

Cucamonga Valley Water District

Rancho Cucamonga, California



Photographed at Day Canyon,
a local CVWD water supply

**Annual Operating &
Capital Improvement Budget**
For the Fiscal Year Ending June 30, 2016

ANNUAL OPERATING & CAPITAL IMPROVEMENT BUDGET

FOR THE FISCAL YEAR ENDING JUNE 30, 2016

CUCAMONGA VALLEY WATER DISTRICT

10440 ASHFORD STREET
RANCHO CUCAMONGA, CALIFORNIA
(909) 987-2591

Service You Can Depend On®

CUCAMONGA VALLEY WATER DISTRICT

ANNUAL OPERATING AND CAPITAL IMPROVEMENT BUDGET

For the Fiscal Year Ending June 30, 2016
(Page numbers are hyperlinked)

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EXECUTIVE SUMMARY

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CUCAMONGA VALLEY WATER DISTRICT

OUR MISSION STATEMENT



To provide high quality, safe and reliable drinking water and wastewater services while practicing good stewardship of natural and financial resources.

Vision

Our Vision is composed of three elements: Service, Water, and People.

Elements	Characteristics
Service – We are a servant-oriented organization and provide “ <i>Service Beyond Expectation</i> ” to our internal and external customers.	<ul style="list-style-type: none"> • Dependable • Responsive • High Expectation • Concierge • Value
Water – We provide a sustainable water supply that is safe, cost effective and reliable for our customers.	<ul style="list-style-type: none"> • Cost-Effective • High Quality • Sustainable • Reliable and diversified • Stewardship
People – We have a talented and engaged team that is self-managed and takes pride of ownership in their work product and service.	<ul style="list-style-type: none"> • Innovative • Purposeful • Self-management • Well-informed • Invested

Values

Our Values are rooted in three areas of conduct: Accountability, Communication, and Customer Service.

Description	Characteristics
Accountability – We take ownership of our actions and look for solution based ideas to improve our effectiveness and service to customers.	<ul style="list-style-type: none"> • Ownership • Solution based thinking • Think forward • Shared responsibility
Communication – We have efficient system of outreach that provides employees and customers with knowledge and information and cultivates a two-way system of communication.	<ul style="list-style-type: none"> • Timely fluid messaging • Two-way communication • Listening • Focused and personalized • Technology driven
Customer Service – Our internal and external customer service is provided in a cooperative and collaborative approach, exceeding customer expectations.	<ul style="list-style-type: none"> • Internal/External • Cooperative and collaborative • Responsive teamwork • Service Beyond Expectation

CUCAMONGA VALLEY WATER DISTRICT
CERTIFICATES OF AWARD

Operating & Capital Improvement Budget for FY2016



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

Cucamonga Valley Water District
California

For the Fiscal Year Beginning

July 1, 2014

Executive Director

*California Society of
Municipal Finance Officers*

Certificate of Award

*Excellence
Fiscal Year 2014-2015*

Presented to the

Cucamonga Valley Water District

For meeting the criteria established to achieve the Operating Budgeting Excellence Award.

February 8, 2015

Pamela Arends-King

*Pamela Arends-King
CSMFO President*

Michael Gomez

*Michael Gomez, Chair
Professional Standards and
Recognition Committee*



Dedicated Excellence in Municipal Financial Reporting

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June 23, 2015



FISCAL YEAR 2016 BUDGET MESSAGE

To the Board of Directors of the Cucamonga Valley Water District:

On behalf of the Cucamonga Valley Water District (CVWD/District), I am pleased to present for your consideration our **2016 Fiscal year Operating and Capital Improvement Budget**. Within this document you will learn about some of the new initiatives, projects and organizational priorities that will be the District's focus over the next fiscal year. These priorities will help ensure the District's ability to continue to meet our customer's water supply, water quality and service expectations. Our commitment to provide customers with a quality product and service at a reasonable price is the District's mission. This budget provides the financial plan to implement the District's commitment to our customers and stakeholders, as well as to provide the resources necessary to achieve our operational, water resource, and management goals for the next fiscal year and beyond.

The District's headquarters are located in the City of Rancho Cucamonga, which is considered to be the western boundary of the Inland Empire. The Inland Empire covers more than 27,000 square miles and includes the entirety of San Bernardino and Riverside Counties. Our region was particularly impacted during the economic downturn; however, the region has experienced rapid growth in 2013 and 2014. According to Dr. John Husing, a local economist, the growth is expected to continue in 2015 with the creation of new jobs exceeding the loss that the region experienced during the economic downturn. The District continues to see an increase in construction development with a mixture of commercial, single family residential, and multi-family development. Development revenues have greatly improved since the downturn and have increased on average 300% during the last three years. Although this is not a revenue source that the District has become dependent upon, it is certainly a sign that developers are investing in our service area.

The largest impact to our daily operations in FY2015 and will continue through FY2016, is the statewide drought. On January 17, 2014 Governor Brown declared a drought state of emergency and directed state officials to take necessary actions to prepare for drought conditions. CVWD quickly responded by moving to a Stage 2 Water Alert and began communicating with customers about ways to reduce their water use. On April 1, 2015, nearly one year after an inspection of Sierra snowpack levels, the Governor signed Executive Order B-29-15 that communicated a further need for conservation due to the severity of the drought. He directed that the State Water Resource Control Board (SWRCB) impose restrictions in order to achieve a statewide 25% reduction in potable urban water use through February 28, 2016. On May 5, 2015 the SWRCB issued mandates for water suppliers throughout the state to conserve between 8% and 36% of their water use compared to usage in 2013. CVWD was directed to reduce overall consumption by 32%.

For more than a decade, CVWD has been investing in infrastructure and local groundwater rights in order to provide a sufficient supply to our customers during a drought and/or catastrophic emergency, such as an earthquake. This provides CVWD customers more than an adequate supply of water to meet

their needs during this severe drought. Although CVWD will not face a supply shortage during this drought, we will make every attempt to comply with the state's order. On May 12, 2015 the CVWD Board of Directors enacted Stage 6 of its Water Supply Shortage Contingency Plan requesting customers to reduce consumption by 35%. On June 9, 2015, the Board of Directors adopted Ordinance 2015-6-1 implementing rate increases for meter charges, commodity rates (non-drought), and commodity drought rates (Stages 2-7). In addition, this budget was based on Stage 6 conditions and the following paragraph demonstrates the changes that the drought will place on our budget. The Stage 6 rates are effective July 1, 2015 and will allow the District to remain financially viable, fund operational activities, fund critical capital projects, as well as maintaining our bonded debt covenants.

The FY2016 budget is based on operating revenues of \$77,767,559 and operating expenses of \$55,316,828 for all funds, which reflect decreases of 5.0% and 11.9% respectively over last year's budget submittal. New requests in Capital Improvement Project (CIP) budget include Water Capital funding of \$18,664,000, Sewer Capital funding of \$4,327,625, and Recycled Water Capital funding of \$150,000, for a total investment of \$23,141,625 in District-wide infrastructure. These projects represent an increase of 24.1%, 231.0%, and 0% in the Water, Sewer, and Recycled Water Funds respectively, for an overall increase of 40.3%. The Capital Budget also includes \$10,346,400 for funding for the carryover of multi-year projects and a total of \$6,874,000 from outside funding sources. Total revenues of \$146,355,460 and total expenses of \$146,355,460 are budgeted, each representing a decrease of 2.0% compared to last year's submittal.

Organizational Priorities

In 2012, the Cucamonga Valley Water District redefined its foundational principles emphasizing ***People, Water*** and ***Service***. Our commitment is to utilize these foundational principles as a guide in our decision-making process, both in the short-term and long-term. These guiding principles help us to secure a reliable water supply for our customers, provide ***Service Beyond Expectation***, and allow our agency to attract and retain a quality workforce that supports the vision and values.

The first element of our vision is ***People***. In FY2016, the District will have 125 authorized positions to provide service to both our external and internal customers. Many of our employees are required to hold State certifications for the maintenance of the District's water distribution system, the operation of the District's three water treatment plants, and the maintenance of the District's wastewater collection system. The District is well aware of the imminent retirement of a portion of our workforce and the impacts that this loss of institutional knowledge may have on our operations. The District has analyzed the organization and has identified key areas where the knowledge gap will exist.



The District's Human Resources Division has developed an internal Employee Cross Training program (ECT). This program allows employees to transfer to another division for a predetermined period of time. During this training program employees acquire skills, abilities and knowledge in various fields within the District, with the result of enhancing opportunities for mobility, advancement and personal growth. Six divisions have participated in the ECT: Engineering Inspection, Field Customer Service, Water Production, Accounting, Communications and Outreach, and Water/Sewer Operations.

Another investment in **People** was the development of the partnership with San Bernardino Valley College (SBVC) creating a student intern program. This non-paid internship program allowed students to receive training over an 18-week period enabling students to learn about the various aspects of the water utility industry. In fact, one student was hired as a full-time employee, and many participants have had the opportunity to continue with the District in temporary positions for a period of time. Approximately 30 students have participated in this hands-on program and the District intends to continue this worthwhile partnership.

The second element of our vision is **Water**. As mentioned earlier, the drought emergency has placed a challenge on water providers, California residents and businesses. Each water retailer has been given a specific order from the state for mandatory conservation. The District started an aggressive outreach program through multiple media channels including, newspaper, local access channel, electronic billboard, social media, and notices mailed to customers. In addition, the District hosted a Drought Fair on May 14, 2015 at the local community center. District staff provided information on rebates, turf replacement, irrigation retrofits, the District's Water Watch Program, water rates, Customer Assistance Program, and water supply and the operational efficiencies that the District undertakes each day. In addition, our staff has been assisting hundreds of customers with information relating to the regional rebate program sponsored by Metropolitan Water District of Southern California. Various rebates are offered to residential, commercial, industrial and institutional customers on the website www.socalwatersmart.com. Lastly, the staff has met with a number of our large customers and local legislative representatives sharing with them the impacts of the drought, our current restrictions, and resources for them to utilize during this time.

The wise investment in our local water supplies over the past fifteen years has decreased our dependence on costly imported water from Northern California. CVWD's water source portfolio includes groundwater from the Chino Basin, groundwater from the Cucamonga Basin, local surface water from our adjacent mountains, recycled water, and imported water. The District's Engineering Department has created capital projects that support a varied water supply. In addition, Engineering staff completed the update to the Water Supply Master Plan last year, which allowed the District to plan for various supply shortages and any necessary conservation efforts.

A significant project to enhance our local supply is the rehabilitation and upgrade of the District's Arthur H. Bridge Water Treatment Plant. The plant was built in 1997 for the purpose of treating surface water from the Cucamonga Canyon utilizing membrane technology. The facility was placed offline due to damage caused by flooding and debris flow, as well as the end of service life for the membranes. The rehabilitation project moves from membrane technology to a pressure filtration system. The District has invested over \$3.6 million in this project that will provide another local source of high quality and reliable water for our customers. The upgraded plant was completed in FY2015 and is online.

Regulatory compliance is another aspect of supporting the element of **Water** in our vision. In 2006, the U.S. Environmental Protection Agency amended standards specifically referred to as the Stage 2 Disinfectant/Disinfection By-Product Rule requiring compliance by CVWD and other water service providers. The regulations resulted in the need for the District to upgrade the Lloyd Michael Water Treatment Plant (LMWTP) with advanced treatment technology, including ultra-violet disinfection. This multi-year project has a cost of just over \$42 million, which represents the single-largest capital improvement project undertaken in the District's history. In 2014, the District was awarded a grant from the State Department of Public Health in the amount of \$5 million. The plant is expected to be on-line in the summer of 2015. Needless to say, the completion of both of these water treatment plant projects has been an organizational priority for the past several years. Moving into FY2016, the training and operation of these plants will be a priority for the Treatment Division. Finance staff has integrated the new treatment processes into the FY2016 operating expense budget.

A new program launched in FY2014 satisfies two elements of the District's vision – **Water** and **Service**. The Water Watch Program (WWP) was developed to proactively notify customers of high water usage (e.g. leaks or continuous flow). This program utilizes an investment that the District made starting in FY2007 with the installation of Advanced Metering Infrastructure (AMI). The AMI equipment transmits water usage via cellular network to the District's office. The AMI system can be reviewed on a daily basis to determine if continuous water usage is registering on any of our customer's water meters. Each day Field Service staff in our Customer Service Division can download reports and start the process to send high usage notifications to our customers. This program not only provides proactive service to our customers, but it also supports our commitment to protecting our precious water resources. Since the program inception, CVWD has notified approximately 500 customers of potential leaks and has been well received by our customers. We consider this program to be one of many drought response tools.



The District has approximately 38,000 customers connected to the AMI system, with about 11,000 more customers to be retrofitted. This project continues to be an organizational priority for FY2016. The District has earmarked \$4 million to retrofit and expand this technology in the FY2016 Capital Improvement budget.

Revenue Assumptions

The District is conservative in its projections for water consumption and production estimates. The District expects that our local and statewide drought messaging will result in lower consumption. The District has been placed in the 32% conservation tier by the SWRCB; therefore this budget has been based on 32% lower consumption. Revenues were estimated based on the District's Drought Stage 6 rates that were recently approved and will be in effect on July 1, 2016. This multi-year water rate schedule will be in effect through June 30, 2019.

As previously mentioned, development activity has increased over the past few years showing positive investment within the District. In FY2016, we have conservatively projected water development revenue of \$3,296,926, a 30% decrease compared to the prior year. Sewer development fees are anticipated to increase to \$196,145, or a 29% decrease compared to the prior year.

In FY2016, total operating revenues are projected to decrease by 5.0% or \$4,109,249. Of the total, decreases to Water Operating Fund Revenues are estimated at \$5,528,305, an 8.5% decrease compared to FY2015. Sewer Operating Revenues are projected to increase by 7.3% or \$1,154,568. It is projected that approximately 1,611 acre-feet of recycled water will be sold, generating Recycled Water Fund Revenues of \$1,243,912, an increase of 27% or \$264,488.

Budget Process

The District employs a non-traditional approach to its annual budget process. This process spreads the budget development over the entire fiscal year allowing the Board of Directors and staff to take a critical look at each component of the budget. Each aspect of the budget is thoroughly reviewed through the Board Committee process so that when staff presents the final budget, all areas have already been vetted. Please refer to pages 32 of the budget for a detailed timeline of the process and the budget calendar.

Conclusion

The Cucamonga Valley Water District believes that its vision of ***People, Water*** and ***Service*** provides a meaningful, deliberate and proactive approach to managing our District and the precious resources entrusted to it. The District maintains transparency, responsiveness, and stewardship to our customers, stakeholders and employees. The budget incorporates resources for the carefully-planned priorities established for FY2016.

Special Thanks

Many thanks to the Cucamonga Valley Water District Board Committees who worked diligently to develop this budget and to the CVWD staff who have contributed to its development. Special thanks to the Finance staff including Carrie Corder, Assistant General Manager/CFO; Chad Brantley, Finance Manager; Agnes Boros, Accounting Supervisor; and Jennifer Fillinger, Accountant.

Respectfully submitted,



Martin E. Zvirbulis
General Manager/CEO

RESOLUTION TO ADOPT

RESOLUTION NO. 2015-6-2

RESOLUTION OF THE BOARD OF DIRECTORS OF THE CUCAMONGA VALLEY WATER DISTRICT ADOPTING THE ANNUAL OPERATING AND CAPITAL IMPROVEMENT BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2016

WHEREAS, the Cucamonga Valley Water District (“District”) is organized and operates pursuant to the County Water District Law commencing with Section 30000 of the California Water Code; and

WHEREAS, there has been presented to the Board of Directors a proposed Annual Operating and Capital Improvement Budget For The Fiscal Year Ending June 30, 2016 (“2016 Budget”); and

WHEREAS, on June 23, 2015, the Board of Directors received and considered all comments regarding the proposed 2016 Budget; and

WHEREAS, the proposed 2016 Budget has been reviewed and considered by the Board of Directors and it has been determined to be in the best interests of the District to adopt said budget for the sound financial operation of the District.

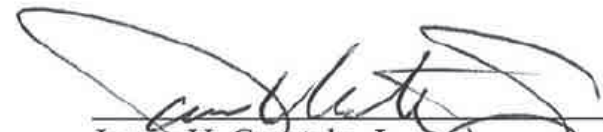
BE IT HEREBY RESOLVED by the Board of Directors of the Cucamonga Valley Water District as follows:

1. The 2016 Budget, as detailed in the budget document entitled “Annual Operating and Capital Improvement Budget for the Fiscal Year Ending June 30, 2016”, is hereby adopted. A copy of the 2016 Budget is attached hereto and incorporated herein by reference.
2. The expenditure amounts designated for the Fiscal Year 2015-2016, pursuant to the 2016 Budget, are hereby appropriated and may be expended by the departments or funds for which they are designated.
3. The current amount of the MWD Surcharge Rate pass-through, as established in Ordinance 30-G, Exhibit A shall be decreased from \$0.11 per hcf to \$0 per hcf effective 07/01/2015.
4. The Recitals set forth above are incorporated herein and made an operative part of this Resolution.


5. If any section, subsection, sentence, clause or phrase in this Resolution or the application thereof to any person or circumstances is for any reason held invalid, the validity of the remainder of this Resolution or the application of such provisions to other persons or circumstances shall not be affected thereby. The Board of Directors hereby declares that it would have passed this Resolution and each section, subsection, sentence, clause or phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses, or phrases or the application thereof to any person or circumstance be held invalid.

6. This Resolution will be effective immediately upon adoption.

Adopted this 23rd day of June, 2015.

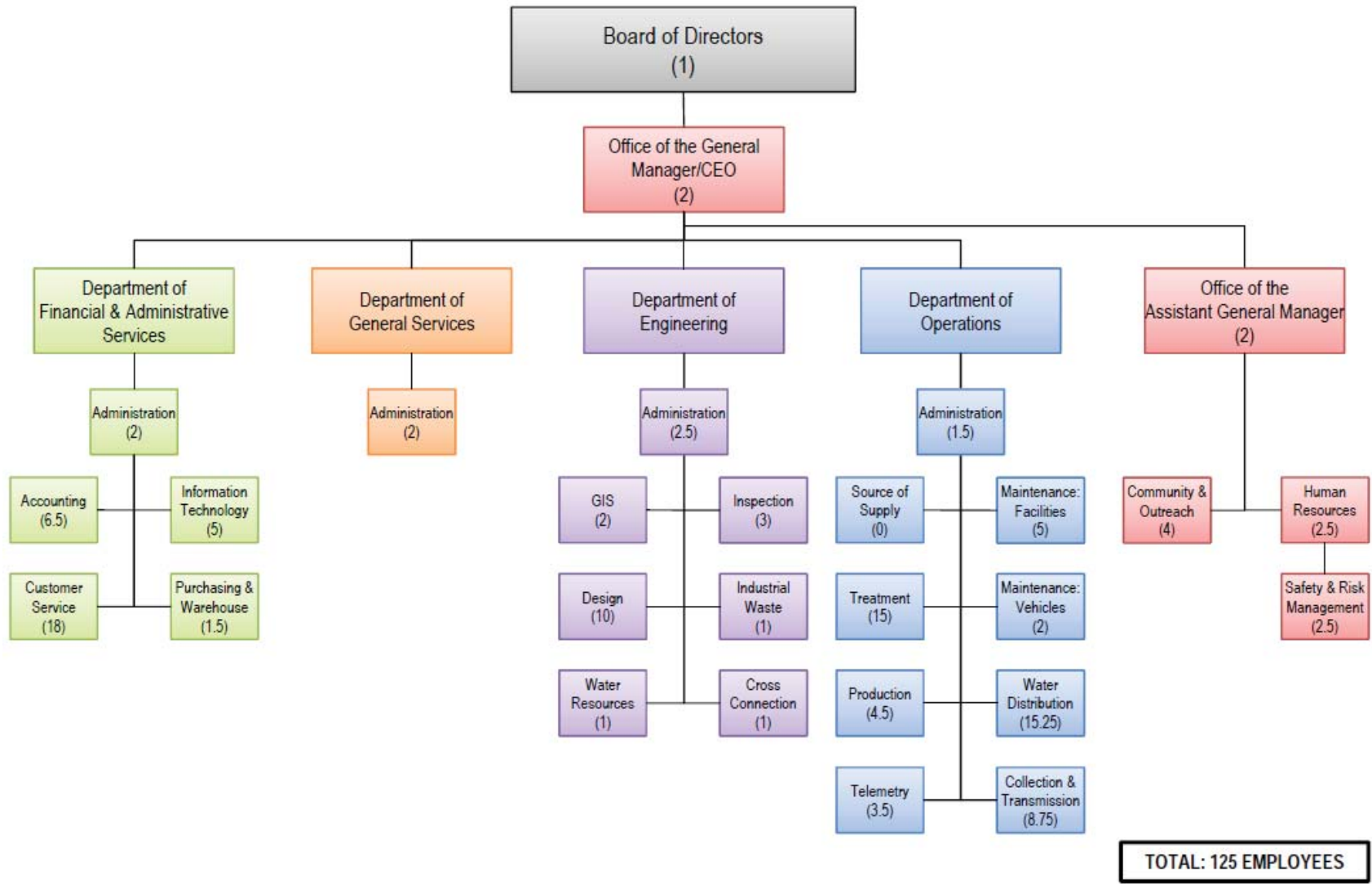


James V. Curatalo, Jr.
President, Board of Directors

Attest:

Martin E. Zvirbulis
Secretary, Board of Directors

CUCAMONGA VALLEY WATER DISTRICT ORGANIZATIONAL CHART

FYE 2016



CUCAMONGA VALLEY WATER DISTRICT

OFFICIALS

For the Fiscal Year Ending June 30, 2016

BOARD OF DIRECTORS

JAMES V. CURATALO, JR.	President
LUIS CETINA	Vice President
OSCAR GONZALEZ	Director
RANDALL J. REED	Director
KATHLEEN J. TIEGS	Director

DISTRICT MANAGEMENT

MARTIN E. ZVIRBULIS	General Manager/CEO
JO LYNNE RUSSO-PEREYRA	Assistant General Manager
CARRIE CORDER	Assistant General Manager /Chief Financial Officer
JOHN BOSLER	Assistant General Manager /Chief Operating Officer

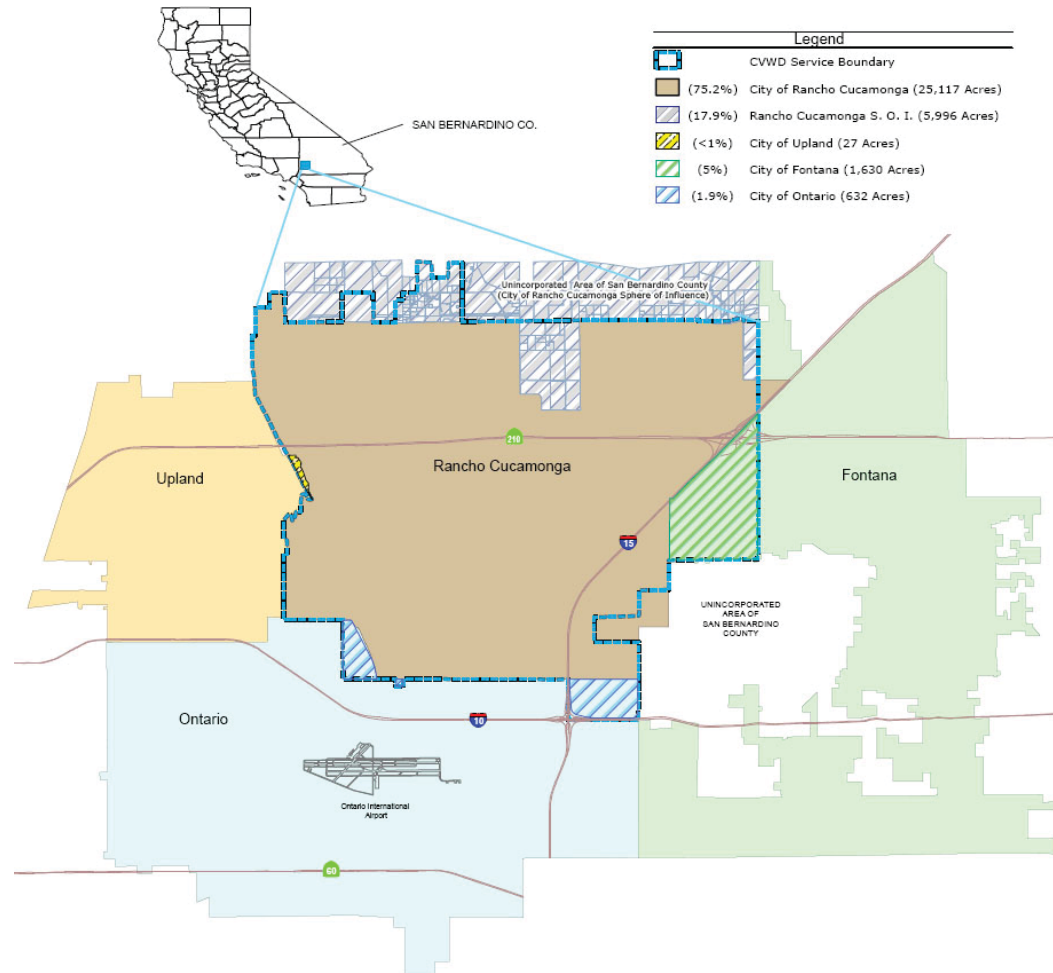
District Officials can be reached by calling (909) 987-2591.



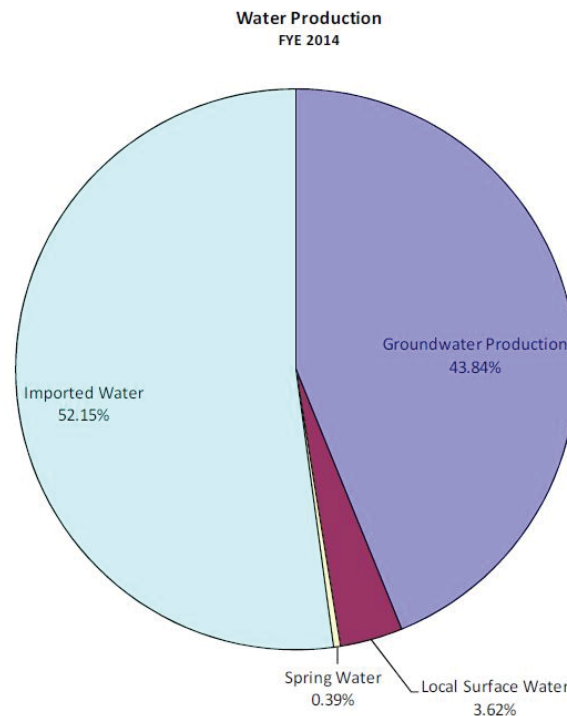
The Cucamonga Valley Water District Main Office at 10440 Ashford Street, Rancho Cucamonga, California

PROFILE OF THE CUCAMONGA VALLEY WATER DISTRICT

The Cucamonga Valley Water District (the “District” or “CVWD”) is an independent special district that operates under the authority of Division 12 of the California Water Code. The District was incorporated on March 25, 1955, and is governed by a five-member, elected Board of Directors. The District provides water, wastewater, and recycled water services to a population of approximately 186,000 within its 47 square mile service area, which is located in the western area of San Bernardino County, California. The District encompasses the majority of the community of Rancho Cucamonga and portions of the cities of Fontana, Ontario, Upland, and some of the unincorporated areas of San Bernardino County.



Residential customers make up approximately 89% of the District’s customer base and consume approximately 65% of the water produced annually by the District. The District currently has a total of 28 groundwater wells, of which 19 are in service with a maximum production capacity of approximately 28,000 gallons per minute (or an annual production equivalent of 45,164 acre-feet). In addition, the District has surface and subsurface water rights in four local canyon watersheds with an annual production in 2014 of 2,216 acre-feet. Lastly, untreated imported water from the Sacramento-San Joaquin River Delta through the State Water Project makes up the third source of water available to the District. In 2014, the District purchased 28,825 acre-feet of imported water. The following chart illustrates the water production sources.



Fiscal Management

The District Board of Directors annually adopts an operating and capital budget prior to the new fiscal year. The budget authorizes and provides the basis for reporting and control of financial operations and accountability for the District’s enterprise functions, including the Water Utility Fund, Sewer Utility Fund, and Recycled Water Utility Fund. The budget and reporting treatment applied to a fund is consistent with the accrual basis of accounting and the financial statement basis. Each year the District adopts a balanced budget (estimated expenses equal to estimated revenues).

Local Economy

The District office is located in the City of Rancho Cucamonga in San Bernardino County. Rancho Cucamonga is considered a premiere city in the Inland Empire area of California. The District population is projected to increase to approximately 215,100 in 2035, when the District is expected to be fully built out. The community is located 37 miles east of downtown Los Angeles. The chart to the right highlights the growth of the City of Rancho Cucamonga, the County of San Bernardino, and the State of California.

The economics of the communities served by the District are influenced by a multitude of factors. Historically, the construction industry has led the job growth in the Inland Empire. Since the economic downturn, construction industry job growth has improved; however, it has still not fully recovered. On the other hand, growth in logistics has led to job creation in the land-rich Inland Empire. In addition, the health care and manufacturing industries have also demonstrated job growth in the Inland Empire.

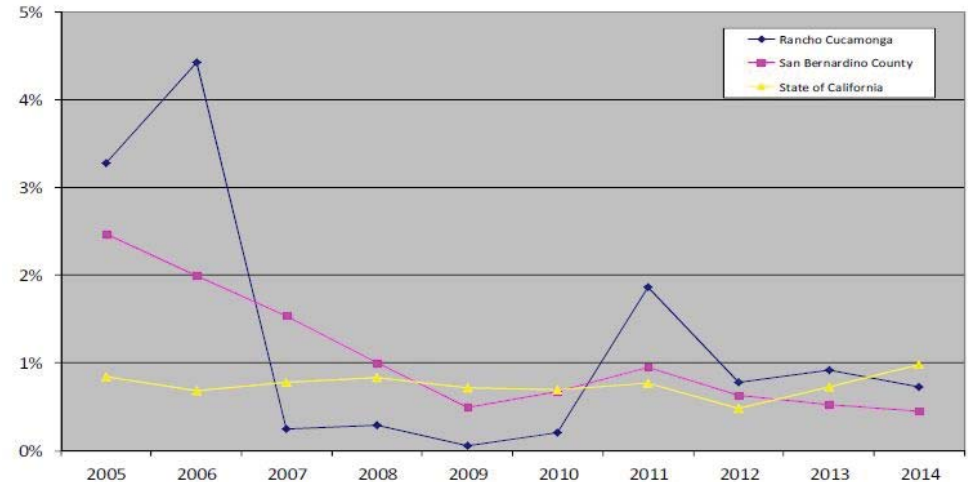
The Inland Empire consists of 52 cities within the counties of Riverside and San Bernardino. As far as the number of customers served by the District the top two cities are Rancho Cucamonga and Fontana. In 2014, the Department of Finance released population data that indicates that the City of Fontana is third largest in the region followed by the City of Rancho Cucamonga as fifth. The San Bernardino Assessor's office reported that the City of Rancho Cucamonga has the second highest assessed valuation in the region followed by Fontana as the fifth highest. Clearly, these two cities served by CVWD are strong contributors to the economic engine of the Inland Empire.

According to the State of California Employment Development Department, the overall unemployment rate for the State of California is 6.1%, with San Bernardino County tracking at the same rate as the state. Locally, the Cities of Rancho Cucamonga and Fontana are showing an unemployment rate of 4.7% and 6.9%, respectively.

California's water supply continues to be a concern due to drought conditions and projected population increases. This concern has increased interest in recycled water for groundwater replenishment purposes. The District has expanded and will continue to expand its conservation efforts and the use of local sources such as groundwater and canyon water. Such expansions will decrease the District's dependence on imported water and increase water source reliability. The District will also continue to work with local and regional water suppliers in planning and constructing other water delivery systems throughout its service area.

During the past five years, the District's expenses related to source of supply have remained stable averaging approximately 26% of the District's total operating expenses despite the fact that the District has grown 2% over the last 5 years. Production fell each year from 2008 through 2011 but increased in

10 Year Population Growth Rate
Rancho Cucamonga vs County & State



2012 through 2014. Improvements in economic conditions and less rainfall in 2014 contributed to the increased demand for water this year. In 2008, production per customer was 1.21 acre feet. In 2012, that number hit a low point of 1.03 acre feet but in 2014 has increased to 1.14 acre feet per customer.

During this same five-year period, charges for services fluctuated based on demand. Water sales revenues have increased by approximately 5.9% per year on average. This increase is primarily due to an increase in water rates of 5% per year but can also be attributed to a small increase in total water service connections of 0.4% per year and a small increase in use per customer in 2013 and 2014. Meter charge revenue has increased by approximately 6.0% per year on average and water service revenue has increased 4% per year on average.

The District’s policy direction ensures that all revenues from user charges generated from District customers must support all District operations including capital project funding. The District does not receive state or county property tax subsidies. Water, recycled water, and sewer rates are user charges imposed on customers for services and are the primary component of the District’s revenue. Water and recycled water rates are composed of a fixed meter charge and a commodity (usage) charge. Sewer rates are billed based on a unit of measure called an equivalent dwelling unit (EDU), which is equivalent to the amount of wastewater flow from a single-family household. The District bills each residential customer a fixed charge for each EDU billed. The chart on page 76 illustrates the average bi-monthly utility bill.

Local demographic and economic statistics, including principal employers, are included below.

Riverside-San Bernardino-Ontario MSA					Principal Employers		
Year	Unemployment Rate - Rancho Cucamonga	Population - Rancho Cucamonga	Personal Income (thousands of dollars)	Personal Income per Capita	Employer	Number of Employees	Percentage of Total
2005	3.3%	156,854	110,076	28,401	Chaffey Community College	1,229	1.69%
2006	3.1%	163,788	118,411	29,703	Etiwanda School District	1,058	1.45%
2007	3.6%	164,195	124,197	30,535	Amphastar Pharmaceutical	880	1.21%
2008	5.1%	164,671	146,483	30,749	City of Rancho Cucamonga	858	1.18%
2009	8.5%	164,764	123,809	29,757	Inland Empire Health Plan (IEHP)	850	1.17%
2010	10.2%	165,101	126,497	29,805	Alta Loma School District	623	0.86%
2011	9.7%	167,701	134,212	31,218	Central School District	527	0.72%
2012	8.6%	169,498	140,262	32,301	Lexxiom, Inc.	360	0.49%
2013	7.3%	171,058	144,677	33,025	Law Enforcement/Investigations	358	0.49%
2014	6.0%	172,299	N/A	N/A	Tamco Steel	350	0.48%
2015	4.7%*	174,064	N/A	N/A	Total	7,093	9.74%
					Total Employment	72,880	100.00%

* Preliminary rate through March 2015 (latest data available)

Sources: California State Employment Development Department, California State Department of Finance, and the United States Bureau of Economic Analysis

Note: Data is from June 2014 (latest available data).
Source: City of Rancho Cucamonga

FINANCIAL POLICIES AND GOALS

Long-term Financial Planning

The District's financial plan includes the establishment of reserve funds in accordance with the District's Reserve Policy. Reserve funds are set to ensure the continued orderly operation of the District's water and wastewater systems, the provision of services to customers at established levels, and the continued stability of the District's rate structure. Details of this policy can be found on page 28.

The District is currently developing a formal long-term financial plan which it plans to implement in the next fiscal year.

Debt Administration

The District's debt is divided into the Senior Obligations (issues prior to 2012) and the Subordinate Obligations (2012 and 2014 issue). The District's debt rating on the Senior Obligations is "AA" from Standard & Poor's and "Aa3" from Moody's Investor Services. The District's debt rating on the Subordinate Obligation is rated "AA-" from Standard & Poor's and "AA" from Fitch Ratings. The District adopted a debt management policy effective August 29, 2012, which documents the District's goals for the use of debt instruments and provides guidelines for the use of debt for financing District water, sewer and recycled water infrastructure and project needs. The District's overriding goal in issuing debt is to respond to and provide for its infrastructure, capital project and other financing needs while ensuring that debt is issued and managed prudently in order to maintain a sound fiscal position and protect credit quality. The District issues debt instruments, administers District held debt proceeds and makes debt service payments, acting with prudence, diligence and attention to prevailing economic conditions.

The purpose of this debt management policy is to:

- Establish parameters for issuing debt
- Provide guidance to decision makers:
 - With respect to all options available to finance infrastructure, capital projects, and other financing needs
 - So that the most prudent, equitable and cost effective method of financing can be chosen
- Document the objectives to be achieved both prior to issuance and subsequent to issuance
- Promote objectivity in the decision-making process
- Facilitate the financing process by establishing important policy decisions in advance

The District will adhere to the following legal requirements for the issuance of public debt:

- The state law which authorizes the issuance of the debt
- The federal and state laws which govern the eligibility of the debt for tax-exempt status
- The federal and state laws which govern the issuance of taxable debt
- The federal and state laws which govern disclosure, sale, and trading of the debt both before and subsequent to issuance

The following principles outline the District's approach to debt management:

- The District will issue debt only in the case where there is an identified source of repayment. Debt will be issued to the extent that (i) projected existing revenues are sufficient to pay for the proposed debt service together with all existing debt service covered by such existing revenues, or (ii) additional projected revenues have been identified as a source of repayment in an amount sufficient to pay for the proposed debt.
- The District will not issue debt to cover operating needs, unless specifically approved by the Board.
- Debt issuance for a capital project will not be considered unless such project has been incorporated into the District’s adopted Capital Improvement Budget or as otherwise approved by the Board.
- Each proposal to issue debt will be accompanied by an analysis that demonstrates conformity to this Policy. This analysis will address the purpose for which the debt is issued and the proposed debt structure.

Debt Capacity

There is no specific provision within the California Government Code that limits the amount of debt that may be issued by the District. The District’s future borrowing capability is limited by the debt coverage ratio and additional debt limitations required by the existing bond covenants. The covenants on the senior obligations require the ratio to exceed 1.1 and the subordinate obligations require it to exceed 1.25; the District’s ratio is 2.12 for Fiscal Year 2014. The District’s Fiscal Year 2016 projected total debt service obligation (\$13,991,057.00) is related to its three existing Certificates of Participation Issuances (COPs), one Clean Renewable Energy Bond (CREB), and two Revenue Bonds (RBs). Use of proceeds and the corresponding principal balance of each are as follows:

Year of Issuance	Obligation Ranking	Use of Proceeds	Principle Balance as of June 30, 2015
2006	Senior	Provided funds for the acquisition and construction of various capital improvements.	18,910,000
2009	Senior	Provided funds for the acquisition and construction of various capital improvements.	15,105,000
2009	Senior	Provided funds for the acquisition of a solar energy recovery system utilizing interest-free Clean Renewable Energy Bonds.	234,288
2011	Senior	Refunded bonds that originally provided funds for the acquisition and construction of various capital improvements.	104,465,000
2012	Subordinate	Provided funds for the acquisition and construction of various capital improvements.	36,490,000
2014	Subordinate	Provided funds for the acquisition and construction of various capital improvements and refunded bonds that originally provided funds for the acquisition and construction of various capital improvements.	12,115,000
			\$ 187,319,288

Debt service requirements for the District’s bonds are as follows:

<u>Year(s)</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 5,204,286	\$ 8,786,771	\$ 13,991,057
2017	5,404,286	8,578,796	13,983,082
2018	5,629,286	8,354,909	13,984,195
2019-2023	31,901,430	37,909,483	69,810,913
2024-2028	40,265,000	29,704,595	69,969,595
2029-2033	46,505,000	19,208,282	65,713,282
2034-2038	42,355,000	7,244,481	49,599,481
2039-2043	10,055,000	1,306,875	11,361,875
Total	<u>\$ 187,319,288</u>	<u>\$ 121,094,192</u>	<u>\$ 308,413,480</u>

Debt Service by year is detailed on page 182.

Relevant Financial Policies

Internal Control Structure

District management is responsible for the establishment and maintenance of the internal control structure that ensures that the assets of the District are protected from loss, theft, or misuse. The internal control structure also ensures that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The District’s internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

Investment Policy

The Board of Directors annually adopts an investment policy that conforms to state law, District ordinances and resolutions, prudent money management, and the “prudent investor” standards. The objectives of the Investment Policy are safety, liquidity, and yield. District funds are invested in the State Treasurer’s Local Agency Investment Fund, U.S. Agency and Treasury Securities, Money Market Funds, Negotiable Certificates of Deposit (CDs), Municipal Bonds, and Corporate Notes. On February 12, 2013, the Board of Directors adopted an enhanced investment policy that received a one-year certification from the California Municipal Treasurer’s Association (CMTA).

Risk Management

The District is a member of the Association of California Water Agencies / Joint Power Insurance Authority (Authority). The purpose of the Authority is to arrange and administer programs of insurance for the pooling of self-insured losses and to purchase excess insurance coverage. The District participates in Property Loss, General Liability, Automobile Liability, Workers’ Compensation, Public Officials’ and Employees’ Errors and Omissions, and Fidelity Coverage.

Other Post-Employment Benefits

In June 2004, the GASB issued Statement No. 45 (GASB 45), *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. This statement establishes standards for the measurement, recognition and display of post-employment benefits (referred to as Other Post-Employment Benefits, or OPEB) and related assets and liabilities, note disclosures, and required supplementary information in the District's financial reports. Post-employment benefits include retiree healthcare and other non-pension benefits, which the District currently offers to eligible retirees. The District implemented GASB 45 for the year ending June 30, 2009. Funding for the year ending June 30, 2016 is included in this budget.

Employee Compensation and Benefits

Employee Compensation

In accordance with the Board's Strategic Vision, the District is committed to paying a fair and sustainable wage with the dual purpose of attracting and retaining a talented workforce.

Employee Benefits

Cafeteria Style Benefits – All new, full-time, regular employees of the District on initial probationary status are provided membership in an approved group health insurance plan at the earliest opportunity of inclusion.

For executive staff, the District pays the greater of \$480.00 or 80% of employee's medical premium. If the District pays 80%, the employee is responsible for the remaining 20%. For mid-management and hourly employees, the District pays the greater of \$480.00 or 85% of employee's medical premium. If the District pays 85%, the employee is responsible for the remaining 15%. For those full-time, regular employees of the District with proof of health insurance coverage other than that offered by the District, \$480.00 per month is allotted to participate in those health and insurance benefits.

Vacation Time – Employees are entitled to 10 days after one full year of District service, graduating to a maximum of 25 days after 20 years of service. Employees can accumulate a maximum of 200 hours.

Sick Leave – Employees are entitled to 12 days per year with unrestricted accumulation.

CalPERS – Regular District employees hired before January 1, 2011, are enrolled under the 2.5% @ 55 retirement program. Regular District employees hired between January 1, 2011 and December 31, 2012, are enrolled under the 2.0% @ 60 retirement program. Effective January 1, 2015 and January 1, 2016, employees contribute 2% and 3% respectively toward the employee portion of CalPERS. It is the District's goal that employees will add an additional 1% each year until employees contribute their full portion. Also, in accordance with the Public Employees' Pension Reform Act (PEPRA), regular District employees hired on or after January 1, 2013, are enrolled under the 2.0% @ 62 retirement program with the employees paying their own portion of the plan.

Public Agency Retirement Services (PARS) – Regular District employees hired before January 1, 2011, are enrolled in a supplemental retirement benefit of 0.2% in addition to the CalPERS retirement benefit for eligible employees who complete at least 5 years of continuous full-time regular service with the District after July 1, 2003. The District pays the employee's portion.

Holidays – Full-time employees are entitled to 10 designated holidays and 3 personal days per year.

Life Insurance – Employees working 30 hours or more per week are covered by a District-paid life insurance policy of \$25,000. Additional insurance up to \$500,000 may be purchased at the employee's expense.

Tuition Loan Program – Full-time, regular employees are eligible to receive up to \$3,000 per year through the loan program, which may be used for registration, books, and other related school expenses.

Additional Benefits – Other benefits available to eligible District employees include an employee-paid Deferred Compensation Program, Short Term & Long Term Disability, and a 9/80 work schedule.

Cost Allocation

The cost of operating expenses, including employee wages and benefits, are allocated to each department and division based on actual expenses as tracked by the District's work order/cost accounting system, with allocation to the Water, Sewer, or Recycled Water Funds based on percentages determined by historical trends. District-wide expenses which are general in nature and not attributable to a particular work category or division are allocated to the District's General Services Department.

Costs are also associated with individual work orders, thereby providing the District with the information necessary to analyze costs based on individual tasks or functions.

Customer Assistance Program

For the first time in 60 years, the District now has a program that assists lower income customers with their bimonthly water bill. In the past, California's laws regulating the setting of utility rates restricted the District's ability to offer such a program. Recent legal opinions have provided a new alternative to offer a Customer Assistance Program. By pledging unrestricted revenue (e.g. rental income), the District may now implement the Customer Assistance Program (CAP). As a result, this program is not subsidized by other rate payers.

The CAP is limited to residential customers effective July 1, 2015. Customers must demonstrate a need for this financial assistance and follow the income thresholds established by the Public Utility Commission (PUC) and the California Alternate Rates for Energy (CARE).

The CAP will result in fixed savings each month and will appear on the customer's next water bill following the application approval date. The CAP has limited funding and will be reviewed and approved annually by the District's Board of Directors. For Fiscal Year 2016, the District will pledge \$192,000 of unrestricted rental income to this program.

CUCAMONGA VALLEY WATER DISTRICT

RESERVE POLICY

For the Fiscal Year Ending June 30, 2016

Policy

A key element of prudent financial planning is to ensure that sufficient funding is available for current operating, capital, and debt service needs. Additionally, fiscal responsibility requires anticipating the likelihood of, and preparing for, unforeseen events. Cucamonga Valley Water District will at all times strive to have sufficient funding available to meet its operating, capital and debt service obligations. Reserve Funds (Funds) will be accumulated and maintained to allow the District to fund operating expenses and capital expenditures in a manner consistent with its Annual Operating and Capital Improvement Budget and avoid significant customer rate fluctuations due to changes in cash flow requirements.

