AGENDA
IRVINE RANCH WATER DISTRICT
SPECIAL FINANCE AND PERSONNEL COMMITTEE MEETING
MONDAY, MARCH 19, 2018

CALL TO ORDER 11:30 a.m., Committee Room, Second Floor, District Office
15600 Sand Canyon Avenue, Irvine, California

ATTENDANCE Committee Chair: Peer Swan ____ Committee Member: Steve LaMar ____

ALSO PRESENT				
	Paul Cook	_____	Cheryl Clary	_____
	Rob Jacobson	_____	Christopher Smithson	_____
	Tanja Fournier	_____	Beth Beeman	_____
	Kevin Burton	_____	Lisa Srader	_____
	Jenny Roney	_____	Tony Mossbarger	_____
	Paul Weghorst	_____	Ken Drake	_____
	Jose Zepeda	_____	Tom Roberts	_____
	Fiona Sanchez	_____	Jeff Bertsch	_____

COMMUNICATIONS

1. Notes: Clary
2. Public Comments
3. Determine the need to discuss and/or take action on item(s) introduced, which came to the attention of the District subsequent to the agenda being posted.
4. Determine which items may be approved without discussion.

INFORMATION

5. DETAILED REVIEW OF FISCAL YEAR 2018-18 OPERATING BUDGET AND PROPOSED RATES AND CHARGES

   Recommendation: That the Committee review and provide comments on the proposed FY 2018-19 Operating Budget and proposed rates and charges for further review at the April 3, 2018 Committee meeting and at both the April 9 and April 23, 2018 Board Workshops.

OTHER BUSINESS

6. Directors' Comments
7. Adjournment

Availability of agenda materials: Agenda exhibits and other writings that are disclosable public records distributed to all or a majority of the members of the above-named Committee in connection with a matter subject to discussion or consideration at an open meeting of the Committee are available for public inspection in the District's office, 15600 Sand Canyon Avenue, Irvine, California ("District Office"). If such writings are distributed to members of the Committee less than 72 hours prior to the meeting, they will be available from the District Secretary of the District Office at the same time as they are distributed to Committee Members, except that if such writings are distributed one hour prior to, or during, the meeting, they will be available at the entrance of the meeting room at the District Office. The Irvine Ranch Water District Committee Room is wheelchair accessible. If you require any special disability-related accommodations (e.g., access to an amplified sound system, etc.), please contact the District Secretary at (949) 453-5300 during business hours at least seventy-two (72) hours prior to the scheduled meeting. This agenda can be obtained in an alternative format upon written request to the District Secretary at least seventy-two (72) hours prior to the scheduled meeting.

IRVINE RANCH WATER DISTRICT

CALL FOR SPECIAL FINANCE AND PERSONNEL
COMMITTEE MEETING BY CHAIRMAN

A Special Finance and Personnel Committee Meeting of the Irvine Ranch Water District is hereby called to be held on March 19, 2018, at the hour of 11:30 a.m. of said day at the principal office of the District, 15600 Sand Canyon Avenue, Irvine, California, for the purposes as set forth in Exhibit "A" attached hereto and by this reference made a part hereof.

The Secretary of the Irvine Ranch Water District is hereby authorized and directed to give notice of said Special Meeting to all persons entitled to notice in accordance with the Bylaws of this District and the Provisions of Section 54956 of the California Government Code.

Dated this 16th day of March 2018.

Peer Swan, Chairman
Irvine Ranch Water District

March 19, 2018
Prepared by: C. Smithson / J. Davis
Submitted by: C. Clary
Approved by: Paul A. Cook

SPECIAL FINANCE AND PERSONNEL COMMITTEE

DETAILED REVIEW OF FISCAL YEAR 2018-19 OPERATING BUDGET
AND PROPOSED RATES AND CHARGES

SUMMARY:

The proposed Fiscal Year (FY) 2018-19 Operating Budget for Irvine Ranch Water District is $157.1 million, representing an increase of $8.4 million, or 5.7%, compared to the Operating Budget for FY 2017-18. The net Non-Operating Budget is $81.9 million, representing an increase of $15.4 million or 23.2% over FY 2017-18.

The goal of the District's budgeting process is to appropriately fund the resources required to provide excellent service to its customers as cost-efficiently as possible. Over the past few years, the District has aggressively pursued reductions in expenses to offset uncontrollable expenses such as pass-through rate increases from outside agencies on which the District depends for the purchase of water and the treatment of sewage and biosolids. Similar to last year, the proposed FY 2018-19 budget reflects the full cost of operating the Baker Water Treatment Plant in the individual line items with the reimbursement to IRWD for 76% of the operating expenses by the Baker Water Treatment Facility partners shown as a "reimbursement from Baker Partners" below. The FY 2018-19 budget assumes that the District will continue to send solids to the Orange County Sanitation District (OCSD) as it is anticipated that the Michelson Water Recycling Plant Biosolids & Energy Recovery Facilities capital project will be in start-up mode and any related project and start-up expenses will be charged to the capital project.

The proposed increase over last year's budget is driven primarily by the following:

Primary Drivers	Expenses (millions)
Increase in regular labor: - Cost of Living Adjustment - Promotions/upgrades/merit - Proposed additions	$2.1
Increase in contract labor: - Temporary labor for increased workloads	$0.4
Increase in employee benefits: - Public Employees Retirement System and health insurance	$1.3
Increase in purchased water: - Pass through rate increases anticipated from other agencies and increased imported water purchases	$2.7
Increases in IRWD repairs and maintenance: - Primarily Baker Water Treatment Plant	$0.6
Increase in legal fees	$0.3
Increase in other professional fees: - Primarily Conservation Outreach	$0.9

All other increases, less than $250,000 each	($0.1)
Reimbursement from Baker WTP Partners	$0.2
Total proposed budget increases in FY 2018-19:	*$8.4*

Changes from the preliminary budget reviewed at the March 8, 2018 Finance and Personnel Committee meeting include a reduction in the number of proposed personnel additions and related benefits of $0.5 million and an increase of $0.2 million for additional property taxes associated with agricultural land within the Palo Verde Irrigation District in Riverside County which has first priority rights on the Colorado River.

Rate increases are necessary to provide for cost of service equity. The proposed adjustment to rates include a low volume increase of $0.04 per hundred cubic feet (ccf), a base commodity rate increase of $0.19 per ccf, and a $0.05 increase to the monthly service charge for water. There is no proposed increase in the monthly service charge for sewer. The Los Alisos Service Area transitioned onto IRWD rates last year and a portion of the revenue generated from the sale of the Serrano Summit property funded a sinking fund to provide rate parity for those customers.

Based on the recommendation, a typical residential customer will experience an increase of $1.58 or 3.0%, from $52.20 to $53.78 per month.

Staff recommends the Committee review and provide comments on the updated proposed operating budget and rates for further review by the Committee at its April 3, 2018 meeting and to the full Board at its workshops on April 9 and April 23, 2018.

BACKGROUND:

The proposed Operating Budget, attached as Exhibit "A", has been organized into eight major functional areas, plus separate sections for proposed general plant purchases and labor changes:

- Assumptions;
- Consolidated Operating Budget;
- Revenue and Expenses by System;
- Non-Operating Summary of Sources and Uses;
- Current and Proposed Residential Rates;
- Budgeted Revenue Summary by System;
- Budgeted Cost of Water by System;
- Individual tabs with Major Goals, Proposed Organization Chart and Expense Budget by Department;
- General Plant; and
- Summary of Labor and Proposed Changes.

Conservation and Natural Treatment System (NTS) operating results are now included as a separate system. Revenues and Expenses by System (page 2) now include:

- Water;
- Sewer;
- Recycled; and
- Conservation and NTS.

Impact on IRWD's Proposed Rates and Charges:

Staff has prepared a proposed rate change to meet cost of service requirements. Page 4 of the budget section of Exhibit "A" identifies the impact to rates for a typical residential customer.

Water System:

The treated system experienced an increase in the cost of purchased water from Metropolitan Water District and the Replenishment Assessment charged by the Orange County Water District (OCWD). The budgeted demands are slightly less than the prior year's budget by 398 acre-feet (AF).

Staff recommends an increase of $0.04 per ccf for low volume and $0.19 per ccf for the base rate, to match the cost of service for these tiers. The budget assumes a $27 per AF increase in the groundwater Replenishment Assessment from OCWD ($445 to $472 per AF) which is the sole source of water for the low volume tier and provides for much of the water used in the base rate. A $0.05 increase is recommended for the water fixed service charge. Based upon an average residential usage of 12 ccf per month, the recommended change will result in an expected rate increase to the average residential customer of $1.58 or 3.0% from $52.20 to $53.78 per month.

The following table summarizes the current and proposed water rates:

Revenue Source	Current	Proposed
Base commodity rate	$ 1.70/ccf	$ 1.89/ccf
Residential service rate	$ 10.30/meter	$ 10.35/meter

Untreated Water Rates

The untreated system demands have increased slightly this year (132 AF) over the prior year. All untreated demands will be met with imported water, native water, and Santiago Aqueduct Commission water. MWDOC purchases will increase by 1,835 AF to meet non-potable demands due to a reduction in native water use of 2,827 AF.

The rate is set annually taking into consideration the availability of native water and the need for imported water. Staff recommends increasing the rate from $1.46 to $1.57 per ccf, keeping the rate above the proposed recycled rate of $1.47 per ccf.

Sewer/Recycled Water System:

Staff is recommending an increase of $0.11 to $1.47 per ccf base recycled commodity rate. The recycled fixed monthly service charge is proposed to increase $0.05 for a standard residential meter, and there is no change recommended for the sewer service fee. There are no additional rate increases for funding the biosolids project. These are detailed starting on page 4 of the budget section of Exhibit "A".

Tiered Rate Structure Cost Allocation:

At the April 3, 2018 Finance and Personnel Committee meeting, staff will discuss the methodology for allocating costs to the tiered rates consistent with Proposition 218 requirements.

FISCAL IMPACTS:

Planned operating expenses in the FY 2018-19 Proposed Operating Budget reflect an increase of $8.4 million from the adopted Operating Budget for FY 2017-18. Planned net Non-Operating income reflects an increase of $15.4 million from the adopted Non-Operating Budget for FY 2017-18.

ENVIRONMENTAL COMPLIANCE:

This item is not a project as defined in the California Environmental Quality Act Code of Regulations, Title 14, Chapter 3, Section 15378.

RECOMMENDATION:

That the Committee review and provide comments on the proposed FY 2018-19 Operating Budget and proposed rates and charges for further review at the April 3, 2018 Committee meeting and at both the April 9 and April 23, 2018 Board Workshops.

LIST OF EXHIBITS:

Exhibit "A" – Proposed Operating Budget for Fiscal Year 2018-19

Exhibit "A"

IRVINE RANCH WATER DISTRICT

OPERATING BUDGET

FISCAL YEAR 2018-19

Irvine Ranch
WATER DISTRICT

"DRAFT"

March 19, 2018

OPERATING BUDGET

Assumptions as of March 19, 2018
Fiscal Year 2018-19

The goal of the District's budgeting process remains to fund the resources required to provide services to the District's customers as cost-efficiently as possible. Over the past several years, the District has aggressively pursued reductions in expenses to offset uncontrollable expenses such as pass-through rate increases from outside agencies on which the District depends for the purchase of water and the treatment of sewage and biosolids. The Fiscal Year (FY) 2018-19 recommended rate increase is primarily associated with pass through rate increases from outside agencies.

This document is a summary of the major assumptions driving the development of the operating and non–operating budgets for FY 2018-19.

I. REVENUES

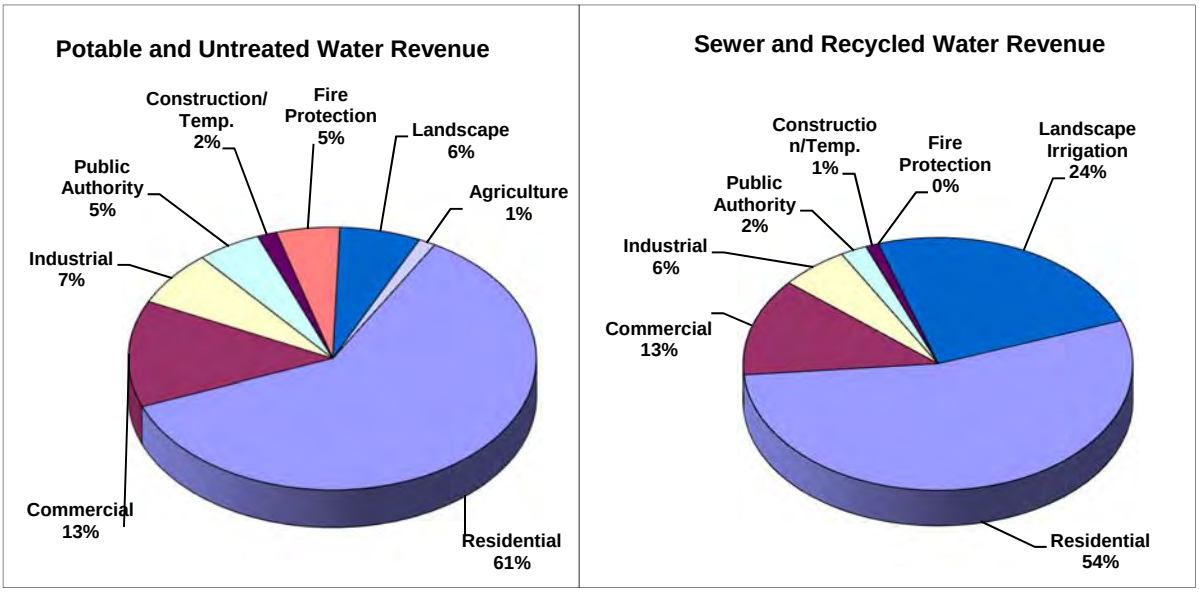
Growth Estimates:

Residential development growth includes both apartments and single family homes for FY 2018-19. The unit estimate is based on the most current projections received from the major developers throughout the service area. Current estimates identify approximately 4,100 mixed units coming online in FY 2018-19. As a result, the growth factor for residential development is estimated at 2.6% for FY 2018-19.

Current development projections for the commercial/industrial sector identify 142 acres of development occurring in FY 2018-19. Staff included a 2% growth rate for commercial and industrial development for FY 2018-19. Revenue assumptions used to estimate sewer revenue match the assumptions included for potable water.

FY 2018-19 Estimate for Operating Revenue Sources, by Customer Type (in thousands):

Customer Type	Potable	Sewer	Recycled	Over Allocation	Total
Residential	$ 44,574	$ 37,274	$ 655	$ 9,603	$ 92,106
Commercial	10,781	8,766	674	241	20,462
Industrial	5,614	4,201	72	124	10,011
Public Authority	4,197	1,653	-	56	5,905
Construction/Temp.	1,258	-	798	26	2,082
Fire Protection	4,189	-	-	-	4,189
Landscape Irrigation	4,820	-	18,312	847	23,978
Agriculture Irrigation	1,047	-	1,754	115	2,917
Reimbursement	-	-	520	-	520
Total	$ 76,481	$ 51,893	$ 22,785	$ 11,012	$ 162,171



The projected revenue sources and their respective percentage of the total are presented in the graph above. Total Residential, Landscape, Commercial, and Industrial revenue constitute over 85% of the total operating revenues for both water and sewer.

II. OPERATING EXPENSES

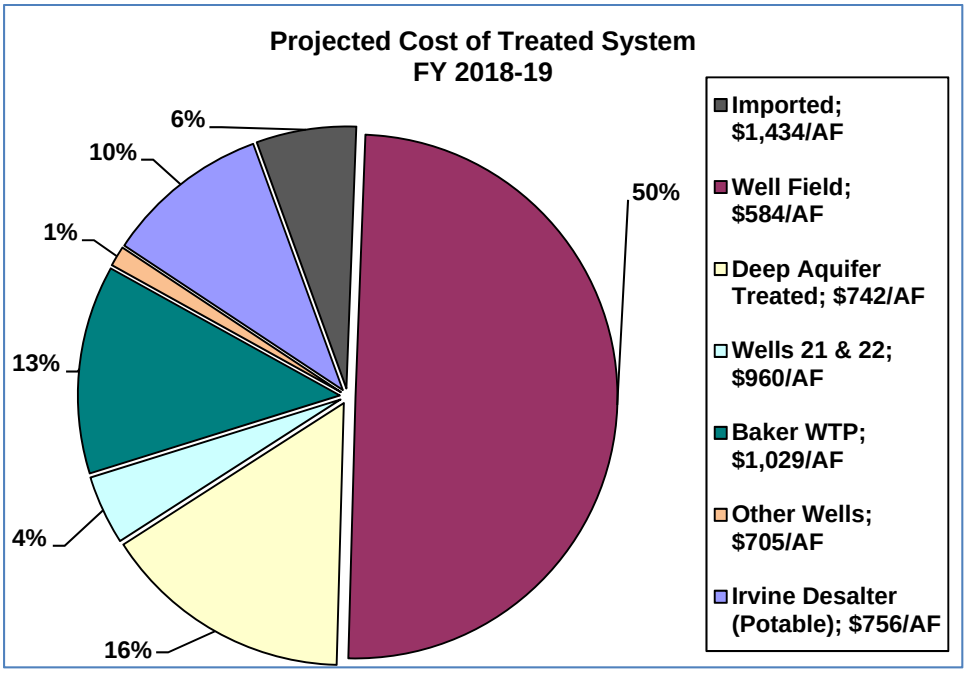
Notable expected changes in operating expenses are addressed below by system and function:

A. Treated Water

The District continues to make efforts to do its part in encouraging its customers to conserve. The District intends to continue encouraging conservation through its rate structure, which provides an incentive for customers to limit water use to their base allocation and customers have responded well to this messaging.

The FY 2018-19 budget anticipates no significant change in use from FY 2017-18. The assumption is for a normal year of rainfall, consistent with the assumption last year. The District is projecting potable and untreated sales for FY 2018-19 to be 54,074 acre feet (AF), as compared to a budget of 54,340 AF in the prior year.

The sources used to meet potable sales, their respective cost per AF, inclusive of labor, electricity, chemicals, etc., and their respective share of the total water purchased are identified in the graph:



Groundwater Production

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

- The Replenishment Assessment (RA) in FY 2017-18 was $445 per AF and the rate used in FY 2018-19 is $472 per AF, an increase of 6.1%. The District's basin production percentage (BPP) is set at a maximum of 70%, per the OCWD / IRWD Annexation Agreement executed in 2013.
- The Dyer Road Well Field (DRWF) pumping costs:
  - Actual energy usage is relatively flat.
  - Chemical expense is relatively flat.
- Primary changes in costs include a $27 per AF estimated rate increase for RA for the Irvine Desalter Project (IDP), the Potable Treatment Plant (PTP), and the Deep Aquifer Treatment System (DATS).

Treated Water – Metropolitan Water District (MWD) and Municipal Water District of Orange County (MWDOC)

- MWD is expected to increase its treated and untreated rates again on January 1, 2019 by 3.4% and 5.2% respectively.
- Staff assumes no substantial change to the costs associated with the IRWD Reservoir Management Systems.

Untreated Water

The sources for untreated water for FY 2018-19 will include purchased water.

- MWDOC purchases, Native Water and SAC water are expected to be used to meet all untreated demands. MWDOC purchases will increase to

meet non-potable demands due to a reduction in native water use from 3,827 AF to 1,000 AF.

- Any MWDOC rate increases discussed above also apply to purchases for the untreated system.

B. Recycled Water

Customer demands for the recycled system are nearly unchanged from FY 2017-18. Total recycled demand is estimated at 28,261 AF, a decrease of 103 AF from the FY 2017-18 budget. Sources are as follows:

- Production and storage generated from operations at the Michelson Water Recycling Plant (MWRP) and Los Alisos Water Recycling Plant (LAWRP) are expected to provide 22,890 AF.
- The Irvine Desalter will provide 3,540 AF net of water lost through treatment.
- The recycled water system is expected to purchase 1,961 acre-feet of supplemental water from the untreated system.

C. Salaries and Benefits

- Each year, staff prepares a labor budget based upon the total positions in the organization chart, expected merit and cost of living increases, and promotional allowances.
    - Each salary is projected forward adding merit increases that are based on prior review ratings where necessary in order to reach a starting July salary base.
    - New positions and promotions are added and all salaries are projected forward on a month by month basis.
    - In July 2018, a COLA and promotional factor are applied to salaries - Assumed at 2.1% and 0.6%, respectively.
    - Assumes a 7% vacancy factor.

Regular Salaries and Wages	
FY 2017-18	$32,855
New positions	1,015
COLA	630
Merit/Other	481
FY 2018-19	$34,981

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

Additional Contributions Provided by the District		
	FY 17-18	**FY 18-19**
PERS Employer Contribution	19.3%	19.3%
PERS in Excess of ARC	5.7%	5.7%
Combined Total	25.0%	25.0%
District Direct 401A Match	0.3%	0.3%
401A Matching Contribution of 3%	2.3%	2.8%

III. USE OF OTHER FUNDS

A. Over-Allocation Revenue

Over-allocation revenue is used to offset the following expenses:

- The cost associated with additional imported water purchases;
- Customers who receive the $2 low volume capacity rebate on the fixed service charge;
- Budgeted conservation expenses;
- Urban runoff (NTS) and San Joaquin Marsh maintenance expenses; and
- Water banking expenses that exceed associated revenue.

Total conservation expense is expected to meet over allocation revenue in FY 2018-19. The conservation fund is projected to be approximately $8.0 million at the end of FY 2018-19.

