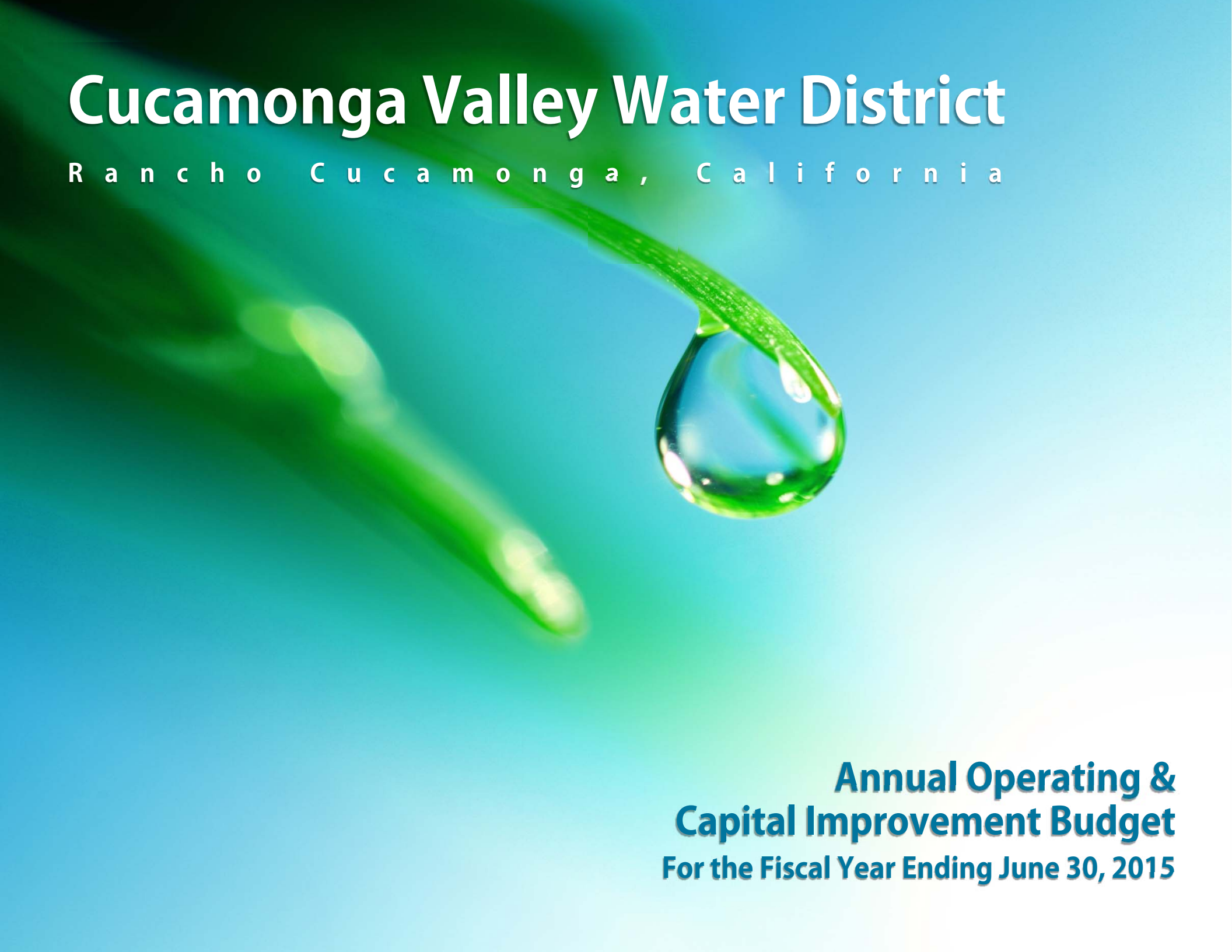


Cucamonga Valley Water District

R a n c h o C u c a m o n g a , C a l i f o r n i a



**Annual Operating &
Capital Improvement Budget**
For the Fiscal Year Ending June 30, 2015

ANNUAL OPERATING & CAPITAL IMPROVEMENT BUDGET

FOR THE FISCAL YEAR ENDING JUNE 30, 2015

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, 2015
(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 FY2015



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

Cucamonga Valley Water District
California

For the Fiscal Year Beginning

July 1, 2013

Executive Director

California Society of Municipal Finance Officers

Certificate of Award

Operating Budget Excellence Award Fiscal Year 2014

Presented to the

Cucamonga Valley Water District

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

February 11, 2014



Handwritten signature of Pauline Marx in black ink.

Pauline Marx
Pauline Marx
CSMFO President

Handwritten signature of Ken Brown in black ink.

Ken Brown
Ken Brown, Chair
Professional Standards and
Recognition Committee

Dedicated Excellence in Municipal Financial Reporting

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June 24, 2014



FISCAL YEAR 2015 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 **2015 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, job creation in 2011-2014 has brought the employment recovery rate to just over 85% of that prior to the downturn, according to local economist John Husing. The District has seen an increase in construction development over the past year with a mixture of commercial, single family residential, and multi-family development. Development revenues have greatly improved since the downturn and have increased over 450%. 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 FY2015 budget is based on operating revenues of \$81,876,808 and operating expenses of \$62,781,999 for all funds, which reflect increases of 2.1% and 5.4% respectively over last year's budget submittal. New requests in Capital Improvement Project (CIP) budget include Water Capital funding of \$15,041,000, Sewer Capital funding of \$1,307,500, and Recycled Water Capital funding of \$150,000, for a total investment of \$16,498,500 in District-wide infrastructure. These projects represent a decrease of 51.4%, 28.8%, and 62.5% in the Water, Sewer, and Recycled Water Funds respectively, for an overall decrease of 50.3%. The Capital Budget also includes \$6,180,400 for funding for the carryover of multi-year projects and a total of \$5,254,300 from outside funding sources. Total revenues of \$149,278,905 and total expenses of \$149,278,905 are budgeted, each representing a decrease of 10% from 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 and long-term. These guiding principles help us 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 FY2015, the District will have 122 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 our water distribution system, the operation of our three water treatment plants, and the maintenance of our wastewater collection system. The District is well aware of the imminent retirement of the “Baby Boomer” generation 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 and is implementing programs to ensure the knowledge and expertise is passed along, providing stability to the organization.



The District’s Human Resources Division has formalized an internal Employee Cross Training program (ECT) this year. In this program, employees will transfer to another division for a predetermined period of time, with the objective of familiarizing them with role and tasks of another division. During this training program employees will acquire skills, abilities, and knowledge in various fields within the District, with the result of enhancing opportunities for mobility, advancement, and personal growth. Three divisions have participated in the ECT this fiscal year: Engineering Inspection, Field Customer Service, and Water/Sewer Operations. In FY2015, the Production Division will also participate in this program. This program helps develop our in-house talent and is a great tool for positive employee relations.

Another investment in *People* this year 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. Fifteen students from around the Inland Empire participated in this hands-on program. The District intends to continue this worthwhile partnership which is important for regional economic development and job training.

The second element of our vision is *Water*. On January 17, 2014, California Governor Jerry Brown declared a state of emergency because of a record drought and urged citizens to reduce water usage by 20%. CVWD’s Board of Directors adopted a resolution acknowledging concerns regarding the statewide drought and recognizing our customers for being good stewards of water. CVWD is fortunate that we do have a diverse water supply mix. CVWD’s water sources include imported water, groundwater from the Chino Basin, groundwater from the Cucamonga Basin, local surface water from our adjacent mountains, and recycled water. The development of these varied water sources was a deliberate and strategic undertaking by current and previous leaders. The District’s Engineering Department has created capital projects that support a diverse water supply portfolio. In addition, Engineering staff has completed the Water Supply Master Plan this year, which allows the District to plan for various supply shortages and any necessary conservation efforts in response to those situations.

Almost fifteen years ago, CVWD started the investment in local programs to improve water supply reliability – a key effort to support the element of *Water* in our vision. These programs included the development of recycled water, the purchase of local groundwater rights, improvements to the two local groundwater basins, increased educational efforts on water use efficiency, and other advanced planning efforts to diversify its water supplies. These programs all have the goal of reducing our District’s reliance on imported water. In fact, the District is well on its way of reaching a 20% conservation

goal. In 2014, the District's customers have attained 18.5% conservation through conservation programs, awareness, and the expansion of our recycled water system.

In 2005, the District started a Water Banking Program with the goal of purchasing available water supplies and storing the supply in the Chino Groundwater Basin. Strategically purchasing water at or below market prices has resulted in the accumulation of almost 70,000 acre-foot (AF), which is well over a one-year supply for the entire District. The accumulation of a local supply provides reliability in the event of decreased supplies from northern California due to drought restrictions or a natural disaster.

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 which will provide another local source of high quality and reliable water for our customers. The upgraded plant is currently in its final testing phase and will be online in the summer of 2014.

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 by 2014. 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 at the end of 2014. Needless to say, the completion of both of these water treatment plant projects has been an organizational priority for the past several years. In FY2015, staff training and establishing an operational protocol for these plants will be a priority for the Treatment Division. Finance staff will be integrating the new treatment processes into the 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. This program has been well received by our customers and has resulted in the resolution of 79% of leaks identified.



The District has approximately 37,000 customers connected to the AMI system, with about 11,000 more customers to be retrofitted. This project continues to be an organizational priority for FY2015 and this year an additional Field Service Representative has been added to the staff that oversees this initiative

so that more effort can be focused on this very important program. In addition, \$2 million of capital funding has been included in the budget for the remaining retrofits and the improvement of the existing technology.

Another priority for FY2015 is the adoption of a Communication Master Plan (the Plan) spear-headed by our Public Affairs Division. The Plan is intended to increase the effectiveness of the District's messaging and prioritize where outreach and communication resources are most needed. The Plan will provide strategic guidance and identify key opportunities for the District's communication efforts and support the vision goal of *Service*. The Plan will provide a comprehensive, proactive, and long-term approach to outreach and identify methodologies and build on existing outreach successes.

For the past two years, District Finance staff has been emphasizing the development of prudent and responsible financial policies and goals. In 2012 the Reserve and Financial Benchmark Policy was created providing not only prudent cash reserve funding levels, but addressing goals such as credit rating, debt financing, days cash, and a debt ratio. In addition, the Board of Directors adopted a Debt Management Policy that provides guidelines for future debt refundings and financings. The Debt Management Policy also designates responsibility for continuing disclosure requirements for our debt. Staff also updated the District's Investment Policy in 2014, as well as the PARS Investment Policy in 2013. In FY2015, Finance staff will readdress the Purchasing Policy and continue to incorporate best management practices.

In FY2014, Finance staff worked with a consultant to develop a Long-Range Wage and Benefit Cost Model. This model provides an in-depth study of the District's labor and benefit costs, which will be integrated into a Long-Range Financial Planning Model that is currently in development. The Wage and Benefit model takes into consideration the existing workforce, attrition, expected benefit rates and the new pension reform requirements that were implemented state-wide. These models will help us analyze long-term trends and allow the District to be more proactive in order to provide stable and sustainable services to our customers.

Revenue Assumptions

The District is conservative in its projections for water consumption and production estimates. The District expects that the statewide drought messaging will impact our customer's consumption patterns; therefore, staff has kept consumption estimates relatively flat even though the District customer base continues to grow slightly. The District's Board approved a multi-year water rate schedule through April 30, 2015. Water revenue projections include the last year's approved rate increase of approximately 4% for water commodity rates and a 5% increase to bimonthly meter charges.

As previously mentioned, development activity has increased over the past few years showing positive investment within the District. In FY2015, we have projected water development revenue of \$4,696,926, an increase of 100% over the prior year. Sewer development fees are anticipated to decrease to \$276,145, a 54% decrease over the prior year. The District's Board approved a phased-in increase to water development fees for September 1, 2014 (26% increase) and September 1, 2015 (21% increase). These new rates were included in the projected revenues.

In FY2015, total operating revenues are projected to increase by 2.1% or \$1,672,784. Of the total, increases to Water Operating Fund Revenues are estimated at \$850,638, a 1.3% increase compared to FY2014. Sewer Operating Revenues are projected to increase by 5.2% or \$771,536. It is projected that approximately 1,300 acre-feet of recycled water will be sold, generating Recycled Water Fund Revenues of \$979,424, an increase of 5.4% or \$50,610.

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 page 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*** provide a meaningful, deliberate and proactive approach to managing our District and the precious resources that it manages. The District maintains transparency, responsiveness, and stewardship to our customers, stakeholders, and employees. The budget incorporates resources for the carefully-planned priorities established for FY2015.

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, Chief Financial Officer; Chad Brantley, Finance Officer; Agnes Boros, Accounting Supervisor; and Cathleen Trunnell, Senior Accountant.

Respectfully submitted,



Martin E. Zvirbulis
General Manager/CEO

RESOLUTION TO ADOPT

RESOLUTION NO. 2014-6-1

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, 2015

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, 2015 (“2015 Budget”); and

WHEREAS, on June 24, 2014, the Board of Directors received and considered all comments regarding the proposed 2015 Budget; and

WHEREAS, the proposed 2015 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 2015 Budget, as detailed in the budget document entitled “Annual Operating and Capital Improvement Budget for the Fiscal Year Ending June 30, 2015,” is hereby adopted. A copy of the 2015 Budget is attached hereto and incorporated herein by reference.
2. The expenditure amounts designated for the Fiscal Year 2014-2015, pursuant to the 2015 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 \$0.17 per hcf to \$0.11 per hcf effective 07/01/2014.
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 24th day of June, 2014.

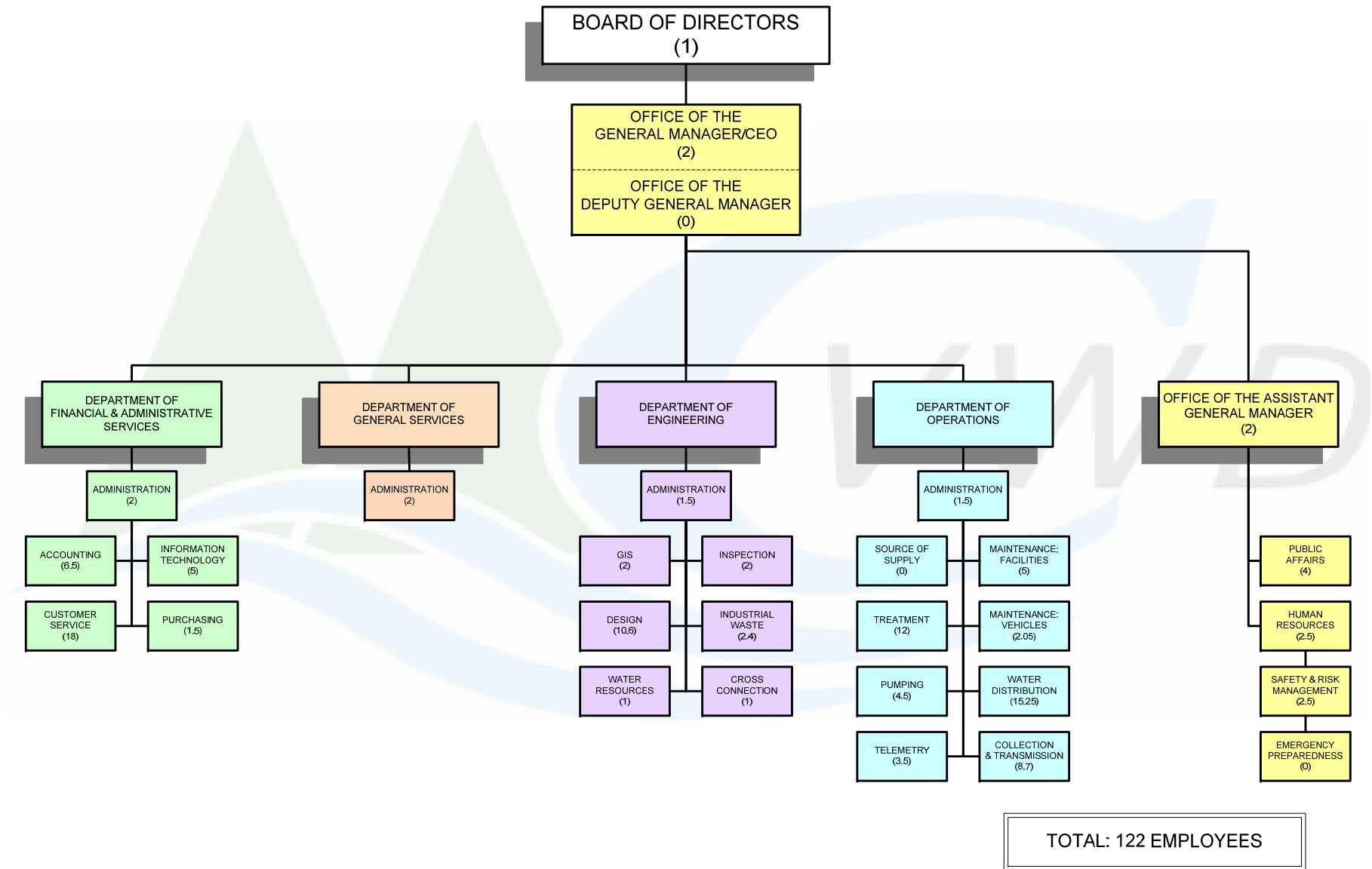
Oscar Gonzalez
President, Board of Directors

Attest:

Martin E. Zvirbulis
Secretary, Board of Directors

CUCAMONGA VALLEY WATER DISTRICT ORGANIZATIONAL CHART

FYE 2015



CUCAMONGA VALLEY WATER DISTRICT

OFFICIALS

For the Fiscal Year Ending June 30, 2015

BOARD OF DIRECTORS

OSCAR GONZALEZ	President
JAMES V. CURATALO, JR.	Vice President
LUIS CETINA	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	Chief Financial Officer
JOHN BOSLER	Chief Operating Officer

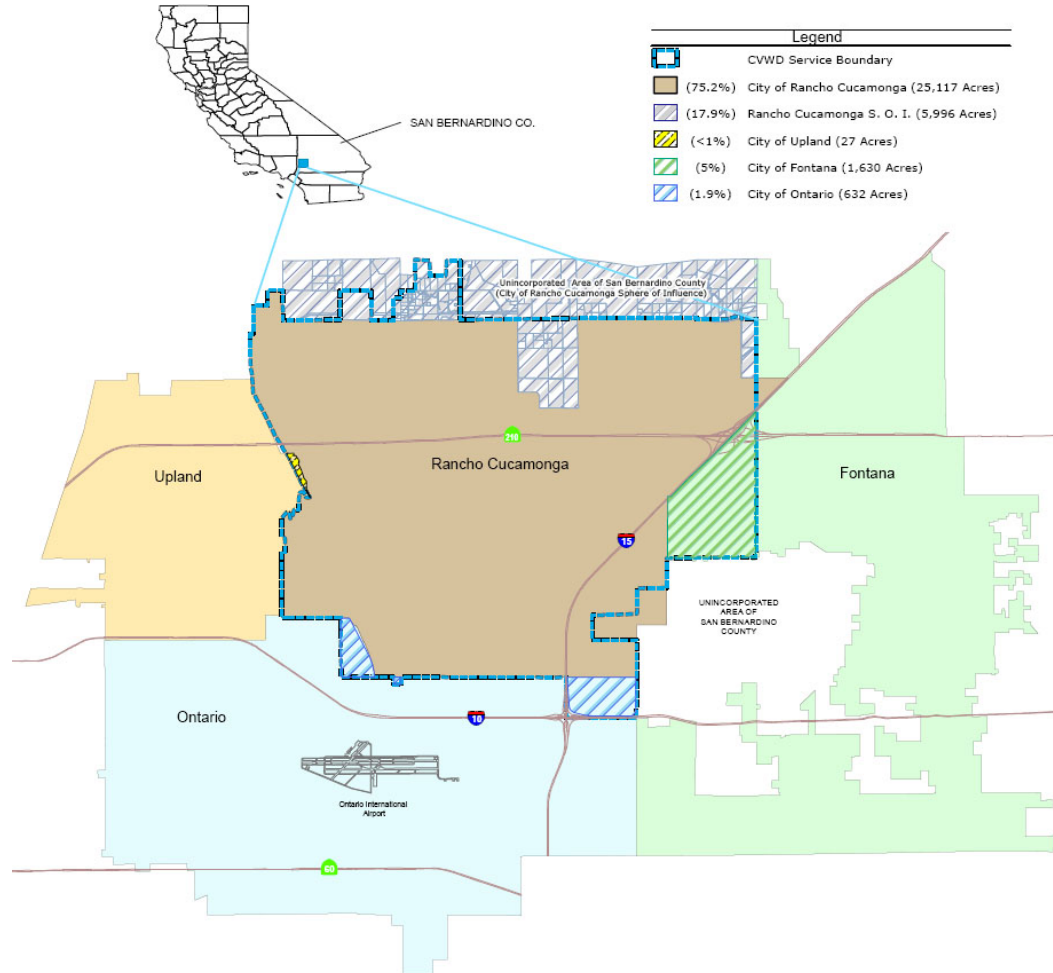
District Officials can be reached by calling (909) 987-2591.



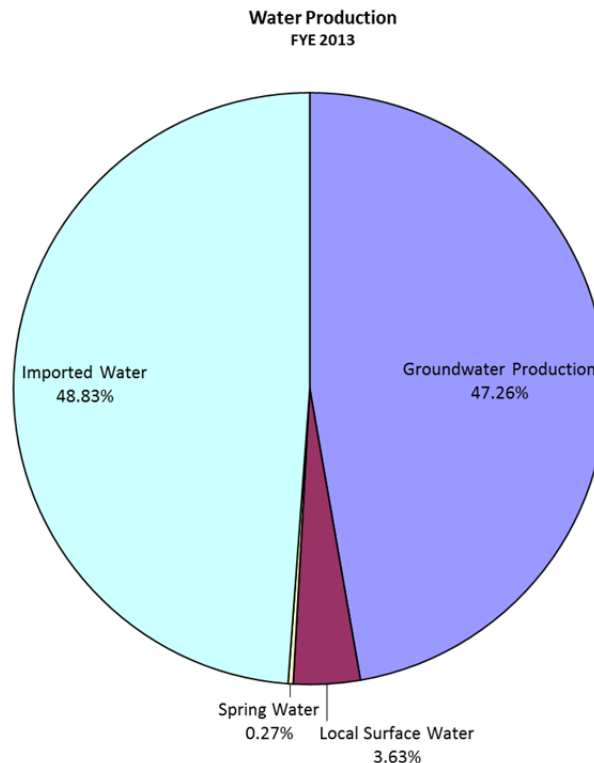
The Cucamonga Valley Water District Main Office at 10440 Ashford Street, Rancho Cucamonga, California

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 185,978 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 58% 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 2013 of 2,067 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 2013, the District purchased 25,847 acre-feet of imported water. The following chart illustrates the water production sources.



Uncertainty due to the state-wide drought affecting Metropolitan Water District of Southern California (MWD or Metropolitan) supply sources, as well as the court order decisions affecting State Water Project operations has raised the possibility that Metropolitan may not have access to the supplies necessary to meet total demands at some point in the future and may have to allocate shortages in supplies to the member agencies. As a result, the District has secured local groundwater resources from other purveyors in the Chino Basin for future use and has increased its use of recycled water.

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.

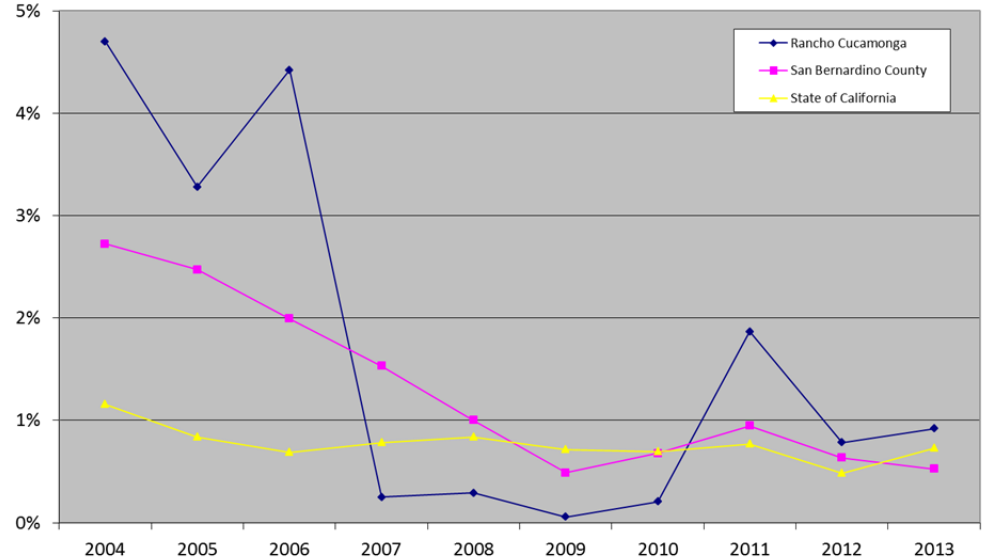
The economics of the communities served by the District have been hit particularly hard by the 2009 economic downturn. New home starts/permits for the District’s service area slowed dramatically beginning in 2009. From 2003 to 2008, the District grew in terms of number of customers at an average rate of over 2.0% per year. However, in 2009 through 2012 the District has grown at a rate of less than 0.5% per year. In 2013, the area has shown signs of a recovery with growth for the year slightly above 0.5%

The decline in the housing market has had a negative effect on short-term growth in the region. Foreclosures in the Inland Empire were among the highest in the nation. Foreclosures in the District peaked in 2009 at 960 homes. Foreclosures have dramatically decreased since that time to a six month level in 2013 of 99 homes. During the past ten years, unemployment rates have varied in Rancho Cucamonga. In 2003, the unemployment rate was at 4.0%. Rates dropped each year after that until 2006 when the rate was at a ten-year low of 3.1%. However, rates have since increased to a rate of 6.7% in 2013, which is lower than the region and the state of California’s rate and is on par with the national rate.

California’s water supply continues to be a concern due to drought conditions, projected population increases, and dwindling supplies from traditional sources. These concerns have increased interest in recycled water for groundwater recharge 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 2012 and 2013. Improvements in economic conditions and less rainfall in 2013 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 2013 has increased to 1.06 acre feet per customer.

10 Year Population Growth Rate
Rancho Cucamonga vs County & State



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 .4% per year and a small increase in use per customer in 2013. 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.

Year	Riverside-San Bernardino-Ontario MSA			
	Unemployment Rate - Rancho Cucamonga	Population - Rancho Cucamonga	Personal Income (thousands of dollars)	Personal Income per Capita
2004	3.7%	151,873	101,117	26,924
2005	3.3%	156,854	108,598	28,020
2006	3.1%	163,788	116,925	29,330
2007	3.6%	164,195	123,046	30,252
2008	5.1%	164,671	125,620	30,539
2009	8.6%	164,764	120,805	29,035
2010	9.4%	165,101	124,840	29,409
2011	8.7%	167,701	128,982	29,961
2012	7.9%	169,498	138,767	31,900
2013	6.7%	171,058	N/A	N/A
2014	6.1%*	172,299	N/A	N/A

* Preliminary rate through March 2014 (latest data available)

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

Employer	Principal Employers	
	Number of Employees	Percentage of Total
Chaffey Community College	1,674	2.38%
Etiwanda School District	1,298	1.84%
City of Rancho Cucamonga	839	1.19%
Alta Loma School District	740	1.05%
Macy's	500	0.71%
Central School District	500	0.71%
Bass Pro Shops	472	0.67%
Schlosser Forge Company	348	0.49%
Wal-Mart Stores	339	0.48%
Nong Shim	330	0.47%
Total	7,040	9.99%
Total Employment	70,484	100.00%

Sources: 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 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 2.17 for Fiscal Year 2013. The District’s Fiscal Year 2015 projected total debt service obligation (\$14,125,964.00) is related to its four existing Certificates of Participation Issuances (COPs), one Clean Renewable Energy Bond (CREB), and one Revenue Bond (RB). The District is currently planning for the refunding of the 2003 COP and the partial refunding of the 2009 COP, resulting in savings into the future. 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, 2014
2003	Senior	Provided funds to defease the 1994 COPs.	7,750,000
2006	Senior	Provided funds for the acquisition and construction of various capital improvements.	19,360,000
2009	Senior	Provided funds for the acquisition and construction of various capital improvements.	22,100,000
2009	Senior	Provided funds for the acquisition of a solar energy recovery system utilizing interest-free Clean Renewable Energy Bonds.	263,571
2011	Senior	Refunding bonds that originally provided funds for the acquisition and construction of various capital improvements.	106,145,000
2012	Subordinate	Provided funds for the acquisition and construction of various capital improvements.	37,195,000
			\$ 192,813,571

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

<u>Year(s)</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	5,069,286	9,056,678	14,125,964
2016	5,269,286	8,854,603	14,123,889
2017	5,474,286	8,640,903	14,115,189
2018-2022	30,991,430	39,513,942	70,505,372
2023-2027	38,329,283	31,808,717	70,138,003
2028-2032	46,440,000	21,529,473	67,969,473
2033-2037	49,460,000	9,619,009	59,079,009
2038-2042	9,565,000	1,797,375	11,362,375
2043-2047	2,215,000	55,375	2,270,375
Total	<u>\$ 192,813,571</u>	<u>\$ 130,876,075</u>	<u>\$ 323,689,649</u>

Debt Service by year is detailed on page 181.

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 objective of the Investment Policy is 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, 2014 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, 2014 and January 1, 2015, employees contribute 1% and 2% 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.

CUCAMONGA VALLEY WATER DISTRICT

RESERVE POLICY

For the Fiscal Year Ending June 30, 2015

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, 2013 was 63.2% based on the Audited Financial Statements.
 - The Debt Ratio at June 30, 2014 is projected to be 59%.
- 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, 2014 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, 2013 was 351 days based on the Audited Financial Statements.
 - The number of Days Cash at June 30, 2014 is projected to be 381 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, 2014 are projected to be 48% Debt, 52% Pay-Go, and 0% 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, 2013 was 2.17 times based on the Audited Financial Statements.
 - The Debt Service Coverage at June 30, 2014 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.

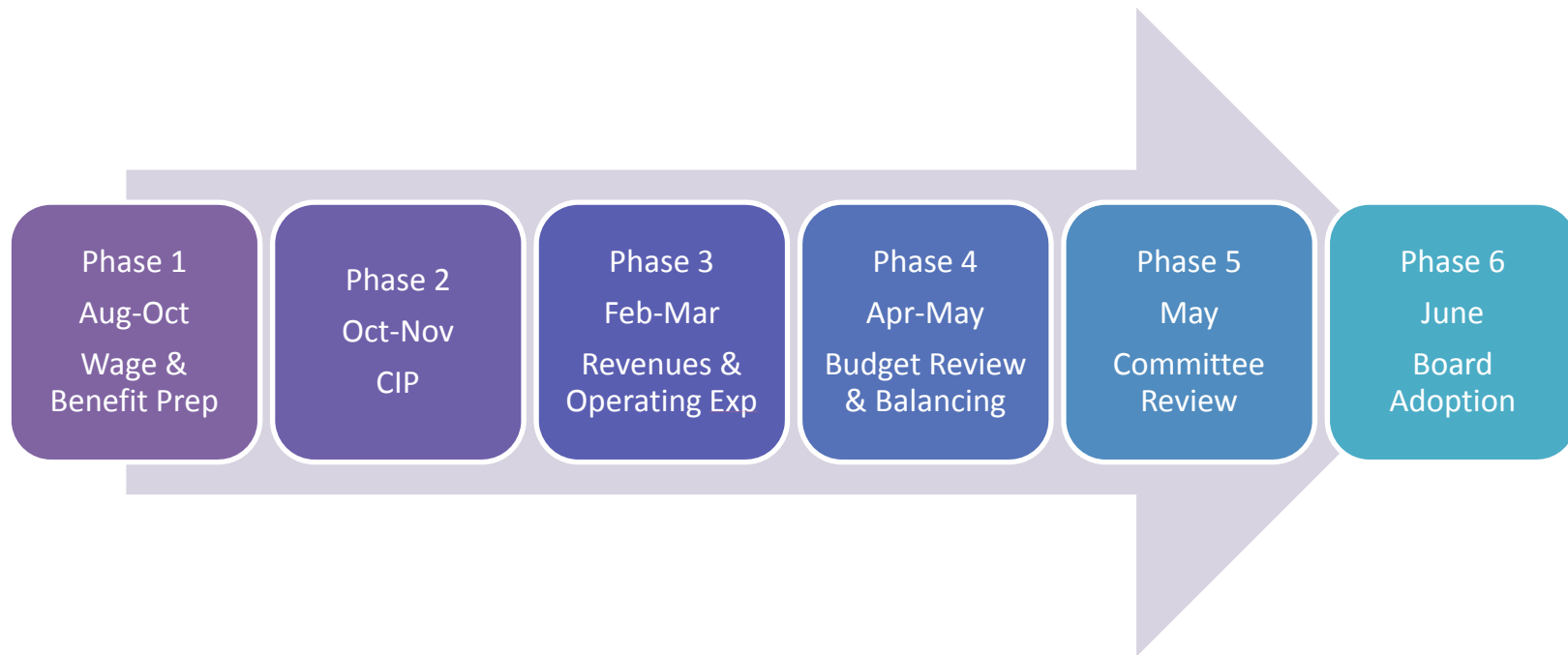
The General Manager/CEO may authorize the hiring of full-time staff as necessary, as long as the position or classification has been authorized by the Board. In addition, the General Manager/CEO may authorize the hiring of temporary or part-time staff as needed within the Operating and Capital Budget.