General Provisions

The District will maintain its liquidity and capital funds in separate, designated sub-accounts in a manner that ensures its financial soundness and provides transparency to its ratepayers. The Fund balances are considered the minimum necessary to maintain the District's creditworthiness and adequately provide for:

- Compliance with applicable statutory requirements
- Financing of future capital facilities and repair and replacement of existing assets
- Financing of water purchases through the Water Banking Program
- Cash flow requirements
- Economic uncertainties, local disasters, and other financial hardships or downturns in the local or national economy
- Contingencies or unforeseen operating and/or capital needs

The District has established and will maintain the following primary Funds and their respective sub-accounts:

RESTRICTED FUNDS: Restrictions on the use of these funds are imposed by an outside source such as creditors, grantors, contributors, laws, or regulations governing use.

- a. **Bond Proceeds Fund(s):** Bond proceeds funds are monies derived from the proceeds of a bond issue.
- b. **Development Fees:** Monies collected from development fees shall be separately accounted for.

LIQUIDITY FUNDS: Established to safeguard the financial flexibility and stability of the District and to maintain stable customer charges and rates from year to year.

- a. **Rate Stabilization Account:** This fund is established to provide flexibility to the Board when setting Water rates to allow for absorbing fluctuations in water demand.
- b. **Water Banking:** The Water Banking Account is used for the purchase of available water supplies.

- c. **Operating Reserve Account:** The Operating Reserve Account is used for unanticipated operating expenses.

CAPITAL RESERVE FUNDS: These funds are utilized primarily to fund capital and asset costs, for both new and replacement projects.

- a. **Capital Project Account:** The Capital Project Account is used for the funding of new capital assets or the replacement of capital assets when they reach the end of their useful lives.
- b. **Emergency Account:** The Emergency Account may be used in the event of economic events that negatively impact either revenues or expenses, or causes a material decline in other reserve accounts; to purchase equipment and infrastructure at any time or to begin repair of the water system after a catastrophic event, such as a severe earthquake or fire, while long-term financing is being arranged, State or Federal Assistance is obtained, or insurance claims are being processed. The District may use funds herein for either capital or operating purposes.
- c. **Administrative Capital Improvement Account:** The Administrative Capital Improvement Account can be used to fund certain general, administration and overhead projects.

Financial Benchmarks

The District strives to maintain a strong credit profile in order to provide assurance to customers, bond holders, rating agencies and other stakeholders that the District proactively manages its financial resources and is financially sustainable. These benchmarks are evaluated on an annual basis and communicated to the Board of Directors. The District has set forth the following financial benchmark goals:

- a. **Debt Ratio:** The Debt Ratio is a financial ratio that indicates the percentage of the District’s capital assets that are provided via debt financing. It is the District’s goal to maintain a Debt Ratio between 30 to 40 percent.
 - The Debt Ratio at June 30, 2014 was 56.2% based on the Audited Financial Statements.
 - The Debt Ratio at June 30, 2015 is projected to be 51%.
- b. **Credit Rating:** The District’s debt is divided into the Senior Obligations (issues prior to 2012) and the Subordinate Obligations (2012 issue). The District’s debt rating on the Senior Obligations is “AA” from Standard & Poor’s and “Aa3” from Moody’s Investor Services. The District’s debt rating on the Subordinate Obligation is rated “AA-” from Standard & Poor’s and “AA” from Fitch Ratings.
 - The District’s credit rating at June 30, 2015 is projected to remain the same as above.
- c. **Number of Day’s Cash:** The District’s liquidity position has a large impact on the District’s credit rating. It is the District’s goal to maintain a level of Days Cash between 365 and 400 days.
 - The number of Days Cash at June 30, 2014 was 334 days based on the Audited Financial Statements.
 - The number of Days Cash at June 30, 2015 is projected to be 326 days.
- d. **Capital Improvement Funding Levels:** In accordance with the District’s Debt Management Policy 8.5, the District will evaluate the benefits of utilizing Pay-Go and/or debt financing to determine the optimal funding strategy of capital improvements. It is the District’s goal to utilize a balanced approach to capital project funding at a level of 40% debt, 30% Pay-Go and 30% reserve funding.
 - The Capital Improvement Funding Levels at June 30, 2015 are projected to be 22% Debt, 60% Pay-Go, and 18% reserve.

- e. **Debt Service Coverage:** The District is required to maintain a minimum debt service coverage ratio as set forth in the outstanding bond documents. It is the District's goal to exceed the minimum coverage ratio with a goal of 2.25 times the annual debt service payment.
- The Debt Service Coverage at June 30, 2014 was 2.12 times based on the Audited Financial Statements.
 - The Debt Service Coverage at June 30, 2015 is projected to be 2.0 times.

BASIS OF BUDGETING AND ACCOUNTING

The Cucamonga Valley Water District is a California Special District established in 1955 under the provisions of the County Water District Law, Division 12 of the California Water Code.

The District reports its activities as an Enterprise Fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise. It is the intention of the District to recover for the full-costs of providing goods and/or services through the collection of user charges.

Budgeted and actual revenues and expenses reported in this document are recognized on the accrual basis of accounting in conformity with Generally Accepted Accounting Principles (GAAP). Consequently, revenues are recognized in the accounting period in which they are earned and expenses are recognized in the accounting period incurred.

BUDGET CONTROL AND AMENDMENT

The General Manager/CEO is responsible for keeping the expenses within budget allocations and may adopt budget policies necessary to carry out that responsibility. No expenditure of funds shall be authorized unless sufficient funds have been appropriated by the Board or General Manager/CEO as described in this budget.

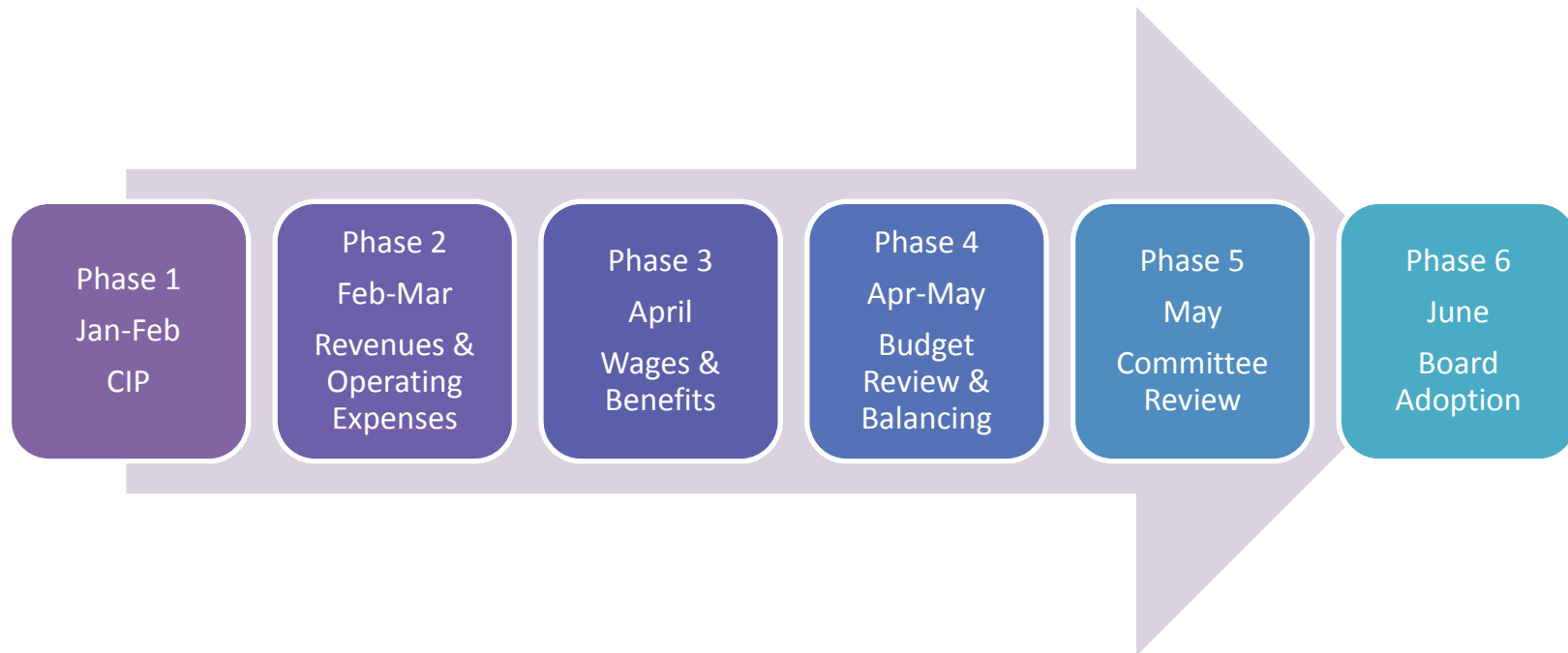
The General Manager/CEO may exercise discretion in the administration of the Budget to respond to changed circumstances, provided that any single modification in excess of \$50,000 shall require approval by the Board. All budget transfers are documented and tracked in the District's computerized financial system.

The General Manager/CEO may authorize the hiring of full-time staff as necessary, as long as the position or classification has been authorized by the Board. In addition, the General Manager/CEO may authorize the hiring of temporary or part-time staff as needed within the Operating and Capital Budget.

In the event that the General Manager/CEO determines that an emergency exists requiring immediate action, the General Manager/CEO shall have the power, without prior Board action, to enter into contracts and agreements and expend funds on behalf of the District. An emergency, as defined by Chapter 3.08 of the Cucamonga Valley Water Code, is a "situation which makes competitive bidding impractical, or not in the best interest of the District, as determined by the General Manager/CEO or his/her designee." If the emergency expense exceeds \$100,000, Board approval is required within 30 days.

THE BUDGET PROCESS

During Phase 1 of the budget process (January - February), budget requirements for capital improvement projects are addressed. During Phase 2 (February - March), budget requests are submitted by department and division heads for operating expenses, while the Finance staff addresses rates and the revenue budget, and in Phase 3 (April), the budget requirements for the next fiscal year's wages and benefits are addressed, including division requests for new positions. Phase 4 (April - May) consists of reviewing and balancing the complete operating and capital budget. During Phase 5 (May), the Board Committees (Finance, Human Resource & Risk, and Engineering) review the budget before it is submitted to the full Board of Directors in Phase 6 (June) for final review and adoption.



BUDGET CALENDAR

January 30, 2015	Deadline for submission of Capital Improvement Project requests from departments
February 27, 2015	Deadline for submission of Operating Expenses from departments
March 27, 2015	Deadline for submission of Wage & Benefit requests, including overtime, stand-by, submission of Personnel Requests, and Succession Planning from departments
April 7, 2015	Capital Improvement Project Budget submitted to Engineering Committee for review
May 12, 2015	Operating Expense and Revenue Budget submitted to Finance Committee for review
May 18, 2015	Wage and Benefit Budget submitted to Human Resources / Risk Committee for review
May 27, 2015	Annual Operating and Capital Improvement Budget for the Fiscal Year Ending June 30, 2016, submitted to Finance Committee for review
June 23, 2015	Annual Operating and Capital Improvement Budget for the Fiscal Year Ending June 30, 2016, submitted to Board of Directors for review and adoption

CUCAMONGA VALLEY WATER DISTRICT REVENUE ASSUMPTIONS

For the Fiscal Year Ending June 30, 2016

Water Operating Fund

Commodity water sales are the District's largest source of revenues, with the majority of sales to domestic and/or residential customers.

Water Sales Revenues are projected based upon the rates and consumption projections in each of the major water sales categories. The District uses a four year tiered water rate structure that reflects the range of costs for various water supplies, keeps consumption charges low for customers who conserve water, and provides a financial incentive for conservation. The District has also implemented seven stages of Drought Rates (see page 35). On May 12, 2015, the Board of Directors declared Stage 6 water conservation emergency requiring 35% conservation. Due to this Board action, the revenue assumptions for the fiscal year 2016 water sales include 35% reduction in water usage and rates at the Stage 6 level.

Category	Assumptions at Drought Stage 6 (35% Conservation)	Rate Increase Effective 7/1/2015 Drought Stage 6
Potable – Tier 1	9,529 acre feet sold (2.5% decrease over prior year)	53.95%
Potable – Tier 2	14,159 acre feet sold (25.5% decrease over prior year)	38.59%
Potable – Tier 3	6,056 acre feet sold (49.9% decrease over prior year)	32.05%
Potable – Tier 4	3,518 acre feet sold (59.4% decrease over prior year)	106.55%
Construction	187 acre feet sold (5.6% increase over prior year)	34.17%
Canyon Source	1,949 acre feet sold (64.6% decrease over prior year)	2.06% Increase (eff. 1/1/16)
Recycled Water	1,611 acre feet sold (22.6% increase due to increased usage)	3.27%

The approved multi-year non-drought (drought stage 1) rate structure through 2018 is as follows:

Category	Effective 5/1/2010	Effective 5/1/2011	Effective 5/1/2012	Effective 5/1/2013	Effective 5/1/2014	Effective 7/1/2015	Effective 7/1/2016	Effective 7/1/2017	Effective 7/1/2018
Tier 1	\$ 1.40	\$ 1.43	\$ 1.46	\$ 1.49	\$ 1.52	\$ 1.59	\$ 1.60	\$ 1.61	\$ 1.62
Tier 2	1.60	1.66	1.72	1.78	1.84	2.11	2.13	2.14	2.16
Tier 3	1.80	1.92	2.05	2.19	2.34	2.62	2.66	2.68	2.71
Tier 4	2.00	2.17	2.35	2.54	2.75	2.99	3.03	3.05	3.07

Drought Rates are based on a series of seven stages of water conservation required of District customers. The Drought Rates have been set in conjunction with the rate study conducted for fiscal years 2016 through 2019. The District assumed that water consumption will be reduced in an amount consistent with the Drought Stage Conservation percentage.

Drought Stage	Tier	Effective 7/1/2015	Effective 7/1/2016	Effective 7/1/2017	Effective 7/1/2018
Stage 1 0% Conservation	1	\$1.59	\$1.60	\$1.61	\$1.62
	2	2.11	2.13	2.14	2.16
	3	2.62	2.66	2.68	2.71
	4	2.99	3.03	3.05	3.07
Stage 2 10% Conservation	1	1.69	1.70	1.71	1.72
	2	2.15	2.17	2.18	2.20
	3	2.77	2.81	2.83	2.86
	4	3.56	3.65	3.67	3.70
Stage 3 15% Conservation	1	1.79	1.80	1.81	1.82
	2	2.21	2.24	2.25	2.26
	3	2.83	2.87	2.88	2.91
	4	3.80	3.83	3.86	3.88
Stage 4 20% Conservation	1	1.90	1.92	1.93	1.94
	2	2.29	2.31	2.32	2.33
	3	2.89	2.93	2.94	2.96
	4	4.05	4.07	4.10	4.12
Stage 5 25% Conservation	1	2.03	2.05	2.06	2.07
	2	2.36	2.39	2.39	2.40
	3	2.95	2.99	3.00	3.01
	4	4.37	4.40	4.42	4.44
Stage 6 35% Conservation	1	2.34	2.35	2.37	2.38
	2	2.55	2.56	2.56	2.58
	3	3.09	3.13	3.11	3.11
	4	5.68	5.69	5.75	5.77
Stage 7 - 50% Conservation	1	2.86	2.88	2.88	2.90
	2	3.16	3.18	3.18	3.19

Water Services Revenues, including fireline fees, turn-on and reconnection fees, hydrant fees, plan check fees, and penalty fees, are projected based upon current fiscal year activity.

Meter Charge Revenues are projected based upon an anticipated 0.20% growth in our customer base for Fiscal Year 2016, as well as an approved rate increase of 7% for the year July 1, 2015, through July 1, 2016.

Rental and Lease Revenues are projected based upon contract agreements with various entities for use of the District’s repeater stations, as well as lease agreements with the Chino Basin Watermaster and American Water Works Association for use of District office buildings.

Interest Income for the water and sewer operating funds is projected based on an average yield of 0.30% for LAIF investments and 1.23% for the balance of our investment portfolio (75% of the District’s interest income is designated as revenue to the Water Fund, 25% to the Sewer Fund). The COP fund interest is based on an estimated yield of 0.30% on the unspent portions of the 2012 and 2014 Revenue Bond issuances.

Proceeds from Borrowing are based on proceeds from the 2012 and 2014 revenue bond issuances.

Sewer Operating Fund

Sewer revenues are based on sewer collection and treatment services provided to our customers.

Sewer Service Revenues are projected based upon a total of 795,171 Equivalent Dwelling Units (EDUs), the standard measurement of water discharged into the sewer collection and treatment system equal to the average discharge from a detached single-family unit. Also included in projections in this category is an anticipated increase to the Inland Empire Utility Agency’s sewer treatment rate.

Interest Income for the water and sewer operating funds is projected based on an average yield of 0.30% for LAIF investments and 1.23% for the balance of our investment portfolio (75% of the District’s interest income is designated as revenue to the Water Fund, 25% to the Sewer Fund).

Recycled Water Operating Fund

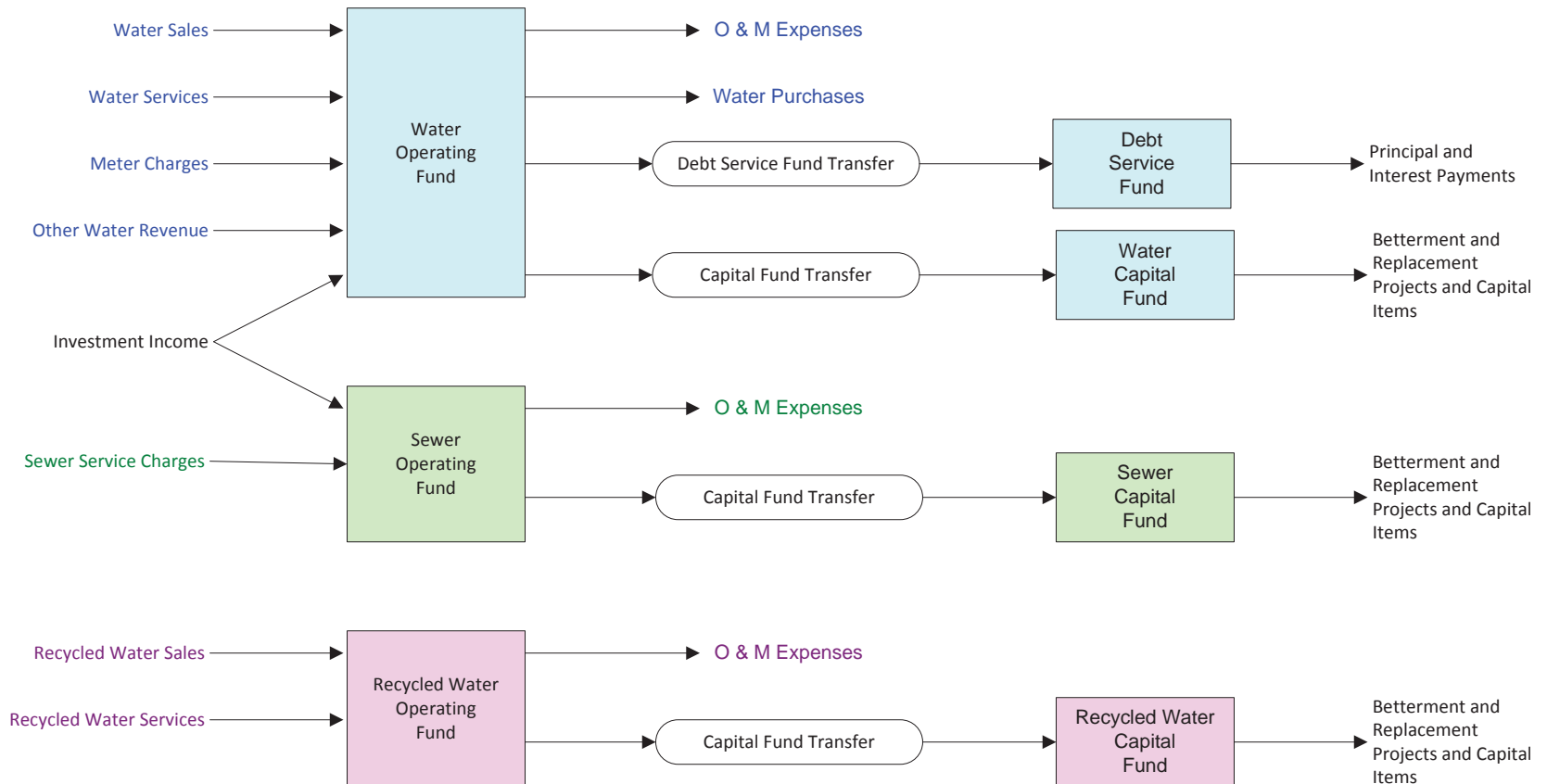
Recycled Water Sales are projected based upon an anticipated consumption of 1,611 acre feet. This will be the District’s eighth year of providing recycled water.

The approved multi-year rate structure through 2018 is as follows:

Category	Effective 7/1/2014	Effective 7/1/2015	Effective 7/1/2016	Effective 7/1/2017	Effective 7/1/2018
Recycled Water	\$ 1.53	\$ 1.58	\$ 1.63	\$ 1.68	\$ 1.73

CUCAMONGA VALLEY WATER DISTRICT SCHEMATIC OF FUND STRUCTURE

For the Fiscal Year Ending June 30, 2016



CUCAMONGA VALLEY WATER DISTRICT

DESCRIPTION OF MAJOR FUNDS

For the Fiscal Year Ending June 30, 2016

- Water Operating Fund -** The purpose of this fund is to ensure cash resources are available to pay for day to day water-related operations, including water purchases, to pay annual debt service, and to provide funding in case of water-related operating emergencies and unforeseen circumstances.
- Water Capital Fund -** The purpose of this fund is to provide funding for the District's long-term water-related capital improvement projects. The District funds its capital needs for maintaining and replacing its potable water infrastructure by issuing debt or on a pay-as-you-go basis by transferring funds collected from water charges annually.
- Debt Service Fund -** The purpose of this fund is to provide debt issuance and repayment for the Water Funds. Debt issuances can take the form of Certificates of Participation or Revenue Bonds.
- Sewer Operating Fund -** The purpose of this fund is to ensure cash resources are available to pay for day to day sewer-related operations, including treatment expense, and to provide funding in case of sewer-related operating emergencies and unforeseen circumstances.
- Sewer Capital Fund -** The purpose of this fund is to provide funding for the District's long-term sewer-related capital improvement projects. The District funds its capital needs for maintaining and replacing its sewer infrastructure on a pay-as-you-go basis by transferring funds collected from sewer charges annually.
- Recycled Water Operating Fund -** The purpose of this fund is to ensure cash resources are available to pay for day to day recycled water-related operations, including recycled water purchases and to pay annual debt service.
- Recycled Water Capital Fund -** The purpose of this fund is to provide funding for the District's long-term recycled water-related capital improvement projects. The District funds its capital needs for maintaining and replacing its recycled water infrastructure on a pay-as-you-go basis by transferring funds collected from water and recycled water charges annually.

CUCAMONGA VALLEY WATER DISTRICT

STATEMENT OF BUDGETED REVENUES AND EXPENSES (ALL FUNDS)

For the Fiscal Year Ending June 30, 2016

	General Funds				Capital Projects Funds			Debt Service Fund	Total
	Water Fund	Sewer Fund	Recycled Water	Subtotal	Water	Sewer	Recycled Water		
Operating Revenues									
Water Sales & Services	58,238,550	-	1,243,912	59,482,462	-	-	-	-	59,482,462
Water Sales to Other Agencies	1,385,000	-	-	1,385,000	-	-	-	-	1,385,000
Sewer Services	-	16,900,097	-	16,900,097	-	-	-	-	16,900,097
Total Operating Revenues	59,623,550	16,900,097	1,243,912	77,767,559	-	-	-	-	77,767,559
Operating Expenses									
Executive Department	3,831,546	483,481	-	4,315,027	-	-	-	-	4,315,027
Financial & Administrative Services Dept	5,145,450	805,883	14,031	5,965,364	40,178	-	-	-	6,005,542
General Services Department	538,514	46,579	-	585,093	-	-	-	-	585,093
Engineering Department	884,816	453,986	299,373	1,638,175	1,189,124	307,620	-	-	3,134,919
Operations Department	26,812,149	13,885,181	578,917	41,276,247	-	-	-	-	41,276,247
Total Operating Expenses	37,212,475	15,675,110	892,321	53,779,906	1,229,302	307,620	-	-	55,316,828
Net Operating Revenue (Expense)	22,411,075	1,224,987	351,591	23,987,653	(1,229,302)	(307,620)	-	-	22,450,731
Non-Operating Revenues									
Interest Income	474,000	157,800	-	631,800	-	-	-	12,700	644,500
Development Fees	-	-	-	-	3,296,926	196,145	77,239	-	3,570,310
Inspection Fees	-	-	-	-	20,000	27,000	-	-	47,000
Meter Installations	-	-	-	-	50,000	-	-	-	50,000
Proceeds from Borrowing	-	-	-	-	13,924,610	-	-	-	13,924,610
Outside CIP Funding	-	-	-	-	6,874,000	-	-	-	6,874,000
Carry Over CIP Funding	-	-	-	-	7,972,900	2,223,500	150,000	-	10,346,400
Reserve Funding	-	-	-	-	3,371,390	3,077,000	-	-	6,448,390
Other Income	994,119	-	-	994,119	75,000	-	-	-	1,069,119
Total Non-Operating Revenues	1,468,119	157,800	-	1,625,919	35,584,826	5,523,645	227,239	12,700	42,974,329
Non-Operating Expenses									
Capital Improvement Projects	-	-	-	-	18,664,000	4,327,625	150,000	-	23,141,625
Carry Over Projects	-	-	-	-	22,786,900	2,223,500	150,000	-	25,160,400
Annual Debt Service	-	-	-	-	873,066	-	278,830	13,991,057	15,142,953
Debt Covenants	-	-	-	-	-	-	-	1,908,611	1,908,611
Reserves	-	-	-	-	23,784	47,687	-	-	71,471
Total Non-Operating Expenses	-	-	-	-	42,347,750	6,598,812	578,830	15,899,668	65,425,060
Net Income Before Transfers	23,879,194	1,382,787	351,591	25,613,572	(7,992,226)	(1,382,787)	(351,591)	(15,886,968)	-
Transfers									
Transfers Out	(23,879,194)	(1,382,787)	(351,591)	(25,613,572)	-	-	-	-	(25,613,572)
Transfers In	-	-	-	-	7,992,226	1,382,787	351,591	15,886,968	25,613,572
Total Transfers	(23,879,194)	(1,382,787)	(351,591)	(25,613,572)	7,992,226	1,382,787	351,591	15,886,968	-
Net Income Before Depreciation	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	8,000,000	1,600,000	100,000	-	9,700,000
Net Income	-	-	-	-	(8,000,000)	(1,600,000)	(100,000)	-	(9,700,000)

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CUCAMONGA VALLEY WATER DISTRICT FUND BALANCE SUMMARY (ACCRUAL BASIS)

For the Fiscal Year Ending June 30, 2016

	Water Funds	Sewer Funds	Recycled Water Funds	Debt Service Fund	Total
Estimated Fund Balance, June 30, 2015	\$ 111,639,353	\$ 39,506,522	\$ 2,728,267	\$ -	\$ 153,874,143
Operating Revenues					
Water Sales & Services	58,238,550	-	1,243,912	-	59,482,462
Water Sales to Other Agencies	1,385,000	-	-	-	1,385,000
Sewer Services	-	16,900,097	-	-	16,900,097
Total Operating Revenues	59,623,550	16,900,097	1,243,912	-	77,767,559
Operating Expenses					
Executive Department	3,831,546	483,481	-	-	4,315,027
Financial & Administrative Services Department	5,185,628	805,883	14,031	-	6,005,542
General Services Department	538,514	46,579	-	-	585,093
Engineering Department	2,073,940	761,606	299,373	-	3,134,919
Operations Department	26,812,149	13,885,181	578,917	-	41,276,247
Total Operating Expenses	38,441,777	15,982,730	892,321	-	55,316,828
Net Operating Revenue (Expense)	21,181,773	917,367	351,591		22,450,731
Non-Operating Revenues					
Interest Income	474,000	157,800	-	12,700	644,500
Development Fees	3,296,926	196,145	77,239	-	3,570,310
Inspection Fees	20,000	27,000	-	-	47,000
Meter Installations	50,000	-	-	-	50,000
Other Income	1,069,119	-	-	-	1,069,119
Total Non-Operating Revenues	4,910,045	380,945	77,239	12,700	5,380,929
Non-Operating Expenses					
Interest Expense on Debt	873,066	-	278,830	13,991,057	15,142,953
Total Non-Operating Expenses	873,066	-	278,830	13,991,057	15,142,953
Net Income Before Transfers	25,218,752	1,298,312	150,000	(13,978,357)	12,688,707
Transfers					
Transfers Out	(13,978,357)	-	-	-	(13,978,357)
Transfers In	-	-	-	13,978,357	13,978,357
Total Transfers	(13,978,357)	-	-	13,978,357	-
Net Income Before Depreciation	\$ 11,240,395	\$ 1,298,312	\$ 150,000	\$ -	\$ 12,688,707
Depreciation	8,000,000	1,600,000	100,000		9,700,000
Estimated Fund Balance, June 30, 2016	\$ 114,879,748	\$ 39,204,834	\$ 2,778,267	\$ -	\$ 156,862,850

CUCAMONGA VALLEY WATER DISTRICT

FUND BALANCE HISTORY

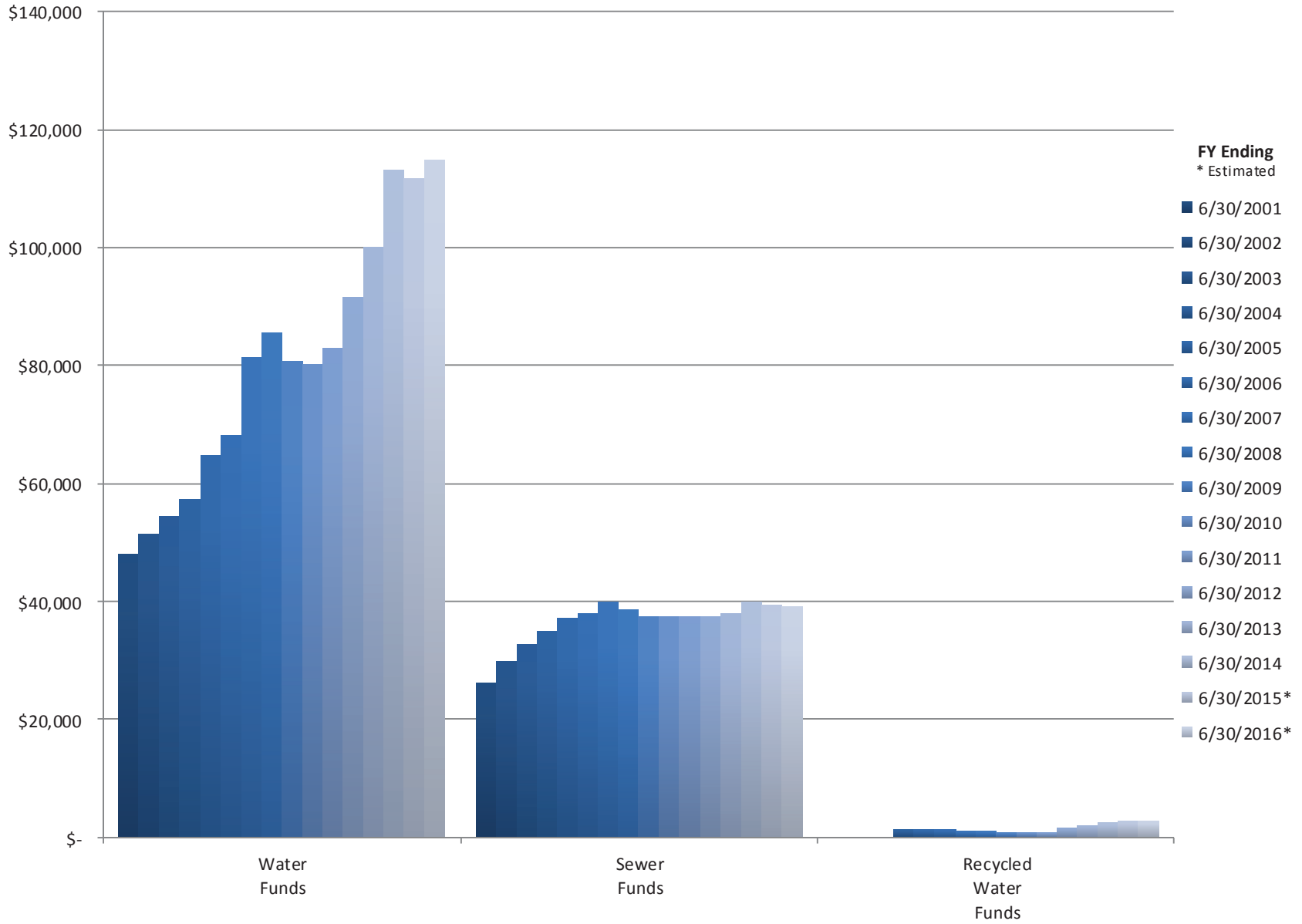
For the Fiscal Year Ending June 30, 2001, through Fiscal Year Ending June 30, 2015

Fiscal Year Ending		Water Funds	Sewer Funds	Recycled Water Funds	Debt Service Fund	Total
6/30/2001	Retained Earnings	\$ 47,881,702	\$ 26,067,969	\$ -	\$ -	\$ 73,949,671
6/30/2002	Net Income Before Capital Contributions	(3,105,898)	716,580	-	-	(2,389,318)
	Development Fees	6,659,832	3,135,376	-	-	9,795,208
	Equity @ 06/30/02	\$ 51,435,636	\$ 29,919,925	\$ -	\$ -	\$ 81,355,561
6/30/2003	Net Income Before Capital Contributions	(2,409,744)	109,854	-	-	(2,299,890)
	Development Fees	5,421,713	2,718,651	-	-	8,140,364
	Equity @ 06/30/03	\$ 54,447,605	\$ 32,748,430	\$ -	\$ -	\$ 87,196,035
6/30/2004	Net Income Before Capital Contributions	(3,374,324)	(1,912,364)	1,321,668	-	(3,965,020)
	Development Fees	8,198,218	4,504,930	-	-	12,703,148
	Special Item (PARS)	(1,746,620)	(373,341)	-	-	(2,119,961)
	Prior Period Adjustment (Allowance)	(112,304)	(21,391)	-	-	(133,695)
	Equity @ 06/30/04	\$ 57,412,575	\$ 34,946,264	\$ 1,321,668	\$ -	\$ 93,680,507
6/30/2005	Net Income Before Capital Contributions	1,500,141	(519,273)	(1,865)	-	979,003
	Development Fees	5,860,322	2,695,236	-	-	8,555,558
	Equity @ 06/30/05	\$ 64,773,038	\$ 37,122,227	\$ 1,319,803	\$ -	\$ 103,215,068
6/30/2006	Net Income Before Capital Contributions	1,847,742	(588,720)	(142,860)	-	1,116,162
	Development Fees	4,960,521	1,331,922	-	-	6,292,443
	Extraordinary Item (Settlement)	(3,469,677)	-	-	-	(3,469,677)
	Equity @ 06/30/06	\$ 68,111,624	\$ 37,865,429	\$ 1,176,943	\$ -	\$ 107,153,996
6/30/2007	Net Income Before Capital Contributions	4,473,889	(606,275)	(134,740)	-	3,732,874
	Development Fees	8,848,572	2,553,286	-	-	11,401,858
	Equity @ 06/30/07	\$ 81,434,085	\$ 39,812,440	\$ 1,042,203	\$ -	\$ 122,288,728
6/30/2008	Net Income Before Capital Contributions	682,854	(1,549,863)	(81,971)	-	(948,980)
	Development Fees	3,549,742	457,038	-	-	4,006,780
	Equity @ 06/30/08	\$ 85,666,681	\$ 38,719,615	\$ 960,232	\$ -	\$ 125,346,528
6/30/2009	Net Income Before Capital Contributions	(5,015,793)	(1,757,808)	(253,206)	-	(7,026,807)
	Development Fees	1,018,048	466,060	-	-	1,484,108
	Prior Period Adjustment	(1,052,393)	-	-	-	(1,052,393)
	Equity @ 06/30/09	\$ 80,616,543	\$ 37,427,867	\$ 707,026	\$ -	\$ 118,751,436
6/30/2010	Net Income Before Capital Contributions	(2,427,808)	(890,888)	(85,338)	-	(3,404,034)
	Development Fees	1,915,277	800,730	129,988	-	2,845,995
	Equity @ 06/30/10	\$ 80,104,012	\$ 37,337,709	\$ 751,676	\$ -	\$ 118,193,397

6/30/2011	Net Income Before Capital Contributions	1,359,427	(453,980)	102,599	-	1,008,046
	Development Fees	1,408,394	523,357	-	-	1,931,751
	Equity @ 06/30/11	\$ 82,871,833	\$ 37,407,086	\$ 854,275	\$ -	\$ 121,133,194
6/30/2012	Net Income Before Capital Contributions	7,595,076	(328,244)	695,067	-	7,961,899
	Development Fees	1,114,536	290,414	-	-	1,404,950
	Equity @ 06/30/12	\$ 91,581,445	\$ 37,369,256	\$ 1,549,342	\$ -	\$ 130,500,043
6/30/2013	Net Income Before Capital Contributions	6,134,233	(56,653)	497,140	-	6,574,720
	Development Fees	2,485,344	679,363	-	-	3,164,707
	Equity @ 06/30/13	\$ 100,201,022	\$ 37,991,966	\$ 2,046,482	\$ -	\$ 140,239,470
6/30/2014	Net Income Before Capital Contributions	8,997,205	473,808	524,768	-	9,995,781
	Development Fees	4,010,839	1,341,802	-	-	5,352,641
	Equity @ 06/30/14	\$ 113,209,066	\$ 39,807,576	\$ 2,571,250	\$ -	\$ 155,587,892
6/30/2015	Revenues					
	Water Sales	58,520,547	-	-	-	58,520,547
	Water Sales - Other Agencies	2,349,562	-	-	-	2,349,562
	Water Services	1,267,253	-	-	-	1,267,253
	Sewer Sales	-	16,266,873	-	-	16,266,873
	Sewer Services	-	27,381	-	-	27,381
	Recycled Water Sales	-	-	1,096,458	-	1,096,458
	Recycled Water Services	-	-	432	-	432
	Interest & Other Revenues	510,090	170,030	-	-	680,120
	Other Capital	1,304,805	52,965	-	-	1,357,770
	Developer Fees	2,513,159	113,993	-	-	2,627,151
	Total Estimated Revenues FY2015	66,465,416	16,631,241	1,096,890	-	84,193,547
	Expenses					
	Source of Supply	18,312,715	-	395,564	-	18,708,279
	Pumping Operations	7,306,230	-	-	-	7,306,230
	Water Treatment	3,574,621	-	-	-	3,574,621
	Transmission & Distribution	3,572,243	-	4,173	-	3,576,416
	Customer Accounts	2,292,493	406,172	3,612	-	2,702,277
	Administration & General	10,177,797	1,620,797	193,613	-	11,992,206
	Collection & Transmission	-	13,105,327	-	-	13,105,327
	Depreciation	7,800,000	1,800,000	50,000	-	9,650,000
	Interest Expense	14,999,030	-	292,911	-	15,291,941
	Total Estimated Expenses FY2015	68,035,128	16,932,295	939,873	-	85,907,296
	Net Income - FY2015	(1,569,713)	(301,054)	157,017	-	(1,713,749)
	Estimated Fund Balance @ 06/30/15	111,639,353	39,506,522	2,728,267	-	153,874,143
	Change in Fund Balance as Compared to Prior Year	-1%	-1%	6%	N/A	-1%

FUND BALANCE HISTORY

(Amounts Expressed in Thousands)



CUCAMONGA VALLEY WATER DISTRICT RESERVE BALANCE HISTORY

For the Fiscal Year Ending June 30, 2013, through Fiscal Year Ending June 30, 2016

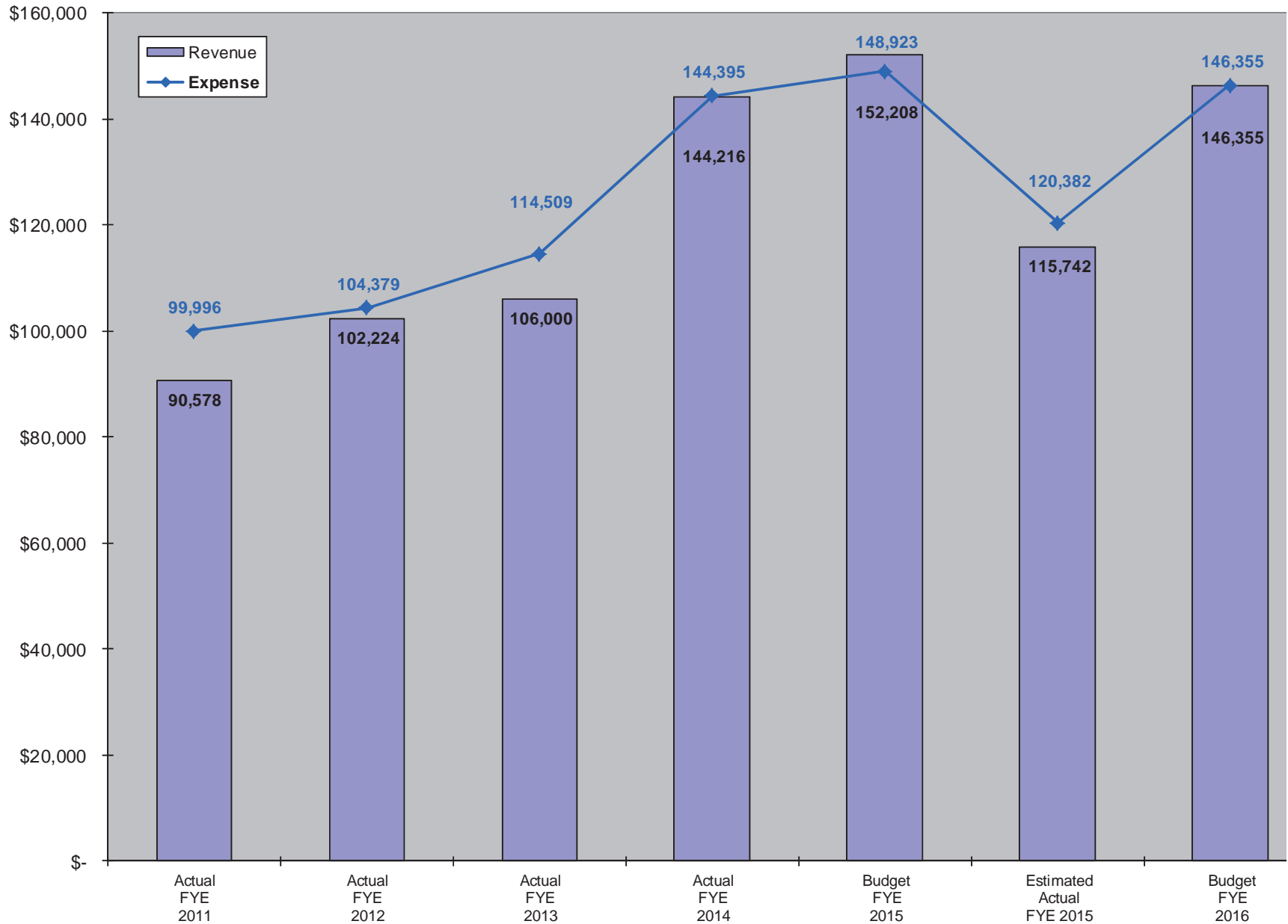
Fiscal Year Ending	Rate Stabilization Reserves	Water Banking Reserves	Operating Reserves	Capital Project Reserves	Emergency Reserves	Admin CIP Reserves	Developer Fee Reserves	Total
Water Funds								
6/30/2013	Balance @ 07/01/2012	\$ 3,316,164	\$ 3,587,500	\$ 8,208,306	\$ 13,000,000	\$ 3,412,992	\$ 1,500,000	\$ 34,139,497
	Changes to Reserves	361,503	45,000	2,697,445	-	3,016,546	35,883	8,641,721
	Balance @ 06/30/2013	\$ 3,677,666	\$ 3,632,500	\$ 10,905,751	\$ 13,000,000	\$ 6,429,538	\$ 1,535,883	\$ 42,781,218
6/30/2014	Changes to Reserves	20,937	235,000	2,800,249	5,000,000	603,815	35,779	11,776,942
	Balance @ 06/30/2014	\$ 3,698,603	\$ 3,867,500	\$ 13,706,000	\$ 18,000,000	\$ 7,033,353	\$ 1,571,662	\$ 54,558,160
6/30/2015	Changes to Reserves	757,574	(157,500)	1,206,378	-	144,820	22,003	4,572,077
	Estimated Balance @ 06/30/2015	\$ 4,456,177	\$ 3,710,000	\$ 14,912,378	\$ 18,000,000	\$ 7,178,173	\$ 1,593,666	\$ 59,130,237
6/30/2016	Changes to Reserves	-	5,000	1,691,804	(371,390)	213,280	22,311	1,857,931
	Estimated Balance @ 06/30/2016	\$ 4,456,177	\$ 3,715,000	\$ 16,604,182	\$ 17,628,610	\$ 7,391,453	\$ 1,615,977	\$ 60,988,168
Sewer Funds								
6/30/2013	Balance @ 07/01/2012	\$ -	\$ -	\$ 2,434,835	\$ 4,000,000	\$ 485,714	\$ 75,000	\$ 7,285,963
	Changes to Reserves	-	-	4,386,196	16,000,000	394,350	1,794	21,461,702
	Balance @ 06/30/2013	\$ -	\$ -	\$ 6,821,031	\$ 20,000,000	\$ 880,063	\$ 76,794	\$ 28,747,665
6/30/2014	Changes to Reserves	-	-	465,224	-	(9,090)	1,789	1,335,650
	Balance @ 06/30/2014	\$ -	\$ -	\$ 7,286,255	\$ 20,000,000	\$ 870,974	\$ 78,583	\$ 30,083,315
6/30/2015	Changes to Reserves	-	-	586,510	-	(9,850)	1,100	718,771
	Estimated Balance @ 06/30/2015	\$ -	\$ -	\$ 7,872,765	\$ 20,000,000	\$ 861,124	\$ 79,683	\$ 30,802,086
6/30/2016	Changes to Reserves	-	-	577,284	(2,302,000)	54,553	1,116	(2,247,903)
	Estimated Balance @ 06/30/2016	\$ -	\$ -	\$ 8,450,049	\$ 17,698,000	\$ 915,676	\$ 80,799	\$ 28,554,183