B. Enhancement Fund User Rate Component

The current enhancement fund contribution for both the water and sewer system for FY 2017-18 was a combined $1.45 per month ($0.70 for water and $0.82 for sewer) for the average residential customer. There was no increase built into these rates for FY 2018-19. It is estimated that the fund balance will be approximately $50.0 million at the end of FY 2018-19.

C. Replacement Fund User Rate Component

The current replacement water service charge is $2.10. The sewer service charge is $9.31 per month for the average residential customer in FY 2018-19, no increase from the prior year. It is estimated that the fund balance will be approximately $290 million as of the end of FY 2018-19. It is expected that the 4 years of increased funding totaling $3.00 per month per customer will adequately cover the cost of debt associated with the project.

NON-OPERATING BUDGET

Assumptions as of March 19, 2018
Fiscal Year 2018-19

I. REVENUES

The non-operating revenues include property taxes, investment income, connection fees, and real estate income. Primary assumptions for each of the revenue categories are as follows:

- Property taxes – 4.0% growth in projected assessed values.
- Investment income – 1.58% average interest rate and an average cash balance of $309.0 million.
- Connection fees – 4,100 units based on the most current projections received from the major developers.
- Real estate income – 2.0% growth on commercial and residential income and a full year of interest on the Serrano Summit promissory note at 4.0%. Assumed note maturity at September 2019.
- Real estate fair value change – based on forecast; and
- Other income – includes lease revenue and grants.

II. NON-OPERATING EXPENSES

The non-operating expenses include interest expense, real estate expense, and other expenses. Primary assumption are as follows:

- Interest expense – 3.70% average fixed debt rate and a 1.53% average variable debt rate; and
- Real estate expense – 2.0% growth; excludes depreciation as real estate is based on fair market value.

IRVINE RANCH WATER DISTRICT
CONSOLIDATED OPERATING BUDGET FOR FY 2018-19
(in thousands)

	Actual		Budget		Budget to Budget Variance	
	FY 16-17	FY 2017-18 YTD 12/31/2017	FY 17-18 Approved	2018-19 Proposed	$	%
Salaries & Benefits						
Regular Labor	$ 31,297	$ 15,453	$ 32,855	$ 34,981	$ 2,127	6.5%
Overtime Labor	2,082	806	2,037	2,079	41	2.0%
Contract Labor	1,608	807	1,470	1,846	377	25.6%
Employee Benefits	19,109	6,271	17,366	18,634	1,268	7.3%
Salaries & Benefits Total	**$ 54,095**	**$ 23,337**	**$ 53,727**	**$ 57,540**	**$ 3,813**	**7.1%**
Purchased Water & Utilities						
Water Purchases	$ 35,599	$ 21,313	$ 35,287	$ 37,944	$ 2,658	7.5%
Electricity	11,480	6,947	14,631	14,537	(94)	-0.6%
Fuel	578	268	627	559	(69)	-10.9%
Telecommunication	540	310	566	627	61	10.8%
Other Utilities	161	96	171	182	11	6.7%
Purchased Water & Utilities Total	**$ 48,359**	**$ 28,934**	**$ 51,282**	**$ 53,849**	**$ 2,568**	**5.0%**
Material & Supplies						
Chemicals	$ 2,081	$ 1,503	$ 3,074	$ 3,146	$ 72	2.3%
Office Supplies	97	42	109	96	(14)	-12.6%
Operating Supplies	1,355	535	1,475	1,498	23	1.6%
Printing	211	70	276	401	125	45.2%
Postage	578	267	594	520	(75)	-12.6%
Permits, Licenses and Fees	1,157	1,494	1,797	1,749	(48)	-2.7%
Duplicating Equipment	175	88	192	174	(18)	-9.4%
Equipment Rental	63	58	114	73	(42)	-36.6%
Material & Supplies Total	**$ 5,717**	**$ 4,058**	**$ 7,632**	**$ 7,656**	**$ 23**	**0.3%**
Professional Services						
Rep & Maint OCSD & Other	$ 15,149	$ 7,036	$ 13,852	$ 13,704	$ (148)	-1.1%
Rep & Maint IRWD	8,132	3,992	9,683	10,254	571	5.9%
Insurance	1,017	839	1,021	1,085	65	6.3%
Legal Fees	933	857	1,565	1,865	300	19.2%
Engineering Fees	598	463	980	967	(13)	-1.3%
Accounting Fees	116	59	95	102	7	7.4%
Data Processing	3,064	1,511	2,898	2,857	(41)	-1.4%
Personnel Training	947	466	1,247	1,267	20	1.6%
Personnel Physicals	24	11	51	41	(10)	-19.6%
Other Professional Fees	2,886	2,100	4,207	5,087	880	20.9%
Directors Fees	151	75	168	168	-	0.0%
Professional Services Total	**$ 33,017**	**$ 17,408**	**$ 35,766**	**$ 37,396**	**$ 1,630**	**4.6%**
Other						
Mileage Reimbursement	$ 161	$ 68	$ 140	$ 148	$ 8	5.7%
Election Expense	145	110	145	145	-	0.0%
Safety	123	79	108	122	14	13.0%
Alarm and Patrol Services	135	-	520	751	231	44.3%
Biosolids Disposals	20	-	131	20	(111)	-84.7%
Commuter Program	124	87	156	156	-	0.0%
Contract Meter Reading	1,354	692	1,390	1,390	-	0.0%
Other	340	298	152	142	(10)	-6.7%
Conservation	1,420	349	2,012	2,050	38	1.9%
Other Total	**$ 3,822**	**$ 1,683**	**$ 4,753**	**$ 4,923**	**$ 170**	**3.6%**
Grand Total	**$ 145,010**	**$ 75,420**	**$ 153,161**	**$ 161,365**	**$ 8,204**	**5.4%**
Less: Reimbursement from Baker Partners	$ (1,612)	$ (2,019)	$ (4,498)	$ (4,269)	$ 229	
Grand Total	**$ 143,398**	**$ 73,401**	**$ 148,663**	**$ 157,096**	**$ 8,433**	**5.7%**

REVENUES AND EXPENSES BY SYSTEM

(in thousands)

	Water	Sewer	Recycled	Conserve & NTS	Consolidated
Revenue:					
Commodity	$ 42,159	$ -	$ 15,972	$ 1,932	$ 60,064
Service	34,322	51,893	6,812	-	93,028
Over Allocation				9,079	9,079
Rate Stabilization	-	-	-	-	-
Total Revenues	$ 76,481	$ 51,893	$ 22,785	$ 11,012	$ 162,171
Contribution to Enhancement and Replacement Funds	(8,520)	(19,500)	(1,120)	-	(29,140)
Net Revenues	$ 67,961	$ 32,393	$ 21,665	$ 11,012	$ 133,031
Expenses:					
Cost of Water	$ 43,031	$ -	$ 9,808	$ -	$ 52,839
Operations	11,360	9,831	4,834	7,792	33,816
Water Banking	-	-	-	169	169
OCSD - O&M	-	12,554	-	-	12,554
Total Direct	$ 54,392	$ 22,385	$ 14,642	$ 7,961	$ 99,378
Customer Records and Collections	2,473	1,349	678	-	4,500
General & Admin Expense	10,585	7,927	5,808	2,898	27,218
Total Indirect	$ 13,058	$ 9,276	$ 6,486	$ 2,898	$ 31,718
General Plant	512	732	537	153	1,934
Total Expenses	$ 67,961	$ 32,393	$ 21,665	$ 11,012	$ 133,030
Net Operating Position	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

NON-OPERATING

SUMMARY OF SOURCES AND USES

(in thousands)

	FY 2017-18	FY 2018-19	Change
Non-operating Revenue:			
Property Taxes	$ 52,500	$ 59,300	$ 6,800
Investment Income	4,200	4,768	568
Connection Fees	26,000	20,000	(6,000)
Real Estate Income	13,400	17,000	3,600
Real Estate Fair Value Change	-	6,300	6,300
Other Income	8,000	8,000	-
Total Revenue	$ 104,100	$ 115,368	$ 11,268
Non-operating Expenses:			
Interest Expense	$ 28,300	$ 26,294	$ (2,006)
Real Estate Expense	7,300	5,170	(2,130)
Other Expenses	2,000	2,000	-
Total Expense	$ 37,600	$ 33,464	$ (4,136)
Net Sources & Uses	$ 66,500	$ 81,904	$ 15,404

Current and Proposed Residential Rates

Before Rate Adjustment:	Irvine Ranch Potable Water (1)		Irvine Ranch Sewer / Recycled Sewer (2)	Irvine Ranch Sewer / Recycled Recycled
Current Residential Rates:				
Low Volume	$1.36			$1.01
Commodity Rate	$1.70			$1.36
Residential Service	$10.30		$23.20	
Operations	$7.50		$13.07	
Replacements	$2.10		$9.31	
Enhancements	$0.70		$0.82	
Total Service Charge	$10.30		$23.20	
Commodity **(12 ccf)**	$18.70			
Current Monthly		$52.20		
Proposed Residential Rate Adjustment:				
Low Volume	$1.40	**3%**		$1.13
Base Commodity Rate	$1.89	**11%**		$1.47
Operations	$7.55		$13.07	
Replacements	$2.10		$9.31	
Enhancements	$0.70		$0.82	
Total Service Charge	$10.35		$23.20	
Commodity	*$20.23*			
Proposed Monthly		$53.78		
Current Monthly		$52.20		
Difference		$1.58		
Change %		**3.0%**		

(1) Water - District Average usage assumes 12 ccf's per month.
(2) Sewer - District average usage assumes 6-10 ccf for lowest 3 months.
(3) Water - OCWD Replenishment Assessment at $472 / Acre Foot.

POTABLE REVENUE

BUDGETED REVENUE SUMMARY BY SYSTEM

(in thousands)	FY 2017-18	Usage Change	Proposed Rate Inc.	FY 2018-19
Water				
Service	$ 23,302	$ 607	$ 141	$ 24,050
Enhancement	2,161	9	-	2,170
Replacement	6,313	37	-	6,350
Pumping Surcharge	747	9	-	756
Miscellaneous	1,113	(117)	-	996
Commodity	41,013	(196)	1,342	42,159
Rate Stabilization / Non Rate Generated	-	-	-	-
	$ 74,649	$ 349	$ 1,483	$ 76,481
AF Sales	54,340			54,074
User Type				
Residential	$ 43,233	$ 244	$ 1,097	$ 44,574
Commercial	10,583	35	163	10,781
Industrial	5,504	21	89	5,614
Public Authority	4,160	7	30	4,197
Construction/Temp.	1,240	3	15	1,258
Fire Protection	4,172	17	0	4,189
Landscape Irrigation	4,728	17	74	4,820
Agriculture Irrigation	1,029	3	15	1,047
	$ 74,649	$ 349	$ 1,483	$ 76,481

SEWER REVENUE

BUDGETED REVENUE SUMMARY BY SYSTEM

(in thousands)	FY 2017-18	Usage Change	Proposed Rate Inc.	FY 2018-19
Sewer				
Service	$ 31,940	$ 153	$ -	$ 32,093
Enhancement	1,383	117	-	1,500
Replacement	17,608	392	-	18,000
Miscellaneous	329	(29)	-	300
Reimbursements*	520	(520)	-	-
	$ 51,780	$ 113	$ -	$ 51,893
User Type				
Residential	$ 36,799	$ 475	$ -	$ 37,274
Commercial	8,671	95	-	8,766
Industrial	4,150	51	-	4,201
Public Authority	1,640	13	-	1,653
Reimbursements*	520	(520)	-	-
	$ 51,780	$ 113	$ -	$ 51,893

* Reimbursements - Reimbursement from the Navy for operating costs associated with recycled IDP was moved to the Recycled system.

RECYCLED REVENUE

BUDGETED REVENUE SUMMARY BY SYSTEM

(in thousands)	FY 2017-18	Usage Change	Proposed Rate Inc.	FY 2018-19
Recycled				
Service	$ 5,263	$ (199)	$ 29	$ 5,093
Enhancement	350	(50)	-	300
Replacement	770	(70)	-	700
Pumping Surcharge	248	(48)	-	200
Commodity	15,132	(57)	897	15,972
Reimbursements*	-	-	520	520
	$ 21,763	$ (424)	$ 1,446	$ 22,785
AF	28,364			28,261
User Type				
Residential	$ 630	$ (21)	$ 46	$ 655
Commercial	649	(21)	46	674
Industrial	72	-	-	72
Public Authority	-	-	-	0
Landscape Irrigation	17,910	(339)	741	18,312
Recycled Loans	-	-	-	0
Agriculture Irrigation	1,704	(42)	93	1,754
Construction/Temp.	798	-	-	798
Reimbursements*	-	-	520	520
	$ 21,763	$ (424)	$ 1,446	$ 22,785

* Reimbursements - Reimbursement from the Navy for operating costs associated with recycled IDP was moved to the Recycled system.

COST OF WATER

BUDGETED COST OF WATER

(in thousands)	FY 2017-18 Acre Feet	FY 2017-18 Total	FY 2017-18 Cost / AF	FY 2018-19 Acre Feet	FY 2018-19 Total	FY 2018-19 Cost / AF	Change Acre Feet	Change Total
Irvine Ranch Rate Area								
TREATED								
Purchased from MWDOC	2,960	$ 4,207	$1,421	3,463	$ 4,965	$1,434	503	$ 758
Dyer Road Well Field	28,000	16,176	$578	28,000	16,355	$584	-	179
Other Wells	700	454	$648	700	494	$705	-	40
Deep Aquifer Treatment System	8,000	5,576	$697	8,700	6,459	$742	700	883
Lost to Production	(160)			(174)			(14)	
Wells 21 & 22 Desalter	2,400	2,181	$909	2,400	2,305	$960	-	124
Lost to Production	(360)			(432)			(72)	
Baker WTP	7,611	8,497	$1,116	7,232	$ 7,440	$1,029	(379)	(1,057)
Well Water	432	39	$90	0	0		(432)	(39)
Irvine Desalter Project	6,540	4,702	$719	5,700	4,308	$756	(840)	(394)
Lost to Production	(981)			(1,026)			(45)	
Total Shrinkage	(2,626)			(2,444)			182	
Total Irvine Ranch Potable	52,516	$ 41,832		52,118	$ 42,325		(398)	$ 494
UNTREATED								
Purchased from MWDOC	1,000	$ 841	$841	2,835	$ 2,472	$872	1,835	$ 1,631
Native Water	3,827	811	$212	1,000	245	$245	(2,827)	(566)
Santiago Aqueduct Commission	175	148	$846	175	153	$874	-	5
Transfer to RW System	(3,091)	(2,009)	$650	(1,961)	(1,404)	$716	1,130	605
Total Shrinkage	(87)			(93)			(6)	
Total Untreated	1,824	$ (209)		1,956	$ 1,467		132	$ 1,676
Total Potable and Untreated Water	54,340	41,623		54,074	43,792		(266)	2,169
RECYCLED								
Groundwater	0	$ -	$ -	435	$ 205	$ -	435	$ 205
Irvine Desalter Project	4,165	2,904	$697	4,165	3,072	$738	-	168
Lost to Production	(625)			(625)			-	
MWRP / LAWRP Production	22,300	4,919	$221	22,890	5,251	$229	590	332
Transfer from Untreated System	3,091	2,009	$650	1,961	1,404	$716	(1,130)	(605)
Total Shrinkage	(567)			(565)			2	
Total Recycled	28,364	$ 9,832		28,261	$ 9,932		(103)	$ 100
Total Cost of Water for Billed Usage	82,704	$ 51,455		82,335	$ 53,724		(369)	$ 2,269

OVER-ALLOCATION REVENUE

BUDGETED REVENUE SUMMARY BY SYSTEM

(in thousands)	FY 2017-18	Usage Change	Proposed Rate Inc.	FY 2018-19
Tier				
Universal Conservation	$ 1,822	$ -	$ 110	$ 1,932
Inefficient	1,845	(152)	721	2,414
Wasteful	6,793	(449)	322	6,666
	$ 10,460	$ (601)	$ 1,153	$ 11,012
Source or System				
Residential	$ 9,122	$ (524)	$ 1,005	$ 9,603
Commercial	229	(13)	25	241
Industrial	118	(7)	13	124
Public Authority	53	(3)	6	56
Landscape Irrigation	805	(46)	89	847
Agriculture Irrigation	109	(6)	12	115
Construction / Temp.	25	(1)	3	26
	$ 10,460	$ (601)	$ 1,153	$ 11,012

GENERAL MANAGER'S OFFICE

OPERATING BUDGET SUMMARY

Program Description

The General Manager's Office implements the policies established and direction provided by the Board of Directors and, in so doing, provides overall direction to staff to complete that effort. The office also includes Government Relations which develops and advocates for policies at the federal, state and local levels that promote a reliable high quality and cost effective water supply for IRWD customers, and demonstrates the efficient use of resources. The Government Relations staff represents IRWD's policies and provides technical expertise to the legislative process, particularly on issues of water recycling, water use efficiency, water rates, water supply reliability and governance, among others.

The General Manager's office also:

- Provides direct services to and communications with the Board of Directors;
- Produces and distributes Board, Board Committee and Ad Hoc Committee meeting packets;
- Schedules all Board, Board Committee, Ad Hoc Committee and annual/special independent corporation meetings;
- Produces the minutes of all Board meetings;
- Maintains all Board resolutions;
- Schedules other meetings and functions on behalf of the Board members and makes travel arrangements, as needed;
- Maintains records of all inter-agency agreements, deeds and easements;
- Maintains records for the various independent corporations;
- Shapes, guides and engages on local, state and federal policies, legislation and regulations;
- Manages and coordinates the legal resources utilized by the District;
- Responds to, or directs response to, all media inquiries; and,
- Responds to, or directs response to, all public information requests.

The General Manager's Office works with the Board of Directors and staff to establish the District's strategic vision for all departments. On January 22, 2018, staff reviewed the 2018 Goals and Target Activities with the Board. The Goals and Target Activities described below reflect the *Strategic Objectives*, as well as the *Mission, Vision and Values* of Irvine Ranch Water District as adopted by the Board. The Goals (numbered) and the Target Activities (lettered) approved for calendar year 2018 are summarized as follows:

GENERAL MANAGER'S OFFICE

OPERATING BUDGET SUMMARY

Major Goals

1. Optimize and protect local water supply utilization:
    a. Update near-term recommendations from 2014 Groundwater Work Plan
    b. Complete preliminary and final design of sloped outlet pipe to replace the Irvine Lake Outlet Tower
    c. Coordinate / collaborate with OCWD on South Basin Clean-up Project
    d. Investigate opportunities for brine recovery for potable uses
    e. Work with OCWD on Green Acres Project water supply opportunities

2. Evaluate and invest in projects and programs that will enhance future long-term water supply reliability:
    a. Implement agreements with MWD and MWDOC that will provide water supply reliability from high priority water rights during periods of drought and supply interruptions
    b. Advocate methods for filling the Orange County Groundwater Basin, including development of concepts to promote conjunctive use
    c. Advocate for regional potable reuse projects including Metropolitan's Carson Regional PR Project
    d. To secure Title XVI funding for the Syphon Reservoir Improvement Project, advocate to include the project on the Bureau of Reclamation's Report to Congress
    e. Pursue Prop 1 Water Storage Investment Program grant from the California Water Commission for the Kern Fan Groundwater Storage Project

3. Develop water banking recharge, storage, and extraction capacity for IRWD and water banking partners, and store water as it becomes available:
    a. Execute long-term unbalanced exchange agreements for Stockdale
    b. Execute long-term exchange agreements to maximize benefits of non-SWP water
    c. Drought Relief Project recovery and conveyance facilities
    d. Identify and secure additional land as needed for recharge and recovery facilities
    e. Identify and procure additional supplies of water for banking purposes
    f. Integrate IRWD's Strand Ranch and Stockdale West properties into the Kern Fan Groundwater Sustainability Agency (GSA)
    g. Implement initial steps associated with the Kern Fan Groundwater Storage Project, including formation of a JPA with Rosedale, securing land purchase options, etc.

