

**LOCAL AGENCY FORMATION COMMISSION  
COUNTY OF SAN BERNARDINO**

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**DATE:** NOVEMBER 12, 2002  
**FROM:** JAMES M. RODDY, Executive Officer  
**TO:** LOCAL AGENCY FORMATION COMMISSION

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**SUBJECT: Agenda Item No. 6:** LAFCO #2905—Service Review and Sphere of Influence Study for the Cucamonga County Water District

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**INITIATING AGENCY:**

San Bernardino Local Agency Formation Commission

**RECOMMENDATION:**

1. Determine that LAFCO #2905 is statutorily exempt from environmental review, and direct the Clerk to file a Notice of Exemption within five days;
2. Make findings related to a service review required by Government Code Section 56430, and determine that the existing sphere of influence for the Cucamonga County Water District should not be changed; and,
3. Adopt LAFCO Resolution #2756 setting forth the Commission's findings and determinations on this issue.

**BACKGROUND INFORMATION:**

This proposal was initiated by the Local Agency Formation Commission in response to new state mandates requiring service reviews and sphere of influence updates for all cities and special districts on a rotating five-year schedule. LAFCO #2905 is a routine, non-controversial service review and sphere of influence update for the Cucamonga County Water District.

The Cucamonga County Water District is an independent special district formed under the provisions of Division 12 of the California Water Code (Water Code Section 30000 *et seq.*) in March, 1955. It is governed by a five-member, locally-elected Board of Directors, and provides retail and

wholesale water service, and sewer collection services to approximately 152,000 customers within its 47 square mile service area. The District primarily serves areas within the City of Rancho Cucamonga, but it also overlays portions of the City of Fontana, and small portions of the Cities of Ontario and Upland.

Attached for Commission review is the response from the Cucamonga County Water District to the factors required by Government Code Section 56430 for the conduct of service reviews. Those responses are not duplicated in this report, but are instead contained within the District's response and the draft LAFCO Resolution (#2756, which is also attached for Commission review). The basis for this approach is that the Commission has indicated that unless there is some interagency disagreement over the service review factors, or unless the subject agency proposes a sphere of influence change, then the written LAFCO staff report for the service/sphere reviews need not duplicate the local agency's responses to the statutorily required factors. Instead, the reader is referred to the draft resolution prepared by LAFCO staff and the District's report on the required service review elements.

In this case, the Cucamonga County Water District does not envision a sphere of influence change within the next five years, and it has provided a thorough response to each of the service review factors of consideration. It is, in the staff opinion, one of the most comprehensive and high-quality efforts by a local agency's staff in response to the new state mandate for the conduct of these reviews. Staff wishes to commend the staff of the Cucamonga County Water District for its outstanding efforts in compiling this information for LAFCO consideration.

**CONCLUSION:**

Based on the response from the Cucamonga County Water District, staff recommends that the Commission uphold and affirm the existing sphere of influence for the District, on the basis that there is no apparent rationale for any sphere amendments. In addition, staff recommends that the Commission adopt Resolution #2756 which sets forth written responses to the statutory factors related to service reviews and sphere of influence studies.

Attachments:

1. Response from Cucamonga County Water District
2. Draft Resolution #2756
3. Response from Tom Dodson and Associates

**RESPONSE FROM  
CUCAMONGA COUNTY  
WATER DISTRICT**

**Attachment 1**



*"Service You Can Depend On"*

**Local Agency Formation Commission  
County of San Bernardino**

**Sphere of Influence/  
Service Review Survey Report**

September 2002

**Background and Objectives**

The Cortese-Knox Hetzberg Local Government Reorganization Act of 2000, (Assembly Bill 2838), became effective January 1, 2002 and ushered in a variety of changes for how Local Agency Formation Commissions (LAFCOs) operate throughout the state of California. The legislation also enacted reforms to local government reorganization law. Government Code Section 56430 now requires LAFCO to conduct sphere of influence and service review studies at least once every five years to determine local government services needs and adequacy.

LAFCO formally initiated sphere of influence and service review studies for all cities and special districts located in the west valley area of San Bernardino county. The Commission provided the Cucamonga County Water District (CCWD) with policies and procedures for conducting a service review. District staff has used that document to assist in the preparation of the service review.

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## Introduction

The Cucamonga County Water District (District) is an independent special district that operates under the authority of Division 12 of the California Water Code. The District was incorporated on March 25, 1955 and is governed by a five-member, elected Board of Directors. The agency provides water and sewer service to 152,000 customers within its 47 square mile service area, which is located in the western area of San Bernardino County. The District encompasses the entire community of Rancho Cucamonga, and portions of the cities of Fontana, Ontario, Upland, and some of the unincorporated areas of San Bernardino County. Attachment 1 identifies the District's service area.

