Rep & Maint IRWD	6,666,542	3,343,836	6,595,580	6,967,620	372,040
	Insurance	1,065,841	577,843	702,500	984,500	282,000
	Legal Fees	417,016	170,034	417,500	485,000	67,500
	Engineering Fees	221,886	289,973	505,800	539,100	33,300
	Accounting Fees	60,983	33,943	84,500	74,500	(10,000)
	Data Processing	1,111,391	830,869	1,326,500	1,625,500	299,000
	Personnel Training	801,203	421,421	895,530	968,510	72,980
	Personnel Physicals	19,549	20,356	39,000	43,000	4,000
	Other Professional Fees	1,422,785	574,098	1,924,420	2,361,550	437,130
	Directors' Fees	141,134	58,421	142,200	142,000	(200)
Total	22,049,902	11,767,207	23,855,670	25,610,840	1,755,170	
Other	Mileage Reimbursement	123,065	48,822	117,000	117,000	0
	Collection Fees	30,954	1,054	20,000	20,500	500
	Election Expense	100,000	15,000	30,000	30,000	0
	Safety	82,518	43,471	100,180	96,800	(3,380)
	Alarm and Patrol Services	75,349	30,095	130,000	130,000	0
	Biosolids Disposal	186,386	176,352	291,000	402,300	111,300
	Commuter Program	88,751	81,474	142,000	142,000	0
	Computer Backup Storage	19,838	8,756	21,000	21,000	0
	Contract Meter Reading	1,109,142	615,902	1,230,980	1,272,000	41,020
	Other	28,178	(3,290)	18,100	21,600	3,500
	Conservation	924,381	269,627	1,157,000	942,000	(215,000)
	Total	2,768,562	1,287,263	3,257,260	3,195,200	(62,060)
GRAND TOTAL		105,475,840	60,852,686	117,059,625	130,644,000	13,584,375

SOURCES AND USES OF FUNDS

CONSOLIDATED OPERATING BUDGET

Fiscal Year Ending June 30, 2015

(in thousands)

Revenues:	Water	Sewer/ Recycled	Total
Residential	\$ 33,670	\$ 24,660	\$ 58,330
Commercial	8,830	7,290	16,120
Industrial	3,330	2,860	6,190
Public Authority	1,870	1,090	2,960
Construction/Temporary	900	990	1,890
Fire Protection	3,690		3,690
Landscape Irrigation	4,540	14,060	18,600
Agriculture Irrigation	770	1,380	2,150
IDP Reimbursements		520	520
Over Allocation Revenues	4,840	2,921	7,761
Over Allocation Funds	1,589	1,033	2,622
Funded by Proposed User Rate Increase	3,490	5,599	9,089
Rate Stabilization Fund	516	2,522	3,038
Total Revenues	\$ 68,035	\$ 64,925	\$ 132,960
Proposed Enhancement & Replacement Capital Project Contribution	(3,830)	(15,705)	(19,535)
Net Revenues	\$ 64,205	\$ 49,220	\$ 113,425
Expenses:			
Water	\$ 36,610	\$ 17,800	\$ 54,410
Labor	5,675	4,135	9,810
Materials & Supplies	8,225	7,330	15,555
OCSD - O & M		9,800	9,800
General Plant	460	420	880
General and Admin Expense	10,330	7,525	17,855
Marsh/NTS/Conservation	2,905	2,210	5,115
Total Expenses	\$ 64,205	\$ 49,220	\$ 113,425
Income (Loss) From Operations	\$ 0	\$ 0	\$ 0



NON-OPERATING

SUMMARY OF SOURCES AND USES

(in thousands)

	<u>Total</u>
Non-operating Sources:	
Property Taxes	\$38,763
Investment Income	1,088
Connection Fees	16,615
Real Estate Income	12,086
Other Income	5,263
Total Sources	<u>\$73,815</u>
Non-operating Uses:	
Interest Expense	\$20,972
Real Estate Expense	6,271
Other Expenses	257
Total Uses	<u>\$27,500</u>
Net Sources & Uses	<u><u>\$46,315</u></u>



Selected Comparison of Current and Proposed Residential Rates

	Irvine Ranch		Los Alisos		Orange Park Acres	
Current Residential Rates:	Water	Sewer/ Recycled Water	Water	Sewer/ Recycled Water	Water	Sewer/ Recycled Water
Commodity Rate	\$1.27	\$1.11	\$2.24	\$1.11	\$1.79	
Residential Service	\$9.85	\$18.40	\$9.85	\$18.40	\$18.35	
Commodity (18 ccf)	\$19.98		\$34.48		\$34.94	
Current Monthly	\$48.23		\$62.73		\$53.29	
Proposed Residential Rate Adjustment:						
Base Commodity Rate	\$1.34	\$1.19	\$2.31	\$1.19	\$1.86	
Operations	\$9.00	\$13.10	\$9.00	\$13.10	\$17.50	
Replacements	\$0.80	\$6.70	\$0.80	\$6.70	\$0.80	
Enhancements	\$0.70	\$0.70	\$0.70	\$0.70	\$0.70	
Total Service Charge	\$10.50		\$10.50		\$19.00	
Commodity	\$20.44		\$35.18		\$36.20	
Proposed Monthly	\$51.44		\$66.18		\$55.20	
Current Monthly	\$48.23		\$62.73		\$53.29	
Difference	\$3.21		\$3.45		\$1.91	
Change %	6.7%		5.5%		3.6%	



Selected Comparison of Current and Proposed Residential Rates

	Irvine Ranch *		Los Alisos		Orange Park Acres *	
Current Residential Rates:	Water	Sewer/ Recycled Water	Water	Sewer/ Recycled Water	Water	Sewer/ Recycled Water
Commodity Rate	\$1.27	\$1.11	\$2.24	\$1.11	\$1.79	
Residential Service	\$9.85	\$18.40	\$9.85	\$18.40	\$18.35	
Commodity (18 ccf)	\$19.98		\$34.48		\$34.94	
Current Monthly	\$48.23		\$62.73		\$53.29	
Proposed Residential Rate Adjustment:						
Base Commodity Rate	\$1.36	\$1.21	\$2.31	\$1.21	\$1.88	
Operations	\$9.00	\$13.10	\$9.00	\$13.10	\$17.50	
Replacements	\$0.80	\$6.70	\$0.80	\$6.70	\$0.80	
Enhancements	\$0.70	\$0.70	\$0.70	\$0.70	\$0.70	
Total Service Charge	\$10.50		\$10.50		\$19.00	
Commodity	\$20.64		\$35.18		\$36.56	
Proposed Monthly	\$51.64		\$66.18		\$55.56	
Current Monthly	\$48.23		\$62.73		\$53.29	
Difference	\$3.41		\$3.45		\$2.27	
Change %	7.1%		5.5%		4.3%	

* Includes an additional \$0.02 per ccf for a potential scheduled step-up during the year that will be identified in the Prop 218 notices.



REVENUE

BUDGETED REVENUE SUMMARY BY SYSTEM

(in thousands)

	<u>FY 2013-14</u>	<u>Usage Change</u>	<u>Proposed Rate Inc.</u>	<u>FY 2014-15</u>
Water				
Service	\$ 21,481	\$ (42)	\$ 1,794	\$ 23,233
Enhancement	1,787	1	-	1,788
Replacement	2,042	-	-	2,042
Commodity	31,922	(992)	1,696	32,626
Low Volume	1,969	443	-	2,412
Over Allocation Revenue	3,201	(296)	1,111	4,016
Pumping Surcharge	749	13	-	762
Miscellaneous	460	180	-	639
Rate Stabilization	-	-	516	516
	<u>\$ 63,611</u>	<u>\$ (693)</u>	<u>\$ 5,117</u>	<u>\$ 68,035</u>
AF Sales	55,837	(204)		55,634
User Type				
Residential	\$ 32,729	\$ 942	\$ 2,054	\$ 35,725
Commercial	9,336	(510)	522	9,349
Industrial	3,741	(413)	255	3,583
Public Authority	1,974	(104)	135	2,005
Construction/Temp.	796	103	38	937
Fire Protection	3,918	(227)	117	3,807
Landscape Irrigation	5,083	(542)	330	4,872
Agriculture Irrigation	863	(90)	40	813
Over Allocation Revenue	5,170	147	1,111	6,428
Rate Stabilization	-	-	516	516
	<u>\$ 63,611</u>	<u>\$ (693)</u>	<u>\$ 5,117</u>	<u>\$ 68,035</u>



REVENUE

BUDGETED REVENUE SUMMARY BY SYSTEM

<i>(in thousands)</i>	<u>FY 2013-14</u>	<u>Usage Change</u>	<u>Proposed Rate Inc.</u>	<u>FY 2014-15</u>
Sewer and Recycled				
Service	\$ 24,541	\$ 91	\$ 3,160	\$ 27,792
Enhancement	1,485	0	-	1,486
Replacement	12,914	-	1,416	14,330
Commodity	11,343	986	1,023	13,352
Low Volume	1,133	165	-	1,298
Over Allocation Revenue	2,207	3	450	2,660
Pumping Surcharge	436	(20)	-	416
Miscellaneous	400	150	-	550
IDP Reimbursements	520	-	-	520
Rate Stabilization	-	-	2,522	2,522
	<u>\$ 54,980</u>	<u>\$ 1,374</u>	<u>\$ 8,571</u>	<u>\$ 64,925</u>
AF Sales	27,920	1,447		29,367
User Type				
Residential	\$ 23,769	\$ 891	\$ 2,184	\$ 26,844
Commercial	6,698	588	647	7,933
Industrial	2,791	66	251	3,108
Public Authority	1,383	(292)	162	1,253
Landscape Irrigation	14,310	(247)	1,995	16,058
Recycled Loans	6	(5)	0	1
Agriculture Irrigation	2,111	(734)	273	1,650
Construction/Temp.	53	938	87	1,078
IDP Reimbursements	520	-	-	520
Over Allocation Revenue	3,340	168	450	3,958
Rate Stabilization	-	-	2,522	2,522
	<u>\$ 54,980</u>	<u>\$ 1,373</u>	<u>\$ 8,571</u>	<u>\$ 64,925</u>

COST OF WATER

BUDGETED COST OF WATER

<i>(in thousands)</i>	FY 2013-14		FY 2014-15		Change	
	Acre Feet	Total	Acre Feet	Total	Acre Feet	Total
Irvine Ranch Rate Area						
<u>TREATED</u>						
Purchased from MWDOC	2,467	\$ 3,457	3,488	\$ 4,643	1,021	\$ 1,186
Dyer Road Well Field	28,000	10,848	28,000	11,968	0	1,120
Deep Aquifer Treatment System	8,400	3,747	8,400	4,185	(0)	438
Lost to Production	(840)		(168)		672	
Wells 21 & 22 Desalter	6,300	4,415	6,300	4,237	-	(178)
Lost to Production	(630)		(945)		(315)	
Irvine Desalter Project	4,200	2,190	4,365	2,654	165	464
Lost to Production	(420)		(655)		(235)	
Water Banking		288		646	-	358
DATS Capital Cost Refunding		597		-		(597)
Total Shrinkage	(963)		(2,323)		(1,360)	
<u>UNTREATED</u>						
Purchased from MWDOC	1,090	\$ 653	7,434	5,111	6,343	\$ 4,458
Native Water	1,367	144	0	0	(1,367)	(144)
Santiago Aqueduct Commission	180	134	180	111	-	(23)
Transfer to RW System	(258)	(123)	(5,355)	(3,682)	(5,097)	(3,559)
Total Shrinkage	(132)		(108)		24	
Total Irvine Ranch	48,761	\$ 26,350	48,614	\$ 29,874	(147)	\$ 3,524
Los Alisos Rate Area						
Purchased from MWDOC	6,945	7,100	6,939	7,018	(6)	(82)
Well Water	432	0	432	23	-	23
Total Shrinkage	(301)		(351)		(50)	-
Total Los Alisos	7,076	\$ 7,100	7,020	\$ 7,041	(56)	\$ (59)
Total Potable and Untreated Water	55,837	\$ 33,450	55,634	\$ 36,916	(203)	\$ 3,466

Assumptions:

OCWD - replenishment assessment estimate - \$294/acre foot.

MWDOC - Includes a 3.8% increase that will be effective January 1, 2015 from MWD.

COST OF WATER

BUDGETED COST OF RECYCLED WATER

<i>(in thousands)</i>	FY 2013-14		FY 2014-15		Change	
	Acre Feet	Total	Acre Feet	Total	Acre Feet	Total
Groundwater	0		-	0	-	-
Irvine Desalter Project	3,380	1,707	2,900	1,005	(480)	(702)
SAC Water	282	337	282	174	-	(163)
MWRP / LAWRP Production	25,734	8,804	22,299	8,228	(3,435)	(576)
Transfer from Untreated System	258	122	5,355	3,682	5,097	3,560
<i>Total Shrinkage</i>	(1,734)		(1,468)		266	
Total Recycled	<u>27,920</u>	<u>\$ 10,970</u>	<u>29,367</u>	<u>\$ 13,088</u>	<u>1,447</u>	<u>\$ 2,118</u>
Total Cost of Water for Billed Usage	<u>83,757</u>	<u>\$ 44,420</u>	<u>85,001</u>	<u>\$ 50,004</u>	<u>1,244</u>	<u>\$ 5,584</u>



GENERAL MANAGER'S OFFICE

OPERATING BUDGET SUMMARY

Program Description

The General Manager's Office implements the policies established and direction provided by the Board of Directors and, in so doing, provides overall direction to staff to complete that effort.

The General Manager's office also:

- Provides direct services to and communications with the Board of Directors;
- Produces and distributes Board, Board Committee and Ad Hoc Committee meeting packets;
- Schedules all Board, Board Committee, Ad Hoc Committee and annual/special independent corporation meetings;
- Produces the minutes of all Board meetings;
- Maintains all Board resolutions;
- Schedules other meetings and functions on behalf of the Board members and makes travel arrangements, as needed;
- Maintains records of all inter-agency agreements, deeds and easements;
- Maintains records for the various independent corporations;
- Maintains necessary inter-governmental relations;
- Responds to, or directs response to, all media inquiries; and
- Responds to all public information requests.

The General Manager's Office works with the Board of Directors and staff to establish Goals and Objectives for all departments across the District. On January 10, 2014, staff reviewed the Goals and Objectives with the Board for the calendar year. They are summarized as follows:

Strategic Objectives: Water Reliability, Cost Effectiveness, Innovation, Water Policy

IRWD Groundwater Development Program:

- Complete the water quality testing, environmental permitting, design and construction of groundwater production facilities and well head treatment, as required, to produce water at or above IRWD's allowable Basin Production Percentage (BPP);
 - Well 115 and OPA Well 1 – Complete construction;
- Advocate for increased availability of replenishment water for local groundwater replenishment efforts and for IRWD water banking efforts;
- Complete the investigation of a joint well project with East Orange County Water District;
- Work with Orange County Water District (OCWD) to complete the annexation of additional IRWD territory through the LAFCO process;
- Work with OCWD to develop a policy clarifying the inclusion of recycled water demands in OCWD's calculation of the BPP; and
- Update the IRWD Groundwater Work Plan.



GENERAL MANAGER'S OFFICE

OPERATING BUDGET SUMMARY

Potable Water Supply Reliability Study:

- Update IRWD's 2008 Potable Water Supply Reliability Study to include evaluations of system vulnerabilities and both local and import supply vulnerabilities associated with potential earthquakes, Delta levee failures, continued Delta flow restrictions, State Water Project (SWP) pumping plant failures, climate change events and other potential problems.

IRWD Water Banking Program:

- Identify, evaluate, and secure additional land to be incorporated into the District's water banking projects in Kern County;
- Deliver IRWD's 2013 and 2014 State Water Project Table A water allocated to the Jackson Ranch inside Dudley Ridge Water District (DRWD) to the Strand Ranch Integrated Banking Project (Strand Ranch) through the executed Multi-Year Unbalanced Exchange and Point of Delivery Agreement between DRWD, Metropolitan Water District of Southern California (MWD), Kern County Water Agency and the California Department of Water Resources (DWR);
- Negotiate an agreement with MWD for the delivery of MWD system water to IRWD's Strand and Stockdale Integrated Banking Projects for the benefit of IRWD and/or for the joint benefit of IRWD and others on an effective 2-for-1 basis;
- Assist MWD in the development and execution of Delivery Agreements with DWR that will allow MWD to deliver MWD system water to and from the Strand Ranch;
- Develop, execute, and obtain MWD's consent for developing long-term unbalanced exchange agreements with Carpinteria Valley Water District and/or Antelope Valley-East Kern Water Agency and initiate the development with DWR of Multi-Year Exchange and Point of Delivery Agreements for the programs;
- Complete a technical and legal review of the exportability the high-flow Kern River water that IRWD has in storage at the Strand Ranch;
- Execute the template IRWD/MWD Wheeling Agreement that has been developed for the recovery, exchange and delivery of non-SWP water from the Strand Ranch Project to IRWD's service area and successfully implement and gain necessary approvals for a pilot project for the exchange and wheeling of 1,000 AF of Kern River Water from the Strand Ranch to IRWD's service area;
- Work with MWD and Municipal Water District of Orange County to develop a standardized framework through which agencies can work through to expedite the approval process for water transfers, storage, and wheeling proposals;
- Complete and certify an Environmental Impact Report for the Stockdale Integrated Banking Project with Rosedale that also incorporates construction and operation of water banking facilities on the Stockdale West and East Properties as well as on additional lands to be secured by IRWD and/or Rosedale in the future;
- Finalize and execute a long-term exchange agreement with Rosedale for a Joint Integrated Stockdale Water Banking and Exchange Project;
- Award a construction contract for drilling and constructing of wells for the Stockdale Integrated Banking Project including additional project wells in the Rosedale service area;



GENERAL MANAGER'S OFFICE

OPERATING BUDGET SUMMARY

- Initiate the design of recovery facilities pipelines and wellheads for the Stockdale Integrated Banking Project;
- Develop and obtain approval of a long-term exchange agreement with Buena Vista Water Storage Agreement for the delivery and storage of high flow Kern River Water to the proposed Stockdale Water Banking on a two-for-one basis;
- Develop a master plan for IRWD's water banking projects and programs; and
- Negotiate and execute long-term farm lease agreements for portions of the Jackson Ranch to make use of water to be returned from unbalanced exchanges at the Strand Ranch Project as well as water available to the leasee's from their own water supply portfolios.

Baker Water Treatment Plant:

- Initiate construction of the Baker Water Treatment Plant and Raw Water Pump Station;
- Coordinate construction with the development of the Serrano Summit project;
- Develop staffing and training plan for operations and maintenance of the Baker Water Treatment Plant; and
- Ensure facilities are constructed to address any potential issues with quagga mussels.

Management of Irvine Lake:

- Develop a capital improvements needs assessment and an operations plan to maximize the utilization of storage capacity in Irvine Lake, taking into account the use of this water as an alternate source of supply for the Baker Water Treatment Plant;
- Continue discussions with Serrano Water District (SWD) to update the methodology used to account for evaporative losses for water stored in Irvine Lake, execute an amended agreement with SWD to reflect and apply the new methodology prospectively;
- Update Santiago Aqueduct Commission agreements related to Irvine Lake spillage; and
- Complete the seismic analysis of Santiago Creek Dam to determine the extent of the seismic upgrades required for the outlet tower.

Second Lower Cross Feeder:

- Continue discussions with MWD, MWDOC, and other water agencies in Orange County to determine the benefits of constructing the Second Lower Cross Feeder.



GENERAL MANAGER'S OFFICE

OPERATING BUDGET SUMMARY

Water Use Efficiency Programs:

- Implement enhanced outreach and cost-effective demand management programs, identified in Water Efficiency Plan (dated December 2013) including:
 - Focus on development and implementation of the CalScape outreach campaign and suite of implementation programs;
 - Expand outreach and assistance to homeowners associations and property managers;
 - Develop partnerships with private and public entities to leverage the effectiveness and reach of water efficiency programs;
 - Research and implement, as appropriate, new technologies and innovative programs to train and assist customers to improve their water use efficiency, with an emphasis on outdoor water use;
 - Continue to partner with commercial, industrial and institutional customers to implement cost-effective water use efficiency programs;
 - Expand the use of enhanced customer engagement and reporting such as WaterSmart as a tool to motivate additional water use efficiency;
 - Research and implement, as appropriate, the use of enhanced GIS data to improve customer allocation-setting, outreach and programs targeted toward outdoor water use;
- Actively participate in policy discussions addressing water-energy nexus, Demand management, and exploring concepts for establishing a conservation credit exchange program.

Recycled Water Customer Development:

- Complete development of the on-line site supervisor training for recycled water customers;
- Evaluate the feasibility of using satellite recycling plants in remote areas not served by the recycled water distribution system;
- Work with key customers to encourage them use recycled water, including UCI for use in its cooling towers and Royalty Carpet for carpet dying;
- Pursue partnerships with neighboring agencies to sell them recycled water;
- Work with upper Santa Ana River Watershed agencies to develop regional recycled water goals and revising policy position on Santa Ana River Watershed Grant Funding Prioritization as necessary;
- Determine whether recycled water can be cost-effectively served to the remaining Irvine Lake Pipeline customers;
- Pursue new Local Resources Program funding from MWD as well as grant funding for projects that use recycled water; and
- Identify opportunities for cost effective implementation of dual-plumbed condominiums and apartment properties.



GENERAL MANAGER'S OFFICE

OPERATING BUDGET SUMMARY

Strategic Objectives: Sewer Reliability, Cost Effectiveness, Environmental Commitment, Innovation, Resource Recovery

Biosolids Dewatering and Energy Recovery Facilities:

- Continue construction of the MWRP Biosolids and Energy Recovery Facilities;
- Complete AQMD permitting process while staying within appropriate reporting thresholds;
- Develop odor monitoring and response plan;
- Develop a staffing and training needs plan, evaluate outsourcing options, and initiate phased recruitment for the MWRP Biosolids and Energy Recovery Facilities;
- Develop a marketing plan for the distribution / sale of pellets;
- Begin developing concepts and partnerships relative to implementing a foodwaste recycling program at the MWRP once the new solids handling facilities are completed;
- Collaborate with other agencies including Encina Wastewater Authority on lessons learned, O&M, product marketing and distribution, and resource sharing opportunities; and
- Discuss potential Orange County Sanitation District participation in MWRP Biosolids and Energy Recovery Facilities on an interim basis.

Sewage Treatment and Recycled Water Supply Optimization:

- Continue to implement a comprehensive long-term sewage management strategy to minimize treatment costs and maximize the use of recycled water including:
 - Michelson Water Recycling Plant*
 - Complete the improvements and required staffing changes to increase MWRP capacity to 28 MGD and initiate start-up and operations of the new facilities;
 - Evaluate alternatives for final effluent operational storage at MWRP;
 - Develop a plan to assess the replacement and rehabilitation needs of the existing MWRP facilities;
 - Evaluate the viability of supplementing the recycled water system with water treated by the San Joaquin Marsh and then diverted to the MWRP;
 - Los Alisos Water Recycling Plant*
 - Complete study to evaluate short-term options for solids handling at the LAWRP;
 - Update the LAWRP Master Plan to identify long term water recycling and solids handling options;
 - Recycled Water Storage and Distribution System*
 - Evaluate procurement of recycled water storage capacity at Santa Margarita Water District's Upper Oso Reservoir;
 - Assess on-going use of chlorine gas for disinfection and begin investigation for potential conversion to sodium hypochlorite District-wide;
 - Evaluate operational alternatives to enhance recycled water quality from open reservoirs;
 - Assess recycled water distribution system reliability along with the costs and benefits to ensure customer needs are met;



GENERAL MANAGER'S OFFICE

OPERATING BUDGET SUMMARY

- Develop alternatives for long-term off-season storage/use options of recycled water including:
 - Continue investigating opportunities to expand IRWD's seasonal storage capacity at Syphon Reservoir, Peters Canyon, and other locations based on wet year/dry year supply and demand variations;
 - Initiate conceptual development of indirect potable reuse projects such as an advanced water treatment facility at Peters Canyon to serve replenishment water directly to OCWD's Santiago Pits recharge facility via Handy Creek and other groundwater recharge facilities in the Irvine Sub-basin.

Sewage Collection System Planning:

- Complete Sewer Flow Factor Study / Flow Monitoring Study so sewer flow factors and sewer demand projections can be updated;
- Update Sewer Collection System Master Plan;
- Prepare for the first Sewer System Management Plan (SSMP) state audit in May 2014;
- Evaluate the need to conduct an Infiltration and Inflow (I&I) Study of the IRWD sewers; and
- Develop and implement enhanced sewage discharge source control (non-flushable materials, expired pharmaceuticals) outreach and enforcement programs to protect the sewage collection system and recovered resources (such as recycled water, biosolids pellets).

Operational Facilities – Asset Management:

- Initiate data collection and cataloging of assets for entry into the new Enterprise Asset Management (EAM) software;
- Conduct pre-implementation activities for the EAM system implementation that include developing business processes, identifying asset criticality protocols, and initiating procurement of a system implementation consultant;
- Evaluate staffing and resource needs for EAM system implementation and maintenance;
- Update the existing Replacement Planning Model; and
- Identify and evaluate tools, methods, and new technologies to improve the District's electrical and mechanical reliability efforts.