4. Develop water recycling facilities and applications for optimal benefit:
    a. Complete construction of Irvine Lake Pipeline No. Conversion
    b. Convert UCI Cooling Towers and other projects to recycled water for minimum potable water savings of 250 AF per year
    c. Include IRWD's recycled water demands in OCWD's total water demand calculations

d. Update IRWD Sewage Conveyance / Treatment Master Plan, including consideration of IBC flows
e. Update the Salt Management Plan to assess impacts of seawater desalination on water recycling and other issues
f. Perform CEQA, alternatives analysis and preliminary design for the Syphon Reservoir Improvement Project
g. Complete preliminary design for diverting SGU discharge into the sewer system and coordinate with Department of the Navy for modification of the El Toro MCAS Record of Decision
h. Evaluate treatment of recycled water from seasonal storage reservoirs
i. Evaluate reliability of recycled water distribution system for commercial, industrial, and institutional customers
j. Determine costs and benefits associated with procuring approximately 700 AF of recycled water storage in Santa Margarita Water District's Upper Oso Reservoir
k. Develop IRWD Potable Reuse Conceptual Study to explore opportunities for aquifer and surface water augmentation / storage

5. Maximize resource recovery from fully functional biosolids and other resource recovery facilities:
    a. Biosolids Class A Facilities operational and commissioned
    b. Secure agreements with multiple outlets for biosolids pellets.
    c. Develop partnerships with others to utilize surplus capacity
    d. Develop and implement plan to introduce FOG to the IRWD Biosolids Facilities
    e. Develop plan to introduce food waste to the IRWD Biosolids Facilities

6. Improve energy service reliability, manage demands, and control costs:
    a. Coordinate the construction and commissioning of energy storage installations with Advanced Microgrid Solutions
    b. Collaborate on the development of micro-grid technologies through a partnership with UCI
    c. Analyze financial feasibility of photovoltaic installation and energy storage at the Baker WTP
    d. Evaluate opportunities to install photovoltaic generation at the MWRP
    e. Finalize contract to outsource operation and maintenance of biogas treatment and micro-turbine systems

7. Maximize watershed protection:
    a. Work with the County and others, permit and implement the Selenium TMDL offset trading program
    b. Develop project(s) with the cities of Newport Beach and Irvine to capture and treat urban runoff flows downstream from the San Joaquin Marsh utilizing funding from Measure M

c. Identify other projects and partners to qualify for Measure M funding
d. Evaluate customer FOG and Pre-treatment programs including assessment of implementation, billing and program requirements
e. Obtain regulatory approvals for Local Limits Study
f. Continue to work with OC Flood to ensure appropriate capacity in San Diego Creek
g. Identify and begin implementing alternatives for diverting recycled water under emergency conditions
h. Perfect IRWD's water right(s) in San Diego Creek to ensure continued protection of water quality in the Newport Bay
i. Identify and implement treatment process at MWRP to reduce nutrients in treated recycled water process, specifically nitrogen and phosphorous levels

8. Ensure financial and rate stability:
   a. Evaluate development and/or sale opportunities at IRWD properties
   b. Complete development and leasing on remaining Sand Canyon campus and other facilities
   c. Update Facility List for the Replacement Planning Model
   d. Document outstanding deed, access and other contractual restrictions related to real property
   e. Update Cost of Service Study for the IRWD sewer system that includes the Biosolids Project operating expenses
   f. Integrate retail pricing triggers and customer allocation changes stipulated in IRWD's Water Shortage Contingency Plan into the IRWD Rates & Charges

9. Identify, assess and implement new technologies and systems to improve operating efficiency:
   a. Add IRWD facilities, laboratory, and fleet assets to the Enterprise Asset Management system; start linear asset implementation
   b. Implement findings of IT-related existing/new technology opportunity assessment while maintaining District security
   c. Establish a plan for addressing cybersecurity awareness, education and prevention at IRWD
   d. Assess availability of data systems under certain service outage scenarios and implement program to strengthen systems

10. Enhance customer communications:
    a. Enhance customer communication through an improved customer web access portal
    b. Develop and implement Phase 2 of the Water Use Efficiency Outreach Program based on findings of the 2017 program
    c. Implement redesigned customer bill to improve customers' understanding of IRWD rate structure; explain IRWD rate structure to customers through direct communications

d. Develop and implement a Water Quality Outreach Program
e. Design and implement the Syphon Reservoir Improvement Project Outreach Program from EIR through Design Phase

11. Maximize water use efficiency in the community:
    a. Update Water Shortage Contingency Plan based on new State regulations
    b. Conduct a study to assess the potential for additional water use efficiency in IRWD's service area
    c. Evaluate remote meter monitoring program opportunities
    d. Implement automated methodology for quantifying irrigated areas and meter locations by linking aerial image data to meter and parcel data

12. Recruit, develop and retain a highly skilled, motivated, and educated work force:
    a. Work with Employee Development Task Force to develop and implement a staff mentoring program
    b. Develop employee cross training and job rotation guidelines
    c. Assess the experience and training of IRWD employees to ensure a continued supply of highly-skilled labor, and develop programs to close any gaps identified
    d. Plan and conduct triennial Benchmark Salary Survey ensure District salaries remain competitive to market rates
    e. Negotiate a new labor agreement with represented personnel
    f. Conduct District-wide values-based management training program

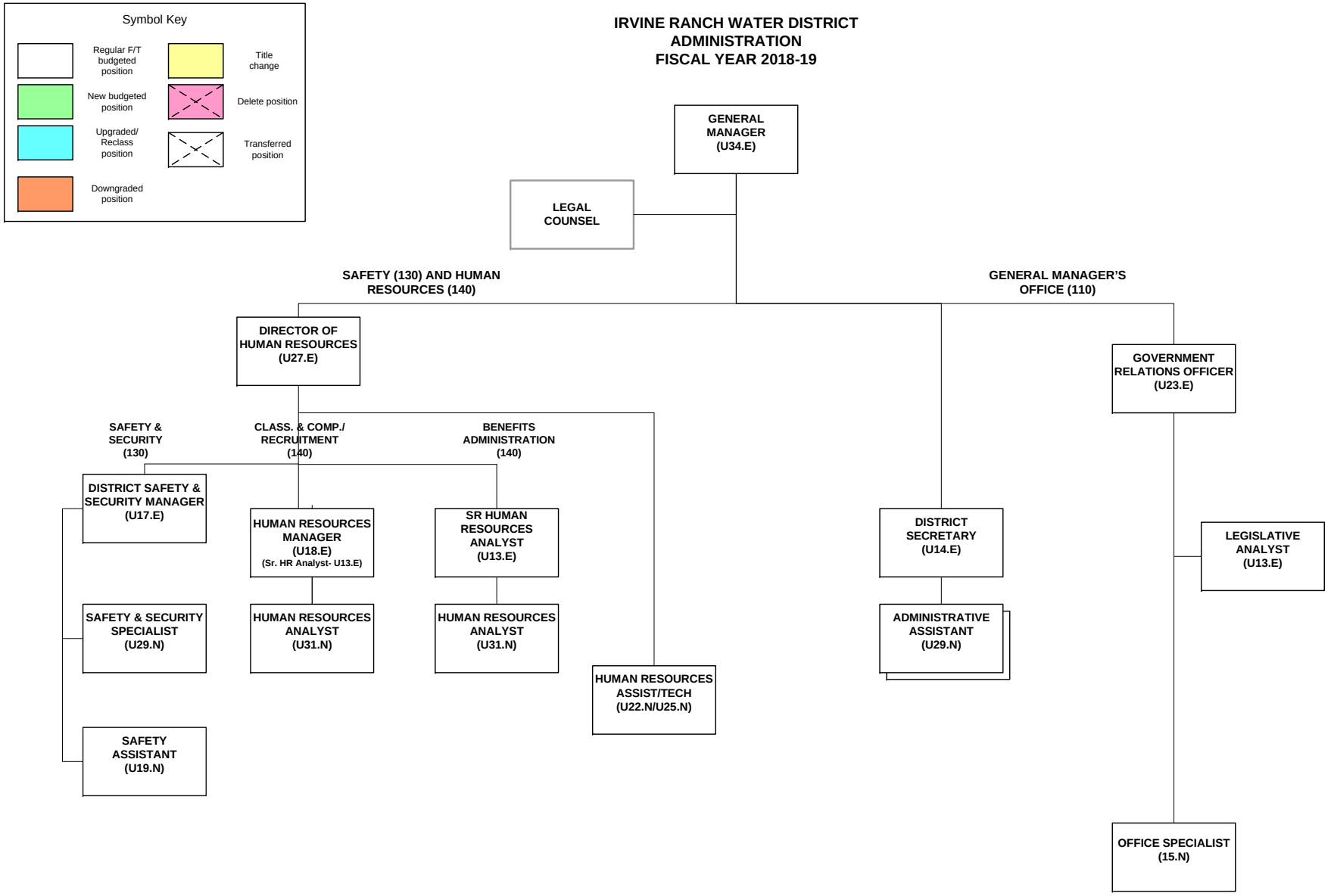
13. Guide and lead local, state and federal policies and legislation:
    a. Engage productively in legislative discussions regarding the development of a long-term water use efficiency framework for California and related legislation
    b. Engage productively with stakeholders, industry associations, and state agencies to effectively implement any long-term water use efficiency legislation enacted
    c. Advocate for legislation that protects local investments in water recycling and extraordinary supplies, and protects IRWD's ability to access those supplies, without penalty, during times of drought or shortage
    d. Oppose any statewide tax on water that is inconsistent with the Board's adopted policy on a statewide public goods charge
    e. Engage in discussions surrounding water and wastewater rates in order to protect the District's ability to design and use a water budget-based tiered rate structure, including discussions related to Low Income Rate Assistance programs and Proposition 218 reforms consistent with Board direction

14. Engage and shape policies and regulations put forth by local, state and federal agencies:
    a. Provide input to the Department of Water Resources on revisions to the Model Water Efficient Landscape Ordinance (MWELO)

b. Provide input to the State Water Resources Control Board on revisions to the Recycled Water Policy
c. Seek regulatory changes promoting recycled water use in decorative lakes
d. Promote a "fit for purpose" approach to regulation of recycled water for both potable and non-potable uses

15. Increase collaboration with other agencies and entities through leadership and innovation:
    a. Advocate for IRWD's Desalination Policy Principles
    b. Evaluate and promote opportunities for shared services such as third party billing for UC Irvine and Tustin
    c. Support enhanced engagement and leadership roles within ACWA, WateReuse, CASA, and other District associations
    d. Evaluate opportunities for reliability sharing including Irvine Lake and the Baker Water Treatment Plant
    e. Evaluate opportunities to update South County Emergency Interconnect Agreement
    f. Work with other agencies to maximize Orange County benefits from IRWM processes, including capture of urban runoff by OCSD for use in GWRS
    g. Coordinate with the County of Orange and OCWD in identifying locations for potential cost effective recharge of recycled and storm water
    h. Participate in the water efficiency Data Collaborative program
    i. Work with OCSD to identify mutually beneficial opportunities for use of IRWD sewer flows
    j. Complete the annexation process to bring sewer flows from Lake Forest into OCSD Revenue Area 14 (RA-14)
    k. Finalize agreements for a pilot program through which other Orange County water agencies can participate in IRWD's water banking program

16. Implement opportunities that enhance safety, security, and emergency preparedness throughout the District:
    a. Install security improvements at the MWRP
    b. Design improvements to eliminate the use of chlorine gas at Preliminary Disinfection Facility
    c. Update District Emergency Operations Plan, including training for certain high-risk scenarios
    d. Develop Safety Training Management System
    e. Assess IRWD's ability to continue operation of key facilities during short- and long-term power outage scenarios


Symbol Key
Regular F/T budgeted position
Title change
New budgeted position
Delete position
Upgraded/ Reclass position
Transferred position
Downgraded position
IRVINE RANCH WATER DISTRICT
ADMINISTRATION
FISCAL YEAR 2018-19
GENERAL MANAGER (U34.E)
LEGAL COUNSEL
SAFETY (130) AND HUMAN RESOURCES (140)
GENERAL MANAGER'S OFFICE (110)
DIRECTOR OF HUMAN RESOURCES (U27.E)
GOVERNMENT RELATIONS OFFICER (U23.E)
SAFETY & SECURITY (130)
CLASS. & COMP./ RECRUITMENT (140)
BENEFITS ADMINISTRATION (140)
DISTRICT SAFETY & SECURITY MANAGER (U17.E)
HUMAN RESOURCES MANAGER (U18.E) (Sr. HR Analyst- U13.E)
SR HUMAN RESOURCES ANALYST (U13.E)
DISTRICT SECRETARY (U14.E)
LEGISLATIVE ANALYST (U13.E)
SAFETY & SECURITY SPECIALIST (U29.N)
HUMAN RESOURCES ANALYST (U31.N)
HUMAN RESOURCES ANALYST (U31.N)
ADMINISTRATIVE ASSISTANT (U29.N)
HUMAN RESOURCES ASSIST/TECH (U22.N/U25.N)
SAFETY ASSISTANT (U19.N)
OFFICE SPECIALIST (15.N)

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2018-19

Administration

Dept No	Expense Name	2016-17 Actual	2017-18 Actual thru 12/31/17	2017-18 Orig Budget	2018-19 Prop Budget	Incr/(Decr)
General Managers Office						
110	Regular Labor	829,476	451,279	754,188	896,898	142,710
110	Overtime Labor	813	2,151	0	0	0
110	Contract Labor	16,212		0	0	0
110	Operating Supplies	82		0	0	0
110	Printing	76	70	8,000	8,000	0
110	Postage	401	74	100	400	300
110	Permits, Licenses and Fees	71,029	73,799	37,500	55,000	17,500
110	Office Supplies	4,178	327	4,000	4,000	0
110	Legal Fees	715,297	775,718	1,420,000	1,720,000	300,000
110	Personnel Training	283,090	250,125	360,500	412,000	51,500
110	Other Professional Fees	482,035	201,927	641,000	753,880	112,880
110	Directors Fees	151,424	74,529	168,000	168,000	0
110	Mileage Reimbursement	92		0	0	0
110	Election Expense	144,786	110,000	145,000	145,000	0
110	Other	225,000				
Total	General Managers Office	2,923,991	1,939,999	3,538,288	4,163,178	624,890

SAFETY AND SECURITY

OPERATING BUDGET SUMMARY

Program Description

The Safety and Security program provides necessary resources to promote a safe work environment for employees through mandated and pro-active training and education and to ensure the security of all District property and facilities.

With a commitment to provide on-going employee training to facilitate safe job performance and effective security programs to ensure property and facility protection, the Safety and Security function continually monitors and stays abreast of current and pending changes and improvements for safe work practices and security measures in the water industry. Appropriate policies are regularly developed or revised to ensure the constant pursuit and maintenance of a safe and secure operational environment, in compliance with all applicable laws and regulations.

Through the use of safety awareness programs, the Safety and Security function works to increase employee involvement at all organizational levels via All Hands Meetings, Tailgate Safety Meetings, classroom and on-site training sessions, workplace evaluations, industrial hygiene evaluations and employee Safety Committee meetings.

The Safety & Security program administers the Commuter Trip Reduction (Ridesharing) program, coordinates emergency preparedness and disaster response operations and oversees the maintenance and administration of the Emergency Operations Center.

Major Goals

- Evaluate opportunities that enhance safety and emergency preparedness throughout the District;
- Implement Safety Training Management System to ensure timely safety training of all District staff;
- Complete District Emergency Operations Plan update;
- Provide disaster response training for District staff, including high-risk scenarios; and,
- Install facility security improvements at MWRP.

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2018-19

Administration

Dept No	Expense Name	2016-17 Actual	2017-18 Actual thru 12/31/17	2017-18 Orig Budget	2018-19 Prop Budget	Incr/(Decr)
Safety and Security						
130	Regular Labor	197,111	124,923	260,254	272,136	11,882
130	Overtime Labor	38,718	9,979	5,000	4,000	(1,000)
130	Contract Labor	33,272		0	0	0
130	Fuel	6		0	0	0
130	Operating Supplies	143,159	93,830	72,500	110,900	38,400
130	Printing	5,063	2,459	2,000	2,000	0
130	Postage	217	170	500	500	0
130	Permits, Licenses and Fees	59,941	36,006	40,000	55,600	15,600
130	Office Supplies	39,668	18,284	30,000	28,100	(1,900)
130	Personnel Training	167,074	66,296	115,000	153,500	38,500
130	Personnel Physicals	10,616	2,247	36,000	21,000	(15,000)
130	Other Professional Fees	205,613	85,389	125,000	187,000	62,000
130	Safety	104,180	59,718	45,000	45,000	0
130	Alarm and Patrol Services	134,757		520,000	750,560	230,560
130	Commuter Program	124,421	87,460	156,000	0	(156,000)
130	Other		234,627			
Total	Safety and Security	1,263,816	821,388	1,407,254	1,630,296	223,042

Program Description

The Human Resources function provides comprehensive organizational development and personnel management services to maximize the potential of the District's human resources and overall employee efficiency, effectiveness and satisfaction. The Human Resources program is responsible for attracting and recruiting a highly qualified work force and working in concert with the organization leadership to develop and sustain a motivated, productive organization.

Human Resources ensures the delivery of a competitive compensation and benefits package; continuous improvement through employee training; fair and consistent employee policies, procedures and guidelines; and an ongoing employee reward and recognition program tied to the achievement of stated goals and objectives. Human Resources is responsible for the employee relations and labor relations processes and facilitates communication and trust with staff through collaboration and the open exchange of ideas.

Major Goals

- Recruit, develop and retain a highly skilled and educated workforce;
- Develop and implement a staff mentoring program with input from the Employee Development Task Force;
- Plan and conduct triennial benchmark salary survey to ensure market competitive compensation;
- Negotiate successor labor agreements with represented employee groups; and,
- Collaborate with all departments to evaluate need and develop skill development programs.

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2018-19

Administration

Dept No	Expense Name	2016-17 Actual	2017-18 Actual thru 12/31/17	2017-18 Orig Budget	2018-19 Prop Budget	Incr/(Decr)
Human Resources						
140	Regular Labor	643,110	247,700	667,174	631,862	(35,312)
140	Overtime Labor	7,532	7,525	5,000	2,000	(3,000)
140	Employee Benefits	19,108,562	6,271,273	17,365,620	18,633,900	1,268,280
140	Contract Labor			2,500	3,000	500
140	Postage		11	100	0	(100)
140	Office Supplies	2,524	981	2,500	2,500	0
140	Rep & Maint IRWD	227		1,000	1,000	0
140	Legal Fees	218,066	81,425	145,000	145,000	0
140	Personnel Training	295,872	82,069	388,800	399,600	10,800
140	Personnel Physicals	13,044	8,324	15,000	20,000	5,000
140	Other Professional Fees	140,763	43,750	179,500	174,200	(5,300)
140	Safety	178		0	0	0
140	Commuter Program				156,000	156,000
Total	Human Resources	20,429,878	6,743,058	18,772,194	20,169,062	1,396,868
Total	Administration	24,617,685	9,504,445	23,717,736	25,962,536	2,244,800

Program Description

The Finance Department is responsible for ensuring the financial and rate stability of the District. This includes developing rates and fees that support the long-term sustainability of the District. Finance maintains the official accounting records of the Irvine Ranch Water District and provides financial management of the District's income and real estate investments, new and existing debt issues, and deferred compensation programs. The department provides a wide range of accounting and financial services including payroll, accounts payable, accounts receivable, project accounting, financial analysis, financial reporting, coordination of the District's annual operating budget and preparation of the Comprehensive Annual Financial Report (CAFR). The Finance Department also oversees risk management claims and insurance issues.

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

Major Goals

ACCOUNTING AND BUDGETING

- Prepare and submit accurate financial reports and relevant tax returns to federal, state, county and district agencies within established legal deadlines and requirements;
- Prepare and submit accurate and timely financial reports to the Finance and Personnel Committee and the District's Board of Directors;
- Coordinate the District's annual financial statement audit;
- Prepare the annual CAFR;
- Prepare the Operating Budget for Board of Director approval including setting adequate rates to ensure long-term financial strength and stability;
- Ensure user rates are proportional with costs of service and support the current rate structure;
- Lead customer noticing effort for Proposition 218 compliance (operating budget, rates and charges);
- Ensure all payments and payroll checks are accurate and timely; and,
- Identify and implement enhanced financial reporting and business intelligence capabilities.

LONG-TERM FINANCIAL PLANNING

- Continue to refine and update the cash flow strategic model to ensure sufficient funding for future capital needs;
- Provide analytical support and analysis to Finance, other departments and outside constituents as requested; and,
- Explore financial modeling for acquisition, financing and construction of major projects.

INVESTMENTS AND CASH MANAGEMENT

- Invest District funds in a prudent and professional manner that will provide maximum security of principal, sufficient liquidity to meet working capital requirements and an optimal rate of return;
- Prepare accurate investment reports and the annual investment policy to the Board of Directors and other interested parties within established time frames; and,
- Maintain and enhance short and long-term cash flow models and cash management practices.

REAL ESTATE

- Monitor and report on the performance of all real estate investment assets;
- Manage leasing and related property management activities for all District commercial and residential real estate investments;
- Evaluate development and disposition opportunities of other District properties;
- Develop plan to invest revenue generated by the sale of the Lake Forest property;
- Complete plans, permitting, development and leasing of the Sand Canyon campus in Irvine;
- Assist with acquisition and agricultural leasing activities related to water reliability properties; and,
- Resolve outstanding deed, access and other contractual restrictions related to real property.

DEBT ISSUANCE AND ADMINISTRATION

- Issue long-term debt to fund capital projects as needed, and evaluate and recommend refunding opportunities for current District debt issues when appropriate;
- Manage District letters of credit supporting variable rate debt; evaluate new credit support opportunities when appropriate;
- Prepare and submit required continuing disclosure materials for District debt issues to appropriate parties;
- Manage variable rate debt portfolio including periodic remarketings, monitoring remarketing agents of District debt and making adjustments as appropriate; and
- Execute, manage and report on interest rate swap transactions as appropriate.