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 (August - October), the budget requirements for the next fiscal year's wages and benefits are addressed, including division requests for new positions. During Phase 2 (October - November), budget requirements for capital improvement projects are addressed, and in Phase 3 (February - March), budget requests are submitted by department and division heads for operating expenses, while the Finance staff addresses rates and the revenue budget. 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.

This approach allows the Board of Directors and staff the opportunity to place a greater emphasis on each aspect of the budget preparation process.



BUDGET CALENDAR

August 30, 2013	Deadline for submission of Wage & Benefit requests, including overtime, stand-by, and Exec-U-Care forecasts, submission of Personnel Requests, Ladder of Success Requests, and Succession Planning from departments
November 29, 2013	Deadline for submission of Capital Improvement Project requests from departments
March 14, 2014	Deadline for submission of Operating Expenses from departments
April 22, 2014	Operating Expense and Revenue Budget submitted to Finance Committee for review
May 13, 2014	Capital Improvement Project Budget submitted to Engineering Committee for review
May 16, 2014	Wage and Benefit Budget submitted to Personnel Committee for review
May 27, 2014	Annual Operating and Capital Improvement Budget for the Fiscal Year Ending June 30, 2015, submitted to Finance Committee for review
June 24, 2014	Annual Operating and Capital Improvement Budget for the Fiscal Year Ending June 30, 2015, submitted to Board of Directors for review and adoption

CUCAMONGA VALLEY WATER DISTRICT REVENUE ASSUMPTIONS

For the Fiscal Year Ending June 30, 2015

Water Operating Fund

Commodity water sales are the largest source of District 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 implemented a phased-in four year tiered water rate structure that better 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.

Category	Assumptions	Rate Increase Effective 5/1/2014
Potable – Tier 1	9,775 acre feet sold (1.6% increase over prior year)	2.01%
Potable – Tier 2	19,000 acre feet sold (2.9% increase over prior year)	3.37%
Potable – Tier 3	12,091 acre feet sold (2.1% increase over prior year)	6.85%
Potable – Tier 4	8,662 acre feet sold (2.5% decrease over prior year)	8.27%
Construction	177 acre feet sold (70.7% increase over prior year)	5.29%
Canyon Source	5,500 acre feet sold (28.2% decrease over prior year)	1.90% decrease (eff. 1/1/15)
Recycled Water	1,314 acre feet sold (1.0% increase due to expansion of R/W facilities)	2.68%

The approved multi-year rate structure through 2014 is as follows:

Category	Effective 5/1/2010	Effective 5/1/2011	Effective 5/1/2012	Effective 5/1/2013	Effective 5/1/2014
Tier 1	\$ 1.40	\$ 1.43	\$ 1.46	\$ 1.49	\$ 1.52
Tier 2	1.60	1.66	1.72	1.78	1.84
Tier 3	1.80	1.92	2.05	2.19	2.34
Tier 4	2.00	2.17	2.35	2.54	2.75

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 0.35% growth in our customer base for Fiscal Year 2015, as well as approved rate increases of 5% for each year May 1, 2010, through May 1, 2014.

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 0.20% for LAIF investments and 0.94% 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 0.20% on the unspent portions of the 2012 Revenue Bond issuance.

Proceeds from Borrowing are based on proceeds from the 2012 revenue bond issuance.

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 780,797 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 approved 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 0.20% for LAIF investments and 0.94% 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

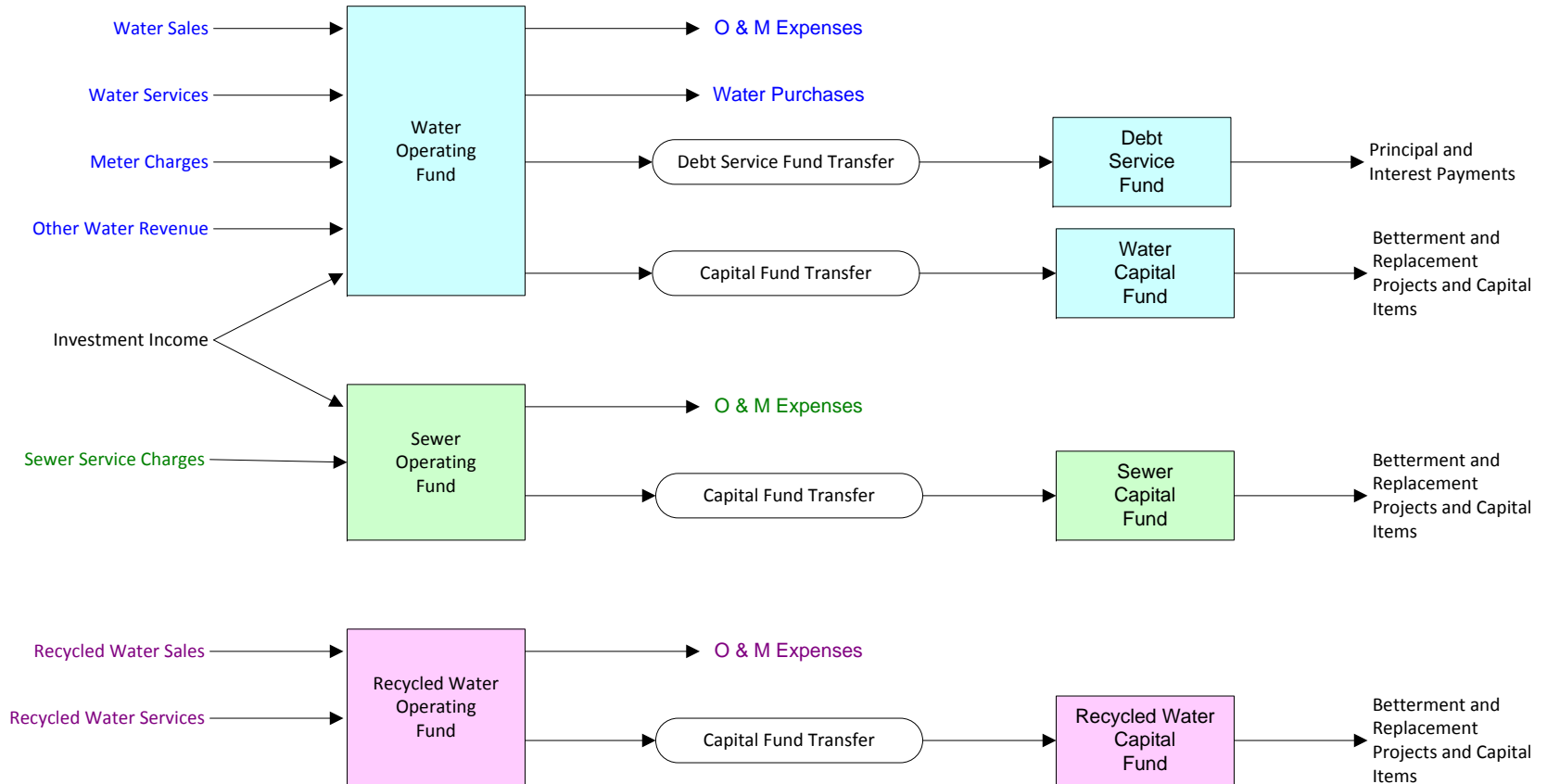
Recycled Water Sales are projected based upon an anticipated consumption of 1,314 acre feet. This will be the District’s seventh year of providing recycled water, and therefore we will be closely monitoring actual consumption.

The approved multi-year rate structure through 2019 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, 2015



CUCAMONGA VALLEY WATER DISTRICT
DESCRIPTION OF MAJOR FUNDS

For the Fiscal Year Ending June 30, 2015

- 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.

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CUCAMONGA VALLEY WATER DISTRICT
STATEMENT OF BUDGETED REVENUES AND EXPENSES (ALL FUNDS)

For the Fiscal Year Ending June 30, 2015

	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	62,156,268	-	979,424	63,135,692	-	-	-	-	63,135,692
Water Sales to Other Agencies	2,995,587	-	-	2,995,587	-	-	-	-	2,995,587
Sewer Services	-	15,745,529	-	15,745,529	-	-	-	-	15,745,529
Total Operating Revenues	65,151,855	15,745,529	979,424	81,876,808	-	-	-	-	81,876,808
Operating Expenses									
Executive Department	3,905,093	484,763	-	4,389,856	-	-	-	-	4,389,856
Financial & Administrative Services Dept	5,164,714	776,043	15,833	5,956,590	42,973	-	-	-	5,999,563
General Services Department	494,687	42,079	-	536,766	-	-	-	-	536,766
Engineering Department	844,635	543,100	177,901	1,565,636	1,133,913	292,548	-	-	2,992,097
Operations Department	35,741,133	12,726,524	396,060	48,863,717	-	-	-	-	48,863,717
Total Operating Expenses	46,150,262	14,572,509	589,794	61,312,565	1,176,886	292,548	-	-	62,781,999
Net Operating Revenue (Expense)	19,001,593	1,173,020	389,630	20,564,243	(1,176,886)	(292,548)	-	-	19,094,809
Non-Operating Revenues									
Interest Income	375,600	125,200	-	500,800	-	-	-	8,900	509,700
Development Fees	-	-	-	-	4,696,926	276,145	77,239	-	5,050,310
Inspection Fees	-	-	-	-	20,000	27,000	-	-	47,000
Meter Installations	-	-	-	-	50,000	-	-	-	50,000
Proceeds from Borrowing	-	-	-	-	27,188,000	-	-	-	27,188,000
Outside CIP Funding	-	-	-	-	5,254,300	-	-	-	5,254,300
Carry Over CIP Funding	-	-	-	-	4,534,900	1,495,500	150,000	-	6,180,400
Other Income	991,172	-	-	991,172	75,000	-	-	-	1,066,172
Total Non-Operating Revenues	1,366,772	125,200	-	1,491,972	41,819,126	1,798,645	227,239	8,900	45,345,882
Non-Operating Expenses									
Capital Improvement Projects	-	-	-	-	15,041,000	1,307,500	150,000	-	16,498,500
Carry Over Projects	-	-	-	-	29,206,200	1,495,500	150,000	-	30,851,700
Annual Debt Service	-	-	-	-	873,066	-	292,911	14,125,964	15,291,941
Debt Covenants	-	-	-	-	-	-	-	1,753,181	1,753,181
Reserves	-	-	-	-	20,094	1,317	23,958	-	45,369
Total Non-Operating Expenses	-	-	-	-	45,140,360	2,804,317	616,869	15,879,145	64,440,691
Net Income Before Transfers	20,368,365	1,298,220	389,630	22,056,215	(4,498,120)	(1,298,220)	(389,630)	(15,870,245)	-
Transfers									
Transfers Out	(20,368,365)	(1,298,220)	(389,630)	(22,056,215)	-	-	-	-	(22,056,215)
Transfers In	-	-	-	-	4,498,120	1,298,220	389,630	15,870,245	22,056,215
Total Transfers	(20,368,365)	(1,298,220)	(389,630)	(22,056,215)	4,498,120	1,298,220	389,630	15,870,245	-
Net Income Before Depreciation	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	7,800,000	1,800,000	50,000	-	9,650,000
Net Income	-	-	-	-	(7,800,000)	(1,800,000)	(50,000)	-	(9,650,000)

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CUCAMONGA VALLEY WATER DISTRICT

FUND BALANCE SUMMARY (ACCRUAL BASIS)

For the Fiscal Year Ending June 30, 2015

	Water Funds	Sewer Funds	Recycled Water Funds	Debt Service Fund	Total
Estimated Fund Balance, June 30, 2014	\$ 100,020,259	\$ 38,257,954	\$ 2,638,765	\$ -	\$ 140,916,978
Operating Revenues					
Water Sales & Services	62,156,268	-	979,424	-	63,135,692
Water Sales to Other Agencies	2,995,587	-	-	-	2,995,587
Sewer Services	-	15,745,529	-	-	15,745,529
Total Operating Revenues	65,151,855	15,745,529	979,424	-	81,876,808
Operating Expenses					
Executive Department	3,905,093	484,763	-	-	4,389,856
Financial & Administrative Services Department	5,207,687	776,043	15,833	-	5,999,563
General Services Department	494,687	42,079	-	-	536,766
Engineering Department	1,978,548	835,648	177,901	-	2,992,097
Operations Department	35,741,133	12,726,524	396,060	-	48,863,717
Total Operating Expenses	47,327,148	14,865,057	589,794	-	62,781,999
Net Operating Revenue (Expense)	17,824,707	880,472	389,630	-	19,094,809
Non-Operating Revenues					
Interest Income	375,600	125,200	-	8,900	509,700
Development Fees	4,696,926	276,145	77,239	-	5,050,310
Inspection Fees	20,000	27,000	-	-	47,000
Meter Installations	50,000	-	-	-	50,000
Other Income	1,066,172	-	-	-	1,066,172
Total Non-Operating Revenues	6,208,698	428,345	77,239	8,900	6,723,182
Non-Operating Expenses					
Interest Expense on Debt	873,066	-	292,911	14,125,964	15,291,941
Total Non-Operating Expenses	873,066	-	292,911	14,125,964	15,291,941
Net Income Before Transfers	23,160,339	1,308,817	173,958	(14,117,064)	10,526,050
Transfers					
Transfers Out	(14,117,064)	-	-	-	(14,117,064)
Transfers In	-	-	-	14,117,064	14,117,064
Total Transfers	(14,117,064)	-	-	14,117,064	-
Net Income Before Depreciation	\$ 9,043,275	\$ 1,308,817	\$ 173,958	\$ -	\$ 10,526,050
Depreciation	7,800,000	1,800,000	50,000	-	9,650,000
Estimated Fund Balance, June 30, 2015	\$ 101,263,534	\$ 37,766,771	\$ 2,762,723	\$ -	\$ 141,793,028

CUCAMONGA VALLEY WATER DISTRICT

FUND BALANCE HISTORY

For the Fiscal Year Ending June 30, 2001, through Fiscal Year Ending June 30, 2014

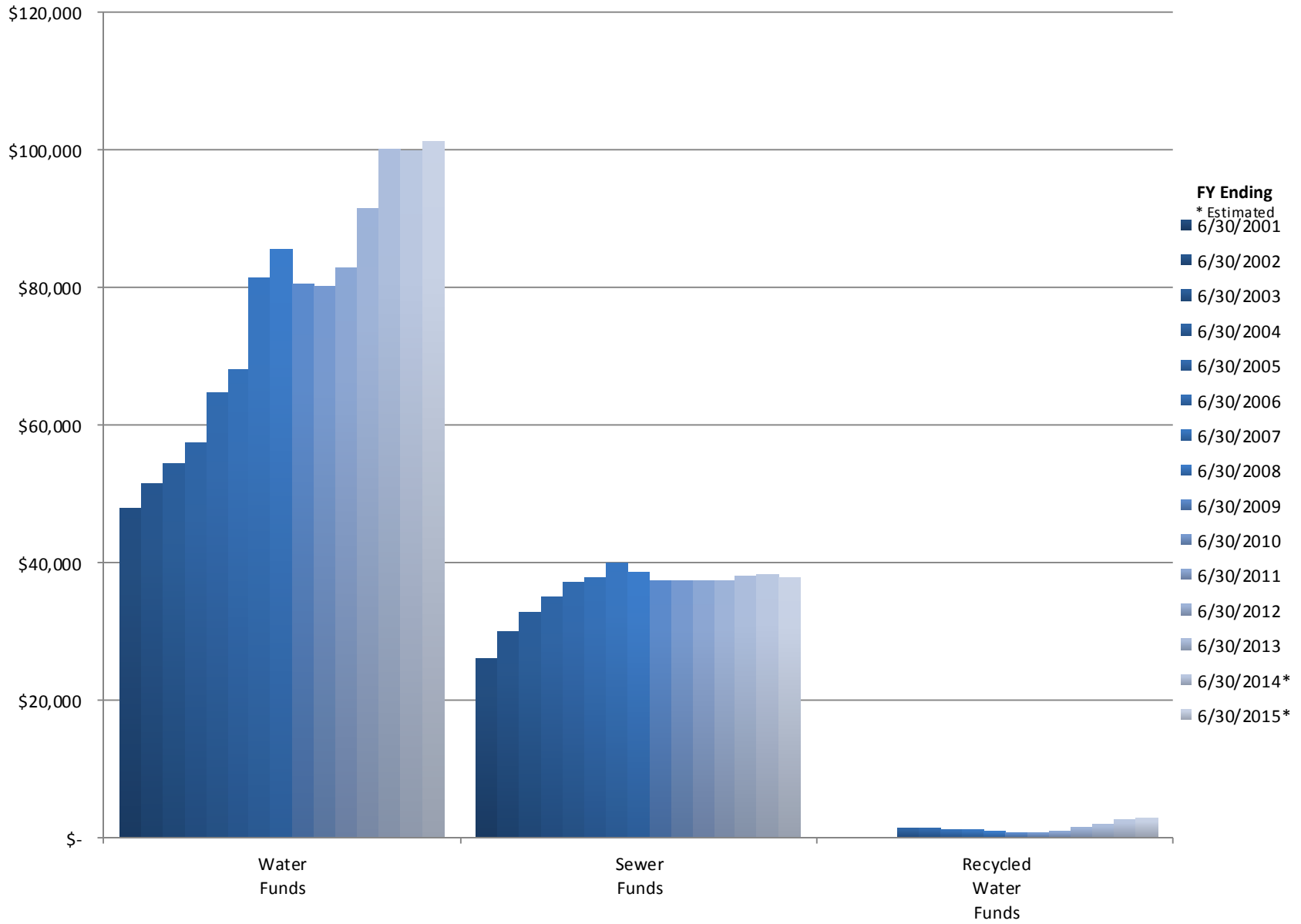
Fiscal Year Ending		Water Funds	Sewer Funds	Recycled Water Funds	Debt Service Fund	Total
6/30/2001	Retained Earnings	\$ 47,881,702	\$ 26,067,969	\$ -	\$ -	\$ 73,949,671
6/30/2002	Net Income Before Capital Contributions	(3,105,898)	716,580	-	-	(2,389,318)
	Development Fees	6,659,832	3,135,376	-	-	9,795,208
	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	Revenues					
	Water Sales	59,196,761	-	-	-	59,196,761
	Water Sales - Other Agencies	2,572,781	-	-	-	2,572,781
	Water Services	1,217,492	-	-	-	1,217,492
	Sewer Sales	-	15,196,865	-	-	15,196,865
	Sewer Services	-	39,588	-	-	39,588
	Recycled Water Sales	-	-	1,185,666	-	1,185,666
	Recycled Water Services	-	-	564	-	564
	Interest & Other Revenues	369,224	127,371	-	-	496,595
	Other Capital	1,602,575	28,071	-	-	1,630,646
	Developer Fees	2,597,474	385,331	-	-	2,982,804
	Total Estimated Revenues FY2014	67,556,306	15,777,225	1,186,230	-	84,519,760
	Expenses					
	Source of Supply	20,450,345	-	334,964	-	20,785,310
	Pumping Operations	5,965,146	-	-	-	5,965,146
	Water Treatment	3,322,656	-	-	-	3,322,656
	Transmission & Distribution	3,410,021	-	5,793	-	3,415,814
	Customer Accounts	2,214,253	370,123	437	-	2,584,813
	Administration & General	9,708,516	1,398,451	171,753	-	11,278,719
	Collection & Transmission	-	12,042,664	-	-	12,042,664
	Depreciation	8,500,000	1,700,000	81,000	-	10,281,000
	Interest Expense	14,166,132	-	-	-	14,166,132
	Total Estimated Expenses FY2014	67,737,069	15,511,237	593,947	-	83,842,253
	Net Income - FY2014	(180,763)	265,988	592,283	-	677,508
	Estimated Fund Balance @ 06/30/14	100,020,259	38,257,954	2,638,765	-	140,916,978
	Change in Fund Balance as Compared to Prior Year	0%	1%	29%	N/A	0%

Note: The 29% increase in Recycled Water Fund balance is a result of the expansion of the District's recycled water program

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, 2015

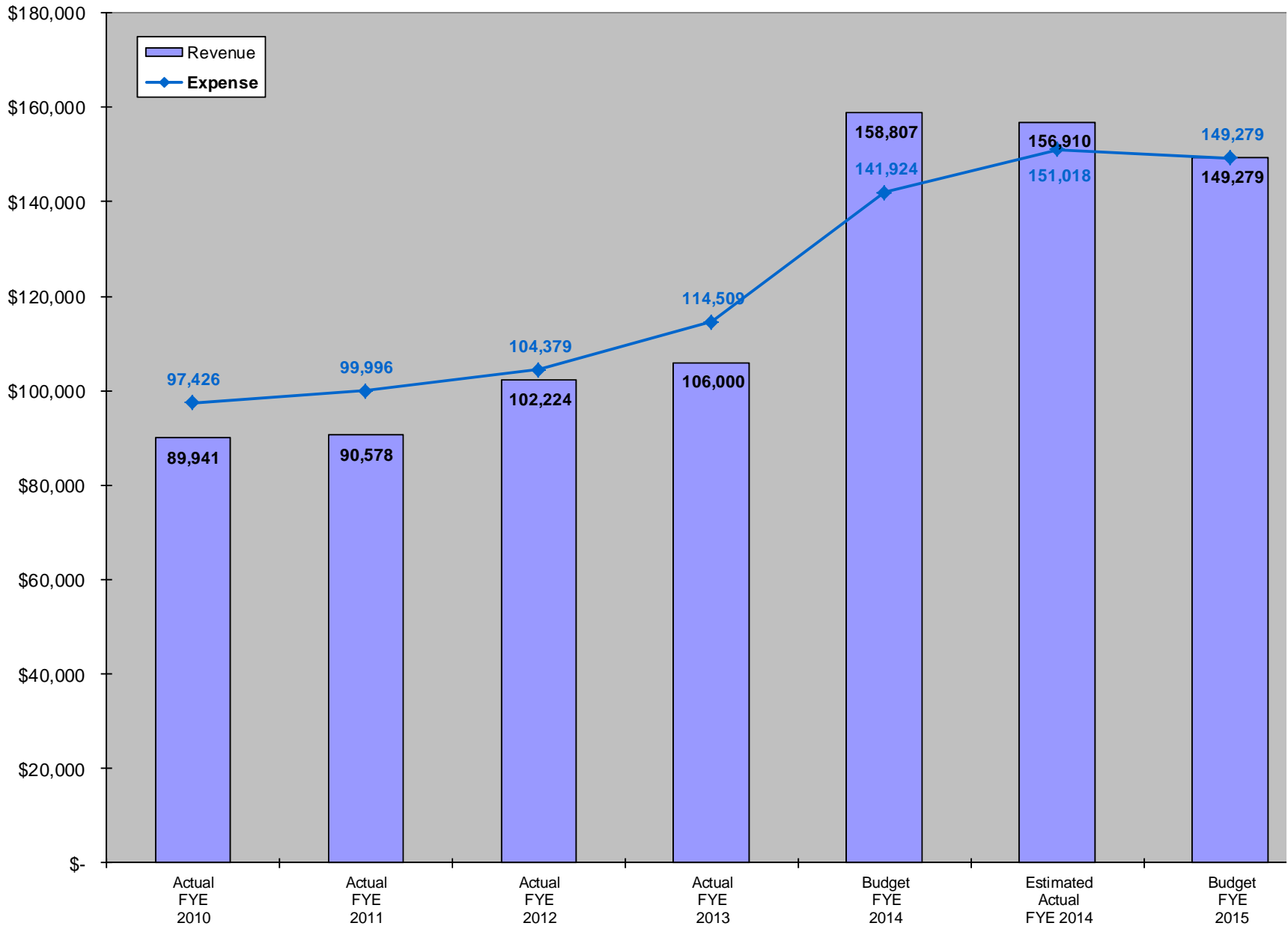
Fiscal Year Ending	Rate Stabilization Reserves	Water Banking Reserves	Operating Reserves	Capital Project Reserves	Emergency Reserves	Admin CIP Reserves	Developer Fee Reserves	Total
Water Funds								
6/30/2013	Balance @ 07/01/2012	\$ 3,316,164	\$ 3,587,500	\$ 8,208,306	\$ 13,000,000	\$ 3,412,992	\$ 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	(153,908)	2,500	1,727,150	-	449,089	21,502	5,013,023
	Estimated Balance @ 06/30/2014	\$ 3,523,759	\$ 3,635,000	\$ 12,632,901	\$ 13,000,000	\$ 6,878,627	\$ 1,557,385	\$ 47,794,241
6/30/2015	Changes to Reserves	-	70,000	1,554,652	-	126,820	21,803	6,540,201
	Estimated Balance @ 06/30/2015	\$ 3,523,759	\$ 3,705,000	\$ 14,187,553	\$ 13,000,000	\$ 7,005,447	\$ 1,579,189	\$ 54,334,442
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	-	-	-	-	2,749	1,075	714,244
	Estimated Balance @ 06/30/2014	\$ -	\$ -	\$ 6,821,031	\$ 20,000,000	\$ 882,812	\$ 77,869	\$ 29,461,909
6/30/2015	Changes to Reserves	-	-	465,224	-	(13,299)	1,090	729,160
	Estimated Balance @ 06/30/2015	\$ -	\$ -	\$ 7,286,255	\$ 20,000,000	\$ 869,513	\$ 78,959	\$ 30,191,069
Recycled Water Funds								
6/30/2013	Balance @ 07/01/2012	\$ -	\$ -	\$ 70,854	\$ -	\$ 48,535	\$ -	\$ 119,389
	Changes to Reserves	-	-	23,837	-	2,075	-	25,913
	Balance @ 06/30/2013	\$ -	\$ -	\$ 94,691	\$ -	\$ 50,611	\$ -	\$ 145,302
6/30/2014	Changes to Reserves	-	-	-	-	3,190	-	3,190
	Estimated Balance @ 06/30/2014	\$ -	\$ -	\$ 94,691	\$ -	\$ 53,801	\$ -	\$ 148,492
6/30/2015	Changes to Reserves	-	-	23,268	-	690	77,239	101,197
	Estimated Balance @ 06/30/2015	\$ -	\$ -	\$ 117,959	\$ -	\$ 54,491	\$ 77,239	\$ 249,689
	Estimated Total Balance @ 06/30/2015	\$ 3,523,759	\$ 3,705,000	\$ 21,591,766	\$ 33,000,000	\$ 7,929,451	\$ 1,658,148	\$ 84,775,200

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HISTORICAL TRENDS

TOTAL REVENUES AND EXPENSES (ALL FUNDS)

(Amounts Expressed in Thousands)



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

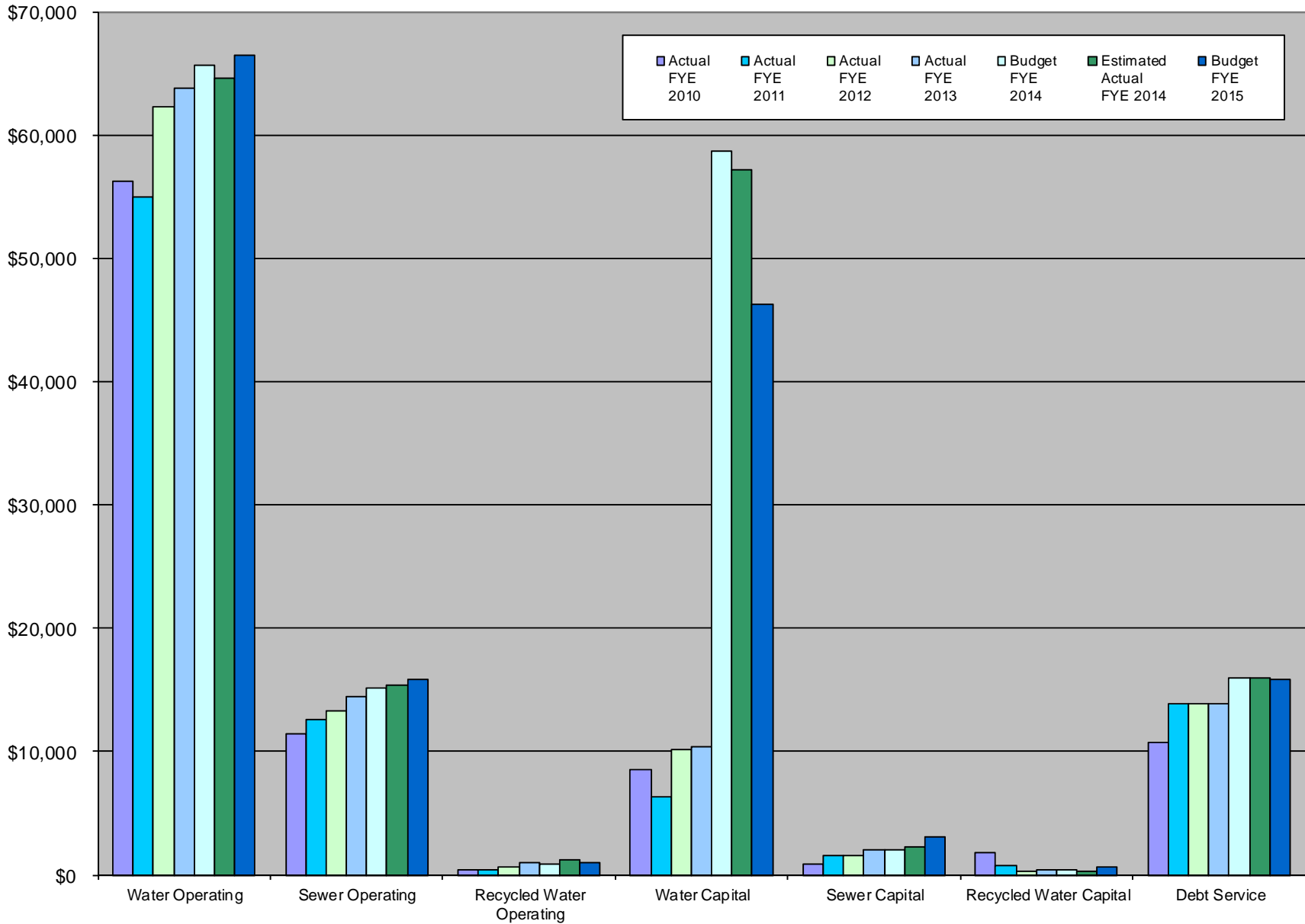
(Amounts Expressed in Thousands)

Activity	Actual FYE 2010	Actual FYE 2011	% Change	Actual FYE 2012	% Change	Actual FYE 2013	% Change	Budget FYE 2014	% Change	Estimated Actual FYE 2014	Budget FYE 2015	% Change
Total Revenues	\$ 89,941	\$ 90,578	0.7%	\$ 102,224	12.9%	\$ 106,000	3.7%	\$ 158,807	49.8%	\$ 156,910	\$ 149,279	(4.9)%
Total Expenses	97,426	99,996	2.6%	104,379	4.4%	114,509	9.7%	141,924	23.9%	151,018	149,279	(1.2)%
Net Income	\$ (7,485)	\$ (9,418)	25.8%	\$ (2,155)	(77.1)%	\$ (8,509)	294.9%	\$ 16,884	(298.4)%	\$ 5,891	\$ -	(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)