Strategic Objective: Water Quality, Innovation

Salt Management Plan:

- Complete the IRWD Recycled Water System Salt Management Plan; and
- Evaluate and implement opportunities, in conjunction with the necessary funding mechanisms, to manage salt loading within IRWD's service area.



GENERAL MANAGER'S OFFICE

OPERATING BUDGET SUMMARY

Research Business Plan:

- Continue to support basic research, knowledge management, applied research, and pilot studies to IRWD's ability to provide services safely, reliably, and cost effectively;
- Ensure that resources dedicated to research and/or pilot studies provide a commensurate level of value to address current and/or future IRWD challenges; and
- Assess the value of Isle Utilities' Technology Approval Group (TAG) process to IRWD and recommend whether IRWD should continue to participate in Southern California TAGs for water treatment technologies.

Strategic Objective: Employee Satisfaction / Development, Cost Effectiveness

Employee Outreach:

- Further enhance the IRWD intranet and complete transition employee communications to web-based format;
- Develop an Employee Recognition Committee to review and revise the current service award program, develop other (non-monetary) methods to recognize and reward performance, and create a communication plan for the enhanced recognition opportunities;
- Implement a quarterly Managers Meeting program to enhance the sharing of ideas and intra-organization connections; and
- Work with employees to develop a plan for enhancements to the IRWD employee wellness program.

Safety Program Improvements:

- Continue with activities associated with the Safety Awareness Program, including:
 - Provide additional personal protective equipment customized to different tasks performed by employees;
 - Recognize employees who consistently work safely in different conditions;
 - Support Operations in specifying safety training requirements for job-specific tasks by developing meaningful operating procedures to address safety hazards associated with tasks performed by field staff;
- Develop return to work/temporary accommodation programs to facilitate employee recovery from injury and/or illness recovery; and
- Expand role of and participation in the IRWD Safety Committee.

Security Improvements:

- Develop a comprehensive security assessment plan for significant IRWD facilities including the Sand Canyon Headquarters Building, the MWRP / Operations Center, LAWRP, and other critical facilities.



GENERAL MANAGER'S OFFICE

OPERATING BUDGET SUMMARY

Employee Training:

- Provide employee training which meets all regulatory requirements, results in continuous improvement, and maintains a productive and highly motivated work force including:
 - Project Management Training classes;
 - Management and Supervisory Training;
 - Training on District Policies (various topics) as needed;
 - Retirement Planning;
 - Business Technology (e.g., MS Office Suite)
 - Effective Communications Skills;
- Develop a plan to increase operator certification levels for both Recycling and Water System Operations;
- Conduct a survey of District staff regarding interest areas for optional Enrichment Program sessions and develop programs accordingly; and
- Complete current phase of the IRWD Leadership Development Initiative.

Performance Management:

- Redesign existing performance appraisal process to ensure employees receive constructive and effective feedback on both job performance and goals and expectations; and
- Conduct training sessions for managers, supervisors and employees on the new process.

District Operational and Administrative Process Efficiencies:

- Review District Policies and practices to maximize administrative efficiencies while still aligning with the Board's strategic objectives;
- Expand the development of knowledge sharing, staff development, contract services, and mutual aid opportunities with other agencies;
- Develop updated IRWD Key Performance Indicators (KPIs) to monitor and drive improved performance; and
- Evaluate the scope and advantages of a database management system for District Operations.

Succession Planning:

- Continue succession planning efforts to ensure appropriate staffing and skill levels for all District operations (e.g., Mentoring Program, staffing needs analyses for Baker and Biosolids projects, cross training and job rotation programs); and
- Continue partnerships with outside entities to promote careers in the water industry (e.g., Santiago Canyon College, Irvine Valley College) and to assist in growing IRWD's current employees for future promotional opportunities (e.g., Leadership Tomorrow and Leadership Development for Public Agencies sponsored by California State University, Fullerton).



GENERAL MANAGER'S OFFICE

OPERATING BUDGET SUMMARY

Strategic Objective: Cost Effectiveness, Water Policy

Enterprise Resource Planning Software Optimization:

- Optimize Oracle eBusiness Suite Enterprise Resource Plan (ERP) implementation for financial and human resources applications, including training and additional reporting ;
- Identify and implement additional business intelligence capabilities;
- Evaluate and implement other business process efficiencies utilizing E Business Suite capabilities;
- Evaluate and implement solutions for improved capital budgeting, planning and reporting;
- Implement appropriate staffing levels resulting from the ERP implementation; and
- Implement changes relative to IRWD's new Improvement District Consolidation structure.

Utility Billing Software Implementation:

- Complete Phase 1 of the Oracle CC&B software system implementation;
- Evaluate proceeding with Phase 2 of the Oracle CC&B software system implementation; and
- Develop a high-level scope for providing outside water agencies with utility billing services.

State and Federal Funding:

- Secure federal funding authorization under the Water Resources and Reform Development Act (WRRDA) for Army Corps of Engineering funding of the Syphon Reservoir Recycled Water Storage project; and
- Continue to seek grants for renewable energy and other key projects through available sources, such as Cap-and-Trade revenues.

IRWD Rates and Charges:

- Update IRWD's Cost of Service Study to support current rate structure.

Debt and other Financial Instruments:

- As market conditions warrant, seek authorization from the Finance and Personnel Committee to execute a basis swap trade consistent with the parameters approved by the Board;
- Evaluate financing structures available for the replacement component of the Biosolids Facility capital requirement;
- Provide financing required to implement the Long-Term Financing Strategy; and
- Continue to evaluate opportunities to capture and lock-in historically low interest rates on the District's existing debt and new money needs.



GENERAL MANAGER'S OFFICE

OPERATING BUDGET SUMMARY

Real Estate Asset Development:

- Lake Forest/Serrano Summit Property:
 - Complete the project's environmental permitting/mitigation requirements related to the City of Lake Forest's civic center site;
 - Complete the revised tentative tract map, Area Plan, EIR and final tract map;
 - Develop project marketing strategy, preferred sale structures and select necessary consultant(s) to manage the project sale process.
- Sand Canyon Office Development:
 - Seek primary build-to-suit tenant to develop a for-lease office building on the remaining vacant site;
- Wood Canyon Villa Apartment Property Partnership:
 - Evaluate partnership buyout opportunities utilizing the District's majority equity position in the property and, if appropriate, propose same to General Partner;
- Completion of the detailed reference guide for the District's real property inventory listing including current use, site description, title restrictions/constraints and property location.

Pension and Health Benefits:

- Ensure that IRWD is well positioned to comply with requirements associated with national health care legislation;
- Implement cost effective changes, when identified, to existing health benefits to maintain a competitive compensation structure;
- Review additional opportunities to optimize funding of pension and other post-employment obligation benefit liabilities; and
- Follow the policy principles established by the Board in June 2010 and continue to advocate for appropriate pension reform to eliminate practices that are financially detrimental to IRWD and the CalPERS system.

Strategic Objectives: Environmental Commitment, Innovation

Natural Treatment Systems (NTS) and Watershed Initiatives:

- Prepare final environmental documentation for and design of the Peters Canyon Wash Channel Water Capture and Reuse Pipeline Project facilities;
- Develop and implement an improved data tracking and management system for the NTS that will improve the ability to evaluate the effectiveness of the NTS facilities, as well as prepare necessary regulatory reporting;
- Prepare an Annual Report of NTS Operations including nutrient removal performance at each NTS facility, operational objectives, and recommendations for adaptive changes to the NTS program;
- Evaluate the performance and cost effectiveness of the existing pilot bioretention facility as part of the NTS Program;



GENERAL MANAGER'S OFFICE

OPERATING BUDGET SUMMARY

- Continue to work with partners in Newport Bay Executive Committee to develop and implement the elements of the Nitrogen Selenium Management Plan; and
- Continue to participate in stakeholder development of TMDLs for the Newport-Bay Watershed for selenium, nutrients and toxics, and advocate for a maximum benefit approach to be applied.

Carbon Footprint Minimization:

- Further refine and complete an Embedded Energy Model for IRWD; and
- Investigate transitioning to alternative fuel vehicles in our fleet to ensure compliance with regulations, greenhouse gas reduction, and economic savings.

Strategic Objectives: Communication, Customer Satisfaction, Water Policy

IRWD Legislative Efforts:

- Implement the IRWD 2014 State Legislative Strategy. Conduct advocacy activities on legislation impacting IRWD, the water industry and special district interests, including but not limited to the following:
 - *Recycled Water:* Promote the expanded use of recycled water and its acceptance as a resource and not a waste by advocating for the removal of hindrances to recycled water projects. Advocacy would include promotion of the following:
 - Removing recycled water from being classified as a waste;
 - Updating Title 17 & 22 of the California Code of Regulations;
 - Changes to permitting processes so that recycled water is viewed as a resource and not a problem by State agencies;
 - Changes to permitting processes so that recycled water is viewed as a resource and not a problem by State agencies;
 - *Storm-Induced Overflows:* Seek a change to the State's policy which calls management of any ponds containing recycled water such that no discharge occurs unless the discharge is a result of a 25-year, 24-hour storm event or greater;
 - *Energy and Water Efficiency Partnerships:* Work with industry colleagues (through CMUA, ACWA, and others) to ensure that new laws and regulations related to energy and water efficiency remove barriers to and encourage more partnerships;
 - *Water Supply and Infrastructure Financing*
 - *Water Bond:* Work with water industry colleagues to determine and advocate for the most feasible approach to effectively passing a statewide water bond;
 - *Public Goods Charge for Water:* Continue to oppose imposition of a Public Goods Charge for water. If legislation related to a public goods charge on water moves forward, work with key legislators and industry associations to ensure that the charge is levied and administered fairly. Proceeds of a Public Goods Charge must be allocated within the region from which they originate;



GENERAL MANAGER'S OFFICE

OPERATING BUDGET SUMMARY

- *San Joaquin Delta*: Continue to support legislation and efforts related to the Bay Delta Conservation Plan consistent with IRWD's BDCP Policy Principles which will provide a long-term solution to California's water crisis, will ensure reliable high-quality water supply to residents, agriculture and businesses across the state, and will protect and improve the Delta ecosystem;
- *Water Governance*: Advocate for sensible statewide water governance proposals such as those detailed in the 2010 Little Hoover Commission report "Managing for Change: Modernizing California's Water Governance."
 - *California Budget*: Monitor the California budget process and proposals that impact special districts and the water industry, particularly those that would shift revenues away from special districts;
 - *Pension Reform*: Monitor statewide activities related to pension reform including legislation introduced, initiatives filed, and proposals considered as part of the budget;
 - *Government Reform*: Work with the California Special Districts Association to monitor and respond to proposed government reform legislation to protect special district autonomy and finances and local control.

Government Relations:

- Continue to build relationships with federal, state and local elected and appointed officials and their staff members, as well as community leaders to gain support for IRWD policy efforts and initiatives; and
- Monitor and participate in discussions regarding local governance issues, including potential consolidation of wholesale water service agencies in Orange County.

Enhanced Internal and External Communication and Education Programs:

- Community Outreach and Education Program:
 - Implement a coordinated IRWD outreach program for customers, business partners, elected officials, and other government agencies that includes traditional as well as multi-pronged social media and internet programs and is based on measurement tools, metrics and customer feedback;
 - Enhance the IRWD customer tour and education programs;
 - Design and install new community education signage throughout public spaces at IRWD facilities, including District offices, facilities, community rooms, the Joaquin Marsh and Wildlife Sanctuary and the Marsh Campus;
 - Design and install Customer Service wall displays;
 - Install water bottle filling stations at the San Joaquin Marsh and Wildlife Sanctuary to educate customers about water quality and promote environmental stewardship;
 - Develop and implement expanded outreach program with traditional, online and industry media outlets to provide information on IRWD projects and programs.

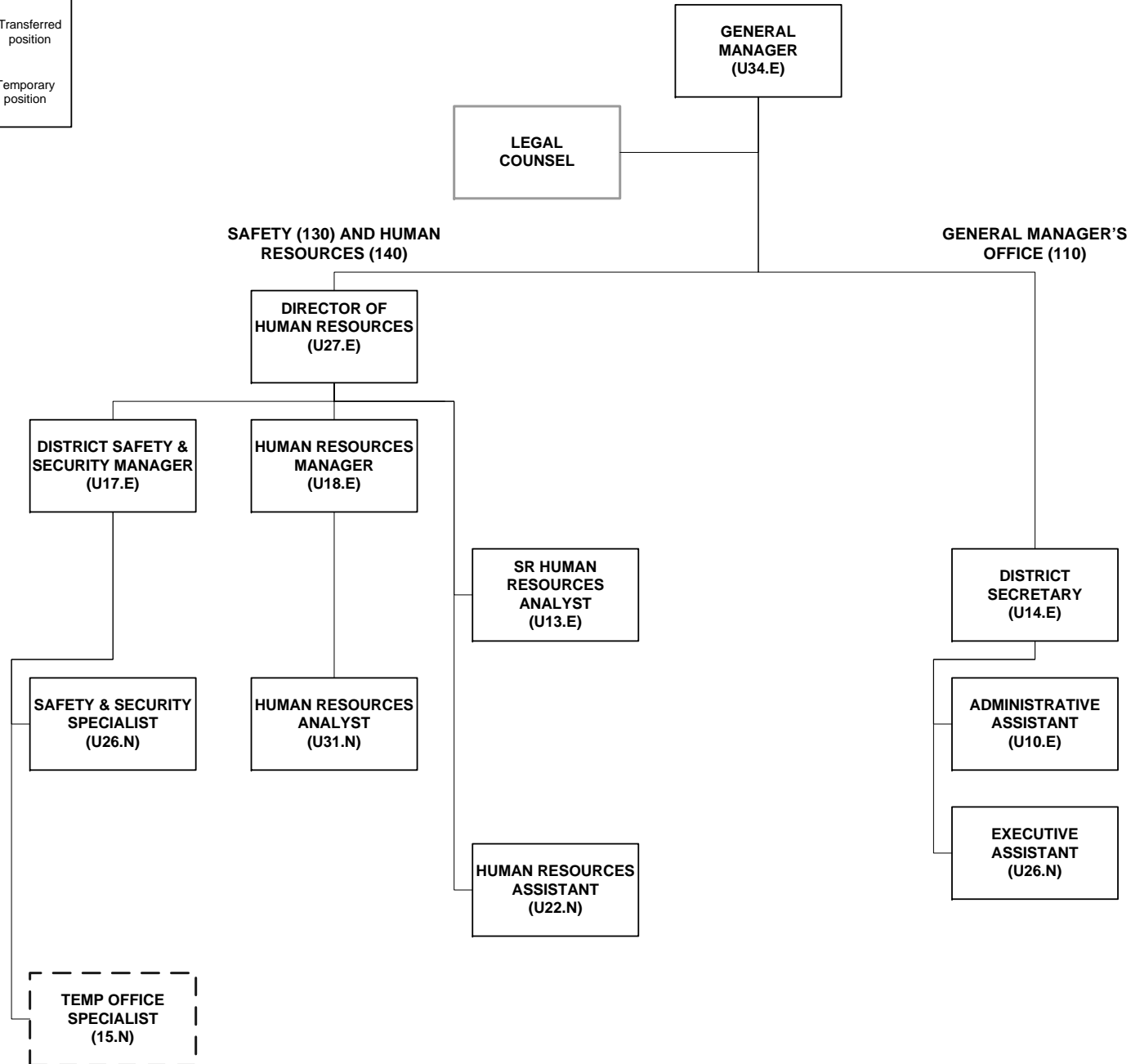
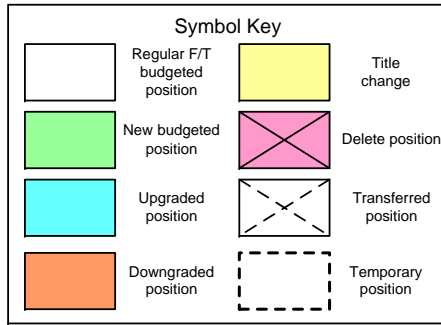


GENERAL MANAGER'S OFFICE

OPERATING BUDGET SUMMARY

- Construction Project Community Relations:
 - Implement an outreach program for the completion of the MWRP expansion program including dedication event, media outreach, and videos as well as technical and community tours;
 - Conduct active outreach programs for the Biosolids and Energy Recovery Project and Baker Water Treatment Plant including regular community update meetings.
- Transparency Enhancements:
 - Maintain the online Transparency Center with regular updates and refinements.
- Water Use Efficiency Outreach Programs:
 - Develop and implement an annual outreach plan based on customer feedback, metrics and measurement tools. This plan will include specific outreach campaigns that will be linked to results of measurement tools, and results will drive future outreach and collateral materials.

**IRVINE RANCH WATER DISTRICT
ADMINISTRATION
PROPOSED FISCAL YEAR 2014-15**



Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2014-15

Administration		2012-13 Actual	2013-14 Actual thru 12/31/13	2013-14 Orig Budget	2014-15 Prop Budget	Incr/(Decr)
Dept No	Expense Name					
<u>General Managers Office</u>						
110	Regular Labor	516,235	260,323	518,310	542,390	24,080
110	Overtime Labor	528	560	1,000	1,000	0
110	Employee Benefits	113,402	0	0	0	0
110	Operating Supplies	53	12	0	0	0
110	Postage	51	36	200	100	(100)
110	Permits, Licenses and Fees	84,999	84,495	93,000	94,000	1,000
110	Office Supplies	3,467	1,221	4,000	4,000	0
110	Legal Fees	291,436	138,808	317,500	390,000	72,500
110	Personnel Training	184,632	179,736	185,500	195,500	10,000
110	Other Professional Fees	282,777	161,461	280,400	260,000	(20,400)
110	Directors' Fees	141,134	58,421	142,200	142,000	(200)
110	Election Expense	100,000	15,000	30,000	30,000	0
Total General Managers Office		1,718,714	900,073	1,572,110	1,658,990	86,880



SAFETY AND SECURITY

OPERATING BUDGET SUMMARY

Program Description

The Safety and Security Department provides necessary resources to promote a safe and healthful work environment for District employees through required safety training as mandated in Cal-OSHA Regulations. The Department is committed to ensuring, to the extent possible, that all employees are provided adequate training to safely perform their jobs, both on-site and in the field. The Safety and Security Department continually monitors current and pending legislation affecting the District. Appropriate policies are developed or revised to ensure the constant pursuit and maintenance of a safe and healthful workplace that is in compliance with regulations. The primary goal for the Safety Program is to ensure compliance to HR Policy 33, Illness & Injury Prevention Program.

The Safety “Awareness” program continues to encourage employees to constantly think about safety. The Safety & Security Department works to increase employee involvement throughout at all levels of the District utilizing All Hands Meetings, Tailgate Safety Meetings and safety training sessions, workplace evaluations, industrial hygiene evaluations and the General Safety Committee Meetings. A major component of the Safety Awareness Program is maintenance of electronic message and bulletin boards. Through all of these messaging devices and programs, the intent is to promote safety awareness at all levels within the district toward the common goal of occupational injury and illness prevention.

The Safety & Security Office maintains all required Cal-OSHA record keeping and ensures the annual posting of the Cal-OSHA 300A Form- Summary of Work-Related Illness & Injuries. The department submits required annual reporting to Bureau of Labor and Statistics when requested. The department is responsible for Hazardous Material Disclosures and annual fire prevention inspections.

The Safety & Security office administers the district Commuter Trip Reduction (Ridesharing) Plan under HR Policy 37 including oversight of the vanpool program insuring compliance with Air Quality Management Control District and securing monthly subsidy dollars from Orange County Transit Authority.

The Safety & Security office administers, oversees and coordinates operations and services of IRWD Emergency Operations Center (primary and secondary locations). The office represents IRWD to cities within the service area, Water Emergency Response Orange County (WEROC), the County Operational Area (OA), State Emergency Management and Federal Emergency Management Agencies for emergency management coordination and declarations.

The Safety and Security Department is also tasked with managing the security program for the District. This responsibility includes development and maintenance of security polices in concert



SAFETY AND SECURITY

OPERATING BUDGET SUMMARY

with district staff requirements and federal Threat Level Alerts developed by the U.S. Department of Homeland Security and establishing video surveillance where required for assurance of safety of potable water system and IRWD staff. Additionally, the Safety & Security Department has the responsibility of coordinating security responses as needed to the Vulnerability Assessment under a requirement of the Bioterrorism Act of 2002 and Homeland Security Directive of 2008. The Safety & Security Department chairs the District Security Process Team comprised of several members of Senior Staff. This team is tasked with review and developing district policy changes affecting the security of district assets and its employees.

Major Goals

- Ensure that all employees continue to receive training as required by appropriate regulatory requirements, i.e., CPR/First Aid/Blood Borne Pathogens, Respiratory Protection, Confined Space Entry, Lockout/Tagout, HazMat, Fire/Evacuation, Hazard Communication, Hazardous Materials, Hearing Conservation, Mobile Crane training, Traffic Control etc;
- Submit Hazardous Material Disclosures and update as necessary;
- Update Electronic Message Boards & Bulletin Boards;
- Ensure proper training for HAZMAT team – conducting two Hazmat exercises annually;
- Maintain HAZMAT trailer for “READY” status at all times;
- Edit and distribute Emergency Call Out Directory to all IRWD employees;
- Updates and distribution of IRWD Emergency Plan (red binder);
- Maintain accurate and updated SDS’s (as required by law) and continue to make electronically available;
- Conduct evacuation drills as required for all District facilities;
- Develop and implement required security procedures/policies based on Security Process Team;
- Maintain security training programs tailored to specific audiences;
- Maintain and oversee installation of security monitoring at District facilities (alarms, video surveillance);
- Continue review of Energy Control Procedures with appropriate departments and continue have them available electronically;
- Support Operations in specifying safety training requirements for job-specific tasks by developing meaningful operating procedures to address safety hazards associated with tasks performed by field staff;
- Facilitate emergency exercises and continue compliance activities with National Incident Management System (NIMS) and Standardized Emergency Management System (SEMS);
- Maintain EOC facilities and equipment; standardize and maintain supplies for primary and secondary locations for IRWD’s Emergency Operations Center (EOC);
- Coordinate with the OA Emergency Preparedness for plan specific response; example work with Orange County Fire Authority, the Inter-Canyon League and IRWD Operations to review the Wild Land Interface Response within the IRWD fire and flood plans;



SAFETY AND SECURITY

OPERATING BUDGET SUMMARY

- Conduct Employee New Hire Orientations that includes orientation to NIMS and SEMS Training and familiarization to the Emergency Operations Center (EOC);
- Investigate incidents and provide recommendations as appropriate;
- Maintain rider participation to ensure OCTA subsidy within vanpool program; coordinate with Fleet (for fuel use), Toll Roads (for transponder usage) and IRWD van riders (for participation logs);
- Maintain current agreements of employee participation in the rideshare program;
- (both written record and database);
- Maintain compliance with California Accidental Release Program (Cal-ARP);
- Maintain compliance with Department of Water Resources, Division of Safety of Dams;
- Provide opportunities for employees to obtain vaccinations for potential exposures;
- Ensure IRWD stocks the appropriate Personal Protective Equipment for employees (per SWP 5);
- Maintain and update SWP manual and all included procedures to ensure compliance to CAL OSHA regulations; and
- Record and recognize employee Safety Performance in conjunction with Safety “Awareness” Program.

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2014-15

Administration		2012-13 Actual	2013-14 Actual thru 12/31/13	2013-14 Orig Budget	2014-15 Prop Budget	Incr/(Decr)
Dept No	Expense Name					
<u>Safety and Security</u>						
130	Regular Labor	194,486	97,243	248,420	201,180	(47,240)
130	Overtime Labor	2,564	967	0	2,500	2,500
130	Employee Benefits	55,508	0	0	0	0
130	Contract Labor	76,351	10,402	13,000	54,000	41,000
130	Operating Supplies	75,038	18,566	86,400	89,800	3,400
130	Printing	4,844	886	10,000	9,400	(600)
130	Postage	62	51	400	400	0
130	Permits, Licenses and Fees	18,462	(4,725)	20,000	40,000	20,000
130	Office Supplies	1,161	183	2,200	2,200	0
130	Rep & Maint IRWD	2,508	0	5,000	5,000	0
130	Personnel Training	54,600	9,739	81,700	87,650	5,950
130	Personnel Physicals	11,791	14,774	24,000	28,000	4,000
130	Other Professional Fees	24,246	2,705	41,000	31,000	(10,000)
130	Safety	62,096	25,270	50,000	50,000	0
130	Alarm and Patrol Services	75,349	30,095	130,000	130,000	0
130	Commuter Program	88,751	81,474	142,000	142,000	0
130	Other	11,070	5,144	9,600	9,600	0
Total Safety and Security		758,887	292,774	863,720	882,730	19,010



HUMAN RESOURCES

OPERATING BUDGET SUMMARY

Program Description

Human Resources provides comprehensive organizational development and personnel management services District wide to maximize the potential of the District's human resources and overall employee efficiency, effectiveness and satisfaction. Human Resources is responsible for attracting and recruiting a highly qualified work force and working in concert with all management to develop and sustain motivated productive staff. Human Resources ensures that the District provides a competitive compensation and benefits package; continuous improvement through employee training; fair and consistent policies, procedures and guidelines; and a program that rewards and recognizes employees for their contribution to District goals. Human Resources is responsible for both the employee relations and the labor relations processes through the promotion of an open exchange of information and communication to build trust, enhance understanding and provide resolution of issues.