INSURANCE

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

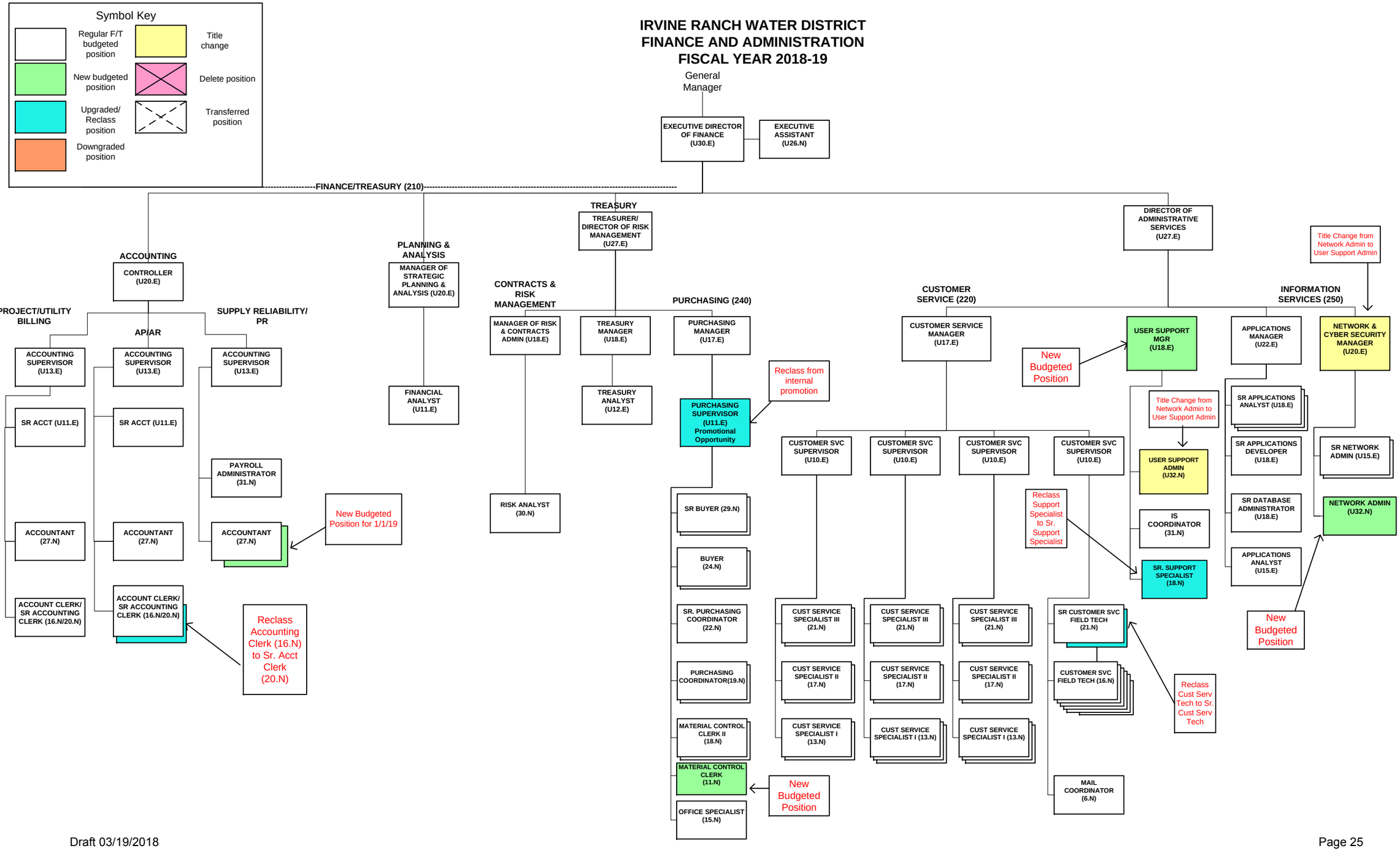
PENSION/DEFERRED COMPENSATION

- Maintain and invest Pension Benefits Trust assets and report portfolio performance and recommendations to the Retirement Board;
- Evaluate and monitor Trust Advisor performance; recommend changes in advisory services as appropriate; review additional opportunities to optimize Pension Benefits Trust performance; and,
- Oversee investment performance, reporting and employee education activities related to the District's deferred compensation plans.

PURCHASING

- Purchase materials, supplies and services in a timely manner with appropriate consideration given to quality and best pricing;
- Process all material/service requests timely and efficiently;
- Optimize Maximo system; maintain warehouse inventory fill rate at 100% and review/adjust slow moving inventory;
- Streamline business procurement processes and documentation while ensuring appropriate controls on all warehouses;
- Explore opportunities for expanded warehouse capabilities;
- Lead the District record retention efforts;
- Provide ongoing customer support for procurement and inventory systems; and,
- Evaluate and expand participation in cooperative purchasing agreements as appropriate.

IRVINE RANCH WATER DISTRICT
FINANCE AND ADMINISTRATION
FISCAL YEAR 2018-19



Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2018-19

Finance & Administrative Services

Dept No	Expense Name	2016-17 Actual	2017-18 Actual thru 12/31/17	2017-18 Orig Budget	2018-19 Prop Budget	Incr/(Decr)
Finance and Treasury						
210	Regular Labor	2,350,097	1,204,398	2,287,949	0	(2,287,949)
210	Overtime Labor	80,429	15,491	18,000	16,500	(1,500)
210	Contract Labor	87,934	24,283	29,000	39,600	10,600
210	Telecommunication	43		0	0	0
210	Other Utilities		142	0	0	0
210	Operating Supplies	1,869	403	2,800	1,200	(1,600)
210	Printing	65,966		70,000	70,000	0
210	Postage	8,239	3,013	9,000	6,500	(2,500)
210	Permits, Licenses and Fees		539	56,500	15,500	(41,000)
210	Office Supplies	2,689	4,881	5,000	6,000	1,000
210	Insurance	1,016,536	839,447	1,020,900	1,085,400	64,500
210	Accounting Fees	115,828	58,630	95,000	102,000	7,000
210	Data Processing	49,965	25,470	52,000	52,400	400
210	Personnel Training	20,472	8,091	27,000	28,000	1,000
210	Other Professional Fees	255,305	85,934	302,700	272,000	(30,700)
210	Mileage Reimbursement	52		0	0	0
210	Other	618	137	11,000	5,500	(5,500)
210	Regular Labor	0		0	2,460,066	2,460,066
Total	Finance and Treasury	4,056,042	2,270,859	3,986,849	4,160,666	173,817

ADMINISTRATIVE SERVICES

OPERATING BUDGET SUMMARY

Program Description

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

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

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

Major Goals

CUSTOMER SERVICE

- Deliver exceptional customer service both internally and externally;
- Review and resolve billing inquiries and adjustments in a timely manner including education of customers on allocation;
- Receive and process all orders for new service and discontinuation of service;
- Process new meter applications;
- Process payments for temporary construction meters, fire flow tests, and customer water bills;
- Coordinate and process all meter reads to ensure accurate billing;
- Process variance requests for additional water allocations;
- Respond to field problems (leaks, no water complaints, high/low pressure, water quality, sewer problems, line breaks, etc.) with a sense of urgency;
- Manage delinquent customer accounts and perform shut-offs as required;
- Provide customers with an accurate, timely and easy to understand bill;
- Streamline bill printing and distribution process;
- Distribute customer satisfaction surveys and maintain 90% customer satisfaction;
- Receive, route and deliver all District mail; and,
- Lead the implementation efforts of the redesigned customer bill to improve customers understanding of the IRWD rate structure. Streamline business processes for utility bill printing, mailing and eBill services.

INFORMATION SERVICES

- Provide helpful, courteous and timely support to all District staff;
- Provide internal and external software training that meets the needs of District staff;
- Provide a reliable network of servers, personal computers, mobile devices, printers and software applications that meet the needs of District staff;
- Provide reliable voice, data and wireless communications services;
- Implement new and improve existing software applications to meet the requirements of District staff;
- Complete scheduled hardware and software upgrades to District servers, personal computers, mobile devices, printers, network equipment and software applications;
- Implement the billing function for the Fats, Oils, and Greases (FOG) permitting and inspection program;
- Begin technical upgrade of Oracle Customer Care and Billing software;
- Begin the migration from GroupWise messaging to Microsoft Office 365 in the cloud;
- Complete development of additional Business Intelligence reports and dashboards;
- Complete the Cyber Security Risk Assessment and Response Plan and implement findings;
- Support Part 2 implementation of the Enterprise Asset Management System (EAM); and,
- Monitor industry trends for best practices and opportunities in improved system related technologies.

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2018-19

Finance & Administrative Services

Dept No	Expense Name	2016-17 Actual	2017-18 Actual thru 12/31/17	2017-18 Orig Budget	2018-19 Prop Budget	Incr/(Decr)
Customer Service						
220	Regular Labor	1,799,618	839,270	1,974,544	2,056,740	82,196
220	Overtime Labor	83,532	51,593	60,000	60,000	0
220	Contract Labor	222,983	147,107	130,150	215,800	85,650
220	Operating Supplies	10,002	6,806	3,000	15,000	12,000
220	Printing	65,926	30,531	80,000	170,800	90,800
220	Postage	556,401	256,991	570,000	500,000	(70,000)
220	Office Supplies	6,804	1,538	5,500	5,500	0
220	Equipment Rental	38,973	22,430	42,500	0	(42,500)
220	Rep & Maint IRWD	3,085	97	0	0	0
220	Personnel Training	9,756	1,554	8,000	8,000	0
220	Other Professional Fees	1,217	950	2,000	2,000	0
220	Other	1,119	668	1,000	1,000	0
220	Contract Meter Reading	1,354,324	692,070	1,390,000	1,390,000	0
Total	Customer Service	4,153,740	2,051,605	4,266,694	4,424,840	158,146

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2018-19

Finance & Administrative Services

Dept No	Expense Name	2016-17 Actual	2017-18 Actual thru 12/31/17	2017-18 Orig Budget	2018-19 Prop Budget	Incr/(Decr)
Purchasing						
240	Regular Labor	629,970	340,390	792,594	845,870	53,276
240	Overtime Labor	20,406	5,130	8,000	28,000	20,000
240	Contract Labor	65,729		4,000	4,000	0
240	Operating Supplies	46,682	(93,087)	133,000	129,000	(4,000)
240	Printing	8,352	12,845	8,500	8,500	0
240	Postage	3,394	2,510	4,500	6,000	1,500
240	Office Supplies	13,204	5,992	18,000	12,000	(6,000)
240	Duplicating Equipment	174,622	88,289	192,000	174,000	(18,000)
240	Equipment Rental			18,000	18,000	0
240	Personnel Training	4,583	330	6,500	7,000	500
240	Other Professional Fees	222	22	2,000	42,000	40,000
Total Purchasing		967,164	362,421	1,187,094	1,274,370	87,276

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2018-19

Finance & Administrative Services Dept No	Expense Name	2016-17 Actual	2017-18 Actual thru 12/31/17	2017-18 Orig Budget	2018-19 Prop Budget	Incr/(Decr)
Information Services						
250	Regular Labor	1,556,207	821,077	1,608,164	1,870,116	261,952
250	Overtime Labor	45,029	8,483	40,000	30,000	(10,000)
250	Contract Labor	307,858	142,383	230,000	240,000	10,000
250	Telecommunication	452,250	250,320	484,500	516,100	31,600
250	Operating Supplies	(54)	25	0	0	0
250	Printing	1,594	206	5,000	1,000	(4,000)
250	Postage			500	0	(500)
250	Office Supplies	15		1,000	1,000	0
250	Rep & Maint IRWD	376,177	126,546	300,000	402,400	102,400
250	Data Processing	3,013,934	1,485,566	2,833,100	2,792,200	(40,900)
250	Personnel Training	3,073	1,251	35,800	35,800	0
250	Other Professional Fees	82,655	775	115,000	150,000	35,000
250	Mileage Reimbursement		87	0	0	0
250	Other	14,816	7,320	12,000	6,000	(6,000)
Total	Information Services	5,853,554	2,844,039	5,665,064	6,044,616	379,552
Total	Finance & Administrative Services	15,030,500	7,528,924	15,105,701	15,904,492	798,791

Program Description

The Engineering Department provides planning, design and construction coordination to develop the water, sewage and recycled water facilities necessary to provide the highest level of service to the customers of the District. The Engineering Department also provides technical support to other District departments.

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

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

Development Services: The Development Services group facilitates the land development process within the District by designing and bidding the water, sewage and recycled water facilities necessary to support land development. The construction of these facilities is coordinated to ensure that the facilities are available to meet development schedule requirements. Temporary and interim facilities, when necessary, are also coordinated through this group. The Development Services group also reviews developer submittals for quality and conformance with District requirements and assesses and collects appropriate fees.

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

Operations Support: The Operations Support group is responsible for providing engineering support to other District departments. The Operations Support group generally focuses on the expansion and rehabilitation of existing District facilities and provides design and construction management of small to medium size water, sewage and recycled water facilities.

This group also includes the process control team that conducts research, develops projects and provides process control and technical support to enhance the performance of the District's domestic and recycled water supply, treatment, distribution, and storage facilities. The process control team also provides similar support to the District's sewage collection/treatment, recycled water and urban runoff treatment systems and supports District-wide regulatory compliance objectives.

Michelson Water Recycling Plant (MWRP) Construction: The MWRP Construction group is responsible for the construction of the MWRP Biosolids and Energy Recovery Facilities. The group ensures that sewage and biosolids treatment facilities are properly designed and constructed to meet District requirements.

Major Goals

PLANNING
- Provide Inter-agency technical support;
- Develop alternative water supplies;
- Implement Criticality Based Replacement Planning Model;
- Complete the Potable Reuse Alternatives Study;
- Update the Groundwater Workplan; and,
- Expand GIS based applications and cloud infrastructure.

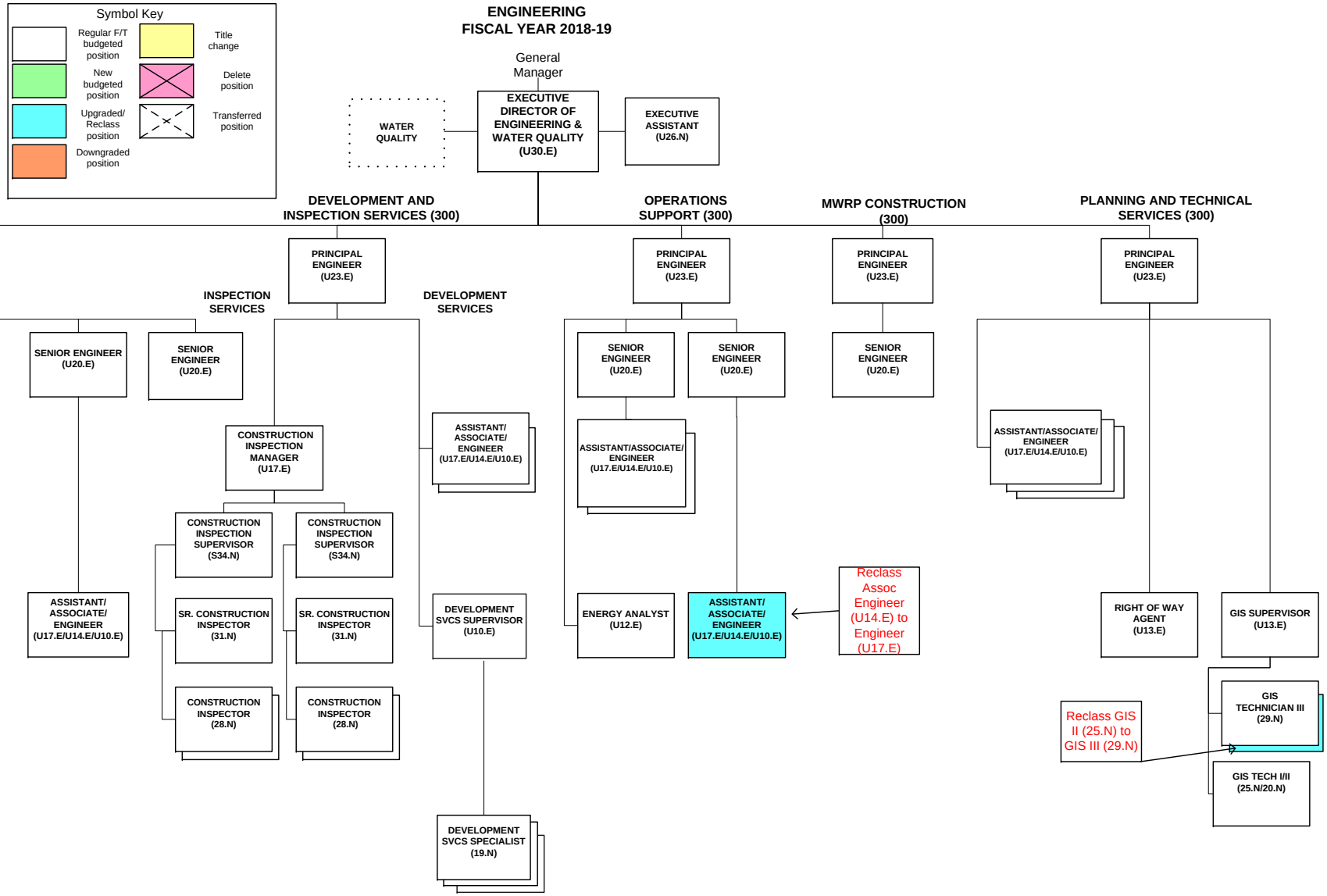
CAPITAL PROJECTS
- MWRP Biosolids and Energy Recovery Facilities construction;
- Syphon Reservoir Improvements design;
- Irvine Lake Pipeline North Conversion to Recycled Water construction;
- Eastwood Recycled Water Booster Pump Stations construction;
- Zone 1 Reservoir construction;
- Newport Coast Lift Station Improvements construction;
- Primary Disinfection Facility Chlorine Gas Removal design and construction;
- Santiago Canyon Fleming Reservoir and Pump Station design;
- Energy Storage System design and construction at multiple sites; and,
- Water Recycling Treatment Plant Master Plan update.

DEVELOPMENT SERVICES
- Heritage Fields Infrastructure design and construction;
- Orchard Hills Infrastructure design and construction;
- Los Olivos Infrastructure design and construction;
- Baker Ranch Infrastructure design and construction;
- Tustin Legacy Infrastructure design and construction; and,
- Irvine Business Complex Redevelopment Infrastructure design and construction.

OPERATIONS SUPPORT

- Santiago Canyon Area Pipeline and Pump Stations Improvements design;
- Pipe rehabilitation construction of Culver Drive, Laguna Canyon, Seawatch and Turtle Ridge;
- Michelson Sewer Force Main Rehabilitation construction;
- MWRP Filter Pump Station Discharge Manifold Piping Replacement construction;
- Santiago Dam Sloped Outlet Tower design;
- Well Rehabilitation design and construction;
- Recycled Water Reservoirs Filtration design and construction;
- Evaluate process control and water quality monitoring data to assess, correct or recommend performance improvement of membrane treatment facilities: IDP-SGU, IDP-PAP, IDP-PTP, DATS, CATS and the Wells 21/22 Desalter Plant;
- Develop test protocols, standard operating protocols and procedures, operate, perform sample collection and monitoring of bench, pilot and full-scale process facilities, including pilot and demonstration research projects;
- Act as a liaison and administer reporting IRWD groundwater extraction and treatment operations for removal of the TCE plume from the Irvine sub-basin groundwater at the IDP Principal Aquifer wells, IDP-PAP and IDP-SGU to the Department of the Navy (DON), local and state regulatory agencies; and,
- Assist in the development and coordinate district wide research, pilot and demonstration projects.

IRVINE RANCH WATER DISTRICT
ENGINEERING
FISCAL YEAR 2018-19



Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2018-19

Engineering

Dept No	Expense Name	2016-17 Actual	2017-18 Actual thru 12/31/17	2017-18 Orig Budget	2018-19 Prop Budget	Incr/(Decr)
Engineering						
300	Regular Labor	5,176,864	2,373,890	4,712,004	4,860,622	148,618
300	Overtime Labor	93,870	517	190,000	210,000	20,000
300	Contract Labor	194,986	102,481	411,000	432,000	21,000
300	Operating Supplies	2,967	4,182	8,400	10,000	1,600
300	Printing	10,597	5,261	20,000	20,000	0
300	Postage	2,020	1,441	2,000	2,800	800
300	Permits, Licenses and Fees			2,000	2,000	0
300	Office Supplies	7,567	4,093	9,500	9,900	400
300	Rep & Maint IRWD	222		0	0	0
300	Engineering Fees	39,421	77,121	207,000	152,000	(55,000)
300	Personnel Training	23,884	8,641	30,000	27,000	(3,000)
300	Other Professional Fees	3,333	1,295	63,000	3,000	(60,000)
Total Engineering		5,555,731	2,578,922	5,654,904	5,729,322	74,418
Total Engineering		5,555,731	2,578,922	5,654,904	5,729,322	74,418

WATER QUALITY

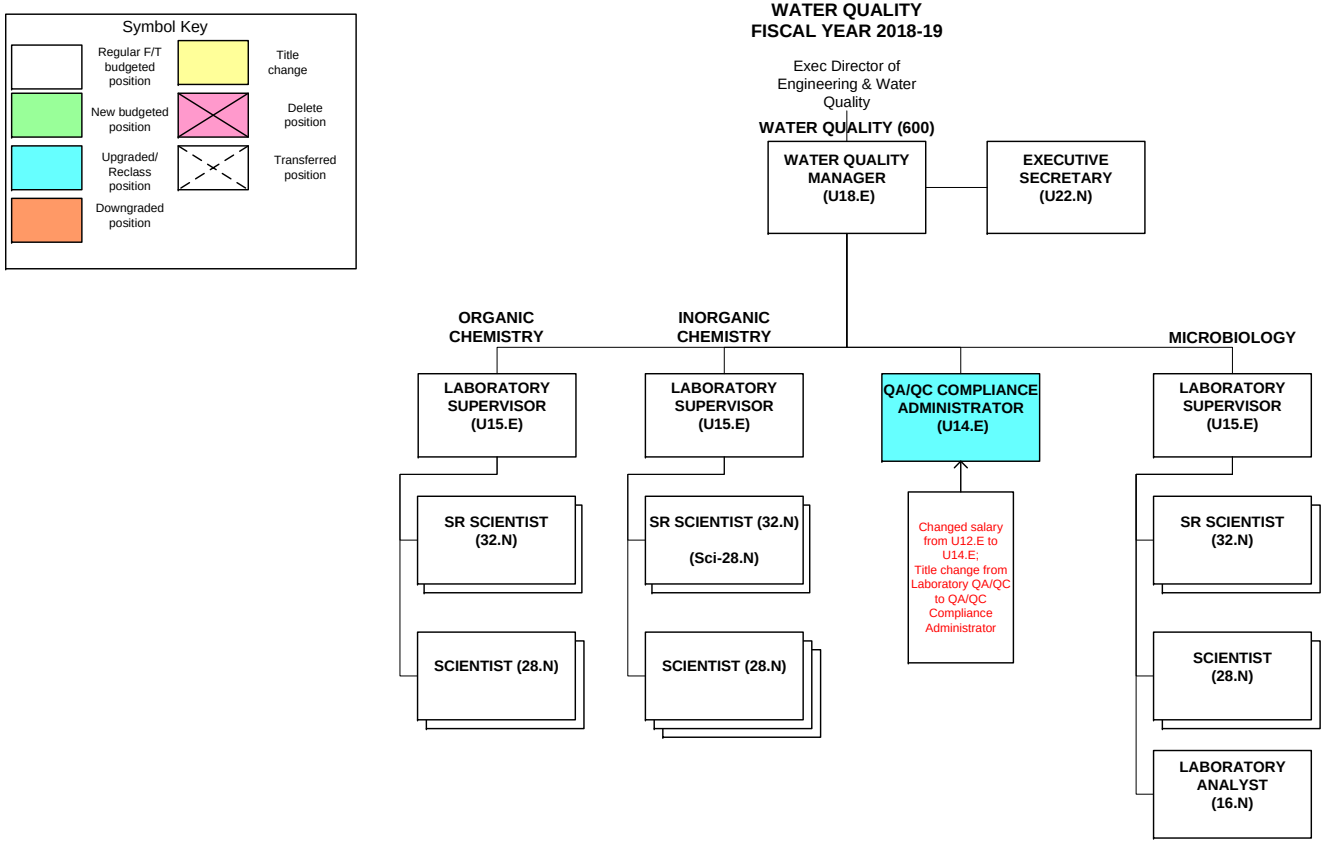
OPERATING BUDGET SUMMARY

Program Description

The Water Quality Department provides water quality related support to the operations and maintenance of the domestic and recycled water distribution and sewer collection systems and treatment facilities, and ensures that all District operations are conducted in a safe, reliable, environmentally sensitive manner to achieve a high level of customer satisfaction. The Water Quality Department provides internal and external customers with reproducible data of known and documented quality for regulatory monitoring and reporting, process control, research projects and capital projects utilizing state-of-the-art, United States Environmental Protection Agency (EPA) and State Water Resources Control Board Division of Drinking Water (DDW) approved analytical methods.