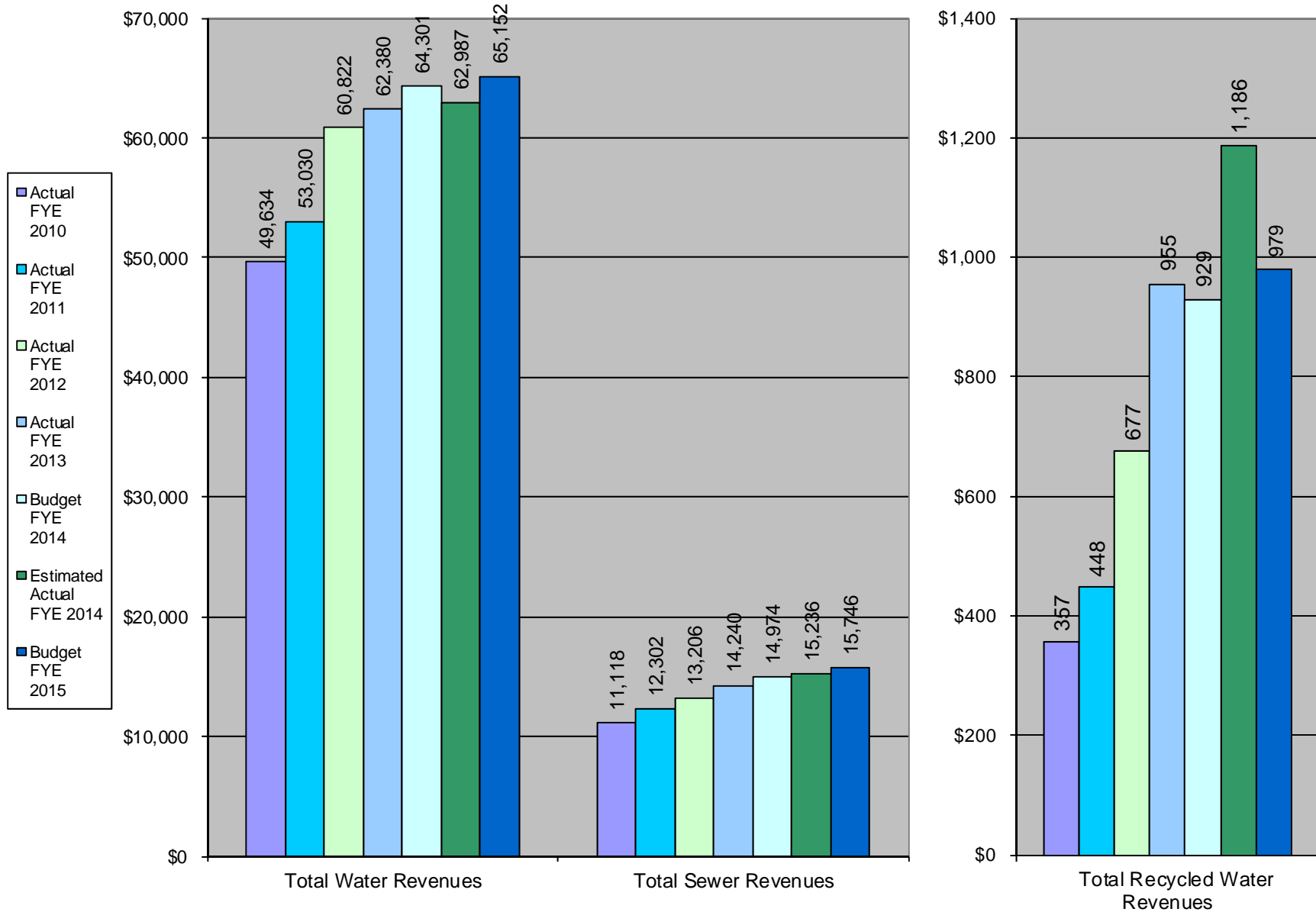


CUCAMONGA VALLEY WATER DISTRICT
TOTAL REVENUES BY FUND
(Amounts Expressed in Thousands)

Fund	Actual FYE 2010	Actual FYE 2011	% Change	Actual FYE 2012	% Change	Actual FYE 2013	% Change	Budget FYE 2014	% Change	Estimated Actual FYE 2014	Budget FYE 2015	% Change
Water Operating												
Operating Revenues	\$ 49,634	\$ 53,030	6.8%	\$ 60,822	14.7%	\$ 62,380	2.6%	\$ 64,301	3.1%	\$ 62,987	\$ 65,152	3.4%
Non-Operating Revenues	6,645	2,016	(69.7)%	1,442	(28.5)%	1,501	4.0%	1,339	(10.8)%	1,652	1,367	(17.3)%
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-
Total Fund Revenues	56,280	55,046	(2.2)%	62,264	13.1%	63,881	2.6%	65,640	2.8%	64,639	66,519	2.9%
Sewer Operating												
Operating Revenues	11,118	12,302	10.7%	13,206	7.3%	14,240	7.8%	14,974	5.2%	15,236	15,746	3.3%
Non-Operating Revenues	299	260	(13.1)%	148	(43.0)%	179	20.6%	137	(23.6)%	127	125	(1.7)%
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-
Total Fund Revenues	11,417	12,562	10.0%	13,355	6.3%	14,418	8.0%	15,111	4.8%	15,364	15,871	3.3%
Recycled Water Operating												
Operating Revenues	357	448	25.5%	677	51.0%	955	41.2%	929	(2.8)%	1,186	979	(17.4)%
Non-Operating Revenues	-	-	-	-	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-
Total Fund Revenues	357	448	25.5%	677	51.0%	955	41.2%	929	(2.8)%	1,186	979	(17.4)%
Water Capital												
Non-Operating Revenues	602	280	(53.4)%	728	159.8%	173	(76.3)%	51,934	30005.8%	52,370	41,819	(20.1)%
Transfers In	7,883	6,050	(23.2)%	9,469	56.5%	10,253	8.3%	6,739	(34.3)%	4,868	4,498	(7.6)%
Total Fund Revenues	8,485	6,330	(25.4)%	10,197	61.1%	10,425	2.2%	58,674	462.8%	57,238	46,317	(19.1)%
Sewer Capital												
Non-Operating Revenues	2	-	(100.0)%	10	N/A	-	(100.0)%	625	N/A	413	1,799	335.1%
Transfers In	903	1,529	69.3%	1,510	(1.2)%	1,990	31.8%	1,455	(26.9)%	1,826	1,298	(28.9)%
Total Fund Revenues	905	1,529	69.0%	1,520	(0.6)%	1,990	30.9%	2,080	4.5%	2,240	3,097	38.3%
Recycled Water Capital												
Non-Operating Revenues	114	-	(100.0)%	462	N/A	-	(100.0)%	159	N/A	-	227	N/A
Transfers In	1,671	746	(55.3)%	(145)	(119.4)%	435	(400.6)%	291	(33.1)%	318	390	22.4%
Total Fund Revenues	1,785	746	(58.2)%	317	(57.5)%	435	37.0%	450	3.5%	318	617	93.7%
Debt Service												
Non-Operating Revenues	-	-	-	-	-	-	-	895	N/A	150	9	(94.1)%
Transfers In	10,713	13,915	29.9%	13,895	(0.1)%	13,895	0.0%	15,029	8.2%	15,774	15,870	0.6%
Total Fund Revenues	10,713	13,915	29.9%	13,895	(0.1)%	13,895	0.0%	15,924	14.6%	15,924	15,879	(0.3)%
Total Revenues	\$ 89,941	\$ 90,578	0.7%	\$ 102,224	12.9%	\$ 106,000	3.7%	\$ 158,807	49.8%	\$ 156,910	\$ 149,279	(4.9)%

TOTAL OPERATING REVENUES BY ACTIVITY

(Amounts Expressed in Thousands)

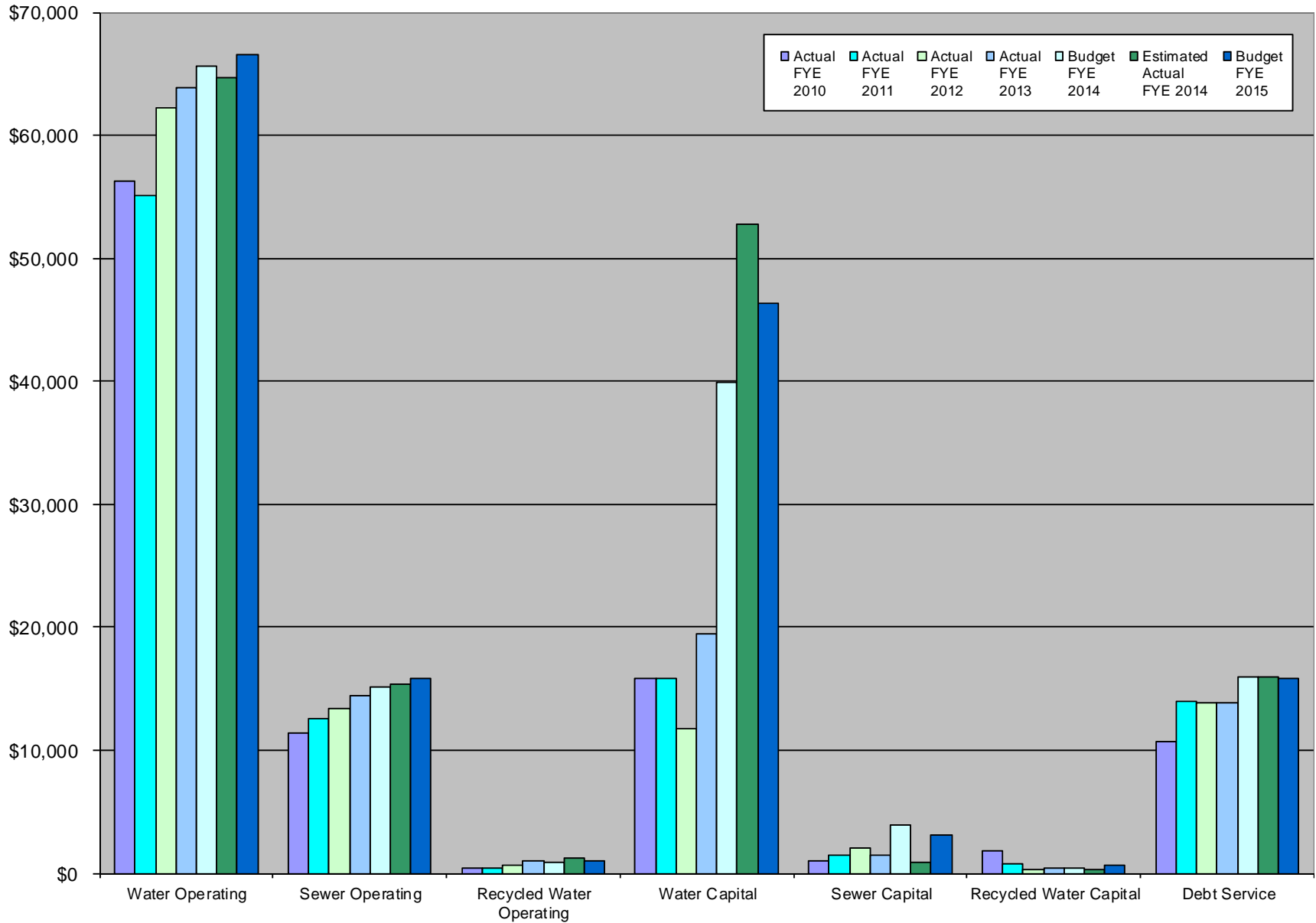


CUCAMONGA VALLEY WATER DISTRICT
TOTAL OPERATING REVENUES BY ACTIVITY
(Amounts Expressed in Thousands)

Activity	Actual FYE 2010	Actual FYE 2011	%	Actual FYE 2012	%	Actual FYE 2013	%	Budget FYE 2014	%	Estimated Actual FYE 2014	Budget FYE 2015	%
			Change		Change		Change		Change			Change
Operating Revenues												
Water Sales	\$ 42,800	\$ 47,118	10.1%	\$ 53,429	13.4%	\$ 57,340	7.3%	\$ 58,887	2.7%	\$ 59,197	\$ 60,971	3.0%
Water Sales-Other Agencies	5,789	4,759	(17.8)%	6,102	28.2%	3,811	(37.5)%	4,198	10.2%	2,573	2,996	16.4%
Water Services	1,046	1,154	10.3%	1,291	11.9%	1,229	(4.8)%	1,216	(1.1)%	1,217	1,185	(2.6)%
Total Water Revenues	49,634	53,030	6.8%	60,822	14.7%	62,380	2.6%	64,301	3.1%	62,987	65,152	3.4%
Sewer Sales	11,086	12,276	10.7%	13,175	7.3%	14,207	7.8%	14,954	5.3%	15,197	15,710	3.4%
Sewer Services	32	27	(16.5)%	32	19.8%	32	1.1%	20	(37.8)%	40	36	(9.3)%
Total Sewer Revenues	11,118	12,302	10.7%	13,206	7.3%	14,240	7.8%	14,974	5.2%	15,236	15,746	3.3%
Recycled Water Sales	357	448	25.5%	677	51.0%	955	41.2%	929	(2.8)%	1,186	979	(17.4)%
Recycled Water Services	-	-	-	-	-	-	-	-	-	1	0	(46.8)%
Total Recycled Water Revenues	357	448	25.5%	677	51.0%	955	41.2%	929	(2.8)%	1,186	979	(17.4)%
Total Operating Revenues	\$ 61,109	\$ 65,781	7.6%	\$ 74,705	13.6%	\$ 77,575	3.8%	\$ 80,204	3.4%	\$ 79,410	\$ 81,877	3.1%

TOTAL EXPENSES BY FUND

(Amounts Expressed in Thousands)

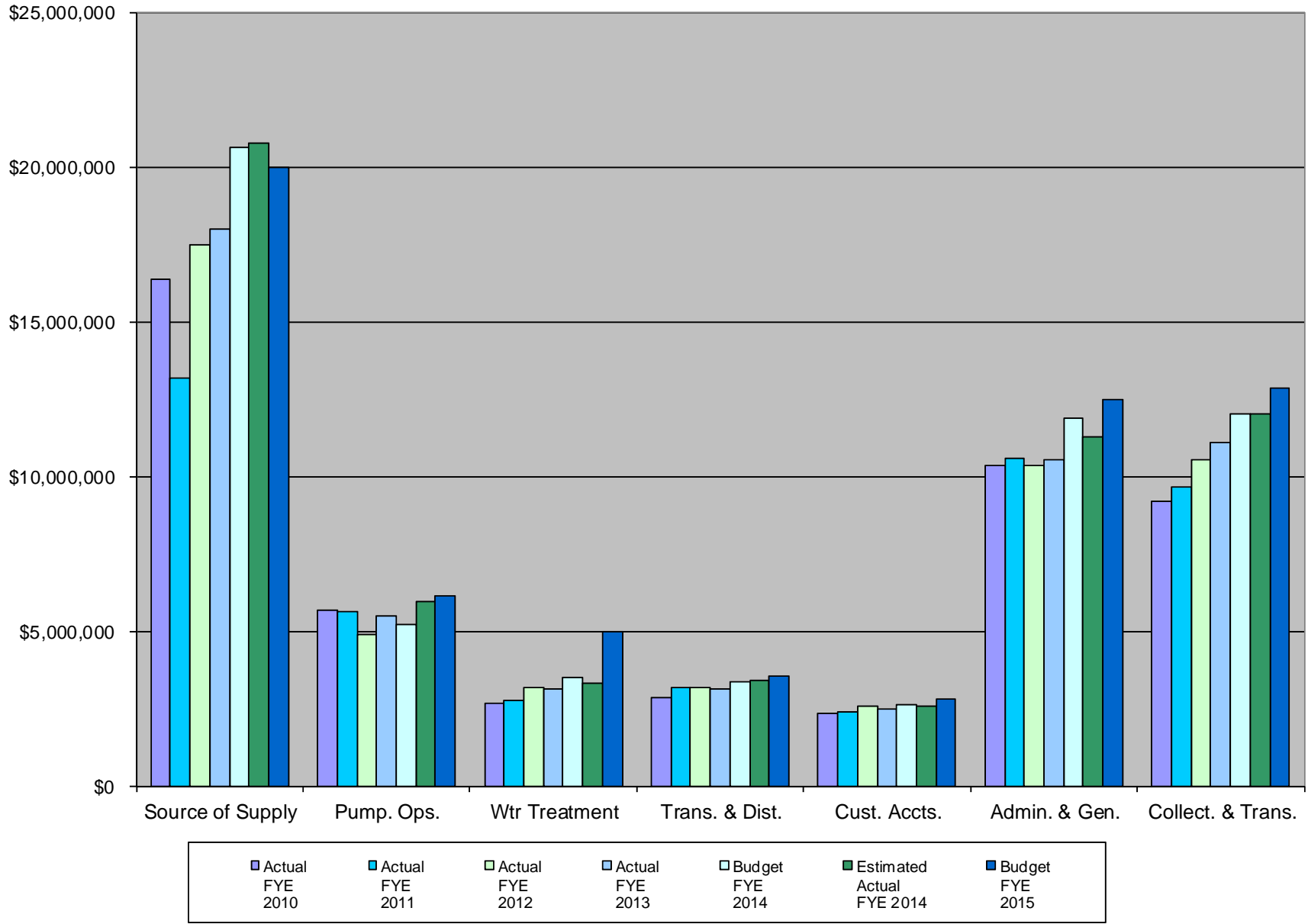


CUCAMONGA VALLEY WATER DISTRICT
TOTAL EXPENSES BY FUND
(Amounts Expressed in Thousands)

Fund	Actual FYE 2010	Actual FYE 2011	% Change	Actual FYE 2012	% Change	Actual FYE 2013	% Change	Budget FYE 2014	% Change	Estimated Actual FYE 2014	Budget FYE 2015	% Change
Water Operating												
Operating Expenses	\$ 37,684	\$ 35,081	(6.9)%	\$ 39,092	11.4%	\$ 39,872	2.0%	\$ 43,872	10.0%	\$ 43,997	\$ 46,150	4.9%
Non-Operating Expenses	-	-	-	(191)	N/A	(139)	(27.3)%	-	(100.0)%	-	-	-
Transfers Out	18,596	19,965	7.4%	23,364	17.0%	24,148	3.4%	21,768	(9.9)%	20,642	20,368	(1.3)%
Total Fund Expenses	56,280	55,046	(2.2)%	62,264	13.1%	63,881	2.6%	65,640	2.8%	64,639	66,519	2.9%
Sewer Operating												
Operating Expenses	10,514	11,034	4.9%	11,853	7.4%	12,445	5.0%	13,655	9.7%	13,538	14,573	7.6%
Non-Operating Expenses	-	-	-	(9)	N/A	(17)	94.4%	-	(100.0)%	-	-	-
Transfers Out	903	1,529	69.3%	1,510	(1.2)%	1,990	31.8%	1,455	(26.9)%	1,826	1,298	(28.9)%
Total Fund Expenses	11,417	12,562	10.0%	13,355	6.3%	14,418	8.0%	15,111	4.8%	15,364	15,871	3.3%
Recycled Water Operating												
Operating Expenses	280	253	(9.7)%	262	3.7%	367	40.1%	473	28.9%	513	590	15.0%
Non-Operating Expenses	0	-	(100.0)%	(16)	N/A	(32)	102.4%	-	(100.0)%	-	-	-
Transfers Out	77	195	154.3%	430	120.1%	620	44.1%	455	(26.5)%	673	390	(42.1)%
Total Fund Expenses	357	448	25.5%	677	51.0%	955	41.2%	929	(2.8)%	1,186	979	(17.4)%
Water Capital												
Operating Expenses	791	788	(0.4)%	822	4.3%	967	17.7%	1,015	5.0%	1,074	1,177	9.6%
Non-Operating Expenses	13,445	14,522	8.0%	11,553	(20.4)%	18,629	61.3%	39,089	109.8%	52,013	45,140	(13.2)%
Transfers Out	1,594	551	(65.4)%	(575)	(204.4)%	(185)	(67.8)%	(164)	(11.1)%	(355)	-	(100.0)%
Total Fund Expenses	15,829	15,860	0.2%	11,799	(25.6)%	19,411	64.5%	39,940	105.8%	52,732	46,317	(12.2)%
Sewer Capital												
Operating Expenses	207	203	(1.8)%	211	4.1%	246	16.2%	249	1.4%	274	293	7.0%
Non-Operating Expenses	838	1,214	44.9%	1,861	53.2%	1,268	(31.9)%	3,681	190.4%	581	2,804	382.6%
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-
Total Fund Expenses	1,045	1,417	35.6%	2,072	46.2%	1,513	(27.0)%	3,930	159.7%	855	3,097	262.4%
Recycled Water Capital												
Operating Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Non-Operating Expenses	1,785	746	(58.2)%	317	(57.5)%	435	37.0%	450	3.5%	318	617	93.7%
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-
Total Fund Expenses	1,785	746	(58.2)%	317	(57.5)%	435	37.0%	450	3.5%	318	617	93.7%
Debt Service												
Non-Operating Expenses	10,713	13,915	29.9%	13,895	(0.1)%	13,895	0.0%	15,924	14.6%	15,924	15,879	(0.3)%
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-
Total Fund Expenses	10,713	13,915	29.9%	13,895	(0.1)%	13,895	0.0%	15,924	14.6%	15,924	15,879	(0.3)%
Total Expenses	\$ 97,426	\$ 99,996	2.6%	\$ 104,379	4.4%	\$ 114,509	9.7%	\$ 141,924	23.9%	\$ 151,018	\$ 149,279	(1.2)%

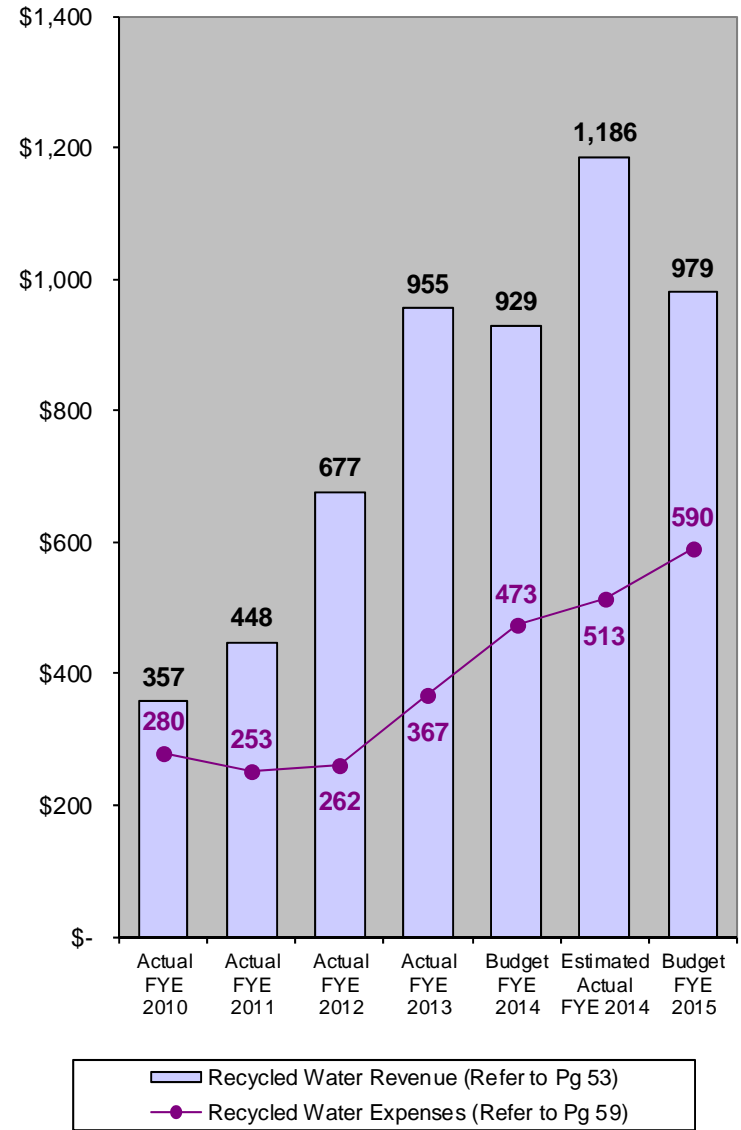
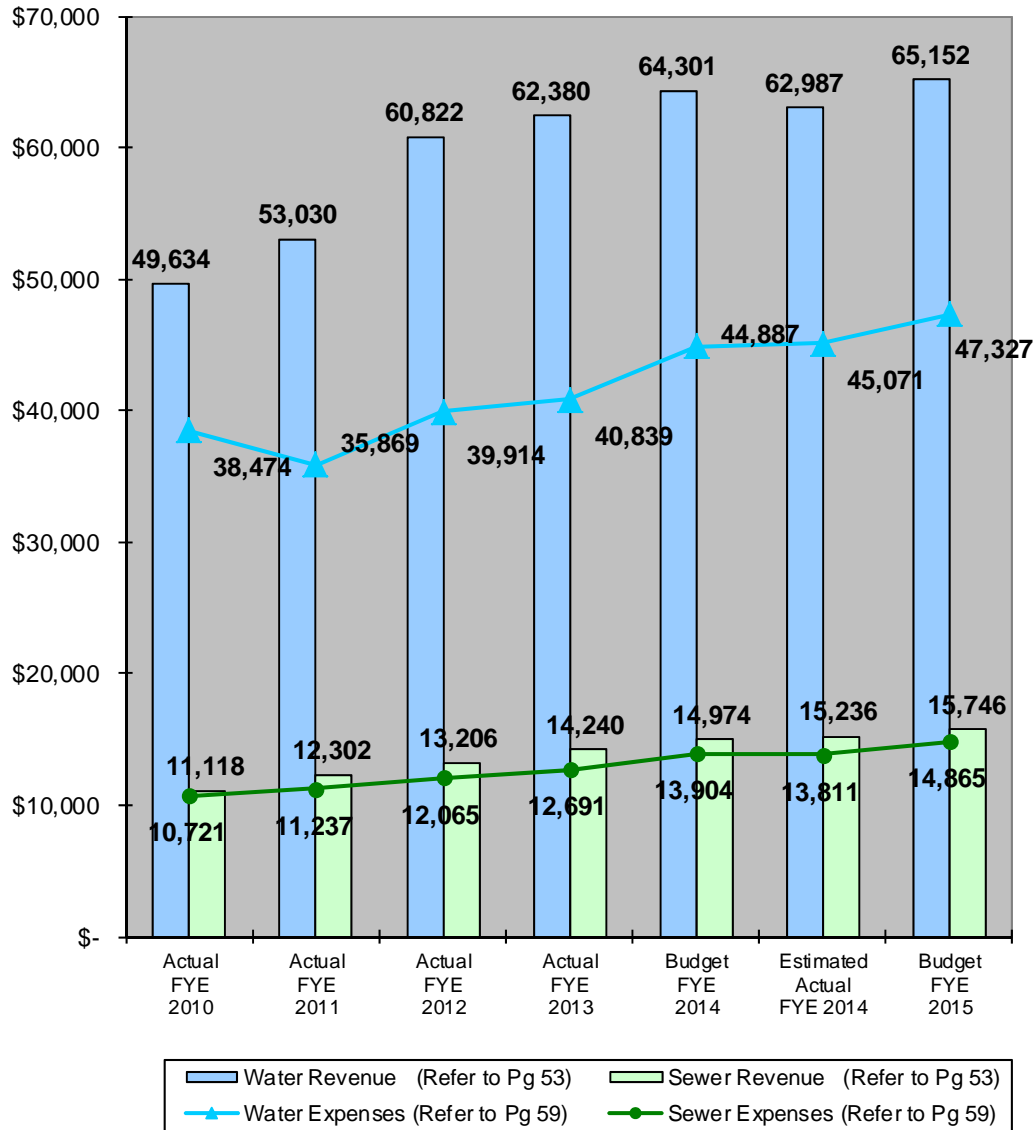
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TOTAL OPERATING EXPENSES BY ACTIVITY



TOTAL OPERATING REVENUES AND EXPENSES BY ACTIVITY

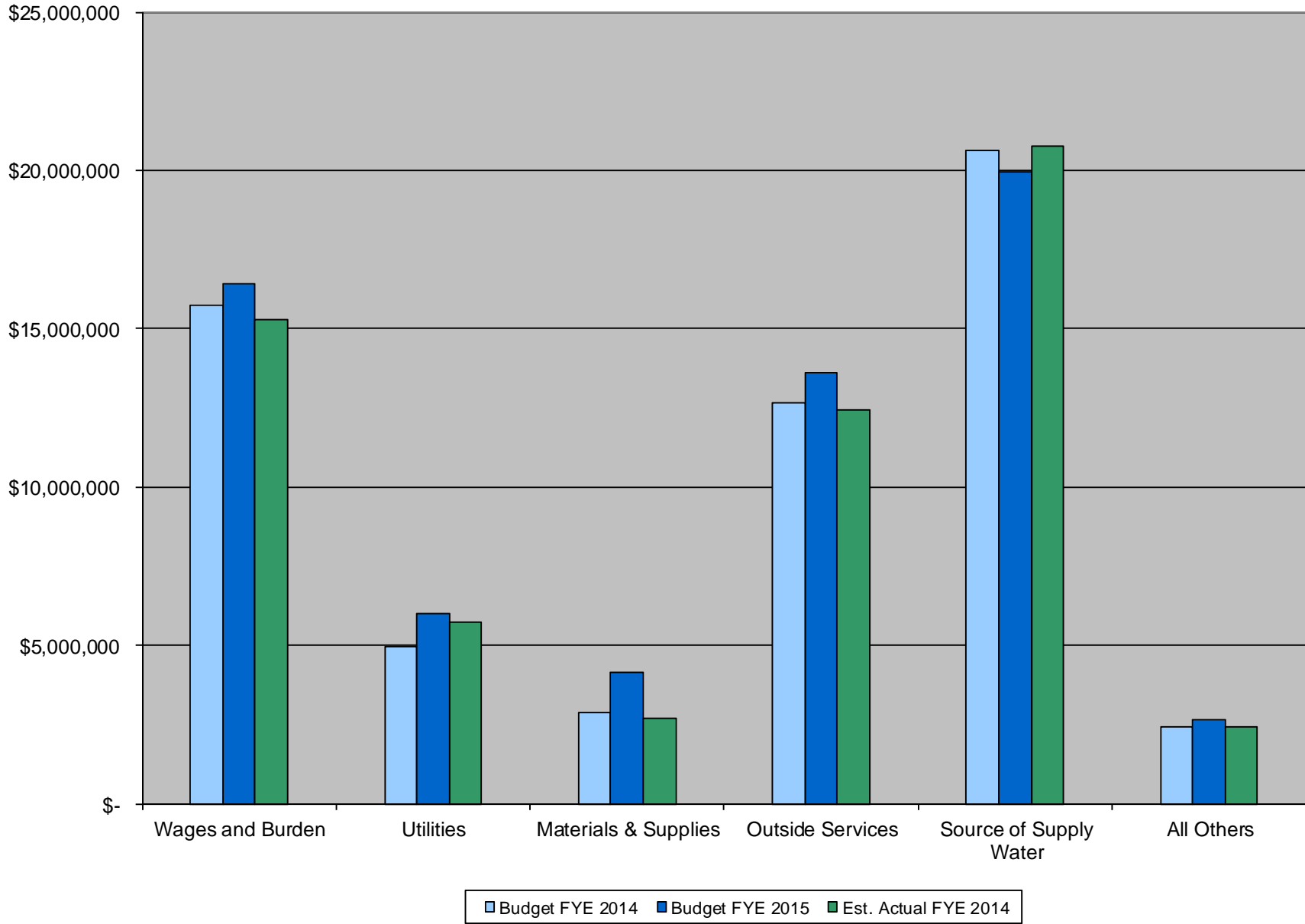
(Amounts Expressed in Thousands)