Major Goals

- Recruit and attract high-performance, high-skill candidates to fill the District's staffing needs;
- Continue stabilization and optimization activities related to new Oracle software;
- Continue succession planning efforts to ensure appropriate staffing and skill levels for all District operations (e.g. Mentoring Program, staffing needs and analyses for Baker Water Treatment and Biosolids projects, cross training and job rotation programs);
- Develop improvements to the existing performance evaluation system. Conduct performance evaluation process training for staff;
- Continue staff development training programs such as supervisory skills training, District Personnel Policy and Procedure training, career planning training and Employee Enrichment programs;
- Continue to develop and enhance partnerships with external educational organizations to promote Water Industry career development, training and education;
- Conduct benchmark salary survey and present recommendations in FY 2014-15 operating budget;
- Continue Safety and Security programs and expand in areas such as employee return-to-work program, expansion of the IRWD Safety Committee role and development of security plan assessment for significant IRWD facilities;
- Continue to monitor cost effectiveness of self-funded Workers' Compensation program;
- Develop an employee involvement committee to review, improve and expand such programs as employee wellness, service recognition and other employee performance acknowledgement programs; and
- Continue to review and monitor all District Personnel Policies and Procedures for appropriateness and ensure compliance with constantly changing laws and regulations.

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2014-15

Administration		2012-13 Actual	2013-14 Actual thru 12/31/13	2013-14 Orig Budget	2014-15 Prop Budget	Incr/(Decr)
Dept No	Expense Name					
<u>Human Resources</u>						
140	Regular Labor	532,479	239,262	558,740	565,770	7,030
140	Overtime Labor	12,173	4,457	5,000	5,000	0
140	Employee Benefits	6,790,472	5,845,149	15,094,100	15,701,750	607,650
140	Contract Labor	5,752	0	2,500	2,500	0
140	Operating Supplies	12	0	0	0	0
140	Printing	3,436	2,319	4,000	2,500	(1,500)
140	Office Supplies	1,980	3,889	2,500	2,500	0
140	Rep & Maint IRWD	0	0	100	100	0
140	Legal Fees	68,205	31,226	100,000	95,000	(5,000)
140	Personnel Training	367,469	153,152	325,750	389,700	63,950
140	Personnel Physicals	7,758	5,582	15,000	15,000	0
140	Other Professional Fees	92,613	27,440	100,500	105,500	5,000
Total Human Resources		7,882,349	6,312,476	16,208,190	16,885,320	677,130
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Total Administration		10,359,950	7,505,323	18,644,020	19,427,040	783,020



FINANCE, TREASURY AND PROCUREMENT

OPERATING BUDGET SUMMARY

Program Description

The Finance Department is responsible for the official accounting records of the Irvine Ranch Water District, and for providing all financial management of the District's fixed-income and real estate investments, new and existing debt issues, and deferred compensation programs. In addition, the department provides a wide range of accounting and financial services including payroll, accounts payable, accounts receivable, project accounting, financial analysis, financial reporting and coordination of the District's annual Board-approved operating budget and preparation of the Comprehensive Annual Financial Report. The Finance Department oversees risk management and insurance issues.

The mission of the Finance Department is to safeguard assets and to provide financial and accounting services in a timely, reliable, and cost-effective manner that meets the requirements of the District's customers.

Major Goals

ACCOUNTING AND BUDGETING

- Prepare and submit accurate financial reports and relevant tax returns to federal, state, county and district agencies within established legal deadlines and requirements;
- Prepare and submit accurate and timely financial reports to the Finance and Personnel Committee and the District's Board of Directors;
- Coordinate the District's annual financial statement audit;
- Prepare the Comprehensive Annual Financial Report (CAFR) and submit to the Government Finance Officer's Association (GFOA) for a certificate of award;
- Prepare the Operating Budget for the Board of Directors approval including setting adequate rate levels to ensure financial strength and stability;
- Update the Cost of Service Study to ensure user rates are proportional with costs and support the current rate structure;
- Lead customer noticing effort for Proposition 218 compliance (operating budget, rates and charges);
- Prepare accounts payable and payroll checks and process remittances on a timely basis;
- Simplify the District-wide Financial System, including incorporating the recent improvement district consolidations and improved project reporting capabilities; and
- Identify and implement business intelligence capabilities including District wide key performance indicators and timely reporting to the District's Board of Directors.



FINANCE, TREASURY AND PROCUREMENT

OPERATING BUDGET SUMMARY

LONG-TERM FINANCING STRATEGY

- Continue to refine and update the cash flow strategic model to ensure sufficient funding for future capital needs.

INVESTMENTS AND CASH MANAGEMENT

- Invest District funds in a prudent and professional manner that will provide maximum security of principal, an optimal rate of return and sufficient liquidity to meet working capital requirements;
- Prepare and submit accurate investment reports and the annual investment policy to the Board of Directors and other interested parties within established time frames;
- Improve short and long-term cash flow models and cash management practices;
- Execute, monitor and report on interest rate swap transactions as appropriate;

REAL ESTATE

- Monitor and report on the performance of all real estate assets;
- Manage leasing and related property management activities for all District commercial and residential real estate investments;
- Complete final map approval process for property located in Lake Forest; and
- Continue development of the Sand Canyon office project in Irvine, when market conditions warrant.

DEBT ISSUANCE AND ADMINISTRATION

- Issue long-term debt to fund capital facilities as needed;
- Prepare and submit continuing disclosure materials on debt issues to appropriate parties; and
- Monitor variable interest rates set by remarketing agents on District debt and make adjustments as appropriate.

INSURANCE

- Ensure the District has adequate insurance to appropriately safeguard assets; and
- Handle claims and coordinate legal matters in a timely manner.

PENSION

- Review additional opportunities to optimize funding of pension and other post-employment benefit obligations.

PROCESS EFFICIENCIES AND CONTROLS

- Review District policies and practices to maximize efficiencies while aligning the Board's strategic objectives and maintaining appropriate internal controls to safeguard assets.

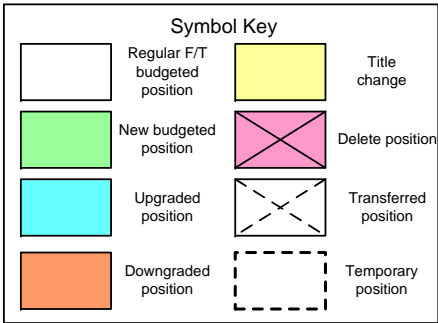


FINANCE, TREASURY AND PROCUREMENT

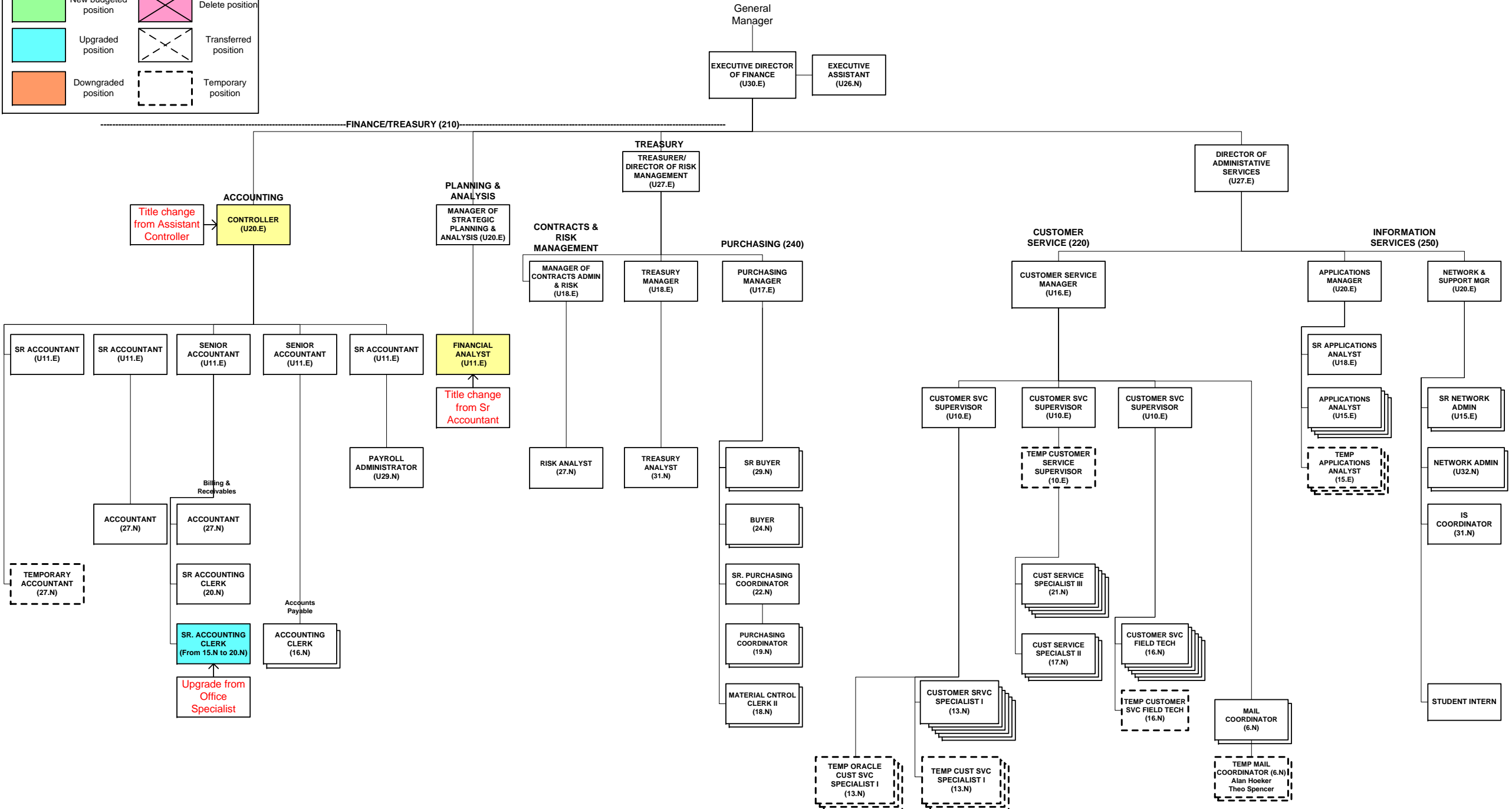
OPERATING BUDGET SUMMARY

PROCUREMENT

- Purchase materials, supplies and services in a timely manner with respect to quality and best pricing;
- Process all material/service requests timely and efficiently;
- Maintain warehouse inventory fill rate at 100% and review/adjust slow moving inventory;
- Continue to update and expand the District website for procurement;
- Provide bi-annual procurement process training for customers;
- Streamline business procurement processes and documentation while ensuring appropriate controls;
- Provide ongoing customer support of Oracle applications for procurement and inventory management;
- Attain the achievement of excellence in purchasing award from the National Purchasing Institute;
- Monitor purchase order status to support the accounting department;
- Continue ongoing evaluation of potential suppliers for IRWD; and
- Review and expand participation in cooperative purchasing agreements.



**IRVINE RANCH WATER DISTRICT
FINANCE AND ADMINISTRATION
PROPOSED FISCAL YEAR 2014-15**



Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2014-15

Finance & Administrative Services		2012-13 Actual	2013-14 Actual thru 12/31/13	2013-14 Orig Budget	2014-15 Prop Budget	Incr/(Decr)
Dept No	Expense Name					
<u>Finance and Treasury</u>						
210	Regular Labor	1,887,463	1,029,977	2,123,460	2,221,290	97,830
210	Overtime Labor	26,426	12,327	32,000	30,000	(2,000)
210	Employee Benefits	461,123	0	0	0	0
210	Contract Labor	290,906	103,047	70,000	170,000	100,000
210	Operating Supplies	256	213	0	400	400
210	Printing	48,686	0	67,000	60,000	(7,000)
210	Postage	7,163	3,920	7,500	8,000	500
210	Permits, Licenses and Fees	4,016	0	10,000	10,000	0
210	Office Supplies	3,865	2,620	2,500	5,000	2,500
210	Insurance	1,065,841	577,671	702,500	984,500	282,000
210	Legal Fees	57,375	0	0	0	0
210	Accounting Fees	60,983	33,943	84,500	74,500	(10,000)
210	Data Processing	59,964	29,985	42,000	48,000	6,000
210	Personnel Training	28,776	9,211	46,000	45,000	(1,000)
210	Other Professional Fees	266,216	131,932	304,000	315,500	11,500
210	Collection Fees	30,434	803	20,000	20,000	0
Total Finance and Treasury		4,299,493	1,935,649	3,511,460	3,992,190	480,730

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2014-15

Finance & Administrative Services		2012-13 Actual	2013-14 Actual thru 12/31/13	2013-14 Orig Budget	2014-15 Prop Budget	Incr/(Decr)
Dept No	Expense Name					
Purchasing						
240	Regular Labor	519,336	319,632	652,480	700,120	47,640
240	Overtime Labor	6,734	3,605	4,000	4,000	0
240	Employee Benefits	148,874	0	0	0	0
240	Contract Labor	27,846	791	4,000	4,000	0
240	Operating Supplies	66,573	47,054	94,000	111,500	17,500
240	Printing	5,849	2,831	10,000	10,000	0
240	Postage	3,183	1,529	3,500	3,500	0
240	Office Supplies	19,779	9,652	24,000	24,000	0
240	Duplicating Equipment	193,496	84,991	189,000	174,000	(15,000)
240	Equipment Rental	8,978	9,263	16,000	20,000	4,000
240	Personnel Training	5,578	563	6,500	6,500	0
240	Other Professional Fees	1,943	1,030	2,000	2,000	0
Total Purchasing		1,008,169	480,941	1,005,480	1,059,620	54,140



ADMINISTRATIVE SERVICES

OPERATING BUDGET SUMMARY

Program Description

The Administrative Services group provides a wide range of support services that include Customer Service and Information Services.

The mission of the Customer Service Department is to provide the highest level of customer satisfaction by providing reliable, courteous and efficient service. The Customer Service Department provides utility billing, account support and mail distribution services.

The mission of the Information Services Department is to research, develop, integrate and support reliable, cost effective information systems that meet the current and future business requirements of customers and provide a high level of customer satisfaction. The Information Services Department provides implementation, management and support for the District's information systems, voice and data communications systems.

Major Goals

CUSTOMER SERVICE

- Deliver exceptional customer service both internally and externally;
- Review and resolve billing inquiries and adjustments in a timely manner;
- Receive and process all orders for new service and discontinuation of service;
- Flow test and verify new meter sets;
- Process payments for processing temporary construction meters, applications for fire flow tests, and customer water bills;
- Coordinate and process all meter reads to ensure accurate billing;
- Process variance requests for additional water allocation;
- Respond to field problems (leaks, no water complaints, high/low pressure, water quality, sewer problems, line breaks, etc.) in a timely manner;
- Manage delinquent customer accounts and perform shut-offs as required;
- Distribute customer satisfaction surveys and maintain 90% customer satisfaction;
- Improve and enhance customer web access, and electronic billing and presentment to ensure ease of use;
- Complete implementation of the Customer Care and Billing (CC&B) system;
- Coordinate with Engineering on the GPS project; and
- Receive, route and deliver all District mail, and process all outgoing mail.



ADMINISTRATIVE SERVICES

OPERATING BUDGET SUMMARY

INFORMATION SERVICES

- Provide helpful, courteous and timely support to all District staff;
- Provide internal and external software training that meets the needs of District staff
- Provide a reliable network of servers, personal computers, printers and software applications that meet the needs of District staff;
- Provide reliable voice, data and wireless communications services;
- Develop new and improved existing software applications to meet the requirements of District staff;
- Complete scheduled hardware and software upgrades to District servers, personal computers, tablets, printers, network equipment and software applications;
- Complete implementation of the Identity and Access Management software system;
- Complete Phase 1 of the Oracle CC&B software system implementation;
- Begin Phase 2 of the Oracle CC&B software implementation – Oracle Utilities Customer Self Service (OUCSS) customer web portal;
- Begin pre-implementation activities for the Enterprise Asset Management Software system (EAMS);
- Begin implementation of the Oracle Improvement District Consolidation; and
- Begin implementation of the Oracle Business Intelligence Dashboard.

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2014-15

Finance & Administrative Services		2012-13 Actual	2013-14 Actual thru 12/31/13	2013-14 Orig Budget	2014-15 Prop Budget	Incr/(Decr)
Dept No	Expense Name					
<u>Customer Service</u>						
220	Regular Labor	1,373,304	721,020	1,437,010	1,588,230	151,220
220	Overtime Labor	62,903	39,264	30,000	64,500	34,500
220	Employee Benefits	338,221	0	0	0	0
220	Contract Labor	345,098	164,161	109,500	309,000	199,500
220	Operating Supplies	2,885	353	2,000	1,000	(1,000)
220	Printing	38,830	18,602	42,000	73,500	31,500
220	Postage	502,651	286,678	486,000	491,560	5,560
220	Office Supplies	7,604	2,870	6,000	6,400	400
220	Equipment Rental	33,010	29,131	40,000	40,000	0
220	Rep & Maint IRWD	801	0	0	0	0
220	Personnel Training	2,797	1,283	5,000	5,000	0
220	Other Professional Fees	2,025	399	1,000	1,900	900
220	Collection Fees	520	251	0	500	500
220	Contract Meter Reading	1,109,142	615,902	1,230,980	1,272,000	41,020
Total Customer Service		3,819,791	1,879,914	3,389,490	3,853,590	464,100

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2014-15

Finance & Administrative Services		2012-13 Actual	2013-14 Actual thru 12/31/13	2013-14 Orig Budget	2014-15 Prop Budget	Incr/(Decr)
Dept No	Expense Name					
<u>Information Services</u>						
250	Regular Labor	864,240	676,343	1,358,130	1,440,650	82,520
250	Overtime Labor	12,105	3,660	15,000	10,000	(5,000)
250	Employee Benefits	226,108	0	0	0	0
250	Contract Labor	510,282	498,654	368,000	368,000	0
250	Telecommunication	279,895	159,132	332,900	360,900	28,000
250	Other Utilities	7,561	2,931	8,000	8,000	0
250	Operating Supplies	110	111	0	0	0
250	Printing	45,424	27,909	52,000	20,000	(32,000)
250	Postage	401	0	500	500	0
250	Office Supplies	0	4	1,000	1,000	0
250	Rep & Maint IRWD	269,637	220,076	250,700	249,700	(1,000)
250	Insurance	0	172	0	0	0
250	Data Processing	1,039,367	800,884	1,284,500	1,577,500	293,000
250	Personnel Training	7,595	2,497	37,500	35,800	(1,700)
250	Other Professional Fees	29,527	835	31,000	2,000	(29,000)
250	Computer Backup Storage	19,838	8,756	21,000	21,000	0
Total Information Services		3,312,090	2,401,964	3,760,230	4,095,050	334,820
Total Finance & Administrative Services		12,439,543	6,698,468	11,666,660	13,000,450	1,333,790



ENGINEERING

OPERATING BUDGET SUMMARY

Program Description

The Engineering Department provides planning, design and construction coordination to produce the water, sewage and recycled water facilities necessary to provide the highest level of service to the customers of the District. In addition, the Department provides technical support to all other departments including Water Resources, Operations, Water Quality and Finance.

Planning: The Planning and Technical Services group of the Department is responsible for all master planning, water and sewer demand projections, water supply planning, preliminary facility planning studies for new facilities, and preparation of the District's annual and long-term Capital Programs. The Planning group provides GIS services to the other groups of the District, which includes the development and support of GIS based applications, facility and atlas maps, and GIS based analysis and the maintenance of the District's digital record drawings plan system. In addition the Planning group is responsible for managing District property and rights of way.

Capital Projects: The Capital Projects group designs and constructs major water, sewage and recycled water treatment and transmission facilities necessary to improve the quality and reliability of service to existing and future customers of the District. This group is responsible for the expansion and improvement of water and sewage treatment projects; design and construction of wells, pipelines, storage facilities, pump stations, and sewage lift stations; and design and construction of projects to integrate service areas acquired through agency consolidations.

Development Services: The Development Services group facilitates the land development process within the District by designing and bidding the water and sewage facilities necessary to support that development. These facilities are coordinated with development schedules so that projects are not impeded by a lack of water and sewage facilities. Temporary and interim facilities, when necessary, are coordinated through this group. The group also reviews developer submittals for quality and conformance with District specifications and assesses and collects appropriate fees.

Operations Support: The Operations Support group is responsible for providing technical support to the Operations and Water Quality Departments in their projects to expand and rehabilitate existing facilities. This group is also responsible for the design and construction of small to medium size water, sewage and recycled water facilities.

Inspection Services: The Inspection Services group provides construction inspection services to other groups of the Department to insure the highest level of constructed quality. These services include constructability review, pre-construction paperwork, progress payment processing, field inspection, change order evaluation and processing, and final acceptance coordination. The group is responsible for coordinating specialized construction support services such as surveying and geotechnical testing and inspection.



ENGINEERING

OPERATING BUDGET SUMMARY

Michelson Water Recycling Plant (MWRP) Construction: The MWRP Construction group is responsible for the construction of the MWRP Phase II Expansion and the MWRP Biosolids and Energy Recovery Facilities. The group ensures that sewage and biosolids treatment facilities are properly designed and constructed to meet the requirements of the Operations Department. They also work with the Water Quality Department to acquire air permits for the constructed facilities.

Major Goals

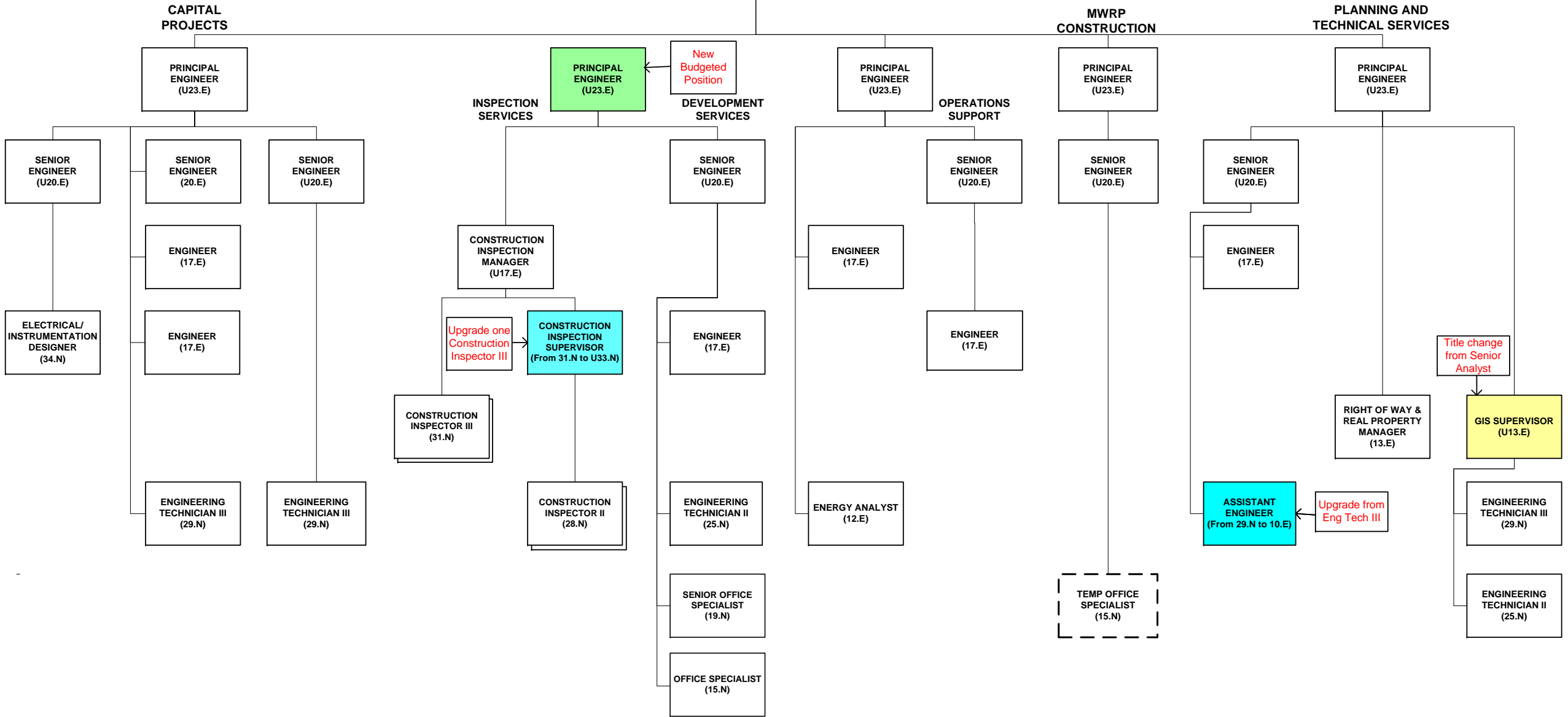
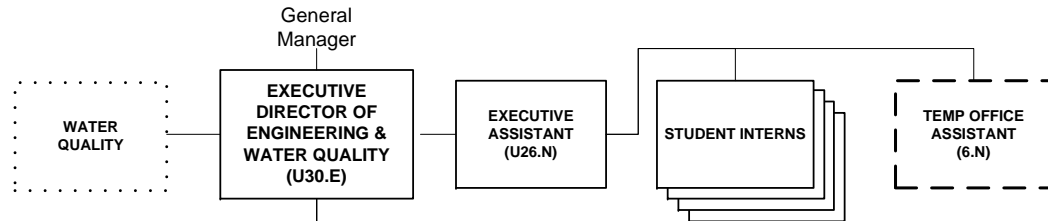
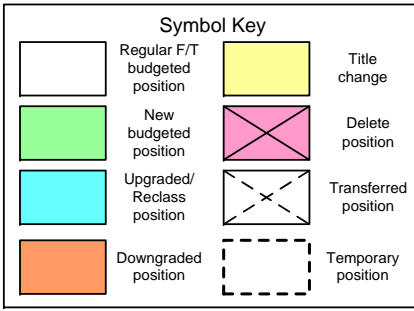
PLANNING

- Domestic and Recycled Water Systems Hydraulic Modeling;
- Irvine Lake Pipeline North Conversion to Recycled Water;
- Water Resources Master Plan update;
- Sewer Collection System Master Plan update;
- Sewage Treatment Facility Master Plan update;
- Provide Inter-agency technical support;
- Continue Great Park planning and coordination; and
- Develop alternative water supplies.