Major Goals

- Perform necessary analyses to provide data to document the District's compliance status with all applicable federal, state and local environmental and water quality laws and regulations;
- Monitor the development of potential future regulations that may impact District activities;
- Ensure all compliance testing and reporting is completed and submitted by required due dates;
- Provide objective process control and regulatory monitoring data to assist operating groups in meeting their regulatory requirements;
- Complete and submit all regulatory monitoring data by the specified due dates;
- Complete analyses within specified hold times and meet quality control specifications;
- Research and implement new testing methods where justified, specifically methods routinely sent out to contract laboratories and screening methods for system security and general water quality concerns;
- Maintain the laboratory's Environmental Laboratory Accreditation Program (ELAP) certification by successfully completing the site assessment and proficiency testing;
- Prepare the laboratory to implement the new EPA Method Update Rule and the developing new ELAP accreditation standard;
- Successfully complete all required water, sewage, hazardous waste and DMR proficiency testing samples and submit the data by the prescribed due date;
- Research and implement, where appropriate, improved means to communicate water quality data to internal and external customers;
- Implement to the fullest extent possible automated reporting programs;
- Reduce paperwork by maximizing electronic data collection; and,
- Be environmentally responsible in the selection, procurement and disposal of reagents utilized in the laboratory.


Symbol Key
Regular F/T budgeted position
Title change
New budgeted position
Delete position
Upgraded/ Reclass position
Transferred position
Downgraded position
IRVINE RANCH WATER DISTRICT
WATER QUALITY
FISCAL YEAR 2018-19
Exec Director of Engineering & Water Quality
WATER QUALITY (600)
WATER QUALITY MANAGER (U18.E)
EXECUTIVE SECRETARY (U22.N)
ORGANIC CHEMISTRY
INORGANIC CHEMISTRY
MICROBIOLOGY
LABORATORY SUPERVISOR (U15.E)
LABORATORY SUPERVISOR (U15.E)
QA/QC COMPLIANCE ADMINISTRATOR (U14.E)
LABORATORY SUPERVISOR (U15.E)
SR SCIENTIST (32.N)
SR SCIENTIST (32.N) (Sci-28.N)
Changed salary from U12.E to U14.E; Title change from Laboratory QA/QC to QA/QC Compliance Administrator
SR SCIENTIST (32.N)
SCIENTIST (28.N)
SCIENTIST (28.N)
SCIENTIST (28.N)
LABORATORY ANALYST (16.N)

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2018-19

Water Quality

Dept No	Expense Name	2016-17 Actual	2017-18 Actual thru 12/31/17	2017-18 Orig Budget	2018-19 Prop Budget	Incr/(Decr)
Water Quality						
600	Regular Labor	1,719,789	839,285	1,762,174	1,824,290	62,116
600	Overtime Labor	53,828	22,541	33,600	33,600	0
600	Contract Labor	25,167	49,412	127,000	115,300	(11,700)
600	Operating Supplies	387,787	231,543	391,000	447,000	56,000
600	Postage	2,036	670	3,600	600	(3,000)
600	Permits, Licenses and Fees	9,003	11,251	11,250	15,875	4,625
600	Office Supplies	3,234	1,786	3,000	4,000	1,000
600	Equipment Rental			6,320	0	(6,320)
600	Rep & Maint IRWD	173,743	83,422	224,892	234,200	9,308
600	Engineering Fees	116,809	47,130	85,600	138,000	52,400
600	Personnel Training	14,426	5,840	34,850	35,050	200
600	Other Professional Fees	72,300	767	24,550	24,650	100
600	Safety	1,883	988	7,200	7,200	0
Total	Water Quality	2,580,005	1,294,635	2,715,036	2,879,765	164,729

WATER OPERATIONS

OPERATING BUDGET SUMMARY

Program Description

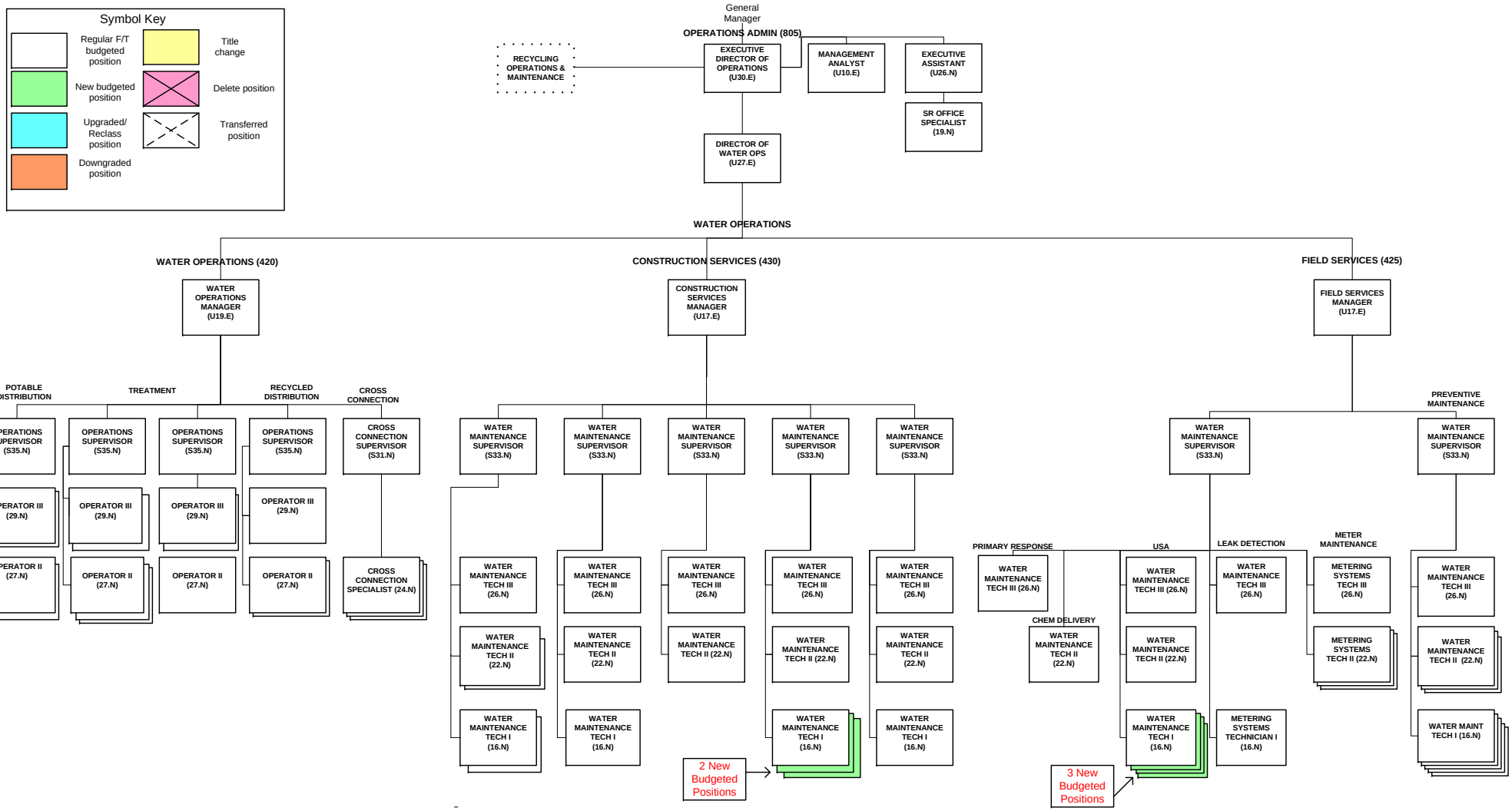
The mission of the Water Operations Department is to operate and maintain the District's potable water, recycled water and untreated water systems in an efficient, cost effective and environmentally safe manner that provides a high level of customer satisfaction. The Water Operations Department provides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

Major Goals

- Maintain 100% compliance with all regulatory permits;
- Meet the Department's adopted Operations and Maintenance budget;
- Efficient operation of the Baker Water Treatment Plant (BWTP) meeting all regulatory requirements;
- Manage the BWTP to achieve operational and budgetary goals for IRWD and the project Partners;
- Increase the level of certifications for Water Operators;
- Coordinate with the Finance, Engineering and Planning Departments on water supply and water banking opportunities to optimize cost effective operations;
- Achieve zero lost time accidents;
- Modify as needed and track adopted Operational Key Performance Indicators (KPI) to optimize operational efficiency and cost effectiveness;
- Maintain and develop staff competency through a combination of internal and external training;
- Operate and maintain the system to minimize energy consumption;
- Maintain the Dyer Road Well Field and Deep Aquifer Treatment System domestic water flows in accordance with the Ground Water Pumping Plan staying within the Basin Pumping Percentage (BPP) when possible;
- Assist the Engineering Department with the design and startup of domestic and recycled water system facilities;
- Operate the Irvine Desalter Project (Potable Treatment Plant, Principal Aquifer Plant and Shallow Groundwater Unit) in accordance with the joint agency agreement and submit required reports;
- Ensure efficient operation of all District pumping and reservoir facilities;
- Ensure safe dam operation through the monitoring and surveillance program;
- Complete all Cross-Connection Control Program annual inspections and back-flow device Maintenance in accordance with the California Administrative Code, Title 17, Public Health Department Requirements;
- Provide construction and repair services to internal and external customers in a prompt, safe, efficient, cost effective and environmentally sensitive manner;
- Maintain a high level of customer satisfaction by responding promptly to and repairing water leaks with minimal impact to customers;

- Continue the sewer repair project to improve sewer system reliability;
- Meet all preventive maintenance programs for the distribution system;
- Replace residential and commercial meters on the recommended cycle;
- Mark the District's underground facilities in response to Underground Service Alert (USA) tickets to prevent potential damages to the facilities from construction activities;
- Develop and complete annual maintenance goals in accordance with AWWA and industry standards; and,
- Respond promptly to all customer service requests.

IRVINE RANCH WATER DISTRICT
OPERATIONS ADMINISTRATION & WATER OPERATIONS
FISCAL YEAR 2018-19



Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2018-19

Operations Administration

Dept No	Expense Name	2016-17 Actual	2017-18 Actual thru 12/31/17	2017-18 Orig Budget	2018-19 Prop Budget	Incr/(Decr)
Operations Administration						
805	Regular Labor	1,013,139	515,462	1,005,296	1,073,154	67,858
805	Contract Labor	79		0	0	0
805	Telecommunication	1,840	737	2,000	3,200	1,200
805	Chemicals	202		0	0	0
805	Operating Supplies	5,761	5,292	6,400	7,300	900
805	Printing	756		2,500	3,000	500
805	Postage	82		1,000	1,000	0
805	Office Supplies	10,583	2,272	20,000	15,000	(5,000)
805	Rep & Maint Other Agencies	(13,975)				
805	Rep & Maint IRWD	22,475	26,729	0	0	0
805	Personnel Training	56,148	16,608	164,000	84,800	(79,200)
805	Other Professional Fees	25,131	11,338	163,500	153,500	(10,000)
Total	Operations Administration	1,122,221	578,438	1,364,696	1,340,954	(23,742)
Total	Operations Administration	1,122,221	578,438	1,364,696	1,340,954	(23,742)

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2018-19

Water Operations

Dept No	Expense Name	2016-17 Actual	2017-18 Actual thru 12/31/17	2017-18 Orig Budget	2018-19 Prop Budget	Incr/(Decr)
Water Operations						
420	Water Purchases	35,599,308	21,312,805	35,286,508	37,944,116	2,657,608
420	Regular Labor	1,761,426	780,737	2,013,302	2,070,218	56,916
420	Overtime Labor	476,938	219,522	453,300	442,290	(11,010)
420	Electricity	8,320,293	4,573,931	9,863,218	9,905,210	41,992
420	Fuel	34,736	27,772	45,800	57,000	11,200
420	Telecommunication	63,785	44,433	53,900	77,900	24,000
420	Other Utilities	41,986	32,586	34,800	47,000	12,200
420	Chemicals	1,288,069	828,472	1,465,004	1,605,544	140,540
420	Operating Supplies	78,057	15,138	64,960	79,200	14,240
420	Permits, Licenses and Fees	121,058	125,855	204,000	251,500	47,500
420	Office Supplies		77	0	200	200
420	Equipment Rental	13,492	16,837	9,000	17,000	8,000
420	Rep & Maint OCSD & Other			824,300	857,100	32,800
420	Rep & Maint Other Agencies	422,600	460,002			
420	Rep & Maint IRWD	684,896	282,406	1,274,130	1,489,588	215,458
420	Engineering Fees	144,742	84,871	117,360	124,756	7,396
420	Data Processing			12,500	12,500	0
420	Personnel Training	409	139	340	1,340	1,000
420	Other Professional Fees	10,822	2,611	78,000	78,000	0
420	Safety			3,000	3,000	0
Total	Water Operations	49,062,617	28,808,194	51,803,422	55,063,462	3,260,040

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2018-19

Water Operations

Dept No	Expense Name	2016-17 Actual	2017-18 Actual thru 12/31/17	2017-18 Orig Budget	2018-19 Prop Budget	Incr/(Decr)
Field Services						
425	Regular Labor	1,441,321	767,610	1,542,036	1,757,410	215,374
425	Overtime Labor	198,610	92,398	166,000	213,400	47,400
425	Contract Labor	59,639	96,082	124,800	203,440	78,640
425	Telecommunication	239		0	0	0
425	Chemicals	1,337	810	800	900	100
425	Operating Supplies	105,826	47,462	126,430	117,000	(9,430)
425	Permits, Licenses and Fees	16,804	10,043	14,800	18,000	3,200
425	Equipment Rental	3,036	10,818	2,500	17,500	15,000
425	Rep & Maint IRWD	166,579	133,571	209,800	354,100	144,300
425	Personnel Training		69	680	680	0
425	Other Professional Fees	234	266	1,000	500	(500)
Total Field Services		1,993,625	1,159,129	2,188,846	2,682,930	494,084

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2018-19

Water Operations Dept No	Expense Name	2016-17 Actual	2017-18 Actual thru 12/31/17	2017-18 Orig Budget	2018-19 Prop Budget	Incr/(Decr)
Construction Services						
430	Regular Labor	1,577,737	737,218	1,646,816	1,726,964	80,148
430	Overtime Labor	245,428	39,541	223,000	241,000	18,000
430	Contract Labor	99,883	54,598	125,800	208,960	83,160
430	Telecommunication	193		0	0	0
430	Chemicals	228	634	400	800	400
430	Operating Supplies	152,146	43,503	164,520	144,800	(19,720)
430	Permits, Licenses and Fees	61,979	31,215	88,000	93,000	5,000
430	Equipment Rental		5,781	10,000	12,000	2,000
430	Rep & Maint IRWD	631,645	198,558	473,000	628,000	155,000
430	Personnel Training		1,301	6,390	6,400	10
430	Other Professional Fees	374				
Total	Construction Services	2,769,613	1,112,349	2,737,926	3,061,924	323,998
Total	Water Operations	53,825,855	31,079,672	56,730,194	60,808,316	4,078,122

RECYCLING OPERATIONS

OPERATING BUDGET SUMMARY

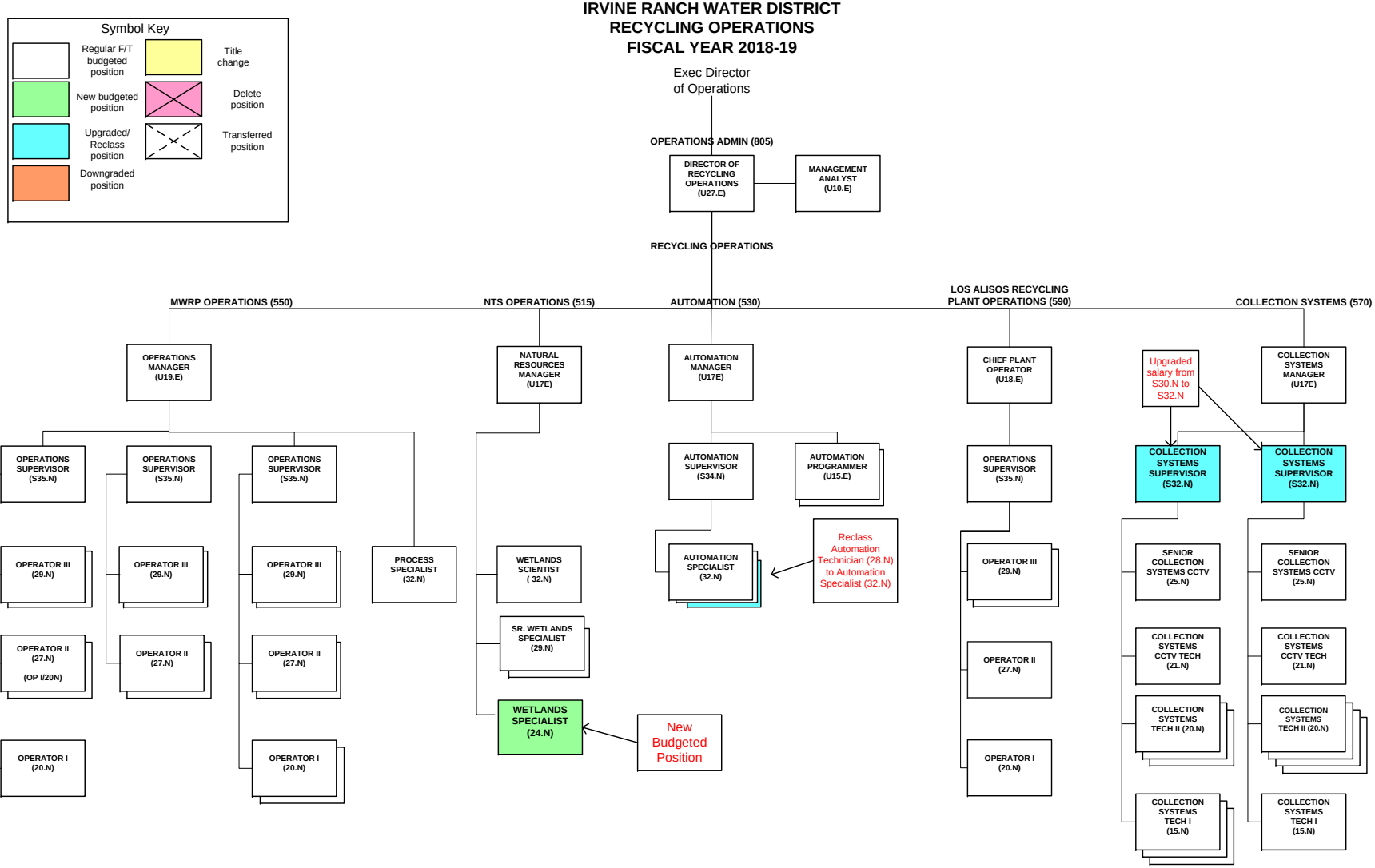
Program Description

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

Major Goals

- Maintain 100% compliance with all regulatory requirements;
- Achieve zero lost time accidents;
- Coordinate with Water Operations to optimize production of recycling water and balance with system storage;
- Meet the Department's adopted Operations budget;
- Refine operational Key Performance Indicators (KPIs) to optimize efficiency and cost effectiveness;
- Increase the level of certifications for Recycling Operators;
- Maintain and develop staff competency through a combination of internal and external training;
- Evaluate, optimize, and monitor chemical usage for the collection and recycling facilities systems;
- Evaluate and implement options for clean and inspect large sewer lines within the IRWD service area;
- Develop projects with partners in Newport Bay Executive Committee to develop and implement capture and treatment of urban runoff flows downstream from the San Joaquin Marsh;
- Complete process control and automation improvements such as the conversion of the Water Operations SCADA systems to latest upgraded technology;
- Conduct cyber security volatility assessment of the District's SCADA network;
- Provide operational assistance for functional and start-up testing for the MWRP Biosolids and Energy Recovery Facilities Project;
- Explore participation with other agencies in MWRP Biosolids facilities (brining in class B solids);
- Develop plans and partnerships to introduce food waste to the IRWD Biosolids Facility;
- Finalize and implement options for the marketing and distribution of pellets from the MWRP Biosolids Project; and,
- Continue collaboration efforts with Encina Wastewater Authority on lessons learned, O&M, product marketing and distribution, and resource sharing opportunities related to Operation and Maintenance of their Biosolids Facility.