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

Activity	Actual FYE 2010	Actual FYE 2011	% Change	Actual FYE 2012	% Change	Actual FYE 2013	% Change	Budget FYE 2014	% Change	Estimated Actual FYE 2014	Budget FYE 2015	% Change
Total Revenues	\$ 61,109	\$ 65,781	7.6%	\$ 74,705	13.6%	\$ 77,575	3.8%	\$ 80,204	3.4%	\$ 79,410	\$ 81,877	3.1%
Operating Expenses												
Source of Supply	16,345	13,127	(19.7)%	17,406	32.6%	17,798	2.3%	20,373	14.5%	20,450	19,606	(4.1)%
Pumping Operations	5,659	5,625	(0.6)%	4,908	(12.7)%	5,492	11.9%	5,206	(5.2)%	5,965	6,160	3.3%
Water Treatment	2,674	2,733	2.2%	3,162	15.7%	3,135	(0.8)%	3,511	12.0%	3,323	4,974	49.7%
Transmission and Distribution	2,855	3,145	10.2%	3,154	0.3%	3,131	(0.7)%	3,347	6.9%	3,410	3,520	3.2%
Customer Accounts	2,026	2,038	0.6%	2,250	10.4%	2,149	(4.5)%	2,218	3.2%	2,214	2,371	7.1%
Administration and General	8,916	9,200	3.2%	9,034	(1.8)%	9,134	1.1%	10,233	12.0%	9,709	10,695	10.2%
Total Water Expenses	38,474	35,869	(6.8)%	39,914	11.3%	40,839	2.3%	44,887	9.9%	45,071	47,327	5.0%
Collection and Transmission	9,174	9,680	5.5%	10,547	9.0%	11,117	5.4%	12,038	8.3%	12,043	12,848	6.7%
Customer Accounts	325	331	2.1%	332	0.1%	341	2.9%	367	7.5%	370	421	13.7%
Administrative and General	1,222	1,225	0.3%	1,186	(3.2)%	1,232	3.9%	1,500	21.8%	1,398	1,596	14.1%
Total Sewer Expenses	10,721	11,237	4.8%	12,065	7.4%	12,691	5.2%	13,904	9.6%	13,811	14,865	7.6%
Source of Supply	43	62	46.3%	100	61.4%	208	107.0%	280	34.7%	335	381	13.8%
Transmission and Distribution	1	7	617.1%	11	41.4%	3	(74.0)%	15	447.0%	6	15	158.9%
Customer Accounts	3	4	53.6%	(1)	(113.6)%	1	(244.5)%	11	1233.8%	0	15	3297.7%
Administrative and General	234	179	(23.4)%	152	(15.1)%	156	2.8%	167	7.1%	172	179	4.2%
Total Recycled Water Expenses	280	253	(9.7)%	262	3.7%	367	40.1%	473	28.9%	513	590	15.0%
Total Operating Expenses	\$ 49,475	\$ 47,358	(4.3)%	\$ 52,241	10.3%	\$ 53,897	3.2%	\$ 59,265	10.0%	\$ 59,395	\$ 62,782	5.7%
Net Operating Revenue (Expense)	\$ 11,634	\$ 18,423	58.4%	\$ 22,465	21.9%	\$ 23,678	5.4%	\$ 20,939	(11.6)%	\$ 20,015	\$ 19,095	(4.6)%

TOTAL OPERATING EXPENSES BY ACCOUNT



CUCAMONGA VALLEY WATER DISTRICT TOTAL OPERATING EXPENSES BY ACCOUNT

Account	Budget FYE 2014	Estimated Actual FYE 2014	Budget FYE 2015	% Change Budget '14 vs. Budget '15	% Change Est. Actual '14 vs. Budget '15
Wages and Burden	\$ 15,723,158	\$ 15,301,999	\$ 16,419,988	4.4%	7.3%
Professional Development	407,927	407,927	430,247	5.5%	5.5%
Professional Services	603,102	606,450	630,191	4.5%	3.9%
Advertisements	35,075	28,262	23,625	(32.6)%	(16.4)%
Elections	-	-	85,000	N/A	N/A
Personnel	132,151	129,462	158,270	19.8%	22.3%
Insurance	489,250	510,167	500,200	2.2%	(2.0)%
Collections	167,000	166,931	167,000	0.0%	0.0%
Utilities	4,945,114	5,737,891	5,997,821	21.3%	4.5%
Materials & Supplies	2,878,930	2,714,136	4,153,911	44.3%	53.0%
Equipment	-	-	-	-	-
Outside Services	12,659,760	12,429,306	13,613,028	7.5%	9.5%
Safety	76,224	87,401	85,500	12.2%	(2.2)%
Source of Supply Water	20,623,511	20,785,310	19,946,723	(3.3)%	(4.0)%
Miscellaneous	416,168	422,159	456,370	9.7%	8.1%
Other - Capital Equipment	107,891	67,722	114,125	5.8%	68.5%
Totals	\$ 59,265,261	\$ 59,395,121	\$ 62,781,999	5.9%	5.7%

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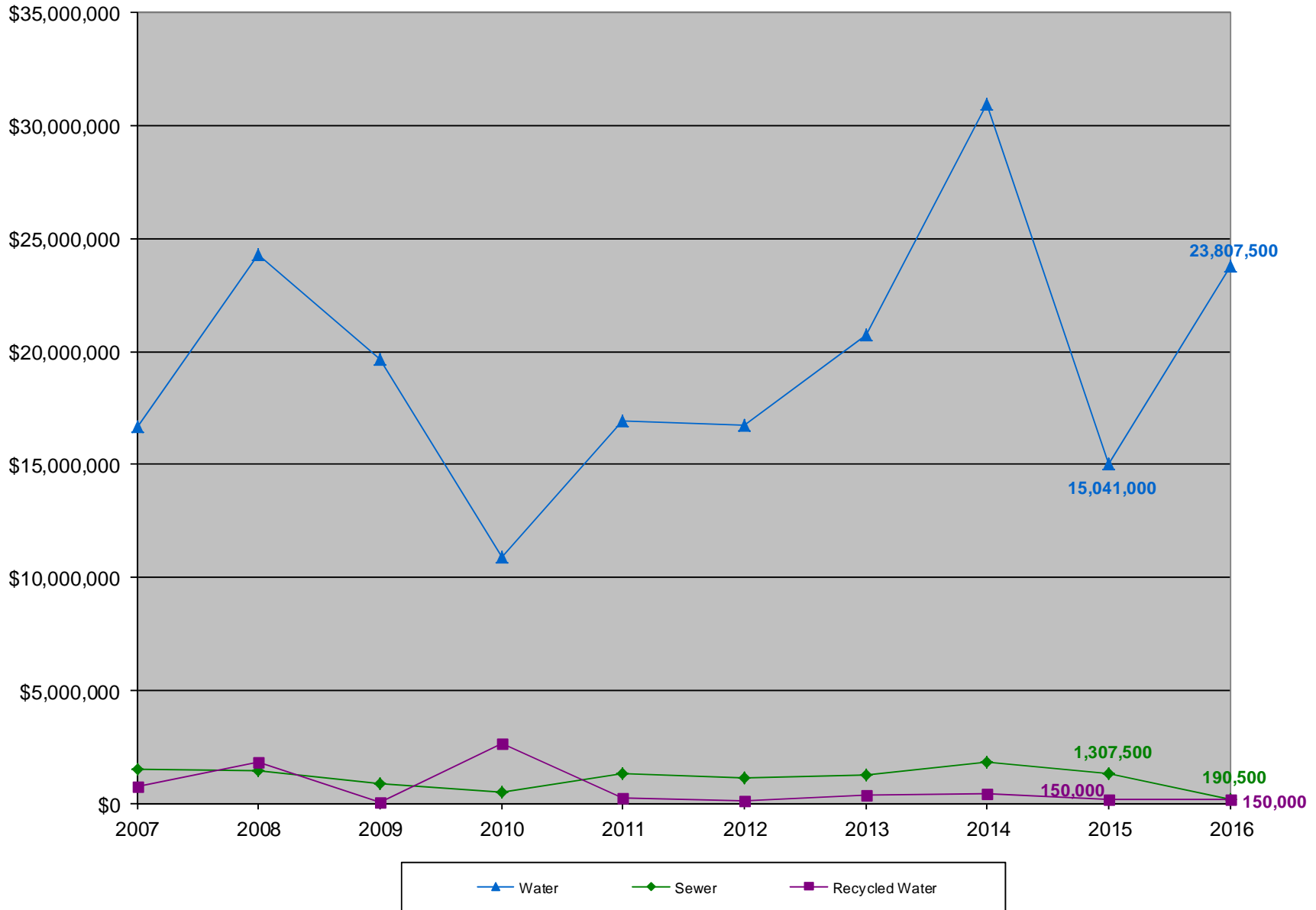
CUCAMONGA VALLEY WATER DISTRICT

TOTAL BUDGETED OPERATING EXPENSES BY ACCOUNT AND DEPARTMENT

For the Fiscal Year Ending 2014 and 2015
(Amounts Expressed in Thousands)

Account Title	Executive		Fin & Admin Services		General Services		Engineering		Operations		Totals	
	FY 2014	FY 2015	FY 2014	FY 2015	FY 2014	FY 2015	FY 2014	FY 2015	FY 2014	FY 2015	FY 2014	FY 2015
Water												
Wages and Burden	\$ 2,339	\$ 2,445	\$ 3,186	\$ 3,315	\$ 86	\$ 106	\$ 1,711	\$ 1,840	\$ 5,462	\$ 5,626	\$ 12,784	\$ 13,333
Professional Development	181	187	79	83	45	54	47	42	39	45	392	411
Professional Services	362	419	162	139	30	30	21	20	3	3	577	610
Advertisements	28	22	1	1	-	-	-	-	-	-	30	24
Elections	-	85	-	-	-	-	-	-	-	-	-	85
Personnel Costs	92	117	1	2	37	37	2	2	-	-	132	158
Insurance	349	357	-	-	-	-	-	-	-	-	349	357
Collections	-	-	137	135	-	-	-	-	-	-	137	135
Utilities	22	21	66	76	213	229	11	11	4,588	5,616	4,899	5,952
Materials & Supplies	60	57	347	326	28	31	56	44	2,216	3,519	2,706	3,977
Outside Services	143	176	943	811	1	2	10	10	981	1,230	2,079	2,228
Safety	2	3	11	11	-	-	5	5	50	56	68	75
Source of Supply Water	-	-	-	-	-	-	-	-	20,344	19,566	20,344	19,566
Miscellaneous	15	15	288	305	6	5	2	2	46	50	356	377
Other - Capital Equipment	1	1	4	4	1	1	3	3	26	31	34	40
Totals - Water	\$ 3,595	\$ 3,905	\$ 5,226	\$ 5,208	\$ 447	\$ 495	\$ 1,866	\$ 1,979	\$ 33,753	\$ 35,741	\$ 44,887	\$ 47,327
Sewer												
Wages and Burden	\$ 329	\$ 342	\$ 512	\$ 545	\$ 13	\$ 15	\$ 752	\$ 792	\$ 1,165	\$ 1,216	\$ 2,772	\$ 2,909
Professional Development	-	-	-	-	-	-	6	6	10	13	16	19
Professional Services	-	-	21	17	-	-	5	3	-	-	26	20
Advertisements	-	-	6	-	-	-	-	-	-	-	6	-
Personnel Costs	-	-	-	-	-	1	-	-	-	-	-	1
Insurance	140	143	-	-	-	-	-	-	-	-	140	143
Collections	-	-	30	32	-	-	-	-	-	-	30	32
Utilities	-	-	7	10	21	21	9	9	9	5	46	46
Materials & Supplies	-	-	31	38	13	4	15	12	87	96	146	150
Outside Services	-	-	12	61	6	-	12	9	10,551	11,314	10,581	11,384
Safety	-	-	-	-	-	-	2	3	6	8	8	11
Miscellaneous	-	-	58	72	-	-	0	0	3	3	60	75
Other - Capital Equipment	-	-	-	-	-	1	2	2	72	72	74	75
Totals - Sewer	\$ 469	\$ 485	\$ 676	\$ 776	\$ 53	\$ 42	\$ 804	\$ 836	\$ 11,903	\$ 12,727	\$ 13,904	\$ 14,865
Recycled Water												
Wages and Burden	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 167	\$ 178	\$ -	\$ -	\$ 167	\$ 178
Professional Services	-	-	-	0	-	-	-	-	-	-	-	0
Materials & Supplies	-	-	11	11	-	-	-	-	15	15	26	26
Outside Services	-	-	-	0	-	-	-	-	-	-	-	0
Source of Supply Water	-	-	-	-	-	-	-	-	280	381	280	381
Miscellaneous	-	-	-	4	-	-	-	-	-	-	-	4
Totals - Recycled Water	\$ -	\$ -	\$ 11	\$ 16	\$ -	\$ -	\$ 167	\$ 178	\$ 295	\$ 396	\$ 473	\$ 590
Totals	\$ 4,064	\$ 4,390	\$ 5,914	\$ 6,000	\$ 500	\$ 537	\$ 2,837	\$ 2,992	\$ 45,951	\$ 48,864	\$ 59,265	\$ 62,782

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
2007	\$ 16,681,669	5.0%	\$ 1,522,621	(18.1)%	\$ 774,756	(65.5)%	\$ 18,979,046
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	23,807,500	58.3%	190,500	(85.4)%	150,000	0.0%	24,148,000
Average	\$ 19,572,814	12.1%	\$ 1,136,305	(0.5)%	\$ 680,641	397.2%	\$ 21,389,760

Note: All amounts presented above represent the annual budget request approved for the fiscal year, with the exception of FYE 2016 which is an estimate of the future capital projects budget.

PERSONNEL TRENDS BY DEPARTMENT



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

Department	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Executive	8	10	12	13	11	11	10.5	14.5	14	14
Finance & Admin Svc	39	42	42	41	37	37	36.5	32.5	32	33
General Services	0	0	0	0	0	0	0	2	2	2
Engineering	20	23	23	24	19.5	18.5	19.5	19.5	19.5	20.5
Operations	49.75	53	54	53	51.5	52.5	52.5	52.5	53.5	52.5
District Total	116.75	128	131	131	119	119	119	121	121	122

CUCAMONGA VALLEY WATER DISTRICT PERSONNEL TRENDS BY POSITION

Position/Title	2013	2014	2015
General Manager / CEO	1	1	1
Assistant General Manager	1	1	1
Asst Gen Mgr / Ext Affairs	1	-	-
Chief Financial Officer	-	1	1
Chief Operating Officer	-	1	1
Director of Financial & Administrative Services	1	-	-
Director of Operations & Engineering Services	1	-	-
Executive Assistant	2	2	2
Principal Management Analyst	-	-	1
Management Analyst III	1	1	-
Public Affairs Officer	1	1	1
Public Affairs Rep III	2	2	2
Human Resources Administrator	1	1	1
Human Resources Assistant II	1	1	1
Risk Management Analyst	1	1	1
Safety Analyst	1	1	1
Finance Officer	1	1	1
Accounting Supervisor	-	1	1
Senior Accountant	2	1	1
Account Clerk II	3	3	3
Customer Service Officer	1	1	1
Senior Customer Service Rep	2	2	2
Customer Service Rep III	1	1	1
Customer Service Rep II	5	5	5
Field Service Supervisor	-	1	1
Field Service Foreman	1	-	-
Field Serv Representative III	1	1	1
Field Serv Representative II	7	7	7
Field Serv Representative I	-	-	1

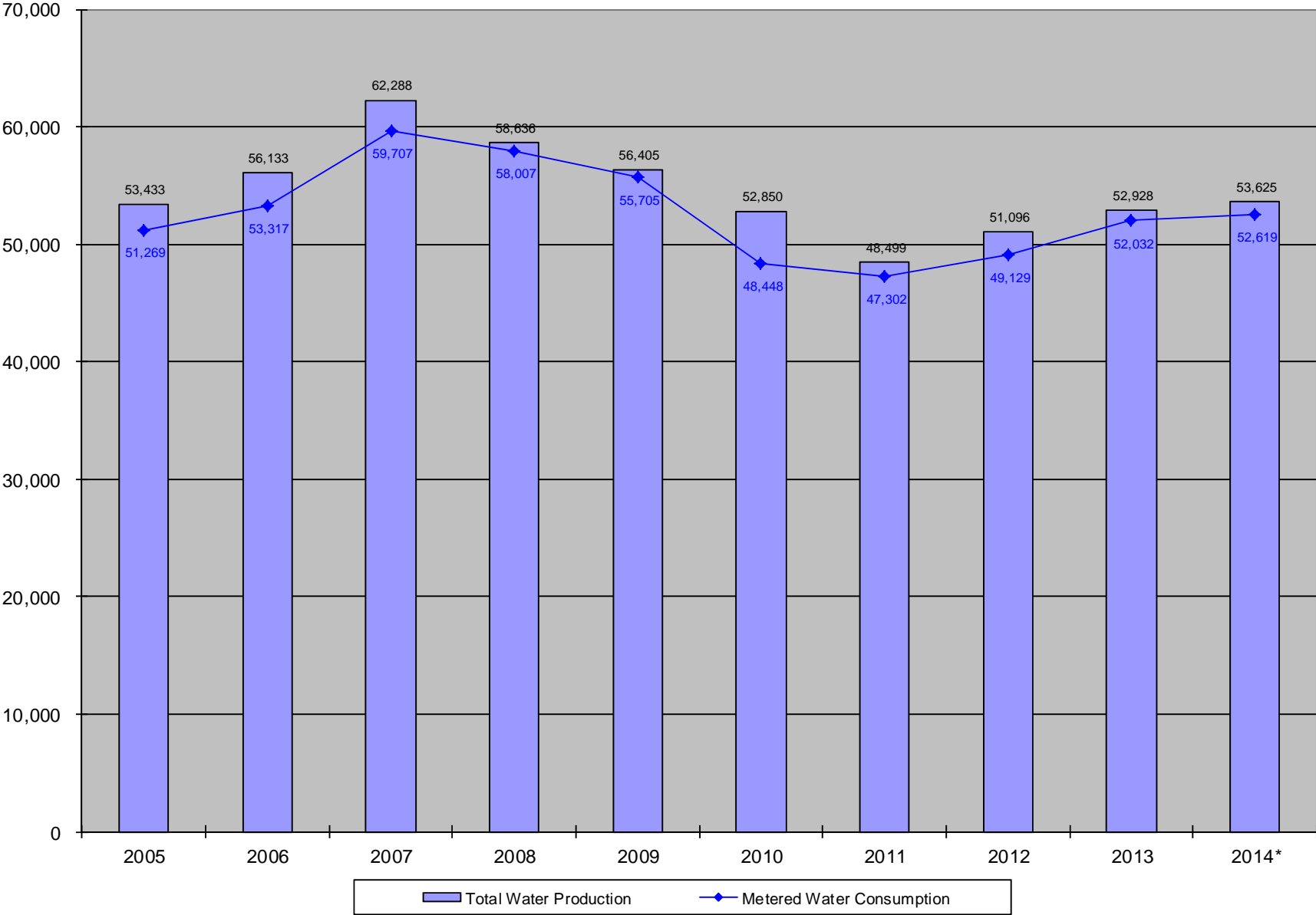
Information Technology Officer	1	1	1
Information Technology Spec III	2	2	1
Information Technology Spec II	1	1	1
Information Technology Spec I	-	-	1
Information Technology Helpdesk Specialist	1	1	1
Purch & Warehouse Specialist II	1	1	1
GIS Technician III	1	1	1
GIS Technician II	-	1	1
GIS Technician I	1	-	-
Senior Engineer	2	2	2
Capital Projects Coordinator	1	1	1
Assistant Engineer	3	3	3
CAD Technician III	1	1	1
Engineering Technician III	1	1	1
Engineering Technician II	1	1	1
Engineering Technician I	-	-	1
Recycled Water Coordinator	1	1	1
Construction Inspector III	1	1	1
Construction Inspector I	1	1	1
Development Services Supervisor	-	1	1
Industrial Waste Inspector III	1	-	-
Industrial Waste Inspector II	2	2	2
Cross-Connection Coordinator	1	1	1
Wtr Trtmnt Plnt Superintendent	1	1	1
Water Quality Coordinator	1	1	1
Water Treatment Plant Supervisor	-	1	1
Wtr Treatmt PI Foreman	1	-	-
Wtr Treatmt Plant Operator III	2	2	2
Wtr Treatmt Plant Operator II	6	6	6
Wtr Treatmt Plant Operator I	2	2	1
Wtr Production Superintendent	1	1	1
Water Production/Control Supervisor	-	1	1
Wtr Production Foreman	-	-	-
Pump Operator III	1	1	1

Pump Operator II	3	3	3
Controls Analyst	1	1	1
Instrumentation Technician III	1	1	1
Facilities Maint Specialist III	2	2	2
Facilities Maint Specialist II	1	1	1
Facilities Maint Worker I	2	2	2
Fleet & Equip Mechanic III	-	1	1
Fleet & Equip Mechanic II	2	1	1
Const & Maint Superintendent	1	1	1
Utility Service Representative III	1	1	1
Water Maintenance Supervisor	-	1	1
Water Maintenance Foreman	1	-	-
Water Maintenance Worker III	5	4	4
Water Maintenance Worker II	4	5	8
Water Maintenance Worker I	4	4	1
Sewer Maintenance Supervisor	-	1	1
Sewer Maintenance Foreman	1	-	-
Sewer Maintenance Worker III	3	2	2
Sewer Maintenance Worker II	4	4	2
Sewer Maintenance Worker I	-	1	3
Administrative Assistant II	3	5	4
Administrative Assistant I	2	-	1
Administrative Aide	1	1	1
Receptionist	1	1	1
District Total	121	121	122

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WATER PRODUCTION VS METERED CONSUMPTION

(Amounts Expressed in Acre Feet)



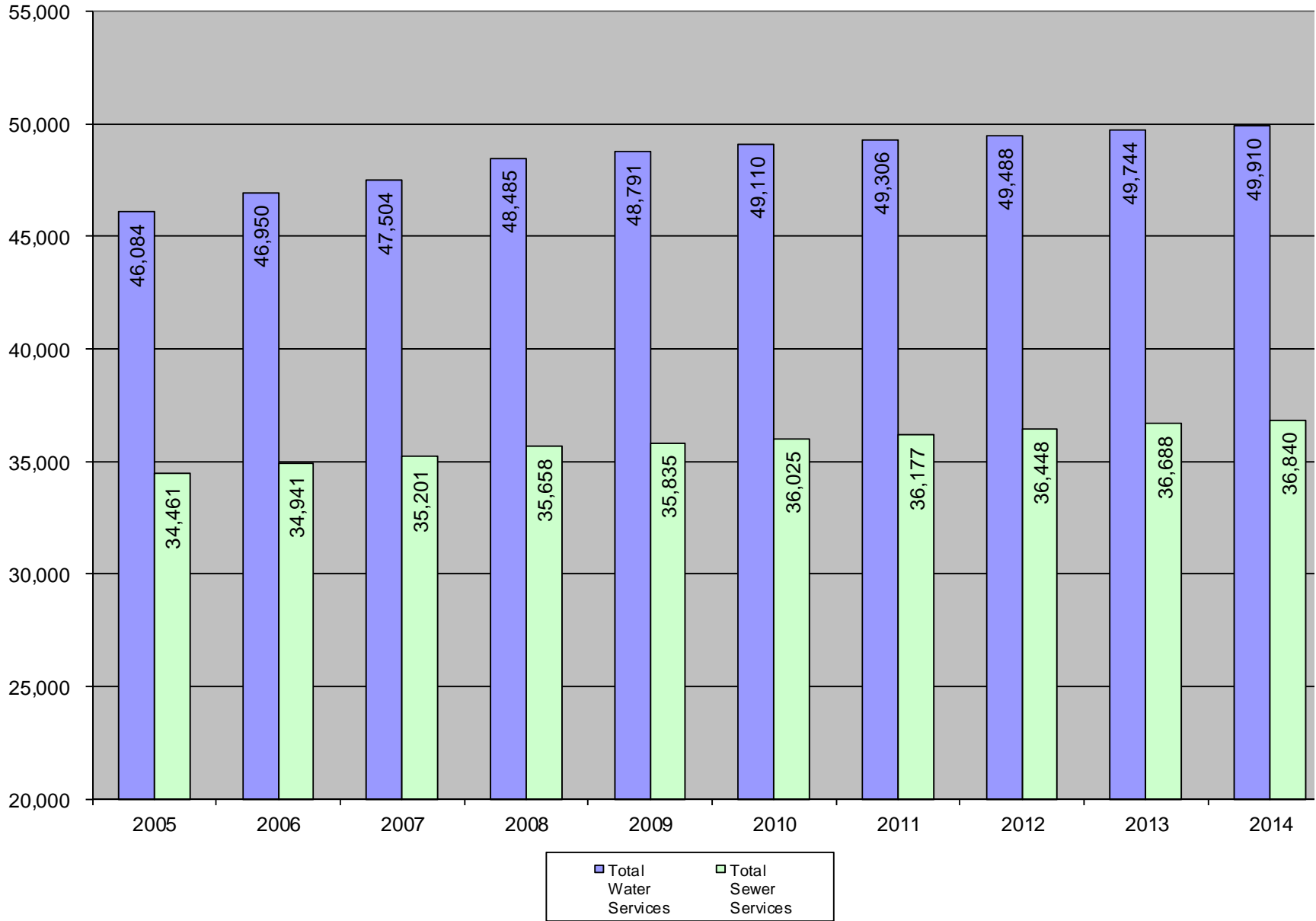
CUCAMONGA VALLEY WATER DISTRICT WATER PRODUCTION VS METERED CONSUMPTION

(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
2005	53,433	23,275,415	(3%)	51,269	22,332,776	3%
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%	52,619	22,920,858	1%
Average	54,589	23,779,105	0%	52,753	22,979,416	1%

* Amounts for Fiscal Year 2014 are estimated actuals.

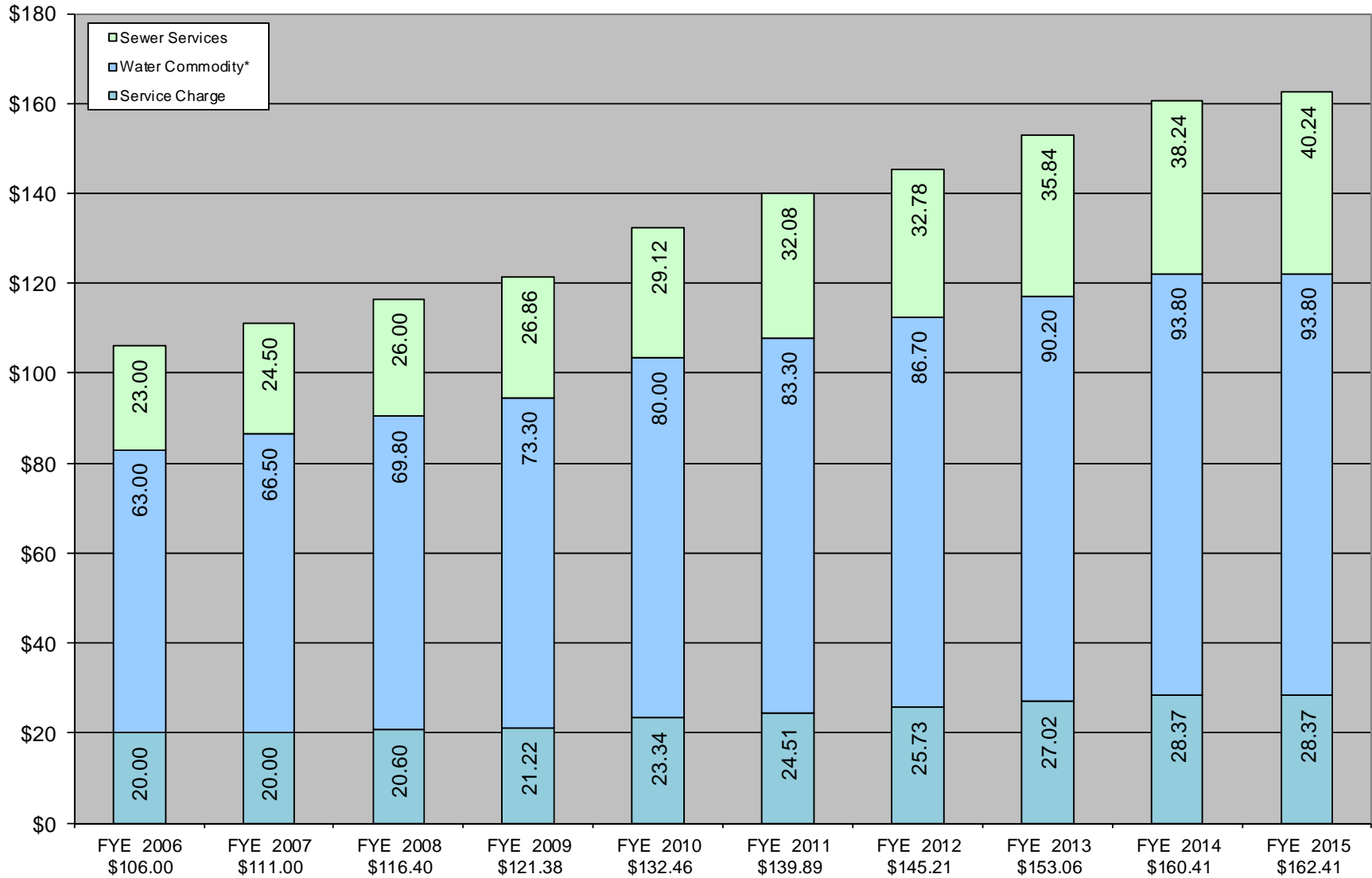
TOTAL WATER AND SEWER SERVICES BY YEAR



CUCAMONGA VALLEY WATER DISTRICT TOTAL WATER AND SEWER SERVICES BY YEAR

Fiscal Year Ending	Total Water Services	% Change	Total Sewer Services	% Change
2005	46,084	3%	34,461	3%
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	49,910	0%	36,840	0%
Average	48,537	1%	35,827	1%

AVERAGE RESIDENTIAL BI-MONTHLY WATER & SEWER BILL BY YEAR



* Based on water service supplied by a 3/4" water meter and using 50 hcf per billing period (1 hcf = 748.10 gallons)

CUCAMONGA VALLEY WATER DISTRICT RATE HISTORY

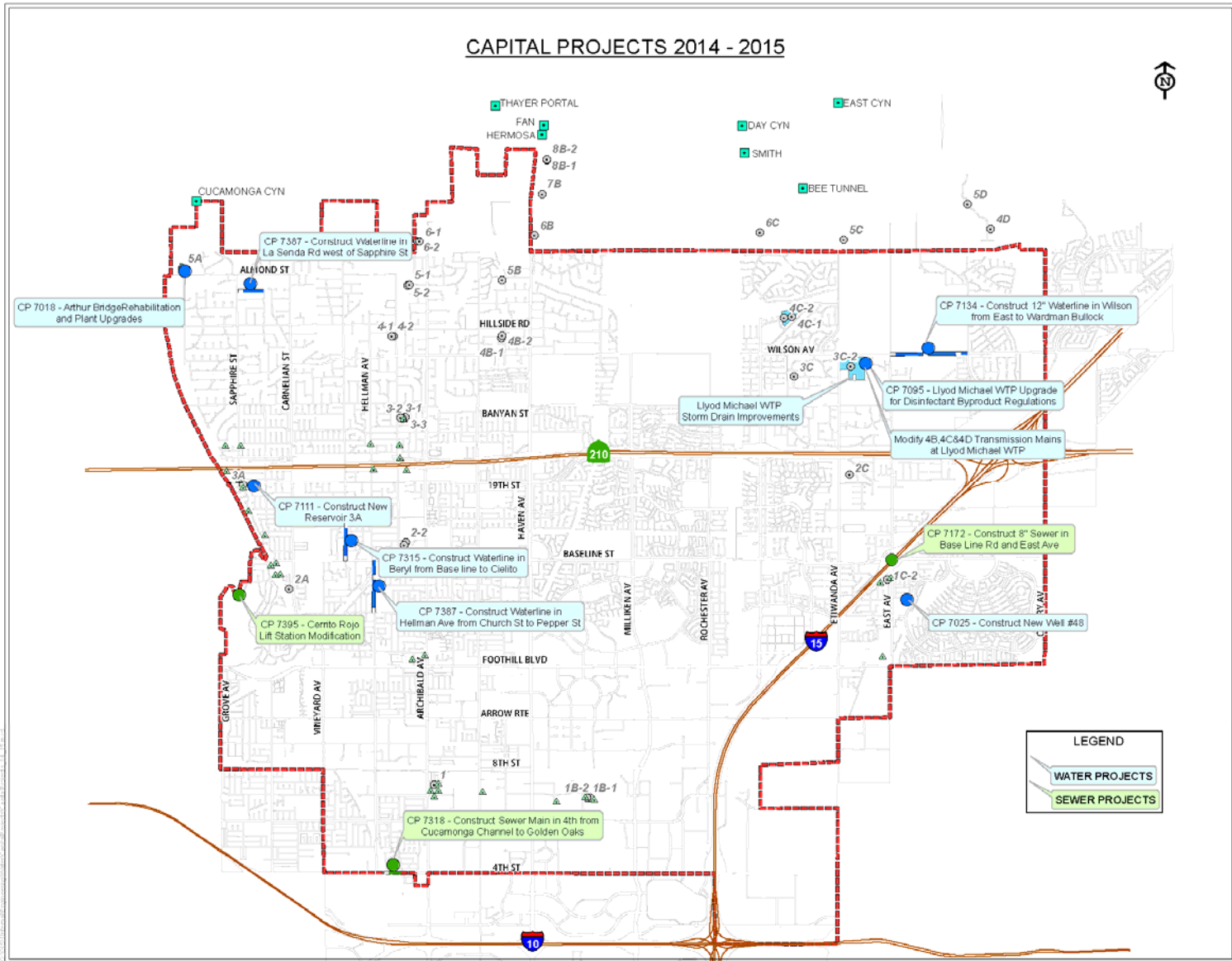
Water							Sewer					Recycled Water	
Fiscal Year Ending	Water Service Charge (3/4" Meter)	Water Commodity Rate *				Interruptible Government Rate †	Fiscal Year Ending	Sewer Service Charge	Treatment Charge IEUA	Regulatory Surcharge IEUA	Total	Fiscal Year Ending	Commodity Rate
		Non-Tiered/ Tier 1 (0-10 hcf) **	Tier 2 (11-40 hcf) **	Tier 3 (41-100 hcf) **	Tier 4 (>100 hcf) **								
2004	20.00	1.15				1.035	2004	7.62	13.62	1.76	23.00	-	-
2005	20.00	1.20				1.080	2005	7.62	13.62	1.76	23.00	2005	0.90
2006	20.00	1.26				1.135	2006	7.62	13.62	1.76	23.00	2006	0.95
2007	20.00	1.33				1.197	2007	7.62	15.12	1.76	24.50	2007	1.00
2008	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	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	23.34	1.40	1.60	1.80	2.00	-	2010	7.62	19.74	1.76	29.12	2010	1.12
2011	24.51	1.43	1.66	1.92	2.17	-	2011	9.80	20.52	1.76	32.08	2011	1.28
2012	25.73	1.46	1.72	2.05	2.35	-	2012	10.50	20.52	1.76	32.78	2012	1.35
2013	27.02	1.49	1.78	2.19	2.54	-	2013	11.06	23.02	1.76	35.84	2013	1.42
2014	28.37	1.52	1.84	2.34	2.75	-	2014	11.46	25.02	1.76	38.24	2014	1.49
2015	28.37	1.52	1.84	2.34	2.75	-	2015	11.46	27.02	1.76	40.24	2015	1.53

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

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

† 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 2015 BUDGET REQUESTS
LMWTP Upgrade for Disinfectant Byproduct Regulations	\$ 19,470,000	\$ 0
New Well #48	0	2,960,000
Meter Exchange / Fixed Network Project	2,000,000	0
Construct New Reservoir 3A	1,657,000	0
Construct 12" Water Line in Wilson from East to Wardman Bullock	819,000	0
Modify 4B, 4C & 4D Transmission Mains at LWMWTP	650,000	0
Construct Water Line in Beryl from Baseline to Cielito	0	883,000
Construct Water Line in Hellman from Lomita to Monte Vista	0	463,000
Construct Water Line in La Senda west of Sapphire	0	455,000
Total	\$ 24,596,000	\$ 4,761,000

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.