ENGINEERING

- MWRP Biosolids and Energy Recovery Facilities construction;
- Baker Water Treatment Plant and Pump Station construction;
- Well 115 Replacement construction;
- Orange Park Acres Well OPA-1 construction;
- Michelson Lift Station Relocation construction;
- Rattlesnake Reservoir Chlorine Gas Removal design and construction;
- Hidden Canyon Domestic and Recycled Water Pump Stations construction;
- LAWRP Biosolids Facilities planning;
- Planning Area 5 Pump Stations design; and
- Wells 51, 52 and 53 Feasibility Study.

**IRVINE RANCH WATER DISTRICT
ENGINEERING
PROPOSED FISCAL YEAR 2014-15**



Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2014-15

Engineering		2012-13 Actual	2013-14 Actual thru 12/31/13	2013-14 Orig Budget	2014-15 Prop Budget	Incr/(Decr)
Dept No	Expense Name					
Engineering						
300	Regular Labor	1,253,537	2,012,786	4,145,990	4,112,640	(33,350)
300	Overtime Labor	9,248	67,759	125,000	118,000	(7,000)
300	Employee Benefits	941,832	0	0	0	0
300	Contract Labor	68,533	52,240	147,500	152,100	4,600
300	Operating Supplies	17,718	5,546	16,840	5,840	(11,000)
300	Printing	27,496	1,343	48,500	34,500	(14,000)
300	Postage	1,150	378	120	1,000	880
300	Permits, Licenses and Fees	3,065	5,400	2,000	2,000	0
300	Office Supplies	10,701	3,452	17,000	14,000	(3,000)
300	Rep & Maint IRWD	27,001	8,666	40,200	0	(40,200)
300	Engineering Fees	0	0	3,200	6,000	2,800
300	Personnel Training	20,047	8,480	30,000	29,000	(1,000)
300	Other Professional Fees	2,277	241	4,000	4,000	0
Total Engineering		2,382,605	2,166,291	4,580,350	4,479,080	(101,270)
Total Engineering		2,382,605	2,166,291	4,580,350	4,479,080	(101,270)



WATER QUALITY

OPERATING BUDGET SUMMARY

Program Description

The Water Quality Department provides a wide range of support services that include Water Quality Analysis, Regulatory Compliance, and Water Quality Administration and Projects.

Water Quality Analysis: The Water Quality Analysis group provides our internal and external customers with high quality data in a professional and timely manner. The Water Quality Analysis group utilizes state-of-the-art, United States Environmental Protection Agency (EPA) and California Department of Public Health (CDPH) approved analytical methods to provide data for regulatory monitoring and reporting, process control, research projects and capital projects.

Regulatory Compliance: The Regulatory Compliance group plans and manages District-wide programs to ensure the District complies with all environmental regulations governing water, sewage and groundwater discharges. Staff collects all required samples of water, sewage and recycled water from distribution systems, treatment facilities, storage reservoirs, wetland operations and customer facilities to assure quality services and products are served to our customers. This group also responds to customer service issues and concerns regarding water quality. In addition to water-related programs, Regulatory Compliance staff manages other regulatory compliance programs such as Hazardous Waste, Underground Storage Tanks, Aboveground Petroleum Storage Tanks, Universal Waste and Industrial Waste. The Air Quality Program is also managed by Regulatory Compliance and includes all routine reporting, current and draft rule evaluation and permit application coordination and compliance. Regulatory Compliance also participates with the Orange County Sanitation District and South Orange County Wastewater Authority to address watershed and permit issues including environmental evaluation and permitting. Regulatory Compliance is also an active participant in representing IRWD at SCAP and Tri-TAC Committee meetings for Air and Water.

Water Quality Projects: The Water Quality Projects group conducts research, develops projects and provides process control support and problem solving to enhance the performance of the District's domestic and recycled water supply, treatment, distribution, storage and compliance objectives. It provides similar support to the District's sewage collection/treatment, recycled water and urban runoff treatment systems.

Water Quality Administration: The Water Quality Administration group assists all Water Quality and Environmental group in carrying out their missions; provides Water Quality related support to the operations and maintenance of all water and sewer collections systems; and ensures that all District operations are conducted in a safe, reliable, cost-effective, environmentally sensitive manner to achieve a high level of customer satisfaction.



WATER QUALITY

OPERATING BUDGET SUMMARY

Major Goals

WATER QUALITY ANALYSIS

- Perform necessary analyses to determine compliance with all applicable federal, state and local environmental and water quality laws and regulations;
- Provide process control data to assist operating groups in meeting their regulatory requirements;
- Complete and submit all regulatory monitoring data by the specified due dates;
- Complete analyses within specified hold times and meet quality control specifications;
- Research and implement new testing methods where justified, specifically methods routinely sent out to contract laboratories and screening methods for system security and general water quality concerns;
- Maintain the laboratory's Environmental Laboratory Accreditation Program (ELAP) certification by submitting the renewal application by the prescribed due date and successfully completing the site audit and proficiency testing;
- Successfully complete all required water, sewage, hazardous waste and DMR proficiency testing samples and submit the data by the prescribed due date;
- Research and implement, where appropriate, improved means to communicate water quality data to internal and external customers;
- Be environmentally responsible in the selection, procurement and disposal of reagents utilized in the laboratory; and
- Seek to improve established contacts with regulatory agencies.

REGULATORY COMPLIANCE

- Ensure the District operates in full compliance with all applicable federal, state and local environmental, water and air quality laws and regulations;
- Respond to Water Quality Customer Service Requests and investigate the customer's concern;
- Determine required monitoring programs to address all regulatory requirements for potable, sewage and recycled water;
- Coordinate with other agencies with respect to Industrial Waste Programs and other projects;
- Plan, organize and supervise the work of the Compliance Monitoring Group;
- Collect potable system distribution and storage samples to comply with the CDPH monitoring plan and to proactively identify any developing quality issues in the system;
- Collect MWRP and LAWRP samples to assure proper operation of the treatment facilities and compliance with each facilities' NPDES permit;
- Assist and provide resources to other departments with environmental, water and air permitting issues;
- Ensure compliance with all air permit requirements for testing and reporting;
- Participate in industry stakeholder groups for air, water and biosolids regulatory issues;
- Prepare and submit environmental permit applications for routine activities and projects;



WATER QUALITY

OPERATING BUDGET SUMMARY

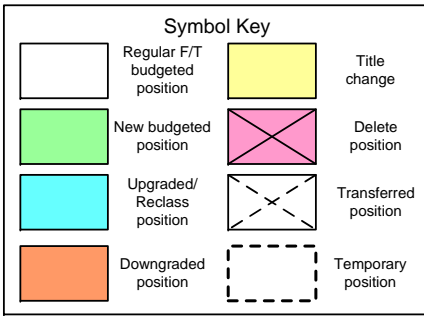
- Administer the environmental reporting on the District's wetlands development and operations; and
- Assist in the development of environmental quality projects and coordinate research and development activities.

WATER QUALITY PROJECTS

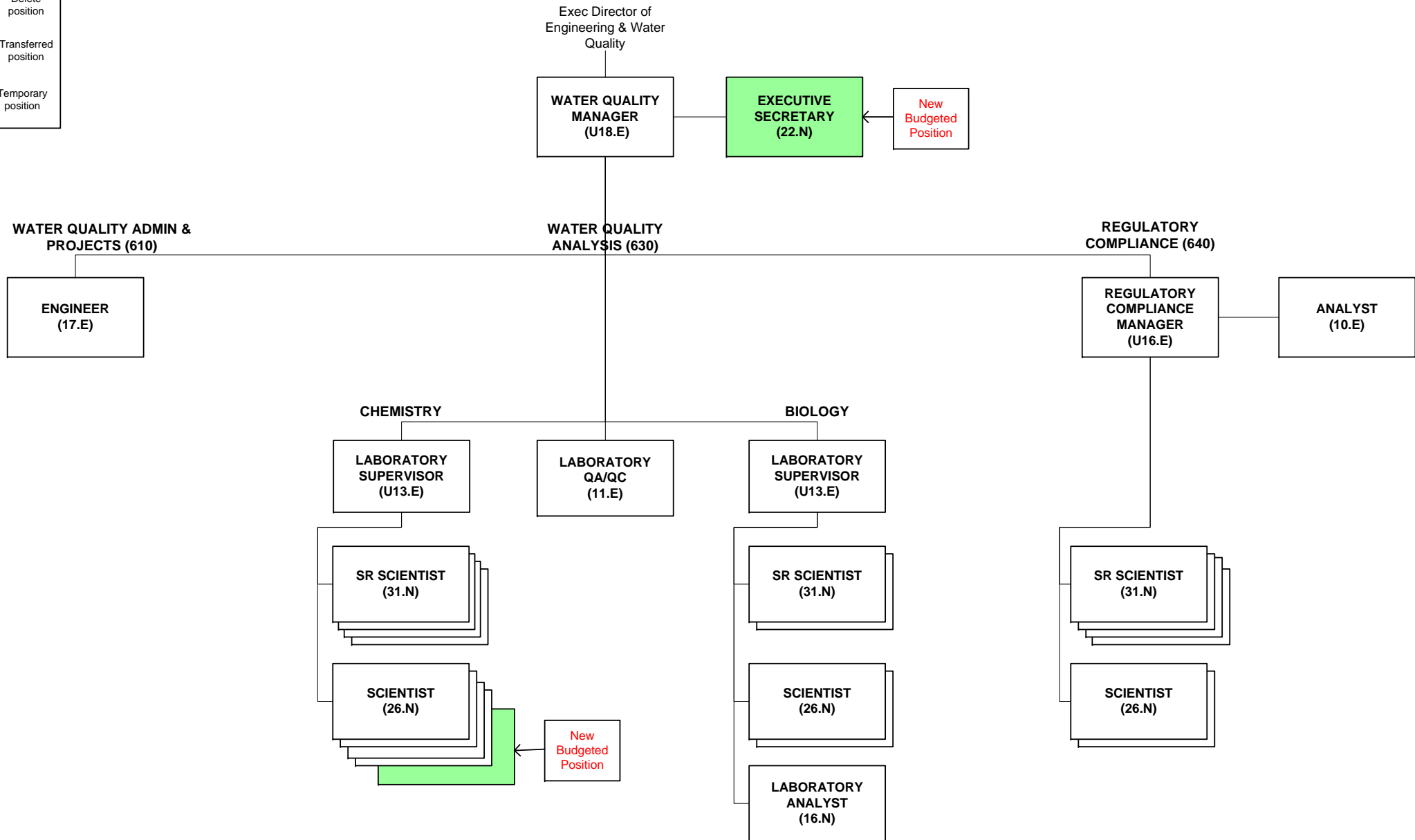
- Evaluate process control and water quality monitoring data to assess, correct or recommend performance improvement of the IRWD membrane treatment facilities, including IDP-SGU, IDP-PAP, IDP-PTP, DATS, CATS and the Wells 21/22 Desalter Plant;
- Develop test protocols, standard operating protocols and procedures, operate, perform sample collection and monitoring of bench, pilot and full-scale process facilities, including the Cienega demonstration subsurface filtration project and other applicable IRWD pilot and demonstration research projects;
- Actively monitor operation and perform troubleshooting of full scale and partial RMS installed at 19 IRWD domestic water reservoirs;
- Act as a liaison and administer reporting IRWD groundwater extraction and treatment operations for removal of the TCE plume from the Irvine sub-basin groundwater at the IDP Principal Aquifer wells, IDP-PAP and IDP-SGU to the Department of the Navy (DON), local and state regulatory agencies;
- Train Plant and Systems Operations staff on process control procedures, monitoring and troubleshooting in the various water treatment and monitoring applications;
- Provide engineering assistance to IRWD staff in the administration, planning, design, construction and operation of water, sewage and irrigation facilities;
- Develop and analyze alternative approaches for meeting water quality regulations; and
- Assist in the development and coordinate district wide research, pilot and demonstration projects.

WATER QUALITY ADMINISTRATION

- Ensure the District operates in full compliance with all applicable federal, state and local environmental and water quality laws and regulations;
- Monitor the development of potential future regulations that may impact District activities;
- Ensure all compliance monitoring and reporting is completed and submitted by required due dates;
- Review new technologies that may be applicable to operations; and
- Prepare water quality data for internal and external customers.



**IRVINE RANCH WATER DISTRICT
WATER QUALITY
PROPOSED FISCAL YEAR 2014-15**



Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2014-15

Water Quality		2012-13 Actual	2013-14 Actual thru 12/31/13	2013-14 Orig Budget	2014-15 Prop Budget	Incr/(Decr)
Dept No	Expense Name					
<u>Water Quality Administration and Projects</u>						
610	Regular Labor	0	166,953	324,910	308,800	(16,110)
610	Operating Supplies	0	1,045	1,500	3,000	1,500
610	Postage	0	1,414	2,000	2,800	800
610	Permits, Licenses and Fees	0	1,677	0	0	0
610	Office Supplies	0	1,263	2,500	3,000	500
610	Rep & Maint IRWD	0	1,064	10,000	10,000	0
610	Engineering Fees	0	41,675	52,000	52,000	0
610	Personnel Training	0	7,018	23,800	25,200	1,400
610	Other Professional Fees	0	13,214	97,850	98,500	650
610	Safety	0	0	100	100	0
Total Water Quality Administration and Projects		0	235,323	514,660	503,400	(11,260)

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2014-15

Water Quality		2012-13 Actual	2013-14 Actual thru 12/31/13	2013-14 Orig Budget	2014-15 Prop Budget	Incr/(Decr)
Dept No	Expense Name					
<u>Water Quality Analysis</u>						
630	Regular Labor	0	590,233	1,259,500	1,351,520	92,020
630	Overtime Labor	0	13,613	12,880	13,940	1,060
630	Contract Labor	0	9,965	115,350	57,690	(57,660)
630	Operating Supplies	0	120,077	336,360	343,300	6,940
630	Postage	0	383	6,900	6,000	(900)
630	Permits, Licenses and Fees	0	5,975	5,975	5,975	0
630	Equipment Rental	0	3,729	5,000	6,400	1,400
630	Rep & Maint IRWD	0	141,473	190,560	204,180	13,620
630	Engineering Fees	0	65,000	149,000	152,100	3,100
630	Personnel Training	0	310	2,200	2,200	0
630	Other Professional Fees	0	0	1,200	1,200	0
630	Safety	0	2,208	5,880	4,000	(1,880)
<u>Total Water Quality Analysis</u>		0	952,966	2,090,805	2,148,505	57,700

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2014-15

Water Quality		2012-13 Actual	2013-14 Actual thru 12/31/13	2013-14 Orig Budget	2014-15 Prop Budget	Incr/(Decr)
Dept No	Expense Name					
Regulatory Compliance						
640	Regular Labor	0	292,752	601,160	721,170	120,010
640	Overtime Labor	0	17,559	55,000	51,975	(3,025)
640	Contract Labor	0	0	54,000	18,000	(36,000)
640	Operating Supplies	0	15,008	52,020	52,020	0
640	Permits, Licenses and Fees	0	236,890	369,600	388,700	19,100
640	Rep & Maint Other Agencies	0	0	2,000	2,000	0
640	Rep & Maint IRWD	0	38,050	83,500	86,500	3,000
640	Engineering Fees	0	17,757	39,100	71,000	31,900
640	Personnel Training	0	288	4,700	3,500	(1,200)
640	Other Professional Fees	0	290	1,500	1,500	0
640	Safety	0	0	2,000	2,000	0
Total Regulatory Compliance		0	618,594	1,264,580	1,398,365	133,785
Total Water Quality		0	1,806,883	3,870,045	4,050,270	180,225



WATER OPERATIONS

OPERATING BUDGET SUMMARY

Program Description

The mission of the Water Operations Department is to operate and maintain the District's potable, recycled and untreated systems in an efficient, cost effective and environmentally safe manner that provides a high level of customer satisfaction. The Water Operations Department provides operation, maintenance and repair of the District's domestic water, recycled water and untreated water systems. These systems include the Dyer Road Wellfield, Deep Aquifer Treatment System, The Wells 21/22 Treatment Plant, Irvine Desalter Project (Potable Treatment Plant, Principal Aquifer Plant and Shallow Groundwater Unit) and Manning Water Treatment Plant.

Major Goals

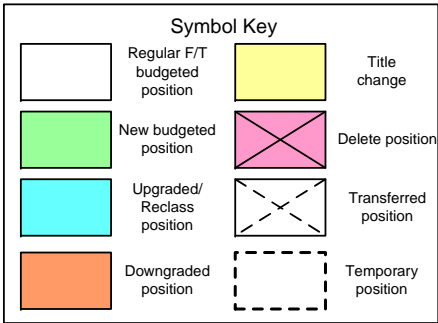
- Maintain 100% compliance with all regulatory permits;
- Meet the Department's adopted Operations and Maintenance budget;
- Develop staffing and training plan for the Operations and Maintenance (O&M) of the Baker Water Treatment Plant;
- Coordinate with the Finance, Engineering and Planning Departments on water supply and water banking opportunities to optimize cost effective operations;
- Achieve zero lost time accidents;
- Establish and track operational Key Performance Indicators (KPI) to optimize operational efficiency and cost effectiveness;
- Maintain and develop staff competency through a combination of internal and external training;
- Operate and maintain the system to minimize energy consumption;
- Assist with the completion Supervisory Control and Data Acquisition (SCADA) upgrade implementation;
- Maintain the Dyer Road Well Field and Deep Aquifer Treatment System domestic water flows in accordance with the Ground Water Pumping Plan;
- Assist the Engineering Department with the design and startup of domestic and recycled water system facilities;
- Operate the Irvine Desalter Project (Potable Treatment Plant, Principal Aquifer Plant and Shallow Groundwater Unit) in accordance with the joint agency agreement and submit required reports;
- Complete all Cross-Connection Control Program annual inspections and back-flow device maintenance in accordance with the California Administrative Code, Title 17, Public Health Department Requirements;
- Ensure efficient operation of all District pumping and reservoir facilities;
- Evaluate recycled water distribution system pressures and reliability issues;
- Ensure safe dam operation through the monitoring and surveillance program;
- Provide construction and repair services to internal and external customers in a prompt, safe, efficient, cost effective and environmentally sensitive manner;



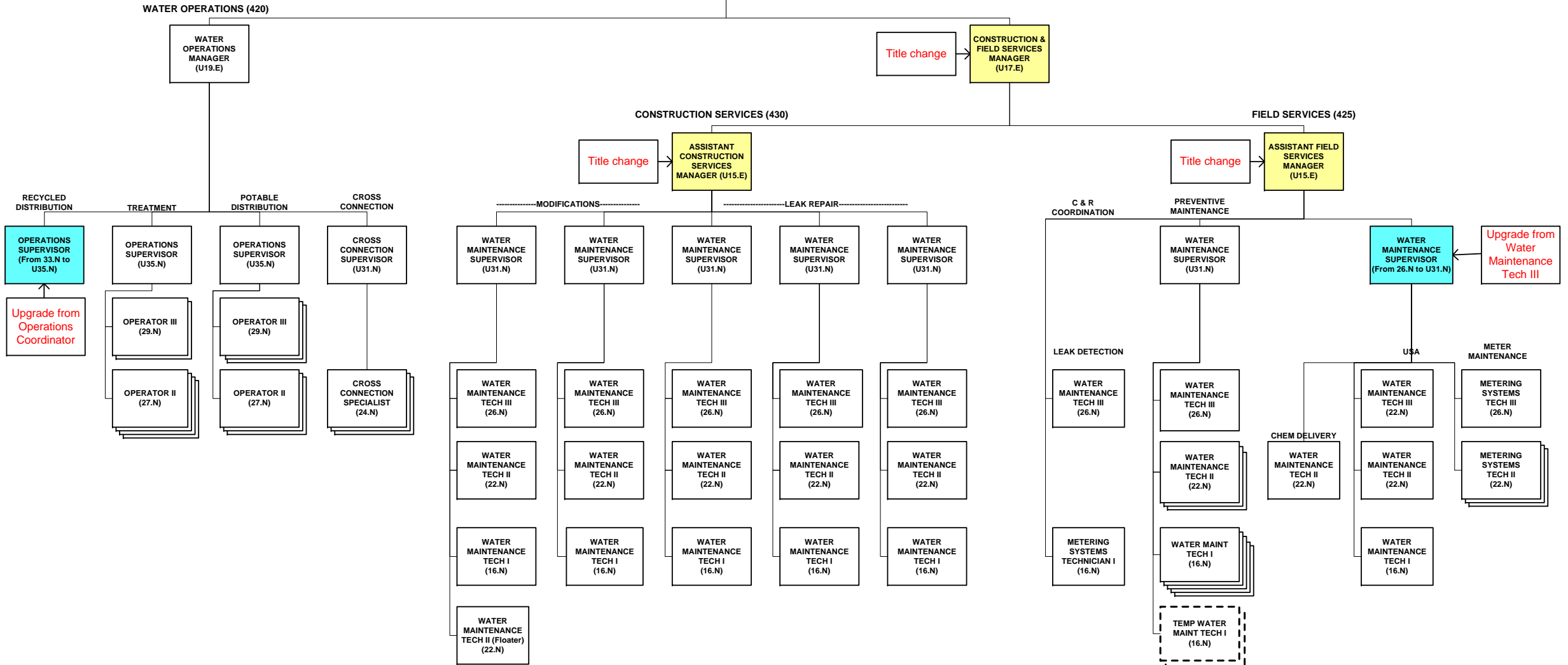
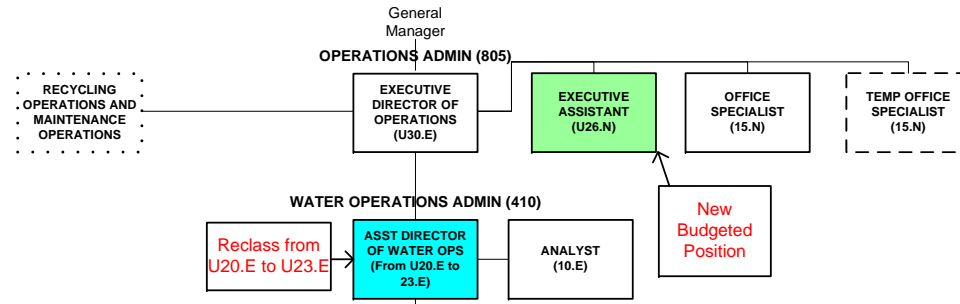
WATER OPERATIONS

OPERATING BUDGET SUMMARY

- Maintain a high level of customer satisfaction by responding promptly to and repairing water leaks with minimal impact to customers;
- Implement the sewer repair program to maintain system reliability;
- Meet all preventive maintenance programs for the distribution system;
- Replace residential and commercial meters on the recommended cycle;
- Mark the District's underground facilities in response to Underground Service Alert (USA) tickets to prevent potential damages to the facilities from construction activities;
- Set and complete annual service goals in accordance with AWWA and industry standards; and
- Respond promptly to all customer service requests (CSR).