Recycled Water Funds									
6/30/2013	Balance @ 07/01/2012	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 70,854</u>	<u>\$ -</u>	<u>\$ 48,535</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 119,389</u>
	Changes to Reserves	<u>-</u>	<u>-</u>	<u>23,837</u>	<u>-</u>	<u>2,075</u>	<u>-</u>	<u>-</u>	<u>25,913</u>
	Balance @ 06/30/2013	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 94,691</u>	<u>\$ -</u>	<u>\$ 50,611</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 145,302</u>
6/30/2014	Changes to Reserves	<u>-</u>	<u>-</u>	<u>200,206</u>	<u>-</u>	<u>48,460</u>	<u>-</u>	<u>-</u>	<u>248,666</u>
	Balance @ 06/30/2014	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 294,897</u>	<u>\$ -</u>	<u>\$ 99,071</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 393,967</u>
6/30/2015	Changes to Reserves	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,000</u>	<u>-</u>	<u>72,079</u>	<u>74,079</u>
	Estimated Balance @ 06/30/2015	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 294,897</u>	<u>\$ -</u>	<u>\$ 101,071</u>	<u>\$ -</u>	<u>\$ 72,079</u>	<u>\$ 468,046</u>
6/30/2016	Changes to Reserves	<u>-</u>	<u>-</u>	<u>151,264</u>	<u>-</u>	<u>1,000</u>	<u>-</u>	<u>77,239</u>	<u>229,503</u>
	Estimated Balance @ 06/30/2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 446,161</u>	<u>\$ -</u>	<u>\$ 102,071</u>	<u>\$ -</u>	<u>\$ 149,318</u>	<u>\$ 697,549</u>
	Estimated Total Balance @ 06/30/2016	<u>\$ 4,456,177</u>	<u>\$ 3,715,000</u>	<u>\$ 25,500,391</u>	<u>\$ 35,326,610</u>	<u>\$ 8,409,200</u>	<u>\$ 1,696,776</u>	<u>\$ 11,135,748</u>	<u>\$ 90,239,901</u>

HISTORICAL TRENDS

TOTAL REVENUES AND EXPENSES (ALL FUNDS)

(Amounts Expressed in Thousands)



CUCAMONGA VALLEY WATER DISTRICT
TOTAL REVENUES AND EXPENSES (ALL FUNDS)

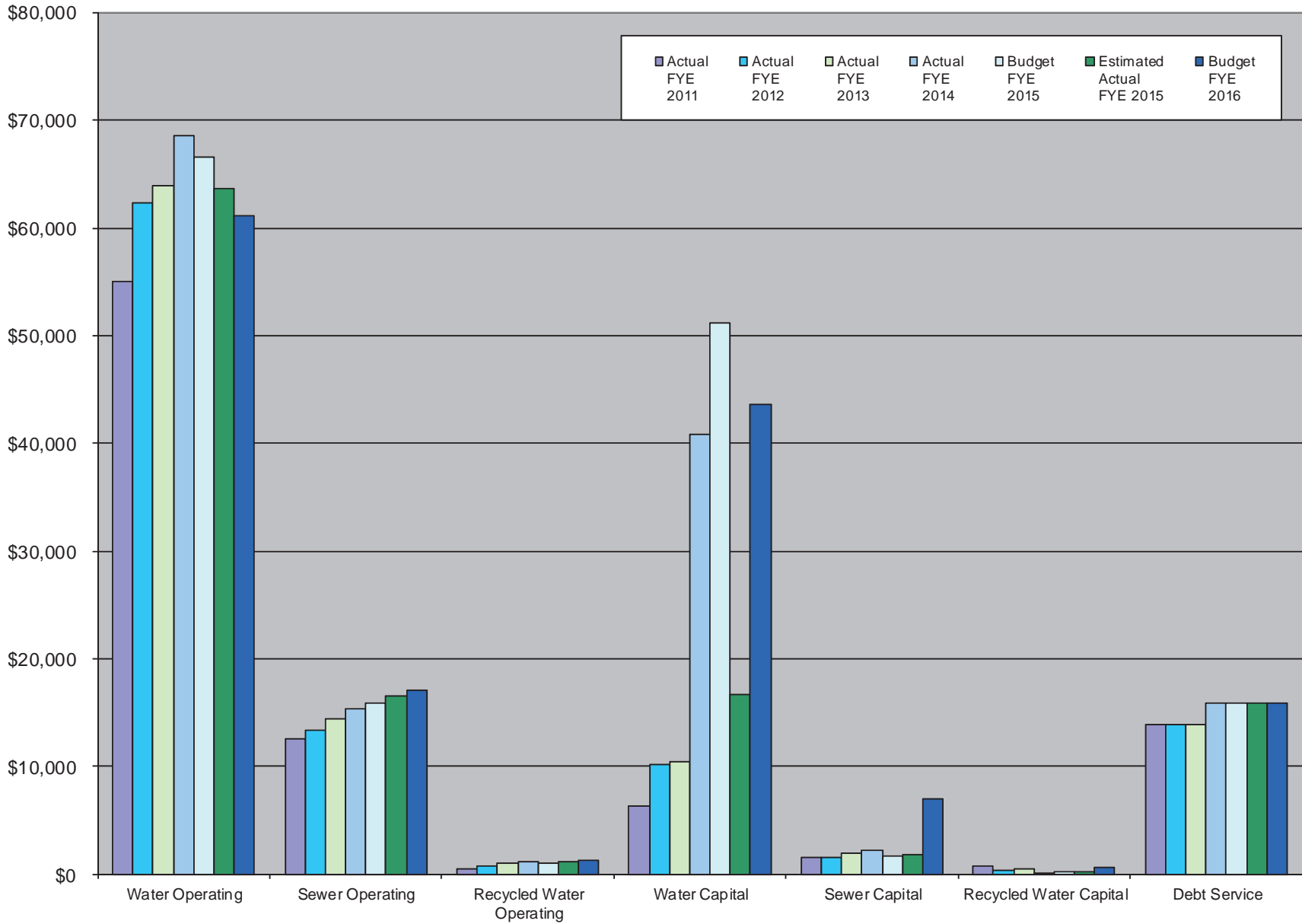
(Amounts Expressed in Thousands)

Activity	Actual FYE 2011	Actual FYE 2012	% Change	Actual FYE 2013	% Change	Actual FYE 2014	% Change	Budget FYE 2015	% Change	Estimated Actual FYE 2015	Budget FYE 2016	% Change
Total Revenues	\$ 90,578	\$ 102,224	12.9%	\$ 106,000	3.7%	\$ 144,216	36.1%	\$ 152,208	5.5%	\$ 115,742	\$ 146,355	26.5%
Total Expenses	99,996	104,379	4.4%	114,509	9.7%	144,395	26.1%	148,923	3.1%	120,382	146,355	21.6%
Net Income	\$ (9,418)	\$ (2,155)	(77.1)%	\$ (8,509)	294.9%	\$ (179)	(97.9)%	\$ 3,285	(1932.1)%	\$ (4,640)	\$ -	(100.0)%

Note: The disparity between revenues and expenses for historical totals are the result of non-cash accounting entries, including depreciation, as well as cash outlays for balance sheet items such as capital improvement projects and water inventory purchases.

TOTAL REVENUES BY FUND

(Amounts Expressed in Thousands)

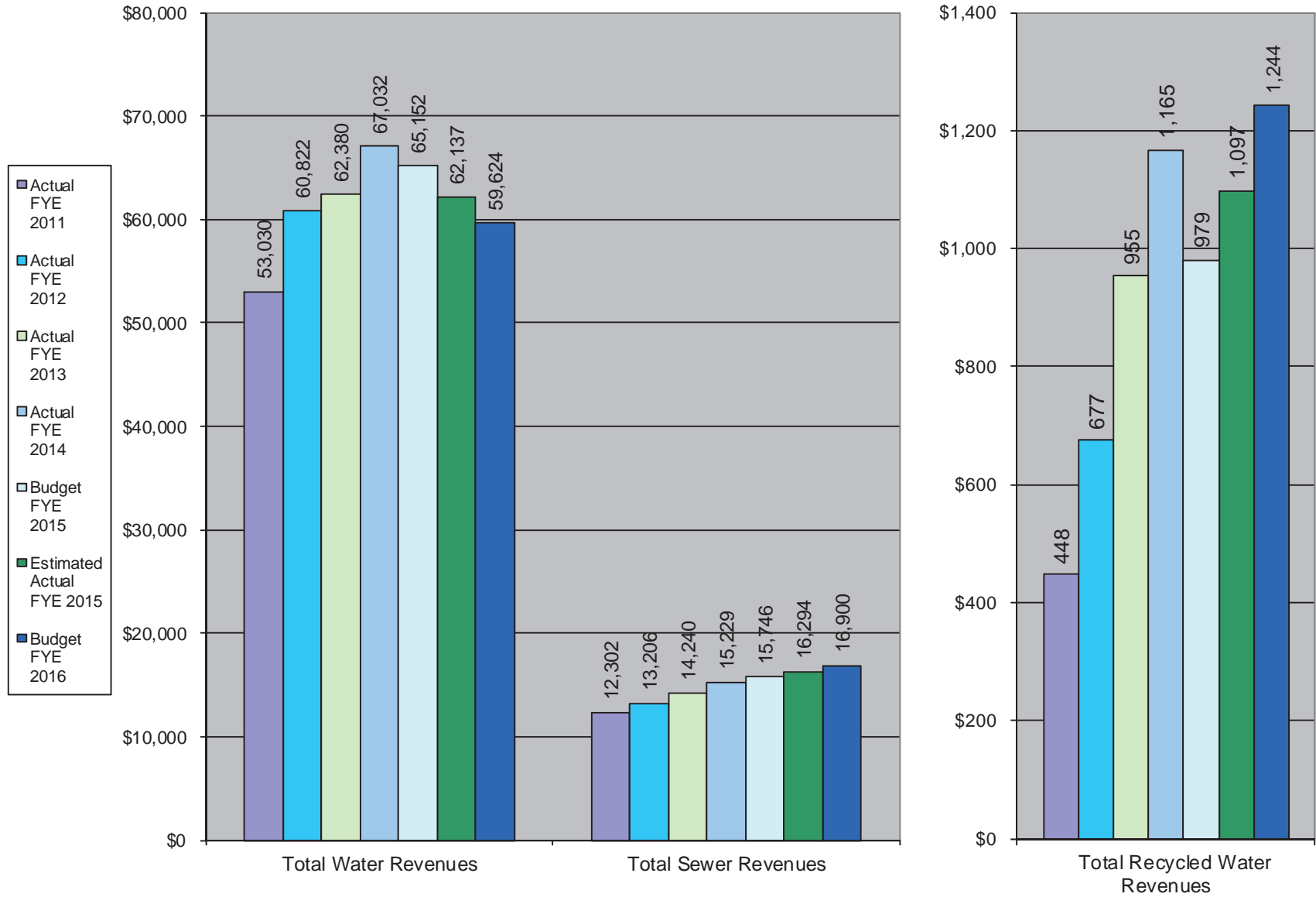


CUCAMONGA VALLEY WATER DISTRICT
TOTAL REVENUES BY FUND
(Amounts Expressed in Thousands)

Fund	Actual FYE 2011	Actual FYE 2012	% Change	Actual FYE 2013	% Change	Actual FYE 2014	% Change	Budget FYE 2015	% Change	Estimated Actual FYE 2015	Budget FYE 2016	% Change
Water Operating												
Operating Revenues	\$ 53,030	\$ 60,822	14.7%	\$ 62,380	2.6%	\$ 67,032	7.5%	\$ 65,152	(2.8)%	\$ 62,137	\$ 59,624	(4.0)%
Non-Operating Revenues	2,016	1,442	(28.5)%	1,501	4.0%	1,512	0.7%	1,367	(9.6)%	1,520	1,468	(3.4)%
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-
Total Fund Revenues	55,046	62,264	13.1%	63,881	2.6%	68,544	7.3%	66,519	(3.0)%	63,658	61,092	(4.0)%
Sewer Operating												
Operating Revenues	12,302	13,206	7.3%	14,240	7.8%	15,229	6.9%	15,746	3.4%	16,294	16,900	3.7%
Non-Operating Revenues	260	148	(43.0)%	179	20.6%	121	(32.5)%	125	3.8%	196	158	(19.5)%
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-
Total Fund Revenues	12,562	13,355	6.3%	14,418	8.0%	15,349	6.5%	15,871	3.4%	16,490	17,058	3.4%
Recycled Water Operating												
Operating Revenues	448	677	51.0%	955	41.2%	1,165	22.0%	979	(16.0)%	1,097	1,244	13.4%
Non-Operating Revenues	-	-	-	-	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-
Total Fund Revenues	448	677	51.0%	955	41.2%	1,165	22.0%	979	(16.0)%	1,097	1,244	13.4%
Water Capital												
Non-Operating Revenues	280	728	159.8%	173	(76.3)%	32,465	18719.8%	46,661	43.7%	12,858	35,585	176.8%
Transfers In	6,050	9,469	56.5%	10,253	8.3%	8,404	(18.0)%	4,498	(46.5)%	3,822	7,992	109.1%
Total Fund Revenues	6,330	10,197	61.1%	10,426	2.2%	40,869	292.0%	51,159	25.2%	16,680	43,577	161.3%
Sewer Capital												
Non-Operating Revenues	-	10	N/A	-	(100.0)%	(9)	N/A	303	(3374.1)%	141	5,524	3817.2%
Transfers In	1,529	1,510	(1.2)%	1,990	31.8%	2,256	13.4%	1,298	(42.4)%	1,647	1,383	(16.0)%
Total Fund Revenues	1,529	1,520	(0.6)%	1,990	30.9%	2,246	12.9%	1,601	(28.7)%	1,788	6,906	286.2%
Recycled Water Capital												
Non-Operating Revenues	-	462	N/A	-	(100.0)%	-	-	77	N/A	-	227	N/A
Transfers In	746	(145)	(119.4)%	435	(400.6)%	118	(72.8)%	123	4.0%	150	352	134.4%
Total Fund Revenues	746	317	(57.5)%	435	37.0%	118	(72.8)%	200	69.4%	150	579	285.9%
Debt Service												
Non-Operating Revenues	-	-	-	-	-	-	-	9	N/A	150	13	(91.5)%
Transfers In	13,915	13,895	(0.1)%	13,895	0.0%	15,924	14.6%	15,870	(0.3)%	15,729	15,887	1.0%
Total Fund Revenues	13,915	13,895	(0.1)%	13,895	0.0%	15,924	14.6%	15,879	(0.3)%	15,879	15,900	0.1%
Total Revenues	\$ 90,578	\$ 102,224	12.9%	\$ 106,000	3.7%	\$ 144,216	36.1%	\$ 152,208	5.5%	\$ 115,742	\$ 146,355	26.5%

TOTAL OPERATING REVENUES BY ACTIVITY

(Amounts Expressed in Thousands)



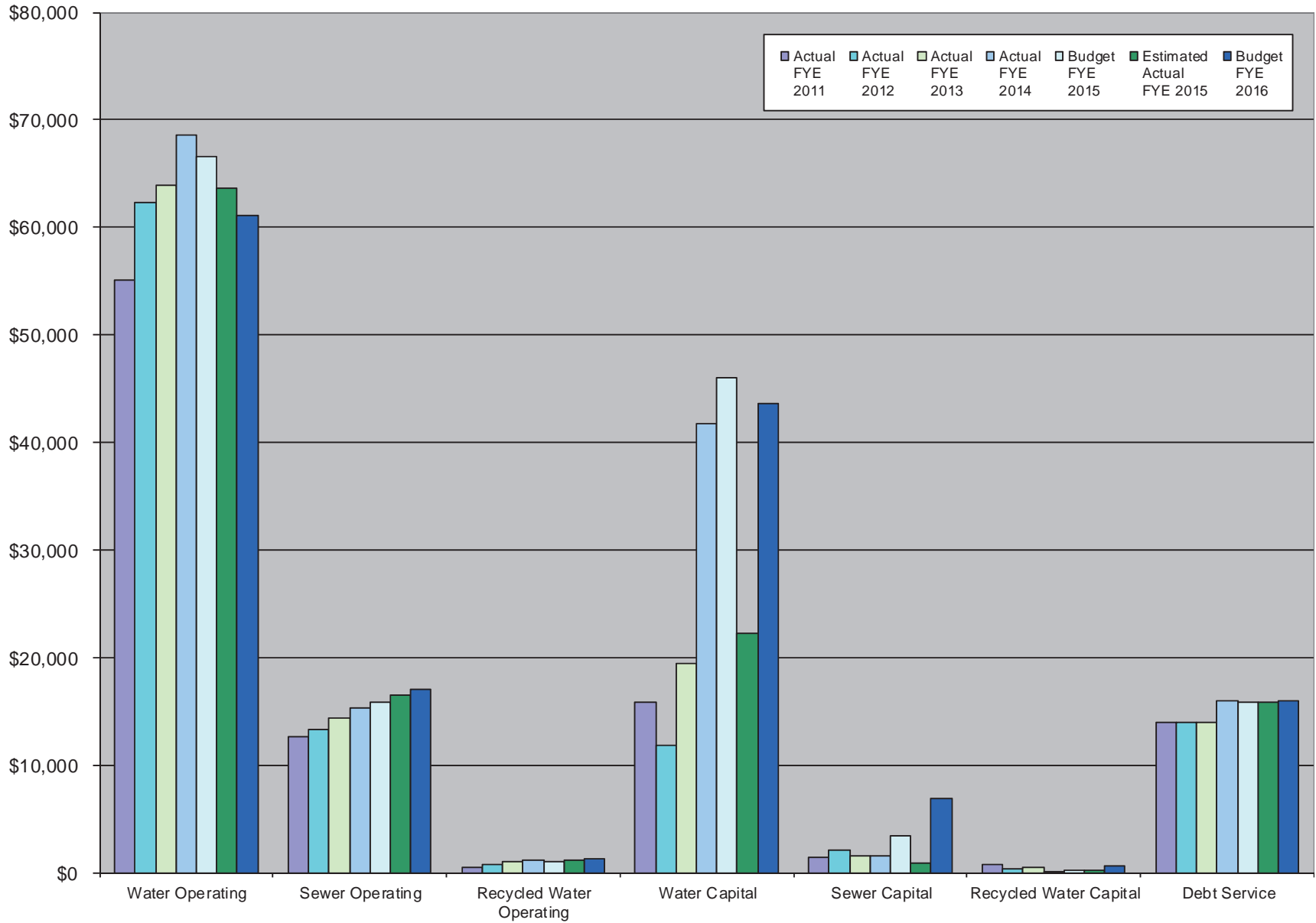
CUCAMONGA VALLEY WATER DISTRICT TOTAL OPERATING REVENUES BY ACTIVITY

(Amounts Expressed in Thousands)

Activity	Actual FYE 2011	Actual FYE 2012	%	Actual FYE 2013	%	Actual FYE 2014	%	Budget FYE 2015	%	Estimated Actual FYE 2015	Budget FYE 2016	%
			Change		Change		Change		Change			Change
Operating Revenues												
Water Sales	\$ 47,118	\$ 53,429	13.4%	\$ 57,340	7.3%	\$ 61,486	7.2%	\$ 60,971	(0.8)%	\$ 58,521	\$ 57,017	(2.6)%
Water Sales-Other Agencies	4,759	6,102	28.2%	3,811	(37.5)%	4,299	12.8%	2,996	(30.3)%	2,350	1,385	(41.1)%
Water Services	1,154	1,291	11.9%	1,229	(4.8)%	1,247	1.5%	1,185	(5.0)%	1,267	1,222	(3.6)%
Total Water Revenues	53,030	60,822	14.7%	62,380	2.6%	67,032	7.5%	65,152	(2.8)%	62,137	59,624	(4.0)%
Sewer Sales	12,276	13,175	7.3%	14,207	7.8%	15,191	6.9%	15,710	3.4%	16,267	16,872	3.7%
Sewer Services	27	32	19.8%	32	1.1%	37	15.4%	36	(3.4)%	27	28	2.3%
Total Sewer Revenues	12,302	13,206	7.3%	14,240	7.8%	15,229	6.9%	15,746	3.4%	16,294	16,900	3.7%
Recycled Water Sales	448	677	51.0%	955	41.2%	1,165	22.0%	979	(16.0)%	1,096	1,244	13.4%
Recycled Water Services	-	-	-	-	-	-	-	-	-	0	0	(30.6)%
Total Recycled Water Revenues	448	677	51.0%	955	41.2%	1,165	22.0%	979	(16.0)%	1,097	1,244	13.4%
Total Operating Revenues	\$ 65,781	\$ 74,705	13.6%	\$ 77,575	3.8%	\$ 83,426	7.5%	\$ 81,877	(1.9)%	\$ 79,529	\$ 77,768	(2.2)%

TOTAL EXPENSES BY FUND

(Amounts Expressed in Thousands)

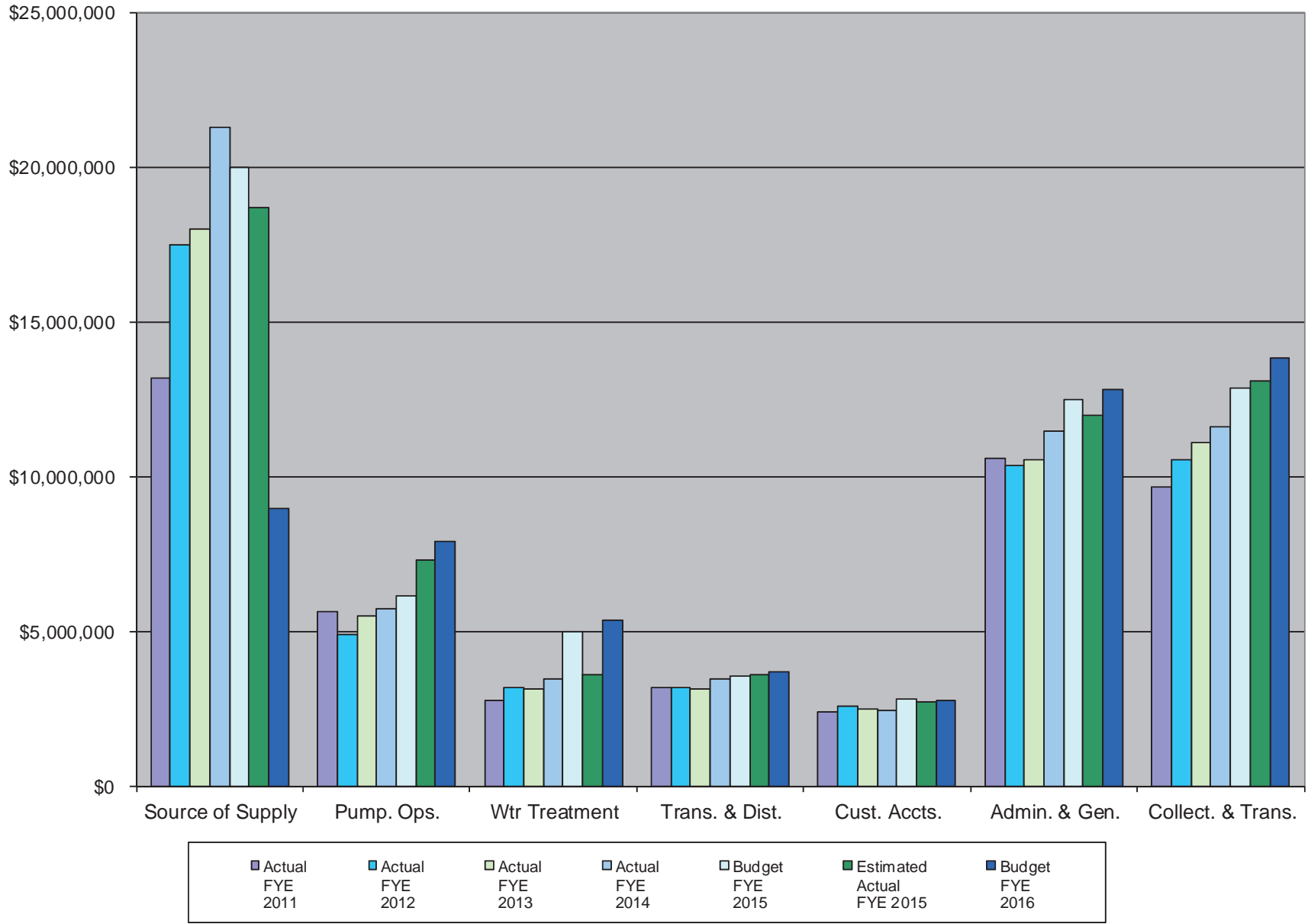


CUCAMONGA VALLEY WATER DISTRICT
TOTAL EXPENSES BY FUND
(Amounts Expressed in Thousands)

Fund	Actual FYE 2011	Actual FYE 2012	% Change	Actual FYE 2013	% Change	Actual FYE 2014	% Change	Budget FYE 2015	% Change	Estimated Actual FYE 2015	Budget FYE 2016	% Change
Water Operating												
Operating Expenses	\$ 35,081	\$ 39,092	11.4%	\$ 39,872	2.0%	\$ 44,295	11.1%	\$ 46,150	4.2%	\$ 44,107	\$ 37,212	(15.6)%
Non-Operating Expenses	-	(191)	N/A	(139)	(27.3)%	(79)	(43.3)%	-	(100.0)%	-	-	-
Transfers Out	19,965	23,364	17.0%	24,148	3.4%	24,328	0.7%	20,368	(16.3)%	19,551	23,879	22.1%
Total Fund Expenses	55,046	62,264	13.1%	63,881	2.6%	68,544	7.3%	66,519	(3.0)%	63,658	61,092	(4.0)%
Sewer Operating												
Operating Expenses	11,034	11,853	7.4%	12,445	5.0%	13,186	5.9%	14,573	10.5%	14,843	15,675	5.6%
Non-Operating Expenses	-	(9)	N/A	(17)	94.4%	(92)	451.5%	-	(100.0)%	-	-	-
Transfers Out	1,529	1,510	(1.2)%	1,990	31.8%	2,256	13.4%	1,298	(42.4)%	1,647	1,383	(16.0)%
Total Fund Expenses	12,562	13,355	6.3%	14,418	8.0%	15,349	6.5%	15,871	3.4%	16,490	17,058	3.4%
Recycled Water Operating												
Operating Expenses	253	262	3.7%	367	40.1%	542	47.5%	590	8.8%	597	892	49.5%
Non-Operating Expenses	-	(16)	N/A	(32)	102.4%	(20)	(37.9)%	-	(100.0)%	-	-	-
Transfers Out	195	430	120.1%	620	44.1%	643	3.8%	390	(39.4)%	500	352	(29.7)%
Total Fund Expenses	448	677	51.0%	955	41.2%	1,165	22.0%	979	(16.0)%	1,097	1,244	13.4%
Water Capital												
Operating Expenses	788	822	4.3%	967	17.7%	1,126	16.4%	1,177	4.6%	1,129	1,229	8.8%
Non-Operating Expenses	14,522	11,553	(20.4)%	18,629	61.3%	41,113	120.7%	45,140	9.8%	21,460	42,348	97.3%
Transfers Out	551	(575)	(204.4)%	(185)	(67.8)%	(525)	183.9%	(267)	(49.2)%	(350)	-	(100.0)%
Total Fund Expenses	15,860	11,799	(25.6)%	19,411	64.5%	41,714	114.9%	46,050	10.4%	22,240	43,577	95.9%
Sewer Capital												
Operating Expenses	203	211	4.1%	246	16.2%	287	16.8%	293	2.0%	289	308	6.4%
Non-Operating Expenses	1,214	1,861	53.2%	1,268	(31.9)%	1,294	2.1%	3,133	142.2%	580	6,599	1038.7%
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-
Total Fund Expenses	1,417	2,072	46.2%	1,513	(27.0)%	1,581	4.5%	3,426	116.7%	869	6,906	695.0%
Recycled Water Capital												
Operating Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Non-Operating Expenses	746	317	(57.5)%	435	37.0%	118	(72.8)%	200	69.4%	150	579	285.9%
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-
Total Fund Expenses	746	317	(57.5)%	435	37.0%	118	(72.8)%	200	69.4%	150	579	285.9%
Debt Service												
Non-Operating Expenses	13,915	13,895	(0.1)%	13,895	0.0%	15,924	14.6%	15,879	(0.3)%	15,879	15,900	0.1%
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-
Total Fund Expenses	13,915	13,895	(0.1)%	13,895	0.0%	15,924	14.6%	15,879	(0.3)%	15,879	15,900	0.1%
Total Expenses	\$ 99,996	\$ 104,379	4.4%	\$ 114,509	9.7%	\$ 144,395	26.1%	\$ 148,923	3.1%	\$ 120,382	\$ 146,355	21.6%

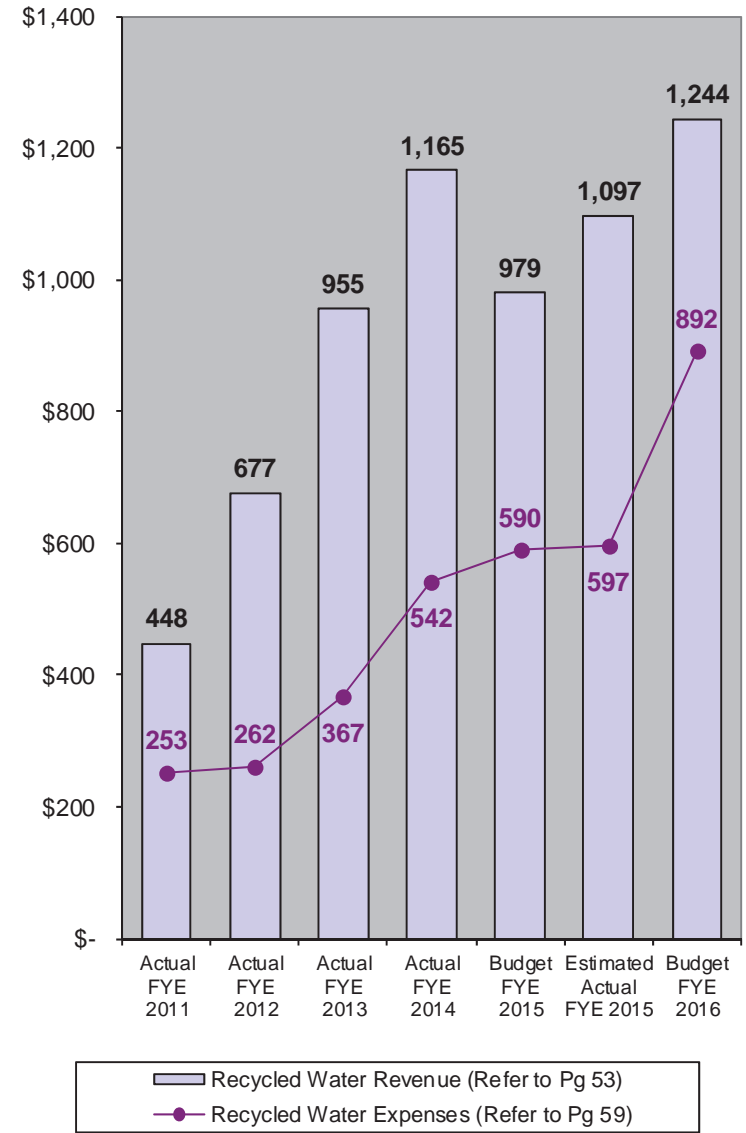
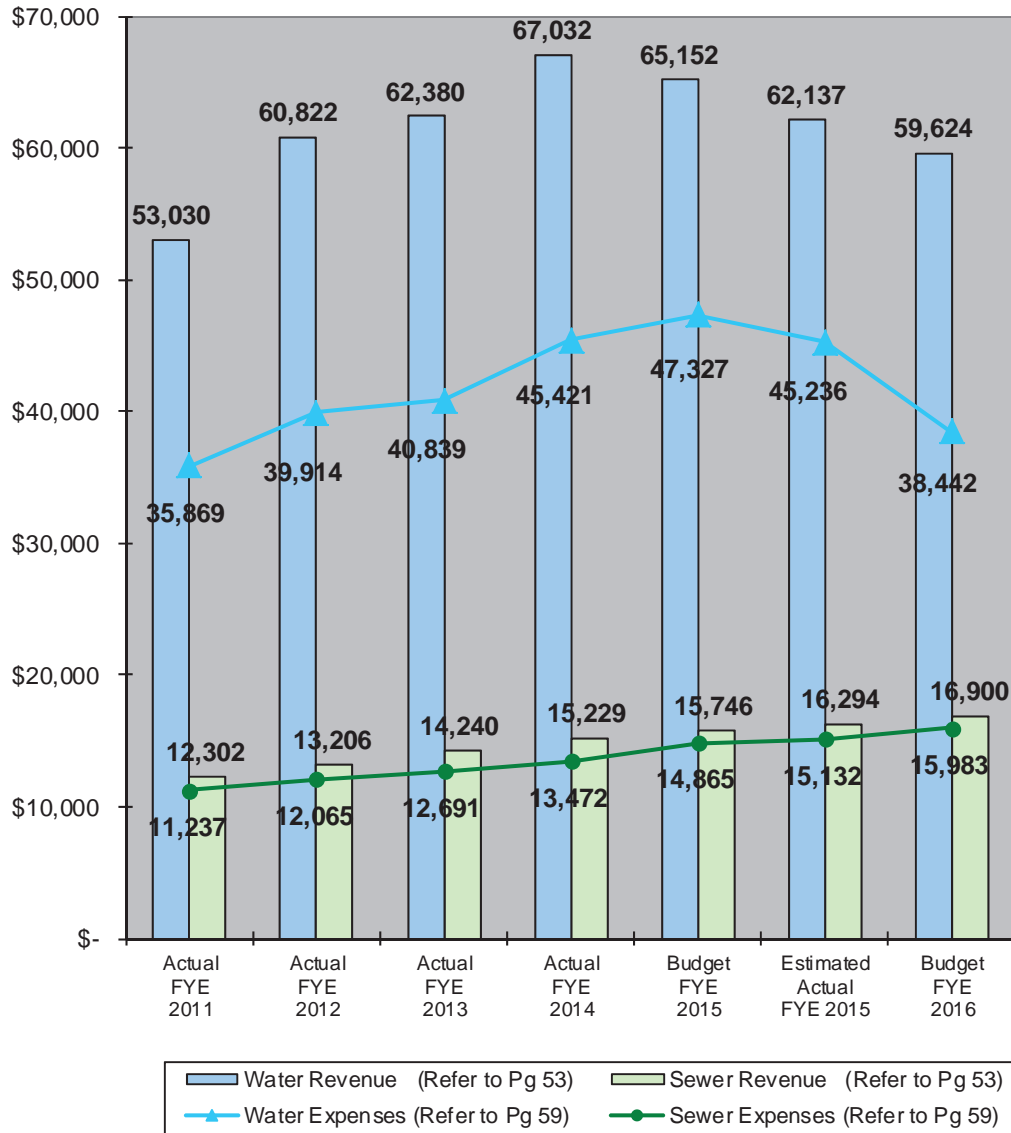
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TOTAL OPERATING EXPENSES BY ACTIVITY



TOTAL OPERATING REVENUES AND EXPENSES BY ACTIVITY

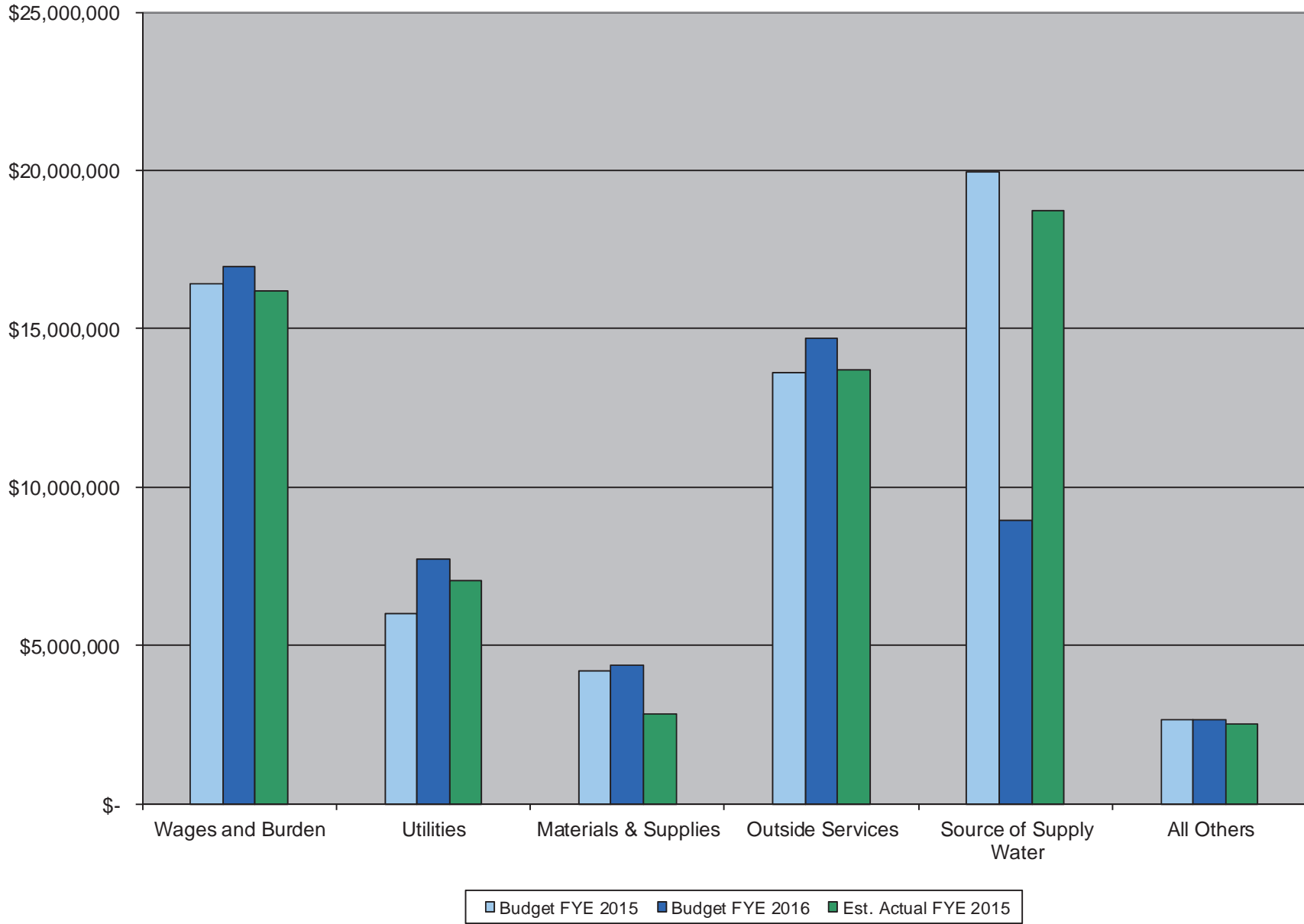
(Amounts Expressed in Thousands)



CUCAMONGA VALLEY WATER DISTRICT
TOTAL OPERATING REVENUES AND EXPENSES BY ACTIVITY
(Amounts Expressed in Thousands)

Activity	Actual FYE 2011	Actual FYE 2012	% Change	Actual FYE 2013	% Change	Actual FYE 2014	% Change	Budget FYE 2015	% Change	Estimated Actual FYE 2015	Budget FYE 2016	% Change
Total Revenues	\$ 65,781	\$ 74,705	13.6%	\$ 77,575	3.8%	\$ 83,426	7.5%	\$ 81,877	(1.9)%	\$ 79,529	\$ 77,768	(2.2)%
Operating Expenses												
Source of Supply	13,127	17,406	32.6%	17,798	2.3%	20,932	17.6%	19,606	(6.3)%	18,313	8,419	(54.0)%
Pumping Operations	5,625	4,908	(12.7)%	5,492	11.9%	5,708	3.9%	6,160	7.9%	7,306	7,877	7.8%
Water Treatment	2,733	3,162	15.7%	3,135	(0.8)%	3,431	9.5%	4,974	45.0%	3,575	5,365	50.1%
Transmission and Distribution	3,145	3,154	0.3%	3,131	(0.7)%	3,465	10.7%	3,516	1.5%	3,572	3,683	3.1%
Customer Accounts	2,038	2,250	10.4%	2,149	(4.5)%	2,098	(2.4)%	2,366	12.8%	2,292	2,340	2.1%
Administration and General	9,200	9,034	(1.8)%	9,134	1.1%	9,787	7.2%	10,705	9.4%	10,178	10,759	5.7%
Total Water Expenses	35,869	39,914	11.3%	40,839	2.3%	45,421	11.2%	47,327	4.2%	45,236	38,442	(15.0)%
Collection and Transmission	9,680	10,547	9.0%	11,117	5.4%	11,623	4.5%	12,848	10.5%	13,105	13,833	5.6%
Customer Accounts	331	332	0.1%	341	2.9%	354	3.7%	421	18.9%	406	414	2.0%
Administrative and General	1,225	1,186	(3.2)%	1,232	3.9%	1,496	21.4%	1,596	6.7%	1,621	1,735	7.1%
Total Sewer Expenses	11,237	12,065	7.4%	12,691	5.2%	13,472	6.2%	14,865	10.3%	15,132	15,983	5.6%
Source of Supply	62	100	61.4%	208	107.0%	355	71.0%	381	7.3%	396	564	42.6%
Transmission and Distribution	7	11	41.4%	3	(74.0)%	4	47.8%	15	270.1%	4	15	259.5%
Customer Accounts	4	(1)	(113.6)%	1	(244.5)%	2	92.0%	15	798.3%	4	11	202.3%
Administrative and General	179	152	(15.1)%	156	2.8%	181	16.1%	179	(1.3)%	194	302	56.2%
Total Recycled Water Expenses	253	262	3.7%	367	40.1%	542	47.5%	590	8.8%	597	892	49.5%
Total Operating Expenses	\$ 47,358	\$ 52,241	10.3%	\$ 53,897	3.2%	\$ 59,435	10.3%	\$ 62,782	5.6%	\$ 60,965	\$ 55,317	(9.3)%
Net Operating Revenue (Expense)	\$ 18,423	\$ 22,465	21.9%	\$ 23,678	5.4%	\$ 23,991	1.3%	\$ 19,095	(20.4)%	\$ 18,563	\$ 22,451	20.9%

TOTAL OPERATING EXPENSES BY ACCOUNT



CUCAMONGA VALLEY WATER DISTRICT TOTAL OPERATING EXPENSES BY ACCOUNT

Account	Budget FYE 2015	Estimated Actual FYE 2015	Budget FYE 2016	% Change Budget '15 vs. Budget '16	% Change Est. Actual '15 vs. Budget '16
Wages and Burden	\$ 16,419,988	\$ 16,178,202	\$ 16,939,382	3.2%	4.7%
Professional Development	426,747	421,993	464,845	8.9%	10.2%
Professional Services	613,291	640,652	643,785	5.0%	0.5%
Advertisements	24,625	22,648	38,625	56.9%	70.5%
Elections	85,000	67,851	-	(100.0)%	(100.0)%
Personnel	157,270	187,741	165,995	5.5%	(11.6)%
Insurance	500,200	462,404	478,750	(4.3)%	3.5%
Collections	167,000	171,624	155,000	(7.2)%	(9.7)%
Utilities	5,988,821	7,029,662	7,722,873	29.0%	9.9%
Materials & Supplies	4,187,236	2,808,163	4,360,985	4.1%	55.3%
Outside Services	13,602,478	13,711,804	14,690,949	8.0%	7.1%
Safety	85,500	83,312	91,810	7.4%	10.2%
Source of Supply Water	19,946,723	18,708,279	8,942,484	(55.2)%	(52.2)%
Miscellaneous	457,270	419,120	466,570	2.0%	11.3%
Other - Capital Equipment	119,850	51,905	154,775	29.1%	198.2%
Totals	\$ 62,781,999	\$ 60,965,355	\$ 55,316,828	(11.9)%	(9.3)%