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**CUCAMONGA VALLEY WATER DISTRICT
WATER CAPITAL PROJECTS
for the Fiscal Year Ending June 30, 2015**

Project Number	Work Order Number	Description	Estimated Carry Over 2014 Budget	Budget Request 2015	Outside Funding	Funding Source	Proposed 2016	Proposed 2017	Proposed 2018	Project Total
9030 Source of Supply										
CP6370	80883	Water Master Plan Update	200,000	50,000						250,000
CP6373	81079	Cucamonga Basin Rehabilitation	40,000							40,000
CP7002	196412	Cucamonga Basin Evaluation Study - Phase 3	170,000							170,000
		2015 Urban Water Management Plan		75,000						75,000
		Cucamonga Basin Management Plan		150,000						150,000
		Fontana Connection Improvements		100,000						100,000
Subtotal - 9030 Source of Supply (6 Projects)			410,000	375,000						785,000
9045 Field Equipment										
CP5334	0062677	Meter Exchange/Fixed Network Project	2,000,000		2,000,000	Fixed Network Lease	2,500,000			4,500,000
CP7279	267060	Laptop Vehicle Mounts and Storage Box Replacements	9,000							9,000
		AV Equipment for LWMWTP Tour		10,000						10,000
		ELC Garden AV Enhancements		35,000						35,000
		Meter Replacement Project		400,000			400,000	400,000	400,000	1,600,000
		Purchase (40) New Construction Meters		28,000						28,000
		Upgrades to the technology inside the ELC		25,000						25,000
Subtotal - 9045 Field Equipment (7 Projects)			2,009,000	498,000	2,000,000		2,900,000	400,000	400,000	6,207,000
9055 Office Equipment										
		Desktop, Laptop, and Tablet Computer Replacements		30,000			45,000	45,000	45,000	165,000
		Microsoft Software Assurance (Year 2 of 3-Year agreement)		39,000			39,000			78,000
		Network Equipment Replacement		15,000						15,000
		Network Server Replacements		37,500			37,500	37,500	37,500	150,000
		RTA Fleet Management Software		35,000						35,000
		Software - GIS ArcView Licenses		4,000						4,000
		Software - Water Modeling Upgrade		40,000						40,000
		Update Aerial Mural		21,000						21,000
		Upgrade GPS Unit		9,000						9,000
		Upgrade Production Scanner and Color Printer		21,000						21,000
Subtotal - 9055 Office Equipment (10 Projects)				251,500			121,500	82,500	82,500	538,000
9065 Treatment										
CP7018	196434	AHBWTP Rehabilitation & Upgrades	481,000		481,000	2012 RB				481,000
CP7094	220940	Chlorine Generator Installation at Pump Station 5	390,800							390,800
CP7095	220941	LWMWTP Upgrade for Disinfectant Byproduct Regulations	19,470,000	700,000	19,470,000	2012 RB/Grant				20,170,000
CP7185	243111	Chlorine Generator Installation at Pump Station 5B	160,400							160,400
CP7249	274345	Reservoir 3A Water Supply Reliability	414,000	1,000,000						1,414,000
CP7353	290119	8B Hypo Unit Upgrade	94,000	23,500						117,500
CP7356	290125	Reservoir 2A Wells - Wellhead Treatment	295,000				14,700,000			14,995,000

**CUCAMONGA VALLEY WATER DISTRICT
WATER CAPITAL PROJECTS
for the Fiscal Year Ending June 30, 2015**

Project Number	Work Order Number	Description	Estimated Carry Over 2014 Budget	Budget Request 2015	Outside Funding	Funding Source	Proposed 2016	Proposed 2017	Proposed 2018	Project Total
		LWMWTP Equipment Replacement and Repair		315,000						315,000
		LWMWTP Storm Drain Improvements		576,000						576,000
		Reservoir 2A Hypo Generation Upgrade		176,000						176,000
		Reservoir Aeration System at various sites		200,000						200,000
		Subtotal - 9065 Treatment (11 Projects)	21,305,200	2,990,500	19,951,000		14,700,000			38,995,700
9070 Pumps & Equipment										
CP7025	196447	New Well #48		2,960,000	2,960,000	2014 RB				2,960,000
CP7102	220948	New Well #49						200,000	2,800,000	3,000,000
CP7193	243119	Pump Station 5 Emergency Standby Generator	210,000							210,000
CP7194	243120	Pump Station 5B Emergency Standby Generator	215,000							215,000
CP7195	243121	Well 24 Emergency Standby Generator	255,000	30,000						285,000
CP7295	267076	Backup Booster Pumps	300,000							300,000
CP7299	267080	New Cucamonga Basin Well	50,000				200,000	2,750,000		3,000,000
		Emergency Standby Generator at PS 6B		220,000						220,000
		Emergency Standby Generator at PS 7B		210,000						210,000
		Emergency Standby Generator at Well 5		245,000						245,000
		General Booster Rehabilitation		110,000			110,000	110,000	110,000	440,000
		General Production Site Improvement		100,000			100,000	100,000	100,000	400,000
		General Well Rehabilitation		300,000			300,000	300,000	300,000	1,200,000
		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
		Portable Chlorine Feed System		40,000						40,000
		Pump Station 3 - AC unit		20,000						20,000
		Pump Station 5 Switchgear Replacement		300,000						300,000
		Pump Station 5B Switchgear Replacement		300,000						300,000
		Subtotal - 9070 Pumps & Equipment (20 Projects)	1,030,000	4,835,000	2,960,000		1,575,000	4,300,000	4,170,000	15,910,000
9071 Reservoirs										
CP7031	196457	Tank Recoating	150,000	300,000			300,000	300,000	300,000	1,350,000
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
CP7301	267082	Tank Shark at Reservoir 5B	50,000							50,000
CP7365	290139	Reservoir 4B Improvements	330,000	120,000						450,000
CP7366	290141	Reservoir 8B Improvements	85,000	40,000						125,000
		Property Acquisition		1,500,000	1,500,000	2012&14 RB				1,500,000
		Reservoir 3 Site Improvements		373,000						373,000
		Reservoir 5B Site Improvements		241,000						241,000

**CUCAMONGA VALLEY WATER DISTRICT
WATER CAPITAL PROJECTS
for the Fiscal Year Ending June 30, 2015**

Project Number	Work Order Number	Description	Estimated Carry Over 2014 Budget	Budget Request 2015	Outside Funding	Funding Source	Proposed 2016	Proposed 2017	Proposed 2018	Project Total
		Tank Shark at Reservoir 5		130,000						130,000
		Tank Sharks (3 per year)					200,000	200,000	200,000	600,000
Subtotal - 9071 Reservoirs (11 Projects)			2,272,000	2,704,000	3,157,000		1,500,000	5,250,000	500,000	12,226,000
9072 Telemetry										
CP7303	267084	Install PRV Meters and Telemetry	84,000	375,000						459,000
CP7368	290143	Replacement/Addition of Field UPS Systems		12,000			12,000	12,000		36,000
		Derceto Feasibility Study					70,000			70,000
		Vehicle Mobile Radios					50,000			50,000
Subtotal - 9072 Telemetry (4 Projects)			84,000	387,000			132,000	12,000		615,000
9075 Building Improvement										
CP7203	243129	Security & CS Enhancement Project	106,500							106,500
CP7369	290144	Base and Asphalt Roof	30,000							30,000
		Additions/ Upgrades to ELC LWMWTP Tour		20,000	10,000	Arrowhead				20,000
		Founder's Memorial Garden		5,000						5,000
		FP Parking Lot Improvements		30,000						30,000
		Reservoir 1 pipeline yard		35,000						35,000
Subtotal - 9075 Building Improvement (6 Projects)			136,500	90,000	10,000					226,500
9077 Shop Equipment										
		Fleet four-post vehicle lift w/ramp		5,000						5,000
Subtotal - 9077 Shop Equipment (1 Project)				5,000						5,000
9080 Vehicle										
CP7383	290299	Replace Three 40-Foot Chassis Unit # 2024, 2025 & 2026	30,000							30,000
		1.5 ton service truck w/12 ft. service body, crane, welder		75,000						75,000
		1/2 Ton Pickup Extended Cab 4x4 Unit # 286		32,000						32,000
		1/2 Ton Pickup Extra Cab 4x2 Unit # 285		30,000						30,000
		3/4 Ton Ext. Cab 4x4 w/8-foot Utility Body Unit #272		35,000						35,000
		3/4 Ton Pickup Ext. Cab 4x2 Valve turn equipment Unit 276		80,000						80,000
		Portable Hypochlorinator Trailer		27,000						27,000
Subtotal - 9080 Vehicle (7 Projects)			30,000	279,000						309,000
9085 Water Mains										
CP7134	220981	Const Waterline in Wilson from East Ave to Wardman Bullock	819,000		819,000	2012 RB				819,000
CP7167	235684	2010 Storm Repair - Cucamonga Canyon Intake and Road	244,300		244,300	Cal EMA/FEMA				244,300
CP7169	235686	2010 Storm Repair - Snowdrop Road Repair	16,200	35,000						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

**CUCAMONGA VALLEY WATER DISTRICT
WATER CAPITAL PROJECTS
for the Fiscal Year Ending June 30, 2015**

Project Number	Work Order Number	Description	Estimated Carry Over 2014 Budget	Budget Request 2015	Outside Funding	Funding Source	Proposed 2016	Proposed 2017	Proposed 2018	Project Total
CP7384	290300	Const Waterline in Arrow Rte from Hermosa Ave to Haven Ave	50,000				1,318,000			1,368,000
CP7385	290308	Modify 4B, 4C & 4D Transmission Mains at LWMWTP	650,000							650,000
CP7387	290310	Water Facilities Improvements for Fwy Imprvmnts at Baseline	150,000							150,000
		Const Waterline in 7500 block of Camino Norte						31,000	494,000	525,000
		Const Waterline in Alpine St and Ramon Ave						36,000	347,000	383,000
		Const Waterline in Amethyst Ave from La Grande to Lomita					25,000	135,000		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					50,000	1,300,000		1,350,000
		Const Waterline in Catalpa Street west of East Avenue					36,000	742,000		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					50,000	779,000		829,000
		Const Waterline in Pecan Ave from Victoria St to Camesi Dr						50,000	1,215,000	1,265,000
		Construct Waterline in Archibald from Arrow to Foothill		25,000			525,000			550,000
		Construct Waterline in Hellman from Lomita to Monte Vista		25,000			275,000			300,000
		Construct Waterline in La Senda Rd west of Sapphire St		463,000	463,000	2014 RB				463,000
		Construct Wtr in Hellman Av from Church St to Pepper St		455,000	455,000	2014 RB				455,000
		Service Replacement Program		500,000			500,000	500,000	500,000	2,000,000
		Various Valves Improvement		100,000			100,000	100,000	100,000	400,000
Subtotal - 9085 Water Mains (24 Projects)			1,929,500	2,626,000	2,864,300		2,879,000	3,773,000	5,899,000	17,106,500
Total Water Capital Projects			29,206,200	15,041,000	30,942,300		23,807,500	13,817,500	11,051,500	92,923,700

**CUCAMONGA VALLEY WATER DISTRICT
SEWER CAPITAL PROJECTS
for the Fiscal Year Ending June 30, 2015**

Project Number	Work Order Number	Description	Estimated Carry Over 2014 Budget	Budget Request 2015	Outside Funding	Funding Source	Proposed 2016	Proposed 2017	Proposed 2018	Project Total
9045		Field Equipment								
CP7279	267060	Laptop Vehicle Mounts and Storage Box Replacements	3,000							3,000
Subtotal - 9045 Field Equipment (1 Project)			3,000							3,000
9055		Office Equipment								
		Desktop, Laptop, and Tablet Computer Replacements		10,000			15,000	15,000	15,000	55,000
		Microsoft Software Assurance (Year 2 of 3-Year agreement)		13,000			13,000			26,000
		Network Equipment Replacement		5,000						5,000
		Network Server Replacements		12,500			12,500	12,500	12,500	50,000
		Software - GIS ArcView Licenses		4,000						4,000
		Software - Sewer Modeling Upgrade		20,000						20,000
		Update Aerial Mural		7,000						7,000
		Upgrade GPS Unit		3,000						3,000
		Upgrade Production Scanner and Color Printer		7,000						7,000
Subtotal - 9055 Office Equipment (9 Projects)				81,500			40,500	27,500	27,500	177,000
9075		Building Improvement								
CP7203	243129	Security & CS Enhancement Project	35,500							35,500
CP7369	290144	Base and Asphalt Roof	10,000							10,000
		Founder's Memorial Garden		5,000						5,000
		FP Parking Lot Improvements		10,000						10,000
Subtotal - 9075 Building Improvement (4 Projects)			45,500	15,000						60,500
9077		Shop Equipment								
		Fleet four-post vehicle lift w/ramp		5,000						5,000
Subtotal - 9077 Shop Equipment (1 Project)				5,000						5,000
9080		Vehicle								
CP7389	290316	4-Door SUV/Van 4x2 Unit # 252	32,000	4,000						36,000
		3/4 Ton Box Van 4x2 with CCTV equipment Unit # 240		300,000						300,000
Subtotal - 9080 Vehicle (2 Projects)			32,000	304,000						336,000
9095		Sewer Improvement								
CP7172	237510	Const Sewer in Baseline Road and East Ave	225,000	155,000						380,000
CP7318	267100	Const Sewer in 4th from Cucamonga Channel to Golden Oaks	898,000	72,000						970,000
CP7391	290319	Const Sewer lateral on SW Prop corner Archibald & Baseline	65,000							65,000
CP7392	290320	Reline Sewer between Trenton Ct and Cortland St	50,000							50,000
CP7393	290321	Reline Sewer East of Carmelian St north of Avalon St	107,000							107,000
CP7394	290322	Reline Sewer South of Banyan St near East Etiwanda Creek	70,000							70,000
		Cerrito Rojo Lift Station modification		480,000						480,000
		Highland at Barranca: three flat-top manhole installation		45,000						45,000

**CUCAMONGA VALLEY WATER DISTRICT
SEWER CAPITAL PROJECTS
for the Fiscal Year Ending June 30, 2015**

Project Number	Work Order Number	Description	Estimated Carry Over 2014 Budget	Budget Request 2015	Outside Funding	Funding Source	Proposed 2016	Proposed 2017	Proposed 2018	Project Total
		Various Sewer Relining and Manhole Rehabilitation		150,000			150,000	150,000	150,000	600,000
Subtotal - 9095 Sewer Improvement (9 Projects)			1,415,000	902,000			150,000	150,000	150,000	2,767,000
Total Sewer Capital Projects			1,495,500	1,307,500			190,500	177,500	177,500	3,348,500

**CUCAMONGA VALLEY WATER DISTRICT
RECYCLED WATER CAPITAL PROJECTS
for the Fiscal Year Ending June 30, 2015**

Project Number	Work Order Number	Description	Estimated Carry Over 2014 Budget	Budget Request 2015	Outside Funding	Funding Source	Proposed 2016	Proposed 2017	Proposed 2018	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
		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)			30,851,700	16,498,500	30,942,300		24,148,000	14,145,000	11,379,000	97,022,200

ESTIMATED OPERATIONAL IMPACT

**CUCAMONGA VALLEY WATER DISTRICT
CAPITAL PROJECTS
Estimated Ongoing Operational Expenses
for the Fiscal Year Ending June 30, 2015**

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
26	CP6373	81079	Cucamonga Basin Rehabilitation								0
27	CP7002	196412	Cucamonga Basin Evaluation Study - Phase 3								0
154			2015 Urban Water Management Plan								0
165			Cucamonga Basin Management Plan								0
161			Fontana Connection Improvements								0
Subtotal - 9030 Source of Supply (6 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
32	CP7340	290052	Aluminum Shoring Box								0
30	CP7341	290078	Light Tower								0
28	CP7342	290080	Trailer Mount 160 CFM Air Compressor								0
31	CP7343	290088	Trenchless Boring Machine								0
6			AV Equipment for LWMWTP Tour								0
4			ELC Garden AV Enhancements								0
152			Meter Replacement Project								0
24			Purchase (40) New Construction Meters								0
3			Upgrades to the technology inside the ELC								0
Subtotal - 9045 Field Equipment (11 Projects)											0
			9055 Office Equipment								
134			Desktop, Laptop, and Tablet Computer Replacements					0			0
135			Microsoft Software Assurance (Year 2 of 3-Year agreement)								0
136			Network Equipment Replacement					0			0
137			Network Server Replacements					0			0
14			RTA Fleet Management Software								0
18			Software - GIS ArcView Licenses								0
17			Software - Sewer Modeling Upgrade								0
16			Software - Water Modeling Upgrade								0
19			Update Aerial Mural								0
22			Upgrade GPS Unit								0
23			Upgrade Production Scanner and Color Printer								0
Subtotal - 9055 Office Equipment (11 Projects)											0

**CUCAMONGA VALLEY WATER DISTRICT
CAPITAL PROJECTS
Estimated Ongoing Operational Expenses
for the Fiscal Year Ending June 30, 2015**

								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	
			9065 Treatment									
46	CP7018	196434	AHBWTP Rehabilitation & Upgrades								0	
36	CP7094	220940	Chlorine Generator Installation at Pump Station 5								0	
39	CP7095	220941	LWMWTP Upgrade for Disinfectant Byproduct Regulations								0	
41	CP7185	243111	Chlorine Generator Installation at Pump Station 5B								0	
42	CP7353	290119	8B Hypo Unit Upgrade								0	
45	CP7354	290121	Distribution System Water Quality Sample Stations (7)								0	
40	CP7355	290124	LWMWTP Filter 6 Under-drain Repair								0	
34	CP7356	290125	Reservoir 2A Wells - Wellhead Treatment								0	
157			LWMWTP Equipment Replacement and Repair								0	
148			LWMWTP Storm Drain Improvements								0	
44			Reservoir 2A Hypo Generation Upgrade								0	
158			Reservoir Aeration System at various sites								0	
169	CP7249	274345	Reservoir 3A Water Supply Reliability								0	
			Subtotal - 9065 Treatment (13 Projects)									
			9070 Pumps & Equipment									
61	CP7025	196447	New Well #48								0	
62	CP7102	220948	New Well #49								0	
53	CP7189	243115	Booster Station Improvements at Reservoir 4B								0	
63	CP7193	243119	Pump Station 5 Emergency Standby Generator								0	
64	CP7194	243120	Pump Station 5B 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			Emergency Standby Generator at PS 6B								0	
54			Emergency Standby Generator at PS 7B								0	
47			Emergency Standby Generator at Well 5								0	
55			General Booster Rehabilitation								0	
57			General Production Site Improvement								0	
56			General Well Rehabilitation								0	
58			Motor Cover Installation at Various Sites								0	
60			New Generator at Reservoir Sites								0	
67			New Generators at Well Sites								0	
150			Portable Chlorine Feed System		40,000						40,000	
159			Pump Station 3 - AC unit								0	

**CUCAMONGA VALLEY WATER DISTRICT
CAPITAL PROJECTS
Estimated Ongoing Operational Expenses
for the Fiscal Year Ending June 30, 2015**

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
144			Pump Station 5 Switchgear Replacement								0
145			Pump Station 5B Switchgear Replacement								0
Subtotal - 9070 Pumps & Equipment (21 Projects)										40,000	
9071 Reservoirs											
68	CP7031	196457	Tank Recoating								0
75	CP7110	220956	Construct Reservoir 5B-2								0
76	CP7111	220957	Construct New Reservoir 3A								0
74	CP7301	267082	Tank Shark at Reservoir 5B								0
72	CP7365	290139	Reservoir 4B Improvements								0
164	CP7366	290141	Reservoir 8B Improvements								0
160			Property Acquisition								0
146			Reservoir 3 Site Improvements								0
147			Reservoir 5B Site Improvements								0
73			Tank Shark at Reservoir 5								0
70			Tank Sharks (3 per year)								0
Subtotal - 9071 Reservoirs (11 Projects)										0	
9072 Telemetry											
77	CP7303	267084	Install PRV Meters and Telemetry								0
79	CP7368	290143	Replacement/Addition of Field UPS Systems								0
142			Derceto Feasibility Study								0
78			Vehicle Mobile Radios								0
Subtotal - 9072 Telemetry (4 Projects)										0	
9075 Building Improvement											
82	CP7203	243129	Security & CS Enhancement Project								0
85	CP7369	290144	Base and Asphalt Roof								0
84	CP7371	290148	Site Improvements at Ashford Campus								0
81	CP7372	290149	Solar Powered Lighting								0
5			Additions/Upgrades to ELC LWMWTP Tour								0
153			Founder's Memorial Garden								0
155			FP Parking Lot Improvements								0
149			Reservoir 1 pipeline yard								0
Subtotal - 9075 Building Improvement (8 Projects)										0	
9077 Shop Equipment											

**CUCAMONGA VALLEY WATER DISTRICT
CAPITAL PROJECTS
Estimated Ongoing Operational Expenses
for the Fiscal Year Ending June 30, 2015**

				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
15			Fleet four-post vehicle lift w/ramp								0
Subtotal - 9077 Shop Equipment (1 Project)											0
				9080 Vehicle							
167	CP7383	290299	Replace Three 40-Foot Chassis Unit # 2024, 2025 & 2026								0
12	CP7389	290316	4-Door SUV/Van 4x2 Unit # 252								0
2			1.5 ton service truck w/12 ft. service body, crane, welder								0
10			1/2 Ton Pickup Extended Cab 4x4 Unit # 286								0
9			1/2 Ton Pickup Extra Cab 4x2 Unit # 285								0
13			3/4 Ton Box Van 4x2 with CCTV equipment Unit # 240								0
8			3/4 Ton Ext. Cab 4x4 w/8-foot Utility Body Unit #272								0
11			3/4 Ton Pickup Ext. Cab 4x2 Valve turn equipment Unit 276								0
21			Portable Hypochlorinator Trailer								0
20			Telescopic Boom Lift Greater Than 100'								0
Subtotal - 9080 Vehicle (10 Projects)											0
				9085 Water Mains							
94	CP7134	220981	Const Waterline in Wilson from East Ave to Wardman Bullock								0
103	CP7167	235684	2010 Storm Repair - Cucamonga Canyon Intake and Road								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
91	CP7385	290308	Modify 4B, 4C & 4D Transmission Mains at LWMWTP								0
89	CP7387	290310	Water Facilities Improvements for Fwy Imprvmnts at Baseline								0
97			Const Waterline in 7500 block of Camino Norte								0
106			Const Waterline in Alpine St and Ramon Ave								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
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
163			Construct Waterline in Archibald from Arrow to Foothill								0
162			Construct Waterline in Hellman from Lomita to Monte Vista								0

**CUCAMONGA VALLEY WATER DISTRICT
CAPITAL PROJECTS
Estimated Ongoing Operational Expenses
for the Fiscal Year Ending June 30, 2015**

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
132			Construct Waterline in La Senda Rd west of Sapphire St								0
133			Construct Wtr in Hellman Av from Church St to Pepper St								0
104			Service Replacement Program								0
96			Various Valves Improvement								0
			Subtotal - 9085 Water Mains (24 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
117	CP7391	290319	Const Sewer lateral on SW Prop corner Archibald & Baseline								0
116	CP7392	290320	Reline Sewer between Trenton Ct and Cortland St								0
110	CP7393	290321	Reline Sewer East of Carnelian St north of Avalon St								0
115	CP7394	290322	Reline Sewer South of Banyan St near East Etiwanda Creek								0
140			Cerrito Rojo Lift Station modification								0
141			Highland at Barranca: three flat-top manhole installation								0
111			Various Sewer Relining and Manhole Rehabilitation								0
			Subtotal - 9095 Sewer Improvement (9 Projects)								0
			9096 Recycled								
122	CP7396	290326	Recycled Water Master Plan								0
125	CP7397	290327	Recycled Water Retrofits								0
151			Construct Various Recycled Water Valves at Various Locations								0
			Subtotal - 9096 Recycled (3 Projects)								0
Total Capital Projects					40,000		0				40,000

CAPITAL PROJECT DESCRIPTIONS

**CUCAMONGA VALLEY WATER DISTRICT
CAPITAL PROJECT DESCRIPTIONS
for the Fiscal Year Ending June 30, 2015**

Project Number	Work Order Number	Description	Need Analysis	Estimated Carry Over 2014 Budget	Budget Request 2015
9030	Source of Supply				
CP6370	80883	Water Master Plan Update	<p>This project will update the 2003 Water Master Plan, including performing an update to the Water Model and updating the Water System Master Plan. The Water System Master Plan has been completed and was prepared in-house, and an outside consultant will be hired to review and finalize the document for quality assurance and control purposes.</p> <p>This phase of the project will prepare the Water System Master Plan.</p>	200,000	50,000
CP6373	81079	Cucamonga Basin Rehabilitation	<p>In 2003, severe forest fires upstream of the District's Cucamonga Canyon diversion ponds destroyed vegetation that would otherwise retain eroded sediments on the hillsides. In addition, the 2004 winter storm caused severe damage to the District's Cucamonga Diversion Basin. This project restored the Cucamonga diversion basin to its original condition prior to the 2003 fires and 2004 floods. The scope of work includes restoration of the maintenance road and the intake basins.</p> <p>As required by the Army Corp, California Department of Fish and Game (CDFW), Regional Water Quality Board, and CEQA permits, CVWD was required to mitigate construction in the area by enhancing nearby habitat. In addition, CVWD performed monitoring of the mitigated area for five years.</p> <p>However, the 2010/2011 winter storms destroyed some of the mitigation efforts which the District is required to restore. Staff is working with Army Corps, CDFW, and Inland Empire Resource Conservation District to grant a conservation easement over District owned land in the canyon to replace the lost mitigation area and to mitigate other repair work as a result of the 2010 storm damage.</p>	40,000	0
CP7002	196412	Cucamonga Basin Evaluation Study - Phase 3	<p>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. Phase 3: Development of a Cucamonga Basin Groundwater Model. The cost sharing agreement between CVWD and SAWCO was only for phases 1 and 2 which have both been completed. 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 assist the District in the development of Basin management plans; it will enable the District to assess the yield and groundwater response to future groundwater management alternatives; it will assist in the selection of new well sites and prioritize work at existing wells; and it will assess the water quality impacts and trends at wells from future groundwater management activities. On January 8, 2012, the Board of the Directors approved the contract with Wildermuth Environmental for Phase 3 - the preparation of the Cucamonga Basin Groundwater Model.</p>	170,000	0
		2015 Urban Water Management Plan	<p>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 California Department of Water Resources (DWR) and report, describe, and evaluate on 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.</p> <p>This project will fund the completion of the 2015 UWMP which includes hiring a consultant to complete the report.</p>	0	75,000

**CUCAMONGA VALLEY WATER DISTRICT
CAPITAL PROJECT DESCRIPTIONS
for the Fiscal Year Ending June 30, 2015**

Project Number	Work Order Number	Description	Need Analysis	Estimated Carry Over 2014 Budget	Budget Request 2015
		Cucamonga Basin Management Plan	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. This project will fund the develop water management plan for Cucamonga Basin.	0	150,000
		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.	0	100,000
Subtotal - 9030 Source of Supply (6 Projects)				410,000	375,000
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 2012 and into 2013, 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, conducting a pilot project of proposed technologies, and working with the City of Rancho Cucamonga to obtain more radio collector sites. Staff is awaiting results of the pilot and City of Rancho Cucamonga's agreement to locate radio collection devices on their light poles before releasing an RFP to complete the project. Anticipated award date for the project is Summer 2014.	2,000,000	0
CP7279	267060	Laptop Vehicle Mounts and Storage Box Replacements	Good safety practices require laptop mounts or secured storage, for all vehicles using laptop computers. Over the course of the coming year, 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
		AV Equipment for LWMWTP Tour	The District offers tours of the Lloyd Michael Water Treatment Plant to groups of students and adults numerous times throughout the year. In order to enhance the tour experience, staff is proposing the purchase of audio headsets that would allow tour participants to hear the tour guide clearly throughout the tour experience.	0	10,000
		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. There is not currently any AV in the Garden, and there is a need to be able to conduct large group presentations as well as give instruction to groups of students throughout the Garden. This would help improve efficiencies in offering class field trips by enabling staff to speak to larger groups at a time. All of the AV equipment will need to be designed for the outdoor setting and be able to withstand the elements.	0	35,000
		Meter Replacement Project	Each year the District replaces aged water meters based on services life, accuracy, and service issues. Staff is requesting an annual allocation to replace water meters as needed based on the characteristics noted above.	0	400,000
		Purchase (40) New Construction Meters	Many of the existing construction meters have worn out and require constant maintenance to ensure accuracy. Many of the meters require gear and bearing changes, which is time consuming. With the recent increased need for construction meters by developers, staff is requesting funds to replace forty (40) meters.	0	28,000