**IRVINE RANCH WATER DISTRICT
OPERATIONS ADMINISTRATION AND WATER OPERATIONS
PROPOSED FISCAL YEAR 2014-15**



Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2014-15

Operations Administration		2012-13 Actual	2013-14 Actual thru 12/31/13	2013-14 Orig Budget	2014-15 Prop Budget	Incr/(Decr)
Dept No	Expense Name					
<u>Operations Administration</u>						
805	Office Supplies				4,000	4,000
805	Personnel Training				5,480	5,480
805	Other Professional Fees				12,800	12,800
805	Regular Labor				408,640	408,640
Total Operations Administration					430,920	430,920
Total Operations Administration					430,920	430,920

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2014-15

Water Operations		2012-13 Actual	2013-14 Actual thru 12/31/13	2013-14 Orig Budget	2014-15 Prop Budget	Incr/(Decr)
Dept No	Expense Name					
<u>Water Operations Administration</u>						
410	Water Purchases	6,855	0	0	0	0
410	Regular Labor	324,637	128,449	408,940	141,750	(267,190)
410	Employee Benefits	92,417	0	0	0	0
410	Other Utilities	6,403	10,507	5,800	21,020	15,220
410	Operating Supplies	2,586	175	4,500	3,000	(1,500)
410	Printing	675	0	300	300	0
410	Postage	0	183	0	400	400
410	Permits, Licenses and Fees	83,813	23,434	87,550	87,560	10
410	Office Supplies	5,234	4,270	8,000	4,000	(4,000)
410	Equipment Rental	10,625	6,353	0	0	0
410	Rep & Maint Other Agencies	689,211	408,937	1,060,100	1,059,600	(500)
410	Engineering Fees	83,371	88,114	92,000	92,000	0
410	Personnel Training	27,162	3,379	19,890	19,720	(170)
410	Other Professional Fees	13,667	4,613	9,600	0	(9,600)
Total Water Operations Administration		1,346,656	678,414	1,696,680	1,429,350	(267,330)

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2014-15

Water Operations		2012-13 Actual	2013-14 Actual thru 12/31/13	2013-14 Orig Budget	2014-15 Prop Budget	Incr/(Decr)
Dept No	Expense Name					
<u>Water Operations</u>						
420	Water Purchases	31,278,264	16,852,468	26,352,300	31,528,450	5,176,150
420	Regular Labor	1,490,051	737,722	1,594,140	1,683,550	89,410
420	Overtime Labor	280,877	156,552	200,000	299,000	99,000
420	Employee Benefits	360,605	0	0	0	0
420	Electricity	6,479,936	4,578,294	8,077,180	10,252,850	2,175,670
420	Fuel	25,547	10,152	25,500	24,000	(1,500)
420	Telecommunication	39,531	22,760	41,000	41,000	0
420	Other Utilities	9,335	0	9,600	9,600	0
420	Chemicals	700,582	492,447	1,123,450	1,059,600	(63,850)
420	Operating Supplies	46,541	33,137	31,490	61,600	30,110
420	Permits, Licenses and Fees	11,082	6,153	6,220	12,000	5,780
420	Equipment Rental	0	0	9,000	9,000	0
420	Rep & Maint Other Agencies	(35,044)	(16,457)	0	0	0
420	Rep & Maint IRWD	118,784	48,237	290,000	262,000	(28,000)
420	Engineering Fees	11,272	8,452	23,000	11,000	(12,000)
420	Data Processing	12,060	0	0	0	0
420	Personnel Training	1,158	459	0	0	0
420	Other Professional Fees	1,746	203	0	0	0
420	Safety	593	721	3,000	3,000	0
Total Water Operations		40,832,920	22,931,300	37,785,880	45,256,650	7,470,770

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2014-15

Water Operations		2012-13 Actual	2013-14 Actual thru 12/31/13	2013-14 Orig Budget	2014-15 Prop Budget	Incr/(Decr)
Dept No	Expense Name					
<u>Field Services</u>						
425	Regular Labor	1,252,468	688,012	1,497,570	1,494,140	(3,430)
425	Overtime Labor	130,423	62,363	112,000	127,500	15,500
425	Employee Benefits	299,488	0	0	0	0
425	Contract Labor	56,404	17,296	100,000	0	(100,000)
425	Chemicals	1,813	910	4,000	4,000	0
425	Operating Supplies	64,066	47,266	88,700	89,200	500
425	Permits, Licenses and Fees	8,338	5,001	11,000	11,000	0
425	Equipment Rental	0	0	2,000	0	(2,000)
425	Rep & Maint IRWD	257,668	218,035	230,000	258,000	28,000
425	Personnel Training	175	205	0	0	0
425	Other Professional Fees	0	157	0	0	0
425	Safety	53	0	0	0	0
Total Field Services		2,070,896	1,039,245	2,045,270	1,983,840	(61,430)

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2014-15

Water Operations		2012-13 Actual	2013-14 Actual thru 12/31/13	2013-14 Orig Budget	2014-15 Prop Budget	Incr/(Decr)
Dept No	Expense Name					
<u>Construction Services</u>						
430	Regular Labor	772,925	747,025	1,658,570	1,695,830	37,260
430	Overtime Labor	86,797	83,089	152,000	228,000	76,000
430	Employee Benefits	341,366	0	0	0	0
430	Contract Labor	13,555	621	0	0	0
430	Chemicals	238	0	740	740	0
430	Operating Supplies	122,527	69,989	118,500	144,800	26,300
430	Permits, Licenses and Fees	45,615	18,016	50,000	67,000	17,000
430	Equipment Rental	22,730	942	20,000	21,000	1,000
430	Rep & Maint IRWD	892,842	416,748	500,000	667,800	167,800
430	Personnel Training	1,692	100	0	0	0
430	Other Professional Fees	0	293	0	0	0
Total Construction Services		2,300,287	1,336,823	2,499,810	2,825,170	325,360
Total Water Operations		46,550,759	25,985,782	44,027,640	51,495,010	7,467,370



RECYCLING OPERATIONS

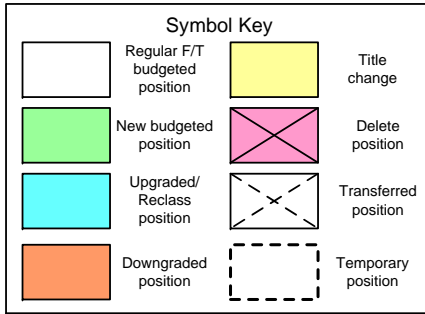
OPERATING BUDGET SUMMARY

Program Description

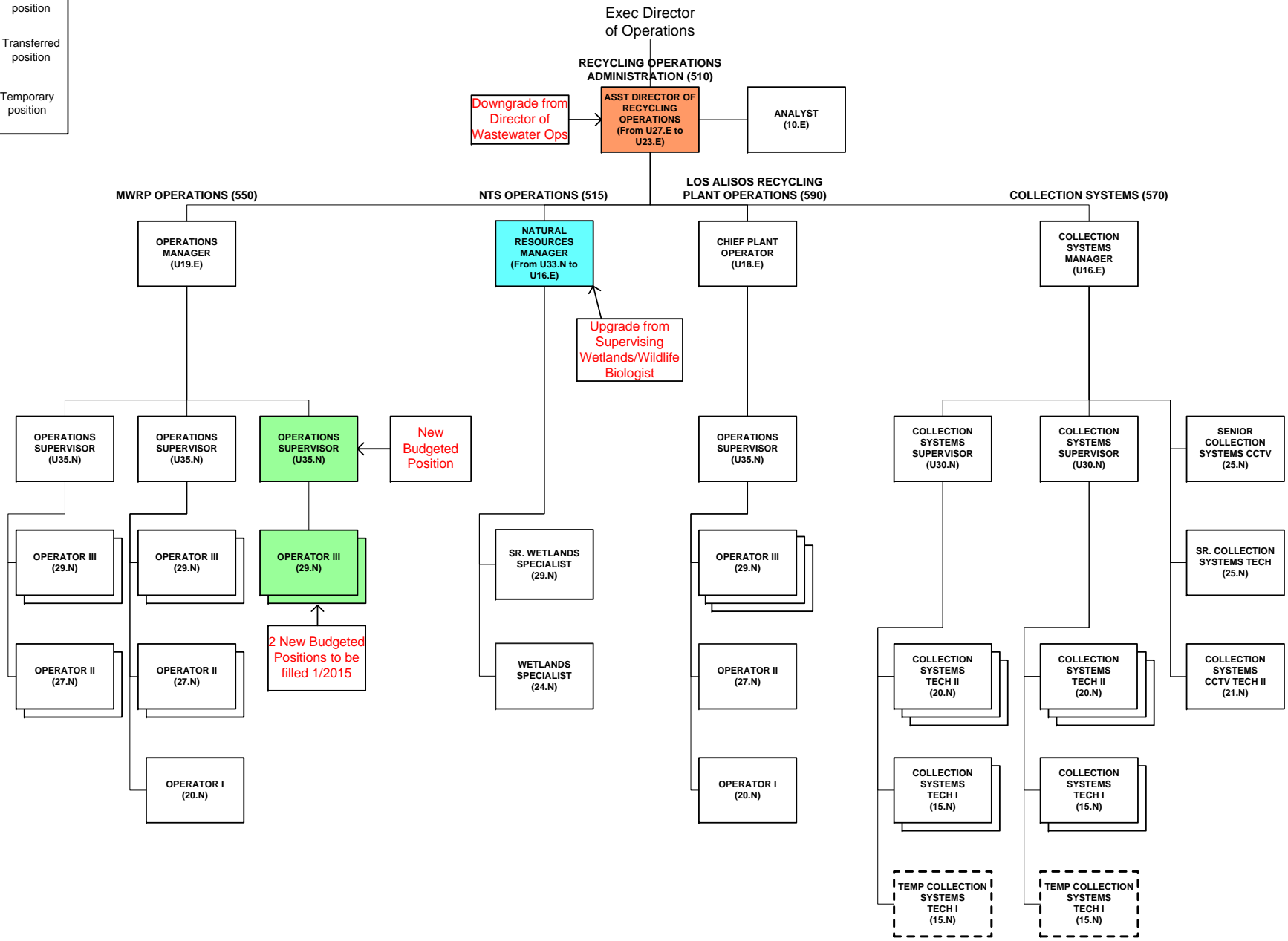
The mission of the Recycling Operations Department is to operate the District's resource recovery systems in a regulatory compliant, efficient, and environmentally safe manner that provides the highest level of customer satisfaction. The Recycling Operations Department provides cost-effective, reliable and compliant operation of the District's Collection Systems, Michelson Water Recycling Plant (MWRP), Los Alisos Water Recycling Plant (LAWRP), and Natural Treatment System (NTS).

Major Goals

- Meet the Department's adopted Operations budget;
- Achieve zero lost time accidents;
- Maintain 100% compliance with all regulatory requirements;
- Establish and track operational key performance indicators (KPIs) to optimize efficiency and cost effectiveness;
- Complete transition of all operational responsibilities for the MWRP Phase II expansion and upgrade project from construction management to Recycling Operations;
- Initiate implementation of the phased staffing and training plan for the MWRP Biosolids and Energy Recovery Facilities, and evaluate all outsourcing options;
- Maintain and develop staff competency through a combination of internal and external training;
- Evaluate and optimize chemical usage for the collection and recycling facilities systems;
- Perform initial evaluation of options for the marketing and distribution of pellets from the MWRP Biosolids Project;
- Begin developing concepts and partnerships relative to implementing a food waste recycling program at the MWRP once the new solids handling facilities are completed;
- Collaborate with other agencies including Encina Wastewater Authority on lessons learned, O&M, product marketing and distribution, and resource sharing opportunities;
- Discuss potential Orange County Sanitation District (OCSD) participation in MWRP Biosolids facilities on an interim basis;
- Prepare for the first Sewer System Management Plan (SSMP) state audit in May 2014;
- Evaluate the development of an enhanced sewage discharge source control (non-flushable materials, expired pharmaceuticals) outreach and enforcement programs to protect the District's recovered resources;
- Evaluate an improved data tracking and management system for the NTS;
- Prepare an Annual Report of NTS Operations including nutrient removal performance at each NTS facility, operational objectives, and recommendations for adaptive changes to the NTS program;
- Evaluate the performance and cost effectiveness of the existing pilot bioretention facility as part of the NTS Program;
- Continue to work with partners in Newport Bay Executive Committee to develop and implement the elements of the Nitrogen Selenium Management Plan.



**IRVINE RANCH WATER DISTRICT
RECYCLING OPERATIONS
PROPOSED FISCAL YEAR 2014-15**



Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2014-15

Recycling Operations		2012-13 Actual	2013-14 Actual thru 12/31/13	2013-14 Orig Budget	2014-15 Prop Budget	Incr/(Decr)
Dept No	Expense Name					
<u>Recycling Operations Administration</u>						
510	Regular Labor	248,179	108,184	263,500	242,240	(21,260)
510	Employee Benefits	16,402	0	0	0	0
510	Contract Labor	0	5,911	2,000	14,700	12,700
510	Electricity	2,138,579	1,255,883	2,476,600	0	(2,476,600)
510	Fuel	3,936	4,570	10,000	0	(10,000)
510	Telecommunication	1,209	604	1,400	1,400	0
510	Operating Supplies	0	98	500	500	0
510	Printing	0	0	2,000	1,000	(1,000)
510	Postage	242	179	0	0	0
510	Office Supplies	8,195	678	7,200	4,000	(3,200)
510	Rep & Maint Other Agencies	9,166,738	4,916,010	9,831,200	2,786,000	(7,045,200)
510	Personnel Training	5,687	1,148	2,000	0	(2,000)
510	Other Professional Fees	28,652	640	2,200	0	(2,200)
Total Recycling Operations Administration		11,617,819	6,293,905	12,598,600	3,049,840	(9,548,760)

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2014-15

Recycling Operations		2012-13 Actual	2013-14 Actual thru 12/31/13	2013-14 Orig Budget	2014-15 Prop Budget	Incr/(Decr)
Dept No	Expense Name					
NTS Operations						
515	Regular Labor	237,459	119,821	257,750	250,080	(7,670)
515	Overtime Labor	3,304	2,159	4,000	4,000	0
515	Employee Benefits	49,608	0	0	0	0
515	Contract Labor	0	0	0	30,000	30,000
515	Electricity	4,398	2,125	19,700	259,300	239,600
515	Operating Supplies	6,359	1,059	6,520	17,500	10,980
515	Permits, Licenses and Fees	183	0	0	1,000	1,000
515	Equipment Rental	6,279	2,752	6,660	7,000	340
515	Rep & Maint Other Agencies	8,869	6,215	14,000	19,500	5,500
515	Rep & Maint IRWD	630,234	276,989	778,700	1,007,160	228,460
515	Engineering Fees	56,468	8,975	27,500	35,000	7,500
515	Personnel Training	0	(218)	0	1,500	1,500
515	Safety	1,934	0	5,000	6,000	1,000
515	Other	17,108	(8,434)	8,500	12,000	3,500
Total NTS Operations		1,022,203	411,443	1,128,330	1,650,040	521,710

Previously in department 415

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2014-15

Recycling Operations		2012-13 Actual	2013-14 Actual thru 12/31/13	2013-14 Orig Budget	2014-15 Prop Budget	Incr/(Decr)
Dept No	Expense Name					
MWRP Operations						
550	Regular Labor	914,289	463,581	1,000,780	1,207,540	206,760
550	Overtime Labor	107,995	73,890	97,900	108,380	10,480
550	Employee Benefits	219,399	0	0	0	0
550	Electricity	0	0	0	3,609,200	3,609,200
550	Fuel	46,145	21,459	27,000	51,800	24,800
550	Chemicals	1,746,688	901,698	1,135,000	489,600	(645,400)
550	Operating Supplies	13,925	12,624	19,200	18,000	(1,200)
550	Office Supplies	364	0	0	0	0
550	Equipment Rental	0	0	7,200	6,300	(900)
550	Rep & Maint Other Agencies	0	0	0	7,237,700	7,237,700
550	Rep & Maint IRWD	265,668	19,493	170,360	30,360	(140,000)
550	Personnel Training	6,125	935	12,840	12,840	0
550	Other Professional Fees	1,956	2,053	2,000	2,500	500
550	Safety	3,193	9,500	5,500	5,500	0
550	Biosolids Disposal	400	51,101	63,000	100,000	37,000
Total MWRP Operations		3,326,147	1,556,334	2,540,780	12,879,720	10,338,940

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2014-15

Recycling Operations		2012-13 Actual	2013-14 Actual thru 12/31/13	2013-14 Orig Budget	2014-15 Prop Budget	Incr/(Decr)
Dept No	Expense Name					
Collection Systems						
570	Regular Labor	1,030,932	541,208	1,078,810	1,124,480	45,670
570	Overtime Labor	117,792	60,979	103,960	112,300	8,340
570	Employee Benefits	227,102	0	0	0	0
570	Contract Labor	7,920	2,417	41,600	41,600	0
570	Electricity	94,343	23,537	86,000	109,000	23,000
570	Telecommunication	14,077	9,486	18,600	15,000	(3,600)
570	Chemicals	393,735	212,074	375,000	400,000	25,000
570	Operating Supplies	63,175	23,292	50,800	50,800	0
570	Permits, Licenses and Fees	1,094	0	0	0	0
570	Rep & Maint IRWD	551,488	173,808	529,000	515,000	(14,000)
570	Personnel Training	2,319	5,350	7,500	7,800	300
570	Other Professional Fees	1,407	561	1,500	1,500	0
570	Safety	882	1,284	5,000	5,000	0
Total Collection Systems		2,506,266	1,053,996	2,297,770	2,382,480	84,710

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2014-15

Recycling Operations		2012-13 Actual	2013-14 Actual thru 12/31/13	2013-14 Orig Budget	2014-15 Prop Budget	Incr/(Decr)
Dept No	Expense Name					
LAWRP Operations						
590	Regular Labor	560,767	284,964	573,700	598,040	24,340
590	Overtime Labor	77,960	34,749	46,820	49,620	2,800
590	Employee Benefits	132,589	0	0	0	0
590	Electricity	758,698	467,519	815,200	916,500	101,300
590	Fuel	1,255	243	1,000	1,000	0
590	Telecommunication	0	0	400	400	0
590	Chemicals	225,096	140,536	229,000	179,400	(49,600)
590	Operating Supplies	13,354	5,835	32,000	8,200	(23,800)
590	Permits, Licenses and Fees	3,000	0	0	0	0
590	Office Supplies	91	88	0	0	0
590	Rep & Maint Other Agencies	291,798	131,708	295,440	314,760	19,320
590	Rep & Maint IRWD	130,008	98,743	130,000	142,000	12,000
590	Personnel Training	1,427	0	4,300	800	(3,500)
590	Other Professional Fees	925	118	1,500	1,240	(260)
590	Safety	631	108	8,100	4,600	(3,500)
590	Biosolids Disposal	185,986	125,251	228,000	302,300	74,300
Total LAWRP Operations		2,383,585	1,289,862	2,365,460	2,518,860	153,400
Total Recycling Operations		20,856,020	10,605,540	20,930,940	22,480,940	1,550,000



MAINTENANCE

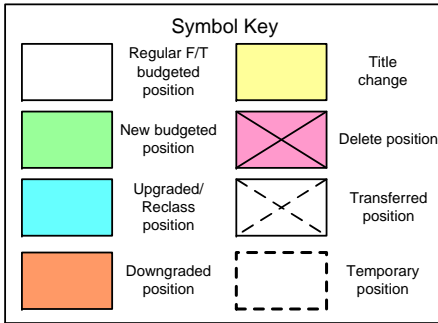
OPERATING BUDGET SUMMARY

Program Description

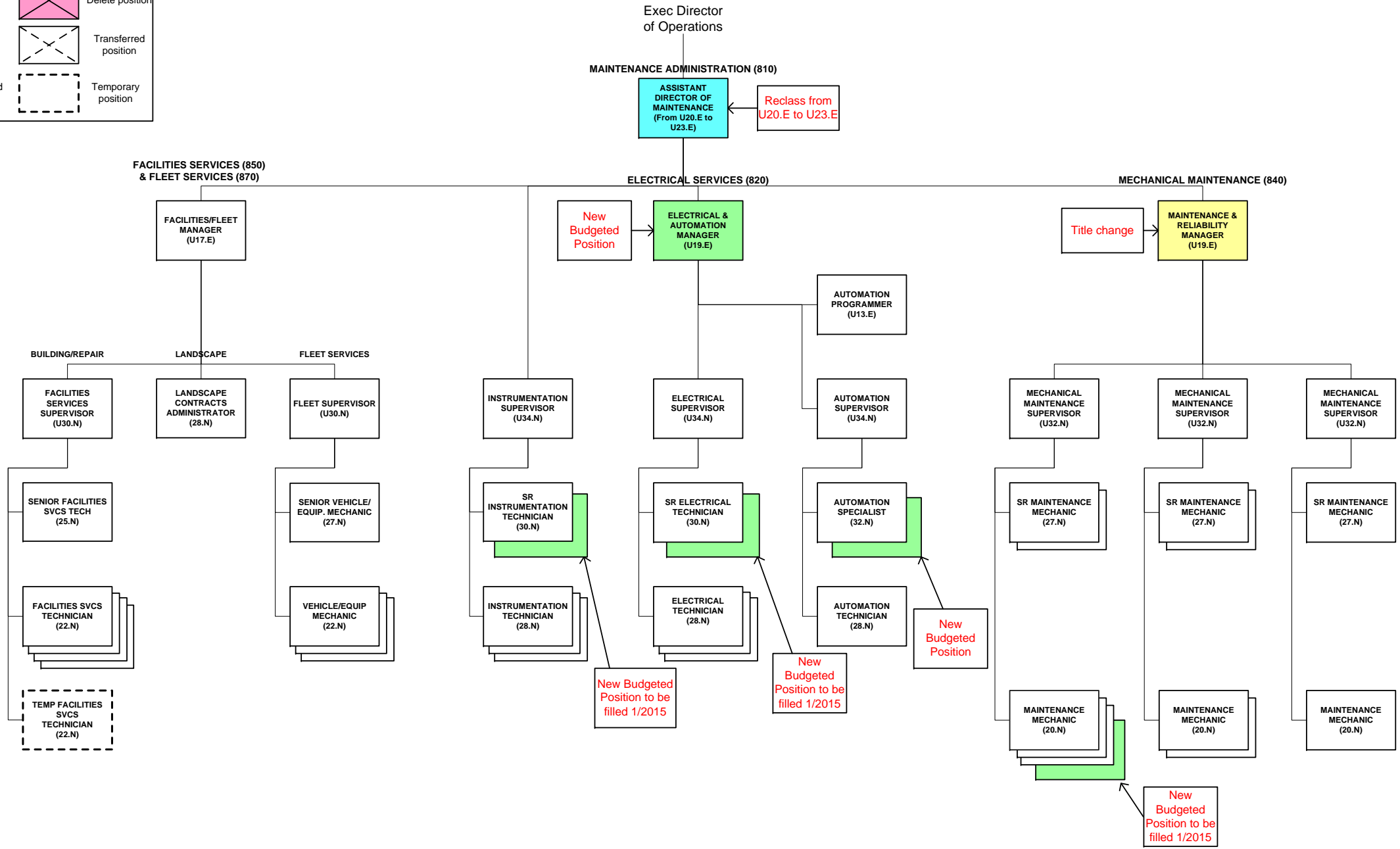
The mission of Maintenance Department is to manage the District's assets to ensure optimal life expectancy, reliability, efficiency and safety that provides the highest level of customer satisfaction. The Maintenance Department provides asset management of the District's electrical, mechanical, instrumentation, automation, supervisory control and data acquisition (SCADA) system, fleet and facility assets to ensure safe, reliable, and cost effective operation.

Major Goals

- Meet the Department's adopted Maintenance and General Plant budgets;
- Achieve zero lost time accidents;
- Maintain 100% compliance with all regulatory requirements;
- Conduct the pre-implementation activities for the Enterprise Asset Management (EAM) system including data collection, cataloging of assets, developing business processes, and identifying asset criticality protocols;
- Establish and track operational key performance indicators (KPIs) to optimize efficiency and cost effectiveness;
- Complete transition of all maintenance responsibilities for the MWRP Phase II expansion and upgrade project from construction management to maintenance;
- Initiate implementation of the phased staffing and training plan for the MWRP Biosolids and Energy Recovery Facilities, and evaluate all outsourcing options;
- Maintain and develop staff competency through a combination of internal and external training;
- Investigate and expand the use of new technology to enhance and increase equipment reliability and staff productivity;
- Initiate the evaluation for the conversion of the District fleet to alternative fuel;
- Complete the assimilation of the Automation Group and SCADA group into Electrical Services Department;
- Complete SCADA upgrades such as the completion of the Water Operations Transdyn Replacement (WOTR) project;
- Provide Engineering support for projects including the Biosolids and Energy Recovery Facilities, Baker Water Treatment Facility, Michelson Lift Station relocation and Orange Park Acres Well 1;
- Improve predictive maintenance measures through pump efficiency testing, lube oil analysis, vibration analysis, ultrasound detection, and infrared thermography program;
- Provide support regarding evaluation of a short and long term plan for LAWRP; and
- Perform all required maintenance on schedule to ensure safe and dependable cost effective fleet operation.