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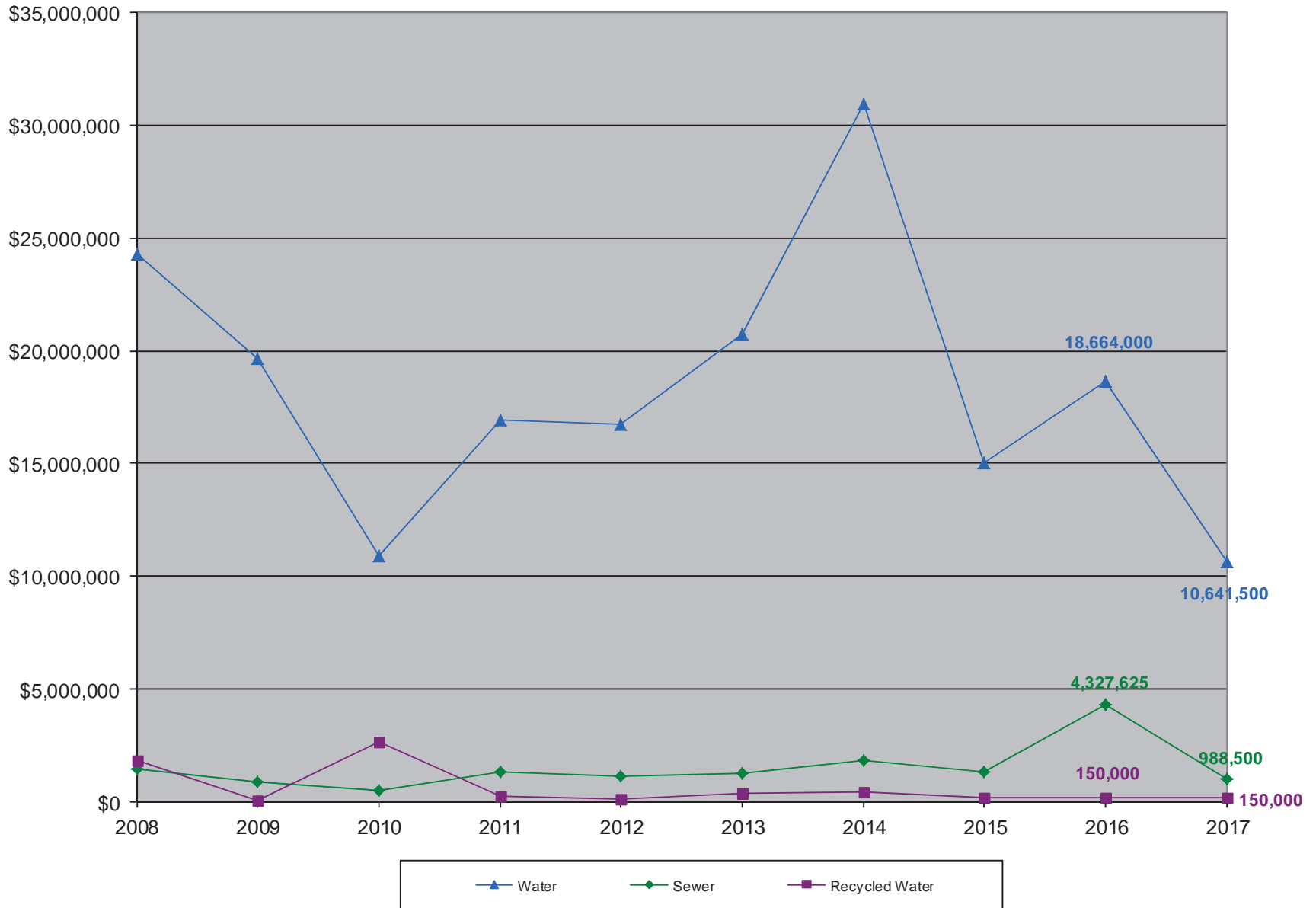
CUCAMONGA VALLEY WATER DISTRICT

TOTAL BUDGETED OPERATING EXPENSES BY ACCOUNT AND DEPARTMENT

For the Fiscal Year Ending 2015 and 2016
(Amounts Expressed in Thousands)

Account Title	Executive		Fin & Admin Services		General Services		Engineering		Operations		Totals	
	FY 2015	FY 2016	FY 2015	FY 2016	FY 2015	FY 2016	FY 2015	FY 2016	FY 2015	FY 2016	FY 2015	FY 2016
Water												
Wages and Burden	\$ 2,445	\$ 2,432	\$ 3,315	\$ 3,339	\$ 106	\$ 120	\$ 1,840	\$ 1,942	\$ 5,626	\$ 5,912	\$ 13,333	\$ 13,745
Professional Development	192	216	78	80	51	52	42	40	45	52	407	440
Professional Services	402	423	139	144	30	30	20	18	3	3	593	617
Advertisements	23	37	1	1	-	-	-	-	-	-	25	39
Elections	85	-	-	-	-	-	-	-	-	-	85	-
Personnel Costs	116	123	2	2	37	39	2	2	-	-	157	165
Insurance	357	343	-	-	-	-	-	-	-	-	357	343
Collections	-	-	135	124	-	-	-	-	-	-	135	124
Utilities	21	20	76	81	220	217	11	11	5,616	7,343	5,943	7,671
Materials & Supplies	73	55	326	322	52	60	44	39	3,515	3,689	4,010	4,164
Outside Services	169	160	780	772	30	14	10	14	1,230	1,251	2,218	2,211
Safety	3	3	11	11	-	-	5	5	56	61	75	81
Source of Supply Water	-	-	-	-	-	-	-	-	19,566	8,379	19,566	8,379
Miscellaneous	16	18	305	306	5	5	2	2	50	52	378	384
Other - Capital Equipment	4	1	4	4	-	1	3	3	34	71	45	80
Totals - Water	\$ 3,905	\$ 3,832	\$ 5,172	\$ 5,186	\$ 530	\$ 539	\$ 1,979	\$ 2,074	\$ 35,741	\$ 26,812	\$ 47,327	\$ 38,442
Sewer												
Wages and Burden	\$ 342	\$ 348	\$ 545	\$ 549	\$ 15	\$ 19	\$ 792	\$ 710	\$ 1,216	\$ 1,287	\$ 2,909	\$ 2,913
Professional Development	-	-	-	-	-	-	6	10	13	10	19	21
Professional Services	-	-	17	23	-	-	3	3	-	-	20	26
Advertisements	-	-	-	-	-	-	-	-	-	-	-	-
Personnel Costs	-	-	-	-	1	1	-	-	-	-	1	1
Insurance	143	136	-	-	-	-	-	-	-	-	143	136
Collections	-	-	32	31	-	-	-	-	-	-	32	31
Utilities	-	-	10	11	21	22	9	8	5	10	46	51
Materials & Supplies	-	-	38	54	4	4	12	11	96	101	150	170
Outside Services	-	-	61	65	-	-	9	15	11,314	12,394	11,384	12,474
Safety	-	-	-	-	-	-	3	3	8	8	11	11
Miscellaneous	-	-	72	73	-	-	0	0	3	3	75	75
Other - Capital Equipment	-	-	-	-	1	1	2	2	72	72	75	75
Totals - Sewer	\$ 485	\$ 483	\$ 776	\$ 806	\$ 42	\$ 47	\$ 836	\$ 762	\$ 12,727	\$ 13,885	\$ 14,865	\$ 15,983
Recycled Water												
Wages and Burden	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 178	\$ 281	\$ -	\$ -	\$ 178	\$ 281
Professional Development	-	-	-	-	-	-	-	5	-	-	-	5
Materials & Supplies	-	-	11	8	-	-	-	6	15	15	26	28
Outside Services	-	-	-	2	-	-	-	4	-	-	-	6
Source of Supply Water	-	-	-	-	-	-	-	-	381	564	381	564
Miscellaneous	-	-	4	4	-	-	-	4	-	-	4	8
Totals - Recycled Water	\$ -	\$ -	\$ 15	\$ 14	\$ -	\$ -	\$ 178	\$ 299	\$ 396	\$ 579	\$ 589	\$ 892
Totals	\$ 4,390	\$ 4,315	\$ 5,963	\$ 6,005	\$ 572	\$ 585	\$ 2,992	\$ 3,135	\$ 48,864	\$ 41,276	\$ 62,781	\$ 55,317

CAPITAL PROJECT TREND BY FUND

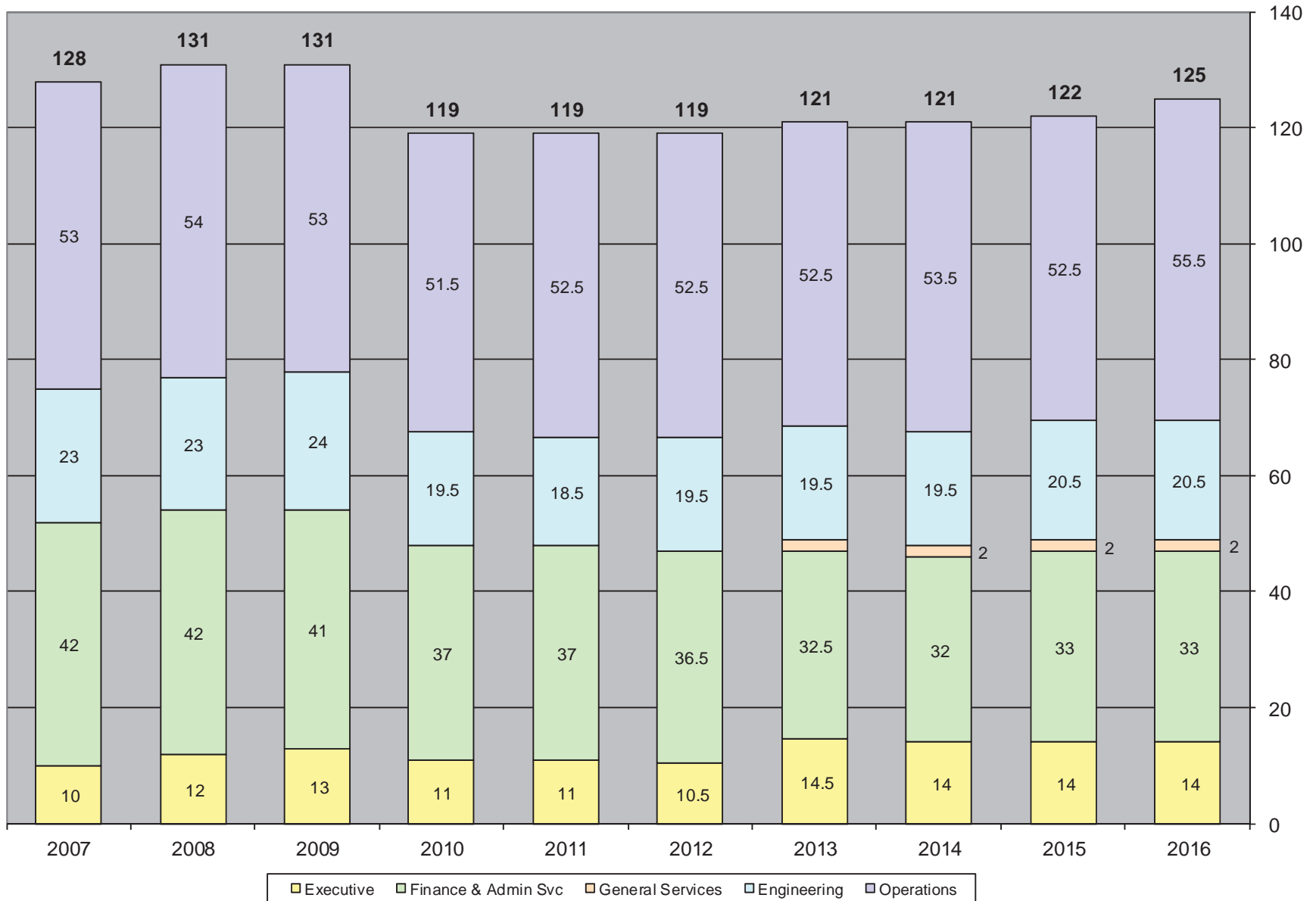


CUCAMONGA VALLEY WATER DISTRICT CAPITAL PROJECT TREND BY FUND

Fiscal Year Ending	Water	% Change	Sewer	% Change	Recycled Water	% Change	Total
2008	\$ 24,259,861	45.4%	\$ 1,430,043	(6.1)%	\$ 1,832,118	136.5%	\$ 27,522,022
2009	19,643,245	(19.0)%	885,640	(38.1)%	65,000	(96.5)%	20,593,885
2010	10,894,445	(44.5)%	469,565	(47.0)%	2,650,000	3976.9%	14,014,010
2011	16,935,550	55.5%	1,289,992	174.7%	265,314	(90.0)%	18,490,856
2012	16,752,485	(1.1)%	1,159,091	(10.1)%	121,600	(54.2)%	18,033,176
2013	20,757,938	23.9%	1,270,644	9.6%	397,625	227.0%	22,426,207
2014	30,954,450	49.1%	1,837,450	44.6%	400,000	0.6%	33,191,900
2015	15,041,000	(51.4)%	1,307,500	(28.8)%	150,000	(62.5)%	16,498,500
2016	18,664,000	24.1%	4,327,625	231.0%	150,000	0.0%	23,141,625
2017	10,641,500	(43.0)%	988,500	(77.2)%	150,000	0.0%	11,780,000
Average	\$ 18,454,447	3.9%	\$ 1,496,605	25.3%	\$ 618,166	403.8%	\$ 20,569,218

Note: All amounts presented above represent the annual budget request approved for the fiscal year, with the exception of FYE 2017 which is an estimate of the future capital projects budget.

PERSONNEL TRENDS BY DEPARTMENT



**CUCAMONGA VALLEY WATER DISTRICT
PERSONNEL TRENDS BY DEPARTMENT**

Department	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Executive	10	12	13	11	11	10.5	14.5	14	14	14
Finance & Admin Svc	42	42	41	37	37	36.5	32.5	32	33	33
General Services	0	0	0	0	0	0	2	2	2	2
Engineering	23	23	24	19.5	18.5	19.5	19.5	19.5	20.5	20.5
Operations	53	54	53	51.5	52.5	52.5	52.5	53.5	52.5	55.5
District Total	128	131	131	119	119	119	121	121	122	125

CUCAMONGA VALLEY WATER DISTRICT PERSONNEL TRENDS BY POSITION

Position/Title	2014	2015	2016
General Manager / CEO	1	1	1
Assistant General Manager	1	1	1
Assistant General Manager/Chief Financial Officer	1	1	1
Assistant General Manager/Chief Operating Officer	1	1	1
Executive Assistant	2	2	2
Principal Management Analyst	-	1	1
Management Analyst III	1	-	-
Communication & Outreach Manager	1	1	1
Lead Community Outreach Representative	2	2	2
Human Resources Manager	1	1	1
Human Resources Analyst	1	1	1
Risk Management Analyst	1	1	1
Safety Analyst	1	1	1
Finance Manager	1	1	1
Accounting Supervisor	1	1	1
Senior Accountant	1	1	-
Accountant	-	-	1
Account Clerk II	3	3	4
Customer Service Manager	1	1	1
Customer Service Supervisor	2	2	1
Lead Customer Service Representative	1	1	1
Customer Service Representative II	5	5	4
Customer Service Representative I	-	-	1
Field Service Supervisor	1	1	1
Field Service Representative III	1	1	-
Field Service Representative II	7	7	7
Field Service Representative I	-	1	2

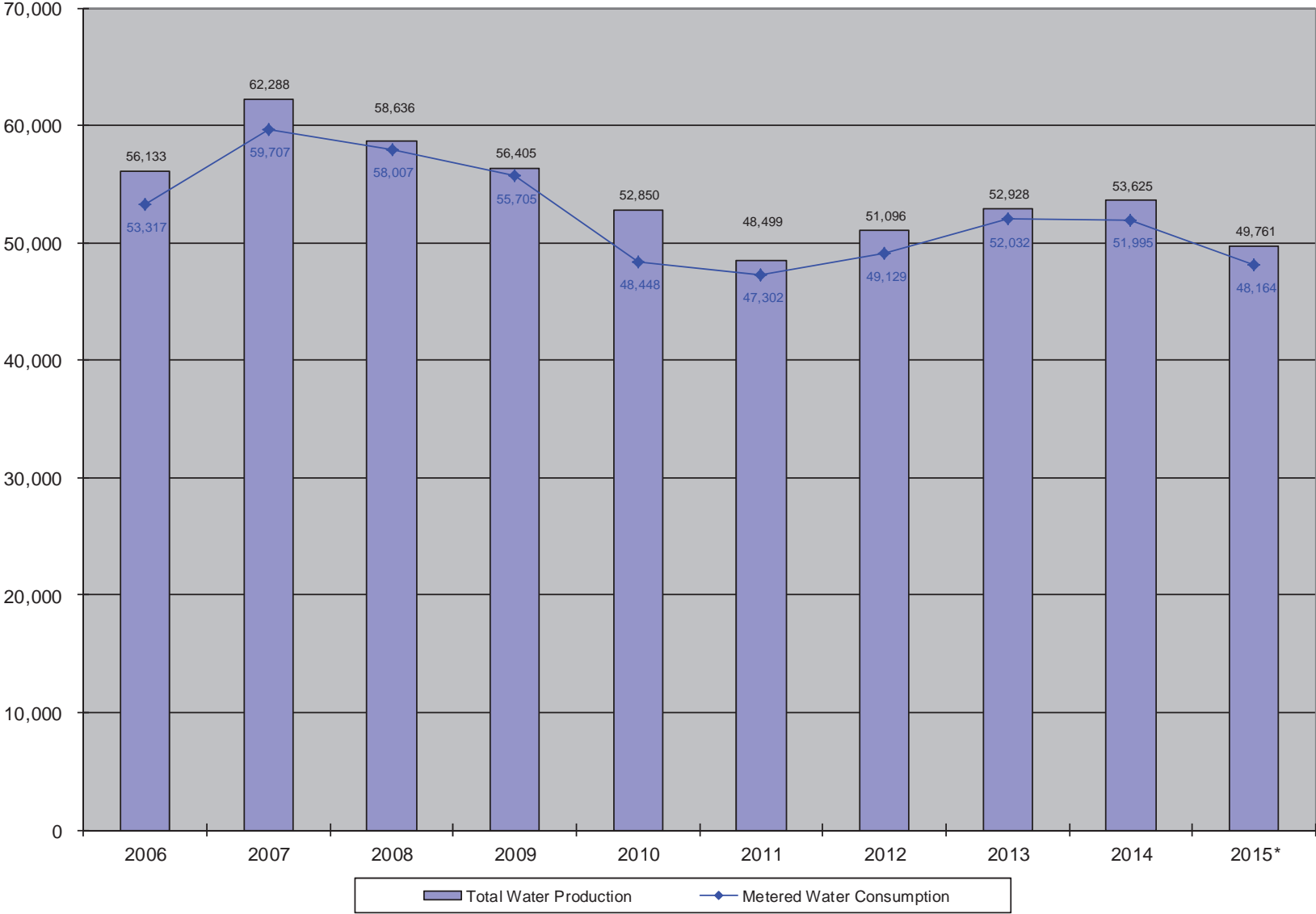
Information Technology Manager	1	1	1
Network Administrator	2	1	1
Information Technology Specialist II	1	1	1
Information Technology Specialist I	-	1	1
Information Helpdesk Specialist	1	1	1
Purchasing & Warehouse Specialist II	1	1	1
GIS Analyst	1	1	1
GIS Technician II	1	1	1
Planning & Development Manager	1	1	1
Design & Construction Manager	1	1	1
Capital Projects Coordinator	1	1	1
Associate Engineer			1
Assistant Engineer	3	3	2
CAD Analyst	1	1	1
Lead Engineering Technician	1	1	2
Engineering Analyst			1
Engineering Technician II	1	1	-
Engineering Technician I	-	1	1
Recycled Water Coordinator	1	1	1
Lead Engineering Inspector	1	1	1
Engineering Inspector II			2
Construction Inspector I	1	1	-
Development Services Supervisor	1	1	-
Industrial Waste Inspector II	2	2	1
Cross-Connection Coordinator	1	1	1
Water Treatment Plant Manager	1	1	1
Water Quality Coordinator	1	1	1
Water Treatment Plant Supervisor	1	1	1
Lead Water Treatment Operator	2	2	3
Water Treatment Operator II	6	6	6
Water Treatment Operator I	2	1	2
Plant Mechanic	-	-	1

Water Production Manager	1	1	1
Water Production & Controls Supervisor	1	1	1
Lead Water System Operator	1	1	1
Water System Operator II	3	3	2
Water System Operator I	-	-	1
Controls Analyst	1	1	1
Lead Instrumentation Technician	1	1	1
Facilities Supervisor	1	1	1
Lead Facilities Maintenance Specialist	1	1	1
Facilities Maintenance Specialist II	1	1	1
Facilities Maintenance Worker	2	2	2
Lead Fleet & Equipment Mechanic	1	1	1
Fleet & Equipment Mechanic II	1	1	1
Construction & Maintenance Manager	1	1	1
Water Utility Supervisor	1	1	1
Lead Utility Service Representative	1	1	1
Lead Water Utility Worker	4	4	4
Water Utility Worker II	5	8	7
Water Utility Worker I	4	1	2
Wastewater Utility Supervisor	1	1	1
Wastewater Utility Worker	2	2	2
Wastewater Utility Worker II	4	2	2
Wastewater Utility Worker I	1	3	3
Administrative Assistant II	5	4	3
Administrative Assistant I	-	1	2
Administrative Aide	1	1	1
Receptionist	1	1	1
District Total	121	122	125

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WATER PRODUCTION VS METERED CONSUMPTION

(Amounts Expressed in Acre Feet)



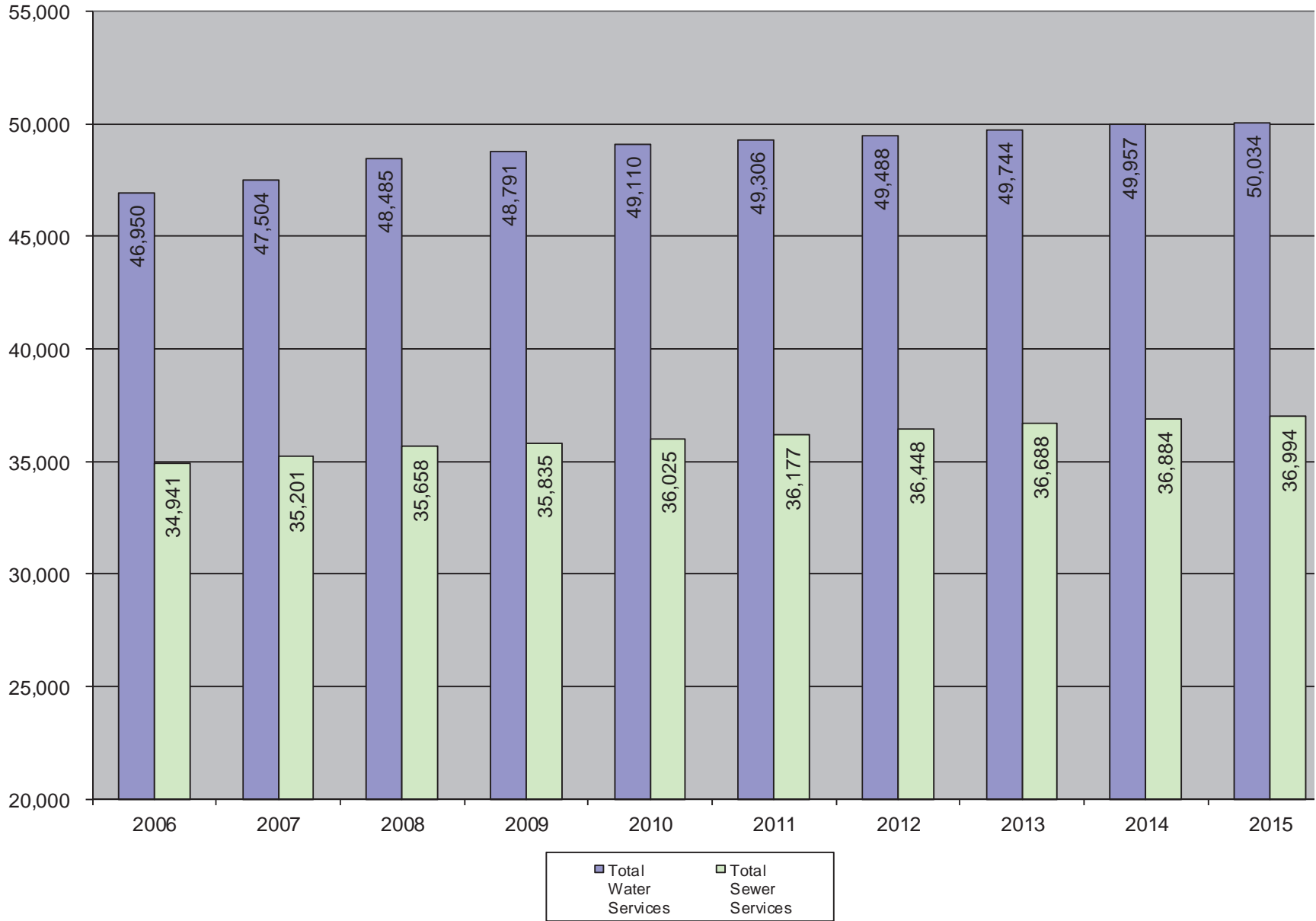
CUCAMONGA VALLEY WATER DISTRICT WATER PRODUCTION VS METERED CONSUMPTION

(Amounts Expressed in Acre Feet (AF) and Hundred Cubic Feet (HCF))

Fiscal Year Ending	Total Water Production			Metered Water Consumption		
	AF	HCF	% Change vs Prior Year	AF	HCF	% Change vs Prior Year
2006	56,133	24,451,535	5%	53,317	23,224,878	4%
2007	62,288	27,132,653	11%	59,707	26,008,414	12%
2008	58,636	25,541,842	(6%)	58,007	25,267,849	(3%)
2009	56,405	24,570,018	(4%)	55,705	24,265,098	(4%)
2010	52,850	23,021,460	(6%)	48,448	21,103,949	(13%)
2011	48,499	21,126,164	(8%)	47,302	20,604,751	(2%)
2012	51,096	22,257,418	5%	49,129	21,400,470	4%
2013	52,928	23,055,437	4%	52,032	22,665,120	6%
2014	53,625	23,359,112	1%	51,995	22,648,943	(0%)
2015*	49,761	21,675,841	(7%)	48,164	20,980,046	(7%)
Average	54,222	23,619,148	-1%	52,381	22,816,952	0%

* Amounts for Fiscal Year 2015 are estimated actuals.

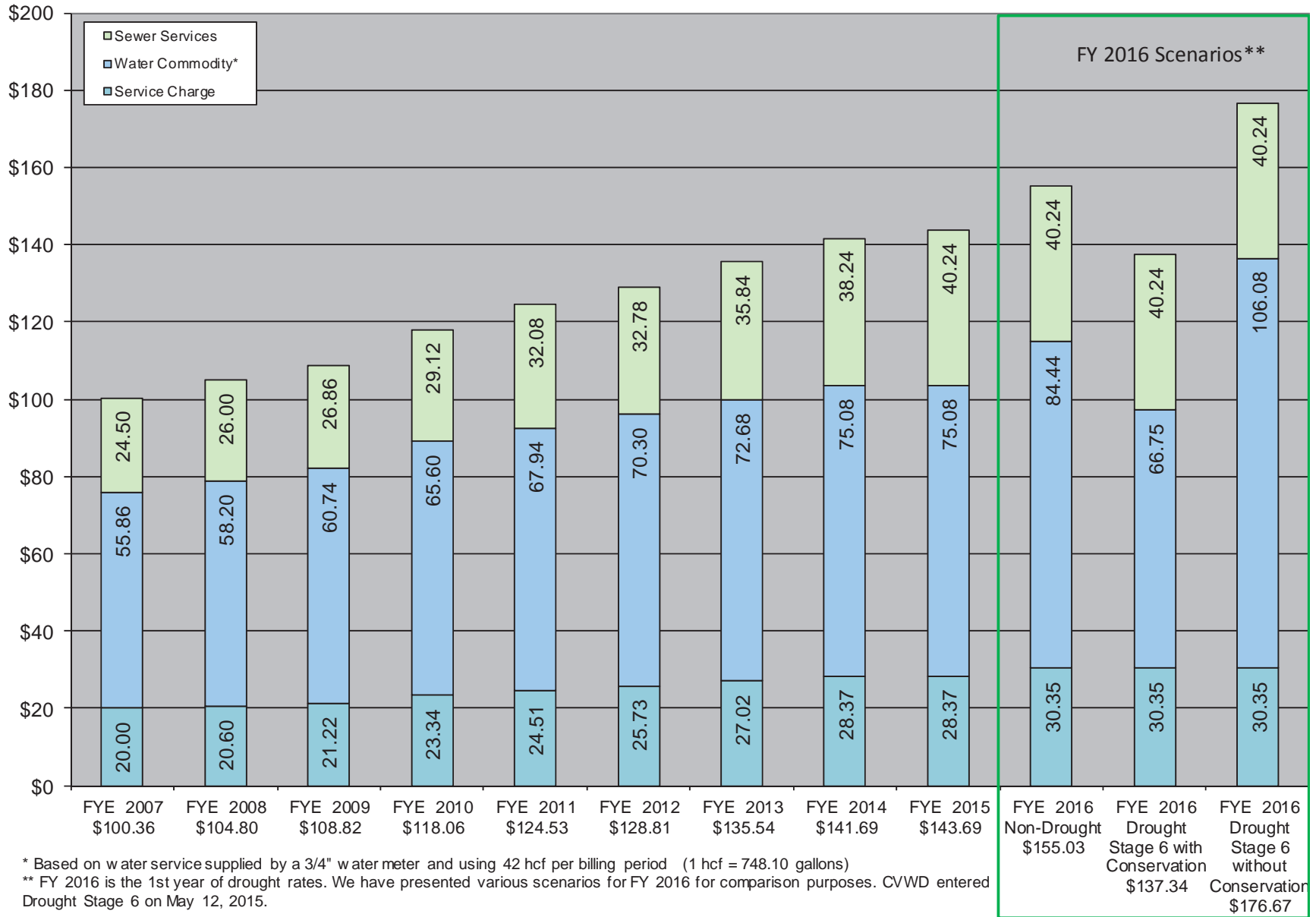
TOTAL WATER AND SEWER SERVICES BY YEAR



CUCAMONGA VALLEY WATER DISTRICT TOTAL WATER AND SEWER SERVICES BY YEAR

Fiscal Year Ending	Total Water Services	% Change	Total Sewer Services	% Change
2006	46,950	2%	34,941	1%
2007	47,504	1%	35,201	1%
2008	48,485	2%	35,658	1%
2009	48,791	1%	35,835	0%
2010	49,110	1%	36,025	1%
2011	49,306	0%	36,177	0%
2012	49,488	0%	36,448	1%
2013	49,744	1%	36,688	1%
2014	49,957	0%	36,884	1%
2015	50,034	0%	36,994	0%
Average	48,937	1%	36,085	1%

AVERAGE RESIDENTIAL BI-MONTHLY WATER & SEWER BILL BY YEAR



CUCAMONGA VALLEY WATER DISTRICT RATE HISTORY

Water								Sewer					Recycled Water	
Fiscal Year Ending	Drought Stage***	Water Service Charge (3/4" Meter)	Water Commodity Rate *				Interruptible Government Rate †	Fiscal Year Ending	Sewer Service Charge	Treatment Charge IEUA	Regulatory Surcharge IEUA	Total	Fiscal Year Ending	Commodity Rate
			Non-Tiered/ Tier 1 (0-10 hcf) **	Tier 2 (11-40 hcf) **	Tier 3 (41-100 hcf) **	Tier 4 (>100 hcf) **								
2004	N/A	20.00	1.15				1.035	2004	7.62	13.62	1.76	23.00	-	-
2005	N/A	20.00	1.20				1.080	2005	7.62	13.62	1.76	23.00	2005	0.90
2006	N/A	20.00	1.26				1.135	2006	7.62	13.62	1.76	23.00	2006	0.95
2007	N/A	20.00	1.33				1.197	2007	7.62	15.12	1.76	24.50	2007	1.00
2008	N/A	20.60	1.33	1.40	1.45	1.50	1.269	2008	7.62	16.62	1.76	26.00	2008	1.06
2009	N/A	21.22	1.35	1.47	1.57	1.67	1.269	2009	7.62	17.48	1.76	26.86	2009	1.12
2010	N/A	23.34	1.40	1.60	1.80	2.00	-	2010	7.62	19.74	1.76	29.12	2010	1.12
2011	N/A	24.51	1.43	1.66	1.92	2.17	-	2011	9.80	20.52	1.76	32.08	2011	1.28
2012	N/A	25.73	1.46	1.72	2.05	2.35	-	2012	10.50	20.52	1.76	32.78	2012	1.35
2013	N/A	27.02	1.49	1.78	2.19	2.54	-	2013	11.06	23.02	1.76	35.84	2013	1.42
2014	N/A	28.37	1.52	1.84	2.34	2.75	-	2014	11.46	25.02	1.76	38.24	2014	1.49
2015	N/A	28.37	1.52	1.84	2.34	2.75	-	2015	11.46	27.02	1.76	40.24	2015	1.53
2016	1	30.35	1.59	2.11	2.62	2.99	-	2016	11.46	27.02	1.76	40.24	2016	1.58
2016	2	30.35	1.69	2.15	2.77	3.56	-	2016	11.46	27.02	1.76	40.24	2016	1.58
2016	3	30.35	1.79	2.21	2.83	3.80	-	2016	11.46	27.02	1.76	40.24	2016	1.58
2016	4	30.35	1.90	2.29	2.89	4.05	-	2016	11.46	27.02	1.76	40.24	2016	1.58
2016	5	30.35	2.03	2.36	2.95	4.37	-	2016	11.46	27.02	1.76	40.24	2016	1.58
2016	6	30.35	2.34	2.55	3.09	5.68	-	2016	11.46	27.02	1.76	40.24	2016	1.58
2016	7	30.35	2.86	3.16	N/A	N/A	-	2016	11.46	27.02	1.76	40.24	2016	1.58

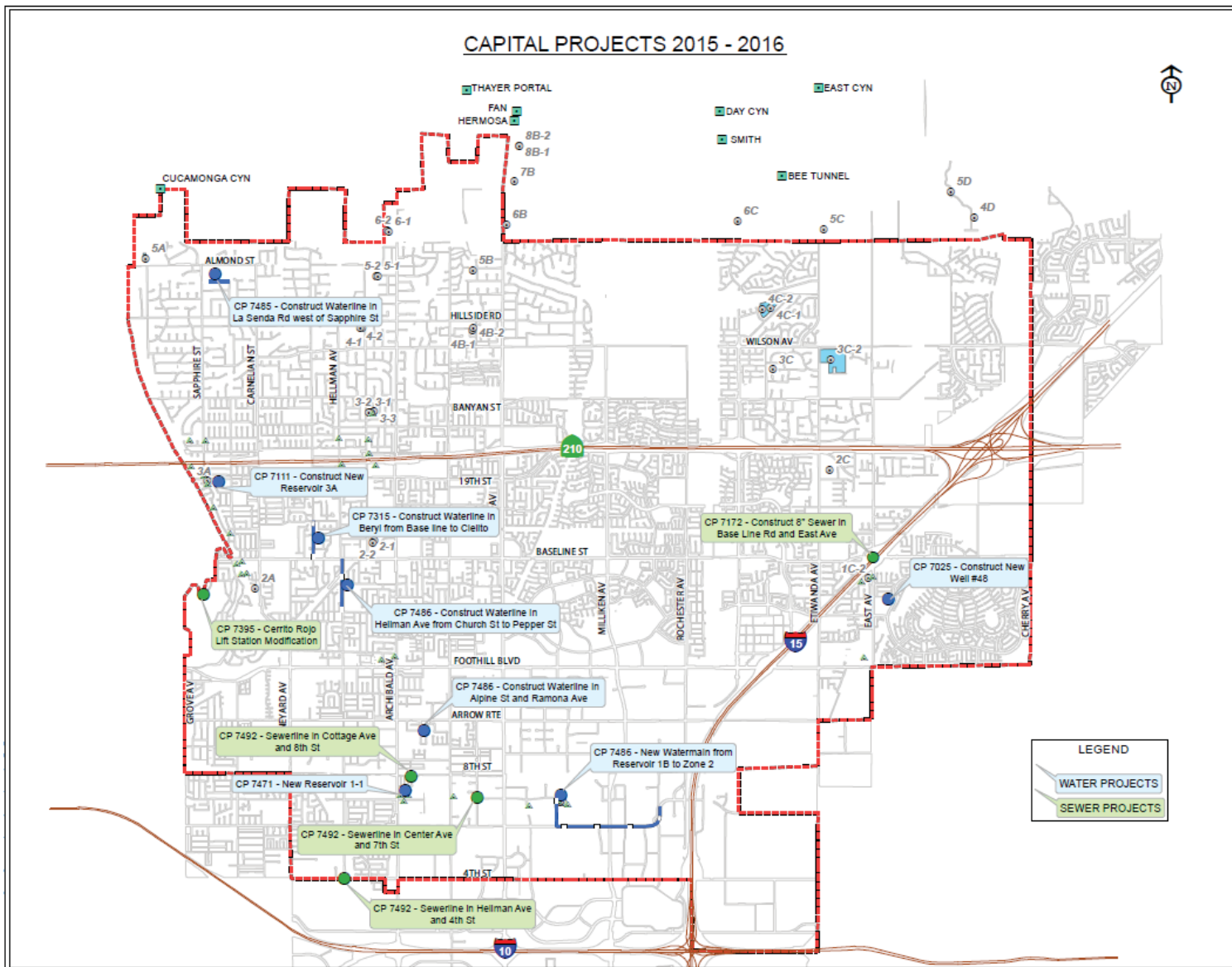
* The District adopted a tiered water rate program effective May 1, 2008.

** Commodity allocations for a 3/4" meter.

*** Drought rates are new to FY2016 water rates effective July 1, 2015. CVWD entered drought stage 6 on May 12, 2015.

† The District discontinued the Interruptible Government Rate effective May 1, 2010.

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CAPITAL PROJECTS

CUCAMONGA VALLEY WATER DISTRICT FIVE-YEAR CAPITAL IMPROVEMENT PLAN

Goals & Objectives

Overview

A Capital Improvement Project (CIP) consists of an addition of a new pipeline or facility, a renovation or major maintenance to existing facilities, a major landscape improvement, land, or one-time major equipment purchase.

Capital expenses result in the acquisition of (or addition to) fixed assets, including land, buildings, improvements, machinery and equipment.

Employee wages and burden expenses related to implementing capital projects are tracked and then used to budget a portion of wages and burden for future capital projects, as presented in the Statement of Budgeted Revenues and Expenses on page 28.

Strategic Planning

Staff has assimilated the Board of Directors' Strategic Vision by evaluating and changing our planning and project life cycle structure. This process has assisted the Departments' approach in completing the approved budget, and implementing the District's planning strategies to ensure a reliable infrastructure and actively manage our water resources. Staff continuously seeks out innovative ways of working with private developers to construct new facilities, procure new site properties, and upgrade existing facilities that help create our future. Staff is focused on revising and developing District Master Plans to prepare for more stringent water quality parameters, to identify projects to offset the increasing demands placed on our system, and to incorporate new conservation methods and implement the recycled water program. We look forward to improving methods of data capture and dissemination of information to other departments using GIS technology interfacing.

Reliable Water Supply

- Continue implementation of District's Water Supply Plan.
- Develop opportunities for more efficient use of groundwater rights within the Chino and Cucamonga Basins.
- Continued emphasis on recycled water recharge.
- Improve our treatment plant for optimizing our canyon source of supply.
- Implement our water treatment plant improvements for water quality requirements.
- Improving well production and pump facility capability.

Operating Performance

- We have developed a Water Supply Plan and are implementing it in coordination with our Board of Directors.
- We have enhanced our Technical Support capabilities through Geographical Information System (GIS) and Computer Aided Design (CAD) to provide accurate maps, capture as-built drawings, and provide facility information to all departments of the District.
- We continue constant communication and project planning with the District's Operations Department and have improved utility coordination meetings with the various cities and utility agencies in our service area.
- Projects have been constructed that will enhance the District's distribution and collection systems in an effort to meet the needs of our Customers and prepare for future growth.
- We continue developing new operating procedures to reduce maintenance costs and ensure dependable service to our customers.

CUCAMONGA VALLEY WATER DISTRICT SIGNIFICANT CAPITAL PROJECTS

SIGNIFICANT CAPITAL PROJECTS	ESTIMATED PRIOR YEAR CARRY-OVER	NEW FY 2016 BUDGET REQUESTS
LMWTP Upgrade for Disinfectant Byproduct Regulations	\$ 5,369,000	\$ 0
Reservoir 3A Water Supply Reliability	1,195,000	3,400,000
Construct Water Main from Reservoir 1B to Zone 2	0	4,550,000
Meter Exchange/Fixed Network Project	2,000,000	2,000,000
New Well #48 Chino Basin	3,010,000	0
New Reservoir 1-1	0	2,500,000
Construct Sewer Line in Hellman & 4th	0	2,302,000
Construct New Reservoir 3A	1,657,000	0
Property Acquisition	1,500,000	0

SIGNIFICANT FUTURE CAPITAL PROJECTS

Current capital projects that will take the District into future fiscal years are the Lloyd Michael Water Treatment Plant Regulatory Compliance Upgrade project, New Well #48, construction of Reservoir 3A and various water line projects. These projects are planned for completion over the next several years and their purposes are to assure the latest water quality standards are met and water supplies are available to meet current and future demands.

Other significant future capital projects will consist of optimizing the Cucamonga and Chino Basins management plans and developing short and long term plans and strategies for meeting expected demands. Staff is focused on revising and developing District Master Plans to prepare for more stringent water quality parameters, identifying projects to offset the increasing demands placed on our system, and incorporating new conservation methods and implement the recycled water program.