**CUCAMONGA VALLEY WATER DISTRICT
CAPITAL PROJECT DESCRIPTIONS
for the Fiscal Year Ending June 30, 2015**

Project Number	Work Order Number	Description	Need Analysis	Estimated Carry Over 2014 Budget	Budget Request 2015
		Upgrades to the technology inside the ELC	The Environmental Learning Center 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 technology would expose students to the types of technology they may not be interacting with currently at school or at home. It will also 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 could also allow classes visiting the ELC to participate in additional activities due to the efficiencies caused by the use of technology.	0	25,000
Subtotal - 9045 Field Equipment (7 Projects)				2,012,000	498,000
9055	Office Equipment				
		Desktop, Laptop, and Tablet Computer Replacements	Funding for this project includes the replacement of 15 Desktop computers, 8 standard laptop computers, 6 Tablets devices and One 60-inch monitor for the Finance 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	40,000
		Microsoft Software Assurance (Year 2 of 3-Year agreement)	This project will provide the second 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	52,000
		Network Equipment Replacement	This project will provide funding for the replacement of the 4 Cisco switches that were installed in 2007. These 6-year-old switches will reach the end of its useful life and will be no longer supported by the end of 2014. These switches are located at District's facilities and handles network traffic in District office buildings.	0	20,000
		Network Server Replacements	This project will provide funding for the replacement of five servers and two network storage units that were installed in 2008. Our existing servers will reach the end of their useful life by the end of 2014.	0	50,000
		RTA Fleet Management Software	The Fleet Division is requesting upgrading current fleet management software to RTA. RTA is a management system that is specific to Fleet Maintenance/Management and will help the division to keep our fleet operating efficiently by tracking our preventive maintenance, repairs, and labor. This program will accurately report total cost of District fleet/equipment, providing information to when life cycle of vehicle is met or exceeded.	0	35,000
		Software - GIS ArcView Licenses	The District has two ArcView licenses which are needed to run the DigAlert software. In addition, ArcView allows the user to do basic GIS functions. This includes: add the GIS layers and display map information; identify features on a map; load new layers into ArcView; create maps based on your data classifications; and analyze spatial data. With the proposed upgrade to the water and sewer modeling software from H2O Water/Sewer to InfoWater/InfoSewer, the new software requires ArcView or ArcGIS to run. This project proposes to purchase 2 ArcView floating licenses that will be used to run the proposed InfoWater and InfoSewer.	0	8,000

**CUCAMONGA VALLEY WATER DISTRICT
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for the Fiscal Year Ending June 30, 2015**

Project Number	Work Order Number	Description	Need Analysis	Estimated Carry Over 2014 Budget	Budget Request 2015
		Software - Sewer Modeling Upgrade	<p>The District utilizes the sewer modeling software to model the District's sewer distribution system. This analytical tool allows the District to model various conditions and scenarios to approximate what will happen in the field. This also includes development of future CIPs.</p> <p>This project will upgrade the current modeling software from H2OMap Sewer to InfoSewer Suite floating license.</p> <p>This upgrade offers several improvements over the previous version, including the capability to fully integrate GIS to the modeling software, and increase the modeling links from limited 2000 links to unlimited links. The suite comes with the following extensions: Load Allocator, H2S Detector, and Corrosion Predictor. These extensions help us to identify the sewer hot spots and hence making it a great tool for capital project planning.</p>	0	20,000
		Software - Water Modeling Upgrade	<p>The District utilizes the water modeling software to model the District's water distribution system. This analytical tool allows the District to model various conditions and scenarios to approximate what will happen in the field. This includes master planning needed CIPs and planned facility shutdowns.</p> <p>This project will upgrade the two current water modeling software applications from H2OMap Water to InfoWater Suite floating license. This upgrade can be used for both Water & Recycled Water distribution and offers several improvements over the previous version.</p> <p>The improvements include the capability to fully integrate GIS to the water distribution modeling software, increasing the modeling links from 2000 links to unlimited links. The suite comes with the following extensions: Scheduler, Protector, Designer, Calibrator, Demand Allocator, Skeletonizer, WQ Calibrator, and Valve Criticality Modeling. These extensions help us to speed up the modeling process and make it a state-of-the-art hydraulic network solver, hence making it a great planning tool.</p>	0	40,000
		Update Aerial Mural	<p>The District has several wall mounted Aerial Photo Murals of its service area throughout the District offices and conference rooms. The existing murals were produced in 2006 and are used as interactive art for reference as a map of District facilities.</p> <p>This project will replace all the existing wall mounted Aerial Murals throughout the District with an updated map. There are currently (four) 9' x 7'-4" and (five) 4'-5" x 5'-7" wall murals.</p>	0	28,000
		Upgrade GPS Unit	<p>This District utilizes GPS units to provide GPS locations of various District assets. This data is captured in the District GIS database which is used to provide more accuracy in mapping assets in GIS and can be used to help locate these assets in the field.</p> <p>This project will upgrade the District's existing Trimble GeoXH 2005 GPS unit to the Trimble Geo7X. The new Geo7X handheld with integrated Laser Rangefinder has replaced the GeoXH 2005 series and, in addition to improved hardware performance, faster processor, and more memory, this unit includes the Trimble Floodlight satellite shadow reduction technology. This technology enables delivery of dramatic improvements in accuracy and position availability when working under tree canopies and in canyons. It also has a built-in camera which allows the user to tag the x & y coordinate on the pictures.</p>	0	12,000

**CUCAMONGA VALLEY WATER DISTRICT
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Project Number	Work Order Number	Description	Need Analysis	Estimated Carry Over 2014 Budget	Budget Request 2015
		Upgrade Production Scanner and Color Printer	<p>This project will upgrade the large format Colortrac scanner and HP 9500 LaserJet printers in the Engineering Department.</p> <p>The large format Colortrac scanner is approximately 14 years old. The scanner is primarily used in the Engineering Department but can be used for other large map scanning purposes as well. The scanner is used to scan engineering as-builts, large color wall maps, and board embedded maps. Upgrading the scanner will increase productivity and reliability. The scanner will improve resolution for scanning fine detail maps, enhance dimensional accuracy, increase mono and color scan speeds, provide advanced paper transport that handles folded and fragile maps, and be more cost effective.</p> <p>The HP 9500 LaserJet printer is 7 years old and is 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 machine and the District's expanding need for in house color printing, the replacement would provide significant increased quality and time savings. The current LaserJet printers are more cost effective, efficient, and have better paper handling. This project will also help us increase productivity and meet our demanding graphic printing needs.</p>	0	28,000
Subtotal - 9055 Office Equipment (11 Projects)				0	333,000
9065 Treatment					
CP7018	196434	AHBWTP Rehabilitation & Upgrades	In 1997, the District completed construction of the Arthur H. Bridge Water Treatment Plant (AHBWTP). The plant was constructed for the purpose of treating the surface water supply from Cucamonga Canyon with membrane technology. Since then the membranes have reached the end of their useful life. In 2011, the District began the process of upgrading the plant to once again treat high quality surface water from Cucamonga Canyon. In February 2013, the District awarded a design-build contract for the upgrade of the ABWTP and Cucamonga Canyon Intake to HDR Constructors. This project will upgrade the treatment process to a pressure filtration system, including all ancillary systems, the baffling of Reservoir 5A, and upgrading the intakes in Cucamonga Canyon. The funding will continue to provide for the design-build services, including engineering, materials, construction, startup, and materials testing.	481,000	0
CP7094	220940	Chlorine Generator Installation at Pump Station 5	<p>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 the upper zones, helping the District comply with the DBR without overdosing in Zone 3.</p> <p>This project will construct a new addition to the existing pump house that will house a new chlorine generator at Pump Station 5.</p>	390,800	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 January 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.	19,470,000	700,000

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for the Fiscal Year Ending June 30, 2015**

Project Number	Work Order Number	Description	Need Analysis	Estimated Carry Over 2014 Budget	Budget Request 2015
CP7185	243111	Chlorine Generator Installation at Pump Station 5B	<p>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 5B, there will be sufficient chlorine residuals to carry through the upper zones, helping the District comply with the DBR without overdosing in Zone 3.</p> <p>This project will construct a new building that will house a new chlorine generator at Pump Station 5B.</p>	160,400	0
CP7249	274345	Reservoir 3A Water Supply Reliability	<p>Currently, the two possible sources of water supply to Reservoir 3A are five Cucamonga Basin Wells (3 active & 2 inactive) and an interconnection with City of Upland. The normal mode of operation is to pump the three active Cucamonga Basin Wells to supply Reservoir 3A and to run the City of Upland interconnection during emergency which is only available at the City discretion.</p> <p>This project will fund the design and construction of projects to secure more reliability to the Reservoir 3A water supply.</p>	414,000	1,000,000
CP7353	290119	8B Hypo Unit Upgrade	<p>This project is to replace the existing sodium hypochloride generator located at Reservoir 8B. The existing generator has been in operation for over 10 years and has reached the end of its life expectancy. The replacement unit not only provides a more efficient method of chlorine generation with lower O&M costs but can also be retrofit with new cells at a future date to provide an extended life cycle. This chlorine generator operates daily and provides disinfection to the water originating in Deer Canyon.</p>	94,000	23,500
CP7356	290125	Reservoir 2A Wells - Wellhead Treatment	<p>Currently there are five wells (8, 10, 12, 20, and 22) that could send Cucamonga Basin Aquifer production to Reservoir 2A. Four of the five wells are over 75-years old and Reservoir 2A, built in 1961, is over 52 years old. If all of the wells were active, they would have the potential of producing approximately 7,900 gpm or 9,600 AFY. Unfortunately, all five are inactive due to high nitrate and DBCP. Wells 8 and 10 also have high perchlorate.</p> <p>Conventional nitrate treatment technologies like ion exchange (IX) and reverse osmosis (RO) are not feasible, as they create a high strength brine waste for which the District does not have an easy treatment/handling option. The District has been investigating biological treatment and has received a quote of \$13,000,000 for the construction of a full biological treatment plant. In the quote, it is estimated that it could increase production from zero to 6,500 AFY, at an estimated cost of \$310 /AF to treat.</p> <p>This process has not been approved by the Department of Health Services (DHS). The first phase of work is to perform pilot testing for this process which is being addressed in another project (CP7292 Cucamonga Basin Wellhead Treatment). If the pilot treatment plant is successful, this project will fund the design and construction of a full biological treatment plant at Reservoir 2A.</p>	295,000	0
		LWMWTP Equipment Replacement and Repair	<p>Existing equipment and facilities at the Lloyd Michael WTP require replacement and/or repair. Critical online process instrumentation are 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 and severe damage.</p>	0	315,000

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		LWMWTP Storm Drain Improvements	<p>With the improvements to the LWMWTP, a new storm drain is required to be constructed to take any overflows from the treatment plant's new detention basin to East Ave. The new storm drain will be designed to handle flow of 5,700 gpm.</p> <p>This project will fund the design and construction of approximately 1,400-lf of 24-in RCP. The work will also include grading, paving, the construction of an inlet and outlet.</p>	0	576,000
		Reservoir 2A Hypo Generation Upgrade	This project is to replace the existing sodium hypochloride generator located at Reservoir 2A. The existing generator has been in operation for over 10 years and has reached the end of its life expectancy. The replacement unit not only provides a more efficient method of chlorine generation with lower O&M costs but can also be retrofit with new cells at a future date to provide an extended life cycle.	0	176,000
		Reservoir Aeration System at various sites	This project will construct in-reservoir aeration systems in various District reservoirs for the purpose of reducing disinfection byproducts (particularly THMs) that form after the water leaves the LWMWTP. These aeration systems will effectively reduce the THMs that form in reservoirs and their associated production/distribution systems and will directly augment the treatment process improvements at the LWMWTP. The aeration systems inherently use mixing in the treatment processes thereby improving overall water quality as well.	0	200,000
Subtotal - 9065 Treatment (11 Projects)				21,305,200	2,990,500
9070	Pumps & Equipment				
CP7025	196447	New Well #48	This project will construct a new groundwater production well for the District. 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.	0	2,960,000
CP7193	243119	Pump Station 5 Emergency Standby Generator	<p>This project will install a permanent emergency backup generator and an automatic transfer switch at Pump Station 5.</p> <p>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. The project is needed to improve operational reliability at Pump Station 5.</p> <p>In order to maintain flexibility in the fiscal year capital budget and due to long lead times on materials this project is being rolled over to the 2015 capital budget.</p>	210,000	0
CP7194	243120	Pump Station 5B Emergency Standby Generator	<p>This project will install a permanent emergency backup generator and an automatic transfer switch at Pump Station 5B.</p> <p>Pump Station 5B boosts water from Reservoir 5B to Zone 6 and Reservoir 6B. 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. The project is needed to improve operational reliability at Pump Station 5B.</p>	215,000	0

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Project Number	Work Order Number	Description	Need Analysis	Estimated Carry Over 2014 Budget	Budget Request 2015
CP7195	243121	Well 24 Emergency Standby Generator	<p>This project will install a permanent emergency backup generator and an automatic transfer switch at Well 24.</p> <p>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. The project is needed to improve operational reliability at Well 24 and ensure water for Reservoir 3A.</p> <p>An additional \$30,000 is being requested to cover generator price increases to meet SCAQMD requirements for Internal Combustion Engines (ICE).</p>	255,000	30,000
CP7295	267076	Backup Booster Pumps	<p>The purpose of this project is to purchase backup booster pumps for various pump stations to improve operational reliability in the distribution system during critical demand periods (Pump Stations 1, 2C, 3, 3CII, 3A, 4, 4B, 5, 5B, 6B & 7B). 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, placing us at risk for reduced reliability in the event of a failure. The intent of this project is to have spare pumps at the warehouse or respective sites for immediate replacement of failed pumps, allowing 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 FY2015 capital budget.</p>	300,000	0
CP7299	267080	New Cucamonga Basin Well	<p>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 Project is intended to analyze, design, and construct a new Cucamonga Basin Well. The 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> <p>The District has hired Wildermuth Environmental to prepare a study identifying the best location for the future well site. The study should be completed in the summer of 2014.</p>	50,000	0
		Emergency Standby Generator at PS 6B	<p>This project will install a permanent emergency backup generator and an automatic transfer switch at Pump Station 6B.</p> <p>Pump Station 6B boosts water from Reservoir 6B to Zone 7 and Reservoir 7B. This 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. The project is needed to improve operational reliability at Pump Station 6B.</p>	0	220,000

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		Emergency Standby Generator at PS 7B	<p>This project will install a permanent emergency backup generator and an automatic transfer switch at Pump Station 7B.</p> <p>Pump Station 7B boosts water from Reservoir 7B to Zone 8 and Reservoir 8B. This 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. The project is needed to improve operational reliability at Pump Station 7B.</p>	0	210,000
		Emergency Standby Generator at Well 5	<p>This project will install a permanent emergency backup generator and an automatic transfer switch at Well 5.</p> <p>Well 5 is a Chino Basin well that supplies water to Reservoir 1 which distributes water to the District 2 Zone and boosts water to Zone 2 and Reservoir 2. To ensure uninterrupted operation during an electrical power failure at the site, a permanent emergency backup generator and an automatic transfer switch are required. The project is needed to improve operational reliability at Well 5 and ensure water for Reservoir 2.</p>	0	245,000
		General Booster Rehabilitation	<p>This project will provide funding for the replacement of equipment in the case of unscheduled booster pump 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.</p>	0	110,000
		General Production Site Improvement	<p>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.</p>	0	100,000
		General Well Rehabilitation	<p>This project will provide funding for the replacement of equipment in the case of unscheduled 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.</p>	0	300,000
		Portable Chlorine Feed System	<p>The purpose of this request is to purchase equipment necessary to build a portable chlorine dosing plant. The existing equipment is in need of repair and cannot sustain the demands of large sites. The proposed portable plant will be used as a temporary dosing facility on existing sites and also as a temporary solution to sites that need additional chlorine residual.</p>	0	40,000
		Pump Station 3 - AC unit	<p>Air-conditioned cooling is required for the new Variable Frequency Drives (VFDs) that were constructed and installed at the Interzone 3 pump station in FY2014 that improved the movement of water and blending in the distribution system. The VFDs also improved Cucamonga Basin production by optimizing the District's blending strategy. Air conditioned cooling is recommended by VFD manufacturers and is necessary during summer pumping to maintain optimal VFD performance and maintain a long service life.</p>	0	20,000
		Pump Station 5 Switchgear Replacement	<p>The switchgear at this location is over 30 years old. From a reliability and operational standpoint, this equipment has been repaired and breakers replaced several times. This site is critical to maintaining water in the upper zones and as such needs to be replaced.</p> <p>The project consists of purchasing new switchgear, the installation of the switchgear along with design by a consulting electrical engineering. Construction work consists of removing existing switchgear, site work, concrete slab, electrical conduits, cabling and startup, and commissioning.</p>	0	300,000

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		Pump Station 5B Switchgear Replacement	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, the installation of the switchgear along with design by a consulting electrical engineering. Construction work consists of removing existing switchgear, site work, concrete slab, electrical conduits, cabling and startup, and commissioning.	0	300,000
Subtotal - 9070 Pumps & Equipment (16 Projects)				1,030,000	4,835,000
9071	Reservoirs				
CP7031	196457	Tank Recoating	This project will provide multi-year funding for the coating repair and recoating of various reservoirs due to aging 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 makes repairs where possible in lieu of complete recoating.	150,000	300,000
CP7111	220957	Construct New Reservoir 3A	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
CP7301	267082	Tank Shark at Reservoir 5B	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 a Tank Shark to provide the needed mixing at this location with the addition of chlorine injection.	50,000	0
CP7365	290139	Reservoir 4B Improvements	After annual inspections, it was determined that tank 4B-1 requires interior recoating and a ladder cage to be installed as a protective measure as required by OSHA in addition to an aeration system. Due to limited season for being able to take reservoirs offline this tank will be recoated in FY2015.	330,000	120,000
CP7366	290141	Reservoir 8B Improvements	It has been determined that reservoir at 8B requires the addition of an inlet to the north side of the tank. The addition of a second inlet will allow both reservoirs to operate in series. The ability to operate in series gives an opportunity to provide better water quality and an increase in serviceability to each tank. The tank also requires that the interior of the tank be recoated. Additional funding is required to hire a structural engineer and for an upsized reinforcing plate.	85,000	40,000
		Property Acquisition	This project will fund the acquisition of properties for facilities that have been identified in the Water Master Plan.	0	1,500,000

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		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. To extend the paving life, 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>	0	373,000
		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. To extend the paving life, 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>	0	241,000
		Tank Shark at Reservoir 5	<p>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.</p>	0	130,000
Subtotal - 9071 Reservoirs (9 Projects)				2,272,000	2,704,000
9072	Telemetry				
CP7303	267084	Install PRV Meters and Telemetry	<p>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.</p>	84,000	375,000
CP7368	290143	Replacement/Addition of Field UPS Systems	<p>Current field 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 uninterruptable power supplies. 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 uninterruptable power supplies come equipped with alarms which can be integrated into telemetry to give the status of each unit. This project will be spread over three years for maintenance practices.</p>	0	12,000
Subtotal - 9072 Telemetry (2 Projects)				84,000	387,000

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9075 Building Improvement					
CP7203	243129	Security & CS Enhancement Project	This project will enhance the Customer Service counter, which will provide an improved customer service experience, while also addressing security vulnerabilities identified at the Customer Service counter, Engineering counters, and reception area. The project has been split up into three parts. The first was the reconfiguration of the Customer Service Representatives work area to accommodate Public Affairs, which has been completed. The second part is procuring an architect to design the Security Upgrades at the Customer Service Counter and reception area, which will be completed FY 2013-2014. The last part of the project will be to construct the upgrades at the counter, which will be performed FY 2014-2015.	142,000	0
CP7369	290144	Base and Asphalt Roof	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
		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.	0	20,000
		Founder's Memorial Garden	The Founder's Memorial Garden will be constructed in front of the Administration Building making better use of an already existing footprint. The Garden is being constructed as a tribute to Lloyd Michael and other founders of the District reflecting its rich agricultural heritage. The Public Affairs and Legislative Board Committee has approved the design in concept as well as the budget for the project and would like it to be constructed as soon as possible in honor of Lloyd Michael and his family.	0	10,000
		FP Parking Lot Improvements	This project will construct an asphalt parking lot in the dirt lot located on the northwest portion of the District offices which is utilized by both the District and the Frontier Project (FP) for event and overflow parking.	0	40,000
		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.	0	35,000
Subtotal - 9075 Building Improvement (6 Projects)				182,000	105,000
9077 Shop Equipment					
		Fleet four-post vehicle lift w/ramp	The Fleet Division is requesting to upgrade one of the vehicle lift systems to a four-post ramp system. This type of lift would be used for trucks with utility beds, box vans, and low stance vehicles to allow them to drive onto a ramp for service. We currently use the two-post system for these vehicles; however we have to use adaptors and use caution to safely lift at jack points which vary from vehicle to vehicle.	0	10,000
Subtotal - 9077 Shop Equipment (1 Project)				0	10,000
9080 Vehicle					
CP7383	290299	Replace Three 40-Foot Chassis Unit # 2024, 2025 & 2026	Requesting funds to replace three 1974 chassis trailers (500 KW Emergency Generators) with newer model chassis equipped with current approved DOT dual-chamber air brake systems. The existing chassis have a single-stage chamber braking system and are in need of tires and frame repairs. The total cost of repairs far exceed the purchase of a newer chassis that includes the brake upgrade and fresh tires.	30,000	0
CP7389	290316	4-Door SUV/Van 4x2 Unit # 252	The fleet division is requesting funds to replace Unit # 252, a 2002 GMC Savanna Cargo Van with approximately 92,000 miles. This vehicle is assigned to the Engineering/Industrial Waste Division and meets vehicle replacement criteria of 9 years of service. This project was approved for FY2014. Bids have been received, however, based on specifications of the vehicle, it will not be available for production until summer of 2014.	32,000	4,000

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		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.	0	75,000
		1/2 Ton Pickup Extended Cab 4x4 Unit # 286	The Fleet Division is requesting funds to replace Unit # 286, a 2006 Ford F-150 assigned to the Treatment Plant division. This vehicle has approximately 63,000 miles and meets the fleet replacement criteria of 8-9 years of service.	0	32,000
		1/2 Ton Pickup Extra Cab 4x2 Unit # 285	The fleet division is requesting funds to replace Unit # 285, a 2006 Ford Ranger Ext. Cab Pickup with approximately 80,000 miles. This vehicle is assigned to the Field Service Division and meets the vehicle replacement criteria of 8-9 years of service.	0	30,000
		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.	0	300,000
		3/4 Ton Ext. Cab 4x4 w/8-foot Utility Body Unit #272	The Fleet Division is requesting funds to replace Unit #272, a 2005 Ford F-250 Super Duty Standard Cab Utility Bed with approximately 72,000 miles. This vehicle is assigned to the Operations Production Division and meets the vehicle replacement criteria of 8-9 years.	0	35,000
		3/4 Ton Pickup Ext. Cab 4x2 Valve turn equipment Unit 276	The Fleet Division is requesting funds to replace Unit # 276, a 2005 Ford F-350 Superduty Flatbed Dually 2wd with Valve Turning equipment and approximately 75,000 miles. This vehicle meets the fleet replacement criteria of 8-9 years.	0	80,000
		Portable Hypochlorinator Trailer	The production division is requesting funds for adding a 20' enclosed trailer to be retrofitted as a portable hypochlorinator. This request will facilitate necessary maintenance to permanent equipment, provide redundancy to hypochlorinator units, and give flexibility in chlorine application points throughout the District.	0	27,000
Subtotal - 9080 Vehicle (9 Projects)				62,000	583,000
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 (built 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 in Wilson Ave from East Ave to Wardman Bullock Rd.</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 has awarded the contract to construct the roadway improvements in 2012 but must wait for the end of nesting season before they can begin construction which is anticipated to be in Fall of 2014.</p>	819,000	0

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CP7167	235684	2010 Storm Repair - Cucamonga Canyon Intake and Road	The winter storms of 2010 caused significant damage to the Cucamonga Canyon intake and road. The storm filled the intake structures with debris and washed away portions of the maintenance road. This canyon intake is an important source of water and provides as much as 1,700 AF of water per year. This project will repair the damage caused by the storm and restore an important supply of water to the District. The District was approved for an \$827,822.55 FEMA/Cal EMA Hazard Mitigation Grant for the repair of the damage caused by the 2010/2011 winter storms. Since this project requires that the ABWTP is functioning, the work was bid with the ABWTP Rehabilitation and Upgrade project. As of May 2014, the intake repairs are nearing completion. This funding will pay for the final work. Upon completion of the work, staff will begin submitting reimbursement requests to the State.	244,300	0
CP7169	235686	2010 Storm Repair - Snowdrop Road Repair	The winter storms of 2010 caused significant damage to Snowdrop Road. The storm washed away portions of the road, exposing a portion of the District's waterline. 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.	16,200	35,000
CP7313	267094	Construct New Zone 6A Pressure Control Stations	Currently, Zone 6A is hydraulically supplied by two pressure-reducing valves. In the event that either of the existing valves were 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. 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.	0	140,000
CP7315	267096	Const Waterline in Beryl from Baseline to Cielito	The waterline in Beryl St from Baseline Rd to Cielito St 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. The District is using 12-in pipe because it is a standard size which is more cost-effective for materials and availability. In addition, this will give the pipeline more capacity. 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.	0	883,000
CP7384	290300	Const Waterline in Arrow Rte from Hermosa Ave to Haven Ave	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. 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.	50,000	0
CP7385	290308	Modify 4B, 4C & 4D Transmission Mains at LWMWTP	During peak summer months, the reservoirs in Zone 4 do not float well together. The booster station at the LWMWTP is capable of boosting water to refill the Reservoirs at 4B, 4C and 4D but it is difficult to direct flow to any one reservoir; thus the District is not able to maximize our water storage during these months. Through modifications to the transmission line that the LWMWTP discharges to and the addition of modernized operated valves (MOVs), the District will have more operational flexibility and will be able to maximize the water storage in Zone 4. This project will fund the design and construction of approximately 950 linear feet of waterline modifications, two modernized operated valves, and two flow meters.	650,000	0

**CUCAMONGA VALLEY WATER DISTRICT
CAPITAL PROJECT DESCRIPTIONS
for the Fiscal Year Ending June 30, 2015**

Project Number	Work Order Number	Description	Need Analysis	Estimated Carry Over 2014 Budget	Budget Request 2015
CP7387	290310	Water Facilities Improvements for Fwy Imprvmnts at Baseline	<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 must coordinate the design of the relocation with the design of the new roadway improvements. Once the design has been completed, it is the District's intention to include the water facilities work in the Caltrans ramp construction. This will 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 design is being finalized. In the meantime, Caltrans and the City is currently investigating the feasibility of the project. If this project is not canceled, it is proposed to be constructed in the next fiscal year.</p>	150,000	0
		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), currently it requires frequent maintenance due to leaks and it is located in the sidewalk. This project will fund the design and construction of approximately 2500 linear feet of new waterline to be constructed in the street.</p>	0	25,000
		Construct Waterline in Hellman from Lomita to Monte Vista	<p>The waterline in Hellman Ave from Lomita to Monte Vista has reached the end of its service life (built in 1974), currently it requires frequent maintenance due to leaks and 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>	0	25,000
		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.</p>	0	463,000
		Construct Wtr in Hellman Av from Church St to Pepper St	<p>The waterline in Hellman Ave from Church St to Pepper Street has reached the end of its service life (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>	0	455,000
		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
		Various Valves Improvement	<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

**CUCAMONGA VALLEY WATER DISTRICT
CAPITAL PROJECT DESCRIPTIONS
for the Fiscal Year Ending June 30, 2015**

Project Number	Work Order Number	Description	Need Analysis	Estimated Carry Over 2014 Budget	Budget Request 2015
Subtotal - 9085 Water Mains (14 Projects)				1,929,500	2,626,000
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- and 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 sewerline in Baseline Rd and will also relocate approximately 132 linear feet of sewerline in East Ave. This project must coordinate the design of the relocation with the design of the new roadway improvements. Once the design has been completed, it is the District's intention to include the sewerline work in the Caltrans ramp construction. This will 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 design is being finalized. In the meantime, Caltrans and the City are currently investigating the feasibility of the project. If this project is not canceled, it is proposed to be constructed in the next fiscal year.</p>	225,000	155,000
CP7318	267100	Const Sewer in 4th from Cucamonga Channel to Golden Oaks	<p>The existing sewerline in 4th St from the Cucamonga Channel to Golden Oak Rd (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 sewerline and abandon in place the existing sewerline.</p> <p>This project has been divided into three phases. The first, to perform a survey and design the sewerline to 90 percent completion, will be completed this fiscal year. The second phase (scheduled for this upcoming fiscal year) is to construct the portion of sewerline that is in the street. The final phase is to construct the portion of the sewer located in the flood control easement.</p>	898,000	72,000
CP7391	290319	Const Sewer lateral on SW Prop corner Archibald & Baseline	<p>The sewerline lateral located on the southwest corner of Baseline Rd and Archibald Ave has a belly on the District side of the lateral. In addition, there is a significant offset joint on the private side. Combined, this has a potential to cause a sewer backup.</p> <p>A reconfiguration of the lateral would have minimal effect to the customers' operation and affect a small portion of the property while eliminating the belly and offset.</p> <p>This project will fund the design and construction of approximately 95 linear feet sewer lateral.</p>	65,000	0
CP7392	290320	Reline Sewer between Trenton Ct and Cortland St	<p>The sewerline located between Trenton Ct and Cortland St is in a heavily landscaped area. This has caused a root intrusion issue with the pipeline, which requires frequent maintenance. The relining of the sewer will resolve the root intrusion problem by sealing all joints and will reduce the maintenance time.</p> <p>This project will fund the design, cleaning, and relining of approximately 242 feet of sewerline.</p>	50,000	0

**CUCAMONGA VALLEY WATER DISTRICT
CAPITAL PROJECT DESCRIPTIONS
for the Fiscal Year Ending June 30, 2015**

Project Number	Work Order Number	Description	Need Analysis	Estimated Carry Over 2014 Budget	Budget Request 2015
CP7393	290321	Reline Sewer East of Carnelian St north of Avalon St	<p>The sewerline located in the backyards of 9 homes on Carnelian St north of Avalon St, requires frequent maintenance due to constant root intrusion. Since the pipeline is located in an easement in the back of 11 residential properties, access is difficult for the sewer maintenance crews and an inconvenience to the property owners. The relining of the sewer will resolve the root intrusion problem by sealing all joints and will minimize the disturbance to property owners by reducing the time needed for maintenance.</p> <p>This project will fund the design, cleaning, and relining of approximately 810 linear feet of sewerline. The work will include installation of a cleanout and top-hatting the laterals.</p>	107,000	0
CP7394	290322	Reline Sewer South of Banyan St near East Etiwanda Creek	<p>Sewer maintenance crews have detected multiple cracks in the sewerline located south of Banyan St, near the East Etiwanda Creek (built in 1991). Relining the pipeline is a cost-effective method to repair the damage and extend the existing sewerline service life.</p> <p>This project will fund the design, cleaning, and relining of approximately 720 linear feet of sewerline.</p>	70,000	0
		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 wetwell and exiting through the structure would need upgrade/modification as well</p>	0	480,000
		Highland at Barranca: three flat-top manhole installation	<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>	0	45,000
		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 sewerlines and repairing sewer laterals at various locations that will develop sags, offset joints, or cracks.</p>	0	150,000
Subtotal - 9095 Sewer Improvement (9 Projects)				1,415,000	902,000

**CUCAMONGA VALLEY WATER DISTRICT
CAPITAL PROJECT DESCRIPTIONS
for the Fiscal Year Ending June 30, 2015**

Project Number	Work Order Number	Description	Need Analysis	Estimated Carry Over 2014 Budget	Budget Request 2015
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
		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 (104 Projects)				30,851,700	16,498,500

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. 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 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 Deputy General Manager: The position of the Deputy General Manager remains open; however, the funding and responsibilities are currently distributed to other cost centers within the District.

Office of the Assistant General Manager: The Assistant General Manager provides leadership and coordination to the Public Affairs, Legislation, and Human Resources/Risk Management divisions. The position works closely with the Chief Financial Officer and the Chief Operating Officer to facilitate the implementation of the District's Foundational Principles, specifically our *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.

Public Affairs: The Public Affairs 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, adult workshops and training, landscape-related programs, community and stakeholder tours, community events, and media communications. Each of these elements of Public Affairs 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 focused on a wide variety of projects to improve the overall health and performance of our organization. One of the first objectives undertaken last year and continuing through this year is the development of a “Long Range Financial Plan” to reinforce our commitment to the continued financial integrity of the District. Last fiscal year our staff worked diligently on putting into place a number of policies addressing debt issuances, appropriate reserve levels, and financial benchmarks. This plan looks forward 20-30 years to identify financial issues that may arise and to forecast rates into the future as well as cash flow needs.