**IRVINE RANCH WATER DISTRICT
MAINTENANCE OPERATIONS
PROPOSED FISCAL YEAR 2014-15**



Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2014-15

Maintenance		2012-13 Actual	2013-14 Actual thru 12/31/13	2013-14 Orig Budget	2014-15 Prop Budget	Incr/(Decr)
<u>Dept No</u>	<u>Expense Name</u>					
<u>Maintenance Administration</u>						
810	Regular Labor				138,720	138,720
810	Personnel Training				5,000	5,000
<u>Total Maintenance Administration</u>					143,720	143,720

Previously in department 510

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2014-15

Maintenance		2012-13 Actual	2013-14 Actual thru 12/31/13	2013-14 Orig Budget	2014-15 Prop Budget	Incr/(Decr)
Dept No	Expense Name					
<u>Electrical Services</u>						
820	Regular Labor	776,981	437,948	914,660	1,477,680	563,020
820	Overtime Labor	70,093	38,884	71,300	117,000	45,700
820	Employee Benefits	189,278	0	0	0	0
820	Operating Supplies	41,482	29,281	41,800	60,400	18,600
820	Rep & Maint IRWD	684,870	344,419	466,500	633,400	166,900
820	Personnel Training	10,433	9,245	11,250	10,000	(1,250)
820	Other Professional Fees	737	780	1,900	2,400	500
820	Safety	8,121	3,755	8,000	8,600	600
Total Electrical Services		1,781,995	864,312	1,515,410	2,309,480	794,070

Previously in department 520

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2014-15

Maintenance		2012-13 Actual	2013-14 Actual thru 12/31/13	2013-14 Orig Budget	2014-15 Prop Budget	Incr/(Decr)
Dept No	Expense Name					
<u>Mechanical Services</u>						
840	Regular Labor	957,828	530,199	1,145,880	1,208,340	62,460
840	Overtime Labor	26,379	17,374	22,100	55,100	33,000
840	Employee Benefits	226,270	0	0	0	0
840	Contract Labor	75,757	5,668	0	0	0
840	Operating Supplies	31,641	9,533	59,380	50,000	(9,380)
840	Equipment Rental	5,807	0	4,000	4,000	0
840	Rep & Maint IRWD	548,266	315,449	691,700	716,600	24,900
840	Personnel Training	5,563	6,314	12,400	12,400	0
840	Other Professional Fees	1,266	901	3,120	3,120	0
840	Mileage Reimbursement	0	39	0	0	0
840	Safety	5,015	625	7,600	8,000	400
Total Mechanical Services		1,883,792	886,102	1,946,180	2,057,560	111,380

Previously in department 540

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2014-15

Maintenance		2012-13 Actual	2013-14 Actual thru 12/31/13	2013-14 Orig Budget	2014-15 Prop Budget	Incr/(Decr)
Dept No	Expense Name					
<u>Facilities Services</u>						
850	Regular Labor	369,560	167,072	608,800	621,980	13,180
850	Overtime Labor	9,725	4,332	11,200	10,400	(800)
850	Employee Benefits	136,600	0	0	0	0
850	Contract Labor	28,890	39,972	25,000	25,000	0
850	Fuel	136	74	0	0	0
850	Telecommunication	188	78	0	0	0
850	Other Utilities	22,257	15,371	17,100	22,200	5,100
850	Operating Supplies	15,110	11,082	24,000	21,500	(2,500)
850	Rep & Maint IRWD	1,012,772	450,432	938,920	873,020	(65,900)
850	Personnel Training	5,735	763	0	0	0
850	Other Professional Fees	0	70	0	0	0
Total Facilities Services		1,600,973	689,246	1,625,020	1,574,100	(50,920)

Previously in department 435

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2014-15

Maintenance		2012-13 Actual	2013-14 Actual thru 12/31/13	2013-14 Orig Budget	2014-15 Prop Budget	Incr/(Decr)
Dept No	Expense Name					
<u>Head Quarters Property Services</u>						
855	Regular Labor	71,902	19,131	0	0	0
855	Overtime Labor	10,924	1,559	6,000	6,000	0
855	Contract Labor	1,527	388	0	0	0
855	Electricity	143,255	73,349	132,700	172,000	39,300
855	Fuel	8,848	3,571	10,000	10,000	0
855	Other Utilities	5,450	3,038	5,000	5,000	0
855	Operating Supplies	17,464	8,768	22,000	20,400	(1,600)
855	Rep & Maint IRWD	320,699	94,897	285,200	292,600	7,400
Total Head Quarters Property Services		580,069	204,701	460,900	506,000	45,100

Previously in department 440

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2014-15

Maintenance		2012-13 Actual	2013-14 Actual thru 12/31/13	2013-14 Orig Budget	2014-15 Prop Budget	Incr/(Decr)
Dept No	Expense Name					
<u>Operations Center Property Services</u>						
860	Regular Labor	150,195	80,850	0	0	0
860	Overtime Labor	5,309	3,672	4,000	7,000	3,000
860	Contract Labor	2,875	1,234	0	0	0
860	Electricity	0	0	0	222,900	222,900
860	Fuel	14,670	2,982	30,000	20,000	(10,000)
860	Other Utilities	15,915	14,352	20,000	20,000	0
860	Operating Supplies	37,882	20,194	20,000	40,000	20,000
860	Rep & Maint IRWD	284,428	198,330	244,700	271,500	26,800
Total Operations Center Property Services		511,274	321,614	318,700	581,400	262,700

Previously in department 445

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2014-15

Maintenance		2012-13 Actual	2013-14 Actual thru 12/31/13	2013-14 Orig Budget	2014-15 Prop Budget	Incr/(Decr)
Dept No	Expense Name					
<u>Fleet Services</u>						
870	Regular Labor	338,119	166,421	337,900	356,900	19,000
870	Overtime Labor	15,213	6,478	4,000	7,000	3,000
870	Employee Benefits	79,292	0	0	0	0
870	Contract Labor	3,002	0	0	0	0
870	Fuel	644,828	310,461	627,000	627,000	0
870	Other Utilities	0	26,762	45,000	51,500	6,500
870	Operating Supplies	7,204	2,876	8,550	7,750	(800)
870	Permits, Licenses and Fees	6,650	1,920	6,700	5,340	(1,360)
870	Equipment Rental	29,090	0	5,000	5,000	0
870	Rep & Maint IRWD	519,811	227,049	490,100	459,400	(30,700)
870	Personnel Training	96	148	0	0	0
870	Other Professional Fees	63	77	0	0	0
870	Mileage Reimbursement	122,854	48,783	117,000	117,000	0
Total Fleet Services		1,766,222	790,975	1,641,250	1,636,890	(4,360)
Total Maintenance		8,124,325	3,756,950	7,507,460	8,809,150	1,301,690

Previously in department 450



WATER POLICY AND RESOURCES

OPERATING BUDGET SUMMARY

Program Description

The Water Policy and Resources Department is responsible for developing and implementing water resource supply and demand management programs to enhance the reliability of water supplies for District customers. The department is also responsible for managing the District's environmental compliance programs and regulatory requirements.

Water Use Efficiency: Demand management programs directly offset the need for developing additional water supplies and are critical elements in meeting the District's water resources/reliability objectives. IRWD has provided industry leadership through the development of innovative and aggressive demand management programs focusing on water use efficiency and wastewater recycling. An updated Water Use Efficiency Plan was adopted in December 2013, and staff began implementation efforts in the current fiscal year. Staff anticipates those efforts will continue to be ramped up in fiscal year 2014-15, particularly as IRWD assists its customers in responding to the Governor's call for 20% voluntary conservation in response to the statewide drought. Budget requests associated with the Plan are included in various sections of the budget. Conservation programs including the outdoor efficiency CALscape program, WaterSmart reports, tactical and participation in innovative pilots and research that maintain IRWD's leadership position are also incorporated into the 2013-14 fiscal year budget. IRWD will continue to be engaged in the development and implementation of local, regional, state-wide and national water efficiency and demand management policies.

Recycled Water: IRWD is recognized as a national leader in recycled water based in large part on the many years IRWD of experience with recycled water and the number of meters served. IRWD currently serves over 5,000 recycled water meters including over 50 commercial dual-plumbed buildings where recycled water is used for flushing toilets and urinals and over 580 single-family lots where recycled water is used for irrigating both the front and back yards. The Recycled Water Group continues to pursue additional uses for recycled water in the service area and is actively pursuing several additional industrial customers which represent large scale customers for IRWD as well as the conversion several untreated customers to recycled water. IRWD is also recognized for its support of recycled water through organizations such as WaterReuse, a national recycled water advocacy group. IRWD, in concert with WaterReuse, is active in state-wide policy, legislation, regulation and support for other agencies which face challenges as their programs are initiated or are being expanded. In 2014, the Recycled Water Group will be contracting for recycled water use site inspection and testing services and for the development and hosting of a learning management system for recycled water site supervisor training.

Government Relations: IRWD strives to develop and advocate for policies at the federal, state and local levels that promote a reliable high quality and cost effective water supply for IRWD customers, and demonstrate the efficient use of resources. These efforts enhance IRWD services through federal, state and local government relations and initiatives. The Government Relations staff provides policy leadership and technical expertise to the legislative process, particularly on



WATER POLICY AND RESOURCES

OPERATING BUDGET SUMMARY

issue of water recycling, water use efficiency, water supply reliability, and governance, among others.

Strategic Initiatives for 2014-15

RECYCLED WATER/NON-POTABLE WATER

- Complete development of the on-line Site Supervisor training for recycled water customers;
- Apply for new *Local Resources Program* funding from MWD which provides a “per-acre foot” financial incentive to increase the use of recycled water;
- Assess the feasibility of serving recycled water to UCI for use in their cooling towers;
- Pursue partnerships with neighboring agencies to sell them non-potable water (e.g. City of Orange);
- Assist WaterReuse California with its legislative agenda which includes allowing discharge of recycled water from impoundments during storm events;
- Fully develop the Recycled Water Use Site Inspection and Testing Program;
- Determine whether recycled water can be cost-effectively served to the remaining Irvine Lake Pipeline customers; and
- Obtain approvals for dual-plumbing of condominiums and apartment properties.

WATER USE EFFICIENCY

- Assist IRWD customers in meeting a voluntary 20% conservation goal through ongoing implementation of enhanced outreach and cost-effective demand management programs;
- Develop partnerships with private and public entities to leverage the effectiveness and reach of water efficiency programs;
- Research and implement, as appropriate, new technologies and innovative programs to assist customers with improving their water use efficiency, with a special emphasis on the CALscape outdoor conservation program;
- Continue to partner with commercial, industrial and institutional customers to implement cost-effective water use efficiency programs;
- Continue to support and expand enhanced customer engagement and reporting as a tool to motivate additional water use efficiency;
- Research and implement, as appropriate, the use of enhanced GIS data to improve customer allocation-setting, outreach and programs targeted toward outdoor water use; Actively participate in statewide policy discussions addressing the water-energy nexus;
- Actively engage in statewide policy discussions regarding implementation of SBx7-7 (20 x 2020) and implementation of Demand Management Measures required by the Urban Water Management Planning Act;
- Work with the California Urban Water Conservation Council (CUWCC) on statewide conservation issues, refinements to the Best Management Practices (BMP), including the rates BMP, and potential alignment of the CUWCC with state mandated water efficiency targets;



WATER POLICY AND RESOURCES

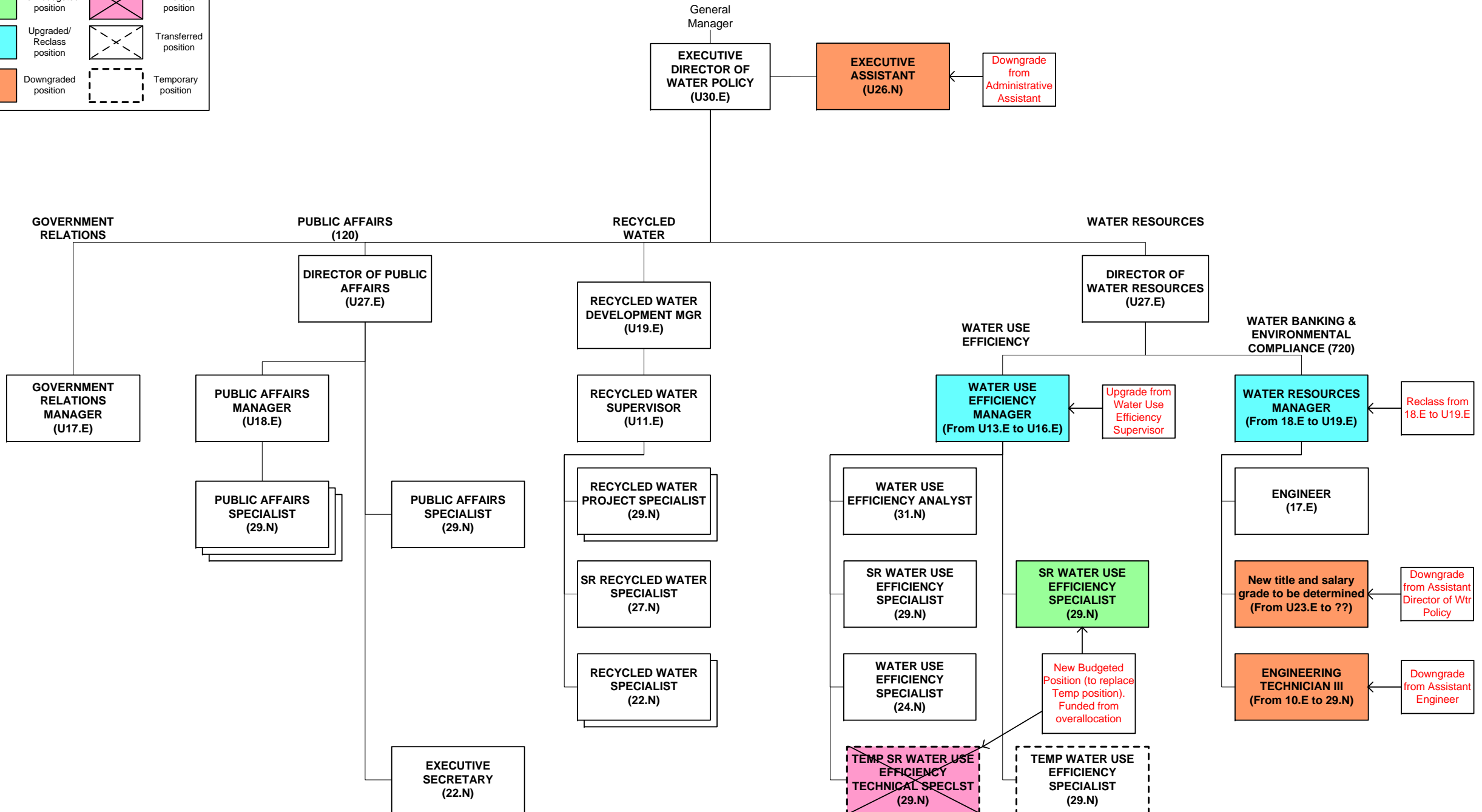
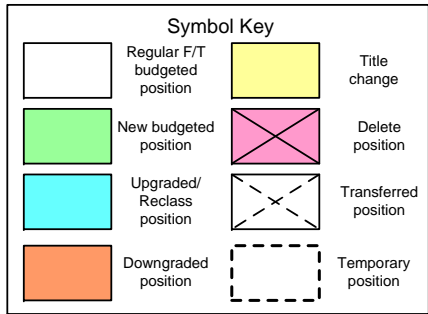
OPERATING BUDGET SUMMARY

- Evaluate the design, configuration, and maintenance costs of a pilot low-impact development bioretention facility as part of the NTS Program;
- Continue to work with partners in Newport Bay Executive Committee to develop and implement the elements of the San Diego Creek Watershed Selenium BMP Strategic Plan; and
- Prepare an Annual Report of NTS Operations including nutrient removal performance at each NTS facility, operational objectives, and recommendations for adaptive changes to the NTS program.

GOVERNMENTAL RELATIONS

- Implement the state legislative strategy as developed by staff and discussed with the Water Resource Policy and Communications Committee;
- Conduct advocacy activities on legislation impacting IRWD, the water industry and special district interests;
- Secure federal funding authorization under a re-authorized Water Resources Development Act (WRDA) for Army Corps of Engineering funding for the Syphon Reservoir Recycled Water Storage project; and
- Continue to build relationships with federal, state and local elected and appointed officials and their staff members, as well as community leaders to support IRWD initiatives.

IRVINE RANCH WATER DISTRICT
 WATER RESOURCES AND POLICY
 PROPOSED FISCAL YEAR 2014-15



Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2014-15

Water Resources and Policy		2012-13 Actual	2013-14 Actual thru 12/31/13	2013-14 Orig Budget	2014-15 Prop Budget	Incr/(Decr)
Dept No	Expense Name					
<u>Water Resources and Policy</u>						
710	Regular Labor	1,158,685	654,891	1,477,370	1,416,660	(60,710)
710	Overtime Labor	2,343	3,272	6,400	6,400	0
710	Employee Benefits	322,208	0	0	0	0
710	Contract Labor	7,728	39,053	79,100	35,600	(43,500)
710	Operating Supplies	2,291	52	3,600	3,050	(550)
710	Printing	700	0	5,500	5,500	0
710	Postage	702	386	400	600	200
710	Permits, Licenses and Fees	(5,585)	0	0	65,000	65,000
710	Office Supplies	4,556	2,085	8,500	5,000	(3,500)
710	Rep & Maint IRWD	22,263	8,922	21,500	57,900	36,400
710	Engineering Fees	70,775	60,000	120,000	120,000	0
710	Personnel Training	46,210	16,375	47,250	47,400	150
710	Other Professional Fees	268,784	33,136	478,900	845,120	366,220
710	Mileage Reimbursement	49	0	0	0	0
710	Conservation	924,381	269,627	1,157,000	942,000	(215,000)
Total Water Resources and Policy		2,826,090	1,087,799	3,405,520	3,550,230	144,710



PUBLIC AFFAIRS

OPERATING BUDGET SUMMARY

Program Description

The Public Affairs Department is responsible for communicating accurate and timely information about Irvine Ranch Water District services, projects, activities and programs. The department uses multiple media platforms, including print, personal contact, education programs, publications, tours, as well as electronic and social media outlets. The IRWD communication program serves the District and our customers by:

- Creating and maintaining credibility and public trust;
- Increasing customer awareness of the services we provide ;
- Promoting the District's value, activities and events of significance;
- Ensuring that accurate and timely information is conveyed to the public regarding incidents; and issues of a controversial and/or sensitive nature; and
- Promoting transparency and easy to access information

Strategic Initiatives for 2014-15

WATER EFFICIENCY OUTREACH

- Educate customers on efficient water use practices using multiple outreach platforms including resident tours of IRWD facilities, open houses, print and the internet;
- Educate customers about reducing outdoor water use with the CALSCAPE program; and
- Provide students in the IRWD service area with learning opportunities regarding water supply, water reliability and water use efficiency programs. Promote water education programs to schools in the IRWD service area

COMMUNITY OUTREACH AND MEDIA PROGRAMS

- Refine, update and create effective multi-pronged social media outreach programs aimed at providing extended information channels for IRWD customers, the media, business partners, IRWD employees and other government entities;
- Enhance communications with customers through a targeted media outreach and public communications program including consistent and timely updates for construction and maintenance projects; and
- Provide enhanced customer outreach initiatives based on customer feedback programs.

BUSINESS OUTREACH PROGRAM

- Develop strong working relationships with the business community by hosting a series of meetings for area businesses and those who are interested in working with IRWD. Meetings will feature IRWD facilities and projects, procurement/contract program and partnership opportunities as well as information on smart water practices.

EMPLOYEE COMMUNICATION PROGRAM

- Develop and maintain active employee communication programs; and
- Further develop and implement the District's Intranet.

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2014-15

Water Resources and Policy		2012-13 Actual	2013-14 Actual thru 12/31/13	2013-14 Orig Budget	2014-15 Prop Budget	Incr/(Decr)
Dept No	Expense Name					
<u>Public Affairs</u>						
120	Regular Labor	624,074	303,645	675,030	687,770	12,740
120	Overtime Labor	16,676	12,142	10,000	10,000	0
120	Employee Benefits	145,819	0	0	0	0
120	Contract Labor	0	0	85,000	0	(85,000)
120	Operating Supplies	948	107	2,100	2,100	0
120	Printing	55,024	26,939	120,850	120,850	0
120	Postage	31	0	200	200	0
120	Office Supplies	4,155	869	6,000	6,000	0
120	Personnel Training	12,509	3,676	20,750	12,520	(8,230)
120	Other Professional Fees	397,928	189,921	528,530	653,550	125,020
120	Mileage Reimbursement	148	0	0	0	0
Total Public Affairs		1,257,312	537,299	1,448,460	1,492,990	44,530



WATER RESOURCES AND ENVIRONMENTAL COMPLIANCE

OPERATING BUDGET SUMMARY

Program Description

The Water Resources and Environmental Compliance Department is responsible for the development of water supply programs and banking projects outside of the local Orange County area. These programs and projects are increasing the diversity and reliability of the District's water supplies by securing water supplies from sources outside of Orange County during wet periods and storing them for future use in groundwater banking projects in Kern County. The District's efforts in the development of these non-local programs and projects are needed in response to risks of water supply interruptions and continued pressure on water supplies from an expanding statewide population as well as legislative requirements tying water supply with new development.

This department is responsible for the design and construction of the District's water banking projects. In addition, this department is responsible for the the negotiation and development of agreements with other agencies and entities throughout the State of California for water transfer and exchanges that facilitate the recharge, storage and recovery of water at the water banking projects. The department is also responsible for the negotiation and the development of agreements that facilitate the delivery of water recovered from the water banking projects to IRWD's service area through facilities owned by the California Department of Water Resources and Metropolitan Water District of Southern California.

Other responsibilities of the Water Resources and Environmental Compliance department include the management of the District's environmental and regulatory compliance programs and managing the District's salt management, energy efficiency and renewable energy planning activities. The environmental and regulatory compliance programs focus on the operation of potable water and wastewater systems operations, facility replacements and the construction of new facilities.

Strategic Initiatives for 2013-14

WATER RESOURCES:

- Identify, evaluate, and secure additional land to be incorporated into the District's water banking projects in Kern County;
- Successfully deliver water from the District's Jackson Ranch into the Strand Ranch as part of the executed long-term unbalanced exchange program;
- Negotiate a Policy MWD for the delivery of MWD system water to IRWD's Strand and Stockdale Integrated Banking Projects;
- Implement long-term unbalanced exchange agreements with Carpinteria Valley Water District and/or Antelope Valley-East Kern Water Agency;
- Complete a technical and legal review of the exportability the high-flow Kern River water that IRWD has in storage at the Strand Ranch;
- Execute an IRWD/MWD/MWDOC Wheeling Agreement for the delivery of 1,000 AF of non-SWP water from the Strand Ranch Project to IRWD's service area;



WATER RESOURCES AND ENVIRONMENTAL COMPLIANCE

OPERATING BUDGET SUMMARY

- Finalize and execute a long-term exchange agreement with Rosedale for a Joint Integrated Stockdale Water Banking and Exchange Project;
- Award a construction contract for drilling and constructing of wells for the Stockdale Integrated Banking Project;
- Initiate the design of recovery facilities pipelines and wellheads for the Stockdale Integrated Banking Project;
- Develop and execute a long-term exchange agreement with Buena Vista Water Storage Agreement for pre-1914 Kern River water to be delivered to the Stockdale Integrated Banking Project;
- Develop a master plan for IRWD's water banking projects and programs; and
- Negotiate and execute long-term farm lease agreements for portions of the Jackson Ranch.

ENVIRONMENTAL COMPLIANCE

- Complete and certify an Environmental Impact Report for a Joint Integrated Stockdale Water Banking and Exchange Project with Rosedale; and
- Fulfill the District's environmental and regulatory compliance requirements for capital projects, replacements and operations including the development and approval of Mitigated Negative Declarations, Environmental Impact Reports and Notices of Exemption.

ENERGY AND OTHER PLANNING

- Complete the IRWD Recycled Water System Salt Management Plan; and
- Complete an Embedded Energy Plan for the District.