CUCAMONGA VALLEY WATER DISTRICT

CAPITAL PROJECTS SUMMARY

For the Fiscal Year Ending June 30, 2016

Category Number	Description	Amount	% of Total
Water Capital Projects			
9045	Field Equipment	\$ 2,835,000	15.8%
9065	Water Treatment	3,780,000	21.0%
9070	Pumps & Pumping Equipment	1,698,000	9.4%
9071	Reservoirs	2,850,000	15.8%
9072	Telemetry	436,000	2.4%
9075	Building Improvements	273,250	1.5%
9077	Shop Equipment	9,000	0.1%
9085	Water Mains	6,115,000	34.0%
TOTAL WATER CAPITAL		\$ 17,996,250	100.0%

Sewer Capital Projects			
9045	Field Equipment	20,000	0.5%
9075	Building Improvements	87,375	2.1%
9077	Shop Equipment	9,000	0.2%
9095	Sewer Improvements	4,053,000	97.2%
TOTAL SEWER CAPITAL		\$ 4,169,375	100.0%

Recycled Water Capital Projects			
9096	Recycled Water Improvements	\$ 150,000	100.0%
TOTAL RECYCLED WATER CAPITAL		\$ 150,000	100.0%

Category Number	Description	Amount	% of Total
Office Equipment			
9055	Office Equipment - Water	\$ 332,250	75.0%
9055	Office Equipment - Sewer	110,750	25.0%
9055	Office Equipment - Recycled Water	-	0.0%
TOTAL OFFICE EQUIPMENT		\$ 443,000	100%

Vehicle Replacement			
9080	Vehicle Replacement - Water	\$ 335,500	87.6%
9080	Vehicle Replacement - Sewer	47,500	12.4%
9080	Vehicle Replacement - Recycled Water	-	0.0%
TOTAL VEHICLE REPLACEMENT		\$ 383,000	100%

FY 2016 Capital Projects:	\$ 23,141,625
Carryover:	25,160,400
Total:	<u>\$ 48,302,025</u>

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**CUCAMONGA VALLEY WATER DISTRICT
WATER CAPITAL PROJECTS
for the Fiscal Year Ending June 30, 2016**

Project Number	Work Order Number	Description	Estimated Carry Over 2015 Budget	Budget Request 2016	Outside Funding	Funding Source	Proposed 2017	Proposed 2018	Proposed 2019	Project Total
9030 Source of Supply										
CP6370	80883	Water Master Plan Update	250,000							250,000
CP7002	196412	Cucamonga Basin Evaluation Study - Phase 3	53,300							53,300
CP7436	313810	2015 Urban Water Management Plan	75,000							75,000
CP7437	313811	Cucamonga Basin Management Plan	150,000							150,000
CP7438	313821	Fontana Connection Improvements	95,400							95,400
Subtotal - 9030 Source of Supply (5 Projects)			623,700							623,700
9045 Field Equipment										
CP5334	0062677	Meter Exchange/Fixed Network Project	2,000,000	2,000,000	4,000,000	Fixed Network Lease				4,000,000
CP7279	267060	Laptop Vehicle Mounts and Storage Box Replacements	9,000							9,000
CP7440	313825	ELC Garden AV Enhancements	35,000							35,000
CP7443	313828	Upgrades to the Technology Inside the ELC	25,000							25,000
CP7528	338215	Confined Space Entry/Rescue Equipment		20,000						20,000
CP7529	338346	Meter Replacement Project		800,000	800,000	Lease	800,000	100,000	100,000	1,800,000
CP7530	338353	Pressure Recording Device Project		15,000						15,000
Subtotal - 9045 Field Equipment (7 Projects)			2,069,000	2,835,000	4,800,000		800,000	100,000	100,000	5,904,000
9055 Office Equipment										
CP7531	338360	Desktop, Laptop, and Tablet Computer Replacements		45,000			45,000	45,000	45,000	180,000
CP7532	338363	Engineering GIS/CAD Color Laser Printer Replacements		18,000						18,000
CP7533	338369	Enterprise Software Upgrade Research		42,000						42,000
CP7534	338370	IVR Payment Extension Software Module		9,000						9,000
CP7535	338371	Microsoft Software Assurance (Year 3 of 3-Year agreement)		45,000						45,000
CP7536	338372	Network Equipment Replacement		21,000						21,000
CP7537	338374	Network Server Replacements		37,500			37,500	37,500	37,500	150,000
CP7538	338375	Office Chair Replacement		48,750						48,750
CP7539	338376	Palo Alto Endpoint Security Software (3-year contract)		48,000						48,000
CP7540	338377	SunGard Naviline Edge Software Interface		18,000						18,000
Subtotal - 9055 Office Equipment (10 Projects)				332,250			82,500	82,500	82,500	579,750
9065 Treatment										
CP7018	196434	AHBWTP Rehabilitation & Upgrades	161,300							161,300
CP7094	220940	Chlorine Generator Installation at Pump Station 5	400,100							400,100
CP7095	220941	LWMWTP Upgrade for Disinfectant Byproduct Regulations	5,369,000		5,369,000	2012 RB				5,369,000
CP7249	274345	Reservoir 3A Water Supply Reliability	1,195,000	3,400,000	371,390	Capital Reserve				4,595,000
CP7454	313842	LWMWTP Equipment Replacement and Repair	315,000							315,000
CP7456	313845	Reservoir 2A Hypo Generation Upgrade	176,000							176,000
CP7541	338434	LWMWTP Access Control & CCTV for New Facilities		180,000						180,000
CP7542	338435	LWMWTP Landscaping Improvements and Perimeter Fencing		200,000						200,000

**CUCAMONGA VALLEY WATER DISTRICT
WATER CAPITAL PROJECTS
for the Fiscal Year Ending June 30, 2016**

Project Number	Work Order Number	Description	Estimated Carry Over 2015 Budget	Budget Request 2016	Outside Funding	Funding Source	Proposed 2017	Proposed 2018	Proposed 2019	Project Total
Subtotal - 9065 Treatment (8 Projects)			7,616,400	3,780,000	5,740,390					11,396,400
9070 Pumps & Equipment										
CP7025	196447	New Well #48 Chino Basin	3,010,000		3,010,000	2014 RB				3,010,000
CP7102	220948	New Well #49 Chino Basin					200,000	2,800,000		3,000,000
CP7193	243119	Pump Station 5 Emergency Standby Generator	210,000							210,000
CP7195	243121	Well 24 Emergency Standby Generator	285,000							285,000
CP7295	267076	Backup Booster Pumps	288,300							288,300
CP7299	267080	New Cucamonga Basin Well	50,000				200,000	2,750,000		3,000,000
CP7458	313847	Emergency Standby Generator at PS 6B	213,100							213,100
CP7459	313848	Emergency Standby Generator at PS 7B	203,100							203,100
CP7460	313849	Emergency Standby Generator at Well 5	240,600							240,600
CP7466	313856	Pump Station 5 Switchgear Replacement	295,000							295,000
CP7467	313857	Pump Station 5B Switchgear Replacement	235,000							235,000
CP7543	338667	2C Anti-Cavitation Valve		67,000						67,000
CP7544	338672	General Booster Rehabilitation		150,000			110,000	110,000	110,000	480,000
CP7545	338674	General Production Site Improvement		100,000			100,000	100,000	100,000	400,000
CP7546	338675	General Well Rehabilitation		300,000			300,000	300,000	300,000	1,200,000
CP7547	338677	New VFD at Pump Station 3C-II		70,000						70,000
CP7548	338678	New VFD at Pump Station 4D		35,000						35,000
CP7549	338679	Pressure Regulating Valve Vault Lids		50,000						50,000
CP7550	338680	Pump Efficiency Upgrades		900,000	900,000	Grant				900,000
CP7551	338681	Pump Station 2 Bypass PRV Soundwall		26,000						26,000
		Motor Cover Installation at Various Sites					55,000			55,000
		New Generator at Reservoir Sites					470,000	490,000	510,000	1,470,000
		New Generators at Well Sites					340,000	350,000	350,000	1,040,000
Subtotal - 9070 Pumps & Equipment (23 Projects)			5,030,100	1,698,000	3,910,000		1,775,000	6,900,000	1,370,000	16,773,100
9071 Reservoirs										
CP7110	220956	Construct Reservoir 5B-2					1,000,000	4,750,000		5,750,000
CP7111	220957	Construct New Reservoir 3A	1,657,000		1,657,000	2012 RB				1,657,000
CP7468	313860	Property Acquisition	1,500,000							1,500,000
CP7469	313861	Reservoir 3 Site Improvements	373,000							373,000
CP7470	313862	Reservoir 5B Site Improvements	60,000							60,000
CP7471	313863	Tank Shark at Reservoir 5	130,000							130,000
CP7552	338687	New Reservoir 1-1		2,500,000	1,196,351	2014 RB				2,500,000
CP7553	338690	Tank Rehabilitation		350,000			300,000	300,000	300,000	1,250,000
		Tank Sharks (3 per year)					200,000	200,000	200,000	600,000
Subtotal - 9071 Reservoirs (9 Projects)			3,720,000	2,850,000	2,853,351		1,500,000	5,250,000	500,000	13,820,000

**CUCAMONGA VALLEY WATER DISTRICT
WATER CAPITAL PROJECTS
for the Fiscal Year Ending June 30, 2016**

Project Number	Work Order Number	Description	Estimated Carry Over 2015 Budget	Budget Request 2016	Outside Funding	Funding Source	Proposed 2017	Proposed 2018	Proposed 2019	Project Total
9072 Telemetry										
CP7303	267084	Install PRV Meters and Telemetry	400,000							400,000
CP7554	338692	Replacement/Addition of Field UPS Systems		12,000			12,000	12,000	12,000	48,000
CP7555	338694	Install 3 Infrastructure Communication Towers		80,000			80,000	80,000		240,000
CP7556	338695	Power Monitoring for Each Online Booster and Well		164,000	164,000	Grant				164,000
CP7557	338697	Pumping Efficiency Software Feasibility Study		70,000						70,000
CP7558	338698	Radio Upgrade to MIMO		55,000						55,000
CP7559	338700	Starter/VFD Interface		55,000						55,000
		Vehicle Mobile Radios					50,000			50,000
		Subtotal - 9072 Telemetry (8 Projects)	400,000	436,000	164,000		142,000	92,000	12,000	1,082,000
9075 Building Improvement										
CP7203	243129	Security & CS Enhancement Project	106,500	75,000						181,500
CP7369	290144	Base and Asphalt Bin Roof in District Yard	30,000							30,000
CP7472	313866	Additions/Upgrades to ELC LWMWTP Tour	20,000		10,000	Grant				20,000
CP7475	313870	Reservoir 1 Pipeline Yard	35,000							35,000
CP7560	338719	Campus Concrete Repair		18,750						18,750
CP7561	338721	Campus Light Upgrade to LED		15,000						15,000
CP7562	338723	CBWM Building Re-Pipe		19,000						19,000
CP7563	338724	CBWM Fence & Gate Replacement		30,000						30,000
CP7564	338725	Frontier Project Air Handler Pan Refurbishing		4,250						4,250
CP7565	338726	Frontier Project Exterior Painting		20,000						20,000
CP7566	338727	Frontier Project Terrazzo Repair		26,250						26,250
CP7567	338743	HVAC Variable Frequency Drives		20,000						20,000
CP7568	338744	Operations Flooring Replacement		4,000						4,000
CP7569	338747	Operations Work Area Improvements		13,000						13,000
CP7570	338756	Slurry Seal Customer & Engineering Parking Lots		6,000						6,000
CP7571	338757	Water/Sewer Office Flooring		9,000						9,000
CP7572	338758	Water/Sewer Office Work Stations		13,000						13,000
		Subtotal - 9075 Building Improvement (17 Projects)	191,500	273,250	10,000					464,750
9077 Shop Equipment										
CP7573	338760	Parts Washer Project Fleet Division		9,000						9,000
		Subtotal - 9077 Shop Equipment (1 Project)		9,000						9,000
9080 Vehicle										
CP7477	313900	1.5 ton service truck w/12 ft. service body, crane, welder	75,000							75,000
CP7574	338763	1 Ton Dump Low Bed Dump Truck		30,000						30,000
CP7575	338764	1/2 Ton Pick-up 4x2 Unit #284		35,000						35,000
CP7576	338767	1/2 Ton Pick-up 4x4 #268		35,000						35,000

**CUCAMONGA VALLEY WATER DISTRICT
WATER CAPITAL PROJECTS
for the Fiscal Year Ending June 30, 2016**

Project Number	Work Order Number	Description	Estimated Carry Over 2015 Budget	Budget Request 2016	Outside Funding	Funding Source	Proposed 2017	Proposed 2018	Proposed 2019	Project Total
CP7577	338768	1/2 Ton Pick-up 4x4 Unit 278		35,000						35,000
CP7578	338770	1/2 Ton Pick-up 4x4 Unit 279		35,000						35,000
CP7579	338773	1/2 Ton Pick-up 4x4 Unit 287		35,000						35,000
CP7580	338774	3/4 Ton Ext. Cab 4x2 Unit #316		38,000						38,000
CP7581	338775	3/4 Ton Pick-up 4x4 Utility Bed Unit #260		55,000						55,000
CP7582	338776	Electric Utility Caddy Truck Unit 2017		20,000						20,000
CP7583	338777	Hybrid Vehicle Unit #290		17,500						17,500
Subtotal - 9080 Vehicle (11 Projects)			75,000	335,500						410,500
9085 Water Mains										
CP7134	220981	Const Waterline in Wilson from East Ave to Wardman Bullock	819,000		819,000	2012 RB				819,000
CP7169	235686	2010 Storm Repair - Snowdrop Road Repair	51,200							51,200
CP7313	267094	Construct New Zone 6A Pressure Control Stations	140,000							140,000
CP7315	267096	Const Waterline in Beryl from Baseline to Cielito	883,000		883,000	2014 RB				883,000
CP7316	267098	Const Waterline in Chestnut Ave/Cornwall Ave						1,412,000		1,412,000
CP7384	290300	Const Waterline in Arrow Rte from Hermosa Ave to Haven Ave	50,000				1,318,000			1,368,000
CP7387	290310	Water Facilities Improvements for I-15 FWY at Baseline Rd.	150,000							150,000
CP7483	313908	Construct Waterline in Archibald from Arrow to Foothill	25,000	575,000	599,000	2012 RB	851,000			1,451,000
CP7484	313909	Construct Waterline in Hellman from Lomita to Monte Vista	25,000				275,000			300,000
CP7485	313910	Construct Waterline in La Senda Rd. West of Sapphire St.	463,000		463,000	2014 RB				463,000
CP7486	313911	Construct Wtr in Hellman Av from Church St to Pepper St	455,000		455,000	2014 RB				455,000
CP7585	338778	Const Waterline in Alpine St and Ramon Ave		390,000	390,000	2012 RB				390,000
CP7586	338779	New Watermain from Res 1B to Zone 2		4,550,000	3,083,259	2012 RB/Devel. Res.				4,550,000
CP7587	338781	Service Replacement Program		500,000			500,000	500,000	500,000	2,000,000
CP7588	338782	Various Valve Improvements		100,000			100,000	100,000	100,000	400,000
		Const Waterline in 7500 block of Camino Norte					31,000	494,000		525,000
		Const Waterline in Amethyst Ave from La Grande to Lomita					160,000			160,000
		Const Waterline in Baker Ave from 8th St to Princeton St					50,000	1,100,000		1,150,000
		Const Waterline in Candlewood St from Archibald to Ramona					1,350,000			1,350,000
		Const Waterline in Catalpa Street West of East Avenue					778,000			778,000
		Const Waterline in Foothill Blvd from 15 Fwy to Etiwanda Ave					50,000	731,000		781,000
		Const Waterline in Haven Ave from 210 Fwy to Banyan St					829,000			829,000
		Const Waterline in Pecan Ave from Victoria St to Carnesi Dr					50,000	1,215,000		1,265,000
Subtotal - 9085 Water Mains (23 Projects)			3,061,200	6,115,000	6,692,259		6,342,000	5,552,000	600,000	21,670,200
Total Water Capital Projects			22,786,900	18,664,000	24,170,000		10,641,500	17,976,500	2,664,500	72,733,400

**CUCAMONGA VALLEY WATER DISTRICT
SEWER CAPITAL PROJECTS
for the Fiscal Year Ending June 30, 2016**

Project Number	Work Order Number	Description	Estimated Carry Over 2015 Budget	Budget Request 2016	Outside Funding	Funding Source	Proposed 2017	Proposed 2018	Proposed 2019	Project Total
9045 Field Equipment										
CP7279	267060	Laptop Vehicle Mounts and Storage Box Replacements	3,000							3,000
CP7528	338215	Confined Space Entry/Rescue Equipment		20,000						20,000
Subtotal - 9045 Field Equipment (2 Projects)			3,000	20,000						23,000
9055 Office Equipment										
CP7531	338360	Desktop, Laptop, and Tablet Computer Replacements		15,000			15,000	15,000	15,000	60,000
CP7532	338363	Engineering GIS/CAD Color Laser Printer Replacements		6,000						6,000
CP7533	338369	Enterprise Software Upgrade Research		14,000						14,000
CP7534	338370	IVR Payment Extension Software Module		3,000						3,000
CP7535	338371	Microsoft Software Assurance (Year 3 of 3-Year agreement)		15,000						15,000
CP7536	338372	Network Equipment Replacement		7,000						7,000
CP7537	338374	Network Server Replacements		12,500			12,500	12,500	12,500	50,000
CP7538	338375	Office Chair Replacement		16,250						16,250
CP7539	338376	Palo Alto Endpoint Security Software (3-year contract)		16,000						16,000
CP7540	338377	SunGard Naviline Edge Software Interface		6,000						6,000
Subtotal - 9055 Office Equipment (10 Projects)				110,750			27,500	27,500	27,500	193,250
9075 Building Improvement										
CP7203	243129	Security & CS Enhancement Project	35,500	25,000						60,500
CP7369	290144	Base and Asphalt Bin Roof in District Yard	10,000							10,000
CP7560	338719	Campus Concrete Repair		6,250						6,250
CP7561	338721	Campus Light Upgrade to LED		5,000						5,000
CP7564	338725	Frontier Project Air Handler Pan Refurbishing		1,375						1,375
CP7566	338727	Frontier Project Terrazzo Repair		8,750						8,750
CP7568	338744	Operations Flooring Replacement		4,000						4,000
CP7569	338747	Operations Work Area Improvements		13,000						13,000
CP7570	338756	Slurry Seal Customer & Engineering Parking Lots		2,000						2,000
CP7571	338757	Water/Sewer Office Flooring		9,000						9,000
CP7572	338758	Water/Sewer Office Work Stations		13,000						13,000
Subtotal - 9075 Building Improvement (11 Projects)			45,500	87,375						132,875
9077 Shop Equipment										
CP7573	338760	Parts Washer Project Fleet Division		9,000						9,000
Subtotal - 9077 Shop Equipment (1 Project)				9,000						9,000
9080 Vehicle										
CP7490	313915	3/4 Ton Box Van 4x2 with CCTV equipment Unit # 240	300,000							300,000
CP7574	338763	1 Ton Dump Low Bed Dump Truck		30,000						30,000
CP7583	338777	Hybrid Vehicle Unit #290		17,500						17,500

**CUCAMONGA VALLEY WATER DISTRICT
SEWER CAPITAL PROJECTS
for the Fiscal Year Ending June 30, 2016**

Project Number	Work Order Number	Description	Estimated Carry Over 2015 Budget	Budget Request 2016	Outside Funding	Funding Source	Proposed 2017	Proposed 2018	Proposed 2019	Project Total
Subtotal - 9080 Vehicle (3 Projects)			300,000	47,500						347,500
9095	Sewer Improvement									
CP7172	237510	Const Sewer in Baseline Road and East Ave	380,000							380,000
CP7318	267100	Const Sewer in 4th from Cucamonga Channel to Golden Oaks	970,000							970,000
CP7491	313916	Cerito Rojo Lift Station Modification	480,000							480,000
CP7492	313917	Highland at Barranca - 3 Flat-Top Manholes	45,000							45,000
CP7589	338783	Const Sewerline in Archibald Ave from Main St to Acacia St		50,000			811,000			861,000
CP7590	338784	Const Sewerline in San Bernardino Rd and Estacia Ct		50,000						50,000
CP7591	338785	Construct Sewerline in Center Ave and 7th St		676,000						676,000
CP7592	338787	Construct Sewerline in Cottage Ave and 8th St		775,000	775,000	Developer Reserve				775,000
CP7593	338788	Construct Sewerline in Foothill Blvd and Deer Creek		50,000						50,000
CP7594	338789	Construct Sewerline in Hellman Ave and 4th St		2,302,000	2,302,000	Capital Reserve				2,302,000
CP7595	338790	Various Sewer Relining and Manhole Rehabilitation		150,000			150,000	150,000	150,000	600,000
Subtotal - 9095 Sewer Improvement (11 Projects)			1,875,000	4,053,000	3,077,000		961,000	150,000	150,000	7,189,000
Total Sewer Capital Projects			2,223,500	4,327,625	3,077,000		988,500	177,500	177,500	7,894,625

**CUCAMONGA VALLEY WATER DISTRICT
RECYCLED WATER CAPITAL PROJECTS
for the Fiscal Year Ending June 30, 2016**

Project Number	Work Order Number	Description	Estimated Carry Over 2015 Budget	Budget Request 2016	Outside Funding	Funding Source	Proposed 2017	Proposed 2018	Proposed 2019	Project Total
9096 Recycled										
CP7396	290326	Recycled Water Master Plan	150,000							150,000
CP7397	290327	Recycled Water Retrofits		100,000			100,000	100,000	100,000	400,000
CP7584	338791	Construct Various Recycled Water Valves at Various Locations		50,000			50,000	50,000	50,000	200,000
Subtotal - 9096 Recycled (3 Projects)			150,000	150,000			150,000	150,000	150,000	750,000
Total Recycled Water Capital Projects			150,000	150,000			150,000	150,000	150,000	750,000
GRAND TOTAL (Water, Sewer, and Recycled Water Funds)			25,160,400	23,141,625	27,247,000		11,780,000	18,304,000	2,992,000	81,378,025

ESTIMATED OPERATIONAL IMPACT

**CUCAMONGA VALLEY WATER DISTRICT
CAPITAL PROJECTS
Estimated Ongoing Operational Expenses
for the Fiscal Year Ending June 30, 2016**

				ESTIMATED ANNUAL COSTS							
ID#	Project Number	Work Order Number	Description	Personnel	Equipment/ Hardware Maint	Software Maint	Extended Warranty	Electricity/ Utility	Consultant/ Developer	Other Operating	Total Operational Impact
				9030 Source of Supply							
25	CP6370	80883	Water Master Plan Update								0
27	CP7002	196412	Cucamonga Basin Evaluation Study - Phase 3								0
154	CP7436	313810	2015 Urban Water Management Plan								0
165	CP7437	313811	Cucamonga Basin Management Plan								0
161	CP7438	313821	Fontana Connection Improvements								0
				Subtotal - 9030 Source of Supply (5 Projects)							0
				9045 Field Equipment							
29	CP5334	0062677	Meter Exchange/Fixed Network Project								0
33	CP7279	267060	Laptop Vehicle Mounts and Storage Box Replacements								0
170	CP7440	313825	ELC Garden AV Enhancements								0
171	CP7443	313828	Upgrades to the Technology Inside the ELC								0
184	CP7528	338215	Confined Space Entry/Rescue Equipment								0
152	CP7529	338346	Meter Replacement Project								0
187	CP7530	338353	Pressure Recording Device Project								0
				Subtotal - 9045 Field Equipment (7 Projects)							0
				9055 Office Equipment							
134	CP7531	338360	Desktop, Laptop, and Tablet Computer Replacements								0
194	CP7532	338363	Engineering GIS/CAD Color Laser Printer Replacements								0
193	CP7533	338369	Enterprise Software Upgrade Research								0
189	CP7534	338370	IVR Payment Extension Software Module			2,000					2,000
135	CP7535	338371	Microsoft Software Assurance (Year 3 of 3-Year agreement)								0
192	CP7536	338372	Network Equipment Replacement								0
137	CP7537	338374	Network Server Replacements								0
209	CP7538	338375	Office Chair Replacement								0
191	CP7539	338376	Palo Alto Endpoint Security Software (3-year contract)								0
190	CP7540	338377	SunGard Naviline Edge Software Interface								0
				Subtotal - 9055 Office Equipment (10 Projects)							2,000
				9065 Treatment							
46	CP7018	196434	AHBWTP Rehabilitation & Upgrades								0
36	CP7094	220940	Chlorine Generator Installation at Pump Station 5								0
221	CP7095	220941	LWMWTP Upgrade for Disinfectant Byproduct Regulations								0
169	CP7249	274345	Reservoir 3A Water Supply Reliability								0
157	CP7454	313842	LWMWTP Equipment Replacement and Repair								0

**CUCAMONGA VALLEY WATER DISTRICT
CAPITAL PROJECTS
Estimated Ongoing Operational Expenses
for the Fiscal Year Ending June 30, 2016**

								ESTIMATED ANNUAL COSTS					
ID#	Project Number	Work Order Number	Description	Personnel	Equipment/ Hardware Maint	Software Maint	Extended Warranty	Electricity/ Utility	Consultant/ Developer	Other Operating	Total Operational Impact		
44	CP7456	313845	Reservoir 2A Hypo Generation Upgrade								0		
182	CP7541	338434	LWMWTP Access Control & CCTV for New Facilities		2,500						2,500		
230	CP7542	338435	LWMWTP Landscaping Improvements and Perimeter Fencing								0		
Subtotal - 9065 Treatment (8 Projects)					2,500						2,500		
9070 Pumps & Equipment													
61	CP7025	196447	New Well #48 Chino Basin								0		
62	CP7102	220948	New Well #49 Chino Basin								0		
63	CP7193	243119	Pump Station 5 Emergency Standby Generator								0		
65	CP7195	243121	Well 24 Emergency Standby Generator								0		
168	CP7295	267076	Backup Booster Pumps								0		
59	CP7299	267080	New Cucamonga Basin Well								0		
66	CP7458	313847	Emergency Standby Generator at PS 6B								0		
54	CP7459	313848	Emergency Standby Generator at PS 7B								0		
47	CP7460	313849	Emergency Standby Generator at Well 5								0		
144	CP7466	313856	Pump Station 5 Switchgear Replacement								0		
145	CP7467	313857	Pump Station 5B Switchgear Replacement								0		
58			Motor Cover Installation at Various Sites								0		
60			New Generator at Reservoir Sites								0		
67			New Generators at Well Sites								0		
217	CP7543	338667	2C Anti-Cavitation Valve								0		
55	CP7544	338672	General Booster Rehabilitation								0		
57	CP7545	338674	General Production Site Improvement								0		
56	CP7546	338675	General Well Rehabilitation								0		
234	CP7547	338677	New VFD at Pump Station 3C-II								0		
235	CP7548	338678	New VFD at Pump Station 4D								0		
216	CP7549	338679	Pressure Regulating Valve Vault Lids								0		
208	CP7550	338680	Pump Efficiency Upgrades					-221,244			-221,244		
233	CP7551	338681	Pump Station 2 Bypass PRV Soundwall								0		
Subtotal - 9070 Pumps & Equipment (23 Projects)								-221,244			-221,244		
9071 Reservoirs													
75	CP7110	220956	Construct Reservoir 5B-2								0		
76	CP7111	220957	Construct New Reservoir 3A								0		
160	CP7468	313860	Property Acquisition								0		
146	CP7469	313861	Reservoir 3 Site Improvements								0		
147	CP7470	313862	Reservoir 5B Site Improvements								0		

**CUCAMONGA VALLEY WATER DISTRICT
CAPITAL PROJECTS
Estimated Ongoing Operational Expenses
for the Fiscal Year Ending June 30, 2016**

								ESTIMATED ANNUAL COSTS					
ID#	Project Number	Work Order Number	Description	Personnel	Equipment/ Hardware Maint	Software Maint	Extended Warranty	Electricity/ Utility	Consultant/ Developer	Other Operating	Total Operational Impact		
73	CP7471	313863	Tank Shark at Reservoir 5								0		
70			Tank Sharks (3 per year)								0		
232	CP7552	338687	New Reservoir 1-1								0		
68	CP7553	338690	Tank Rehabilitation								0		
Subtotal - 9071 Reservoirs (9 Projects)											0		
9072 Telemetry													
77	CP7303	267084	Install PRV Meters and Telemetry								0		
78			Vehicle Mobile Radios								0		
212	CP7554	338692	Replacement/Addition of Field UPS Systems								0		
210	CP7555	338694	Install 3 Infrastructure Communication Towers								0		
211	CP7556	338695	Power Monitoring for Each Online Booster and Well								0		
142	CP7557	338697	Pumping Efficiency Software Feasibility Study								0		
213	CP7558	338698	Radio Upgrade to MIMO								0		
214	CP7559	338700	Starter/VFD Interface								0		
Subtotal - 9072 Telemetry (8 Projects)											0		
9075 Building Improvement													
82	CP7203	243129	Security & CS Enhancement Project								0		
85	CP7369	290144	Base and Asphalt Bin Roof in District Yard								0		
5	CP7472	313866	Additions/Upgrades to ELC LWMWTP Tour								0		
149	CP7475	313870	Reservoir 1 Pipeline Yard								0		
201	CP7560	338719	Campus Concrete Repair								0		
195	CP7561	338721	Campus Light Upgrade to LED					-5,092			-5,092		
198	CP7562	338723	CBWM Building Re-Pipe								0		
197	CP7563	338724	CBWM Fence & Gate Replacement								0		
205	CP7564	338725	Frontier Project Air Handler Pan Refurbishing								0		
206	CP7565	338726	Frontier Project Exterior Painting								0		
204	CP7566	338727	Frontier Project Terrazzo Repair								0		
207	CP7567	338743	HVAC Variable Frequency Drives								0		
186	CP7568	338744	Operations Flooring Replacement								0		
185	CP7569	338747	Operations Work Area Improvements								0		
200	CP7570	338756	Shury Seal Customer & Engineering Parking Lots								0		
220	CP7571	338757	Water/Sewer Office Flooring								0		
219	CP7572	338758	Water/Sewer Office Work Stations								0		
Subtotal - 9075 Building Improvement (17 Projects)								-5,092			-5,092		

**CUCAMONGA VALLEY WATER DISTRICT
CAPITAL PROJECTS
Estimated Ongoing Operational Expenses
for the Fiscal Year Ending June 30, 2016**

				ESTIMATED ANNUAL COSTS							
Project ID#	Number	Work Order Number	Description	Personnel	Equipment/ Hardware Maint	Software Maint	Extended Warranty	Electricity/ Utility	Consultant/ Developer	Other Operating	Total Operational Impact
				9077 Shop Equipment							
188	CP7573	338760	Parts Washer Project Fleet Division								0
				Subtotal - 9077 Shop Equipment (1 Project)							
				0							
				9080 Vehicle							
236	CP7477	313900	1.5 ton service truck w/12 ft. service body, crane, welder								0
237	CP7490	313915	3/4 Ton Box Van 4x2 with CCTV equipment Unit # 240								0
222	CP7574	338763	1 Ton Dump Low Bed Dump Truck								0
177	CP7575	338764	1/2 Ton Pick-up 4x2 Unit #284								0
173	CP7576	338767	1/2 Ton Pick-up 4x4 #268								0
174	CP7577	338768	1/2 Ton Pick-up 4x4 Unit 278								0
175	CP7578	338770	1/2 Ton Pick-up 4x4 Unit 279								0
176	CP7579	338773	1/2 Ton Pick-up 4x4 Unit 287								0
179	CP7580	338774	3/4 Ton Ext. Cab 4x2 Unit #316								0
178	CP7581	338775	3/4 Ton Pick-up 4x4 Utility Bed Unit #260								0
180	CP7582	338776	Electric Utility Caddy Truck Unit 2017								0
181	CP7583	338777	Hybrid Vehicle Unit #290								0
				Subtotal - 9080 Vehicle (12 Projects)							
				0							
				9085 Water Mains							
94	CP7134	220981	Const Waterline in Wilson from East Ave to Wardman Bullock								0
99	CP7169	235686	2010 Storm Repair - Snowdrop Road Repair								0
95	CP7313	267094	Construct New Zone 6A Pressure Control Stations								0
98	CP7315	267096	Const Waterline in Beryl from Baseline to Cielito								0
100	CP7316	267098	Const Waterline in Chestnut Ave/Cornwall Ave								0
87	CP7384	290300	Const Waterline in Arrow Rte from Hermosa Ave to Haven Ave								0
89	CP7387	290310	Water Facilities Improvements for I-15 FWY at Baseline Rd.								0
163	CP7483	313908	Construct Waterline in Archibald from Arrow to Foothill								0
162	CP7484	313909	Construct Waterline in Hellman from Lomita to Monte Vista								0
132	CP7485	313910	Construct Waterline in La Senda Rd. West of Sapphire St.								0
133	CP7486	313911	Construct Wtr in Hellman Av from Church St to Pepper St								0
97			Const Waterline in 7500 block of Camino Norte								0
107			Const Waterline in Amethyst Ave from La Grande to Lomita								0
90			Const Waterline in Baker Ave from 8th St to Princeton St								0
101			Const Waterline in Candlewood St from Archibald to Ramona								0
108			Const Waterline in Catalpa Street West of East Avenue								0
105			Const Waterline in Foothill Blvd from 15 Fwy to Etiwanda Ave								0

**CUCAMONGA VALLEY WATER DISTRICT
CAPITAL PROJECTS
Estimated Ongoing Operational Expenses
for the Fiscal Year Ending June 30, 2016**

				ESTIMATED ANNUAL COSTS							
Project ID#	Project Number	Work Order Number	Description	Personnel	Equipment/ Hardware Maint	Software Maint	Extended Warranty	Electricity/ Utility	Consultant/ Developer	Other Operating	Total Operational Impact
109			Const Waterline in Haven Ave from 210 Fwy to Banyan St								0
88			Const Waterline in Pecan Ave from Victoria St to Carnesi Dr								0
106	CP7585	338778	Const Waterline in Alpine St and Ramon Ave								0
231	CP7586	338779	New Watermain from Res 1B to Zone 2								0
104	CP7587	338781	Service Replacement Program								0
96	CP7588	338782	Various Valve Improvements								0
Subtotal - 9085 Water Mains (23 Projects)											0
9095		Sewer Improvement									
119	CP7172	237510	Const Sewer in Baseline Road and East Ave								0
114	CP7318	267100	Const Sewer in 4th from Cucamonga Channel to Golden Oaks								0
140	CP7491	313916	Cerrito Rojo Lift Station Modification								0
141	CP7492	313917	Highland at Barranca - 3 Flat-Top Manholes								0
229	CP7589	338783	Const Sewerline in Archibald Ave from Main St to Acacia St								0
228	CP7590	338784	Const Sewerline in San Bernardino Rd and Estacia Ct								0
225	CP7591	338785	Construct Sewerline in Center Ave and 7th St								0
224	CP7592	338787	Construct Sewerline in Cottage Ave and 8th St								0
227	CP7593	338788	Construct Sewerline in Foothill Blvd and Deer Creek								0
223	CP7594	338789	Construct Sewerline in Hellman Ave and 4th St								0
111	CP7595	338790	Various Sewer Relining and Manhole Rehabilitation								0
Subtotal - 9095 Sewer Improvement (11 Projects)											0
9096		Recycled									
122	CP7396	290326	Recycled Water Master Plan								0
125	CP7397	290327	Recycled Water Retrofits								0
151	CP7584	338791	Construct Various Recycled Water Valves at Various Locations								0
Subtotal - 9096 Recycled (3 Projects)											0
Total Capital Projects					2,500	2,000		-226,336			-221,836

CAPITAL PROJECT DESCRIPTIONS

**CUCAMONGA VALLEY WATER DISTRICT
CAPITAL PROJECT DESCRIPTIONS
for the Fiscal Year Ending June 30, 2016**

Project Number	Work Order Number	Description	Need Analysis	Estimated Carry Over 2015 Budget	Budget Request 2016
9030		Source of Supply			
CP6370	80883	Water Master Plan Update	This project will update the 2003 Water Master Plan, including performing an update to the Water Model and updating the Water System Master Plan. A draft of the Water System Master Plan was prepared in-house. An outside consultant will be hired to review, validate, provide input and finalize the document.	250,000	0
CP7002	196412	Cucamonga Basin Evaluation Study - Phase 3	The District and San Antonio Water Company (SAWCO) entered into an agreement in February 2010 and jointly hired Wildermuth Environmental Inc. (WEI) to perform a detailed Basin Hydrologic Study. WEI's scope of work was divided into three major phases: Phase 1: Development of a State of the Cucamonga Basin Report. Phase 2: Development of a Basin Management Goal and Impediments Study. The cost sharing agreement between CVWD and SAWCO was only for phases 1 and 2 which have both been completed. Phase 3: Development of a Cucamonga Basin Groundwater Model. Phase 3, the development of a groundwater model for the Cucamonga Basin (Basin). The work in Phase 3 has several benefits to the District. The groundwater model will: (1) assist the District in the development of Basin management plans, (2) enable the District to assess the yield and groundwater response to future groundwater management alternatives, (3) assist in the selection of new well sites and prioritize work at existing wells, (4) assess the water quality impacts and trends at wells from future groundwater management activities. The project has been awarded to WEI and a draft submittal is currently in review. The funding is being rolled over to pay for completion of the finalized document.	53,300	0
CP7436	313810	2015 Urban Water Management Plan	The California Urban Water Management Planning Act (Act) enacted in 1983, requires urban water suppliers to prepare and adopt an Urban Water Management Plan (UWMP). These plans are filed with the DWR and they report, describe, evaluate water deliveries and uses, water supply sources, efficient water uses, and long-term resource planning to ensure adequate and reliable water supplies. The submittal cycle requires that the UWMP be prepared and submitted in December of years ending in five & zero and will be due this December 2015. This project will fund the completion of the 2015 UWMP, which includes hiring a consultant to complete the report.	75,000	0
CP7437	313811	Cucamonga Basin Management Plan	This project will fund the development of a water management plan for Cucamonga Basin. The purpose of the Basin Management Program is to develop a groundwater management program that enhances the safe yield and the water quality of the Basin, enabling all groundwater users to produce water from the Basin in a cost-effective manner. Currently the Cucamonga Basin does not have a Management Plan.	150,000	0
CP7438	313821	Fontana Connection Improvements	The District shares an inter-connection to the Fontana Water Company at Wilson Ave east of Wardman Bullock. Inter-connection modifications are necessary to improve reliability to move water from Fontana Water Company to the District.	95,400	0
Subtotal - 9030 Source of Supply (5 Projects)				623,700	0

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Project Number	Work Order Number	Description	Need Analysis	Estimated Carry Over 2015 Budget	Budget Request 2016
9045 Field Equipment					
CP5334	0062677	Meter Exchange/Fixed Network Project	Since 2006, the District has purchased and installed approximately 37,300 new meters that have been equipped with electronic Fixed Network (FN) devices. The installed system covers approximately 80% of the District and was phased in over several years. The final 10,000+ meters and FN devices are yet to be installed pending a full RFP and proof of operability study. Staff is formulating a procurement strategy that will give the District more leverage to hold the vendor accountable for performance of the system, including consideration of several other vendors who provide these services. During the past few years, staff conducted due diligence activities such as meetings with multiple vendors to learn about their technologies, site visits to other agencies to see those vendors' technologies, conducted a pilot project of proposed technologies, and worked with the City of Rancho Cucamonga to obtain more radio collector sites. A pilot program was conducted and the results were positive. Staff is making good progress with the City for the additional collector sites. Staff is currently working with a vendor to provide a cost-effective option to finish this project.	2,000,000	2,000,000
CP7279	267060	Laptop Vehicle Mounts and Storage Box Replacements	Good safety practices require laptop mounts or secured storage for all vehicles using laptop computers. We will install laptop mounts in several vehicles in the Production Division. In addition, a number of Operations laptops are being replaced which will require modification to several mounts to fit the new laptops. This project provides for the purchase of four new mounts and modification of seven mounts.	12,000	0
CP7440	313825	ELC Garden AV Enhancements	The Environmental Learning Center provides an educational opportunity through hands-on, environmentally themed activities. There is a need to add audio-visual elements to the Learning Garden to assist with large group presentations. All of the AV equipment will be designed for an outdoor setting and be able to withstand the elements. This project will begin in FY2016, after the completion of the LWMWTP project.	35,000	0
CP7443	313828	Upgrades to the Technology Inside the ELC	The Environmental Learning Center (ELC) provides an educational opportunity through hands-on, environmentally themed activities. There is a need to improve the technology within the ELC to offer a more interactive experience. Staff is proposing touch screen monitors for each ELC activity and iPads for students to use in small groups while at the ELC. This equipment will increase staff efficiency by allowing staff to monitor all student groups and not be tied to explaining activities to each small group one at a time. This project will be completed in FY2016, after the completion of the LWMWTP project.	25,000	0
CP7528	338215	Confined Space Entry/Rescue Equipment	The Operations Division is requesting funds to purchase confined space entry/rescue equipment for the Water & Sewer Maintenance Department, as well as for the Confined Space Rescue Team. The equipment is currently over 8 years old and exceeds the manufacturers' recommended life span. It is critical to keep this equipment in service and up-to-date as it is necessary to perform life-saving activities.	0	40,000
CP7529	338346	Meter Replacement Project	Each year the District replaces aged water meters based on service life, accuracy, and maintenance issues. Staff is requesting an annual allocation to replace water meters as needed based on the characteristics noted above.	0	800,000
CP7530	338353	Pressure Recording Device Project	The Water Maintenance Division is requesting funds to purchase six (6) pressure recording devices. The devices currently used are nearing the manufacturers' life expectancy. The new devices will be able to provide a wireless collection of live data of pressure reads.	0	15,000
Subtotal - 9045 Field Equipment (7 Projects)				2,072,000	2,855,000

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Project Number	Work Order Number	Description	Need Analysis	Estimated Carry Over 2015 Budget	Budget Request 2016
9055 Office Equipment					
CP7531	338360	Desktop, Laptop, and Tablet Computer Replacements	This project will provide funding for the replacement of 25 Desktop computers, 5 standard laptop computers, 2 power laptop computers (for the MICU Van), 10 tablets devices and one replacement monitor for the Resource Center Conference Room. The District's Technology Replacement Plan calls for the replacement of desktops/laptops after 4 years and tablets after 3 years. The IT equipment in this request all meet and/or exceed their estimated useful life.	0	60,000
CP7532	338363	Engineering GIS/CAD Color Laser Printer Replacements	The two HP 9500 LaserJet printers are 8 years old and are used in the Engineering Department primarily for atlas book printing, capital projects/master plan related document printing, and for in-house graphic printing. Due to the age of the equipment and the District's expanding need for in-house color printing, the replacements would provide a significant increase in quality and time savings.	0	24,000
CP7533	338369	Enterprise Software Upgrade Research	The District has utilized SunGard H.T.E. since 1991 (24 years). This software runs on the IBM AS400 and its technology is not as current as other open platforms. This project will provide funding for staff to explore the opportunity to replace the existing enterprise-wide software. This is the first phase of the project that will span multiple years. Once staff have conducted the research, a budgetary request will be placed in upcoming CIP budget years.	0	56,000
CP7534	338370	IVR Payment Extension Software Module	This project will provide funding to expand the service offered to our customers utilizing the Districts IVR automated phone system. This new module will allow customers the opportunity to request payment extensions over the phone 24/7. Staff will work with the software provider, Selectron, to establish system rules for granting these extensions.	0	12,000
CP7535	338371	Microsoft Software Assurance (Year 3 of 3-Year agreement)	This project will provide the third year of the 3-Year Microsoft Software Assurance Agreement. This agreement allows the District to install Microsoft Windows Enterprise, Microsoft Office Professional, Microsoft Exchange Email Server, Microsoft Windows Server, Microsoft SQL Database Server, and Microsoft MapPoint Server (for CMMS) on District computers, as needed, through an enterprise management tool. The agreement also offers nine days of advanced Microsoft Training and Microsoft Concierge Helpline for technical support at no additional cost. The total cost of this program is considerably less expensive than it would cost through our normal procurement processes.	0	60,000
CP7536	338372	Network Equipment Replacement	This project will provide funding for the replacement of the 3 Cisco network switches and 2 Cisco wireless controllers that were installed in 2008. These 6-year-old switches will reach the end of its useful life and will be no longer supported by the end of 2015. These switches are located at District's facilities and handles network traffic in District office buildings.	0	28,000
CP7537	338374	Network Server Replacements	This project will provide funding for the replacement of five servers and two network storage units that were installed in 2009. Our existing servers will reach the end of their useful life by the end of 2015.	0	50,000
CP7538	338375	Office Chair Replacement	This project will provide funding for the replacement of 75 chairs District-wide (Administration, Operations & LMWTP). The current chairs have exceeded their useful life and are now out of warranty.	0	65,000

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Project Number	Work Order Number	Description	Need Analysis	Estimated Carry Over 2015 Budget	Budget Request 2016
CP7539	338376	Palo Alto Endpoint Security Software (3-year contract)	The Palo Alto Network Traps software is a new type of security end point software that will replace our current end point (Symantec End Point - Anti-Virus, Anti-Spam, and Internet Security) client. This new end point client will be more secure than the current anti-virus scanning technologies. The Traps program will run on any current windows computer with negligible impact on the processing power of the computer. In addition, this program doesn't require a signature file to recognize a virus or other malicious software, which is also strength because this signature file is usually about 1-2 weeks behind any new virus outbreaks or reported operating system vulnerabilities. This new technology will block execution programs trying to load malware, spyware, or viruses and will work on zero day attacks. It includes management server software that will track issues and help to find any infected computers once the client is installed. Finally, it will collect forensic information from the infected files and programs that it stops.	0	64,000
CP7540	338377	SunGard Naviline Edge Software Interface	CVWD currently utilized SunGard Naviline as our Enterprise Software. Before we can retire AS400 and upgrade to Microsoft SQL database type of Enterprise Software, we would like to remain on NaviLine but take advantage of a new more modern and more efficient Windows like interface experience for our users.	0	24,000
Subtotal - 9055 Office Equipment (10 Projects)				0	443,000
9065 Treatment					
CP7018	196434	AHBWTP Rehabilitation & Upgrades	In 2014 the District completed the construction of the Arthur H. Bridge Water Treatment Plant (AHBWTP) Upgrades and the Cucamonga Canyon Repairs. As part of obtaining permits to make the Cucamonga Canyon Repairs, the District has committed to granting a Conservation Easement to the Inland Empire Resources Conservation District, which includes funding an endowment that will meet the needs of the easement agreement.	161,300	0
CP7094	220940	Chlorine Generator Installation at Pump Station 5	In order to comply with the Stage II Disinfection Byproduct Rule (DBR), it is necessary to maintain a consistent chlorine residual in the distribution system without dosing high levels of chlorine at any one location. Currently, there are no chlorine injection stations located in the center of the District above Zone 3. By adding a chlorine station at Reservoir 5, there will be sufficient chlorine residuals to carry through to the upper zones, thus helping the District comply with the DBR. This project will construct a new addition to the existing pump house that will house a new chlorine generator at Pump Station 5.	400,100	0
CP7095	220941	LWMWTP Upgrade for Disinfectant Byproduct Regulations	The purpose of this project is to upgrade and improve the treatment process at the Lloyd W Michael Water Treatment Plant to ensure compliance with the USEPA Stage 2 Disinfectants / Disinfection Byproduct Rule. In October 2010, the Surface Water Treatment Master Plan recommended several improvements, and subsequent engineering confirmed that granular-activated carbon (GAC), UV disinfection, and other upgrades would accomplish compliance. Engineering and design for the project was completed in July 2012. In November 2012, the District awarded the construction contract for the upgrades at the LMWTP. The construction is expected to last two years with anticipated construction completion date of June 2015. The budget and funding requests will cover remaining construction, construction management, materials testing, and specialty deputy inspections for the successful completion of the project.	5,369,000	0
CP7249	274345	Reservoir 3A Water Supply Reliability	This project will fund projects that will increase water supply reliability to Reservoir 3A. Currently, the two possible sources of water supply to Reservoir 3A are 3 active wells and an interconnection with City of Upland. At times these wells suffer from water quality reliability and blending is not feasible. At other times the District is required to purchase water from City of Upland, if available and at their discretion. Staff has identified potential projects that can be implemented in the next years to improve reliability at this location. The project will fund the planning, design, and construction of these projects.	1,195,000	3,400,000

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Project Number	Work Order Number	Description	Need Analysis	Estimated Carry Over 2015 Budget	Budget Request 2016
CP7454	313842	LWMWTP Equipment Replacement and Repair	Existing equipment and facilities at the Lloyd Michael WTP require replacement and/or repair. Critical online process instrumentation equipment is obsolete and are no longer supported by the manufacturer. The project will replace all online turbidity meters (existing are obsolete) and online chlorine analyzers. Isolation valves at the plant's influent structure no longer provide water-tight shutdowns; therefore must be replaced to facilitate equipment maintenance. Lastly, the original expansion seal between the operations building and the filter deck must be replaced to prevent I&C enclosures in the lower levels from water intrusion.	315,000	0
CP7456	313845	Reservoir 2A Hypo Generation Upgrade	This project will replace the existing sodium hypochlorite generator located at Reservoir 2A. The existing generator has been in operation for over 10 years and has reached the end of its life. The replacement unit not only provides a more efficient method of chlorine generation with lower O&M costs, but can also be retrofitted with new cells at a future date to extend its life.	176,000	0
CP7541	338434	LWMWTP Access Control & CCTV for New Facilities	This project will design and construct electronic access control, CCTV, and other security enhancements for the new facilities at LWMWTP, including the GAC structure, UV building, and the new 6MG reservoir.	0	180,000
CP7542	338435	LWMWTP Landscaping Improvements and Perimeter Fencing	The LWMWTP landscaping needs considerable restoration and a redesign to be more drought tolerant. Perimeter fencing needs to be repaired in order to provide security to this critical water infrastructure. The project will procure a landscape architect to provide a design and contractor to construct the improvements.	0	200,000
Subtotal - 9065 Treatment (8 Projects)				7,616,400	3,780,000
9070	Pumps & Equipment				
CP7025	196447	New Well #48 Chino Basin	This project will improve water supply reliability by constructing a new groundwater production well. Consistent with the District's Water Supply Planning Strategy, this will be a Chino Basin well. The well will be located in Zone 1 and will be constructed as part of the "C" side boosting chain. This will maximize the pumping capacity of the 1C/2C booster stations and will help reduce the District's reliance on imported water.	3,010,000	0
CP7193	243119	Pump Station 5 Emergency Standby Generator	This project will improve distribution reliability by installing a permanent emergency backup generator and an automatic transfer switch at Pump Station 5. Pump Station 5 boosts water from Reservoir 5 to Zone 6 and Reservoir 6. This is especially important during the summer months when water demands at the pump station are high and reservoir water levels in Zone 6 are critical. To ensure uninterrupted operation during an electrical power failure at the site, a permanent emergency backup generator and an automatic transfer switch are required. In order to maintain flexibility in the fiscal year capital budget and due to long lead times on materials, this project is being carried over.	210,000	0
CP7195	243121	Well 24 Emergency Standby Generator	This project will improve distribution reliability by installing a permanent emergency backup generator and an automatic transfer switch at Well 24. Well 24 is a Cucamonga Basin well that supplies water to Reservoir 3A which distributes water to the District 3A Zone and boosts water to Zone 4 and Reservoir 4. Well 24 is a key well used for blending with other wells that have high nitrate and DBCP issues which maintains overall water quality from this well field below the maximum contaminant level. To ensure uninterrupted operation during an electrical power failure at the site, a permanent emergency backup generator and an automatic transfer switch are required.	285,000	0