Last year a state pension reform initiative was passed by the state legislature and signed by the Governor with certain provisions taking effect in January 2013, with the remaining requirements being phased in over the next five years. The reform legislation mainly impacts newly hired employees with only a few elements impacting existing employees. Staff will be focusing over the next year to ensure that all aspects of the legislation have been implemented in accordance with the law, as well as monitor other methods to ensure our overall labor costs are sustainable for the future.

Once again, one of our strategic objectives will be to develop relationships with our new legislative representatives, as well as further strengthen the ties of our existing representatives. The District will be doing this through visits to their field, Sacramento, and Washington, D.C. offices, as well as inviting members to tour CVWD facilities.

For the first time in several years, the District had a Board Member retire, which brought a new Board Member to the District. District staff has provided orientation sessions to familiarize the new member and introduce him to the organization. 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.

In 2012, the Board of Directors adopted a new business plan for the Frontier Project which separated all matters regarding the operations of the facility from the business of the non-profit Foundation. The goal of the business plan was to look at other operational changes that could produce revenue to off-set the operating costs of maintaining the building. As a result, in 2013 the Executive Department staff worked in conjunction with the move of our Public Affairs Department from the Frontier Project building to our administrative building to locate a tenant to lease out the

second story of the Frontier Project building. Staff was able to secure a long term lease with a strategic partner, the American Water Works Association (AWWA). This agreement created a key strategic alliance and created a new revenue source to help offset the operational costs of the Frontier Project building.

In 2012, structural changes were made in our management staff to facilitate succession planning as well as to consolidate duties and functions of our top executive staff. The most recent change added a new supervisory level providing for the development of internal staff for future leadership roles. The Human Resources division has developed a training program that seeks to support the professional growth of our new and existing managers and supervisors. Budgeting, communication, performance appraisals, and time management, are just some of the many workshop topics that will be provided over the next year to better equip our developing management staff.

Fiscal and Budgetary Impacts

The Executive Department budget is \$4.4 million and comprises approximately 7% of the District’s overall operating expense budget.

Performance Measurements:

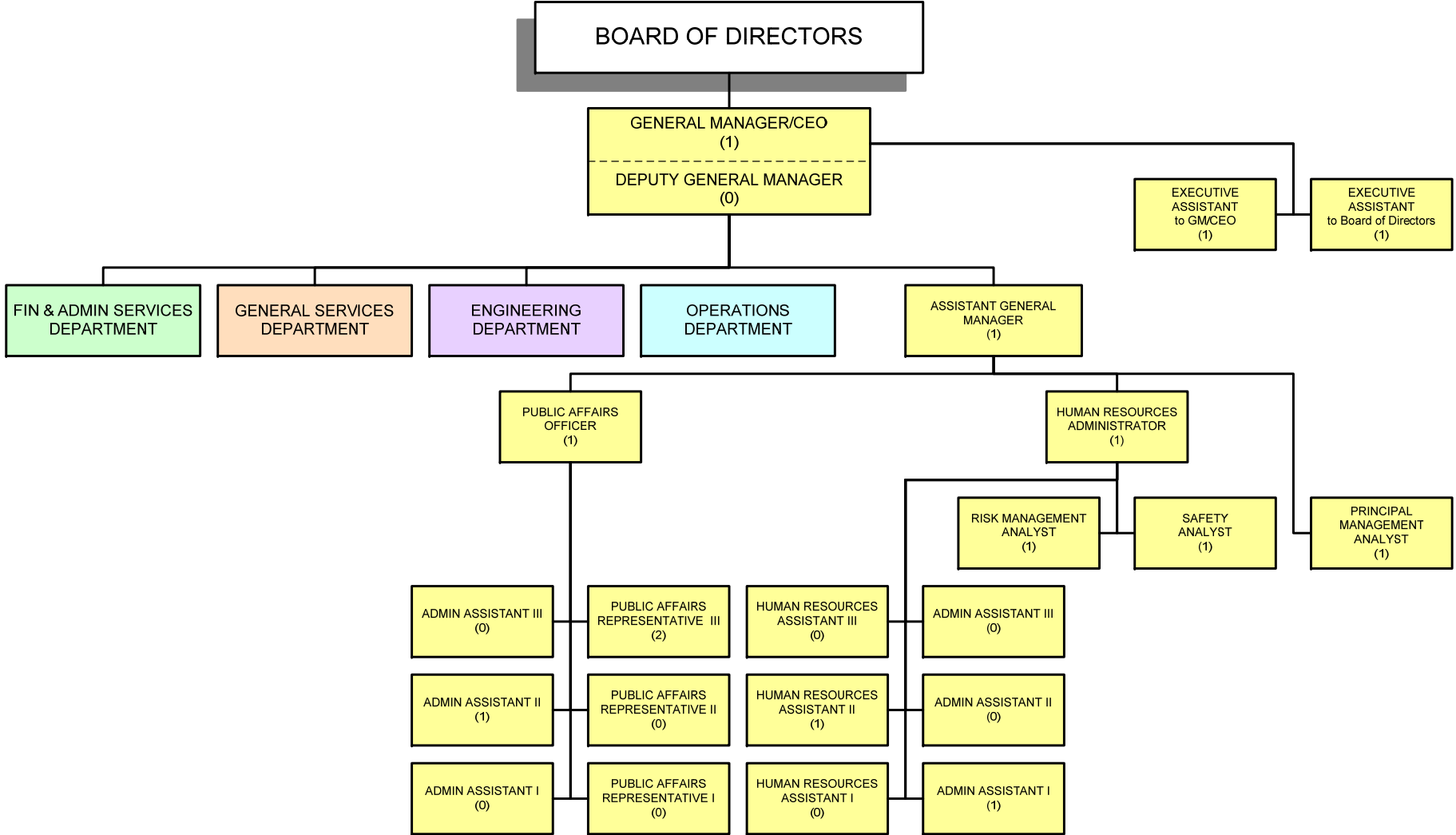
	FY 2010	FY 2011	FY 2012	FY 2013	Est. Current FY 2014	Est. Next FY 2015	Strategic Goal
EXECUTIVE DEPARTMENT PERFORMANCE MEASURES							
Division Measures - Board of Directors							
Board tracking sheet items	N/A	N/A	60	32	25	30	Service
Number of public records request	N/A	N/A	5	2	6	9	Service
Number of Board Meetings/Study Sessions/Workshops/Committee Meetings	N/A	N/A	45	64	75	80	Service
Division Measures - General Manager							
Watermaster Related Meetings	N/A	N/A	N/A	73	72	77	Service
Employee & Leadership Development meetings	N/A	N/A	N/A	26	20	22	Service
Division Measures – Assistant General Manager							
Revenue generated through Frontier Project rentals	\$156,914	\$47,780	\$110,528	\$24,080	\$4,433	\$10,000	Service
Revenue generated through Frontier Project lease agreement	N/A	N/A	N/A	\$71,500	\$80,340	\$82,752	Service

Division Measures – Legislative and Public Affairs							
Grants/sponsorships received to offset District programs	\$10,000	\$28,000	\$30,000	\$110,000	\$110,000	\$130,000	Service
Value of conservation rebates from regional programs	\$210,450	\$187,945	\$138,713	\$238,830	\$240,000	\$240,000	People
Attendees at District events and programs	2,455	2,730	1,655	1,760	1,945	2,000	People
Participants in school education programs	10,240	10,749	12,003	12,000	17,325	18,000	Service
CVWD Social Media followers	N/A	N/A	85	200	416	600	People
Community events and presentations attended	8	11	9	13	8	10	People
Contact made with legislators	N/A	N/A	60	65	65	60	People
Division Measures – Human Resources/Risk Management							
Estimated number of participating compensation/benefits surveys completed by staff	N/A	12	20	22	24	25	People
Percentage of employees receiving annual performance evaluations	N/A	67%	73%	77%	80%	85%	People & Service
Average number of work days lost per workers compensation claim	12	7	120	1	1	0	People Service

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EXECUTIVE DEPARTMENT ORGANIZATIONAL CHART

For the Fiscal Year Ending June 30, 2015

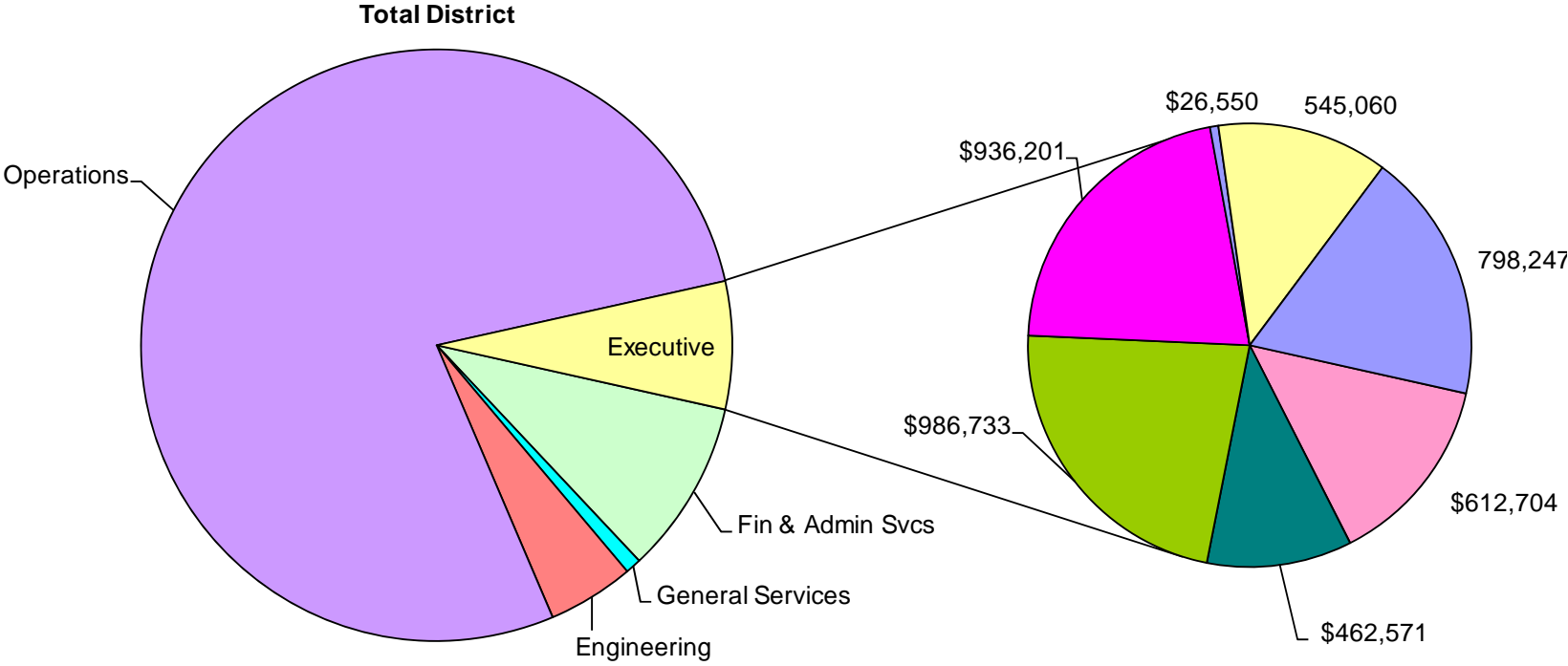


TOTAL: 14 EMPLOYEES

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

Water Fund	Sewer Fund	Recycled Water Fund	Capital Fund	14-15	Division	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	1.5
2.25	0.25	0	0	2.5	Human Resources	2.5	2	0	0	0	0
1.8	0.2	0	0	2	Office of the General Manager	2	2	2	2	2	2.5
1.75	0.75	0	0	2.5	Risk Management	2.5	2	0	0	0	0
1.8	0.2	0	0	2	Office of the AGM	2	1	1	1	1	1
0	0	0	0	0	Office of the DGM	0	0	0	2	2	2.5
3.6	0.4	0	0	4	Public Affairs	4	6.5	6.5	5	5	5.5
12.1	1.9	0	0	14	Executive Total	14	14.5	10.5	11	11	13

**Executive Department
FYE 2015**



Board of Directors	Human Resources	Office of the General Manager
Risk Management	Emergency Preparedness	Office of the AGM
Public Affairs		

CUCAMONGA VALLEY WATER DISTRICT
EXECUTIVE DEPARTMENT
For the Fiscal Year Ending June 30, 2015

Department	Budget	% of Total
Executive	\$ 4,368,066	7.0%
Financial & Administrative Services	5,951,865	9.5%
General Services	535,676	0.9%
Engineering	2,959,937	4.7%
Operations	48,786,338	77.9%
Total Operating Budget	\$ 62,601,882	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	\$ 571,476	13.1%	\$ 41,228	0.9%	\$ -	-	\$ 612,704	14.0%
Human Resources	427,495	9.8%	35,076	-	-	-	462,571	10.6%
Office of the General Manager	924,792	21.2%	61,941	1.4%	-	-	986,733	22.6%
Risk Management	693,610	15.9%	242,591	-	-	-	936,201	21.4%
Emergency Preparedness	26,550	0.6%	-	-	-	-	26,550	0.6%
Office of the AGM	501,327	11.5%	43,733	1.0%	-	-	545,060	12.5%
Public Affairs	740,640	17.0%	57,607	1.3%	-	-	798,247	18.3%
<i>Sub-Total</i>	<u>3,885,890</u>	<u>89.0%</u>	<u>482,176</u>	<u>11.0%</u>	<u>-</u>	<u>-</u>	<u>4,368,066</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>3,885,890</u>	<u>89.0%</u>	<u>482,176</u>	<u>11.0%</u>	<u>-</u>	<u>-</u>	<u>4,368,066</u>	<u>100.0%</u>

CUCAMONGA VALLEY WATER DISTRICT
EXECUTIVE DEPARTMENT
SUMMARY BY ACCOUNT

For the Fiscal Year Ending June 30, 2015

Account Number	Account Title	Water	Sewer	Recycled Water	Total
10-XX	Wages and Directors' Fees \$	1,482,322 \$	209,205 \$	- \$	1,691,527
12-XX	District Burden	943,153	129,971	-	1,073,124
18-XX	Outside Labor	-	-	-	-
20-XX	Professional Development	187,250	-	-	187,250
25-XX	Professional Services	419,000	-	-	419,000
27-XX	Advertisements	22,325	-	-	22,325
28-XX	Election Expense	85,000	-	-	85,000
30-XX	Personnel Costs	117,320	-	-	117,320
32-XX	Insurance	357,200	143,000	-	500,200
35-XX	Collections	-	-	-	-
40-XX	Utilities	20,720	-	-	20,720
45-XX	Materials & Supplies	56,550	-	-	56,550
50-XX	Equipment Depreciation	-	-	-	-
55-XX	Outside Services	176,200	-	-	176,200
60-XX	Safety	2,750	-	-	2,750
79-XX	Miscellaneous	14,900	-	-	14,900
80-XX	Other - Capital Equipment	1,200	-	-	1,200
	Totals	\$ 3,885,890	\$ 482,176	\$ -	\$ 4,368,066

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 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 49,850 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 190 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 May 2008, the District implemented a tiered water rate structure for residential customers that better reflects the range of costs for various water supplies. This new rate structure was extended to all non-residential customers in May 2010 and this increases our ability to educate and inform our customers, promote water conservation, and ensure a reliable water supply.

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**. This project has been further enhanced by the implementation of in-field computing and a new work order management system that has made the process of developing and completing work orders paperless.

Fiscal and Budgetary Impacts:

The Financial and Administrative Services Department budget is approximately \$6.0 million, which comprises approximately 10% 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. Establish Finance Disaster Preparedness Policy for officially declared emergencies by December 31, 2014.
2. Complete the last phase of the installation and retrofit of all District meters to Fixed Network technology by June 30, 2015.
3. Streamline the payroll and accounts payable functions by reducing the number of paper checks generated and distributed.
4. Administer the District’s investment program to meet the District’s goal of Safety, Liquidity, and Yield; while minimizing idle cash.

5. Administer the District's debt portfolio and ensure compliance with continuing disclosure requirements
6. Ensure a financially stable environment to meet the current and future capital improvement funding needs of the District. By June 30, 2015, the District will utilize a financial model to assist with the prediction of rates, capital improvement needs, and debt coverage ratios.
7. Continue the virtualization of computer servers, increasing efficiencies and reducing costs for electricity and maintenance.

Performance Measurements:

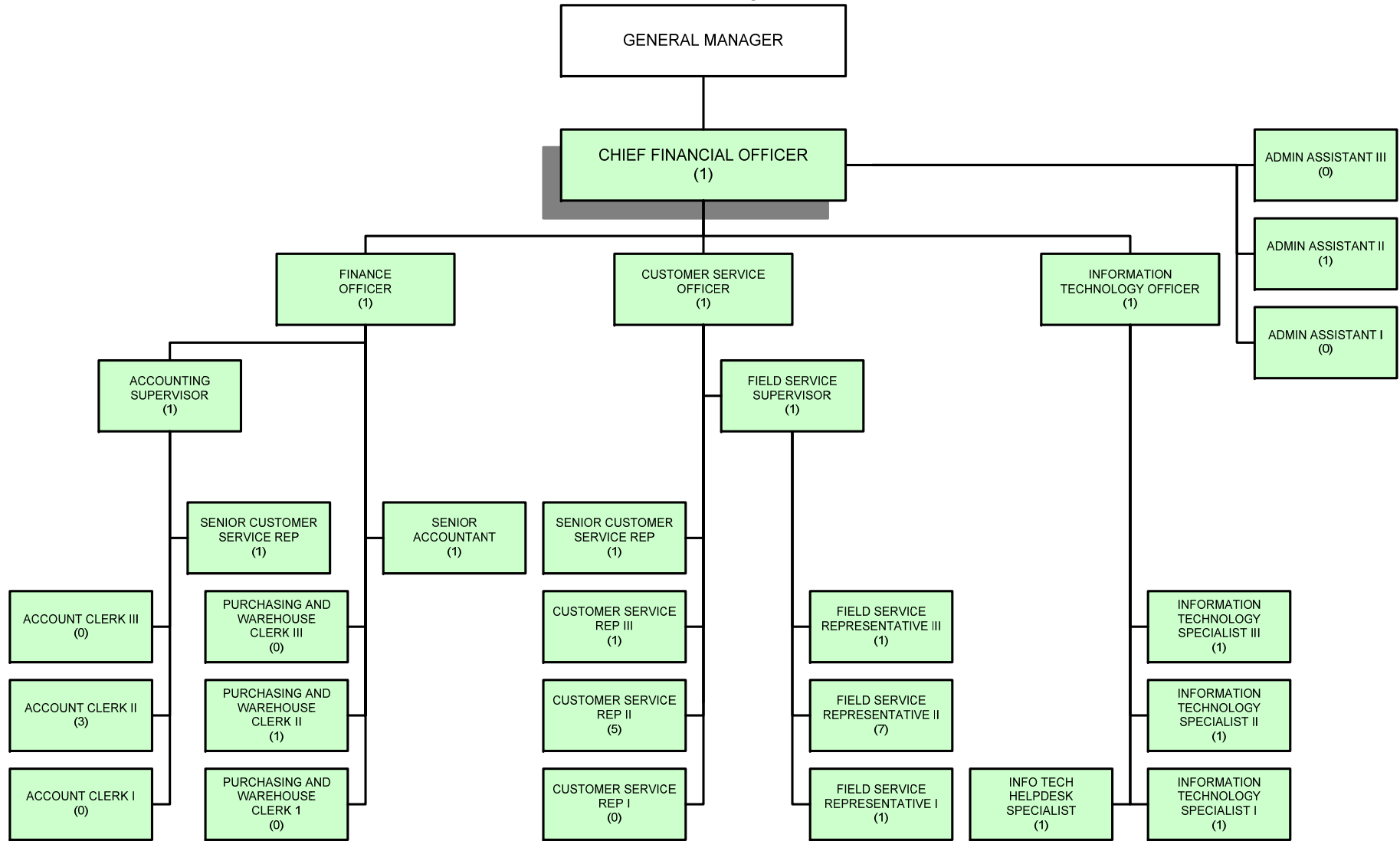
	FY 2010	FY 2011	FY 2012	FY 2013	Est. Current FY 2014	Est. Next FY 2015	Strategic Goal
FINANCIAL & ADMINISTRATIVE SERVICES DEPARTMENT MEASURES							
Meet or exceed the 2-Year Treasury index District's Yield	1.67%	1.28%	0.73%	0.64%	0.59%	0.89%	People
2-Year Treasury Index	0.63%	0.49%	0.27%	0.27%	0.30%	0.30%	
Increase the District's Debt Coverage Ratio	1.79	1.63	2.14	2.17	2.00	2.0	Service
Reduce the District's Debt to Assets Ratio	57.6%	57.4%	53.9%	63.2%	59.0%	57.3%	Service
Increase the District's Days Cash	220	266	305	351	381	391	Service
Increase the District's Credit Rating*	AA-	AA-	AA-	AA-	AA-	AA	Service
Division Measures – Information Technology							
Replace 25% of desktop/laptop computers annually to maintain technical advantage	20%	25%	33%	42%	25%	25%	Service
Virtualize 50% of servers by 2013 to increase data center efficiency & resilience	24%	32%	39%	50%	54%	58%	People
Keep Helpdesk costs below \$50/call through efficient staffing and procedures	\$47.29	\$44.49	\$35.00	\$36.67	\$35.65	\$36.00	People & Service
Division Measures – Accounting							
Increase percentage of EFT Payments to Vendors	-18.8%	-1.4%	2.7%	4.4%	8.0%	1.9%	Service
Division Measures - Purchasing							
Increase inventory turnover to maximize inventory space	0.58	0.59	0.72	0.69	0.41	0.50	People

* See page 29 for a breakdown by rating agency.

FINANCIAL & ADMINISTRATIVE SERVICES DEPARTMENT

ORGANIZATIONAL CHART

For the Fiscal Year Ending June 30, 2015

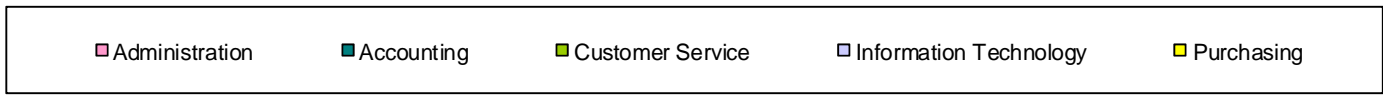
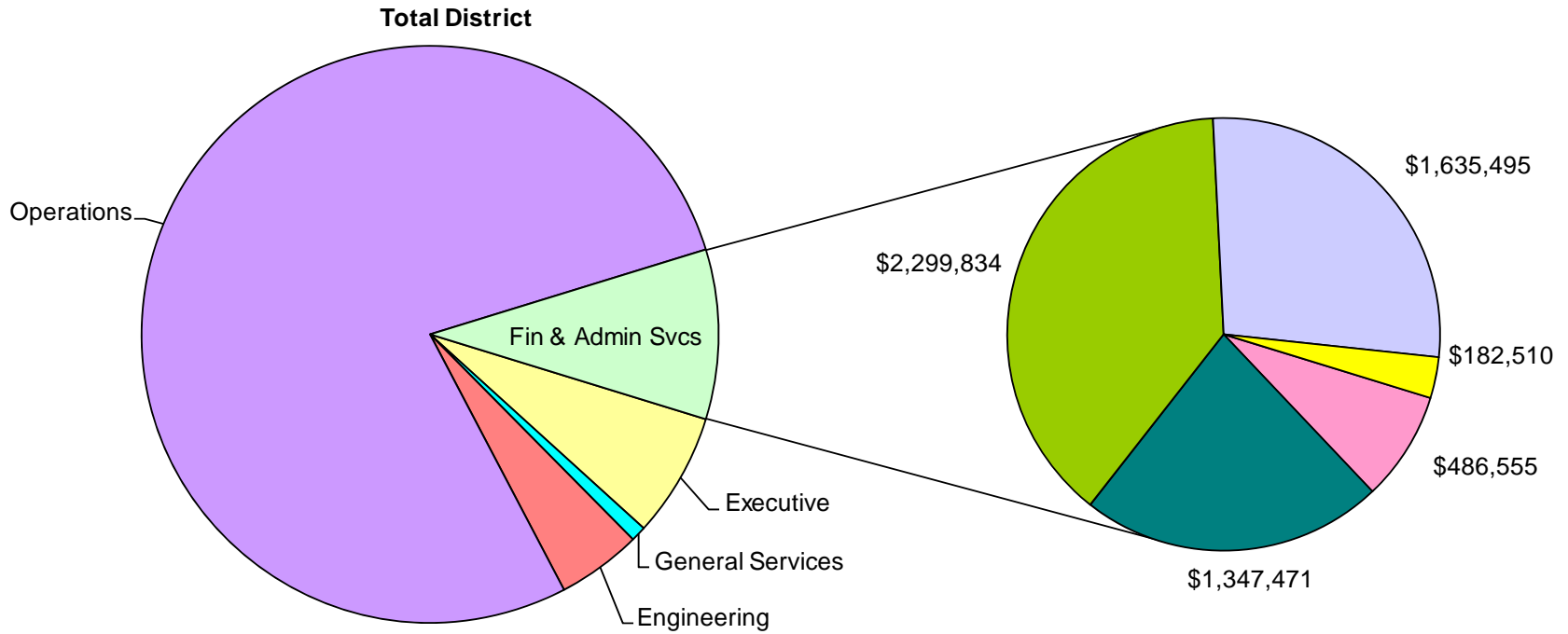


TOTAL: 33 EMPLOYEES

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

Water Fund	Sewer Fund	Recycled Water Fund	Capital Fund	14-15	Division	13-14	12-13	11-12	10-11	09-10	08-09
1.8	0.2	0	0	2	Administration	2	2.5	2.5	3	3	4
0	0	0	0	0	Human Resources	0	0	2	2	2	2
0	0	0	0	0	Risk Management	0	0	2	2	2	2
5.525	0.975	0	0	6.5	Accounting	6.5	6.5	6.5	5.5	5.5	6
12.75	2.25	0	3	18	Customer Service	17	17	17	18	18	20
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	2
25.625	4.375	0	3	33	Finance & Admin Services Total	32	32.5	36.5	37	37	41

**Financial & Administrative Services Department
FYE 2015**



CUCAMONGA VALLEY WATER DISTRICT

FINANCIAL & ADMINISTRATIVE SERVICES DEPARTMENT

For the Fiscal Year Ending June 30, 2015

Department	Budget	% of Total
Executive	\$ 4,368,066	7.0%
Financial & Administrative Services	5,951,865	9.5%
General Services	535,676	0.9%
Engineering	2,959,937	4.7%
Operations	48,786,338	77.9%
Total Operating Budget	\$ 62,601,882	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	\$ 440,303	7.4%	\$ 46,252	0.8%	\$ -	-	\$ 486,555	8.2%
Accounting	1,120,146	18.8%	222,963	3.7%	4,362	0.1%	1,347,471	22.6%
Customer Service	1,924,670	32.3%	321,026	5.4%	11,471	0.2%	2,257,167	37.9%
Information Technology	1,507,154	25.3%	128,341	2.2%	-	-	1,635,495	27.5%
Purchasing	131,838	2.2%	50,672	0.9%	-	-	182,510	3.1%
Sub-Total	<u>5,124,111</u>	<u>86.1%</u>	<u>769,254</u>	<u>12.9%</u>	<u>15,833</u>	<u>0.3%</u>	<u>5,909,198</u>	<u>99.3%</u>
Capital Fund								
Administration	\$ -	-	\$ -	-	\$ -	-	\$ -	-
Accounting	-	-	-	-	-	-	-	-
Customer Service	42,667	0.7%	-	-	-	-	42,667	0.7%
Information Technology	-	-	-	-	-	-	-	-
Purchasing	-	-	-	-	-	-	-	-
Sub-Total	<u>42,667</u>	<u>0.7%</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>42,667</u>	<u>0.7%</u>
Total	<u>5,166,778</u>	<u>86.8%</u>	<u>769,254</u>	<u>12.9%</u>	<u>15,833</u>	<u>0.3%</u>	<u>5,951,865</u>	<u>100.0%</u>

CUCAMONGA VALLEY WATER DISTRICT
FINANCIAL & ADMINISTRATIVE SERVICES DEPARTMENT
SUMMARY BY ACCOUNT
For the Fiscal Year Ending June 30, 2015

Account Number	Account Title	Water	Sewer	Recycled Water	Total
10-XX	Wages and Salaries	\$ 2,076,202	\$ 343,104	\$ -	\$ 2,419,306
12-XX	District Burden	1,183,371	194,943	-	1,378,314
18-XX	Outside Labor	15,000	-	-	15,000
20-XX	Professional Development	83,342	-	-	83,342
25-XX	Professional Services	138,566	16,683	302	155,551
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	134,600	32,400	-	167,000
40-XX	Utilities	76,040	10,225	-	86,265
45-XX	Materials & Supplies	326,275	38,185	11,471	375,931
50-XX	Equipment Depreciation	-	-	-	-
55-XX	Outside Services	810,677	61,324	250	872,251
60-XX	Safety	10,580	-	-	10,580
79-XX	Miscellaneous	305,450	72,390	3,810	381,650
80-XX	Other - Capital Equipment	3,875	-	-	3,875
	Totals	\$ 5,166,778	\$ 769,254	\$ 15,833	\$ 5,951,865

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 \$500 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, 2015

GENERAL MANAGER

DEPARTMENT OF
GENERAL SERVICES
(0)

RECEPTIONIST
(1)

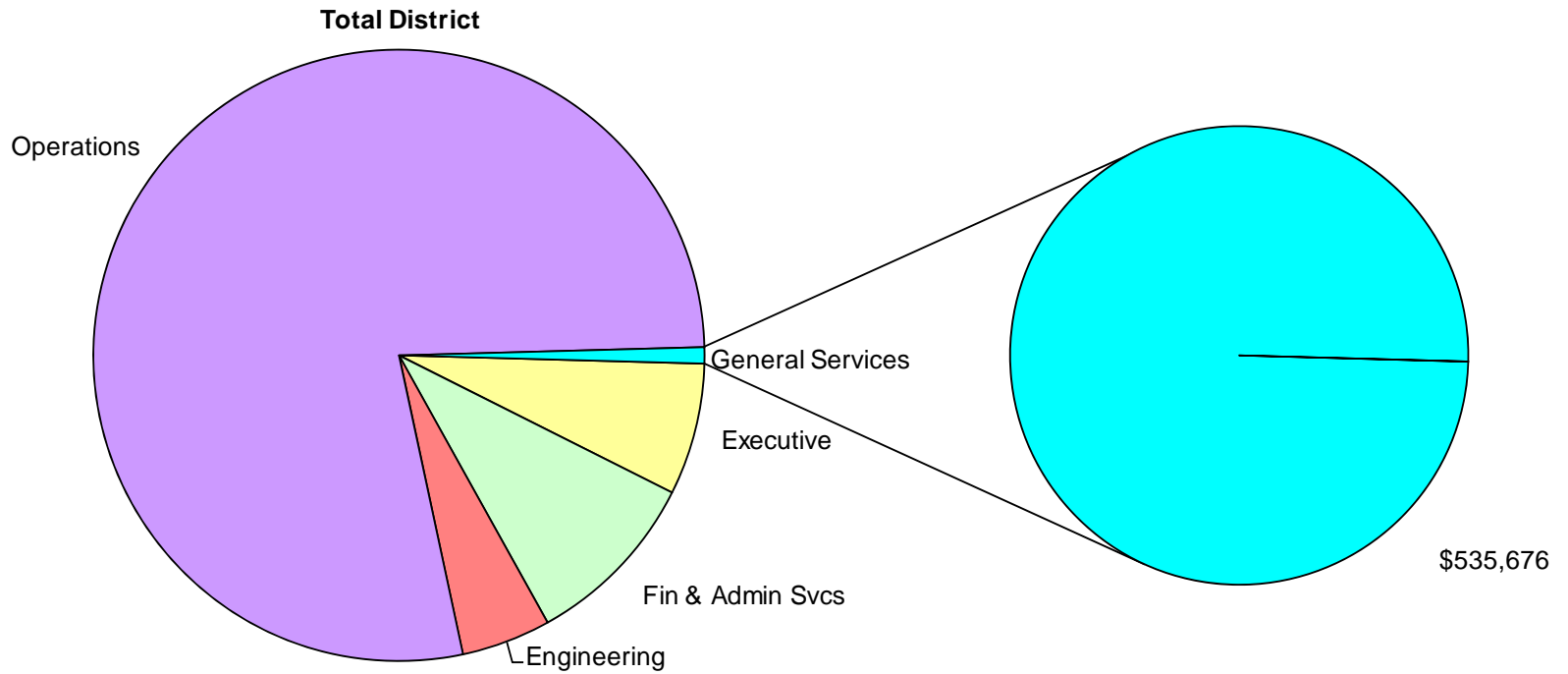
ADMINISTRATIVE AIDE
(1)

TOTAL: 2 EMPLOYEES

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

Water Fund	Sewer Fund	Recycled Water Fund	Capital Fund	14-15	Division	13-14	12-13	11-12	10-11	09-10	08-09
1.7	0.3	0	0	2	Administration	2	2	0	0	0	0
1.7	0.3	0	0	2	General Services Total	2	2	0	0	0	0

**General Services Department
FYE 2015**



Administration

CUCAMONGA VALLEY WATER DISTRICT GENERAL SERVICES DEPARTMENT

For the Fiscal Year Ending June 30, 2015

Department	Budget	% of Total
Executive	\$ 4,368,066	7.0%
Financial & Administrative Services	5,951,865	9.5%
General Services	535,676	0.9%
Engineering	2,959,937	4.7%
Operations	48,786,338	77.9%
Total Operating Budget	\$ 62,601,882	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	\$ 493,759	92.2%	\$ 41,917	7.8%	\$ -	-	\$ 535,676	100.0%
<i>Sub-Total</i>	<u>493,759</u>	<u>92.2%</u>	<u>41,917</u>	<u>7.8%</u>	<u>-</u>	<u>-</u>	<u>535,676</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>493,759</u>	<u>92.2%</u>	<u>41,917</u>	<u>7.8%</u>	<u>-</u>	<u>-</u>	<u>535,676</u>	<u>100.0%</u>

CUCAMONGA VALLEY WATER DISTRICT
GENERAL SERVICES DEPARTMENT
SUMMARY BY ACCOUNT

For the Fiscal Year Ending June 30, 2015

Account Number	Account Title	Water	Sewer	Recycled Water	Total
10-XX	Salaries and Wages	\$ 52,353	\$ 9,240	\$ -	\$ 61,593
12-XX	District Burden	52,549	5,985	-	58,534
18-XX	Outside Labor	-	-	-	-
20-XX	Professional Development	54,000	-	-	54,000
25-XX	Professional Services	30,000	-	-	30,000
30-XX	Personnel Costs	37,100	750	-	37,850
35-XX	Collections	-	-	-	-
40-XX	Utilities	228,667	21,192	-	249,859
45-XX	Materials & Supplies	31,090	3,750	-	34,840
50-XX	Equipment Depreciation	-	-	-	-
55-XX	Outside Services	2,000	-	-	2,000
60-XX	Safety	-	-	-	-
79-XX	Miscellaneous	5,000	-	-	5,000
80-XX	Other - Capital Equipment	1,000	1,000	-	2,000
	Totals	\$ 493,759	\$ 41,917	\$ -	\$ 535,676

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 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 COO actively participates in regional water and wastewater planning committees. The 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 \$3.0 million, which comprises approximately 5% 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. Manage the construction of improvements to the Lloyd Michael Water Treatment Plant necessary to meet the USEPA Stage 2 Disinfectants / Disinfection Byproduct Rule.
2. Manage the design and construction for the replacement of Reservoir 3A.
3. Manage the design and construction of the construction of a new Well 48
4. Preparation and finalization of Master Plan updates.
5. Plan, manage, and construct various treatment to various Cucamonga Basin wells that will allow increased production in the basin.