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2014-15

Water Resources and Policy		2012-13 Actual	2013-14 Actual thru 12/31/13	2013-14 Orig Budget	2014-15 Prop Budget	Incr/(Decr)
Dept No	Expense Name					
<u>Water Resources and Environmental Compliance</u>						
720	Regular Labor	178,247	254,262	499,910	589,200	89,290
720	Overtime Labor	1,191	275	0	0	0
720	Employee Benefits	109,351	0	0	0	0
720	Electricity	131,722	319,399	78,860	491,400	412,540
720	Permits, Licenses and Fees	124,295	83,166	91,900	97,500	5,600
720	Office Supplies	174	0	200	200	0
720	Rep & Maint Other Agencies	0	0	19,400	0	(19,400)
720	Rep & Maint IRWD	126,794	42,956	248,840	225,400	(23,440)
720	Personnel Training	3,418	1,265	8,700	8,000	(700)
720	Other Professional Fees	4,030	1,028	30,720	16,220	(14,500)
720	Mileage Reimbursement	14	0	0	0	0
Total Water Resources and Environmental Compliance		679,236	702,351	978,530	1,427,920	449,390
Total Water Resources and Policy		4,762,638	2,327,449	5,832,510	6,471,140	638,630
GRAND TOTAL		105,475,840	60,852,686	117,059,625	130,644,000	13,584,375



GENERAL PLANT

SUMMARY

	Fiscal Year 2013-14	Fiscal Year 2014-15	Increase (Decrease)	% Inc/(Dec)
Information Systems	\$ 573,500	\$ 502,400	\$ (71,100)	-12.40%
Transportation Equipment	750,500	320,200	(430,300)	-57.34%
Tools, Shop and Work Equipment	-	-	-	-
Other General Plant Including Safety Equipment	40,272	86,500	46,228	114.79%
Laboratory, Stores and Communication Equipment	258,835	385,835	127,000	49.07%
Office Furniture and Equipment	-	-	-	
Structures/Improvements - Sand Canyon/MWRP	17,500	55,900	38,400	-
Work Equipment/Class IV, V, VI	510,900	213,433	(297,467)	-58.22%
Sub-Total	2,151,507	1,564,268	(587,239)	-27.29%
Less: Vehicle Salvage Value	(48,000)	(22,000)	26,000	-54.17%
Total General Plant	\$ 2,103,507	\$ 1,542,268	\$ (561,239)	-26.68%

Fiscal Year 2014-15

Funded by Replacement Funds	\$873,327	56.63%
Funded by Capital Funds	668,941	43.37%

Total Fiscal Year 2014-15 **\$ 1,542,268**

Fiscal Year 2013-14

Funded by Replacement Funds	\$ 1,253,535	59.59%
Funded by Capital Funds	849,972	40.41%

Total Fiscal Year 2013-14 **\$ 2,103,507**



GENERAL PLANT

ANALYSIS

Description	Administration	Finance & Administrative Services	Engineering, Planning, & Water Quality	Operations	Water Policy	Total
Information Systems	\$ -	\$ 486,000	\$ -	\$ 16,400	\$ -	\$ 502,400
Laboratory Equipment	-	-	297,835	88,000	-	385,835
Other General Plant	68,000	-	-	18,500	-	86,500
Office Furniture & Equipment	-	-	-	-	-	-
Work Equipment/Class IV, V, VI	-	-	-	213,433	-	213,433
Transportation Equipment	-	-	-	320,200	-	320,200
Structures/Improvements - Sand Canyon/MWRP	-	-	-	55,900	-	55,900
Subtotal	\$ 68,000	\$ 486,000	\$ 297,835	\$ 712,433	\$ -	\$ 1,564,268
Less Vehicle Salvage Value	-	-	-	(22,000)	-	(22,000)
Total Fiscal Year 2014-15	\$ 68,000	\$ 486,000	\$ 297,835	\$ 690,433	\$ -	\$ 1,542,268
Total Fiscal Year 2013-14	-	573,500	-	1,530,007	-	2,103,507
Increase/(Decrease)	\$ 68,000	\$ (87,500)	\$ 297,835	\$ (839,574)	\$ -	\$ (561,239)



CONSOLIDATED

GENERAL PLANT BUDGET

	<u>TASK</u>	<u>Item Description</u>	<u>Quantity</u>	<u>Price</u>	<u>Proposed 2014-15</u>
Department: HUMAN RESOURCES					
140	8036.140.1	Vertical Carousel Filing System	1	\$ 68,000	\$ 68,000
					\$ 68,000
 Department: INFORMATION SERVICES					
250	8031.250.1	Field Mapplet Software	1	\$ 20,000	\$ 20,000
250	8031.250.2	Oracle Configuration Setup Management Software	1	\$ 45,000	\$ 45,000
250	8031.250.3	Network Disk Storage Expansion	1	\$ 45,000	\$ 45,000
250	8031.250.4	Enterprise Server Replacement	1	\$ 27,000	\$ 27,000
250	8031.250.5	Network Performance Monitoring Software	1	\$ 16,000	\$ 16,000
250	8031.250.6	Document Scanner Replacement	1	\$ 6,000	\$ 6,000
250	8031.250.7	Contract and Insurance Certificate Mangement Software	1	\$ 30,000	\$ 30,000
250	8031.250.8	Video Editing Work Station and Software Replacement	1	\$ 7,000	\$ 7,000
250	8036.250.1	Operations Center Multi-purpose Room Audio-Visual System Replacement	1	\$ 35,000	\$ 35,000
250	8038.250.1	Operations Center Computer Room HVAC Replacement	1	\$ 80,000	\$ 80,000
250	8041.250.1	PC Replacement	98	\$ 1,224	\$ 120,000
250	8041.250.2	Laptop Computer Replacement	8	\$ 2,000	\$ 16,000
250	8041.250.3	Tablet Computers	8	\$ 3,000	\$ 24,000
250	8041.250.4	GIS Work Station PC Replacement	5	\$ 3,000	\$ 15,000
Sub-Total					\$ 486,000
 Department: WATER OPERATIONS ADMINISTRATION					
410	8030.410.1	Tablets	10	\$ 940	\$ 9,400
Sub-Total					\$ 9,400
 Department: NTS OPERATIONS					
415	8031.415.1	Refrigerated Water Quality Sampling Unit	2	\$ 14,000	\$ 28,000
415	8031.415.2	Area velocity meter	10	\$ 6,000	\$ 60,000
Sub-Total					\$ 88,000



CONSOLIDATED

GENERAL PLANT BUDGET

TASK	Item Description	Quantity	Price	Proposed 2014-15
Department: WATER OPERATIONS				
420	8031.420.3 Self Contained Breathing Apparatus	2	\$ 6,000	\$ 12,000
420	8031.420.4 Electric Drive Handheld Valve Exerciser	1	\$ 6,500	\$ 6,500
Sub-Total				\$ 18,500
Department: FACILITIES SERVICES				
435	8011.435.1 Gate Operator for PTP	1	\$ 18,400	\$ 18,400
Sub-Total				\$ 18,400
Department: SAND CANYON PROPERTY MAINTENANCE				
440	8011.440.2 Solar Guard Window Film	1	\$ 13,500	\$ 13,500
440	8011.440.4 Restroom Partitions	4	\$ 6,000	\$ 24,000
Sub-Total				\$ 37,500
Department: FLEET SERVICES				
450	8055.450.1 5350 LB GVW SRW Light Pickup Truck 4X2	1	\$ 29,500	\$ 29,500
450	8055.450.2 12,000 LB GVW SRW Pickup Truck with Service Bed and Ladder Rack 4X2.	1	\$ 55,000	\$ 55,000
450	8055.450.3 5350 LB GVW SRW Light Pickup Truck 4X2	1	\$ 29,500	\$ 29,500
450	8055.450.4 9,700 LB GVW SRW Pickup Truck 4X4 With Utility Bed.	1	\$ 36,200	\$ 36,200
450	8055.450.5 9,700 LB GVW SRW Pickup Truck 4X4.	1	\$ 28,400	\$ 28,400
450	8055.450.6 9,700 LB GVW SRW Pickup Truck 4X2.	1	\$ 28,400	\$ 28,400
450	8055.450.7 9,700 LB GVW SRW Pickup Truck 4X2.	1	\$ 27,100	\$ 27,100
450	8055.450.8 9,700 LB GVW SRW Pickup Truck 4X2.	1	\$ 27,100	\$ 27,100
450	8055.450.9 5350 LB GVW SRW Light Pickup Truck 4X2	1	\$ 29,500	\$ 29,500
450	8055.450.10 5350 LB GVW SRW Light Pickup Truck 4X2	1	\$ 29,500	\$ 29,500
Sub-Total				\$ 320,200



CONSOLIDATED

GENERAL PLANT BUDGET

	<u>TASK</u>	<u>Item Description</u>	<u>Quantity</u>	<u>Price</u>	<u>Proposed 2014-15</u>
Department:	ELECTRICAL MAINTENANCE				
520	8031.520.1	2 each. Additel Pneumatic Test pump with Digital Pressure Calibrator and Carrying	2	\$ 4,300	\$ 8,600
Sub-Total					<u>\$ 8,600</u>
Department:	MECHANICAL MAINTENANCE				
540	8031.540.1	Vibration Data Collector	1	\$ 31,350	\$ 31,350
540	8031.540.2	Well Micro-Camera	1	\$ 18,000	\$ 18,000
540	8031.540.3	Ultrasound Data Collector	1	\$ 15,000	\$ 15,000
540	8034.540.1	Tube/Pipe Bending Equipment	1	\$ 22,583	\$ 22,583
540	8034.540.2	Plasma Cutting Table	1	\$ 28,000	\$ 28,000
Sub-Total					<u>\$ 114,933</u>
Department:	MWRP OPERATIONS				
550	8030.550.1	Tablet software	1	\$ 7,000	\$ 7,000
Sub-Total					<u>\$ 7,000</u>
Department:	COLLECTION SYSTEMS				
570	8031.570.1	Portable H2S Gas Monitor	1	\$ 4,900	\$ 4,900
570	8055.570.1	CCTV Portable Sewer Camera and Vehicle	1	\$ 85,000	\$ 85,000
Sub-Total					<u>\$ 89,900</u>
Department:	WATER QUALITY ADMINISTRATION				
610	8031.610.1	Misc. Laboratory and Field Monitoring Equipment for Unplanned Projects and	1	\$ 42,500	\$ 42,500
Sub-Total					<u>\$ 42,500</u>



CONSOLIDATED

GENERAL PLANT BUDGET

TASK	Item Description	Quantity	Price	Proposed 2014-15	
Department: WATER QUALITY ANALYSIS					
630	8031.630.1	Laboratory Equipment for Biosolids and Energy Recovery Project.	1	\$ 40,000	\$ 40,000
630	8036.630.1	Laboratory Instrumentation for Future Biosolids and Energy Recovery Project.	1	\$ 75,000	\$ 75,000
630	8036.630.2	Existing Laboratory Equipment Replacement	1	\$ 125,000	\$ 125,000
Sub-Total					\$ 240,000
Department: REGULATORY COMPLIANCE					
640	8031.640.1	Two (2) Portable discrete samplers with pH and conductivity sensor options.	2	\$ 7,668	\$ 15,335
Sub-Total					\$ 15,335
Salvage Value					\$ (22,000)
Total General Plant					\$ 1,542,268

**General Plant Description and Justification
FY 2014-15 Operating Budget**

General Plant Asset	Updated Task	Life (Years)	Dept	Cost	Allocation				Asset Description	Justification
					Fund Source		System			
					New	Replace	% Water	%Sewer/ Recycle		
1 Machinery & Equipment	8036.140.1	10	140	\$68,000	50%	50%	50%	50%	Vertical Carousel Filing System	The Human Resources Department wishes to upgrade and modernize the filing system for all District personnel related district files and documents in conjunction with the update to the District wide record retention system. Personnel files and documents are currently stored in multiple locations and cabinets throughout the department work area as well as offsite in District storage buildings. Ugrading and modernizing the filing system equipment will allow the files to be consolidated and stored more efficiently; maintain all Personnel files and documents in a single location and will consume less than 50% of the floor space of the existing file system. The new system will be more ergonomic and feature a more advanced filing system security. Staff is working with a vendor to evaluate several modes and methods of secure consolidated state of the art record and document storage systems. Although a specific system has not yet been selected, it is anticipated the cost will be in the range of \$40k - \$68k and have a useful life in excess of 15 years. It is anticipated that this project will be the flagship file storage and record retention system for improved and enhanced record and document storage solutions throughout the organization.
2 Machinery and Equipment	8031.250.1	5	250	\$20,000	100%		50%	50%	Field Mapplet Software	Eight licenses are requested to support a GIS based application requested by System Operations staff.
3 Machinery and Equipment	8031.250.2	5	250	\$45,000	100%		50%	50%	Oracle Configuration Setup Management Software	Software is requested that will allow efficient management of the District's Oracle Financial system configuration setup. This software will automate the process of generating the documentation required for installation of patches and version upgrades.

**General Plant Description and Justification
FY 2014-15 Operating Budget**

General Plant Asset	Updated Task	Life (Years)	Dept	Cost	Allocation				Asset Description	Justification
					Fund Source		System			
					New	Replace	% Water	%Sewer/ Recycle		
4 Machinery and Equipment	8031.250.3	5	250	\$45,000	100%		50%	50%	Network Disk Storage Expansion	Additional storage is needed to on the District's storage area network (SAN) system. The SAN supports the majority of the District's Enterprise applications, including Oracle, E-Mail, shared network files, Laboratory Information Management (LIMS), Tabware Work Orders, Geographical Information Systems (GIS), and Fleet Management. As the Oracle system is expanded and transactions are accumulated, additional storage is needed. Expanded E-mail and shared files also require additional storage. The storage requirement for these systems is doubled due to the High Availability system that stores a mirrored copy of the production data at a second location. This provides the District with a swift recovery from a server or storage failure.
5 Machinery and Equipment	8031.250.4	5	250	\$27,000		100%	50%	50%	Enterprise Server Replacement	Replacements are needed for the District's Enterprise Network Server systems purchased between 2009 and 2010 This meets the District's replacement criteria of five years for Network Server systems. These servers are used to support Virtualized Servers System, Security Management System, Password Synchronization System, Patch Management System, and Computer Inventory Management System. The replacement systems will utilize blade based servers, a Storage Area Network (SAN) system, and Server Virtualization that will consolidate multiple servers onto a single server blade.
6 Machinery and Equipment	8031.250.5	5	250	\$16,000	50%	50%	50%	50%	Network Performance Monitoring Software	An upgrade is requested for the Networking Software used to monitor the servers and other critical devices connected to the District's network infrastructure. The upgrade will allow up to 2000 network connections.
7 Machinery and Equipment	8031.250.6	5	250	\$6,000		100%	50%	50%	Document Scanner Replacement	A document scanner is requested to replace the existing unit purchased in 2007. This scanner is used by staff to scan accounts payable invoice images to the document image management system (WebDocs).

**General Plant Description and Justification
FY 2014-15 Operating Budget**

General Plant Asset	Updated Task	Life (Years)	Dept	Cost	Allocation				Asset Description	Justification
					Fund Source		System			
					New	Replace	% Water	%Sewer/ Recycle		
8 Machinery and Equipment	8031.250.7	5	250	\$30,000	100%		50%	50%	Contract and Insurance Certificate Mangement Software	Contract and Insurance Certificate Management Software is requested to track recurring District contracts and insurance certificates. This software is an additional module provided by lonwave, the provider of the District's On-Line Bidding software. Currently, tracking contract and insurance certificate renewal is a manual process. This software will automate the process and provide timely notifications in advance of the contract or insurance certificate expiration date.
9 Machinery and Equipment	8031.250.8	5	250	\$7,000		100%	50%	50%	Video Editing Work Station and Software Replacement	A Video editing station and software is requested to replace the existing unit purchased in 2001. This station is used by staff to edit on-line video clips for the District's website and social media pages.
10 Machinery and Equipment	8036.250.1	10	250	\$35,000		100%	50%	50%	Operations Center Multi-purpose Room Audio-Visual System Replacement	A replacement Audio Visual System for the Operations Center Multi-purpose is requested. The current system, installed in 1994, no longer meets the presentation needs for work shops, training sessions, and all hands meetings. The replacement system will provide for a more effective delivery of presentations for all possible room configurations. The system will include an 80" LCD display for the main room, two 60" displays for the lunch, and an replacement interface and control system for computer and digital media.
11 Machinery and Equipment	8038.250.1	20	250	\$80,000		100%	50%	50%	Operations Center Computer Room HVAC Replacement	A replacement HVAC system is requested for the Operations Center Computer Room. The existing system, installed a a stand alone unit in the room in 1994, does not provide enough cooling capacity for current and future computer equipment, The replacement unit, with a larger cooling capacity, will require rooftop installation.
12 Machinery and Equipment	8041.250.1	4	250	\$120,000		100%	50%	50%	PC Replacement	Ninety-eight personal computers are needed to replace systems purchased between 2010-2011. This meets the District's replacement criteria of four years for personal computer systems. The systems are used for accessing District applications.

**General Plant Description and Justification
FY 2014-15 Operating Budget**

General Plant Asset	Updated Task	Life (Years)	Dept	Cost	Allocation				Asset Description	Justification
					Fund Source		System			
					New	Replace	% Water	%Sewer/ Recycle		
13 Machinery and Equipment	8041.250.2	4	250	\$16,000		100%	50%	50%	Laptop Computer Replacement	Eight laptop computers are needed to replace systems purchased between 2010-2011. This meets the District's replacement criteria of four years for personal computer systems. The laptop computer systems are used in the field by Administration, Water Operations, Wastewater Operations, Water Quality, and Water Resources. The systems are used in the office for accessing District applications. In the field, the systems are used to collect data and access the District's SCADA Systems.
14 Machinery and Equipment	8041.250.3	4	250	\$24,000		100%	50%	50%	Tablet Computers	Eight tablet computers are requested to support a GIS based application requested by System Operations staff.
15 Machinery and Equipment	8041.250.4	4	250	\$15,000		100%	50%	50%	GIS Work Station PC Replacement	Five GIS PC Work Station computers are needed to replace systems purchased between 2010-2011. This meets the District's replacement criteria of four years. The systems are used for for hydraulic modeling and GIS analysis activities.
16 Machinery and Equipment	8030.410.1	3	410	\$9,400	100%		50%	50%	Tablets	The Operations department is requesting funds for the purchase of ten tablets for Operations Staff. These will be used to equip personnel in the Systems Operations, Plant Operations, and Natural Treatment Systems sub-departments. These tablets will enable staff to remotely access all Supervisory Control and Data Acquisition (SCADA) systems, instrument calibration data collection applications, and enhance on-call staff response capability.
17 Machinery and Equipment	8031.415.1	5	415	\$28,000	50%	50%	100%		Refrigerated Water Quality Sampling Unit	The NTS section is requesting funds to purchase two composite samplers for the Orchard meadows NTS site. There are currently no samplers at the site, and they are required by regulatory guidelines to be used in water quality samples.
18 Machinery and Equipment	8031.415.2	5	415	\$60,000	50%	50%	100%		Area velocity meter	Currently, flow at NTS sites is measured by hand 1x week. These meters will allow flow to be measured continuously and accurately, increasing the amounts of pollutant removal. The following sites will be included: Forge Meadow, Lower Eastfoot, Orchard Meadow, Old Laguna, Los Olivos Meadow. 10 flow meters will be purchased (5 influent and 5 effluent meters).
19 Machinery and Equipment	8031.420.3	5	420	\$12,000		100%	50%	50%	Self Contained Breathing Apparatus	The Systems Operations Department is requesting funds to purchase two self contained breathing units. The SCBU's are required to support one additional staff members and two replace one unserviceable unit.

**General Plant Description and Justification
FY 2014-15 Operating Budget**

General Plant Asset	Updated Task	Life (Years)	Dept	Cost	Allocation				Asset Description	Justification
					Fund Source		System			
					New	Replace	% Water	%Sewer/ Recycle		
20 Machinery and Equipment	8031.420.4	5	420	\$6,500		100%	50%	50%	Electric Drive Handheld Valve Exerciser	The Systems Operations Department is requesting funds to purchase one electric drive hand held valve operator. The valve operator will increase operator efficiency while reducing the possibility of strain and fatigue.
21 Structures and Improvements	8011.435.1	10	435	\$18,400		100%	100%		Gate Operator for PTP	The Facilities Services is requesting funds to retrofit the East gate at PTP with a conventional electric gate operator. The current operator is an hydraulic over electric system that has required constant repair. It is currently inoperable with needed repairs exceeding \$9,000. A conventional operator will reduce maintenance costs and improve reliability.
22 Structures and Improvements	8011.440.2	10	440	\$13,500		100%	50%	50%	Solar Guard Window Film	The Facilities Services Department is requesting funds to replace the window film in the atrium of the headquarters building. The original film is scratched, peeling, and delaminated in several areas. The proposed replacement film is rated to block 99% of UV light and up to 80% of solar energy.
24 Structures and Improvements	8011.440.4	10	440	\$24,000		100%	50%	50%	Restroom Partitions	The Facilities Services Department is requesting funds to replace the restroom partitions in the four headquarters building restrooms. The existing partions are original to the building and require replacement due to wear and appearance.
25 Vehicles	8055.450.1	10	450	\$29,500	50%	50%	50%	50%	5350 LB GVW SRW Light Pickup Truck 4X2	The Fleet Services Department is requesting funds to replace and downsize unit 2062, a 2000 Ford F150 with approximately 180,000 miles. Unit 2062 is in use by a Water Use Efficiency Analyst and requires replacement due to age and condition.
26 Vehicles	8055.450.2	10	450	\$55,000	50%	50%	50%	50%	12,000 LB GVW SRW Pickup Truck with Service Bed and Ladder Rack 4X2.	(New staff member)A new 12,000 GVW full size truck with utility bed is required by the Electrical Maintenance Dept. for field work. The truck will be utilized by the Electrician whose position was authorized in the FY 13/14 budget year. The electrician has been carrying out independent field assignments through the use of a "loaner" truck from the Fleet Dept. Surplus pool.
27 Vehicles	8055.450.3	10	450	\$29,500	50%	50%	50%	50%	5350 LB GVW SRW Light Pickup Truck 4X2	(New staff member)A new 5,350 GVW light pickup truck is required by a Water Maintenance Technician I in the Preventative Maintenance Department for field work. The truck will be utilized by the Water Maintenance Technician I whose position was authorized in the FY 13/14 budget year. The technician has been carrying out independent field assignments through the use of a "loaner" truck from the Fleet Dept. surplus pool.

**General Plant Description and Justification
FY 2014-15 Operating Budget**

General Plant Asset	Updated Task	Life (Years)	Dept	Cost	Allocation				Asset Description	Justification	
					Fund Source		System				
					New	Replace	% Water	%Sewer/ Recycle			
28	Vehicles	8055.450.4	10	450	\$36,200	50%	50%	50%	50%	9,700 LB GVW SRW Pickup Truck 4X4 With Utility Bed.	The Fleet Services Department is requesting funds to replace unit 2165, a 2008 Ford F250 with approximately 130,000 miles. Unit 2165 is the standby program first responder truck and requires replacement due to age and condition.
29	Vehicles	8055.450.5	10	450	\$28,400	50%	50%	50%	50%	9,700 LB GVW SRW Pickup Truck 4X4.	The Fleet Services Department is requesting funds to replace unit 2104, a 2004 Ford F150 with approximately 126,000 miles. Unit 2104 is in use by a Senior Scientist in the Regulatory Compliance Dept. and requires replacement due to age and condition.
30	Vehicles	8055.450.6	10	450	\$28,400	50%	50%	50%	50%	9,700 LB GVW SRW Pickup Truck 4X2.	The Fleet Services Department is requesting funds to replace and downsize unit 2105, a 2004 Ford F150 with approximately 128,000 miles. Unit 2062 is used by the Water Maintenance Supervisor in the Preventative Maintenance Department and requires replacement due to age and condition.
31	Vehicles	8055.450.7	10	450	\$27,100	50%	50%	50%	50%	9,700 LB GVW SRW Pickup Truck 4X2.	The Fleet Services Department is requesting funds to replace and downsize unit 2097, a 2004 Ford F250 with approximately 117,000 miles. Unit 2062, which is used for meter maintenance, requires replacement due to age and condition.
32	Vehicles	8055.450.8	10	450	\$27,100	50%	50%	50%	50%	9,700 LB GVW SRW Pickup Truck 4X2.	The Fleet Services Department is requesting funds to replace and downsize unit 2122, a 2006 Ford F250 with approximately 122,000 miles. Unit 2122 which is used in Construction and Repair Coordination, requires replacement due to age and condition.
33	Vehicles	8055.450.9	10	450	\$29,500	50%	50%	50%	50%	5350 LB GVW SRW Light Pickup Truck 4X2	(New staff member)A new 5,350 GVW light pickup truck is required by a Customer Service Specialist I for field work. The truck will be utilized by the Customer Service Specialist I, whose position was authorized in the FY 13/14 budget year. This specialist has been carrying out independent field assignments through the use of a "loaner" truck from the Fleet Dept. Surplus pool.
34	Vehicles	8055.450.10	10	450	\$29,500	50%	50%	50%	50%	5350 LB GVW SRW Light Pickup Truck 4X2	(New staff member)A new 5,350 GVW light pickup truck is required for a Water Maintenance Supervisor. The truck will be utilized by the Water Maintenance Supervisor. whose position is being requested in the FY 14/15 budget. This Supervisor will be responsible for field supervision of preventative maintenance personnel.

**General Plant Description and Justification
FY 2014-15 Operating Budget**

General Plant Asset	Updated Task	Life (Years)	Dept	Cost	Allocation				Asset Description	Justification
					Fund Source		System			
					New	Replace	% Water	%Sewer/ Recycle		
35 Machinery and Equipment	8031.520.1	5	520	\$8,600		100%	50%	50%	2 each. Additel Pneumatic Test pump with Digital Pressure Calibrator and Carrying Case	There are an increasing number of facilities where the ability to accurately calibrate pressure transmitters and transducers in excess of 300 psi is required. These sites include our treatment facilities (DATS, IDP PTP, Tustin Wells 21 & 22) and certain pump stations (Foothill Zone 6-8 and Coastal OC-63 for example). The requested pneumatic calibrator and pump would allow instrumentation technicians to perform these calibrations quickly and safely without the need to carry a compressed air cylinder.
36 Machinery and Equipment	8031.540.1	5	540	\$31,350		100%	50%	50%	Vibration Data Collector	Existing vibration data collection tool software is no longer supported by the manufacturer. The replacement unit requires no special software support or annual service contract.
37 Machinery and Equipment	8031.540.2	5	540	\$18,000		100%	50%	50%	Well Micro-Camera	Well video technology has greatly improved over the past 10 years. Today micro-cameras are less than one inch in diameter and are used to assess well condition without equipment removal. This purchase will provide staff the tools needed to evaluate well conditions in-house saving time and money.
38 Machinery and Equipment	8031.540.3	5	540	\$15,000	100%		50%	50%	Ultrasound Data Collector	Noise is the first condition indicator to identify when performing predictive maintenance. This purchase will provide the tools and training needed to work beyond existing rudimentary acoustic testing practices.
39 Machinery and Equipment	8034.540.1	8	540	\$22,583	50%	50%	50%	50%	Tube/Pipe Bending Equipment	This product will improve the safety and efficiency when fabricating curved conveyance piping, guards, hand railing, ladders and gates. Today radius bends are made manually through brute force and leverage. This machine will remove the potential for injury while bending metals and is recommended by the safety office.
40 Machinery and Equipment	8034.540.2	8	540	\$28,000	50%	50%	50%	50%	Plasma Cutting Table	The need for parts fabrication of unique or obsolete applications has doubled over the last five years. This tool will improve plasma cutting safety, efficiency, and effectiveness in the fabrication shop. Once programmed, this machine can cut both ferrous and non-ferrous metals of any shape with surgical precision while optimizing energy use. This purchase is recommended by the safety office as it will allow the operator to remove themselves from the cutting process, effectively engineering out the potential for fume exposure.