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Project Number	Work Order Number	Description	Need Analysis	Estimated Carry Over 2015 Budget	Budget Request 2016
CP7295	267076	Backup Booster Pumps	<p>This project will improve distribution reliability and redundancy by purchasing backup booster pumps for various pump stations (Pump Stations 1, 2C, 3, 3CII, 3A, 4, 4B, 5, 5B, 6B & 7B) to be readily available during critical demand periods. Repairs of failed pumps often take days and it can take several weeks to procure new pumps and materials.</p> <p>During the summer peak many of the District booster pump stations are required to run 24 hours a day in order to meet demands, which can cause reduced reliability in the event of a failure. The intent of this project is to have spare pumps at the warehouse or at respective sites for immediate replacement of the failed pumps, which will allow staff to quickly restore full capacity to pump stations.</p> <p>Due to long lead times on materials this project is being rolled over to the FY2016 capital budget.</p>	288,300	0
CP7299	267080	New Cucamonga Basin Well	<p>This project will improve water supply reliability by studying the development of a new well in Cucamonga Basin with the goal of construction in a future year. The District's Cucamonga Basin production wells have the ability to pump 24,100 gpm or 29,150 AFY. Due to high nitrate, DBCP, and perchlorate concentrations, Cucamonga Basin groundwater production has been limited. In addition, 7 of the 17 wells are over 75 years old.</p> <p>This first phase of work is to perform a study to locate a site that has a likelihood of good production and water quality based on the existing wells within the basin. Phase 2 is to design and if necessary, acquire the property on which to construct the new well facility. The final phase is construction.</p>	50,000	0
CP7458	313847	Emergency Standby Generator at PS 6B	<p>This project will improve distribution reliability by installing a permanent emergency backup generator and an automatic transfer switch at Pump Station 6B.</p> <p>This project is especially important during the summer months when water demands at the pump station are high and reservoir water levels in Zone 7 are critical. To ensure uninterrupted operation during an electrical power failure at the site, a permanent emergency backup generator and an automatic transfer switch are required.</p>	213,100	0
CP7459	313848	Emergency Standby Generator at PS 7B	<p>This project will improve distribution reliability by installing a permanent emergency backup generator and an automatic transfer switch at Pump Station 7B.</p> <p>This project is especially important during the summer months when water demands at the pump station are high and reservoir water levels in Zone 8 are critical. To ensure uninterrupted operation during an electrical power failure at the site, a permanent emergency backup generator and an automatic transfer switch are required.</p>	203,100	0
CP7460	313849	Emergency Standby Generator at Well 5	<p>This project will improve water supply reliability by installing a permanent emergency backup generator and an automatic transfer switch at Well 5.</p> <p>Well 5 is in the Chino Basin and supplies water to Reservoir 1 and into distribution. To ensure uninterrupted operation during an electrical power failure at the site, a permanent emergency backup generator and an automatic transfer switch are required.</p>	240,600	0
CP7466	313856	Pump Station 5 Switchgear Replacement	<p>This project improves distribution reliability by replacing the switchgear at Pump Station 5, which is over 30 years old and has reached the end of its useful life. The project consists of purchasing new switchgear, installation and design by a consulting electrical engineer. In addition, the construction work consists of removing existing switchgear, site work, concrete slab, electrical conduits, cabling startup, and commissioning.</p>	295,000	0

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Project Number	Work Order Number	Description	Need Analysis	Estimated Carry Over 2015 Budget	Budget Request 2016
CP7467	313857	Pump Station 5B Switchgear Replacement	This project will improve distribution reliability by upgrading electrical capacity at Pump Station 5B. The switchgear at this location is operating at its maximum capacity and will not accommodate any additional electrical load. During a motor failure in the summer, it may be necessary to temporarily install a larger motor. The existing switchgear does not have enough capacity to allow this. This site is critical to maintaining water in the upper zones and as such, needs to be replaced. The project consists of purchasing new switchgear, installation and design by a consulting electrical engineer. Construction work consists of removing existing switchgear, site work, concrete slab, electrical conduits, cabling, startup, and commissioning.	235,000	0
CP7543	338667	2C Anti-Cavitation Valve	By providing anti-cavitation strainers this pressure station can be reduced from 2 to 1 CLA-VAL's thereby reducing annual maintenance and operator intervention. The existing CLA-VALs have been in use for over 15 years and are in need of extensive maintenance. When the original CLA-VALs were installed anti-cavitation strainers were not available. However, since then the anti-cavitation technology has improved.	0	67,000
CP7544	338672	General Booster Rehabilitation	This project will improve distribution reliability by providing funding for replacement of booster pump repairs. During all repairs, older motors are evaluated and, if needed, cost-effective premium-efficiency motors are purchased as a replacement. To assist with funding, staff will apply for all available SCE grants on pump and motor improvements.	0	150,000
CP7545	338674	General Production Site Improvement	This project is intended to provide emergency funds for major improvements to fencing, buildings, and other structures on production sites. Repairs may include painting, chemical treatment, cleaning, and other maintenance.	0	100,000
CP7546	338675	General Well Rehabilitation	This project improves supply reliability by providing the funding for the replacement of equipment during unscheduled or emergency well repairs. The necessity for repairs can occur with minimal notice. During all repairs, older motors are evaluated and if needed, cost-effective premium-efficiency motors are purchased as a replacement. To assist with funding, staff applies for all available SCE grants on pump and motor improvements.	0	300,000
CP7547	338677	New VFD at Pump Station 3C-II	This Project will improve distribution reliability and operational flexibility by constructing a Variable Frequency Drive (VFD) on a booster pump located at Pump Station 3C-II. With recent modifications at Pump Station 3C-II, the District is capable to move water supply to various reservoirs (4B, 4C and 4D). VFD's would allow the District to better control the flow to these reservoirs.	0	70,000
CP7548	338678	New VFD at Pump Station 4D	This Project will improve distribution reliability and operational flexibility by constructing a Variable Frequency Drive (VFD) on a booster pump located at Pump Station 4D. Reservoir 5D does not have a second tank for operational redundancy. If Reservoir 5D were to go out of service, a VFD would allow Booster Station 4D to supply Zone 5 as a backup.	0	35,000
CP7549	338679	Pressure Regulating Valve Vault Lids	This 5-year project will improve distribution system security and reliability, and operational safety by repairing and upgrading 25 vault lids. These lids at several PRV stations have become damaged over time. The technology upgrade from a flat lid to an assisted lid is necessary to minimize damage to equipment.	0	50,000
CP7550	338680	Pump Efficiency Upgrades	The purpose of this project is to replace or upgrade existing pumping equipment such as wells and booster in order to increase efficiency and achieve energy savings. The predicted energy savings of this project each year is just under 1,715,876 kWh for an annual electrical cost savings of \$221,244. This program is operated by The Energy Coalition, funded by the PUC and administered through SCE (WISE Project). With the increase of electrical cost, the drought and need to reduce operational cost this project will help in all areas. Particular pumps may be added or deleted as the WISE Project data is re-evaluated prior to the beginning of work. No additional funds should be needed.	0	900,000

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Project Number	Work Order Number	Description	Need Analysis	Estimated Carry Over 2015 Budget	Budget Request 2016
CP7551	338681	Pump Station 2 Bypass PRV Soundwall	This project will provide noise abatement and good customer service by mitigating excessive noise levels generated by the PRV bypass at Pump Station 2. The noise level exceeds City code and staff have implemented a temporary soundwall. This project will construct an appropriately designed and permanent soundwall.	0	26,000
Subtotal - 9070 Pumps & Equipment (19 Projects)				5,030,100	1,698,000
9071 Reservoirs					
CP7111	220957	Construct New Reservoir 3A	This project will improve water supply and distribution reliability in Zone 3A by replacing the existing reservoir that has reached the end of its useful life. Reservoir 3A was built in the 1920s and has a capacity of less than 1MG. It is still operable but has met its useful life. The reservoir was temporarily out of service in Spring 2011 due to a partial failure of the roof. The water-bearing structure was not affected by the roof failure. A membrane floating roof was installed and the tank was placed back in service by July 2011. It continues to operate as normal. A new project will construct up to 1.4 MG of reliable water storage between two new reservoirs at the existing site. The cost includes construction of two new tanks, demolition of the existing tank, and provisions to maintain continuous service of Booster Pump Station 3A, which is needed throughout the year to meet demands and maintain pressure in Zone 4. Because of these site constraints, a smaller reservoir will be constructed first, while the existing tank remains in service. Once the new smaller reservoir is in service, the existing reservoir will be demolished, and a new larger reservoir will be constructed. A geotechnical investigation of the site has been performed to support design of the new tank. Design of the new reservoir is currently under way.	1,657,000	0
CP7468	313860	Property Acquisition	This project will fund the acquisition of properties for facilities that have been identified in the Water Master Plan.	1,500,000	0
CP7469	313861	Reservoir 3 Site Improvements	<p>The Reservoir 3 site has gone through several improvements over the past few years, including the construction of a communication tower, chlorine lines, electrical conduits and pipeline improvements. This has left the site with several different paving patches in various conditions. Therefore, it is recommended that the site be repaved.</p> <p>This project will fund the design and construction to remove the existing asphalt pavement and replace it with 4-in of asphalt on 4-in of crushed aggregate base at the Reservoir 3 site. The work will also include landscaping, hardscape, and irrigation.</p>	373,000	0
CP7470	313862	Reservoir 5B Site Improvements	<p>The Reservoir 5B site has gone through several improvements over the past few years, including the construction of a chlorine building, emergency electrical generator, electrical conduits and pipeline improvements. This has left the site with several different paving patches in various conditions. Therefore, it is recommended that the site be repaved.</p> <p>This project will fund the design and construction to remove the existing asphalt pavement and replace it with 4-in of asphalt on 4-in of crushed aggregate base at the Reservoir 5B site. The work will also include landscaping, hardscape, and irrigation.</p>	60,000	0
CP7471	313863	Tank Shark at Reservoir 5	In prior years, the production department has engaged in a tank mixer program for the reservoirs located at the distribution system disinfection stations. The selected tank mixer has been the Tank Shark model tank mixer. Subsequent to the installation of the Tank Sharks, improved water quality and more consistent chlorine disinfection residuals have been noted. This project will purchase one (1) Tank Shark to be installed in tank 5-1 and one (1) Tank Shark to be installed in tank 5-2 in order to provide the needed mixing at this location with the addition of chlorine injection. This project includes all materials and installation costs.	130,000	0
CP7552	338687	New Reservoir 1-1	The existing concrete formed Reservoir 1 is near the end of its service life (built in 1957) and needs to be replaced. This project will construct a new 3 MG reservoir at the Reservoir 1 location. The new reservoir is the first of 2 proposed reservoirs that would add capacity and redundancy at this location.	0	2,500,000

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Project Number	Work Order Number	Description	Need Analysis	Estimated Carry Over 2015 Budget	Budget Request 2016
CP7553	338690	Tank Rehabilitation	This project will provide multi-year funding for the repairs and recoating of various reservoirs due to aging, damage due to corrosion and outdated materials. The AWWA recommends the recoating of reservoirs every 15 years and, in keeping with this practice, staff evaluates the status of reservoir coatings and condition of the reservoirs.	0	350,000
Subtotal - 9071 Reservoirs (7 Projects)				3,720,000	2,850,000
9072	Telemetry				
CP7303	267084	Install PRV Meters and Telemetry	As a Best Management Practice, the District continues to refine water loss and usage accounting and accurately calibrate the water model. In an effort to reduce water loss and to account for zone usage, it is important to meter the many pressure regulating stations that are located between zones and in isolated areas. In addition to metering the water transfer between zones, the regulating stations are an ideal location to monitor current water pressure in the various zones. By installing this type of metering device, zone pressures and flows are instantaneously transmitted to the SCADA system where they can be displayed and recorded for further analysis.	400,000	0
CP7554	338692	Replacement/Addition of Field UPS Systems	Current field uninterruptable power supplies (UPS) equipment has outlasted its usable life in an environment outside of its specification. This project will replace the existing field UPS equipment and provide new equipment to those sites without UPS. With new UPS systems in place, we will receive power fail and intrusion alarms from field locations when Edison power may not be present. The new UPS come equipped with alarms which can be integrated into telemetry to give the status of each unit.	0	12,000
CP7555	338694	Install 3 Infrastructure Communication Towers	This project will improve radio communication between water system telemetry by installing 3 radio towers that will replace temporary towers.	0	80,000
CP7556	338695	Power Monitoring for Each Online Booster and Well	The ability to measure the KWh, flow, upstream pressure, and downstream pressure from each piece of equipment allows us to calculate the efficiency of each pump and operate the system in the most efficient way possible while maintaining water quality and supply. As electrical rates increase, significant savings opportunities will arise knowing the operating efficiencies as system operations change.	0	164,000
CP7557	338697	Pumping Efficiency Software Feasibility Study	Feasibility study to determine the cost and return on investment (ROI) for a software solution to reduce electrical costs for the operation of the District's wells and boosters. Staff is evaluating a software package that will have ROI of 5 years or less. Depending on the outcome of the study, the District could save from \$400,000 to \$1,000,000 annually on electricity charges. The purpose of the software is to run the distribution system based on efficiency rather than on elevation and looks at the system in its entirety before making operational changes. This software needs to take into consideration the District's water model, SCE rates, water quality information and other factors to arrive at a pumping solution for the system. The software solution will need to recalculate the demand and production every 30 minutes to make sure that the system is operating in the most efficient and cost effective manner. The software product needs to run on top of the existing control system software allowing operators to make the decision on whether or not to run the boosters and wells as directed by the software.	0	70,000
CP7558	338698	Radio Upgrade to MIMO	3-year project at \$55,000 per year to upgrade the existing radio network to higher throughput capabilities. The existing network was originally designed to provide performance for the existing SCADA network while having the ability to upgrade. This upgrade will increase the network's ability to handle higher data throughputs to sustain a security system for remote locations	0	55,000
CP7559	338700	Starter/VFD Interface	Create an access point for operators and technicians to troubleshoot motor controls including: starters, variable frequency drives, and programmable logic controllers without entering electrical cabinets. This is a safety measure to reduce exposure to electrical equipment.	0	55,000

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Subtotal - 9072 Telemetry (7 Projects)				400,000	436,000
9075	Building Improvement				
CP7203	243129	Security & CS Enhancement Project	This project will enhance customer service and improve staff security by remodeling and implementing security features at the Customer Service and Engineering Counters at the District's main office. An architect has been hired to create a design and produce renderings and construction bid documents. Currently, the architect is value engineering the project. Construction will take place in FY 2016.	142,000	100,000
CP7369	290144	Base and Asphalt Bin Roof in District Yard	This project will construct a roof over the bins that house the base and asphalt material that is stored at the District yard. This will prevent the material from getting saturated when it rains.	40,000	0
CP7472	313866	Additions/Upgrades to ELC LWMWTP Tour	With the upgrades at the Michael Plant, there is a need to make changes to the existing Treatment Plant Tour signage, video, and booklet given to students. Upgrades to the tour may include the addition of hands-on models to demonstrate the new technology in place at the Plant.	20,000	0
CP7475	313870	Reservoir 1 Pipeline Yard	This project will fund the construction of pipe racks at Reservoir 1. This will allow staff to better organize the pipe material stored at the site and make it easier to access the material for use by the water maintenance staff.	35,000	0
CP7560	338719	Campus Concrete Repair	Over time the tree roots have grown to the point of raising sections of the sidewalks around the campus creating tripping hazards. This project will provide funds to remove bad sections of the sidewalks and replace with new concrete.	0	25,000
CP7561	338721	Campus Light Upgrade to LED	Staff has researched an alternative to the existing building lights, LED lights. LED lights consume approximately 83% less energy than our current lights. The life of the LED lights will operate for approximately 100,000 hours before needing to be replaced. This project will provide funding to replace 62 lights and generate about \$5,000 in savings each year.	0	20,000
CP7562	338723	CBWM Building Re-Pipe	CBWM has had a red/rusty water issue for the past year. The service line has been replaced without change to the red/rusty water issue. Facilities had a plumber investigate the issue and they found that the building connection along with part of the building has old galvanized piping. Facilities plans on having a plumber re-pipe the line coming to the building with copper and to replace the interior galvanized pipe with PEX piping. This will eliminate the red/rusty water issue.	0	19,000
CP7563	338724	CBWM Fence & Gate Replacement	Due to the age of the fence and gate as well as increased maintenance, they will need to be replaced. Currently the Facilities Division spends time each month working on the gate for access into the annex parking lot used by the staff of CBWM. This project will replace the existing chain-link fence and gate with a new wrought iron fence and gate.	0	30,000
CP7564	338725	Frontier Project Air Handler Pan Refurbishing	Staff is recommending preventative maintenance to the air handler pan in order to prevent further corrosion in the water reservoir. This project will provide funding for the cleaning and resurfacing the reservoir and to prevent corrosion and prolong the life of the air handler.	0	5,625
CP7565	338726	Frontier Project Exterior Painting	As the Frontier Project building ages, staff recommends repainting of the west and north exterior painted walls. This project will provide funds to prepare and paint all previously painted surfaces on the west and north walls of the building.	0	20,000
CP7566	338727	Frontier Project Terrazzo Repair	The aging and settling of the Frontier Project building has caused cracks and separation of the terrazzo floor. In order to prevent possible tripping hazards, staff recommends repair to the flooring. This project will fund the removal and replacement of existing damaged areas. In order to prevent future damage, additional expansion joints will be installed.	0	35,000

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CP7567	338743	HVAC Variable Frequency Drives	Currently there are several Heating Ventilation and Air Conditioning system (HVAC) Variable Frequency Drives (VFDs) in the administration building that are not functioning and are currently bypassed. This project will provide funds to purchase new VFDs and upgrade the motors to premium efficiency motors. The new VFDs will provide a migration path for digital controls at a future time. In addition, because several VFDs are in bypass the District units are not operating as efficiently as possible. This project will result in electrical cost savings as well.	0	20,000
CP7568	338744	Operations Flooring Replacement	This project will provide funding to replace the flooring in the Water and Wastewater maintenance crew office. This office room houses 24 field employees and the current flooring receives a lot of wear and tear and has reached the end of its life.	0	8,000
CP7569	338747	Operations Work Area Improvements	This project will provide funding to add and reconfigure workstations for the Water and Wastewater maintenance crews. Currently, there are 7 workstations for 24 employees.	0	26,000
CP7570	338756	Slurry Seal Customer & Engineering Parking Lots	Over time the oil starts to come out of the asphalt and it begins to break down and separate. At this time the Customer and Engineering parking lots have begun to show signs of this happening and therefore needs to be re-sealed. The last parking lot that was slurry sealed was the operations and administration parking lot in June 2011.	0	8,000
CP7571	338757	Water/Sewer Office Flooring	The Operations department is requesting funds to replace the existing flooring in the Water/Sewer Office. The flooring is 12 years old and in poor condition requiring excessive amount of maintenance from the Facilities Department. The new flooring will require less maintenance and hold up to the heavy traffic and debris from the Water/Sewer maintenance staff.	0	18,000
CP7572	338758	Water/Sewer Office Work Stations	The Operations Department is requesting funds to add and reconfigure the workstations in the Water/Sewer room. We currently have 7 workstations to accommodate 2 supervisors and 5 crew leaders. This project would create twenty workstations and additional seating for the existing 24 employees that utilize this room.	0	26,000
Subtotal - 9075 Building Improvement (17 Projects)				237,000	360,625
9077 Shop Equipment					
CP7573	338760	Parts Washer Project Fleet Division	The Fleet Division is requesting funds to purchase a new parts washer machine. The current machine is approximately 16 years old with internal shelving/holders that have rusted and deteriorated. The proposed parts washer will be constructed of stainless steel and will be equipped to handle material and chemicals used to clean engine and drivetrain parts.	0	18,000
Subtotal - 9077 Shop Equipment (1 Project)				0	18,000
9080 Vehicle					
CP7477	313900	1.5 ton service truck w/12 ft. service body, crane, welder	The Fleet division is requesting funds to replace Treatment Plant service truck Unit 250, a 2002 GMC extra cab with utility bed. This truck will be equipped with a crane, welder and air compressor; allowing the division to maximize efficiency for maintenance and repairs of three treatment plants. This vehicle has approximately 50,000 miles and meets the fleet replacement criteria of 8-9 years by exceeding its life expectancy.	75,000	0
CP7490	313915	3/4 Ton Box Van 4x2 with CCTV equipment Unit # 240	The fleet department is requesting funds to replace unit # 240, a 2000 Ford E-350 box van (CCTV Sewer Van) with approximately 65,000 miles. This vehicle is assigned to the Sewer Maintenance Division and meets the vehicle replacement criteria of 9 years.	300,000	0

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CP7574	338763	1 Ton Dump Low Bed Dump Truck	The Operations Division is requesting funds to purchase a 1-Ton Low Bed Dump Truck. This smaller vehicle would be used in the maintenance and repairs of water and sewer mains/services currently located in hard to access areas such as canyons, horse trails, and backyard easements where the heavy equipment sized dump truck can not. Currently the District relies on the availability of rental equipment and contractors to perform repairs located in these areas. Equipment availability is key to service the critical infrastructure in a timely manner.	0	60,000
CP7575	338764	1/2 Ton Pick-up 4x2 Unit #284	The fleet division is requesting funds to replace Unit # 284, a 2006 Ford Ranger Ext. Cab 4x2 with approximately 70,000 miles. This vehicle is assigned to the Customer Service Division and meets the vehicle replacement criteria of 8-9 years of service. This vehicle is well used and in less than fair condition.	0	35,000
CP7576	338767	1/2 Ton Pick-up 4x4 #268	The fleet division is requesting funds to replace Unit # 268, a 2004 Ford F-150 Standard Cab 4x2 with approximately 60,000 miles. This vehicle is assigned to the Treatment Plant Division and meets the vehicle replacement criteria of 8-9 years of service. This vehicle is well used and in less than fair condition.	0	35,000
CP7577	338768	1/2 Ton Pick-up 4x4 Unit 278	The fleet division is requesting funds to replace Unit # 278, a 2004 Ford F-150 Extend. Cab 4x2 with approximately 60,000 miles. This vehicle is assigned to the Treatment Plant Division and meets the vehicle replacement criteria of 8-9 years of service. This vehicle is well used and in less than fair condition.	0	35,000
CP7578	338770	1/2 Ton Pick-up 4x4 Unit 279	The fleet division is requesting funds to replace Unit # 279, a 2005 Ford F-150 Standard. Cab 4x4 with approximately 70,000 miles. This vehicle is assigned to the Treatment Plant Division and meets the vehicle replacement criteria of 8-9 years of service. This vehicle is well used and in less than fair condition.	0	35,000
CP7579	338773	1/2 Ton Pick-up 4x4 Unit 287	The fleet division is requesting funds to replace Unit # 287, a 2005 Ford F-150 Standard. Cab 4x4 with approximately 70,000 miles. This vehicle is assigned to the Treatment Plant Division and meets the vehicle replacement criteria of 8-9 years of service. This vehicle is well used and in less than fair condition.	0	35,000
CP7580	338774	3/4 Ton Ext. Cab 4x2 Unit #316	The fleet division is requesting funds to replace Unit #316, a 2009 Ford F-250 Extended Cab Utility Bed 4x2 with approximately 65,000 miles. This vehicle is assigned to the Customer Service Division and meets the vehicle replacement criteria.	0	38,000
CP7581	338775	3/4 Ton Pick-up 4x4 Utility Bed Unit #260	The fleet division is requesting funds to replace Unit # 260, a 2003 Chevrolet Extended Cab Utility Bed 4x2 with approximately 50,000 miles. This vehicle is assigned to the Fleet Maintenance Division and meets the vehicle replacement criteria of 8-9 years of service. This vehicle is well used and in less than fair condition. Replacement vehicle to include on-board compressor, tools and necessary mechanic equipment to perform repairs in the field.	0	55,000
CP7582	338776	Electric Utility Caddy Truck Unit 2017	The Fleet Division is requesting funds to replace Unit#2017, a 1989 Taylor-Dun gas powered Utility Caddy Truck with an electric model. This vehicle is assigned to the Facilities Maintenance Division and meets the vehicle replacement criteria. This vehicle is in less than fair condition and replacement parts are becoming obsolete.	0	20,000
CP7583	338777	Hybrid Vehicle Unit #290	The fleet division is requesting funds to replace Unit # 290, a 2006 Toyota Prius 4 door with approximately 140,000 miles. This vehicle is assigned to the Operations Division carpool and meets the vehicle replacement criteria of 8-9 years of service. This vehicle is well used and projected hybrid charging battery replacement would cost more than vehicle is worth.	0	35,000
Subtotal - 9080 Vehicle (12 Projects)				375,000	383,000

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9085	Water Mains				
CP7134	220981	Const Waterline in Wilson from East Ave to Wardman Bullock	<p>The City of Rancho Cucamonga plans to construct a new segment of Wilson Ave. from East Ave. to Wardman Bullock Rd. This improvement will lower the existing finished surface by as much as 17 feet at various locations. The District has an existing 12-in waterline, which was built in 1991 within the proposed road alignment that will be required to be lowered. Staff has analyzed this pipeline and plans to upsize the 12-in line to 24-in in order to meet future demands and build transmission flexibility. This project will fund the design and construction of approximately 4,600 linear feet of new waterline and abandon in place the existing waterline.</p> <p>This project must be constructed in conjunction with the City road work and is pending their construction schedule. The waterline was included in the City's bid package and a reimbursement agreement will be made between both agencies for the work done. Including this work in the City's contract will reduce coordination conflicts during construction and allow the District to take advantage of cost savings during construction (paving, excavation, traffic control, etc.). The City is in construction and the waterline portion of the work is anticipated to be completed by summer for 2015.</p>	819,000	0
CP7169	235686	2010 Storm Repair - Snowdrop Road Repair	<p>The winter storms of 2010 washed away portions of the road, exposing a portion of the District's waterline on Snowdrop Rd. This is the only source of water for the homes in the Snowdrop Road area. This project will repair the damage caused by the storm, as well as provide other grading improvements that will protect our facilities in future storms. Since Snowdrop Road is a private road for which the District has an easement for our facilities, it did not qualify for Hazard Mitigation Assistance from FEMA/Cal EMA.</p>	51,200	0
CP7313	267094	Construct New Zone 6A Pressure Control Stations	<p>Currently, Zone 6A is hydraulically supplied by two pressure-reducing valves. In the event that either of the existing valves was to fail in the "open" position, the result would be a substantial increase in hydraulic pressure within Zone 6A with no way to exhaust the additional pressure.</p> <p>This project will fund the design and construction of two pressure-sustaining and relief valves. These valves will allow adequate pressure to be present within Zone 6A and also relieve any surge in pressure.</p>	140,000	0
CP7315	267096	Const Waterline in Beryl from Baseline to Cielito	<p>The waterline in Beryl St from Baseline Road to Cielito Street has reached the end of its service life (built in 1960) and requires frequent maintenance to repair leaks. This project will also upsize the existing 10-in main to a 12-in main.</p> <p>This project will fund the design and construction of approximately 2,000 linear feet of new waterline, reconnecting 30 services to the new line and abandoning in place the existing waterline.</p>	883,000	0
CP7384	290300	Const Waterline in Arrow Rte from Hermosa Ave to Haven Ave	<p>The waterline in Arrow Rte from Hermosa Ave to Haven Ave has reached the end of its service life (built in 1968) and requires frequent maintenance to repair leaks. The portion of Arrow Rte. west of Hermosa Ave. was replaced in 2012 and this project will extend the replacement to Haven Ave.</p> <p>This project will fund the design and construction of approximately 2,660 linear feet of new 16-in waterline, reconnecting 10 services to the new line and abandoning in place the existing waterline. A portion of this line will have to cross the Deer Creek Channel.</p>	50,000	0

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Project Number	Work Order Number	Description	Need Analysis	Estimated Carry Over 2015 Budget	Budget Request 2016
CP7387	290310	Water Facilities Improvements for I-15 FWY at Baseline Rd.	<p>The State of California in conjunction with the City will be performing interchange improvements at Baseline Rd and the I-15 Fwy. These improvements include the installation of new on- and off-ramps and widening portions of Baseline Rd.</p> <p>As a result, the District will be required to extend approximately 12 water meters and adjust several water valves to grade. This project was included in the City bid package to reduce coordination conflicts during construction and allow the District to take advantage of cost savings during construction (paving, excavation, traffic control, etc.).</p> <p>The project is currently in construction.</p>	150,000	0
CP7483	313908	Construct Waterline in Archibald from Arrow to Foothill	<p>The waterline in Archibald Ave. from Arrow to Foothill has reached the end of its service life. Built before 1960, it requires frequent maintenance due to leaks. The pipeline is also located in the sidewalk making it difficult to maintain.</p> <p>This project will fund the design and construction of approximately 2700 linear feet of new waterline to be constructed in the street. Due to traffic concerns, this project will be constructed into two phases. The first phase will take place in the current fiscal year and construct 900 linear feet of water line starting at Foothill. The remaining water line will be constructed the next fiscal year.</p>	25,000	575,000
CP7484	313909	Construct Waterline in Hellman from Lomita to Monte Vista	<p>The waterline in Hellman Ave. from Lomita to Monte Vista, which was built in 1974, has reached the end of its service life and currently requires frequent maintenance due to leaks. In addition, it is located in the sidewalk. This project will fund the design and construction of approximately 1300 linear feet of new waterline to be constructed in the street.</p>	25,000	0
CP7485	313910	Construct Waterline in La Senda Rd. West of Sapphire St.	<p>The 6-in waterline in La Senda St west of Sapphire St has reached the end of its service life (built in 1972) and requires frequent maintenance to repair leaks. The waterline is built in a private road that is in need of repair and, although the water leaks are not the sole reason for the condition of the road, the new line will assure that leaks will not exacerbate the road deterioration.</p> <p>This project will fund the design and construction of approximately 1,400 linear feet of new 8-in waterline, reconnecting 17 services to the new line and abandoning in place the existing waterline. The new pipeline will install a cement mortar line and coated steel pipe and the pipeline will be upsized to 8-in for more capacity. This project has been awarded and is anticipated to be completed at the end of the summer of 2015.</p>	463,000	0
CP7486	313911	Construct Wtr in Hellman Av from Church St to Pepper St	<p>The waterline in Hellman Ave. from Church St. to Pepper St. has reached the end of its service life. It was built in 1980 and requires frequent maintenance to repair leaks. The waterline is built in the sidewalk adjacent to Cucamonga Middle School so when repairs are required, it can affect the students' walking traffic.</p> <p>This project will fund the design and construction of approximately 1,400 linear feet of new waterline that will be constructed in the street.</p>	455,000	0
CP7585	338778	Const Waterline in Alpine St and Ramon Ave	<p>The waterline in Alpine St. west of Ramona Ave. has reached the end of its service life, which was built in 1969 and requires frequent maintenance to repair leaks. This project will upsize the existing 6-in waterline to 8-in main.</p> <p>This project will fund the design and construction of approximately 750 linear feet of new 8-in waterline, reconnecting 19 services to the new line.</p>	0	390,000

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Project Number	Work Order Number	Description	Need Analysis	Estimated Carry Over 2015 Budget	Budget Request 2016
CP7586	338779	New Watermain from Res 1B to Zone 2	<p>This Project will construct a new 24-in waterline from Res 1B to an existing 30-in waterline in Rochester Ave. Additional modifications at Church St and Etiwanda Ave and the existing 30-in waterline would be capable to connect Reservoir 1B to Zone 2 allowing the District to maximize well production in the well field that supplies to Reservoir 1B by making it possible to move water from Reservoir 1B to Zone 2.</p> <p>This will also require modifications to the 1B pumps so that water can be boosted to Zone 2. The pump modifications will be done in the next fiscal year budget.</p>	0	4,550,000
CP7587	338781	Service Replacement Program	<p>This project will fund the District's service replacement program. There are approximately 4,000 polyethylene (or poly) and 18,000 galvanized services throughout the District. The District has observed that these services have a short service life and can leak over a short period of time. In addition to the water loss, these leaks can cause potholes and irregularities in the roadway pavement. The District has developed a proactive program that replaces poly and galvanized services throughout the District with copper services, which is the District's current standard.</p>	0	500,000
CP7588	338782	Various Valve Improvements	<p>This project will provide funding to adjust valves to grade and the replacement of valves at various locations throughout the CVWD service area. Roadway improvements are made throughout the year and will require that the valves be adjusted to grade. In addition, water valves have an expected service life. Once the service life has been reached, valves begin to malfunction in various ways. In order to minimize service disruptions and to facilitate maintenance procedures, valve replacements are part of ongoing O&M.</p>	0	100,000
Subtotal - 9085 Water Mains (14 Projects)				3,061,200	6,115,000
9095	Sewer Improvement				
CP7172	237510	Const Sewer in Baseline Road and East Ave	<p>The State of California in conjunction with the City will be performing interchange improvements at Baseline Rd. and the I-15 Fwy. These improvements include the installation of new on/ off-ramps and widening portions of Baseline Rd. The ramps will require bridge columns that will be located in the existing alignment of the District's sewer mains in Baseline Rd and East Ave. As a result, the District will be required to relocate the sewer mains. The work consists of abandoning and relocating existing sewer lines under East Ave. and Baseline Rd., which will interfere with the future bridge support columns for the proposed I-15 Fwy./ Baseline Rd. Interchange Improvement.</p> <p>This project will fund the design and construction of relocating approximately 215 linear feet of sewer line in Baseline Rd. and will also relocate approximately 132 lineal feet of sewer line in East Ave. This project was included in the City's bid package to reduce coordination conflicts during construction and allow the District to take advantage of cost savings during construction (paving, excavation, traffic control, etc.).</p> <p>The Roadway/Freeway Improvements are currently under construction.</p>	380,000	0

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Project Number	Work Order Number	Description	Need Analysis	Estimated Carry Over 2015 Budget	Budget Request 2016
CP7318	267100	Const Sewer in 4th from Cucamonga Channel to Golden Oaks	<p>The existing sewer line in 4th St. from the Cucamonga Channel to Golden Oak Rd., which was built in 1970 was constructed using reinforced plastic pipe. Repairs to reinforced plastic pipe require specialized equipment and thus are not cost effective. In addition, reinforced plastic pipe is a material known to become out-of-round over time and can have sudden structural failure. The new pipeline will install a vitrified clay pipe (VCP), which is the current District standard.</p> <p>This project will fund the design and construction of approximately 1,300 linear feet of sewer line and abandon in place the existing sewer line.</p> <p>The first phase of work that is in 4th St is currently in construction and is anticipated to be completed in the summer of 2015. The final phase, to construct the portion of the sewer located in the flood control easement, will be completed in the next fiscal year.</p>	970,000	0
CP7491	313916	Cerrito Rojo Lift Station Modification	<p>The Sewer Maintenance Division is requesting a manhole entrance modification to the Cerrito Rojo Sewer Lift Station. This location currently has a concentric stack with a 26-inch manhole to access the wet well. This set-up makes it difficult to clean, inspect the wet-well and maintain the pumps. The ideal set-up would emulate the Almond Sewer lift station, utilizing a 60-inch diameter flat-top stack with 48-inch diameter manhole cover. The force main and pump suction hose in the wet-well and exiting through the structure would need upgrade/modifications as well.</p>	480,000	0
CP7492	313917	Highland at Barranca - 3 Flat-Top Manholes	<p>The Sewer Maintenance Division is requesting the installation on three (3) flat-top sewer manhole installations. The location is in the City of Ontario at the Barranca/Highland intersection, 1943 Highland, and 1902 Highland. The structures currently installed are approximately 2-foot-by-4-foot vaults, with each having two square lids. This design requires both lids to be removed during maintenance and potentially dropping down the structure during the process. This project will fund the removal of current structures and replacement with "flat-top" maintenance structure design.</p>	45,000	0
CP7589	338783	Const Sewerline in Archibald Ave from Main St to Acacia St	<p>The 15-in sewerline in Archibald Ave from Main St to Acacia St was built in 1963 and is near its capacity. This Project will upsize the existing sewerline to 18-in in order to provide capacity for future growth and proactively reduce the possibility to overflow.</p>	0	50,000
CP7590	338784	Const Sewerline in San Bernardino Rd and Estacia Ct	<p>The sewerline in San Bernardino Rd and Estacia Ct neighborhood was built in 1965 using asbestos-cement (AC) pipe. Although this material is safe when in service, this material poses a potential health risk to the District staff when the pipe is disturbed during maintenance. The new pipeline will install a vitrified clay pipe (VCP), which is the current District standard and is non-hazardous. Funds will pay for the design of the replacement of AC pipe for this fiscal year.</p>	0	50,000
CP7591	338785	Construct Sewerline in Center Ave and 7th St	<p>Siphons require extensive maintenance and have added risk of overflow. In order to provide more reliable and cost effective maintenance, the District has identified several siphons that can be reasonably replaced with a gravity system.</p> <p>The sewer siphon in Center Ave and 7th St was built in 1965 to avoid a storm drain. This project will construct 1,500 linear feet of gravity sewerline to eliminate the existing siphon.</p>	0	676,000

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CP7592	338787	Construct Sewerline in Cottage Ave and 8th St	<p>Siphons require extensive maintenance and have added risk of overflow. In order to provide more reliable and cost effective maintenance, the District has identified several siphons that can be reasonably replaced with a gravity system.</p> <p>The sewer siphon in Cottage Ave and 8th St was built in 1968. This project will construct a gravity sewerline to eliminate the existing siphon.</p>	0	775,000
CP7593	338788	Construct Sewerline in Foothill Blvd and Deer Creek	<p>Siphons require extensive maintenance and have added risk of overflow. In order to provide more reliable and cost effective maintenance, the District has identified several siphons that can be reasonably replaced with a gravity system.</p> <p>The sewer siphon in Foothill Blvd and Deer Creek was built in 1971 to pass the Deer Creek Channel. This project will construct a gravity sewerline to eliminate the existing siphon.</p>	0	50,000
CP7594	338789	Construct Sewerline in Hellman Ave and 4th St	<p>Siphons require extensive maintenance and have added risk of overflow. In order to provide more reliable and cost effective maintenance, the District has identified several siphons that can be reasonably replaced with a gravity system.</p> <p>The sewer siphon in Hellman Ave and 4th St was built in 1970 to pass the Cucamonga Channel. This project will construct a gravity sewerline to eliminate the existing siphon.</p>	0	2,302,000
CP7595	338790	Various Sewer Relining and Manhole Rehabilitation	<p>Over time the normal wear and tear of traffic rolling over manhole lids can cause the deterioration of the manhole concrete collar that supports the lid. Every year repairs must be made to reconstruct the manhole concrete collar. This project proposes to fix approximately 10 to 15 manhole concrete collars a year.</p> <p>In addition, there are some manholes in the District that experience corrosion of the concrete wall. This can be caused by hydrogen sulfide (H₂S) gas, which can form in wastewater collection systems when there is a lack of good ventilation and slow flowing sewage. These manholes can be fixed with the application of a protective coating such as epoxy resins. This project also proposes to epoxy coat approximately 3 manholes a year.</p> <p>This project will also fund the relining, repair, and rehabilitation of various sewer manholes and pipelines throughout the CVWD sewer service area. In addition, this work will include relining sewer lines and repairing sewer laterals at various locations that will develop sags, offset joints, or cracks.</p>	0	150,000
Subtotal - 9095 Sewer Improvement (11 Projects)				1,875,000	4,053,000
9096	Recycled				
CP7396	290326	Recycled Water Master Plan	This project will provide funding for the preparation of a Recycled Water System Master Plan, including a Recycled Water System Model. The plan will summarize the components of the existing recycled water distribution system, analyze existing and future demands and identify the improvements necessary for future growth. Based on this analysis, the study will recommend projects for inclusion in the Capital Improvement Program.	150,000	0
CP7397	290327	Recycled Water Retrofits	This multi-year project will fund the conversion of customers to recycled water. Agreements will be made to receive reimbursement for the cost in the future. These funds will also be used to provide matching funds for future grant opportunities.	0	100,000

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for the Fiscal Year Ending June 30, 2016**

Project Number	Work Order Number	Description	Need Analysis	Estimated Carry Over 2015 Budget	Budget Request 2016
CP7584	338791	Construct Various Recycled Water Valves at Various Locations	This project will provide funding to adjust valves to grade and the replacement of valves at various locations throughout the CVWD service area. Roadway improvements are made throughout the year and will require that the valves be adjusted to grade. In addition, recycled water valves have an expected service life. Once the service life has been reached, valves begin to malfunction in various ways. In order to minimize service disruptions and to facilitate maintenance procedures, valve replacements are part of ongoing O&M.	0	50,000
Subtotal - 9096 Recycled (3 Projects)				150,000	150,000
Total Capital Projects (121 Projects)				25,160,400	23,141,625

DEPARTMENT SUMMARIES

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EXECUTIVE DEPARTMENT

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EXECUTIVE DEPARTMENT

Department Mission Statement: Provide high quality, safe, and reliable water and wastewater services through leadership and management of staff and resources of the Cucamonga Valley Water District in an efficient and cost-effective manner.

Department Goals & Objectives

Overview

The Executive Department is responsible for development and implementation of District strategic policy objectives.

Office of the Board of Directors: The Board of Directors provide direction and leadership for the District. The Office prepares Board and Committee agenda packets and ancillary correspondence and is responsible for the creation and maintenance of all public records as a result of the business conducted by the Board of Directors. The Directors also serve as Trustees of the Frontier Project Foundation, a non-profit foundation established by the Cucamonga Valley Water District with a mission of demonstrating environmental sustainability. The Board of Directors also serve on the boards of the Cucamonga Valley Water District Financing Authority and the Cucamonga Public Facilities Corporation. The Fontana Union Water Company is a mutual water company for which the District is a majority shareholder. Currently, three Directors serve as regular Board Members, and one Director serves as an alternate.

Office of the General Manager/Chief Executive Officer: The General Manager/CEO is the liaison to the Board of Directors and oversees the day to day operations of the District. The General Manager/CEO provides leadership and initiates strategic planning to implement the goals and the vision of the Board of Directors. The Foundational Principles help guide the organization, and the General Manager/CEO utilizes the talent and skills of the entire staff to fulfill the organizational objectives. The General Manager/CEO also serves as President of the Fontana Union Water Company, a mutual water company managed by the District, and is the President of the Frontier Project Foundation, a non-profit corporation that seeks grant funding to conduct educational outreach programs.

Office of the Assistant General Manager: The Assistant General Manager provides leadership and coordination to the Communications & Outreach and Human Resources/Risk Management divisions. The position works closely with the AGM/Chief Financial Officer and the AGM/Chief Operating Officer to facilitate the implementation of the District's Foundational Principles, focusing on *Water, Service* and *People*. The Assistant General Manager monitors state and federal legislation that may impact District operations and engages in policy dialogue on these issues in order to influence the political process for the benefit of our ratepayers. The Assistant General Manager also serves as Vice-President of the Frontier Project Foundation.

Human Resources: This division is responsible for ensuring that the District initiates and facilitates strategies for building a workforce which supports and enhances organizational objectives and values. In addition to workforce development, the position is responsible for overseeing employee benefits, classification and compensation, policies and procedures, employee relations, administrative support, and employee development.

Risk Management: This division administers the District’s risk management program, which promotes and provides a safe and secure work environment for employees. The risk management program includes employee safety and training programs, workers compensation, emergency management and disaster preparedness, loss prevention and general auto and property liability insurance for the District.

Communications & Outreach: The Communications & Outreach division coordinates all of the community outreach, education, and marketing components of District operations. This includes production and delivery of the customer newsletter and billing inserts, website management, social media outreach, student education, landscape workshops and training, community and stakeholder tours, community events, and media relations. Each of these elements of Communications & Outreach plays a critical role in educating CVWD customers and stakeholders about District issues and topics that affect the operations of the District.

Strategic Objectives

- This year the strategic objectives for the Executive Department focus on a wide variety of projects and programs to address the statewide drought and improve the overall health of our organization. With California being in the fourth year of a historic drought, the State Water Resources Control Board has mandated that water providers reduce consumption or face a penalty. The District has been mandated to conserve 32% which will have a significant impact on our operations and finances. Another objective that we have been and will continue to work on is developing our local water supply. The District has invested significantly in the development of our local resources such as groundwater development and recycled water, increasing our operational flexibility and decreasing our reliance on imported water supplies. Water in one of our local groundwater basins (Cucamonga Basin) was unusable due to high nitrate and DBCP levels. Through an improved blending program and groundwater treatment the District has increased local production by nearly 7,000 AF. The District has also been piloting different technologies to determine the most effective treatment for mitigation of poor groundwater quality. In the future, the District will invest \$5.0 million to construct a groundwater treatment facility to consistently utilize the water from this basin. On an annual basis the District invests nearly \$1.5 million in a groundwater banking program in the Chino Basin. To date, the District has secured nearly 70,000 AF of groundwater storage. CVWD has invested in a direct use recycled water system and annually distributes 1,500 AF to industrial, commercial and landscape users. An additional 3,500 AF is recharged into local groundwater basins. To better utilize local canyon sources \$4.0 million was invested in the refurbishment of one of our surface water treatment plants. Canyon flows make up between 5-10% of our water supply depending on climate conditions.
- **Rates:** In 2010, the Board of Directors approved a five year rate structure utilizing tiered rates for all rate classes which captures the true cost of water. A new proposed rate structure will be reviewed by the Board of Directors in late spring. CVWD retained the services of a rate consultant to assist with the preparation of a Cost of Service study to ensure compliance with Proposition 218 requirements. In addition, as a result of the drought, the District is recommending implementation of drought rates. More than half of the District’s expenses do not vary based upon the quantity of water used by our customers. A drought rate helps the District continue to generate sufficient revenues to operate, manage, and maintain its facilities and level of services, even during times of severe drought and mandatory conservation. When water use reduction is necessary, drought rates may be imposed to adjust water tiers based on the severity of the shortage.