## Sphere of Influence

The District recognizes opportunities to expand its service area that would increase the efficiency and level of service to customers in and outside the District's service area. The areas the District considers for potential annexation are located to the north and east of the District's existing service area. Currently, the District does not have an estimated timeframe when these proposed changes would be ready for submission to LAFCO.

## Service Review Issues

### A. Infrastructures Needs and Deficiencies

*Purpose: To evaluate the infrastructure needs and deficiencies in terms of capacity, condition of facilities, service quality and levels of service and its relationship to existing and planned service users.*

#### 1. Capital Improvement Plans/Studies & Master Service Plans/Studies

Cucamonga County Water District Board of Directors annually adopts a five-year Capital Improvement Plan for the District. The plan includes a budget for both water and sewer capital infrastructure improvements and new projects and is based upon the information obtained in the District's water and sewer master plan studies. A summary listing of the Capital Improvement Projects for years 2001-2007 are included in Attachment 2. Every five years the District completes a water and sewer master plan study and most recently updated its plan in 2000. The master planning effort provides the District's Board of Directors and staff with a comprehensive strategy to address the current water supply and distribution system needs and the requirements for future build-out through the year 2030.

In 2000, working in conjunction with Inland Empire Utilities Agency (IEUA), the District also completed a recycled water master plan which outlined the infrastructure needed to construct a recycled water system in the southeast portion of the District's service area. The study further identified customers and their estimated demands for recycled water. The water and sewer master plans, as well as the recycled water master plan are not static documents, and will change and develop over time. The recommendations made in the initial documents are continually evaluated based upon the changing needs of the community.

## **2. Supply and Demand Information**

Residential customers make up approximately 92% of the District's customer base, and consume approximately 60% of the water produced annually by the District. On the average, the District's customers use approximately 45 million gallons per day of water. During peak demand periods that figure increases to about 72 million gallons per day. In FY 2001-2002 the District produced a total of 50,662.730 acre-feet of water.

## **3. Age and Condition of Facilities**

### **a. Water**

#### Wells

The District currently has a total of 23 groundwater wells, 17 in the Cucamonga Basin and 6 in the Chino Basin. Seven of the wells in the Cucamonga Basin were built in the 1920's through 1930's. Two wells were built in the 1940's and 1950's, and the remaining eight wells were built in the 1980 through 1990's. In the Chino Basin four of the wells were built between 1950 and 1960, one in 1988 and one in 2000.

The District's total installed groundwater production capacity in Cucamonga Basin is 23,996 gallons per minute (gpm), while Chino Basin's is 8,125 gpm. The District annually budgets capital improvement funds to recondition and rehabilitate its groundwater wells. In FY 2001-2002, the District has budgeted \$100,000 to perform well improvements and upgrades.

### Treatment Plants

The District has three water treatment facilities two of which use a conventional treatment process to treat canyon and imported water. The third treatment plant treats local surface water and uses a micro-filtration treatment process. The Royer-Nesbit Water Treatment Plant (WTP) was constructed in 1980 and has the capacity to treat 11.5 mgd and averages about 5 mgd throughout the year. The Lloyd W. Michael Water Treatment Plant was placed in operation in 1989 and has a capacity of 42 mgd but averages 26 mgd throughout the year. The plant is currently being expanded and when completed in April 2003 will have the capacity to treat 60 mgd. The third treatment facility the Arthur H. Bridge Micro-Filtration Plant has the capacity to treat 4.0 mgd but averages 1 mgd depending on local snow and rainfall levels.

### Reservoirs

The District has a total of 27 reservoirs that provide a total of 72 million gallons of storage capacity. All of the District's reservoirs are steel tanks, except four, which are either pre-stressed, or reinforced concrete reservoirs.

### Pipelines

The District's distribution system has approximately 230 miles of primary distribution lines varying in size from 6-inch to 42-inch lines. All pipelines 12-inch in diameter and smaller are constructed of cement mortar lined and wrapped (cml & w) steel pipe. Depending on the age of the pipe, the outer wrap is both coal-tar and felt, or bitumen and kraft paper. The District has been installing cement mortar lined and cement mortar coated (cml & c) steel pipe for smaller sized pipelines the last couple of years. All of the pipelines 16-inches in diameter and larger are constructed of cml & c steel pipe.

**b. Wastewater**

The District's wastewater collection system currently includes approximately 230 miles of pipeline, which conveys wastewater in the system by both gravity and pressure. The original CCWD collection system was installed in 1962, and consisted of a trunk line from Baseline south to 4<sup>th</sup> Street and Grove Avenue east to Haven Avenue. As the population has grown, so too has the wastewater collection system to serve new development within the District's service area. The District's existing wastewater facilities include sewers, pump stations and siphons. There are three flow meters located at the three discharge locations. The existing flow calculated for the District's service area based on land use and population was 10.06 mgd. Based on information the District has identified in its wastewater master plan the current improvements and future facilities needed will be sufficient to service its customers through 2030. These facilities are included, as necessary, in the annual capital improvement plan budget.