IRVINE RANCH WATER DISTRICT
RECYCLING OPERATIONS
FISCAL YEAR 2018-19



Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2018-19

Recycling Operations

Dept No	Expense Name	2016-17 Actual	2017-18 Actual thru 12/31/17	2017-18 Orig Budget	2018-19 Prop Budget	Incr/(Decr)
NTS Operations						
515	Regular Labor	322,381	142,440	358,642	436,036	77,394
515	Overtime Labor	2,738	459	6,000	8,000	2,000
515	Contract Labor	109,466	99,500	85,000	95,000	10,000
515	Electricity	115,634	94,115	267,744	201,000	(66,744)
515	Telecommunication	5,596	4,121	3,500	4,000	500
515	Operating Supplies	9,532	6,112	14,000	14,500	500
515	Printing	165		1,000	1,000	0
515	Postage	1,502	282	0	0	0
515	Permits, Licenses and Fees	9,665	30,508	4,000	4,000	0
515	Equipment Rental	5,738	2,390	6,000	0	(6,000)
515	Rep & Maint OCSD & Other			26,000	20,000	(6,000)
515	Rep & Maint Other Agencies	12,809	14,029			
515	Rep & Maint IRWD	1,104,879	435,562	1,460,000	1,144,000	(316,000)
515	Engineering Fees	29,385	158,877	192,500	192,500	0
515	Personnel Training	850	560	4,300	3,800	(500)
515	Other	7,883		12,000	14,000	2,000
Total NTS Operations		1,738,223	988,955	2,440,686	2,137,836	(302,850)

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2018-19

Recycling Operations

Dept No	Expense Name	2016-17 Actual	2017-18 Actual thru 12/31/17	2017-18 Orig Budget	2018-19 Prop Budget	Incr/(Decr)
Automation						
530	Regular Labor	0	291,972	657,022	693,522	36,500
530	Overtime Labor		26,142	80,500	66,500	(14,000)
530	Operating Supplies		4,158	8,030	12,630	4,600
530	Postage		131	0	0	0
530	Rep & Maint IRWD		82,622	190,600	190,600	0
530	Personnel Training			170	170	0
530	Other Professional Fees		2,340	120,600	120,600	0
530	Safety		2,156	3,000	3,000	0
Total	Automation	0	409,521	1,059,922	1,087,022	27,100

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2018-19

Recycling Operations

Dept No	Expense Name	2016-17 Actual	2017-18 Actual thru 12/31/17	2017-18 Orig Budget	2018-19 Prop Budget	Incr/(Decr)
MWRP Operations						
550	Regular Labor	1,344,503	640,699	1,521,968	1,521,788	(180)
550	Overtime Labor	127,955	53,680	108,900	119,900	11,000
550	Contract Labor			30,000	10,000	(20,000)
550	Electricity	2,197,802	1,546,886	3,220,610	2,774,964	(445,646)
550	Fuel	5,256	14,950	100,617	20,800	(79,817)
550	Telecommunication			1,800	1,800	0
550	Chemicals	460,387	261,500	902,116	648,300	(253,816)
550	Operating Supplies	23,137	8,296	74,900	32,200	(42,700)
550	Permits, Licenses and Fees			250	0	(250)
550	Equipment Rental			12,000	0	(12,000)
550	Rep & Maint OCSD & Other			12,744,000	12,564,000	(180,000)
550	Rep & Maint Other Agencies	14,588,928	6,362,957			
550	Rep & Maint IRWD	507	724	64,000	11,000	(53,000)
550	Personnel Training		393	4,020	4,020	0
550	Other Professional Fees	39,542	65,798	75,000	120,000	45,000
550	Safety	311		12,000	24,000	12,000
550	Biosolids Disposals			105,840	0	(105,840)
550	Other	90,487	47,843	115,600	115,000	(600)
Total MWRP Operations		18,878,815	9,003,726	19,093,621	17,967,772	(1,125,849)

Recycling Operations

Dept No	Expense Name	2016-17 Actual	2017-18 Actual thru 12/31/17	2017-18 Orig Budget	2018-19 Prop Budget	Incr/(Decr)
Collection Systems						
570	Regular Labor	0		0	1,273,540	1,273,540
570	Regular Labor	993,751	580,282	1,259,522	0	(1,259,522)
570	Overtime Labor	145,326	56,134	148,500	148,500	0
570	Electricity	(138,899)	66,162	108,929	136,000	27,071
570	Telecommunication	15,684	10,162	20,000	24,000	4,000
570	Chemicals	82,647	255,173	500,000	600,000	100,000
570	Operating Supplies	55,373	26,413	64,360	70,360	6,000
570	Postage		146	0	0	0
570	Rep & Maint IRWD	374,177	117,810	439,800	490,800	51,000
570	Personnel Training		963	4,720	4,720	0
570	Other Professional Fees		94	80,000	50,000	(30,000)
570	Mileage Reimbursement	1,720		2,000	2,000	0
570	Safety	2,595	6,414	10,000	12,000	2,000
Total Collection Systems		1,532,374	1,119,753	2,637,831	2,811,920	174,089

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2018-19

Recycling Operations

Dept No	Expense Name	2016-17 Actual	2017-18 Actual thru 12/31/17	2017-18 Orig Budget	2018-19 Prop Budget	Incr/(Decr)
LAWRP Operations						
590	Regular Labor	480,851	258,930	611,538	0	(611,538)
590	Overtime Labor	51,359	17,013	66,400	66,400	0
590	Electricity	691,333	447,169	763,452	662,545	(100,907)
590	Fuel	943	132	1,000	1,000	0
590	Chemicals	248,601	156,859	205,500	290,000	84,500
590	Operating Supplies	6,818	3,969	6,600	7,000	400
590	Office Supplies	302	175	0	500	500
590	Rep & Maint OCSD & Other			256,000	256,000	0
590	Rep & Maint Other Agencies	131,783	192,123			
590	Rep & Maint IRWD	71,025	47,668	104,000	99,000	(5,000)
590	Personnel Training		62	0	0	0
590	Other Professional Fees	640		940	450	(490)
590	Safety			1,700	1,700	0
590	Biosolids Disposals	19,558		25,000	20,000	(5,000)
590	Other		6,923			
590	Regular Labor	0		0	645,138	645,138
Total	LAWRP Operations	1,703,213	1,131,023	2,042,130	2,049,733	7,603

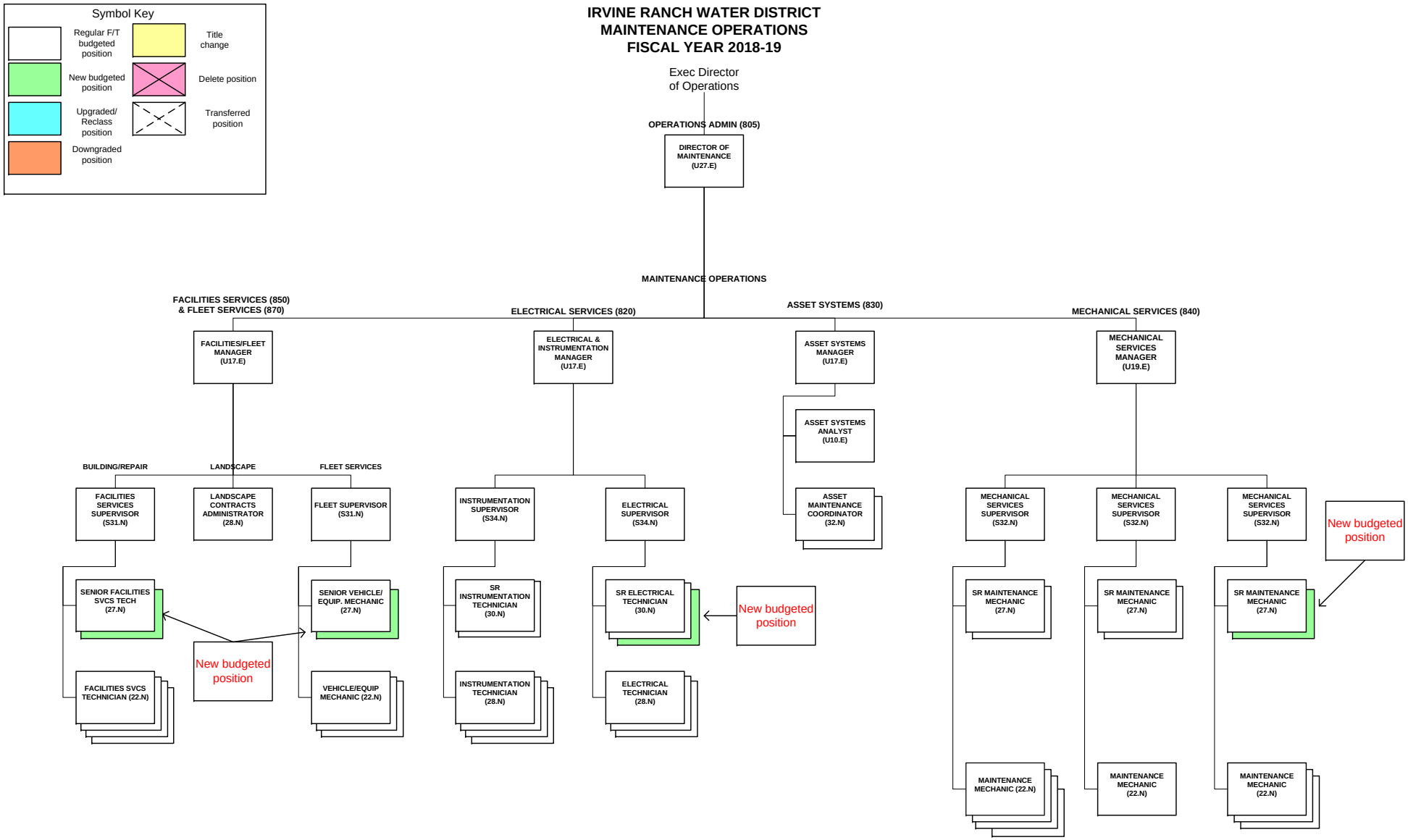
Program Description

The mission of Maintenance Operations is to manage the District's assets to ensure optimal life expectancy, reliability, efficiency and safety goals while providing the highest level of customer satisfaction. Maintenance Operations coordinates the maintenance and repair of the District's electrical, mechanical, instrumentation, fleet and facility assets by utilizing a comprehensive enterprise asset management system to ensure safe, reliable, and cost effective operation.

Major Goals

- Complete part two of the IBM Maximo software implementation activities for the Enterprise Asset Management (EAM) system including materials handling, Maximo Scheduler and Maximo Transportation;
- Complete the asset data collection for the MWRP Biosolids and Energy Recovery Facilities;
- Meet the Department's adopted Maintenance and General Plant budgets;
- Achieve zero lost time accidents;
- Maintain 100% compliance with all regulatory requirements;
- Identify and track operational Key Performance Indicators (KPIs) to optimize efficiency and cost effectiveness;
- Issue the request for proposal (RFP) for the operation and maintenance of the biogas cleaning facilities and microturbines. Secure the services of a contractor to perform these services;
- Support the District's battery energy storage systems project through the planning, construction and operational phases;
- Maintain and develop staff competency through a combination of internal and external training;
- Investigate and expand the use of new technology to enhance and increase equipment reliability and staff productivity;
- Complete the design and construction of a compressed natural gas (CNG) filling station at the Operations Center to accommodate the District's growing CNG fueled fleet;
- Provide Engineering support for projects including the Biosolids and Energy Recovery Facilities, and Newport Coast Lift Station improvements;
- Optimize predictive maintenance measures through pump efficiency testing, lube oil analysis, vibration analysis, ultrasound detection, and infrared thermography program;
- Maintain all District buildings and facilities to ensure longevity to include the installation of a new Operations Center roof;
- Perform all required maintenance on schedule to ensure safe and dependable cost effective fleet operation; and,
- Assure the reliable operation of the Rattlesnake Zone A Pump Station with the replacement of the existing natural gas engines with a combination of new engines and conversion to electric motors.

IRVINE RANCH WATER DISTRICT
MAINTENANCE OPERATIONS
FISCAL YEAR 2018-19



Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2018-19

Maintenance

Dept No	Expense Name	2016-17 Actual	2017-18 Actual thru 12/31/17	2017-18 Orig Budget	2018-19 Prop Budget	Incr/(Decr)
Electrical Services						
820	Regular Labor	1,686,081	607,113	1,202,510	1,312,112	109,602
820	Overtime Labor	168,058	67,043	161,900	141,100	(20,800)
820	Telecommunication	97		0	0	0
820	Operating Supplies	95,443	63,187	105,700	108,400	2,700
820	Rep & Maint IRWD	846,574	371,380	951,600	910,600	(41,000)
820	Personnel Training	172		0	0	0
820	Other Professional Fees	387	4	800	800	0
820	Safety	13,656	9,343	16,800	16,800	0
Total	Electrical Services	2,810,468	1,118,070	2,439,310	2,489,812	50,502
Total	Recycling Operations	29,243,098	15,065,683	32,428,536	31,423,860	(1,004,676)

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2018-19

Maintenance

Dept No	Expense Name	2016-17 Actual	2017-18 Actual thru 12/31/17	2017-18 Orig Budget	2018-19 Prop Budget	Incr/(Decr)
Asset Systems						
830	Regular Labor	0	87,570	321,824	387,240	65,416
830	Overtime Labor		2,439	6,000	5,000	(1,000)
830	Operating Supplies		43	9,000	2,000	(7,000)
830	Personnel Training		46	0	100	100
830	Other Professional Fees			75,000	100,000	25,000
830	Safety			1,000	1,000	0
Total	Asset Systems	0	90,098	412,824	495,340	82,516

Maintenance

Dept No	Expense Name	2016-17 Actual	2017-18 Actual thru 12/31/17	2017-18 Orig Budget	2018-19 Prop Budget	Incr/(Decr)
Mechanical Services						
840	Regular Labor	1,303,588	525,979	1,308,552	1,392,558	84,006
840	Overtime Labor	82,871	45,003	93,600	96,600	3,000
840	Contract Labor	140		40,000	40,000	0
840	Telecommunication	81		0	0	0
840	Operating Supplies	24,031	2,676	35,500	34,500	(1,000)
840	Rep & Maint IRWD	879,763	396,968	910,400	977,400	67,000
840	Personnel Training	222	392	1,690	0	(1,690)
840	Other Professional Fees	145	334	0	0	0
840	Safety			6,200	6,200	0
Total	Mechanical Services	2,290,841	971,352	2,395,942	2,547,258	151,316

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2018-19

Maintenance

Dept No	Expense Name	2016-17 Actual	2017-18 Actual thru 12/31/17	2017-18 Orig Budget	2018-19 Prop Budget	Incr/(Decr)
Facilities Services						
850	Regular Labor	687,743	340,392	640,284	730,898	90,614
850	Overtime Labor	31,287	18,019	26,000	42,000	16,000
850	Contract Labor	19,800	14,400	0	28,800	28,800
850	Electricity	290,135	218,934	397,924	390,833	(7,091)
850	Fuel	57,821	6,442	30,000	30,000	0
850	Telecommunication	238	20	400	400	0
850	Other Utilities	65,300	34,556	74,400	73,600	(800)
850	Operating Supplies	63,412	33,875	83,900	78,500	(5,400)
850	Rep & Maint OCSD & Other			0	7,000	7,000
850	Rep & Maint Other Agencies	5,005	6,771			
850	Rep & Maint IRWD	1,744,428	953,689	1,642,100	1,780,300	138,200
850	Engineering Fees		66,117	0	0	0
850	Personnel Training	16,086	47	340	120	(220)
850	Mileage Reimbursement	58		0	0	0
Total	Facilities Services	2,981,313	1,693,262	2,895,348	3,162,451	267,103

Maintenance

Dept No	Expense Name	2016-17 Actual	2017-18 Actual thru 12/31/17	2017-18 Orig Budget	2018-19 Prop Budget	Incr/(Decr)
Fleet Services						
870	Regular Labor	426,653	210,302	387,176	416,484	29,308
870	Overtime Labor	11,574	6,852	10,300	8,300	(2,000)
870	Fuel	479,159	218,722	450,000	450,000	0
870	Telecommunication	97		0	0	0
870	Other Utilities	54,155	28,977	61,600	61,600	0
870	Operating Supplies	5,404	1,356	7,800	6,950	(850)
870	Postage	15		0	0	0
870	Permits, Licenses and Fees	6,400		8,500	8,500	0
870	Equipment Rental	1,380		8,000	8,000	0
870	Rep & Maint IRWD	529,014	281,302	540,400	580,000	39,600
870	Personnel Training	8,360	316	1,692	1,692	0
870	Mileage Reimbursement	158,999	67,895	138,000	146,000	8,000
Total Fleet Services		1,681,210	815,722	1,613,468	1,687,526	74,058
Total Maintenance		6,953,364	3,570,434	7,317,582	7,892,575	574,993

RECYCLED WATER DEVELOPMENT

OPERATING BUDGET SUMMARY

Program Description

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

Recycled Water Development: IRWD is recognized as a national leader in recycled water based in large part on the many years of experience IRWD has with recycled water, the large number of meters served, and groundbreaking projects IRWD has completed. IRWD currently serves more than 5,900 recycled water meters including more than 90 commercial dual-plumbed buildings where recycled water is used for flushing toilets and urinals, 12 cooling towers, and more than 650 single-family lots where recycled water is used for irrigating both the front and back yards. IRWD is also recognized for its support of recycled water through organizations such as the WateReuse Association, a national recycled water advocacy group. IRWD, in concert with WateReuse California, is active in state-wide policy, legislation, regulation, and support for other agencies which face challenges as their programs are initiated or are being expanded. On a regional level, IRWD had a lead role in working with other water recycling agencies and the regulatory agencies in Orange County to establish standards for on-going inspection and testing of recycled water use sites.

Last fiscal year the Recycled Development Water Group worked on some innovative projects. The group worked with Hyatt House Hotel to serve a dual plumbed hotel where each of the 149 guest rooms have toilets that are supplied with recycled water. This is the first such project in California. Additionally, IRWD is currently working with the University of California, Irvine to serve their Central Plant cooling towers with recycled water. Demand for the cooling towers will be approximately 260 acre-feet per year making it the single largest industrial recycled water customer in IRWD's service area. IRWD also operated a Residential Recycled Water Fill Station where residents could get recycled water for landscape irrigation at no cost.

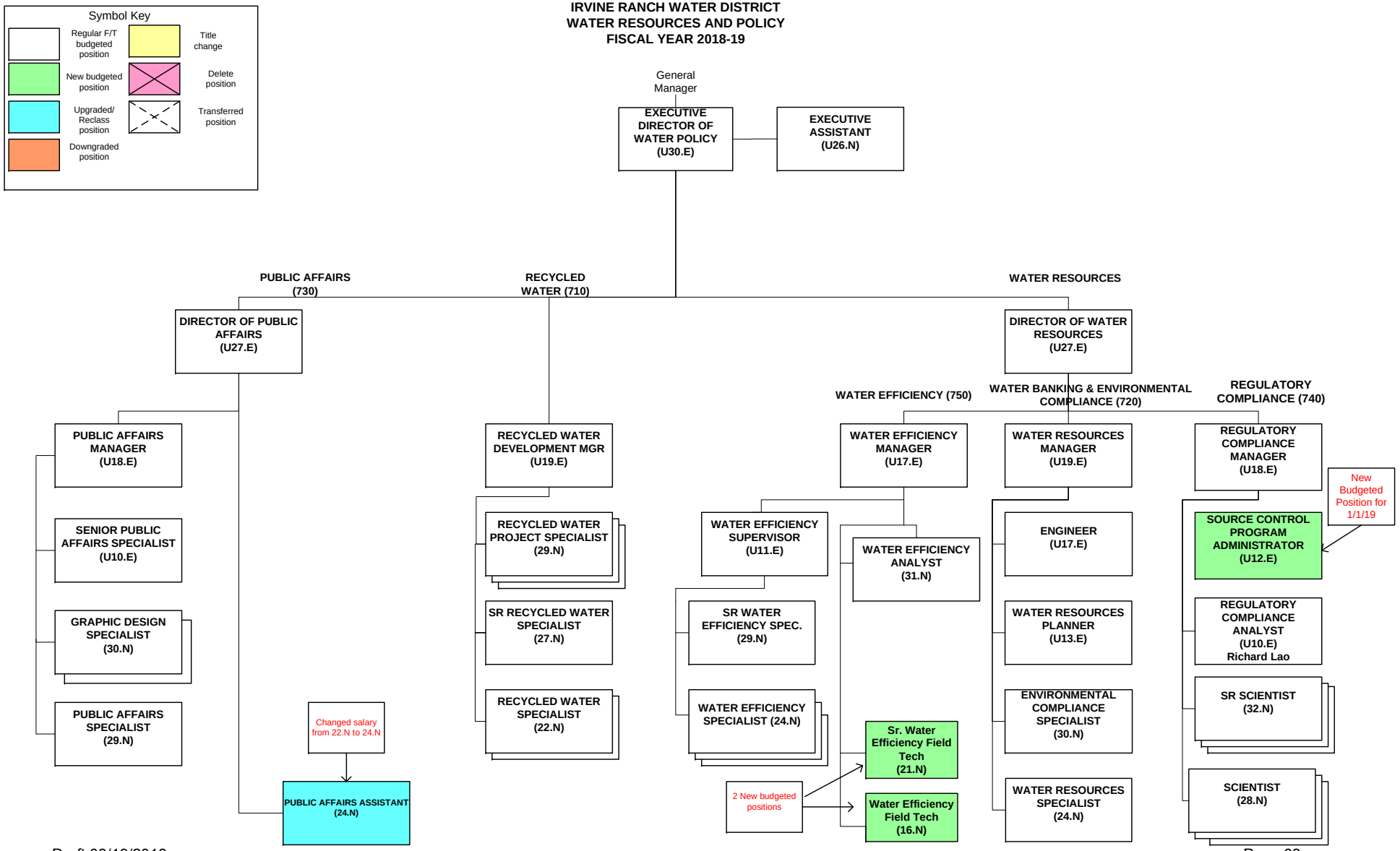
The Recycled water group continues to work to add new recycled water customers by connecting sites which are the result of new construction and by converting existing potable water customers to recycled water.