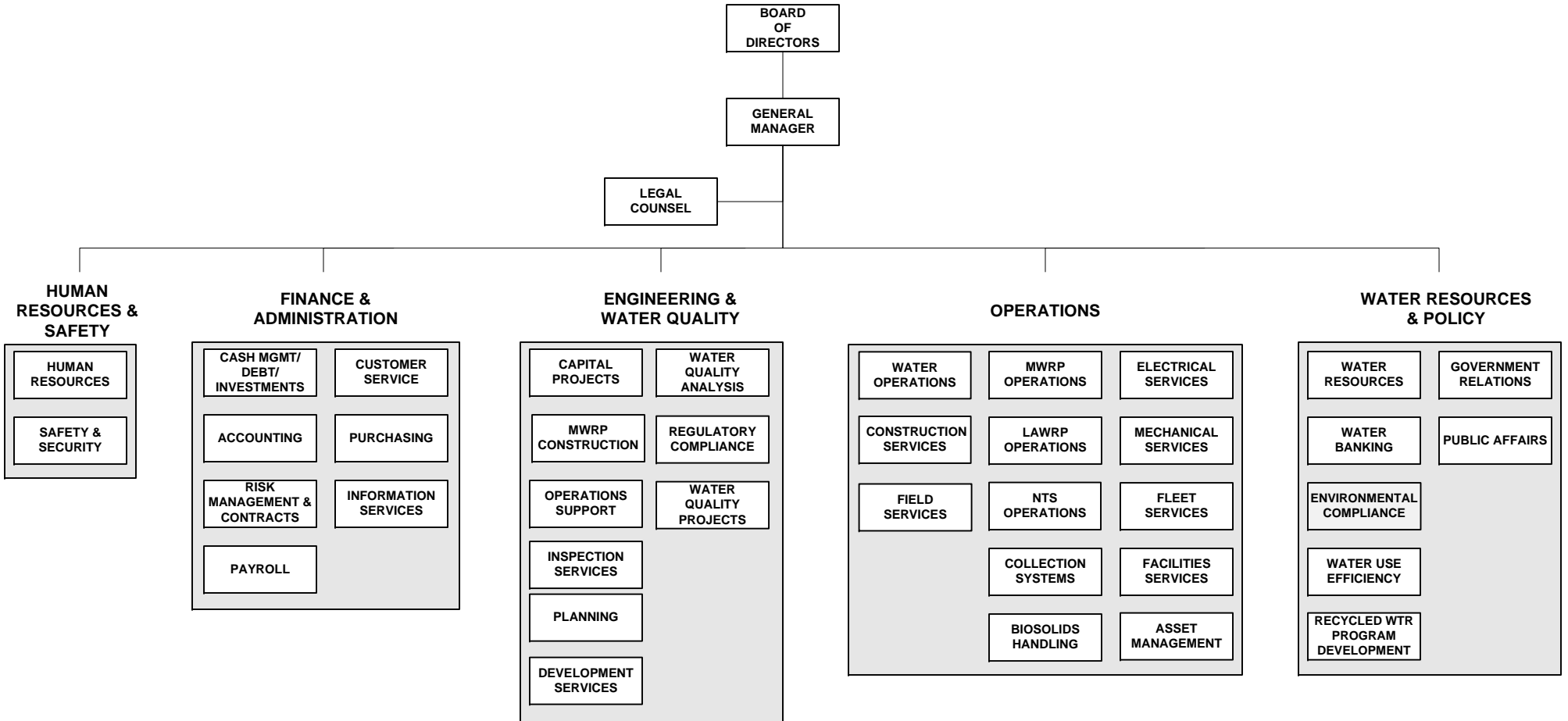
**General Plant Description and Justification
FY 2014-15 Operating Budget**

General Plant Asset	Updated Task	Life (Years)	Dept	Cost	Allocation				Asset Description	Justification
					Fund Source		System			
					New	Replace	% Water	%Sewer/ Recycle		
41 Machinery and Equipment	8030.550.1	3	550	\$7,000	100%			100%	Tablet software	Software needed for tablets to enable them to log on to facility SCADA system.
42 Machinery and Equipment	8031.570.1	5	570	\$4,900	100%			100%	Portable H2S Gas Monitor	Utilized to quantify H2S levels and odor compliants within the collection system
43 Vehicles	8055.570.1	5	570	\$85,000	100%			100%	CCTV Portable Sewer Camera and Vehicle	Camera used to locate and identify sewer system failures
44 Machinery and Equipment	8031.610.1	5	610	\$42,500	50%	50%	33%	67%	Misc. Laboratory and Field Monitoring Equipment for Unplanned Projects and Regulatory Requirements	Laboratory planning and method development associated with new contaminants, more stringent discharge limits, developing new recycled water users, and supporting treatment and supply related projects. Field monitoring equipment for unplanned projects or regulatory requirements. Funds budgeted last fiscal years as seperate GPC line items for Dept. 630 and 640 are consolidated this year into a single line item in department 610.
45 Machinery and Equipment	8031.630.1	5	630	\$40,000	100%			100%	Laboratory Equipment for Biosolids and Energy Recovery Project.	A portion of the funds necessary to acquire equipment to implement the proposed process control monitoring program for the future biosolids and energy recovery facilities. Funds accrued in fiscal years ending 2015 and 2016 will be carried forward to purchase general plant capital equipments as needed to meet analytical needs at various project milestones.
46 Machinery and Equipment	8036.630.1	10	630	\$75,000	100%			100%	Laboratory Instrumentation for Future Biosolids and Energy Recovery Project.	A portion of the funds necessary to acquire equipment and instrumentation to implement the proposed monitoring program for the future biosolids and energy recovery facilities. Funds accrued in fiscal years ending 2013, 2014 and 2015, and carried forward to future fiscal years for expenditure prior to the beginning of facility operations so the laboratory will have method development completed in time to provide process control data when the facility is active. ACCRUED FUNDS THROUGH FY ENDING 2014 = \$150,000, NEW FUNDS FY ENDING 2015 = \$75,000, TOTAL ACCRUED FUNDS FY ENDING 2015 = \$225,000

**General Plant Description and Justification
FY 2014-15 Operating Budget**

General Plant Asset	Updated Task	Life (Years)	Dept	Cost	Allocation				Asset Description	Justification	
					Fund Source		System				
					New	Replace	% Water	%Sewer/ Recycle			
47	Machinery and Equipment	8036.630.2	5 to 20	630	\$125,000		100%	50%	50%	Existing Laboratory Equipment Replacement	Existing laboratory instrumentation (such as GC/MSs, LC/ICP/MS, etc.) purchased in prior years with General Plant Capital funds have certain useful life and will ultimately need replacement. The budgeted dollars accrued in this fiscal year will carry forward with funds accrued since FY ending 2013 into future fiscal years with additional funds budgeted each fiscal year to build a pool of funds to purchase replacement equipment as needed, funds to be expended on a first-in-first-out basis. The on-going accumulation of funds over multiple fiscal years will eliminate peaks and valleys in the Department 463 General Plant Capital budget. The amount requested this FY is based on the amount allocated last FY adjusted to current dollars. ACCRUED FUNDS THROUGH FY ENDING 2014 = \$219,800, EXPENDED FUNDS THROUGH FY ENDING 2014 = \$30,141.37, NEW FUNDS FY ENDING 2015 = \$125,000, FUND BALANCE THROUGH FY ENDING 2015 = \$314,658.63
48	Machinery and Equipment	8031.640.1	5	640	\$15,335		100%		100%	Two (2) Portable discrete samplers with pH and conductivity sensor options.	All four (4) of the District's Portable samplers utilized for the Industrial Waste Program are more than five years old, with one being 12 years old, and the manufacturer date of the other three being unknown. It has been determined that at least two new samplers will be needed to replace two of the oldest samplers that are nearest to failure. These items were not purchased in FY13/14 as we were informed of a new change over in technology by various manufacturers and did not want to purchase technology that would be outdated within a year.
Sub-total					\$1,564,268						
Salvage Value					(\$22,000)						
Total General Plant					<u>\$1,542,268</u>						

**Irvine Ranch Water District
Organizational Chart
(By Function)
Fiscal Year 2014-15**





LABOR

THREE YEAR PERSONNEL COMPARISON

Department	Authorized Positions		
	2012-13	2013-14	2014-15
Administration			
Number of Positions	13.0	12.0	11.0
% change from prior year	(38.1) %	(7.7) %	(8.3) %
Finance and Administrative Services			
Number of Positions	69.0	71.0	71.0
% change from prior year	7.8 %	2.9 %	0.0 %
Engineering			
Number of Positions	40.0	41.0	38.0
% change from prior year	21.2 %	2.5 %	(7.3) %
Water Quality			
Number of Positions	26.0	26.0	28.0
% change from prior year	4.0 %	0.0 %	7.7 %
Maintenance			
Number of Positions	36.0	38.0	48.0 *
% change from prior year	0.0 %	5.6 %	26.3 %
Water Operations			
Number of Positions	66.0	69.0	70.0 * **
% change from prior year	0.0 %	4.5 %	1.4 %
Recycling Operations			
Number of Positions	39.0	40.0	43.0 *
% change from prior year	0.0 %	2.6 %	7.5 %
Water Policy			
Number of Positions	26.0	26.0	27.0
% change from prior year	0.0 %	0.0 %	3.8 %
Total Number of Positions	316.0	323.0	336.0
Number of Changed Positions	<u>9.0</u>	<u>7.0</u>	<u>13.0</u>
% Change From Prior Year	<u>2.9 %</u>	<u>2.2 %</u>	<u>4.0 %</u>

*The budgeted labor dollars anticipates 1/2 year of salaries for five positions; the position count identifies the additional bodies.

** Operations Administration is included in Water Operations.



LABOR

SUMMARY OF SALARIES AND WAGES

(in thousands)	Total	Administration	Finance & Administrative Services	Engineering	Water Quality	Water Operations	Recycling Operations	Maintenance	Water Policy
Current Authorized:									
Gross Pay	\$27,500	\$1,252	\$5,701	\$3,943	\$2,247	\$5,339	\$3,165	\$3,270	\$2,584
Annual Increase	737	58	250	43	17	146	87	101	35
Sub-Total Regular Salaries & Wages	25,617	1,309	5,950	3,986	2,264	5,485	3,252	3,371	2,619
New Positions:									
Gross Pay	861	0	0	127	117	69	164	309	75
Total Regular Salaries & Wages	26,478	1,309	5,950	4,113	2,381	5,554	3,416	3,680	2,694
Health Insurance and Workers Comp									
Employment Tax & PERS Contributions	8,899	400	2,000	1,400	800	1,900	1,100	1,200	900
Total Regular Salaries & Wages, health Insurance and employment taxes	\$41,798	\$2,009	\$9,350	\$6,513	\$3,781	\$8,754	\$5,316	\$5,780	\$4,294
Employee Count:									
	336	11	71	38	28	70	43	48	27

Regular Salaries and Wages Labor	
FY 2013-14 Labor	\$27,221
Additions	861
Promotions	154
COLA	557
Merit	304
Total	\$29,097



BENEFITS AND EMPLOYMENT TAX

HEALTH INSURANCE AND EMPLOYER CONTRIBUTIONS

	<u>FY 2013-14</u>	<u>FY 2014-15</u>	<u>Change</u>
Insurance and Benefits			
Health Ins Actives	\$4,514,000	\$4,574,700	\$60,700
Dental Premiums	455,000	440,500	(14,500)
Wrkrs Comp Premiums	405,000	564,000	159,000
Wrkrs Comp Paid Claims	350,000	291,800	(58,200)
Life Ins Actives	192,000	201,500	9,500
LT Disability Premiums	117,500	134,500	17,000
Medical Premiums - Retirees	103,000	121,500	18,500
Vision Benefit Premiums	79,000	77,500	(1,500)
Life Ins Retirees	13,000	14,000	1,000
	<u>\$6,228,500</u>	<u>\$6,420,000</u>	<u>\$191,500</u>
Employment Tax and PERS			
PERS Employer Portion	\$4,582,900	\$5,161,000	\$578,100
PERS In Excess Of ARC	2,236,900	2,113,400	(123,500)
401A Employer Portion	750,200	800,200	50,000
PERS Employee Portion	409,200	398,600	(10,600)
Medicare Tax	367,200	406,200	39,000
St Unemployment Tax	43,600	20,000	(23,600)
	<u>\$8,390,000</u>	<u>\$8,899,400</u>	<u>\$509,400</u>
Benefits			
Health, Dental, and Vision	\$5,151,000	\$5,214,200	\$63,200
Due to staff additions.			
Life Insurance & LTD	\$322,500	\$350,000	\$27,500
Due to staff additions.			
Workers Compensation	\$755,000	\$855,800	\$100,800
Premium Increase based on early estimate and is expected to decrease.			
Total variance			<u>\$191,500</u>
Employment Taxes			
District 25% Contribution Based on Labor			454,600
District's Employee Contribution			(10,600)
401A Contribution Based on 2.75% of Salaries			50,000
Medicare Tax 1.45% of most employees Salaries			39,000
State Unemployment tax reduced based on outstanding accounts.			(23,600)
Total variance			<u>\$509,400</u>

**FY 2014/15 Budget
Summary of Proposed Budgeted Personnel Changes**

Proposed Changes to Existing Budgeted Positions						
Dept	Job Title	Current Sal Grade	Proposed Action	Proposed Job Title	Proposed Sal Grade	Salary Costs
210	Sr Accountant	U11.E	Title Change only	Financial Analyst	U11.E	\$0
210	Office Specialist	15.N	Upgrade 1 Position	Sr. Accounting Clerk	20.N	\$4,920
210	Assistant Controller	U20.E	Title Change only	Controller	U20.E	\$0
300	Construction Inspector III	31.N	Upgrade 1 Position	Construction Inspection Supervisor	U33.N	\$3,864
300	Engineering Technician III	29.N	Upgrade 1 Position	Assistant Engineer	10.E	\$3,684
300	Senior Analyst	U13.E	Title Change only	GIS Supervisor	U13.E	\$0
410	Asst Director of Water Ops	U20.E	Reclass 1 Position		U23.E	\$6,108
420	Operations Coordinator	U33.N	Upgrade 1 Position	Operations Supervisor	U35.N	\$3,840
425	Water Maintenance Technician III	26.N	Upgrade 1 Position	Water Maintenance Supervisor	U31.N	\$5,220
510	Director of Wastewater Operations	U27.E	Downgrade 1 Position	Assistant Director of Recycling Ops	U23.E	\$0
515	Supervising Wetlands Biologist	U33.N	Upgrade 1 Position	Natural Resources Manager	U16.E	\$6,924
710	Administrative Assistant	U10.E	Downgrade 1 Position	Executive Assistant	U26.N	-\$9,600
710	Water Use Efficiency Supervisor	U13.E	Upgrade 1 Position	Water Use Efficiency Manager	U16.E	\$2,916
720	Water Resources Manager	U18.E	Reclass 1 Position		U19.E	\$1,200
720	Assistant Director of Water Policy	U23.E	Downgrade 1 Position	Title & salary grade to be determined		-\$30,000
720	Assistant Engineer	10.E	Downgrade 1 Position	Engineering Technician III	29.N	-\$3,600
810	Asst Director of Maintenance	U20.E	Reclass 1 Position		U23.E	\$5,760
Subtotal						\$1,236

Proposed New Positions			
Dept	Job Title	Sal Grade	Salary Costs
300	Principal Engineer	U23.E	\$122,844
610	Executive Secretary	U22.N	\$59,244
630	Scientist	26.N	\$66,540
410	Executive Assistant	U26.N	\$66,540
550	Operations Supervisor	U35.N	\$86,376
550	Operator III	29.N	\$36,288
550	Operator III	29.N	\$36,288
710	Sr. Water Use Efficiency Specialist	29.N	\$0
820	Electrical & Automation Manager	U19.E	\$107,280
820	Automation Technician	32.N	\$79,236
820	Sr Electrical Technician	30.N	\$37,374
820	Sr Instrumentation Technician	30.N	\$37,374
840	Maintenance Mechanic	20.N	\$27,942
Subtotal			\$763,326

Hire 1/1/2015
Hire 1/1/2015
Funded from overallocation funds

Hire 1/1/2015
Hire 1/1/2015
Hire 1/1/2015



LABOR

PROPOSED LABOR CHANGES

Proposed Personnel Budget Changes Reflected in the FY 2014/15 Operating Budget

Title and Salary Grade Changes for Existing Positions/Job Titles:

Finance (210):

Office Specialist (Salary Grade 15.N) ➔ Sr. Accounting Clerk (Salary Grade 20.N)
This position upgrade is being requested to more properly reflect the duties and responsibilities of the position.

Sr. Accountant (Salary Grade U11.E) ➔ Financial Analyst (Salary Grade U11.E)
This title change is being requested to more properly reflect the duties and responsibilities of this position.

Assistant Controller (Salary Grade U20.E) ➔ Controller (Salary Grade U20.E)
This title change is being requested to more properly reflect the duties and responsibilities of this position.

Engineering (300):

Construction Inspector III (Salary Grade 31.N) ➔ Construction Inspection Supervisor (Salary Grade U33.N)
This position upgrade is being requested due to the increase in the use of consultants and the high number of construction projects currently underway. This upgrade will provide a promotional opportunity for one Construction Inspector which will provide needed support in the field, especially in overseeing the consultant inspectors.

Engineering Technician III (Salary Grade 29.N) ➔ Assistant Engineer (Salary Grade 10.E)
This position upgrade is being requested to more properly reflect the advanced analysis and modeling duties and responsibilities of the position.

Sr. Analyst (Salary Grade U13.E) ➔ GIS Supervisor (Salary Grade U13.E)
This title change is being requested to more properly reflect the duties and responsibilities of this position.



LABOR

PROPOSED LABOR CHANGES

Water Operations Administration (410):

Assistant Director of Water Operations (Salary Grade U20.E) ➔ Assistant Director of Water Operations (Salary Grade U23.E)

This salary grade reclassification is being requested to more consistently align the Assistant Director positions throughout the organization.

Water Operations (420):

Operations Coordinator (Salary Grade U33.N) ➔ Operations Supervisor (Salary Grade U35.N)

This position upgrade is being requested in order to redistribute current workload and begin the realignment needed in preparation for the Baker Treatment Plant.

Field Services (425):

Water Maintenance Technician III (Salary Grade 26.N) ➔ Water Maintenance Supervisor (Salary Grade U31.N)

This position upgrade is being requested in order to redistribute current workload in PM group and realign number of direct reports to Assistant Manager for more effective and efficient supervision.

Recycling Administration (510):

Director of Wastewater Operations (Salary Grade U27.E) ➔ Assistant Director of Recycling Operations (Salary Grade U23.E)

This downgrade is being requested to more consistently align the Assistant Director positions throughout the organization.

Natural Treatment System (515):

Supervising Wetlands/Wildlife Biologist (Salary Grade U33.N) ➔ Natural Resources Manager (Salary Grade U16.E)

This position upgrade is being requested due to the increased responsibilities and high visibility for the District. Additional responsibilities include expansion of the Natural Treatment System, high level interaction with internal and external stakeholders and providing support to several District departments.

Water Resources and Policy (710):

Administrative Assistant (Salary Grade 10.E) ➔ Executive Assistant (Salary Grade 26.N)

This position downgrade is being requested to more properly reflect the duties and responsibilities of the position and to align administrative support position throughout the organization.



LABOR

PROPOSED LABOR CHANGES

Water Use Efficiency Supervisor (Salary Grade U13.E) ➔ Water Use Efficiency Manager (Salary Grade U16.E)

This position upgrade is being requested to more properly reflect the duties and responsibilities of the position due to the downgrade and reorganization of the Assistant Director of Water Policy that previously acted as manager of the Water Use Efficiency group.

Water Resources and Environmental Compliance (720):

Water Resources Manager (Salary Grade 18.E) ➔ Water Resources Manager (Salary Grade 19.E)

This salary grade reclassification is being requested to more properly reflect the work being performed and the addition of supervisory responsibilities.

Assistant Director of Water Policy (Salary Grade U23.E) ➔ New job title (title and salary grade to be determined)

This position downgrade is being requested to more properly reflect the new duties and responsibilities that will be assigned to the new position. Position will be transferred from Department 710 to Department 720.

Assistant Engineer (Salary Grade 10.E) ➔ Engineering Technician III (Salary Grade 29.N)

This position downgrade is being requested to more properly reflect the duties and responsibilities of the position.

Maintenance Administration (810):

Assistant Director of Maintenance (Salary Grade U20.E) ➔ Assistant Director of Maintenance (Salary Grade U23.E)

This salary grade reclassification is being requested to more consistently align the Assistant Director positions throughout the organization.

New Positions:

Engineering (300):

Principal Engineer (Salary Grade U23.E) – one position

This position will oversee the Development Services group and the Construction Inspection group and will assist with increased workload and coordination of hundreds of projects. The new position will be located at Sand Canyon and will be filled as an in-house promotional opportunity.



LABOR

PROPOSED LABOR CHANGES

MWRP Operations (550):

Operations Supervisor (Salary Grade U35.N) – one position

The Biosolids and Energy Recovery Facilities are currently under construction and the initial phase of staffing for the facilities will begin in FY2014-15. Facility training classes have been scheduled and startup, testing, and commissioning will be occurring this year. This position will oversee the Biosolids and Energy Recovery staff that will be hired later in the fiscal year and in subsequent years.

Operator III (Salary Grade 29.N) – two positions

The Biosolids and Energy Recovery Facilities are currently under construction and the initial phase of staffing for the facilities will begin in FY2014-15. Facility training classes have been scheduled and startup, testing, and commissioning will be occurring this year. These positions will be filled no earlier than January 1, 2015.

Water Resources and Policy (710):

Sr. Water Use Efficiency Specialist (Salary Grade 29.N) – one position

This new position is necessary to support the Water Use Efficiency Analyst and provide customer support to commercial, industrial, and institutional customers. This position will replace a current full-time temporary position. It is funded by overallocation funds and is not included in the Operating budget.

Operations Administration (805):

Executive Assistant (Salary Grade 26.N) – one position

This position will help meet the administrative needs of the Operations department which are currently being handled by one administrative support position. The addition of this position will allow senior management team members and other staff to focus on primary duties rather than performing administrative tasks.

Electrical Services (820):

Electrical and Automation Manager (Salary Grade U19.E) – one position

This position will replace the Electrical Services Manager position which was not backfilled when the incumbent was promoted. The title has been updated to include the addition to the group of SCADA automation group, which was transferred to Department 520 in fall 2013. The Electrical Services group requires a full-time manager to ensure continued levels of customer service and equipment reliability.

Automation Specialist (Salary Grade 32.N) – one position

This position will fulfill staffing needs associated with the MWRP Phase II plant expansion and Wells 21/22 Treatment Facility. It is also needed to meet the needs of



LABOR

PROPOSED LABOR CHANGES

facilities still under construction, including Biosolids and Energy Recovery Facilities and the Baker Treatment Facility.

Sr. Electrical Technician (Salary Grade 30.N) – one position

This position will fulfill staffing needs associated with the MWRP Phase II plant expansion and Wells 21/22 Treatment Facility. It is also needed to meet the needs of facilities still under construction, including Biosolids and Energy Recovery Facilities and the Baker Treatment Facility. This position will be filled no earlier than January 1, 2015.

Sr. Instrumentation Technician (Salary Grade 30.N) – one position

This position will fulfill staffing needs associated with the MWRP Phase II plant expansion and Wells 21/22 Treatment Facility. It is also needed to meet the needs of facilities still under construction, including Biosolids and Energy Recovery Facilities and the Baker Treatment Facility. This position will be filled no earlier than January 1, 2015.

Mechanical Services (840):

Maintenance Mechanic (Salary Grade 20.N) – one positions

This position will fulfill staffing needs associated with the MWRP Phase II plant expansion and Wells 21/22 Treatment Facility. It is also needed to meet the needs of facilities still under construction, including Biosolids and Energy Recovery Facilities and the Baker Treatment Facility.

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