- **Professional Management Development Program:** In an effort to continue to develop staff and provide them with the tools that they need to excel, the District is considering ways to implement a professional development program. With the recent addition of new supervisors and managers over the past few years, it is imperative that we provide them the resources and knowledge to support them in their roles. Likewise, existing managers and supervisors will also benefit from additional growth and skill development. The program is anticipated to begin in the fall.
- **Communications & Legislative Outreach** – In the previous fiscal year a Communications Master Plan was developed and adopted by the Board of Directors. The Plan provides strategic guidance for the District’s communication efforts, identifies key opportunities, provides methodologies to build on existing outreach successes, and outlines a comprehensive and proactive approach for outreach. Our strategic objectives continue to focus on the development of relationships with our new legislative representatives, as well as further strengthening the ties of our existing representatives. Efforts are ongoing and include visits to their field, Sacramento, and Washington, D.C. offices, as well as inviting members to tour CVWD facilities.

The Board of Directors and Executive staff will participate in a number of planning sessions and workshops to increase communication and determine policy direction for the organization.

Fiscal and Budgetary Impacts

The Executive Department budget is \$4.3 million and comprises approximately 8% of the District’s overall operating expense budget.

Performance Measurements:

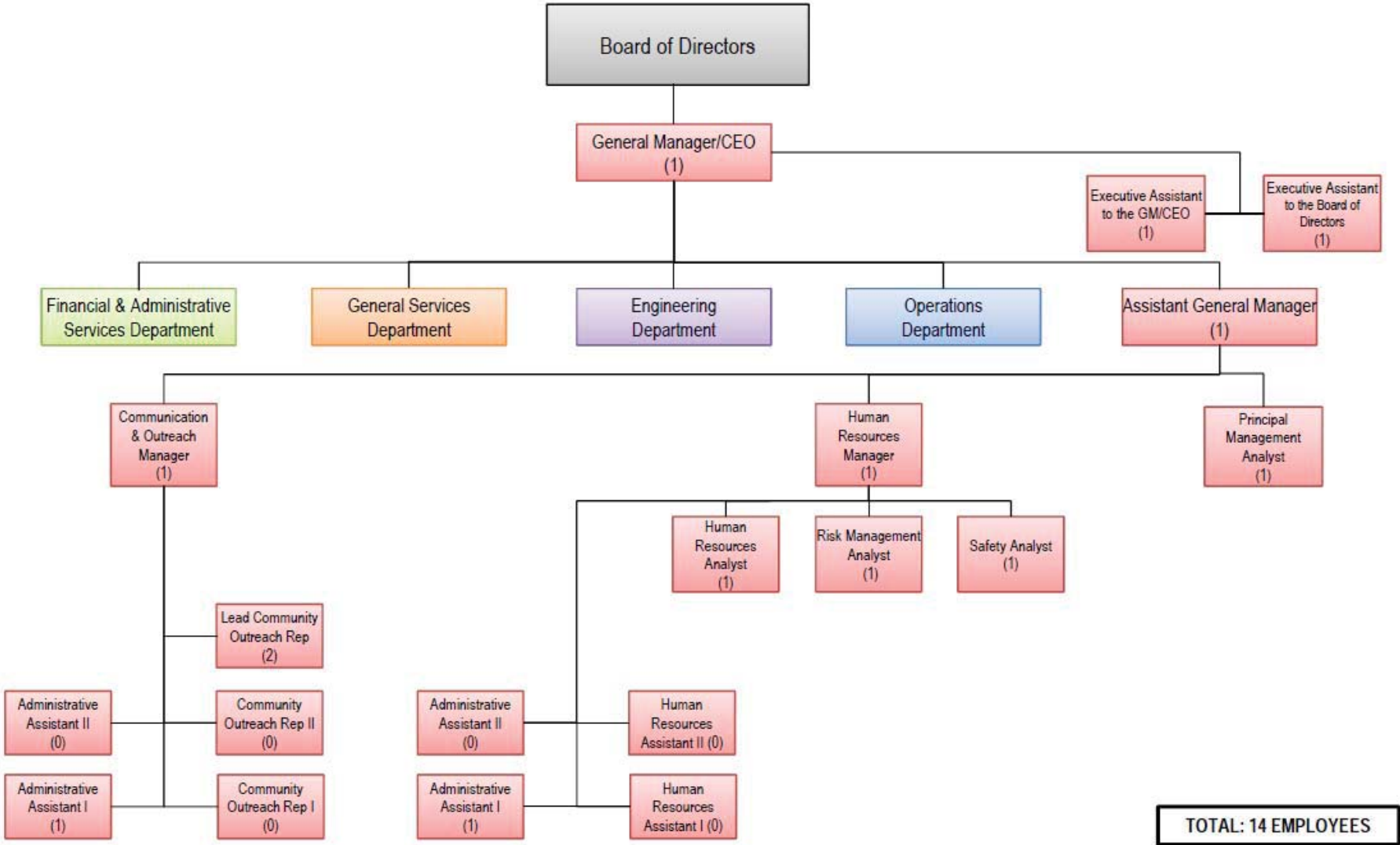
	FY 2011	FY 2012	FY 2013	FY 2014	Est. Current FY 2015	Est. Next FY 2016	Strategic Goal
EXECUTIVE DEPARTMENT PERFORMANCE MEASURES							
Division Measures - Board of Directors							
Board tracking sheet items	N/A	60	32	25	30	35	Service
Number of public records request	N/A	5	2	8	17	25	Service
Number of Board Meetings/Study Sessions/Workshops/Committee Meetings	N/A	45	64	77	85	90	Service
Division Measures - General Manager							
Watermaster Related Meetings	N/A	N/A	73	93	185	210	Service
Employee & Leadership Development meetings	N/A	N/A	26	21	20	24	Service

Division Measures – Assistant General Manager							
Revenue generated through Frontier Project rentals	\$47,780	\$110,528	\$24,080	\$4,433	\$10,000	\$5,000	Service
Revenue generated through Frontier Project lease agreement	N/A	N/A	\$71,500	\$80,340	\$82,752	\$85,234	Service
Division Measures – Legislative and Public Affairs							
Grants/sponsorships received to offset District programs	\$28,000	\$30,000	\$110,000	\$110,000	\$130,000	\$130,000	Service
Value of conservation rebates from regional programs	\$187,945	\$138,713	\$238,830	\$240,000	\$263,000	\$275,000	People
Attendees at District events and programs	2,730	1,655	1,760	1,945	2,000	2,500	People
Participants in school education programs	10,749	12,003	12,000	17,325	17,500	18,000	Service
CVWD Social Media followers	N/A	85	200	416	500	1,000	People
Community events and presentations attended	11	9	13	8	6	15	People
Contact made with legislators	N/A	60	65	65	60	70	People
Division Measures – Human Resources/Risk Management							
Estimated number of participating compensation/benefits surveys completed by staff	12	20	22	22	35	40	People
Percentage of employees receiving annual performance evaluations	67%	73%	77%	84%	86%	95%	People & Service
Average number of work days lost per workers compensation claim	7	120	1	2	0	0	People Service

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EXECUTIVE DEPARTMENT ORGANIZATIONAL CHART

For the Fiscal Year Ending June 30, 2016

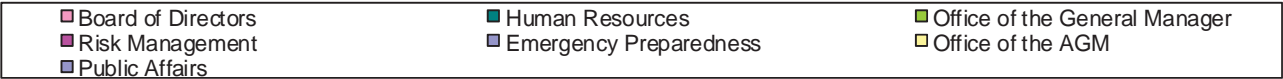
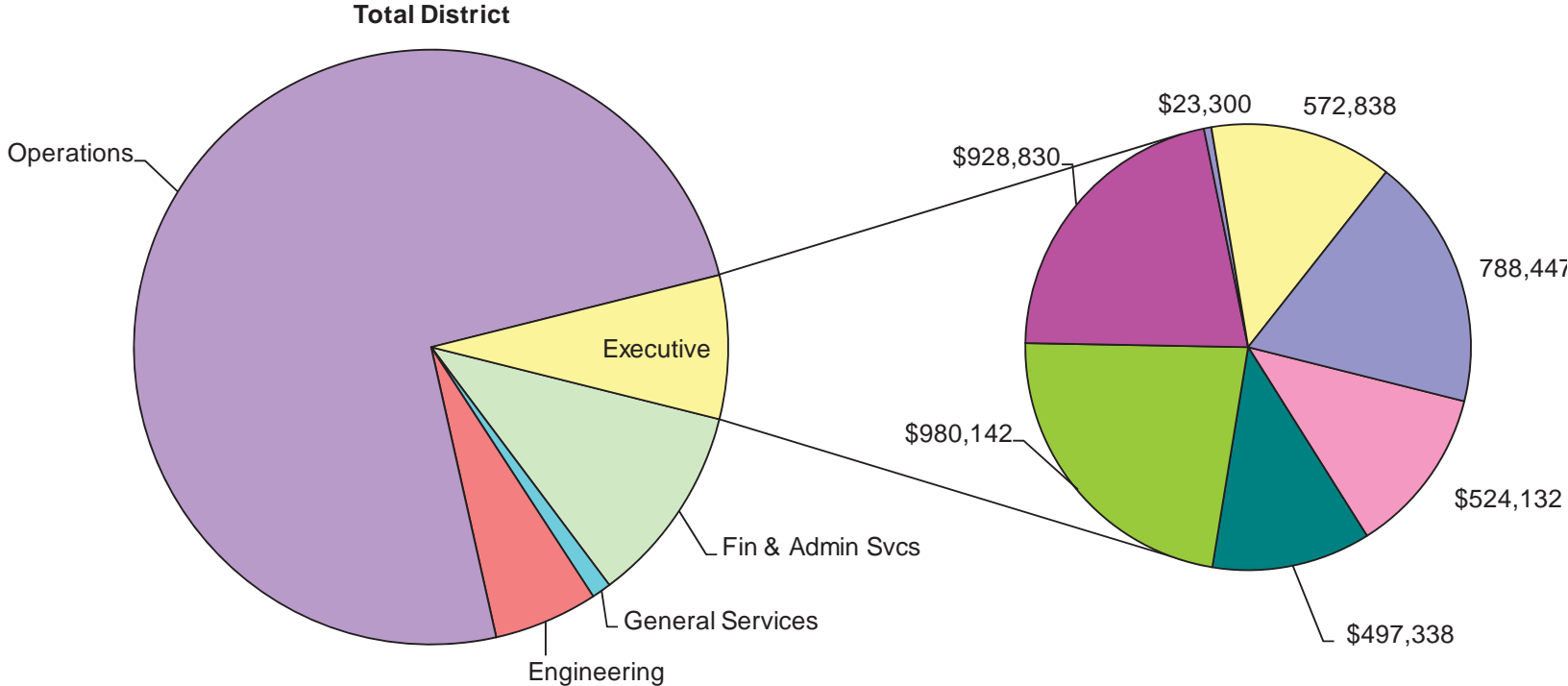


TOTAL: 14 EMPLOYEES

**CUCAMONGA VALLEY WATER DISTRICT
EXECUTIVE DEPARTMENT
PERSONNEL DISTRIBUTION**

Water Fund	Sewer Fund	Recycled Water Fund	Capital Fund	15-16	Division	14-15	13-14	12-13	11-12	10-11	09-10	08-09
0.9	0.1	0	0	1	Board of Directors	1	1	1	1	1	1	1.5
2.25	0.25	0	0	2.5	Human Resources	2.5	2.5	2	0	0	0	0
1.8	0.2	0	0	2	Office of the General Manager	2	2	2	2	2	2	2.5
1.75	0.75	0	0	2.5	Risk Management	2.5	2.5	2	0	0	0	0
1.8	0.2	0	0	2	Office of the AGM	2	2	1	1	1	1	1
0	0	0	0	0	Office of the DGM	0	0	0	0	2	2	2.5
3.6	0.4	0	0	4	Outreach	4	4	6.5	6.5	5	5	5.5
12.1	1.9	0	0	14	Executive Total	14	14	14.5	10.5	11	11	13

**Executive Department
FYE 2016**



CUCAMONGA VALLEY WATER DISTRICT
EXECUTIVE DEPARTMENT
For the Fiscal Year Ending June 30, 2016

Department	Budget	% of Total
Executive	\$ 4,315,027	7.8%
Financial & Administrative Services	6,005,542	10.9%
General Services	585,093	1.1%
Engineering	3,134,919	5.7%
Operations	41,276,247	74.5%
Total Operating Budget	\$ 55,316,828	100.0%

Budget by Division	Water Funds		Sewer Funds		Recycled Water Funds		Total All Funds	
	Budget	% of Total	Budget	% of Total	Budget	% of Total	Budget	% of Total
Operating Fund								
Board of Directors	\$ 484,439	11.2%	\$ 39,693	0.9%	\$ -	-	\$ 524,132	12.1%
Human Resources	460,176	10.7%	37,162		-	-	497,338	11.5%
Office of the General Manager	916,294	21.2%	63,848	1.5%	-	-	980,142	22.7%
Risk Management	688,004	15.9%	240,826		-	-	928,830	21.5%
Emergency Preparedness	23,300	0.5%	-		-	-	23,300	0.5%
Office of the AGM	527,142	12.2%	45,696	1.1%	-	-	572,838	13.3%
Public Affairs	732,191	17.0%	56,256	1.3%	-	-	788,447	18.3%
<i>Sub-Total</i>	<u>3,831,546</u>	<u>88.8%</u>	<u>483,481</u>	<u>11.2%</u>	<u>-</u>	<u>-</u>	<u>4,315,027</u>	<u>100.0%</u>
Capital Fund								
Board of Directors	\$ -	-	\$ -	-	\$ -	-	\$ -	-
Human Resources	-	-	-	-	-	-	-	-
Office of the General Manager	-	-	-	-	-	-	-	-
Risk Management	-	-	-	-	-	-	-	-
Emergency Preparedness	-	-	-	-	-	-	-	-
Office of the AGM	-	-	-	-	-	-	-	-
Public Affairs	-	-	-	-	-	-	-	-
<i>Sub-Total</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>3,831,546</u>	<u>88.8%</u>	<u>483,481</u>	<u>11.2%</u>	<u>-</u>	<u>-</u>	<u>4,315,027</u>	<u>100.0%</u>

CUCAMONGA VALLEY WATER DISTRICT
EXECUTIVE DEPARTMENT
SUMMARY BY ACCOUNT

For the Fiscal Year Ending June 30, 2016

Account Number	Account Title	Water	Sewer	Recycled Water	Total
10-XX	Wages and Directors' Fees \$	1,509,008	\$ 213,277	\$ -	\$ 1,722,285
12-XX	District Burden	923,343	134,704	-	1,058,047
18-XX	Outside Labor	-	-	-	-
20-XX	Professional Development	215,590	-	-	215,590
25-XX	Professional Services	423,000	-	-	423,000
27-XX	Advertisements	37,325	-	-	37,325
28-XX	Election Expense	-	-	-	-
30-XX	Personnel Costs	123,120	-	-	123,120
32-XX	Insurance	343,250	135,500	-	478,750
35-XX	Collections	-	-	-	-
40-XX	Utilities	19,510	-	-	19,510
45-XX	Materials & Supplies	54,700	-	-	54,700
50-XX	Equipment Depreciation	-	-	-	-
55-XX	Outside Services	160,200	-	-	160,200
60-XX	Safety	2,950	-	-	2,950
79-XX	Miscellaneous	18,400	-	-	18,400
80-XX	Other - Capital Equipment	1,150	-	-	1,150
	Totals	\$ 3,831,546	\$ 483,481	\$ -	\$ 4,315,027

FINANCIAL & ADMINISTRATIVE SERVICES DEPARTMENT

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FINANCIAL AND ADMINISTRATIVE SERVICES DEPARTMENT

Department Mission Statement: Deliver effective and dependable services to our external customers and provide accountability to our internal customers.

Department Goals & Objectives

Overview

The Department of Financial and Administrative Services provides a wide variety of external and internal services. We provide centralized services to our customers, as well as our fellow team members. Because we are focused on providing services, we continually seek to implement solutions that utilize the most current technology and tools that help us accomplish a high level of service. We listen earnestly to our customers and empower team members to make a positive difference. The department provides a wide level of services in the following five divisions:

Administration: This division coordinates the activities for the department. The Assistant General Manager/CFO oversees investment activities, debt administration, rate-setting, as well as overall financial and budgetary oversight of the District. Other administrative duties of this division include employee relations and performance, strategic visioning, and goal setting. This division also provides administrative support to all department members.

Accounting: This division performs all financial related services for the District, which include general ledger functions, investment processing, debt management, payroll and benefit processing, accounts payable, accounts receivable, customer billing, collection processing/referral, customer payment remittance processing, investment and cash management, monthly and annual budget preparation, rate analysis, Comprehensive Annual Financial Report (CAFR) preparation, and Capital Improvement Program (CIP) reporting.

Customer Service: This division is the first point of contact for our 48,690 customers. We provide call center support for (approximately 300 calls per day), walk-up counter payment service, Interactive Voice Response (IVR)/Internet payment service, new account processing, and work order generation. The division also handles all field service requests that include turning on/off accounts, meter repairs, water consumption investigations and consultations, new meter installation, meter calibrations, and meter reading, which includes traditional and Fixed Network (FN) reading. Utilizing our Fixed Network system, we provide leak notification through a program called Water Watch developed by our Field Service staff. With this program we are able to assist our customer in locating leaks before they have a chance to impact their bill. This allows us to be proactive and better assist our customers.

Information Technology: This division provides technical development strategies and information technology support for the District and the Frontier Project Building's computer networks, including the operation, maintenance, and repair of network hardware and employee workstations. Its primary responsibilities include day-to-day network center operation, including the provision of a safe and secure environment for centralized data libraries and equipment. Extended responsibilities include support for phone systems, office machines, access control systems, audio-visual

systems, the radio network, cellular communications, and mobile devices. The division is also responsible for network design, server virtualization, software support, and network intrusion prevention. IT Help Desk received approximately 180 tickets per month in the past year.

Purchasing: This division operates the centralized purchasing system for the District, including the operation of a full-service warehouse. The division is responsible for the location and negotiation of services and supplies for all departments. This division provides enhanced supply management, a high level of accountability, and added value and cost savings to the District.

Strategic Objectives

The Financial and Administrative Services Department is committed to achieving the *Vision* the Board of Directors set for the Cucamonga Valley Water District. A key component of the *Vision* statement is our customers (**Service**). In April 2015, the Board of Directors reviewed the District’s Water Rate Study performed by an independent rate consultant. This water rate proposal adjusts the bimonthly meter charge, the water commodity rate, and includes new drought rates. The proposed rate structure was designed using a cost of service study that aligns the rates to the actual costs of the various sources of water used by the District. On June 9, 2015, the District’s Board of Directors approved the proposed rate increase.

The District is committed to finalizing the Meter Exchange/Fixed Network (FN) project that will retrofit our entire District with new meters and/or registers. A cross-department team has intensely focused on this project which provides on-demand communication for meter reads, leak reports, and will have the ability to create custom water budgets for our customers. This project will also fulfill two components of the Board’s *Vision: Water and Service*. The Data generated from the Fixed Network supports the District’s Water Watch Program (WWP), which was implemented in August 2013. The goal of the WWP is to identify and eliminate water leaks on the customers’ side of the meter. Staff assigned to this program proactively contact customers of continuous flow that exceeds fifteen (15) gallons per hour, which may indicate that a leak is present. Since the program’s inception, 550 leaks have been identified and customer contact made.

Fiscal and Budgetary Impacts:

The Financial and Administrative Services Department budget is approximately \$6.0 million, which comprises approximately 11% of the District’s overall operating expense budget. The Department’s growth and budget is directly impacted by customer growth and the growth of the other departments of the District. As the District faces challenges to provide a high level of service with limited resources, staff puts into place the programs necessary to create a positive and productive workplace where all are respected, valued, and empowered to deliver excellent service to the customers of the Cucamonga Valley Water District.

Departmental Work Plans:

All district staff participated in the development of departmental work plans that were aligned with the District’s Strategic Vision. The work plans were created and supports our belief that “what gets measured gets done.” The wide participation in the development of these plans was designed

to demonstrate that all employees have a role in the accomplishment of the district, departmental, and division work plans. The following work plans have been established for the Financial and Administrative Services Department.

1. Update the District’s Purchasing Policy 8.1.
2. Analyze the benefits of advance funding of long-term retirement liabilities by September 30, 2015.
3. Expand the Water Watch Program to assist with the statewide drought restrictions placed upon the District.
4. Expand the automated phone system to allow for self-directed payment extensions within certain pre-established system rules.
5. Perform a needs assessment in FY2016 to evaluate the replacement of the District’s enterprise-wide software solution.
6. Complete the last phase of the installation and retrofit of all District meters to Fixed Network technology by June 30, 2016.
7. Administer the District’s investment program to meet the District’s goal of Safety, Liquidity, and Yield; while minimizing idle cash.
8. Administer the District’s debt portfolio and ensure compliance with continuing disclosure requirements
9. Ensure a financially stable environment to meet the current and future capital improvement funding needs of the District. By June 30, 2016, the District will utilize a financial model to assist with the prediction of rates, capital improvement needs, and debt coverage ratios.
10. Continue the virtualization of computer servers, increasing efficiencies and reducing costs for electricity and maintenance.

Performance Measurements:

	FY 2011	FY 2012	FY 2013	FY 2014	Est. Current FY 2015	Est. Next FY 2016	Strategic Goal
FINANCIAL & ADMINISTRATIVE SERVICES DEPARTMENT MEASURES							
Meet or exceed the 2-Year Treasury index District’s Yield	1.28%	0.73%	0.64%	0.63%	0.85%	1.00%	People
2-Year Treasury Index	0.49%	0.27%	0.27%	0.32%	0.43%	0.50%	
Maintain/Improve the District’s Debt Coverage Ratio ¹	1.63	2.14	2.17	2.12	2.0	2.0	Service
Reduce the District’s Debt to Assets Ratio	57.4%	53.9%	63.2%	56.2%	51.1%	49.6%	Service
Maintain/Improve the District’s Days Cash ¹	266	305	351	334	326	309	Service
Increase the District’s Credit Rating ²	AA-	AA-	AA-	AA	AA	AA	Service
Division Measures – Information Technology							
Replace 25% of desktop/laptop/tablet	25%	33%	42%	25%	28%	25%	

computers annually to maintain technical advantage							Service
Virtualize 62% of servers by 2016 to increase data center efficiency & resilience	32%	39%	50%	54%	58%	62%	People
Keep Helpdesk costs below \$50/call through efficient staffing and procedures	\$44.49	\$35.00	\$36.67	\$35.65	\$36.00	\$37.15	People & Service
Division Measures – Accounting							
Increase percentage of EFT Payments to Vendors	-1.4%	2.7%	4.4%	7.4%	2.4%	1.0%	Service
Division Measures - Purchasing							
Increase inventory turnover to maximize inventory space	0.59	0.72	0.69	0.62	0.62	0.60	People

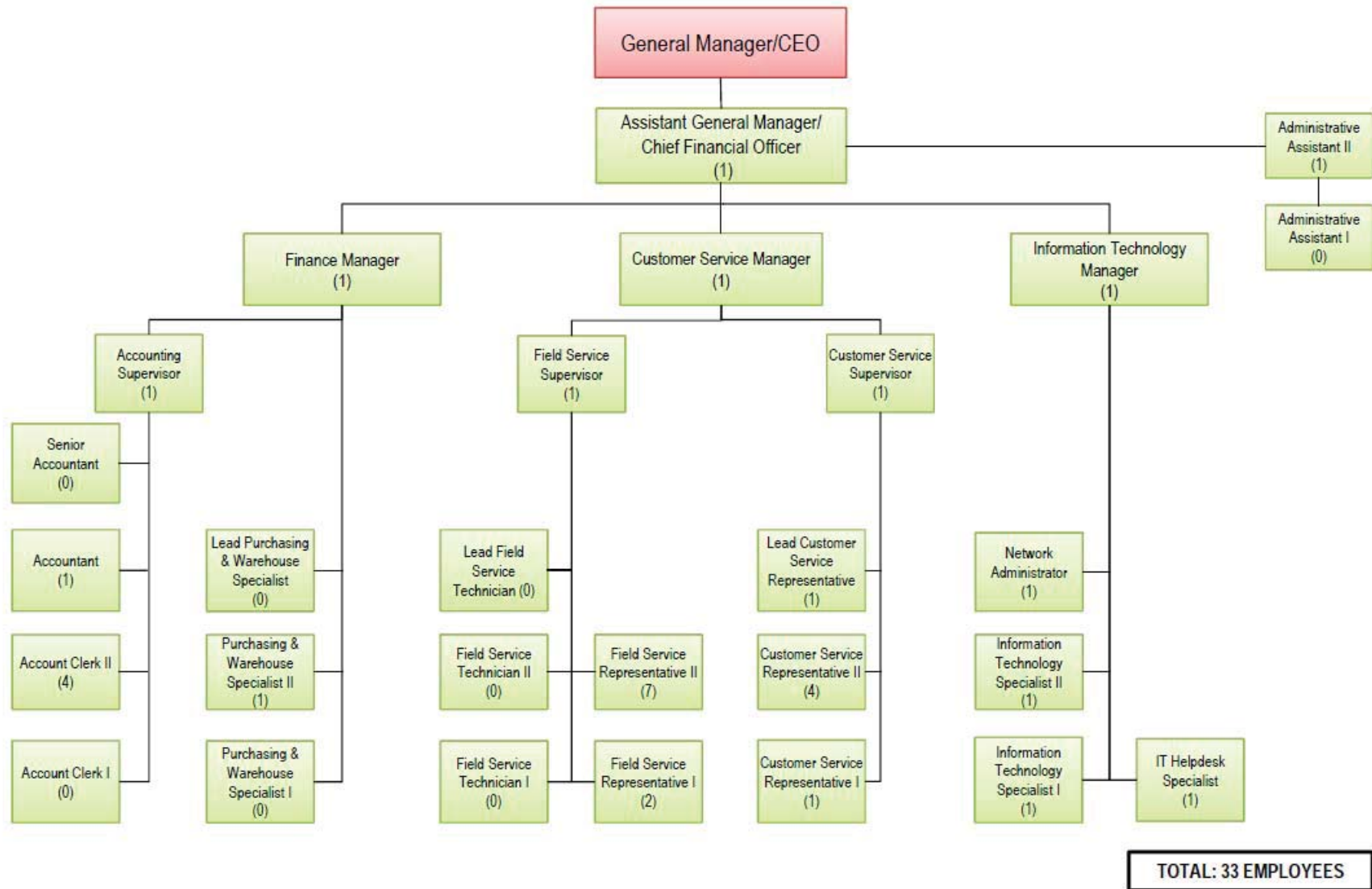
¹ Water Fund

² See page 29 for a breakdown by rating agency.

FINANCIAL & ADMINISTRATIVE SERVICES DEPARTMENT

ORGANIZATIONAL CHART

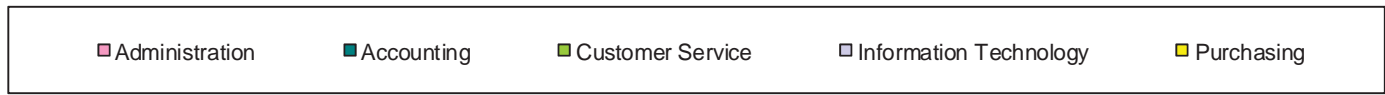
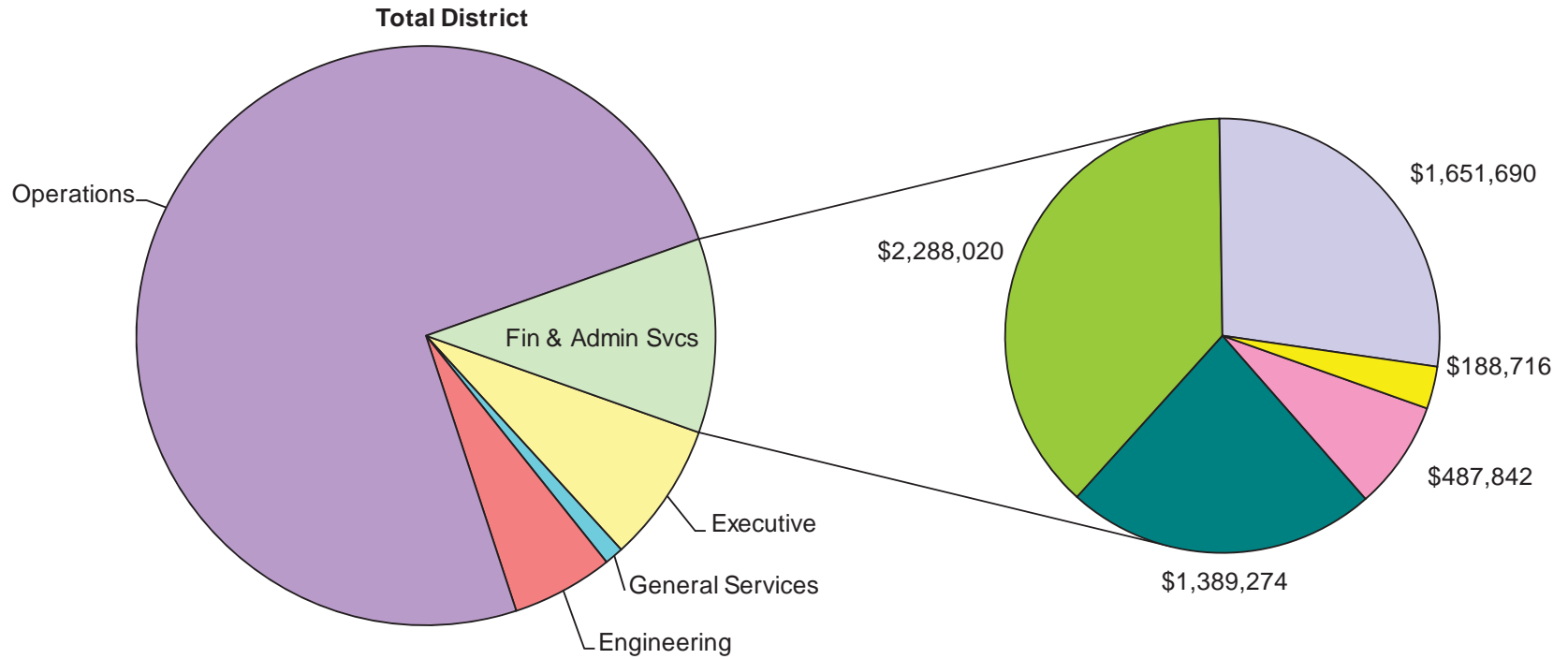
For the Fiscal Year Ending June 30, 2016



**CUCAMONGA VALLEY WATER DISTRICT
FINANCIAL & ADMINISTRATIVE SERVICES DEPARTMENT
PERSONNEL DISTRIBUTION**

Water Fund	Sewer Fund	Recycled Water Fund	Capital Fund	15-16	Division	14-15	13-14	12-13	11-12	10-11	09-10
1.8	0.2	0	0	2	Administration	2	2	2.5	2.5	3	3
0	0	0	0	0	Human Resources	0	0	0	2	2	2
0	0	0	0	0	Risk Management	0	0	0	2	2	2
5.525	0.975	0	0	6.5	Accounting	6.5	6.5	6.5	6.5	5.5	5.5
12.75	2.25	0	3	18	Customer Service	18	17	17	17	18	18
4.5	0.5	0	0	5	Information Technology	5	5	5	5	5	5
1.050	0.450	0	0	1.5	Purchasing	1.5	1.5	1.5	1.5	1.5	1.5
25.625	4.375	0	3	33	Finance & Admin Services Total	33	32	32.5	36.5	37	37

**Financial & Administrative Services Department
FYE 2016**



CUCAMONGA VALLEY WATER DISTRICT

FINANCIAL & ADMINISTRATIVE SERVICES DEPARTMENT

For the Fiscal Year Ending June 30, 2016

Department	Budget	% of Total
Executive	\$ 4,315,027	7.8%
Financial & Administrative Services	6,005,542	10.9%
General Services	585,093	1.1%
Engineering	3,134,919	5.7%
Operations	41,276,247	74.5%
Total Operating Budget	\$ 55,316,828	100.0%

Budget by Division	Water Funds		Sewer Funds		Recycled Water Funds		Total All Funds	
	Budget	% of Total	Budget	% of Total	Budget	% of Total	Budget	% of Total
Operating Fund								
Administration	\$ 438,257	7.3%	\$ 49,585	0.8%	\$ -	-	\$ 487,842	8.1%
Accounting	1,154,844	19.2%	230,099	3.8%	4,331	0.1%	1,389,274	23.1%
Customer Service	1,921,954	32.0%	318,388	5.3%	7,500	0.1%	2,247,842	37.4%
Information Technology	1,495,214	24.9%	154,276	2.6%	2,200	0.0%	1,651,690	27.5%
Purchasing	135,181	2.3%	53,535	0.9%	-	-	188,716	3.1%
<i>Sub-Total</i>	<u>5,145,450</u>	<u>85.7%</u>	<u>805,883</u>	<u>13.4%</u>	<u>14,031</u>	<u>0.2%</u>	<u>5,965,364</u>	<u>99.3%</u>
Capital Fund								
Administration	\$ -	-	\$ -	-	\$ -	-	\$ -	-
Accounting	-	-	-	-	-	-	-	-
Customer Service	40,178	0.7%	-	-	-	-	40,178	0.7%
Information Technology	-	-	-	-	-	-	-	-
Purchasing	-	-	-	-	-	-	-	-
<i>Sub-Total</i>	<u>40,178</u>	<u>0.7%</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>40,178</u>	<u>0.7%</u>
Total	<u>5,185,628</u>	<u>86.3%</u>	<u>805,883</u>	<u>13.4%</u>	<u>14,031</u>	<u>0.2%</u>	<u>6,005,542</u>	<u>100.0%</u>

CUCAMONGA VALLEY WATER DISTRICT
FINANCIAL & ADMINISTRATIVE SERVICES DEPARTMENT
SUMMARY BY ACCOUNT
For the Fiscal Year Ending June 30, 2016

Account Number	Account Title	Water	Sewer	Recycled Water	Total
10-XX	Wages and Salaries	\$ 2,132,147	\$ 351,929	\$ -	\$ 2,484,076
12-XX	District Burden	1,188,816	197,261	-	1,386,077
18-XX	Outside Labor	18,000	-	-	18,000
20-XX	Professional Development	79,710	-	-	79,710
25-XX	Professional Services	143,801	23,333	311	167,445
27-XX	Advertisements	1,300	-	-	1,300
28-XX	Election Expense	-	-	-	-
30-XX	Personnel Costs	1,500	-	-	1,500
32-XX	Insurance	-	-	-	-
35-XX	Collections	124,000	31,000	-	155,000
40-XX	Utilities	80,670	10,964	-	91,634
45-XX	Materials & Supplies	321,581	54,186	7,500	383,267
50-XX	Equipment Depreciation	-	-	-	-
55-XX	Outside Services	772,038	64,630	2,400	839,068
60-XX	Safety	11,240	-	-	11,240
79-XX	Miscellaneous	306,450	72,580	3,820	382,850
80-XX	Other - Capital Equipment	4,375	-	-	4,375
	Totals	\$ 5,185,628	\$ 805,883	\$ 14,031	\$ 6,005,542

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GENERAL SERVICES DEPARTMENT

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GENERAL SERVICES DEPARTMENT

Department Mission Statement: Provide an improved system to account for and monitor general services and expenses that support the entire District.

Department Goals & Objectives

Overview

The General Services Department accounts for district-wide expenses that are general in nature and not attributed to a particular work category. General expenses are accumulated in this department to provide improved means of accounting and monitoring of certain utility expenses, general office supplies, District-sponsored employee events, District membership for industry organizations, and non-utility billing postage costs. There are two employees in this department that provide receptionist and administrative functions to all departments.

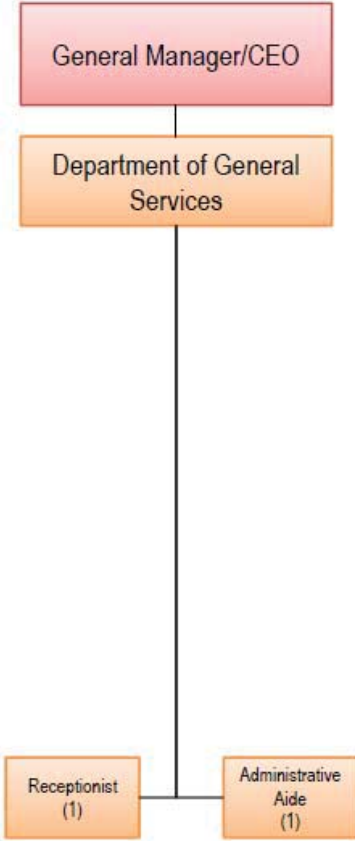
Strategic Objectives

District-wide utility costs continue to be one of the top expenses of the District. District staff dedicates resources to enhance the monitoring and proactive management of utility expenses.

Fiscal and Budgetary Impacts

The General Services Department budget is approximately \$600 thousand and represents approximately 1% of the District's overall operating expense budget. Expenses are allocated between the Water and Sewer Funds.

GENERAL SERVICES DEPARTMENT
ORGANIZATIONAL CHART
For the Fiscal Year Ending June 30, 2016

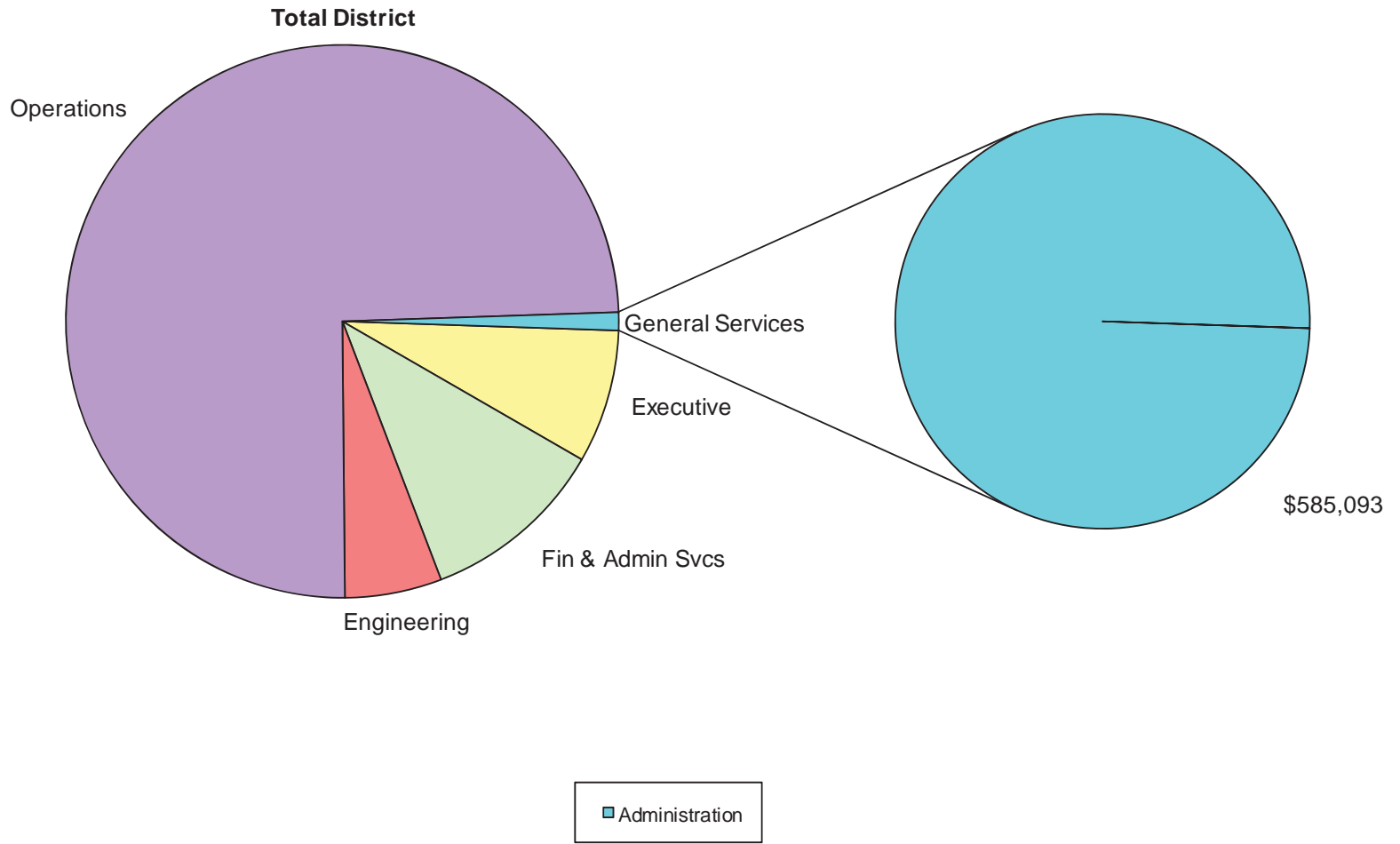


TOTAL: 2 EMPLOYEES

**CUCAMONGA VALLEY WATER DISTRICT
GENERAL SERVICES DEPARTMENT
PERSONNEL DISTRIBUTION**

Water Fund	Sewer Fund	Recycled Water Fund	Capital Fund	15-16	Division	14-15	13-14	12-13	11-12	10-11	09-10
1.7	0.3	0	0	2	Administration	2	2	2	0	0	0
1.7	0.3	0	0	2	General Services Total	2	2	2	0	0	0

**General Services Department
FYE 2016**



CUCAMONGA VALLEY WATER DISTRICT GENERAL SERVICES DEPARTMENT

For the Fiscal Year Ending June 30, 2016

Department	Budget	% of Total
Executive	\$ 4,315,027	7.8%
Financial & Administrative Services	6,005,542	10.9%
General Services	585,093	1.1%
Engineering	3,134,919	5.7%
Operations	41,276,247	74.5%
Total Operating Budget	\$ 55,316,828	100.0%

Budget by Division	Water Funds		Sewer Funds		Recycled Water Funds		Total All Funds	
	Budget	% of Total	Budget	% of Total	Budget	% of Total	Budget	% of Total
Operating Fund								
Administration	\$ 538,514	92.0%	\$ 46,579	8.0%	\$ -	-	\$ 585,093	100.0%
<i>Sub-Total</i>	<u>538,514</u>	<u>92.0%</u>	<u>46,579</u>	<u>8.0%</u>	<u>-</u>	<u>-</u>	<u>585,093</u>	<u>100.0%</u>
Capital Fund								
Administration	\$ -	-	\$ -	-	\$ -	-	\$ -	-
<i>Sub-Total</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u><u>538,514</u></u>	<u><u>92.0%</u></u>	<u><u>46,579</u></u>	<u><u>8.0%</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>585,093</u></u>	<u><u>100.0%</u></u>

CUCAMONGA VALLEY WATER DISTRICT
GENERAL SERVICES DEPARTMENT
SUMMARY BY ACCOUNT

For the Fiscal Year Ending June 30, 2016

Account Number	Account Title	Water	Sewer	Recycled Water	Total
10-XX	Salaries and Wages	\$ 57,191	\$ 10,092	-	\$ 67,283
12-XX	District Burden	60,630	9,149	-	69,779
18-XX	Outside Labor	2,500	-	-	2,500
20-XX	Professional Development	52,350	-	-	52,350
25-XX	Professional Services	30,000	-	-	30,000
30-XX	Personnel Costs	39,025	750	-	39,775
35-XX	Collections	-	-	-	-
40-XX	Utilities	217,090	21,726	-	238,816
45-XX	Materials & Supplies	59,728	3,862	-	63,590
50-XX	Equipment Depreciation	-	-	-	-
55-XX	Outside Services	14,000	-	-	14,000
60-XX	Safety	-	-	-	-
79-XX	Miscellaneous	5,000	-	-	5,000
80-XX	Other - Capital Equipment	1,000	1,000	-	2,000
	Totals	\$ 538,514	\$ 46,579	\$ -	\$ 585,093

ENGINEERING DEPARTMENT

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ENGINEERING DEPARTMENT

Department Mission Statement: We have a successful and integrated department that fulfills our commitments to ensuring a reliable infrastructure and meeting the objectives of the District's Water Supply Plan and Master Plan, while providing the highest level of professional and ethical management in order to meet the needs of our customers. Through our ambition and collective efficacy, we have influenced our future.

Department Goals & Objectives

Overview

The Engineering Department has the overall responsibility for the planning, mapping, design, inspection, and construction of all new capital and private development potable water, recycled water, and sewer projects including major repairs and rehabilitation of all existing facilities as necessary. The Department successfully manages the District's Geographical Information Systems (GIS) Network and also ensures compliance with the District's pretreatment/source control program. The Engineering Department is comprised of six divisions as follows:

Administration: This division coordinates the activities for the department. The AGM/COO oversees the management of capital improvement projects, water resource management, the District's Master Plans for water, sewer, recycled water, and water supplies. The AGM/COO actively participates in regional water and wastewater planning committees. The AGM/COO allocates his efforts evenly between the Engineering Department and the Operations Department.

Planning and Design: Prioritizes and establishes schedules and methods for the design and construction of District projects. Monitors and oversees engineering design activities, including those prepared by consultants; prepares or reviews engineering plans, cost estimates, labor proposals, agreements, and project specifications. Maintains and runs the District's water and sewer hydraulic models in H2OMap for the purposes of planning and design.

Water Resource Management: Conducts water supply analysis and makes projections of future water supply needs based on estimates of development activities and other factors; develops and recommends short and long term plans and strategies for meeting expected demand. Helps develop and coordinate a variety of water conservation programs and activities, including but not limited to, use of recycled water, groundwater basin management, maximizing the efficiency of groundwater recharge facilities and similar efforts, and planning and conducting research projects associated with water resources and water conservation.

Technical Support: Responsible for coordinating and participating in database management for both the Geographic Information System (GIS) and AutoCAD applications. Updates and maintains GIS and AutoCAD databases for water, recycled water, and wastewater facilities from construction drawings to as-built information; performs data capturing and conversion, data entry, and graphic editing activities; develops user friendly file management systems and completes geographic data analyses. Utilizes professional Global Positioning System (GPS) equipment to

collect geographical information in the field; locates District assets, resolves accuracy issues using GPS and integrates GPS data into GIS database.