Major Goals

RECYCLED WATER DEVELOPMENT

- Convert a minimum of 100 acre-feet of imported water use to recycled water;
- Implement recycled water service to a large ice skating rink complex at the Great Park;
- Pursue a new *Local Resources Program* funding agreement with MWD which provides a "per-acre foot" financial incentive to increase the use of recycled water;

- Work to increase the reliability of recycled water service for customers that need greater reliability such as dual plumbed commercial buildings and cooling tower customers;
- Assist WateReuse California with its legislative agenda which includes allowing discharge of recycled water from impoundments during storm events;
- Remain active in the Orange County Chapter of WateReuse California;
- Open the Residential Recycled Water Fill Station for a portion of the year based on greatest customer demands;
- Fully develop the Recycled Water Use Site Inspection and Testing Program including at single-family lots; and,
- Seek opportunities to dual-plumb hotels, condominiums, and apartment properties.


Symbol Key
Regular F/T budgeted position
Title change
New budgeted position
Delete position
Upgraded/ Reclass position
Transferred position
Downgraded position
IRVINE RANCH WATER DISTRICT
WATER RESOURCES AND POLICY
FISCAL YEAR 2018-19
General Manager
EXECUTIVE DIRECTOR OF WATER POLICY (U30.E)
EXECUTIVE ASSISTANT (U26.N)
PUBLIC AFFAIRS (730)
RECYCLED WATER (710)
WATER RESOURCES
DIRECTOR OF PUBLIC AFFAIRS (U27.E)
DIRECTOR OF WATER RESOURCES (U27.E)
WATER EFFICIENCY (750)
WATER BANKING & ENVIRONMENTAL COMPLIANCE (720)
REGULATORY COMPLIANCE (740)
PUBLIC AFFAIRS MANAGER (U18.E)
SENIOR PUBLIC AFFAIRS SPECIALIST (U10.E)
GRAPHIC DESIGN SPECIALIST (30.N)
PUBLIC AFFAIRS SPECIALIST (29.N)
Changed salary from 22.N to 24.N
PUBLIC AFFAIRS ASSISTANT (24.N)
RECYCLED WATER DEVELOPMENT MGR (U19.E)
RECYCLED WATER PROJECT SPECIALIST (29.N)
SR RECYCLED WATER SPECIALIST (27.N)
RECYCLED WATER SPECIALIST (22.N)
WATER EFFICIENCY MANAGER (U17.E)
WATER EFFICIENCY SUPERVISOR (U11.E)
SR WATER EFFICIENCY SPEC. (29.N)
WATER EFFICIENCY SPECIALIST (24.N)
WATER EFFICIENCY ANALYST (31.N)
Sr. Water Efficiency Field Tech (21.N)
2 New budgeted positions
Water Efficiency Field Tech (16.N)
WATER RESOURCES MANAGER (U19.E)
ENGINEER (U17.E)
WATER RESOURCES PLANNER (U13.E)
ENVIRONMENTAL COMPLIANCE SPECIALIST (30.N)
WATER RESOURCES SPECIALIST (24.N)
REGULATORY COMPLIANCE MANAGER (U18.E)
New Budgeted Position for 1/1/19
SOURCE CONTROL PROGRAM ADMINISTRATOR (U12.E)
REGULATORY COMPLIANCE ANALYST (U10.E) Richard Lao
SR SCIENTIST (32.N)
SCIENTIST (28.N)

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2018-19

Water Resources and Policy

Dept No	Expense Name	2016-17 Actual	2017-18 Actual thru 12/31/17	2017-18 Orig Budget	2018-19 Prop Budget	Incr/(Decr)
Recycled Water						
710	Regular Labor	0		0	637,236	637,236
710	Regular Labor	948,159	476,726	611,704	0	(611,704)
710	Overtime Labor	2,784	29	4,000	3,500	(500)
710	Contract Labor	23,537	11,942	46,000	70,400	24,400
710	Operating Supplies	79,029	3,141	30,000	5,000	(25,000)
710	Printing	537	255	500	0	(500)
710	Postage	1,836	902	2,000	0	(2,000)
710	Permits, Licenses and Fees	25,264		75,000	50,000	(25,000)
710	Office Supplies	3,408	958	4,000	0	(4,000)
710	Rep & Maint IRWD	73		0	0	0
710	Engineering Fees			115,000	0	(115,000)
710	Personnel Training	13,641	3,390	14,000	14,300	300
710	Other Professional Fees	541,894	136,343	458,600	463,600	5,000
710	Conservation	(10,949)	1,446			
Total	Recycled Water	1,629,213	635,132	1,360,804	1,244,036	(116,768)

WATER RESOURCES AND ENVIRONMENTAL COMPLIANCE

OPERATING BUDGET SUMMARY

Program Description

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

Water Resources and Environmental Compliance: The Water Resources and Environmental Compliance Department is responsible for the development of water supply programs and banking projects primarily outside of the local Orange County area. These programs and projects are increasing the diversity and reliability of the District's water supplies by securing water supplies from sources outside of Orange County during wet periods and storing them for future use in groundwater banking projects in Kern County. The Department is also responsible for exploring and developing potential local water supply reliability opportunities. The District's efforts in the development of these programs and projects are needed in response to stressors on water supply reliability such as environmental pressures in the Delta, expanding statewide population, climate change, and expanding regulatory requirements.

This department is responsible for the planning and development of the District's water banking programs. In addition, this department is responsible for the negotiation and development of agreements with other agencies and entities throughout the State of California for water transfer and exchanges that facilitate the recharge, storage and recovery of water at the water banking projects. It is also responsible for the negotiation and the development of agreements that facilitate the delivery of water recovered from the water banking projects to IRWD's service area through facilities owned by the California Department of Water Resources, Kern County Water Agency and Metropolitan Water District of Southern California (MWD). This department is also responsible for the participation of IRWD-owned lands located in the Palo Verde Irrigation District (PVID) in the PVID/MWD existing fallowing program and any new water conservation related programs that PVID and MWD implement in the future.

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

WATER RESOURCES AND ENVIRONMENTAL COMPLIANCE

OPERATING BUDGET SUMMARY

Major Goals

WATER RESOURCES

- Bank supplemental water for IRWD, develop extraction and additional recharge and storage capacity as needed for IRWD and its water banking partners;
- Pursue Prop 1 Water Storage Investment Program grant funding from the California Water Commission for the Kern Fan Groundwater Storage Project to be developed jointly with Rosedale;
- Negotiate a MWD Policy for the delivery of MWD system water to IRWD's Kern County Banking Projects;
- Finalize agreements for a pilot program through which other Orange County water agencies can participate in IRWD's water banking program;
- Implement long-term unbalanced exchange agreements with Central Coast Water Authority, Carpinteria Valley Water District, and Antelope Valley-East Kern Water Agency and others for Stockdale West;
- Develop a business plan for IRWD's water banking projects and programs;
- Execute long term exchange agreements to facilitate exports of Kern River water to IRWD service area;
- Integrate IRWD's Strand Ranch and Stockdale West properties into the Kern Fan Groundwater Sustainability Agency under SGMA;
- Participate in water conservation programs implemented by MWD and Palo Verde Irrigation District, such as land fallowing, which can make water available for other uses;
- Investigate land fallowing and water transfer opportunities;
- Investigate opportunities to purchase State Water Project Table A entitlement;
- Construct Drought Relief Project recovery and conveyance facilities;
- Increase IRWD's amount of water stored in Southern California; Identify, evaluate and secure land for the additional third property under the Stockdale Integrated Banking Project for joint use with Rosedale; and,
- Prepare and submit grant funding applications for eligible IRWD capital projects including Reclamation's WaterSMART Title XVI funding for the Syphon Reservoir Improvement Project.

ENVIRONMENTAL COMPLIANCE

- Perfect IRWD's water right(s) in San Diego Creek to ensure continued protection of water quality in the Newport Bay;
- Initiate work and studies associated with the EIR for the Syphon Reservoir Improvement Project; and,
- Fulfill the District's environmental compliance requirements for capital projects, replacements and operations including the development and approval of Mitigated Negative Declarations, Environmental Impact Reports and Notices of Exemption.

ENERGY AND OTHER PLANNING

- Evaluate and coordinate the implementation of solar and energy storage facilities at Baker Water Treatment Plant and solar development at Michelson Water Recycling Plant.
- Evaluate the impact of varying water supplies on maintaining the District's salt balance;
- Update the Embedded Energy Plan;
- Seek grant opportunities for District energy projects;
- Participate in SCE's Direct Access Program; and,
- Maximize participation in the SCE Water-Energy Pilot Program.

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2018-19

Water Resources and Policy

Dept No	Expense Name	2016-17 Actual	2017-18 Actual thru 12/31/17	2017-18 Orig Budget	2018-19 Prop Budget	Incr/(Decr)
Water Resources & Environmental Compliance						
720	Regular Labor	0		0	1,030,956	1,030,956
720	Regular Labor	642,077	333,826	992,638	0	(992,638)
720	Overtime Labor	(175)	804	400	400	0
720	Contract Labor	66,327	12,938	0	0	0
720	Electricity	3,678		8,820	466,220	457,400
720	Permits, Licenses and Fees	229,509	662,241	732,000	418,000	(94,000)
720	Office Supplies	32		0	0	0
720	Rep & Maint IRWD	287,555	353,711	608,900	677,900	69,000
720	Personnel Training	1,842	233	0	0	0
720	Other Professional Fees	121,280	74,072	56,000	130,800	74,800
720	Mileage Reimbursement		40	0	0	0
Total	Water Resources & Environmental Compliance	1,352,125	1,437,865	2,398,758	2,724,276	545,518

PUBLIC AFFAIRS

OPERATING BUDGET SUMMARY

Program Description

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

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

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

Major Goals

WATER EFFICIENCY OUTREACH

- Educate customers on efficient water use practices using multiple outreach platforms including resident tours of IRWD facilities, open houses, print, electronic media, and the internet;
- Educate customers about reducing outdoor water use with the RightScape program;
- Provide students in the IRWD service area with learning opportunities regarding water supply, water reliability, tap water and water use efficiency programs. Promote water education programs to schools in the IRWD service area; and,
- Implement outreach programs to reach those customers who regularly exceed their monthly water budget.

COMMUNITY OUTREACH AND MEDIA PROGRAMS

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

BUSINESS OUTREACH PROGRAM

- Develop strong working relationships with the business community by hosting a series of meetings for area businesses and those who are interested in working with IRWD.

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2018-19

Water Resources and Policy

Dept No	Expense Name	2016-17 Actual	2017-18 Actual thru 12/31/17	2017-18 Orig Budget	2018-19 Prop Budget	Incr/(Decr)
Public Affairs						
730	Regular Labor	624,765	310,383	681,630	689,588	7,958
730	Overtime Labor	29,214	2,412	33,000	8,000	(25,000)
730	Operating Supplies	46	53	700	700	0
730	Printing	51,780	18,614	78,800	117,000	38,200
730	Postage	45	16	200	200	0
730	Office Supplies	1,949	851	6,000	6,000	0
730	Personnel Training	2,414	3,466	11,400	12,122	722
730	Other Professional Fees	643,788	1,223,712	1,402,300	1,999,400	597,100
730	Conservation	9,757	1,278	0	0	0
Total	Public Affairs	1,363,758	1,560,785	2,214,030	2,833,010	618,980

Program Description

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

Regulatory Compliance: The Regulatory Compliance group plans and manages District-wide programs to ensure the District complies with all environmental regulations governing water, sewage and groundwater discharges. This includes the collection of all required samples of water, sewage and recycled water from distribution systems, treatment facilities, storage reservoirs, wetland operations and customer facilities to ensure quality services and products are served to our customers. Regulatory Compliance also responds to customer service issues and concerns regarding water quality.

In addition to water-related programs, Regulatory Compliance staff manages other regulatory compliance programs such as Hazardous Waste, Underground Storage Tanks, Aboveground Petroleum Storage Tanks, Universal Waste, Biosolids Compliance and the Air Quality Program, including MWRP's Title V Permit. The regulatory mandated Fats, Oils and Grease (FOG) Program that requires the District to control FOG from entering its collections system is also managed by Regulatory Compliance. The FOG program consists of permitting, plan checks, inspections and enforcement of Food Service Establishments (FSE) in the District's service area. Regulatory Compliance participates with the Orange County Sanitation District and the South Orange County Wastewater Authority to co-manage the implementation of the District's Industrial Pretreatment Program. Regulatory Compliance is an active participant in representing the District at the Southern California Alliance of Publicly Owned Treatment Works (SCAP) and the California Association of Sanitation Agencies Regulatory Work Group (CASA RWG) Committee meetings for Air and Water Issues.

Major Goals

REGULATORY COMPLIANCE:

- Ensure the District operates in full compliance with all applicable federal, state and local environmental, water and air quality laws and regulations;
- Respond to Water Quality Customer Contacts and investigate the customer's concern;
- Determine required monitoring programs to address all regulatory requirements for potable, sewage and recycled water;
- Coordinate with other agencies with respect to Industrial Waste Pretreatment Programs and other projects;
- Implement recommendations for the development of an in-house IRWD Industrial Waste Pretreatment/Source Control Program;

- Implement recommendations to establish full in-house operation of the Fats, Oils and Grease (FOG) Program;
- Plan, organize and supervise the work of the Compliance Monitoring Group;
- Collect potable system distribution and storage samples to comply with the Department of Drinking Water (DDW) monitoring plan and to proactively identify any developing quality issues in the system;
- Collect MWRP and LAWRP samples to assure proper operation of the treatment facilities and compliance with each facilities' NPDES permit;
- Implement and manage the District's School Lead Sampling Program;
- Ensure compliance with the newly mandated Lead Service Lines Inventory requirement;
- Assist and provide resources to other departments with environmental, water and air permitting issues;
- Ensure compliance with all non-major and Title V air permit requirements for testing and reporting;
- Participate in industry stakeholder groups for air, water and biosolids regulatory issues;
- Prepare and submit new and renewal permit applications for routine activities, equipment and projects; and,
- Assist in the development of environmental quality projects and coordinate research activities.

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2018-19

Water Resources and Policy

Dept No	Expense Name	2016-17 Actual	2017-18 Actual thru 12/31/17	2017-18 Orig Budget	2018-19 Prop Budget	Incr/(Decr)
Regulatory Compliance						
740	Regular Labor	731,227	384,771	730,756	842,734	111,978
740	Overtime Labor	70,717	29,195	73,960	67,820	(6,140)
740	Contract Labor	48,854		14,500	16,000	1,500
740	Operating Supplies	57,209	26,219	59,400	61,850	2,450
740	Postage	2,298	806	800	1,600	800
740	Permits, Licenses and Fees	546,396	512,642	523,245	542,270	19,025
740	Office Supplies	611		800	800	0
740	Rep & Maint OCSD & Other			2,000	0	(2,000)
740	Rep & Maint Other Agencies	2,147				
740	Rep & Maint IRWD	219,573	89,449	258,000	252,800	(5,200)
740	Engineering Fees	155,740	29,353	262,200	359,320	97,120
740	Personnel Training	6,577	1,127	9,400	8,900	(500)
740	Other Professional Fees	1,200	524	2,400	2,400	0
740	Safety			2,000	2,000	0
Total	Regulatory Compliance	1,842,549	1,074,086	1,939,461	2,158,494	219,033

Program Description

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

Water Efficiency: Demand management programs directly offset the need for developing additional water supplies and are a critical element in meeting the District's water resources/reliability objectives. IRWD has provided industry leadership through the development of innovative and aggressive demand management programs focusing on water use efficiency and sewage resource recycling. An updated Water Use Efficiency Plan was adopted in December 2013. The focus temporarily shifted 2015 from implementing the District's long-term water efficiency programs to responding in 2017 to a state mandated conservation target in response to the statewide drought. As a result of significantly improved hydrologic conditions, the focus has transitioned back to implementing the District's long-term water efficiency programs. Water efficiency programs including the outdoor efficiency program, new data reporting technologies to engage customers, tactical incentives and participation in innovative pilots and research that maintain IRWD's leadership position are incorporated into the fiscal year 2018-19 budget. IRWD will continue to be engaged in the development and implementation of local, regional, state-wide and national water efficiency and demand management policies.

Major Goals

WATER EFFICIENCY

- Develop partnerships with private and public entities to leverage the effectiveness and reach of water efficiency programs;
- Research and implement, as appropriate, new technologies and innovative programs to assist customers with improving their water use efficiency with a special emphasis on outdoor conservation programs;
- Continue to partner with commercial, industrial and institutional customers to implement cost-effective water use efficiency programs;
- Continue to support and expand enhanced customer engagement and reporting as a tool to motivate additional water use efficiency;
- Continue to support and expand educational programs for the professional landscape industry; Implement the use of enhanced GIS data to improve customer allocation-setting, outreach and programs targeted toward outdoor water use;
- Actively participate in statewide policy discussions addressing the water-energy nexus;

- Actively engage in discussions with the State Water Resources Control Board, the Department of Water Resources and other stakeholders on implementation of state's Long Term Conservation Framework for efficient water use that balances local conditions and supplies, recycled water, prior conservation, growth and other equity adjustments;
- Establish the appropriate metrics and quantify water efficiency targets;
- Develop a Water Loss Control Plan to define District programs and annual Water Loss Audit Report guidance for data collection and management; and,
- Conduct a Water Conservation Potential Study to identify new opportunities for water savings.

Irvine Ranch Water District
Consolidated Operating Expense Budget for FY 2018-19

Water Resources and Policy Dept No	Expense Name	2016-17 Actual	2017-18 Actual thru 12/31/17	2017-18 Orig Budget	2018-19 Prop Budget	Incr/(Decr)
Water Efficiency						
750	Regular Labor	409,005	218,077	542,316	625,254	82,938
750	Overtime Labor	13,375	5,512	16,000	16,000	0
750	Contract Labor	225,859	52,198	70,000	124,000	54,000
750	Operating Supplies	943	49	2,500	2,500	0
750	Office Supplies	436		0	0	0
750	Rep & Maint IRWD	15,743	9,378	30,000	30,000	0
750	Engineering Fees	112,163		0	0	0
750	Personnel Training	18,037	12,340	17,500	17,500	0
750	Other Professional Fees	256,796	161,646	238,000	258,000	20,000
750	Mileage Reimbursement	142		0	0	0
750	Conservation	1,421,061	346,534	2,012,000	2,050,000	38,000
Total Water Efficiency		2,473,560	805,734	2,928,316	3,123,254	194,938
Total Water Resources and Policy		8,661,205	5,513,602	10,841,369	12,083,070	1,241,701
GRAND TOTAL		145,009,659	75,420,120	153,160,718	161,145,124	7,984,406

GENERAL PLANT

*SUMMARY**

	Fiscal Year 2018-19	Fiscal Year 2017-18	Increase (Decrease)	% Inc/(Dec)
Information Systems	$ 903,000	$ 681,800	$ 221,200	32.44%
Transportation Equipment	671,500	580,000	91,500	15.78%
Laboratory Equipment	363,050	453,060	(90,010)	-19.87%
Office Furniture and Equipment				
Equipment	756,700	587,100	169,600	28.89%
Structures/Improvements- Sand Canyon.MWRP		210,000	(210,000)	-100.00%
Sub-Total	$ 2,694,250	$2,511,960	$182,290	7.26%
Less: Vehicle Salvage Value	(49,200)	(22,000)	(27,200)	-
Total General Plant	**$ 2,645,050**	**$ 2,489,960**	**$ 155,090**	**6.23%**

Fiscal Year 2018-19

Funded by User Charges	$1,715,000	64.84%
Funded by Capital Funds	777,050	29.38%
Funded by Overallocation Rev	153,000	5.78%
Total Fiscal Year 2018-19	**$2,645,050**	100.00%

Fiscal Year 2017-18

Funded by User Charges	$ 1,627,910	65.38%
Funded by Capital Funds	655,300	26.32%
Funded by Overallocation Rev	206,750	8.30%
Total Fiscal Year 2017-18	**$2,489,960**	100.00%

* General Plant is included in the Capital Budget beginning FY 2016-17. The asset listing detail is included in the Capital Budget book. Staff will continue to include a summary that identifies the funding source in the Operating Budget.