6. Monitor water supply situation and the state of the Drought in State and local areas. Continue to review environmental regulations and assess the impact on the District.
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 FY 2014:

- AHBWTP rehabilitation and upgrades (Completed)
- Reservoir 3 onsite piping and tank modification (Completed)
- Well 19 GAC wellhead treatment (Completed)
- Replace a waterline in Hermosa Ave from Foothill Blvd to Church St (Completed)
- Adopted the Water Supply Master Plan (Completed)

Activity/Criteria	FY 2014 Actual	FY 2015 Estimated Actual	FY 2015 Projection	5 Year Target
Track Capital Projects Budgeted vs. Completed	64%	65%	70%	60%
Budget vs. Expenses	59%	60%	65%	60%

Performance Measurements

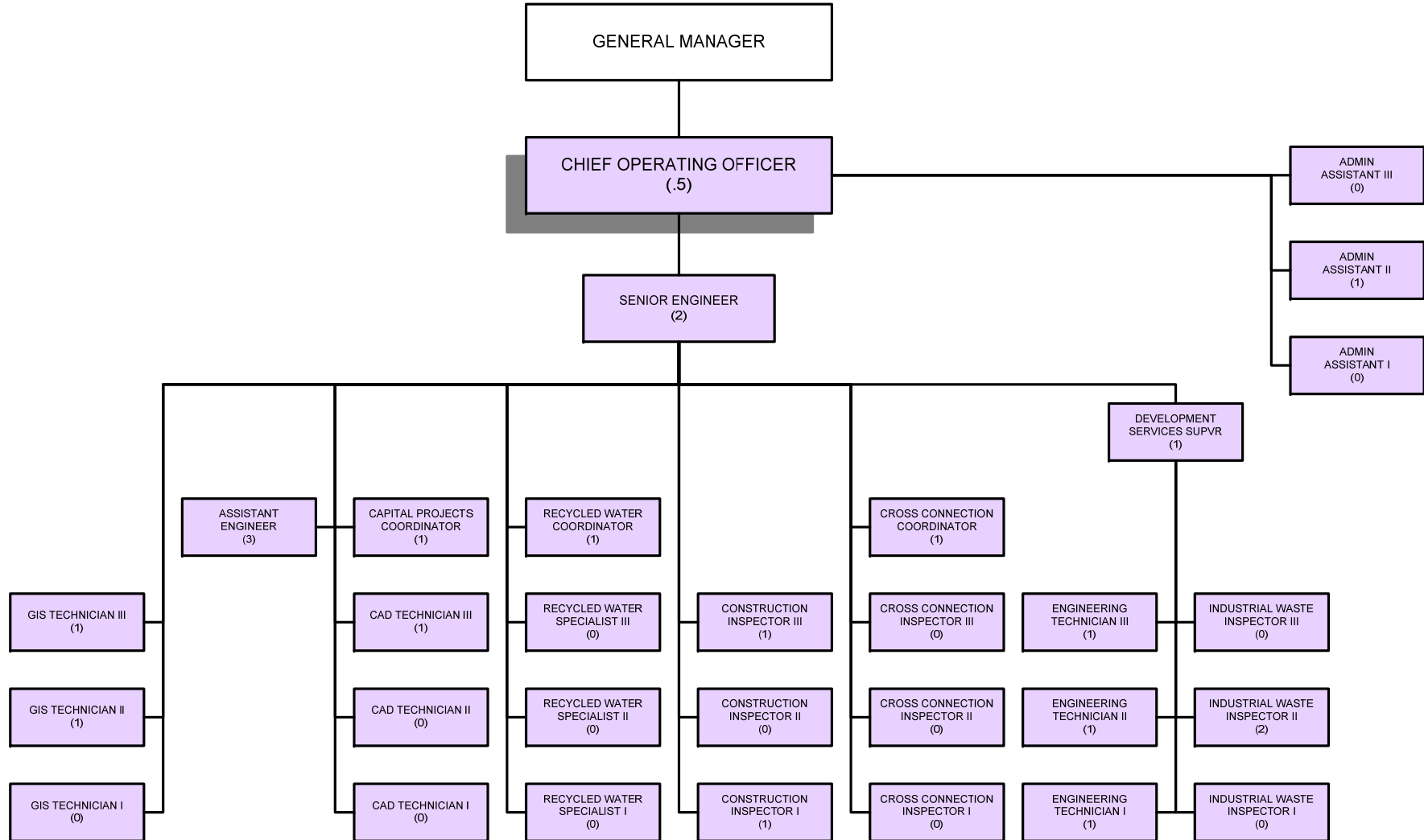
	FY 2010	FY 2011	FY 2012	FY 2013	Est. Current FY 2014	Est. Next FY 2015	Strategic Goal
ENGINEERING DEPARTMENT MEASURES							
Division Measures - Planning and Design							
Design and construct water distribution pipeline in linear feet	1,870	2,820	5,860	3,635	3,551	4,380	Water
Design and construct sewer collection pipeline in linear feet	-	115	2,740	90	0	960	Sewer
Design and construct recycled water distribution pipeline in linear feet	0	4,920	0	1,192	0	0	Recycled Water
Recycled Water Connections	9	38	10	1,200	0	0	Water
Division Measures - Industrial Waste Inspection							
Food Service Establishment (FSE) Inspections	383	395	410	672	829	830	Water & Service
Division Measures - Cross Connections							
Backflow assembly installed and inspected	31	19	15	27	63	45	Water & Service

*Based on development, which is out of District's control.

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ENGINEERING DEPARTMENT ORGANIZATIONAL CHART

For the Fiscal Year Ending June 30, 2015

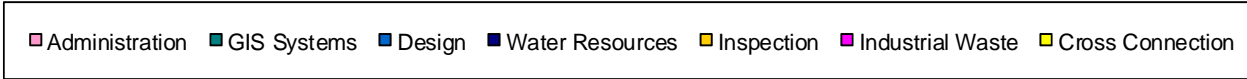
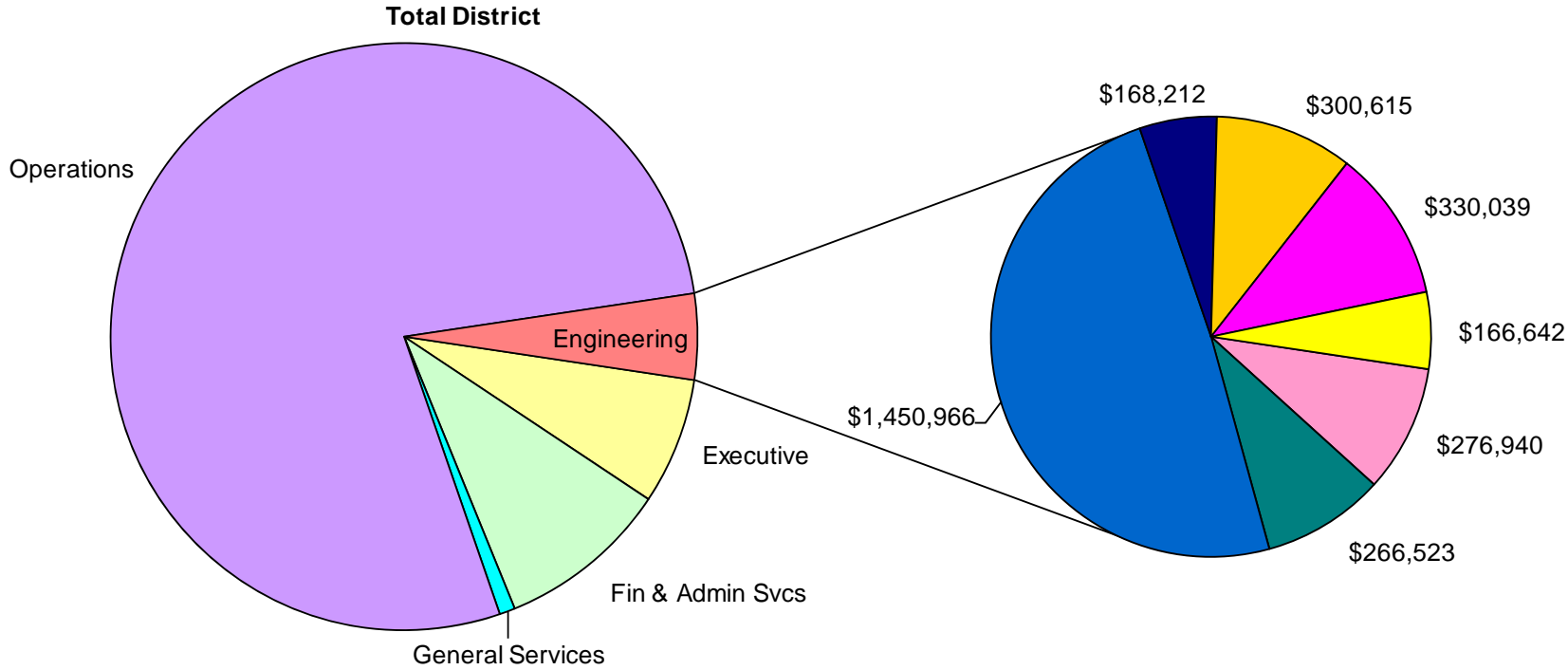


TOTAL: 20.5 EMPLOYEES

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

Water Fund	Sewer Fund	Recycled Water Fund	Capital Fund	14-15	Division	13-14	12-13	11-12	10-11	09-10	08-09
0.825	0.6	0.075	0	1.5	Administration	1.5	1.5	1.5	1.5	1.5	2
1.5	0.4	0.1	0	2	GIS Systems	2	2	2	2	2	3
2.325	0.62	0.155	7.5	10.6	Design	9.6	9	9	8	9	10
0.55	0	0.45	0	1	Water Resources	1	1	1	1	1	2
0.15	0.04	0.01	1.8	2	Inspection	2	2	2	2	2	3
0	2.4	0	0	2.4	Industrial Waste	2.4	3	3	3	3	3
0.75	0	0	0.25	1	Cross-Connection	1	1	1	1	1	1
6.1	4.06	0.79	9.55	20.5	Engineering Total	19.5	19.5	19.5	18.5	19.5	24

Engineering Department FYE 2015



CUCAMONGA VALLEY WATER DISTRICT
ENGINEERING DEPARTMENT
For the Fiscal Year Ending June 30, 2015

Department	Budget	% of Total
Executive	\$ 4,368,066	7.0%
Financial & Administrative Services	5,951,865	9.5%
General Services	535,676	0.9%
Engineering	2,959,937	4.7%
Operations	48,786,338	77.9%
Total Operating Budget	\$ 62,601,882	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	\$ 166,021	5.6%	\$ 99,300	3.4%	\$ 11,619	0.4%	\$ 276,940	9.4%
GIS Systems	206,629	7.0%	47,920	1.6%	11,974	0.4%	266,523	9.0%
Design	198,549	6.7%	50,679	1.7%	70,547	2.4%	319,775	10.8%
Water Resources	101,047	3.4%	-	-	67,165	2.3%	168,212	5.7%
Inspection	34,232	1.2%	9,342	0.3%	14,604	0.5%	58,178	2.0%
Industrial Waste	-	-	330,039	11.2%	-	-	330,039	11.2%
Cross Connection	130,181	4.4%	-	-	-	-	130,181	4.4%
<i>Sub-Total</i>	<u>836,659</u>	<u>28.3%</u>	<u>537,280</u>	<u>18.2%</u>	<u>175,909</u>	<u>5.9%</u>	<u>1,549,848</u>	<u>52.4%</u>
Capital Fund								
Administration	\$ -	-	\$ -	-	\$ -	-	\$ -	-
GIS Systems	-	-	-	-	-	-	-	-
Design	893,046	30.2%	238,145	8.0%	-	-	1,131,191	38.2%
Water Resources	-	-	-	-	-	-	-	-
Inspection	191,397	6.5%	51,040	1.7%	-	-	242,437	8.2%
Industrial Waste	-	-	-	-	-	-	-	-
Cross Connection	36,461	1.2%	-	-	-	-	36,461	1.2%
<i>Sub-Total</i>	<u>1,120,904</u>	<u>37.9%</u>	<u>289,185</u>	<u>9.8%</u>	<u>-</u>	<u>-</u>	<u>1,410,089</u>	<u>47.6%</u>
Total	<u>1,957,563</u>	<u>66.1%</u>	<u>826,465</u>	<u>27.9%</u>	<u>175,909</u>	<u>5.9%</u>	<u>2,959,937</u>	<u>100.0%</u>

**CUCAMONGA VALLEY WATER DISTRICT
ENGINEERING DEPARTMENT**

SUMMARY BY ACCOUNT
For the Fiscal Year Ending June 30, 2015

Account Number	Account Title	Water	Sewer	Recycled Water	Total
10-XX	Salaries and Wages	\$ 1,183,358	\$ 505,840	\$ 109,874	\$ 1,799,072
12-XX	District Burden	636,155	276,670	66,035	978,860
18-XX	Outside Labor	-	-	-	-
20-XX	Professional Development	41,680	6,225	-	47,905
25-XX	Professional Services	20,140	3,000	-	23,140
27-XX	Advertisements	-	-	-	-
30-XX	Personnel Costs	1,600	-	-	1,600
40-XX	Utilities	10,660	9,230	-	19,890
45-XX	Materials & Supplies	44,420	12,000	-	56,420
50-XX	Equipment Depreciation	-	-	-	-
55-XX	Outside Services	9,500	9,000	-	18,500
60-XX	Safety	5,350	2,550	-	7,900
79-XX	Miscellaneous	1,700	200	-	1,900
80-XX	Other - Capital Equipment	3,000	1,750	-	4,750
	Totals	\$ 1,957,563	\$ 826,465	\$ 175,909	\$ 2,959,937

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 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 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) 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 the operation, maintenance, and repair of the District's groundwater wells, pumping facilities, reservoirs, chlorination stations 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 is implementing the Water Treatment Master Plan that will 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 \$48.8 million, which accounts for approximately 77% of the District's overall operating expenses. Imported water deliveries from the Metropolitan Water District (MWD) are estimated at approximately \$18.7 million for Fiscal Year 2014 and our electrical expense is estimated at approximately \$4.5 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 28,368 acre feet (AF) of water annually (1 AF is equal to 325,851 gallons) at the current MWD Tier 1 rate of \$593 per AF through December 31, 2013. 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 \$743 per AF. Effective January 1, 2014 these rates change to \$593/AF for Tier 1 and \$735/AF for Tier 2. In addition to the rates paid to MWD, IEUA collects an additional \$12/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 existing and newly promulgated regulations.

Performance Measurements:

	FY 2010	FY 2011	FY 2012	FY 2013	Est. Current FY 2014	Est. Next FY 2015	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)	519	362	0		168	168	Water
Produce 12,000 Acre Feet of Ground Water in the Cucamonga Basin	N/A	N/A	N/A	N/A	7,000	12,000	Water
Division Measures - Facilities Maintenance							
HVAC Preventative Maintenance in number of buildings	32	32	32				Service
Division Measures - Water Maintenance							
1-inch poly services replacement program	401	450	276	315	241	400	Water
Valve exercising program	3,500	3,801	1,389	3253	2439	4000	Water
Division Measures - Sewer Maintenance							
Total miles of sewer cleaned	413	400	189	413	309	413	Service
Total miles of sewer video inspection	76	76	37	55	37	76	Service
Number of sanitary sewer overflows	0	0	0	0	1	0	Service

Division Measures - Fleet Maintenance							
Scheduled preventative maintenance work orders for fleet and equipment	276	375	168	307	235	325	Service
Repair (unscheduled) work orders for fleet and equipment	368	332	245	268	201	300	Service
Division Measures – Treatment/Water Quality							
Monthly Total Coliform Detections**	0.8%	0.8%	0%	0.8%	<5%	<5%	Water
Treated Groundwater Nitrate Concentration	30 mg/L	27 mg/L	35 mg/L	16 mg/L	<45mg/L	<45mg/L	Water
Treated Groundwater DBCP Concentration	0.15 ug/L	0.15 ug/L	0.18 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	0 ug/L	2.3 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

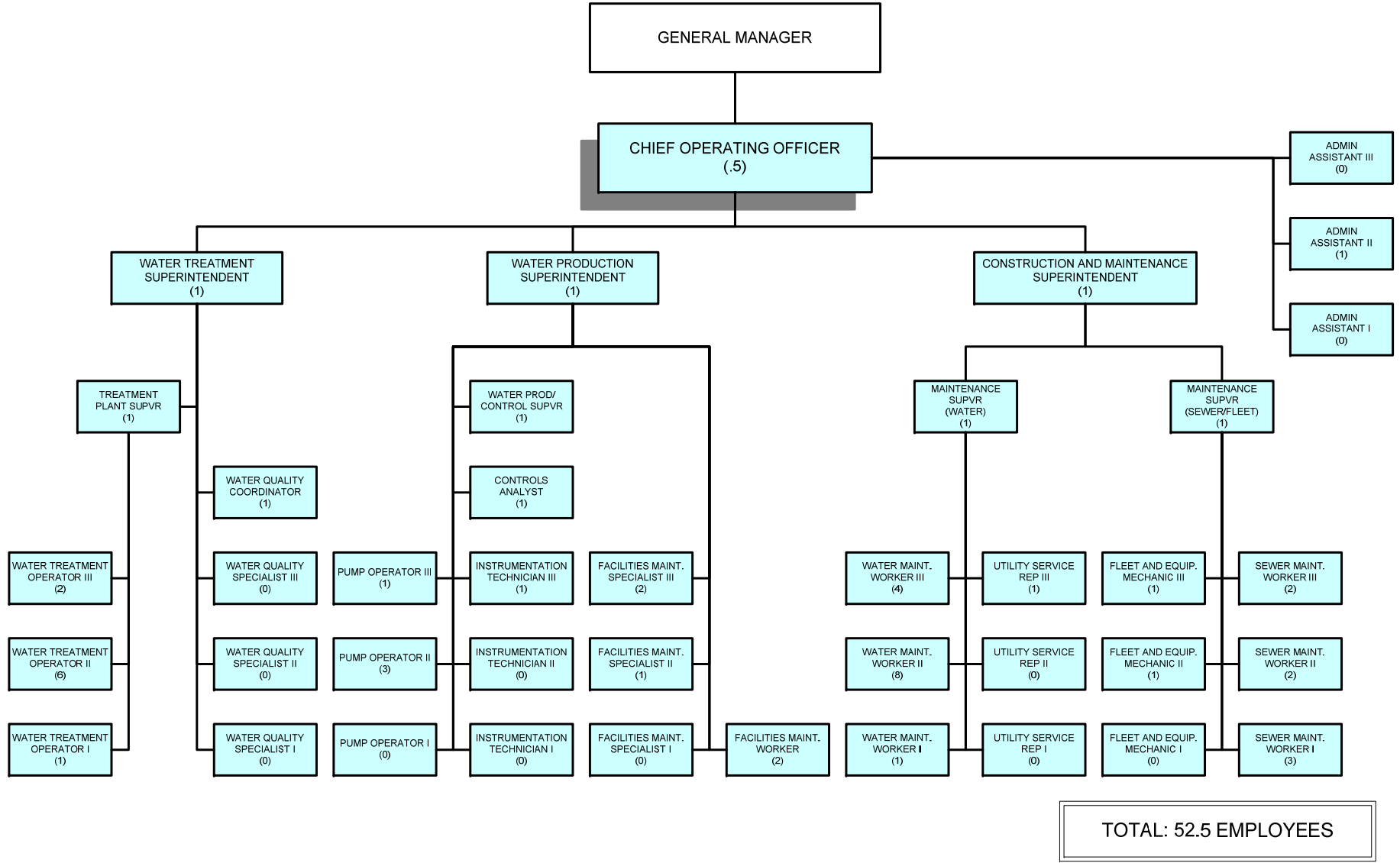
*Through first half of fiscal year (6 months)

** Calendar year

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OPERATIONS DEPARTMENT ORGANIZATIONAL CHART

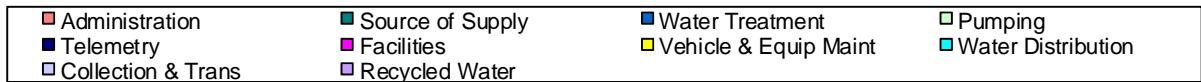
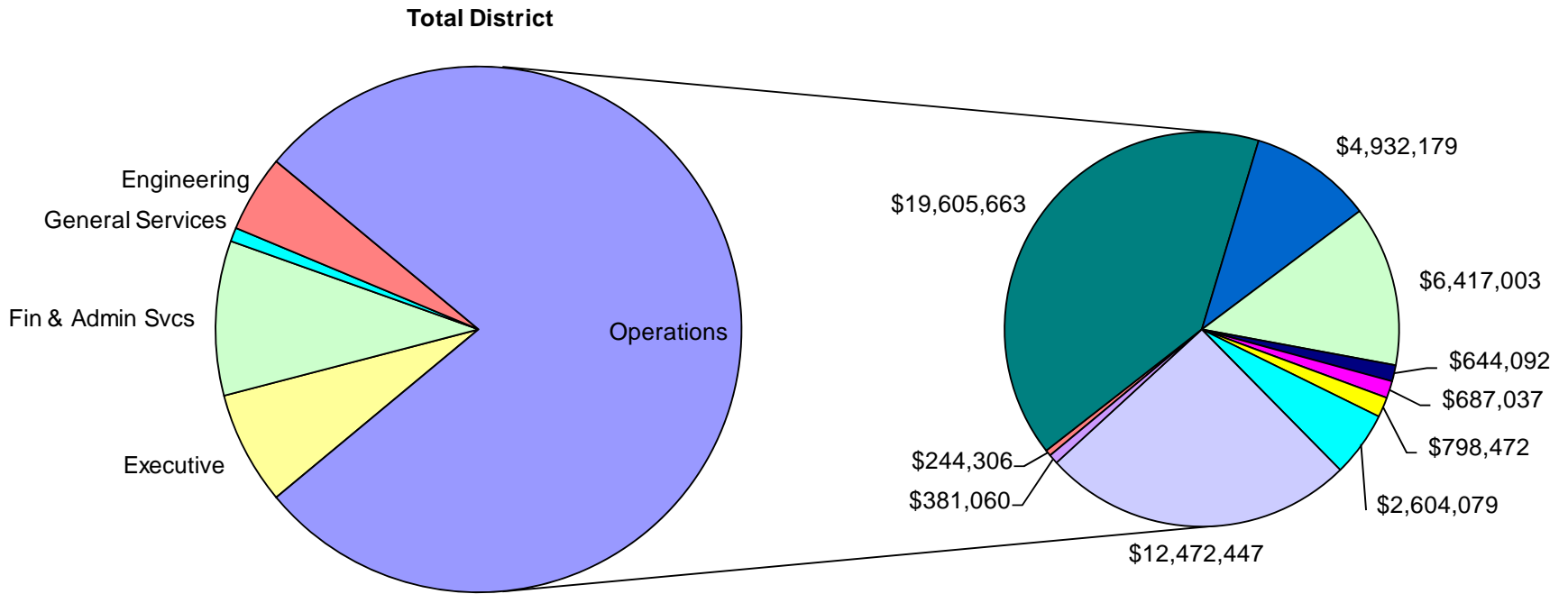
For the Fiscal Year Ending June 30, 2015



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

Water Fund	Sewer Fund	Recycled Water Fund	Capital Fund	14-15	Division	13-14	12-13	11-12	10-11	09-10	08-09
0.9	0.6	0	0	1.5	Administration	1.5	1.5	1.5	1.5	1.5	1
12	0	0	0	12	Water Treatment	13	13	13	12	12	14
4.5	0	0	0	4.5	Pumping	4.5	4.5	4.5	4.5	5.5	5.5
3.5	0	0	0	3.5	Technical Support (Telemetry)	3.5	2.5	2.5	2.5	2.5	2.5
5	0	0	0	5	Facilities	5	5	5	5	3	3
1.54	0.51	0	0	2.05	Vehicle & Equip. Maintenance	2.05	2	2	2	2	2
15.25	0	0	0	15.25	Water Distribution	15.25	15.25	15.25	16.25	16.25	16.25
0	8.7	0	0	8.7	Sewer Collection & Transmission	8.7	8.75	8.75	8.75	8.75	8.75
42.6875	9.8125	0	0	52.5	Operations Total	53.5	52.5	52.5	52.5	51.5	53

Operations Department FYE 2015



CUCAMONGA VALLEY WATER DISTRICT
OPERATIONS DEPARTMENT
For the Fiscal Year Ending June 30, 2015

Department	Budget	% of Total
Executive	\$ 4,368,066	7.0%
Financial & Administrative Services	5,951,865	9.5%
General Services	535,676	0.9%
Engineering	2,959,937	4.7%
Operations	48,786,338	77.9%
Total Operating Budget	\$ 62,601,882	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	\$ 150,594	0.3%	\$ 93,712	0.2%	\$ -	-	\$ 244,306	0.5%
Source of Supply	19,605,663	40.2%	-	-	-	-	19,605,663	40.2%
Water Treatment	4,932,179	10.1%	-	-	-	-	4,932,179	10.1%
Pumping	6,417,003	13.2%	-	-	-	-	6,417,003	13.2%
Telemetry	644,092	1.3%	-	-	-	-	644,092	1.3%
Facilities	687,037	1.4%	-	-	-	-	687,037	1.4%
Vehicle & Equipment Maintenance	651,340	1.3%	147,132	0.3%	-	-	798,472	1.6%
Water Distribution	2,589,079	5.3%	-	-	15,000	0.0%	2,604,079	5.3%
Collection & Transmission	-	-	12,472,447	25.6%	-	-	12,472,447	25.6%
Recycled Water	-	-	-	-	381,060	0.8%	381,060	0.8%
<i>Sub-Total</i>	35,676,987	73.1%	12,713,291	26.1%	396,060	0.8%	48,786,338	100.0%
Capital Fund								
Administration	\$ -	-	\$ -	-	\$ -	-	\$ -	-
Source of Supply	-	-	-	-	-	-	-	-
Water Treatment	-	-	-	-	-	-	-	-
Pumping	-	-	-	-	-	-	-	-
Telemetry	-	-	-	-	-	-	-	-
Facilities	-	-	-	-	-	-	-	-
Vehicle & Equipment Maintenance	-	-	-	-	-	-	-	-
Water Distribution	-	-	-	-	-	-	-	-
Collection & Transmission	-	-	-	-	-	-	-	-
Recycled Water	-	-	-	-	-	-	-	-
<i>Sub-Total</i>	-	-	-	-	-	-	-	-
Total	35,676,987	73.1%	12,713,291	26.1%	396,060	0.8%	48,786,338	100.0%

CUCAMONGA VALLEY WATER DISTRICT
OPERATIONS DEPARTMENT
SUMMARY BY ACCOUNT

For the Fiscal Year Ending June 30, 2015

Account Number	Account Title	Water	Sewer	Recycled Water	Total
10-XX	Salaries and Wages	\$ 3,416,906	\$ 707,488	\$ -	\$ 4,124,394
12-XX	District Burden	2,120,308	469,839	-	2,590,147
18-XX	Outside Labor	25,000	25,000	-	50,000
20-XX	Professional Development	44,650	13,100	-	57,750
25-XX	Professional Services	2,500	-	-	2,500
35-XX	Collections	-	-	-	-
40-XX	Utilities	5,616,087	5,000	-	5,621,087
45-XX	Materials & Supplies	3,518,770	96,400	15,000	3,630,170
50-XX	Equipment Depreciation	-	-	-	-
55-XX	Outside Services	1,229,913	11,314,164	-	12,544,077
60-XX	Safety	56,270	8,000	-	64,270
70-XX	Purchased Water	19,565,663	-	381,060	19,946,723
79-XX	Miscellaneous	50,420	2,500	-	52,920
80-XX	Other - Capital Equipment	30,500	71,800	-	102,300
Totals		\$ 35,676,987	\$ 12,713,291	\$ 396,060	\$ 48,786,338

APPENDICES

CUCAMONGA VALLEY WATER DISTRICT

GLOSSARY OF TERMS & ACRONYMS

For the Fiscal Year Ending June 30, 2015

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.

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

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
2015	5,069,286	9,056,678	14,125,964
2016	5,269,286	8,854,603	14,123,889
2017	5,474,286	8,640,903	14,115,189
2018	5,699,286	8,413,762	14,113,048
2019	5,934,286	8,167,828	14,102,114
2020	6,189,286	7,911,453	14,100,739
2021	6,449,286	7,648,243	14,097,529
2022	6,719,286	7,372,656	14,091,942
2023	6,999,286	7,074,551	14,073,837
2024	7,290,000	6,742,050	14,032,050
2025	7,635,000	6,380,106	14,015,106
2026	8,015,000	6,001,838	14,016,838
2027	8,390,000	5,610,172	14,000,172
2028	8,790,000	5,210,663	14,000,663
2029	9,185,000	4,782,363	13,967,363
2030	9,655,000	4,312,506	13,967,506
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