Construction Inspection: Conducts construction inspections of water, recycled water, and sewer systems for a variety of District or developer-sponsored projects.

Industrial Waste Inspection: Inspects commercial and industrial users and ensures compliance with the District’s pretreatment/source control program, and issues and renews permits for discharge of non-domestic wastewater into the sanitary sewer.

Cross Connection Inspection: Ensures compliance by commercial and industrial customers of the District’s Cross-Connection Ordinance which requires testing of all backflow prevention devices on an annual basis. Installs, tests, and inspects backflow prevention assemblies; assists with the District’s construction water meter program.

Strategic Objectives

The Engineering Department has been implementing the District’s *Vision* by continuously seeking innovative and cost-effective ways to execute projects that deliver to our customers high-quality and reliable water and sewer collection services. Staff collaborates with private developers to construct new facilities, procure new site properties, and upgrade existing facilities that help sustain our future. Staff is focused on revising and developing District Master Plans to prepare for more stringent water quality standards identify projects to meet customer water supply needs, and to incorporate new conservation methods and implement the recycled water program. We use cutting-edge GIS technology to improve methods of data capture and dissemination of information to other departments.

Fiscal and Budgetary Impacts

The Engineering Department budget is approximately \$3.1 million, which comprises approximately 5.7% of the District’s overall operating expense budget.

Departmental Work Plans:

District staff participated in the development of departmental work plans that were aligned with the District’s Vision. The wide participation in the development of these plans was designed to demonstrate that all employees have a role in the accomplishment of the District, departmental, and division work plans. The following goals have been established for the Engineering Department.

1. Assess the impacts of the State regulations and the drought to the District. Plan and develop actions to meet State conservation goals. Implement the District’s water supply contingency plan. Investigate, plan and develop projects that improve the District’s water supply and water quality including: imported water, groundwater, surface water and recycled water. Plan and develop projects that improve redundancy and reliability in the water distribution system and so that the District is not reliant on any one source of supply.
2. Develop Wellhead Treatment Projects to improve groundwater quality and production.
3. Continue to review environmental regulations and assess the impact on the District.
4. Manage the design and construction for the replacement of Reservoir 3A.

5. Manage the design and construction of the construction of a new Well 48.
6. Preparation and finalization of Master Plan updates.
7. Update the Engineering Standard Operating Procedures (SOP) to match new ordinances. Develop and train staff on the Department ordinances.

Performance Indicators

Major projects started and/or completed in FY 2015:

- LWMWTP USEPA Stage 2 Disinfectants / Disinfection Byproduct Rule upgrades (Completed)
- Construction of a Chlorine Generator, Tank Shark and Emergency Standby Generator at Reservoir 5B (Completed)
- Construction of a Zone 4 Transmission Main Modifications at LWMWTP (Completed)
- Construction of a Water Main in Wilson Avenue from East Avenue to Wardman Bullock Road (Completed)
- Construction of a Sewerline in 4th Street (Completed)

Activity/Criteria	FY 2015 Actual	FY 2015 Estimated Actual	FY 2016 Projection	5 Year Target
Track Capital Projects Budgeted vs. Completed	62%	70%	60%	60%
Budget vs. Expenses	81%	92%	95%	95%

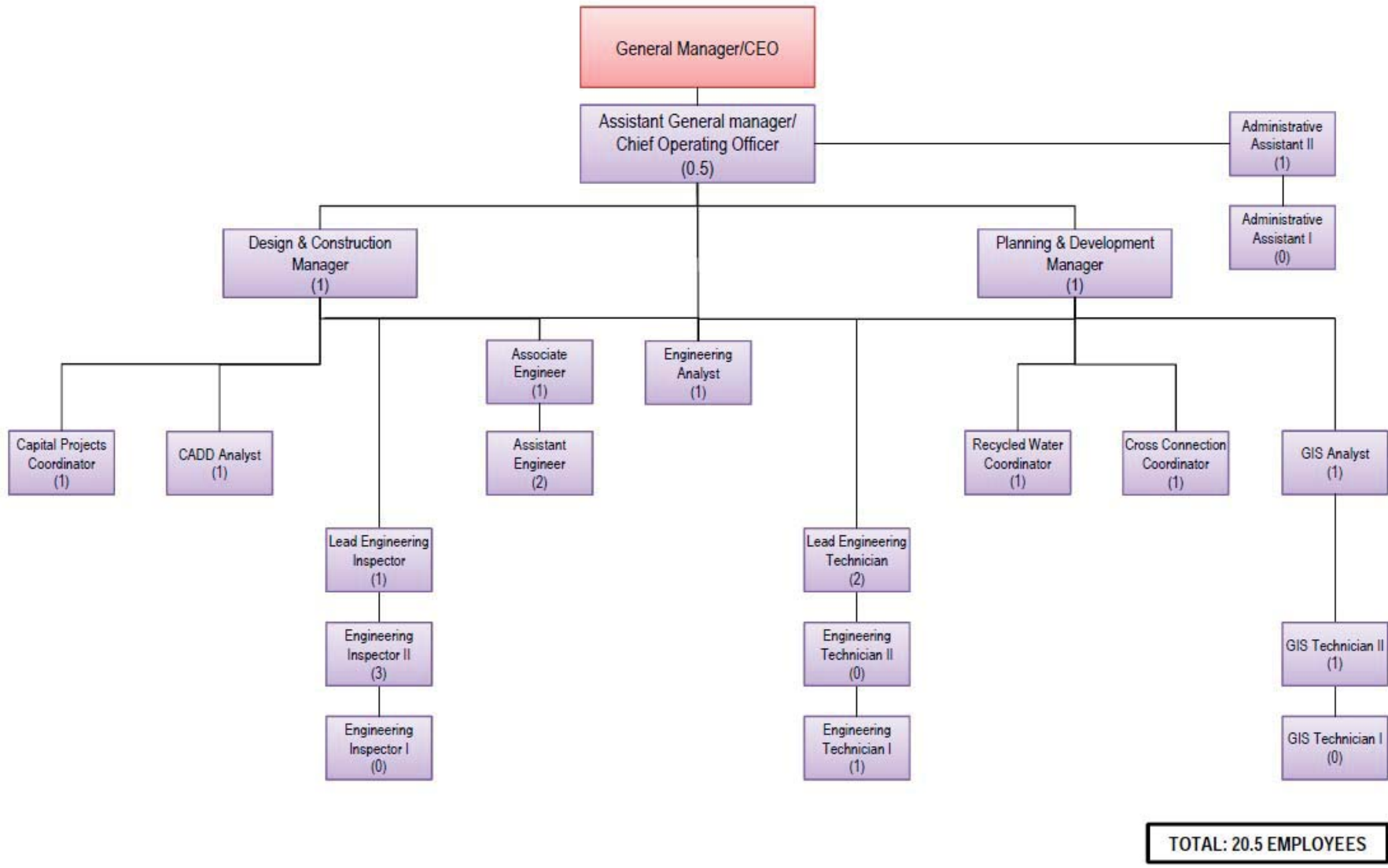
Performance Measurements

	FY 2011	FY 2012	FY 2013	Est. Current FY 2014	Est. Current FY 2015	Est. Next FY 2016	Strategic Goal
ENGINEERING DEPARTMENT MEASURES							
Division Measures - Planning and Design							
Design and construct water distribution pipeline in linear feet	2,820	5,860	3,635	3,551	4,380	3,553	Water
Design and construct sewer collection pipeline in linear feet	115	2,740	90	108	906	280	Sewer
Design and construct recycled water distribution pipeline in linear feet	4,920	0	1,192	0	0	0	Recycled Water
Recycled Water Connections	38	10	9	9	5	5	Water
Division Measures - Industrial Waste Inspection							
Food Service Establishment (FSE) Inspections	395	410	672	829	830	835	Water & Service
Division Measures - Cross Connections							
Backflow assembly installed and inspected	19	15	27	63	45	40	Water & Service

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ENGINEERING DEPARTMENT ORGANIZATIONAL CHART

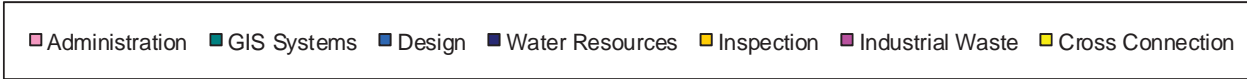
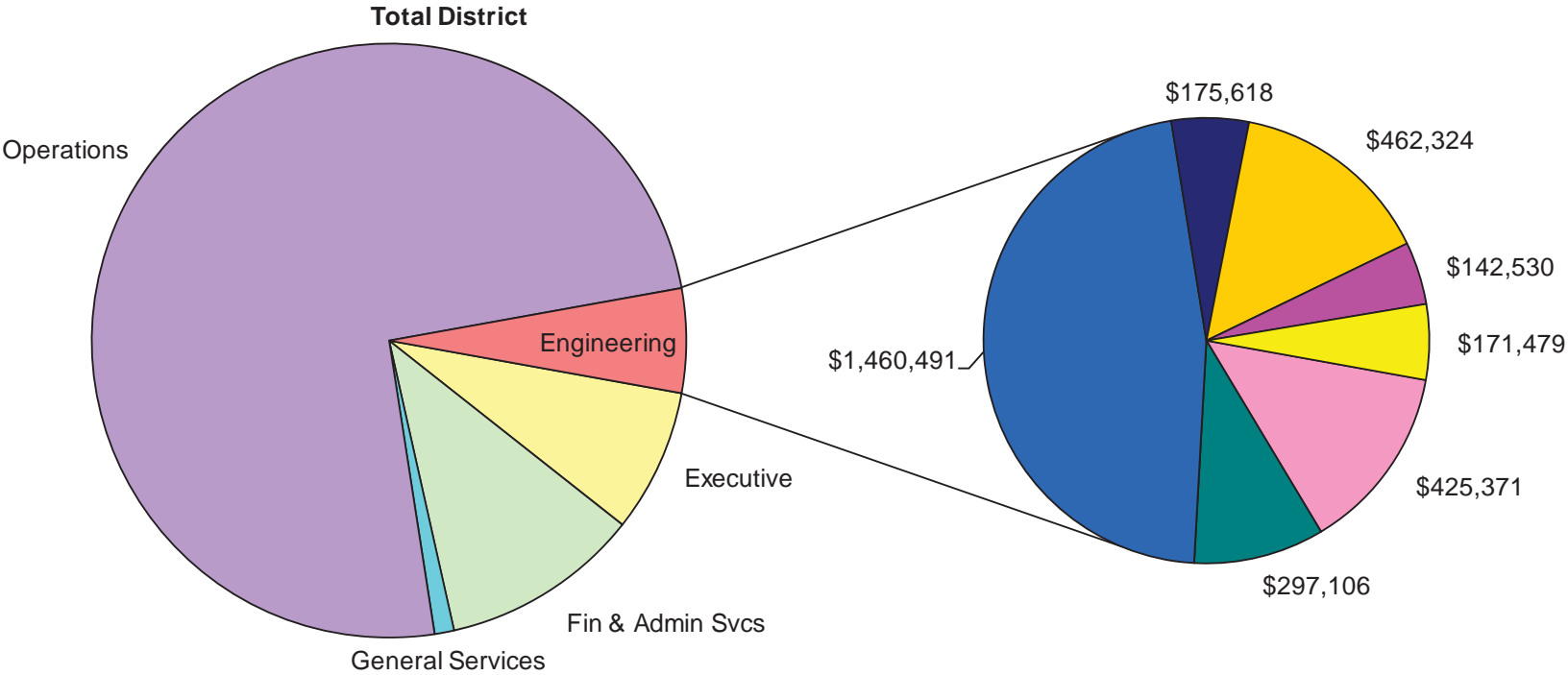
For the Fiscal Year Ending June 30, 2016



**CUCAMONGA VALLEY WATER DISTRICT
ENGINEERING DEPARTMENT
PERSONNEL DISTRIBUTION**

Water Fund	Sewer Fund	Recycled Water Fund	Capital Fund	15-16	Division	14-15	13-14	12-13	11-12	10-11	09-10
1.375	1	0.125	0	2.5	Administration	1.5	1.5	1.5	1.5	1.5	1.5
1.5	0.4	0.1	0	2	GIS Systems	2	2	2	2	2	2
1.3125	0.35	0.0875	8.25	10	Design	10.6	9.6	9	9	8	9
0	0	1	0	1	Water Resources	1	1	1	1	1	1
0.225	0.06	0.015	2.7	3	Inspection	2	2	2	2	2	2
0.75	0.2	0.05	0	1	Industrial Waste	2.4	2.4	3	3	3	3
0.75	0	0	0.25	1	Cross-Connection	1	1	1	1	1	1
5.9125	2.01	1.3775	11.2	20.5	Engineering Total	20.5	19.5	19.5	19.5	18.5	19.5

Engineering Department FYE 2016



CUCAMONGA VALLEY WATER DISTRICT
ENGINEERING DEPARTMENT
For the Fiscal Year Ending June 30, 2016

Department	Budget	% of Total
Executive	\$ 4,315,027	7.8%
Financial & Administrative Services	6,005,542	10.9%
General Services	585,093	1.1%
Engineering	3,134,919	5.7%
Operations	41,276,247	74.5%
Total Operating Budget	\$ 55,316,828	100.0%

Budget by Division	Water Funds		Sewer Funds		Recycled Water Funds		Total All Funds	
	Budget	% of Total	Budget	% of Total	Budget	% of Total	Budget	% of Total
Operating Fund								
Administration	\$ 248,630	7.9%	\$ 157,934	5.0%	\$ 18,807	0.6%	\$ 425,371	13.6%
GIS Systems	225,972	7.2%	58,513	1.9%	12,621	0.4%	297,106	9.5%
Design	227,036	7.2%	58,639	1.9%	70,740	2.3%	356,415	11.4%
Water Resources	55	0.0%	-	-	175,563	5.6%	175,618	5.6%
Inspection	48,974	1.6%	36,370	1.2%	21,642	0.7%	106,986	3.4%
Industrial Waste	-	-	142,530	4.5%	-	-	142,530	4.5%
Cross Connection	134,149	4.3%	-	-	-	-	134,149	4.3%
<i>Sub-Total</i>	<u>884,816</u>	<u>28.2%</u>	<u>453,986</u>	<u>14.5%</u>	<u>299,373</u>	<u>9.5%</u>	<u>1,638,175</u>	<u>52.3%</u>
Capital Fund								
Administration	\$ -	-	\$ -	-	\$ -	-	\$ -	-
GIS Systems	-	-	-	-	-	-	-	-
Design	871,529	27.8%	232,547	7.4%	-	-	1,104,076	35.2%
Water Resources	-	-	-	-	-	-	-	-
Inspection	280,265	8.9%	75,073	2.4%	-	-	355,338	11.3%
Industrial Waste	-	-	-	-	-	-	-	-
Cross Connection	37,330	1.2%	-	-	-	-	37,330	1.2%
<i>Sub-Total</i>	<u>1,189,124</u>	<u>37.9%</u>	<u>307,620</u>	<u>9.8%</u>	<u>-</u>	<u>-</u>	<u>1,496,744</u>	<u>47.7%</u>
Total	<u>2,073,940</u>	<u>66.2%</u>	<u>761,606</u>	<u>24.3%</u>	<u>299,373</u>	<u>9.5%</u>	<u>3,134,919</u>	<u>100.0%</u>

CUCAMONGA VALLEY WATER DISTRICT
ENGINEERING DEPARTMENT
SUMMARY BY ACCOUNT

For the Fiscal Year Ending June 30, 2016

Account Number	Account Title	Water	Sewer	Recycled Water	Total
10-XX	Salaries and Wages	\$ 1,277,567	\$ 458,267	\$ 173,270	\$ 1,909,104
12-XX	District Burden	664,153	251,234	107,703	1,023,090
18-XX	Outside Labor	-	-	-	-
20-XX	Professional Development	40,450	10,425	4,500	55,375
25-XX	Professional Services	17,840	3,000	-	20,840
27-XX	Advertisements	-	-	-	-
30-XX	Personnel Costs	1,600	-	-	1,600
40-XX	Utilities	10,560	8,230	1,300	20,090
45-XX	Materials & Supplies	38,620	11,000	4,400	54,020
50-XX	Equipment Depreciation	-	-	-	-
55-XX	Outside Services	13,500	15,000	4,000	32,500
60-XX	Safety	4,950	2,500	700	8,150
79-XX	Miscellaneous	1,700	200	3,500	5,400
80-XX	Other - Capital Equipment	3,000	1,750	-	4,750
Totals		\$ 2,073,940	\$ 761,606	\$ 299,373	\$ 3,134,919

OPERATIONS DEPARTMENT

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OPERATIONS DEPARTMENT

Department Mission Statement: To operate and maintain the District's water treatment, water transmission, water distribution, wastewater collection, and recycled water distribution systems effectively and efficiently, while also providing fleet and building maintenance services internally.

Department Goals & Objectives

Overview

The Operations Department has the overall responsibility to deliver a safe and reliable source of drinking water and provide reliable wastewater collection services to its customers while meeting the current and future demands of a growing community. The Operations Department is comprised of six Divisions as follows:

Administration: This division coordinates the activities for the department. The AGM/COO oversees the management of day-to-day operations that provide drinking and recycled water, the collection of wastewater, and the maintenance of the District's fleet and facilities. The AGM/COO allocates his efforts evenly between the Engineering Department and the Operations Department.

Water Treatment: Division responsibilities include District-wide water quality monitoring, state and federal drinking water regulatory compliance, and the operation and maintenance of three (3) surface water treatment facilities: the Lloyd W. Michael Treatment Plant, a 60-Million Gallon per Day (MGD) enhanced-conventional treatment facility, the Royer-Nesbit Treatment Plant, an 11-MGD conventional treatment facility, and the Arthur H. Bridge Treatment Plant, a 3-MGD dual-stage pressure filtration treatment facility. Water sources include local ground water, local surface water, and imported surface water.

Water Maintenance: Division responsibilities include the maintenance and repair of the District's water system infrastructure that includes mainlines, hydrants, valves, services, and implementation of preventative maintenance programs.

Sewer Maintenance: Division responsibilities include the maintenance and repair of the District's sewer collection system infrastructure that includes sewer mains, sewer laterals, lift stations, and implementation of preventative maintenance programs to monitor flows and clean the system.

Production: Division responsibilities include water supply and control system planning and operations. In addition, daily monitoring and maintenance, and repair of the District's groundwater wells, pumping facilities, reservoirs, chlorination stations, control valves, and telemetry (instrumentation & controls).

Facilities Maintenance: Division responsibilities include the maintenance, repair, and general upkeep of the District's buildings and equipment.

Vehicle Maintenance: Division responsibilities include the maintenance and repair of the District's vehicles and construction equipment.

Strategic Objectives

The Operations Department has a critical role in implementation of the District's Vision. The Operations Department endeavors to identify and implement strategic plans to enhance our local water supplies and energy conservation while utilizing innovative operational strategies. District staff has developed and implemented an annual Water Supply Plan that enables the District to effectively manage and forecast water supply needs throughout the year. As a result, staff has met the challenge to maximize our groundwater, local canyon, and tunnel sources in lieu of additional imported water deliveries. In addition, staff has implemented the Water Treatment Master Plan to address current and future state and federal regulatory requirements as they relate to the operation of the District's treatment facilities. Staff is also working closely with Southern California Edison (SCE) to identify new energy cost-saving measures, electrical rates, and energy management practices to minimize our power consumption during peak demands.

Fiscal and Budgetary Impacts

The Operations Department budget is approximately \$41.3 million, which accounts for approximately 75% of the District's overall operating expenses. Imported water deliveries from the Metropolitan Water District (MWD) are estimated at approximately \$16.0 million for Fiscal Year 2015 and our electrical expense is estimated at approximately \$6.0 million. Our goal is to provide a safe and reliable source of drinking water while minimizing the costs associated with continuing to provide a high level of service.

Staff's Water Supply Plan considers annual growth and increased water and sewer demands in our community while identifying an operational plan to strategically meet those demands through the enhancement of our local water supplies and by reducing the more costly imported deliveries from MWD. The challenge is to reduce deliveries of costly imported water supplies by strategically operating our system taking full advantage of our local water supplies and identifying potential projects/programs that will support our water supply goals.

The District is allotted 27,363 acre feet (AF) of water annually (1 AF is equal to 325,851 gallons) at the current MWD Tier 1 rate of \$582 per AF through December 31, 2015. While the District is not limited to only Tier 1 deliveries, deliveries exceeding this amount will be charged at the current Tier 2 rate of \$714 per AF. Effective January 1, 2016 these rates change to \$594/AF for Tier 1 and \$728/AF for Tier 2. In addition to the rates paid to MWD, IEUA collects \$15/AF for administrative fees and services.

Departmental Work Plans:

District staff participated in the development of departmental work plans that were aligned with the District's Strategic Vision. The wide participation in the development of these plans was designed to demonstrate that all employees have a role in the accomplishment of the district, departmental and division work plans. The following goals are an established part of the Operations Department work plans.

1. The Operations Department maintains current and relevant documentation outlining standard operational procedures and related information to facilitate efficient and repeatable performance in all disciplines throughout the Division (SOP's, schematics and manuals).
2. The Operations Department integrates sustainable materials, methods and principles into all realms of its responsibility. We actively review our processes to ensure responsible stewardship of our natural resources and it is a key consideration throughout our daily activities.

3. The Operations Department constantly seeks to enhance internal and external communication to ensure that the dissemination of information is accurate, relevant, and timely. We support and collaborate with other divisions to continually develop and contribute to the progression of the organization.
4. The Water Treatment & Production Divisions continue to ensure that the District's water treatment and production facilities provide a reliable, high quality water supply. The facilities are operated and maintained utilizing the most effective and efficient methods and practices available while meeting or exceeding all state and federal regulatory requirements. The Divisions operate in accordance with the District's water supply strategy to ensure that relevant production allocation and budget goals are realized.
5. The Water Quality Division continues to ensure that all District drinking water sources and facilities meet or exceed all state and federal regulatory requirements. It monitors and reports all required operational data and prepares and submits requisite information as defined by applicable regulations.

Performance Measurements:

	FY 2011	FY 2012	FY 2013	FY 2014	Est. Current FY 2015	Est. Next FY 2016	Strategic Goal
OPERATIONS DEPARTMENT MEASURES							
Division Measures - Production							
Read or Verify all Production Meters in number of meters (102 per day)	26,520	26,520	26,520	26,520	26,520	26,520	Water
Preventative Maintenance on rotating equipment in number of equipment (e.g. wells and boosters)	362	0	0	168	168	168	Water
Produce 12,000 Acre Feet of Ground Water in the Cucamonga Basin	N/A	N/A	N/A	8,108	9,708	11,000	Water
Division Measures - Facilities Maintenance							
HVAC Preventative Maintenance in number of buildings	32	32	32	32	32	32	Service
Division Measures - Water Maintenance							
1-inch poly services replacement program	450	276	315	407	410	400	Water
Valve exercising program	3,801	1,389	3253	2690	2534	4000	Water
Division Measures - Sewer Maintenance							
Total miles of sewer cleaned	400	189	413	473	413	413	Service
Total miles of sewer video inspection	76	37	55	50	71	76	Service
Number of sanitary sewer overflows	0	0	0	1	1	0	Service

Division Measures - Fleet Maintenance							
Scheduled preventative maintenance work orders for fleet and equipment	375	168	307	310	320	325	Service
Repair (unscheduled) work orders for fleet and equipment	332	245	268	279	338	300	Service
Division Measures – Treatment/Water Quality							
Monthly Total Coliform Detections**	0.8%	0%	0.8%	1.6%	<5%	<5%	Water
Treated Groundwater Nitrate Concentration	27 mg/L	35 mg/L	16 mg/L	35mg/L	<45mg/L	<45mg/L	Water
Treated Groundwater DBCP Concentration	0.15 ug/L	0.18 ug/L	0.07 ug/L	0.07 ug/L	<0.20 ug/L	<0.20 ug/L	Water
Treated Groundwater Perchlorate Concentration	0 ug/L	0 ug/L	2.3 ug/L	2.7 ug/L	<6 ug/L	<6 ug/L	Water
Surface Water Treatment Turbidity < 0.3 NTU**	100%	100%	100%	100%	100%	100%	Water
Title 22 Primary Standard Violations**	0	0	0	0	0	0	Water
Title 22 Secondary Standard Violations**	0	0	0	0	0	0	Water

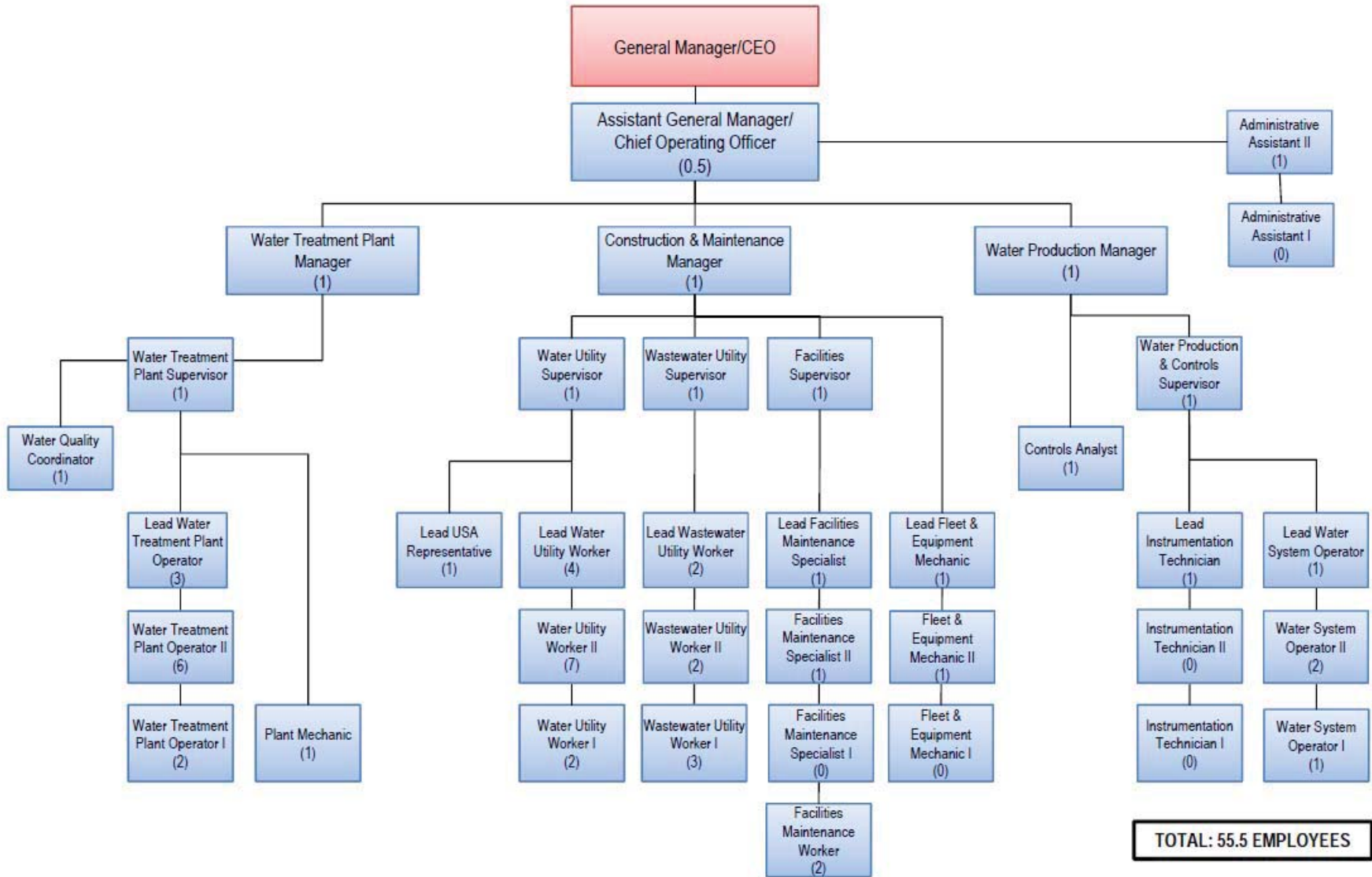
*Through first half of fiscal year (6 months)

** Calendar year

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OPERATIONS DEPARTMENT ORGANIZATIONAL CHART

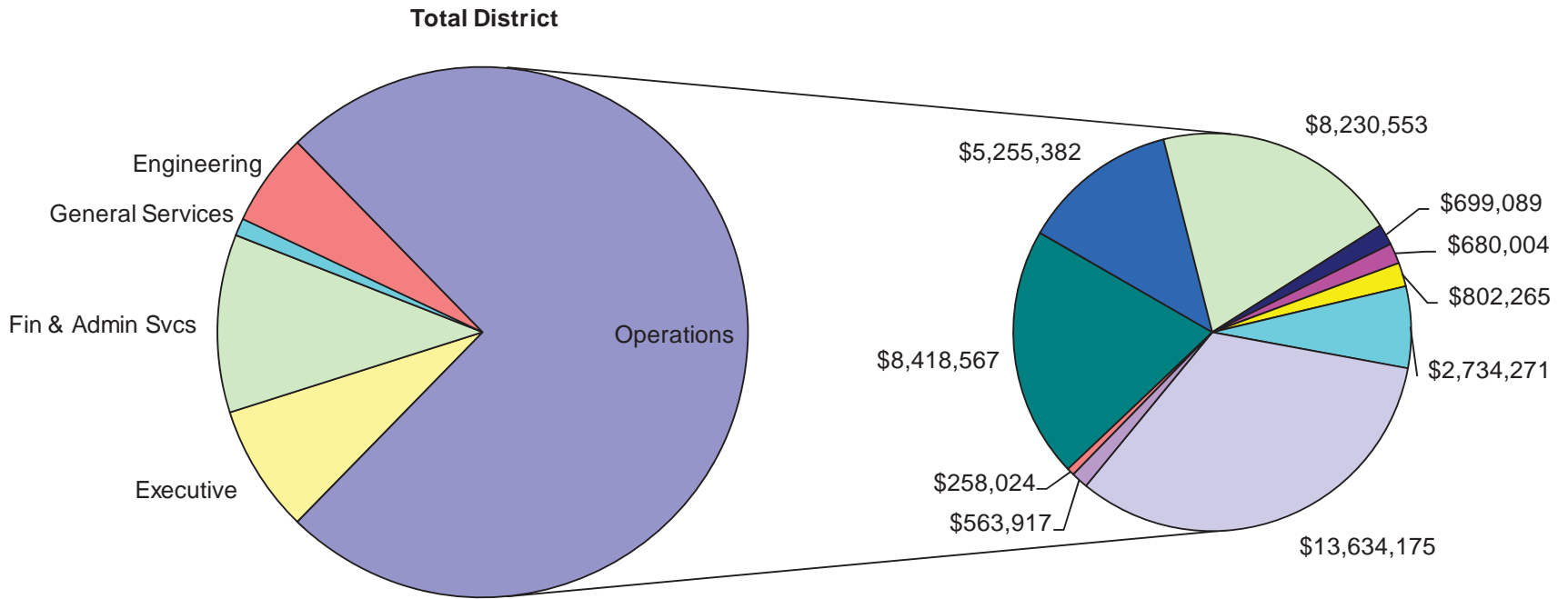
For the Fiscal Year Ending June 30, 2016



**CUCAMONGA VALLEY WATER DISTRICT
OPERATIONS DEPARTMENT
PERSONNEL DISTRIBUTION**

Water Fund	Sewer Fund	Recycled Water Fund	Capital Fund	15-16	Division	14-15	13-14	12-13	11-12	10-11	09-10
0.9	0.6	0	0	1.5	Administration	1.5	1.5	1.5	1.5	1.5	1.5
15	0	0	0	15	Water Treatment	12	13	13	13	12	12
4.5	0	0	0	4.5	Pumping	4.5	4.5	4.5	4.5	4.5	5.5
3.5	0	0	0	3.5	Technical Support (Telemetry)	3.5	3.5	2.5	2.5	2.5	2.5
5	0	0	0	5	Facilities	5	5	5	5	5	3
1.50	0.50	0	0	2	Vehicle & Equip. Maintenance	2.05	2.05	2	2	2	2
15.25	0	0	0	15.25	Water Distribution	15.25	15.25	15.25	15.25	16.25	16.25
0	8.75	0	0	8.75	Sewer Collection & Transmission	8.7	8.7	8.75	8.75	8.75	8.75
45.65	9.85	0	0	55.5	Operations Total	52.5	53.5	52.5	52.5	52.5	51.5

Operations Department FYE 2016



Administration	Source of Supply	Water Treatment	Pumping
Telemetry	Facilities	Vehicle & Equip Maint	Water Distribution
Collection & Trans	Recycled Water		

CUCAMONGA VALLEY WATER DISTRICT
OPERATIONS DEPARTMENT
For the Fiscal Year Ending June 30, 2016

Department	Budget	% of Total
Executive	\$ 4,315,027	7.8%
Financial & Administrative Services	6,005,542	10.9%
General Services	585,093	1.1%
Engineering	3,134,919	5.7%
Operations	41,276,247	74.5%
Total Operating Budget	\$ 55,316,828	100.0%

Budget by Division	Water Funds		Sewer Funds		Recycled Water Funds		Total All Funds	
	Budget	% of Total	Budget	% of Total	Budget	% of Total	Budget	% of Total
Operating Fund								
Administration	\$ 158,624	0.4%	\$ 99,400	0.2%	\$ -	-	\$ 258,024	0.6%
Source of Supply	8,418,567	20.4%	-	-	-	-	8,418,567	20.4%
Water Treatment	5,255,382	12.7%	-	-	-	-	5,255,382	12.7%
Pumping	8,230,553	19.9%	-	-	-	-	8,230,553	19.9%
Telemetry	699,089	1.7%	-	-	-	-	699,089	1.7%
Facilities	680,004	1.6%	-	-	-	-	680,004	1.6%
Vehicle & Equipment Maintenance	650,659	1.6%	151,606	0.4%	-	-	802,265	1.9%
Water Distribution	2,719,271	6.6%	-	-	15,000	0.0%	2,734,271	6.6%
Collection & Transmission	-	-	13,634,175	33.0%	-	-	13,634,175	33.0%
Recycled Water	-	-	-	-	563,917	1.4%	563,917	1.4%
<i>Sub-Total</i>	<u>26,812,149</u>	<u>65.0%</u>	<u>13,885,181</u>	<u>33.6%</u>	<u>578,917</u>	<u>1.4%</u>	<u>41,276,247</u>	<u>100.0%</u>
Capital Fund								
Administration	\$ -	-	\$ -	-	\$ -	-	\$ -	-
Source of Supply	-	-	-	-	-	-	-	-
Water Treatment	-	-	-	-	-	-	-	-
Pumping	-	-	-	-	-	-	-	-
Telemetry	-	-	-	-	-	-	-	-
Facilities	-	-	-	-	-	-	-	-
Vehicle & Equipment Maintenance	-	-	-	-	-	-	-	-
Water Distribution	-	-	-	-	-	-	-	-
Collection & Transmission	-	-	-	-	-	-	-	-
Recycled Water	-	-	-	-	-	-	-	-
<i>Sub-Total</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u><u>26,812,149</u></u>	<u><u>65.0%</u></u>	<u><u>13,885,181</u></u>	<u><u>33.6%</u></u>	<u><u>578,917</u></u>	<u><u>1.4%</u></u>	<u><u>41,276,247</u></u>	<u><u>100.0%</u></u>

CUCAMONGA VALLEY WATER DISTRICT
OPERATIONS DEPARTMENT
SUMMARY BY ACCOUNT

For the Fiscal Year Ending June 30, 2016

Account Number	Account Title	Water	Sewer	Recycled Water	Total
10-XX	Salaries and Wages	\$ 3,686,469	\$ 752,582	-	\$ 4,439,051
12-XX	District Burden	2,192,559	501,531	-	2,694,090
18-XX	Outside Labor	33,000	33,000	-	66,000
20-XX	Professional Development	51,720	10,100	-	61,820
25-XX	Professional Services	2,500	-	-	2,500
35-XX	Collections	-	-	-	-
40-XX	Utilities	7,342,823	10,000	-	7,352,823
45-XX	Materials & Supplies	3,689,008	101,400	15,000	3,805,408
50-XX	Equipment Depreciation	-	-	-	-
55-XX	Outside Services	1,250,913	12,394,268	-	13,645,181
60-XX	Safety	61,470	8,000	-	69,470
70-XX	Purchased Water	8,378,567	-	563,917	8,942,484
79-XX	Miscellaneous	52,420	2,500	-	54,920
80-XX	Other - Capital Equipment	70,700	71,800	-	142,500
Totals		\$ 26,812,149	\$ 13,885,181	\$ 578,917	\$ 41,276,247

APPENDICES

CUCAMONGA VALLEY WATER DISTRICT

GLOSSARY OF TERMS & ACRONYMS

For the Fiscal Year Ending June 30, 2016

Account – A systematic arrangement showing the effect of a business transaction. A separate account exists for each asset, liability, equity, revenue, and expense.

Accrual Basis of Accounting – The method of recording financial transactions in the accounting period in which revenues are earned and expenses are incurred, rather than only after cash is received or paid.

Acre-Foot (AF) – The volume of water that would cover one acre to a depth of one foot. Equal to 325,949 gallons or 435.6 hundred cubic feet of water.

Adoption – Formal action by the Board of Directors which sets the spending limits for the fiscal year.

AF – See acre-foot.

AGM – Assistant General Manager.

AHBWTP – Arthur H. Bridge Water Treatment Plant

Amortization – The paying off of debt in regular installments over a period of time.

AMR – See Automated Meter Reading.

Appropriation – The act of setting aside money for a specific purpose

Assets – Resources owned or held by an entity which have monetary value.

Automated Meter Reading (AMR) – The technology of automatically collecting data from water meter devices.

Balanced Budget – A budget for which expenses are equal to income.

Budget – The District's financial plan balancing proposed expenses for a certain period of time to the expected revenue for that same period.

CAD – See computer-aided design.

CalPERS – California Public Employees Retirement System

Capital Expenses – Expenses which result in the acquisition of, or addition to, fixed assets, including land, buildings, improvements, machinery and equipment.

Capital Improvement Project (CIP) – An addition of a new pipeline or facility, a renovation or major maintenance to existing facilities, a major landscape improvement, land, or one-time major equipment purchase.

CIP – See Capital Improvement Project.

Computer Aided Design (CAD) – The use of a wide range of computer-based tools that assist engineers, engineering technicians, and other design professionals in their design activities.

CAFR – See Comprehensive Annual Financial Report.

Comprehensive Annual Financial Report (CAFR) – The official annual report, including financial statements, statistical information, and extensive narration, which goes beyond the minimum financial reporting.

Certificates of Participation (COP) – A form of lease-purchase financing used to construct or acquire capital facilities and equipment.

Computerized Maintenance Management System (CMMS) – A software application which maintains a database of information about the District’s maintenance operations. This information is intended to help maintenance workers do their jobs more effectively and to help management make informed decisions.

COP – See Certificates of Participation.

CMMS – See Computerized Maintenance Management System

CVWD – Cucamonga Valley Water District.

Debt – The repayment cost, usually stated in annual terms and based on an amortization schedule, of the principal and interest on long-term debt.

Depreciation – A portion of the cost of a fixed asset which is charged as an expense during a year, representing an estimate of the value of the asset used up during that year as a result of wear, deterioration, obsolescence, or action of the physical elements.

DGM – Deputy General Manager.

EDU – See Equivalent Dwelling Unit.

EOC – See Emergency Operation Center.

Endpoint – A two-way radio communication device attached to a water meter for the collection of meter data in a fixed network.

Enterprise Fund – A fund which accounts for the financing of a self-supporting enterprise for which a fee is charged to external users for goods or services.

Emergency Operation Center (EOC) – A central command and control facility responsible for carrying out the principles of emergency preparedness and emergency management, or disaster management functions at a strategic level in an emergency situation, and ensuring the continuity of operation of the District.

Equivalent Dwelling Unit (EDU) – A standard unit of measurement of water discharged into the sewer collection and treatment system equal to the average discharge from a detached single-family unit.

Expenses – An outflow of assets, not necessarily in cash, in exchange for materials or services received for the ordinary course of business.

Federal Emergency Management Agency (FEMA) – an agency of the United States Government. Its purpose is to coordinate the response to a disaster which has occurred within the United States and which overwhelms the resources of local and state authorities.

FEMA – See Federal Emergency Management Agency.

Fiscal Year – A twelve-month period of time to which the annual budget applies and, at the end of which an entity determines its financial position and the results of its operations, in this case from July 1 to June 30.

Fixed Asset – A tangible item which provides benefit over more than one year, such as property, plant, and equipment.

Fixed Network (FN) – A wireless network technology which allows the remote collection of data from water meter devices.

FN – See Fixed Network.

Fund – A set of accounts used to account for a specific activity, such as a water system or sewer treatment plant.

Fund Balance – The difference between the assets and liabilities for a particular fund at any given point in time.

GAAP – See Generally Accepted Accounting Principles.

General Fund – Operating fund.

Generally Accepted Accounting Principles (GAAP) – The uniform accounting principles, standards, and procedures for the presentation of financial reports. For local governments, GAAP is set by the Government Accounting Standards Board.

Geographical Information System (GIS) – An information system integrating maps with electronic data.

GIS – See Geographical Information System.

GPS – Global Positioning System.

Hundred cubic feet (HCF) – Unit of measure of water volume equivalent to 748 gallons or 1/435.6 acre-feet.

HCF – See Hundred cubic feet.

IEUA – See Inland Empire Utilities Agency.

Inland Empire Utilities Agency (IEUA) – A supplemental water supplier and regional wastewater treatment agency with domestic and industrial disposal systems and energy recovery/production facilities

LEED® – Leadership in Energy and Environmental Design. LEED® is a third-party certification program and the nationally accepted benchmark for the design, construction, and operation of high-performance green buildings.

LWMWTP (or LMWTP) – Lloyd W. Michael Water Treatment Plant.

Metropolitan Water District of Southern California (MWD) – Imports water from the Colorado River and Northern California Bay Delta and sells it at wholesale to its member agencies.

MGD – Million gallons per day.

MICU – Mobile Incident Command Unit.

MWD – See Metropolitan Water District of Southern California.

Operating Expenses – All costs associated with doing the day-to-day business of the District which are not considered capital improvements or debt repayments.

PARS – Public Agency Retirement Service. A supplemental retirement plan.

Payment Card Industry (PCI) – More specifically, the Payment Card Industry Security Standards Council, an independent council originally formed with the goal of managing the ongoing evolution of the Payment Card Industry Data Security Standard.

PCI – See Payment Card Industry.

Projected – An estimate of revenues and/or expenses based on past trends, the present economic situation, and future financial forecasts.

Reserves – Assets that are set aside in an account for a specific future use.

Resolution – A special or temporary order of a legislative body; an order of a legislative body requiring less legal formality than an ordinance or statute.

Rolling Budget Process – A progressive approach to the budgeting process which divides the budget into four major sections: (1) wages and benefits, (2) operating expenses, (3) revenues and rates, and (4) capital projects. One section is addressed each quarter of the fiscal year, thereby allowing the Board of Directors and staff to place a greater emphasis on each of the four areas.

SCADA – See Supervisory Control And Data Acquisition.

SOPs – Standard Operating Procedures.

Supervisory Control And Data Acquisition (SCADA) – A large-scale, distributed measurement and control system.

Southern California Edison (SCE) – The primary electricity supply company for much of Southern California.

SoS – Source of Supply.

SCE – See Southern California Edison.

SMP – Sustainability Master Plan.

Strategic Vision Goals – A broad set of policy objectives or strategies set forth by the Board of Directors for the future direction of the District.

SWATER Team – Saving Water and Teaching Environmental Responsibility Team. A team is comprised of CVWD staff from customer service, conservation, engineering, water resources and public affairs. The SWATER team works with customers and their landscape contractors to completed extensive audits of the outdoor premises, identifying water leaks, inefficiencies in irrigation, landscape modifications improvements, and opportunities for future recycled water use.

SWOT Analysis – A strategic planning method used to evaluate the Strengths, Weaknesses, Opportunities, and Threats involved in a project or plan. It involves specifying the objective of the project and identifying the internal and external factors that are favorable and unfavorable to achieving that objective.

Vulnerability Assessment – The examination of a system to identify critical infrastructure or related components that may be at risk of attack and the procedures that can be implemented to reduce that risk.

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CUCAMONGA VALLEY WATER DISTRICT DEBT SERVICE DETAIL

Fiscal Year	Principal	Interest	Total Debt Service
2016	5,204,286	8,786,771	13,991,057
2017	5,404,286	8,578,796	13,983,082
2018	5,629,286	8,354,909	13,984,195
2019	5,859,286	8,109,421	13,968,707
2020	6,114,286	7,854,121	13,968,407
2021	6,369,286	7,596,521	13,965,807
2022	6,639,286	7,323,937	13,963,223
2023	6,919,286	7,025,483	13,944,769
2024	7,255,000	6,691,888	13,946,888
2025	7,685,000	6,328,688	14,013,688
2026	8,065,000	5,949,694	14,014,694
2027	8,435,000	5,562,050	13,997,050
2028	8,825,000	5,172,275	13,997,275
2029	9,205,000	4,758,644	13,963,644
2030	9,660,000	4,305,294	13,965,294
2031	9,180,000	3,844,694	13,024,694
2032	9,630,000	3,379,247	13,009,247
2033	8,830,000	2,920,403	11,750,403
2034	9,295,000	2,455,381	11,750,381
2035	9,795,000	1,952,209	11,747,209
2036	10,330,000	1,421,766	11,751,766
2037	11,210,000	869,250	12,079,250
2038	1,725,000	545,875	2,270,875
2039	1,815,000	457,375	2,272,375
2040	1,910,000	364,250	2,274,250
2041	2,005,000	266,375	2,271,375
2042	2,110,000	163,500	2,273,500
2043	2,215,000	55,375	2,270,375