GENERAL PLANT

ANALYSIS

Description	Administration	Finance & Administrative Services	Engineering & Planning	Operations	Water Policy	Total
Information Systems and Technology	$ -	$ 903,000	$ -	$ -	$ -	$ 903,000
Laboratory Equipment			311,050	52,000		363,050
Other General Plant						
Office Furniture						
Work Class Equipment				756,700		756,700
Transportation				671,500		671,500
Structures/Improvements - HQ/MWRP						
Subtotal	$ -	$ 903,000	$ 311,050	$ 1,480,200	$ -	$ 2,694,250
Less Vehicle Salvage Value	-	-	-	(49,200)	-	(49,200)
Total Fiscal Year 2018-19	**$ -**	**$ 903,000**	**$ 311,050**	**$ 1,431,000**	**$ -**	**$ 2,645,050**
Total Fiscal Year 2017-18	-	624,800	-	1,490,100	375,060	2,489,960
Increase/(Decrease)	$ -	$ 278,200	$ 311,050	$ (59,100)	$ (375,060)	$ 155,090

CONSOLIDATED

GENERAL PLANT BUDGET

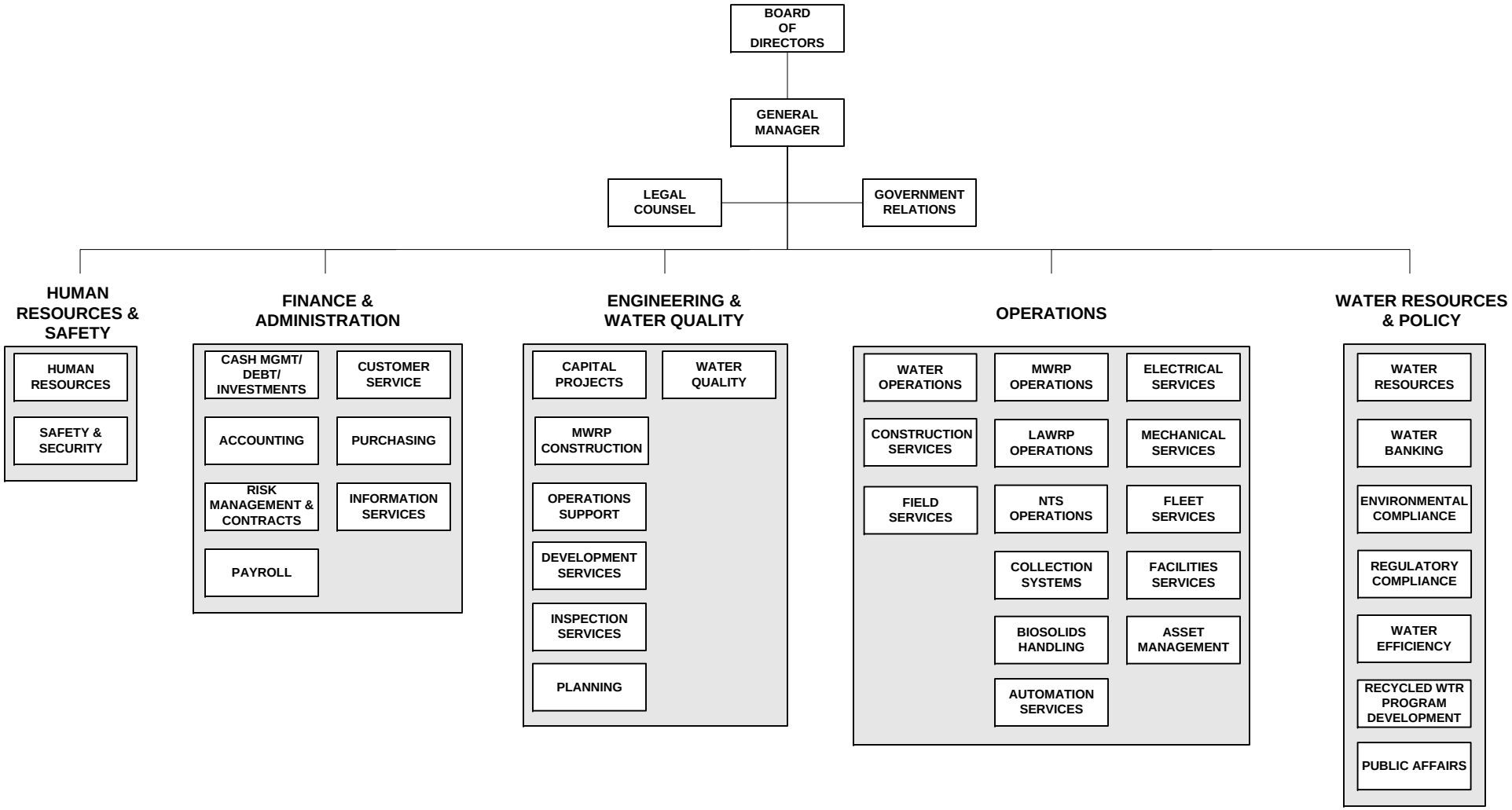
	TASK	Item Description	Quantity	Price	Proposed 2018-19
Department:		INFORMATION SERVICES			
250	8041.250.1	PC Replacement	115	$ 1,522	$ 175,000
250	8041.250.2	Laptop Computer Replacement	37	2,473	91,500
250	8031.250.1	Virtual Private Network (VPN) Replacement	1	15,500	15,500
250	8031.250.2	Network Disk Storage Replacement	1	353,000	353,000
250	8031.250.3	Audio Visual Equipment Replacement - Sand Canyon Board Room	1	21,000	21,000
250	8031.250.4	Network Server File Backup Software Replacement	1	141,000	141,000
250	8031.250.5	Network Server File Backup Local Storage Replacement	1	60,000	60,000
250	8041.250.3	Tablet Computers - Water Quality Department	1	6,500	6,500
250	8030.250.1	Upgrade InfoSewer Software - Engineering Department	1	10,500	10,500
250	8030.250.2	Laboratory Information Management System (LIMS) User Licenses - Water Quality Department	1	29,000	29,000
Sub-Total					$ 903,000
Department:		NTS OPERATIONS			
515	8036.515.1	Solar Mixers (2)	2	$ 26,000	$ 52,000
Sub-Total					$ 52,000
Department:		WATER QUALITY			
600	8031.600.1	Misc. Laboratory Equipment for Unplanned Projects and Regulatory Requirements	1	$ 45,000	$ 45,000
600	8036.600.1	Laboratory Instrumentation for Future Biosolids and Energy Recovery Project.	1	$ 25,000	$ 25,000
600	8036.600.2	Existing Laboratory Equipment Replacement	1	$ 155,000	$ 155,000
600	8031.600.2	Laboratory Equipment for Biosolids and Energy Recovery Project.	1	$ 15,000	$ 15,000
600	8031.600.3	Solid Phase Extraction Equipment for Wastewater and Solid Waste Semi-Volatile Organic Methods.	1	$ 47,050	$ 47,050
Sub-Total					$ 287,050
Department:		REGULARTORY COMPLIANCE			
740	8031.740.1	Sigma refrigerated automated sampler used for regulatory compliance sampling at LAWRP.	1	$8,000	$ 8,000
740	8031.740.2	Two (2) sigma refrigerated automated samplers used for regulatory compliance sampling at MWRP.	2	$8,000	$ 16,000
Sub-Total					$ 24,000
Department:		FLEET SERVICES			
870	8037.870.1	Vactor HydroExcavator	1	$ 535,000	$ 535,000
870	8055.870.1	Light Duty Pickup Truck 4X4	1	$ 27,500	$ 27,500
870	8055.870.2	Light Duty Pickup Truck 4X4	1	$ 27,500	$ 27,500
870	8055.870.3	Medium Duty Pickup Truck 4X2	1	$ 27,500	$ 27,500
870	8055.870.4	Medium Duty Pickup Truck 4X4	1	$ 27,500	$ 27,500
870	8055.870.5	Medium Duty Pickup Truck 4X4	1	$ 27,500	$ 27,500
870	8055.870.6	Medium Duty Pickup Truck 4X4	1	$ 27,500	$ 27,500
870	8037.870.2	CCTV Truck Retrofit	1	$ 188,000	$ 188,000
870	8055.870.7	Hybrid Sedan	1	$ 24,000	$ 24,000
870	8055.870.8	Hybrid Sedan	1	$ 24,000	$ 24,000
870	8055.870.9	Light Duty Pickup Truck 4X2	1	$ 26,000	$ 26,000
870	8055.870.10	Light Duty Pickup Truck 4X2	1	$ 26,000	$ 26,000

CONSOLIDATED

GENERAL PLANT BUDGET

	TASK	Item Description	Quantity	Price	Proposed 2018-19
870	8055.870.12	Medium Duty Pickup Truck 4X4	1	$ 29,500	$ 29,500
870	8055.870.13	Medium Duty Pickup Truck 4X2 with Utility Body	1	$ 44,500	$ 44,500
870	8055.870.14	Medium Duty Pickup Truck 4X2 with Utility Body	1	$ 44,500	$ 44,500
870	8055.870.15	Medium Duty Pickup Truck 4X2 with Utility Body	1	$ 44,500	$ 44,500
870	8055.870.16	Medium Duty Pickup Truck 4X2 with Utility Body	1	$ 44,500	$ 44,500
870	8055.870.17	Medium Duty Pickup Truck 4X2 with Utility Body	1	$ 44,500	$ 44,500
870	8055.870.18	Medium Duty Pickup Truck 4X2 with Utility Body	1	$ 44,500	$ 44,500
870	8055.870.19	Medium Duty Pickup Truck 4X2 with Utility Body, Compressor, and Crane	1	$ 110,000	$ 110,000
870	8036.870.1	Engine Driven Vibratory Compactors (2)	1	$ 11,200	$ 11,200
870	8036.870.2	Recyled Water Trailer	1	$ 22,500	$ 22,500
Sub-Total					$1,428,200
Total General Plant					$2,694,250

Irvine Ranch Water District
Organizational Chart
(By Function)
Fiscal Year 2018-19



POSITIONS BY COST CENTER

THREE YEAR PERSONNEL COMPARISON

Department	Authorized Positions 2016-17		2017-18		2018-19	
Administration						
Number of Positions	15.0		16.0		16.0	
% change from prior year	7.1	%	6.7	%	0.0	%
Finance and Administrative Services						
Number of Positions	80.0		81.0		84.5	
% change from prior year	6.7	%	1.3	%	4.3	%
Engineering						
Number of Positions	42.0		44.0		44.0	
% change from prior year	5.0	%	4.8	%	0.0	%
Water Quality						
Number of Positions	20.0		20.0		20.0	
% change from prior year	0.0	%	0.0	%	0.0	%
Water Policy						
Number of Positions	36.0		37.0		39.5	
% change from prior year	5.9	%	2.8	%	6.8	%
Water Operations						
Number of Positions	73.0		77.0		82.0	
% change from prior year	2.8	%	5.5	%	6.5	%
Recycling Operations						
Number of Positions	50.0		55.0		56.0	
% change from prior year	4.2	%	10.0	%	1.8	%
Maintenance						
Number of Positions	52.0		48.0		52.0	
% change from prior year	4.0	%	(7.7)	%	8.3	%
Total Number of Positions	368.0		378.0		394.0	
Number of Changed Positions	16.0		10.0		16.0	
% Change From Prior Year	4.5	%	2.7	%	4.2	%

SALARIES AND WAGES

SUMMARY OF SALARIES AND WAGES

(in thousands)

	Total	Administration	Finance & Administrative Services	Engineering	Water Quality	Water Policy	Water Operations	Recycling Operations	Maintenance
Current Authorized: Gross Pay	$32,855	$1,681	$6,722	$4,562	$1,725	$3,619	$6,174	$4,328	$4,044
Annual Increase	1,111	119	184	299	99	9	232	163	5
Sub-Total Regular Salaries & Wages	33,966	1,801	6,907	4,861	1,824	3,629	6,406	4,491	4,048
New Positions: Gross Pay	1,015	$0	$326	$0	$0	$197	$222	$79	$191
Total Regular Salaries & Wages	34,981	1,801	7,233	4,861	1,824	3,826	6,628	4,570	4,239
Insurance and Benefits	8,311	428	1,718	1,155	433	909	1,575	1,086	1,007
Employment Tax & PERS Contributions	10,323	531	2,134	1,434	538	1,129	1,956	1,349	1,251
Total Regular Salaries & Wages, health Insurance and employment taxes	$53,615	$2,760	$11,085	$7,450	$2,795	$5,864	$10,159	$7,005	$6,497
Employee Count:	394	16	85	44	20	40	82	56	52

BENEFITS AND EMPLOYMENT TAX

HEALTH INSURANCE AND EMPLOYER CONTRIBUTIONS

(in thousands)	FY 2017-18	FY 2018-19	Change
Insurance and Benefits			
Health Ins Actives	$5,220	$5,423	$203
Dental Premiums	421	442	21
Wrkrs Comp Premiums	660	692	32
Wrkrs Comp Paid Claims	612	813	201
Life Ins Actives	150	153	3
LT Disability Premiums	103	136	33
Medical Premiums - Retirees	115	151	36
Vision Benefit Premiums	85	82	(3)
RHCAP Payments - OPEB	325	344	19
Life Ins Retirees	14	11	(3)
Other	63	64	1
	$7,768	$8,311	$543
Employment Tax and PERS			
PERS Employer Portion	$6,340	$7,468	$1,128
PERS In Excess Of ARC	1,872	1,297	(575)
401A Employer Match Portion	734	850	116
401A Employer Direct Portion	126	160	34
Medicare Tax	476	498	22
St Unemployment Tax	50	50	0
	$9,598	$10,323	$725
Total Insurance, Benefits, and Taxes	$17,366	$18,634	$1,268

FY 2018/19 Budget
Summary of Proposed Budgeted Personnel Changes

Proposed Changes to Existing Budgeted Positions

Dept	Job Title	Current Sal Grade	Proposed Action	Proposed Job Title	Proposed Sal Grade	Salary Costs
210	Accounting Clerk	16.N	Reclass 1 Position	Senior Accounting Clerk	20.N	$5,808
220	Customer Service Field Technician	16.N	Reclass 1 Position	Senior Customer Service Field Technician	21.N	$7,584
240	Sr. Buyer	29.N	Reclass 1 Position	Purchasing Supervisor	U11.E	$9,576
250	Network and Support Manager	U20.E	Title Change 1 position	Network and Cybersecurity Manager	U20.E	$0
250	Network Administrator	U32.N	Title Change 1 position	User Support Administrator	U32.N	$0
250	Support Specialist*	13.N	Reclass 1 Position	Sr. Support Specialist	18.N	$6,636
300	Associate Engineer	U14.E	Reclass 1 Position	Engineer	U17.E	$10,704
300	GIS Technician II	25.N	Reclass 1 Position	GIS Technician III	29.N	$8,652
515	Automation Technician	28.N	Reclass 1 Position	Automation Specialist	32.N	$9,432
570	Collection Systems Supervisor	S30.N	Upgrade 2 Positions	Collection Systems Supervisor	S32.N	$9,720
600	Laboratory QA/QC	U12.E	Upgrade 1 Position	QA/QC Compliance Administrator	U14.E	$6,552
730	Public Affairs Assistant	22.N	Upgrade 1 Position	Public Affairs Assistant	24.N	$3,828
	*Support Specialist was underfilling Network Administrator				Subtotal	$78,492

Proposed New Positions

Dept	Job Title	Sal Grade	Salary Costs	Number of Positions	
210	Accountant	27.N	$37,062	0.5	To be filled 1/1/19
240	Material Control Clerk	11.N	$48,288	1	
250	Network Administrator	U32.N	$85,932	1	
250	User Support Manager	U18.E	$112,452	1	
425	Water Maintenance Technician I	16.N	$164,052	3	
430	Water Maintenance Technician I	16.N	$109,368	2	
515	Wetlands Specialist	24.N	$67,956	1	
750	Source Control Program Administrator	U12.E	$45,654	0.5	To be filled 1/1/19
750	Water Efficiency Field Technician	16.N	$54,684	1	
750	Sr. Water Efficiency Field Tech	21.N	$62,268	1	
820	Senior Electrical Technician	30.N	$80,904	1	
840	Senior Maintenance Mechanic	27.N	$74,124	1	
850	Senior Facilities Technician	27.N	$74,124	1	
870	Senior Vehicle/Equipment Technician	27.N	$74,124	1	
		Subtotal	$1,090,992	16	
		Total	$1,169,484		

PROPOSED LABOR CHANGES

Proposed Personnel Budget Changes Reflected in the FY 2018/19 Operating Budget

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

Finance (210):

Accounting Clerk (From Salary Grade 16.N to Salary Grade 20.N)
This reclass is to flex Account Clerk/Sr. Accounting Clerk and provide flexibility to properly reflect the specific duties and responsibilities of the position.

Customer Service (220):

Customer Service Field Technician (Salary Grade 16.N) ➡ Sr. Customer Service Field Technician (Salary Grade 21.N)
This position reclass is being requested to more properly reflect the specific duties and responsibilities of the position.

Purchasing (240):

Purchasing Supervisor (Salary Grade U11.E) – one position, no additional staff
This position is to reduce the span of control for the Purchasing Manager. Promotional opportunity.

Information Services (250)

Network & Support Manager (Salary Grade U20.E) ➡ Network & Cybersecurity Manager (Salary Grade U20.E)
This title change is being requested to more properly reflect the specific duties and responsibilities of the position.

Network Administrator (underfilled at Support Specialist Salary Grade 13.N) ➡ Sr. Support Specialist (Salary Grade 18.N)
This position reclass is being requested to more properly reflect the specific duties and responsibilities of the position.

Network Administrator (Salary Grade U32.N) ➡ User Support Administrator (Salary Grade U32.N)
This title change is being requested to properly reflect the new user support duties.

PROPOSED LABOR CHANGES

Engineering (300):
Associate Engineer (Salary Grade U14.E) ➡ Engineer (Salary Grade U17.E) (2 Positions)
This reclass is to flex Assist/Assoc/Engineer and provide flexibility to properly reflect the specific duties and responsibilities of the position.

GIS Technician II (Salary Grade 25.N) ➡ GIS Technician III (Salary Grade 29.N)
This position reclass is being requested to more properly reflect the specific duties and responsibilities of the position.

Automation (530)
Automation Technician (Salary Grade 28.N) ➡ Automation Specialist (Salary Grade 32.N)
This position reclass is being requested to more properly reflect the specific duties and responsibilities of the position.

Collection Systems (570):
Collection Systems Supervisor (Salary Grade S30.N to S32.N) – two positions
These position upgrades are being requested to more properly reflect the higher-level duties and responsibilities of this position.

Water Quality (600):
Laboratory QA/AC (Salary Grade U12.E) ➡ QA/QC Compliance Administrator (Salary Grade U14.E)
This position upgrade and title change is being requested to more properly reflect the specific duties and responsibilities of this position.

Public Affairs (730):
Public Affairs Assistant (Salary Grade 22.N to 24.N)
This position upgrade is being requested to more properly reflect the higher-level duties and responsibilities of this position.

New Positions:
Finance (210):
Accountant (Salary Grade 27.N) – one position, effective 1/1/19
This position is to serve as back up to payroll and payroll accounting functions.

PROPOSED LABOR CHANGES

Purchasing (240):
Material Control Clerk (Salary Grade 11.N) – one position
This position is required to support Maximo implementation Biosolids.

Information Services (250):
User Support Manager (Salary Grade U18.E) – one position
This position is to create a formal User/Help Desk department.

Network Administrator (Salary Grade U32.N) – one position
This position is to replace Network Administrator positions moving to new User Support department.

Field Services (425):
Water Maintenance Technician I (Salary Grade 16.N) – three positions
These positions are required due to the increased workload and reduce the number of temporary employees.

Construction Services (430):
Water Maintenance Technician I (Salary Grade 16.N) – two positions
These positions are required due to the increased workload in maintenance and repairs.

NTS Operations (515):
Wetland Specialist (Salary Grade 29.N) – one position
This position is required to assist with the increase workload due to growth in the last year and reduce the number of temporary employees.

Regulatory Compliance (740):
Source Control Program Administrator (Salary Grade U12.E) – one position, effective 1/1/19
This position is required due to the development of the FOG program.

Water Efficiency (750):
Water Efficiency Field Technician (Salary Grade 16.N) – one position
This position is required to develop the Water Loss Prevention and Recovery Program.

Sr. Water Efficiency Field Technician (Salary Grade 21.N) – one position
This position is required to develop the Water Loss Prevention and Recovery Program.

PROPOSED LABOR CHANGES

Electrical Services (820):
Sr. Electrical Technician (Salary Grade 30.N) – one position
This position is required due to the increase workload at Baker and Biosolids.

Mechanical Services (840):
Sr. Maintenance Machanic (Salary Grade 27.N) – one position
These position is required due to the increase workload at Baker and Biosolids.

Facilities Services (850):
Sr. Facilities Technician (Salary Grade 27.N) – one position
These position is required due to the increase workload and upcoming projects.

Fleet Services (870):
Sr. Vehicle/Equipment Technician (Salary Grade 27.N) – one position
These position is required due to the increase workload with expansion of fleet.