A portion of the District's wastewater collection system service area is unsewered. The unsewered area is located in the northwest region of the service area. The unsewered area is zoned residential and includes approximately 10,000 households that are currently utilizing approved septic systems.

Sewerlines

The District wastewater collection system is composed of nine trunk lines, which are generally oriented in a north south direction. The trunk lines transport the wastewater flows from the upper portion of the District's service area to the lower portion and eventually to the IEUA for treatment. The District is one of several agencies in the region that discharges all of its wastewater to a regional wastewater treatment system for treatment and disposal. These facilities are operated by IEUA. Nine (9) trunk lines were installed between 1962 through 1970 and are primarily constructed from vitrified clay pipe (VCP). The District evaluates the entire system annually. Based on the last system evaluation, it is the District's assessment that the sewer pipelines are generally in good condition.

Pump Stations & Siphons

The District operates two small sewer packaged pump stations, which service residential neighborhoods. The District has thirteen (13) siphons, which were constructed after the original sewer network had been built as a retrofit to accommodate the construction of flood control channels between 1970 and 1981.

**4. Capacity Analysis & Reserve Capacity**

The District does not have a formal policy on reserve storage capacity. Based on available storage capacity the District has reserve storage capacity of up to 1-day during the summer and 1.5 days during the winter. The District does have

the ability to receive water through interconnections with neighboring water agencies in emergency situations. The District currently receives its water supply from three sources: local groundwater, local canyon and surface/sub-surface flows and imported water from northern California, which is purchased from the Metropolitan Water District of Southern California (MWD) through the IEUA.

#### Groundwater

Groundwater is pumped from two groundwater basins: the Cucamonga Basin and the Chino Basin. During FY2001-2002, total ground water production from both the Cucamonga and Chino Basins totaled 15,741 acre-feet, which was approximately 31% of the District's total supply for the year. The average annual groundwater production from both basins over a ten-year period was about 16,200 acre-feet/year.

The Cucamonga Basin is located in the northern portion of the District's service area. Groundwater pumping from the Cucamonga Basin is limited by a 1958 Superior Court stipulated judgment. The judgment allows management of the Basin to be shared jointly with the San Antonio Water Company in Upland. The District's stipulated groundwater right amounts to 15,471 acre-feet per year. The total stipulated groundwater yield for the Cucamonga Basin is 22,721.

The Chino Basin is situated immediately upstream of the Orange County Basin in the Santa Ana River watershed. The southeastern portions of the District's service area overly the Chino Basin, which is separated from the Cucamonga Basin by the Red Hill Fault. The groundwater rights in Chino Basin were adjudicated by the Chino Basin judgment of 1975. Based on the judgement, the District's maximum annual groundwater pumping right is limited to an appropriate right of 10,016.184 acre-feet/year. Approximately 6,395 acre-feet of the water comes from the shares of stock the District owns in the Fontana Union Water Company, a mutual water company.

#### Local Canyons

The District has acquired surface and subsurface water rights in four local canyon watersheds, which are situated in the San Gabriel Mountains north and adjacent to the District's service area. From west to east, the local canyon water sources are Cucamonga Canyon, Deer Canyon, Day Canyon and East Etiwanda Canyon. The annual local canyon production for FY 2001-2002 was 3,361.110 acre-feet.

Imported Water

Untreated imported water from the State Water Project is available to the District's service area through the MWD via the IEUA and is conveyed from the Foothill Feeder pipeline. There are no contractual limits to the amount of imported water that can be utilized by the District. The District currently has two MWD service connections, CB-7 and CB-16. During the FY 2001-2002 the District purchased a total of 31,559.750 acre-feet of imported water.

**5. Future Development**

Future infrastructure needed to address new development is included in the District's capital improvement program. The District's FY 2002-03 water capital improvement budget indicates that approximately \$53 million in new water system facilities will be needed over the next five years, and \$105 million for future build-out through 2030. For sewer improvements the capital improvement budget indicates \$6.0 million to be spent over the next five years, and \$50.5 million for future build-out through 2030. In addition to Development Capacity Charges, supplemental sources of funding for the capital improvement program include capital fund interest earnings, Water Fund capital support, and sale of surplus property.

The District funds water and sewer system capital improvements primarily through a one time charge to new residential, commercial and industrial development for the right to connect to the system (the "Development Capacity Charge"). The amount of the Development Capacity Charge is based on the size of meter that is installed for a new customer. The District receives Development Capacity Charge directly paid by developers or property owners prior to establishing water or sewer service with the District.

**B. Growth and Population**

*Purpose: To evaluate service needs based upon existing and anticipated growth patterns and population projections.*

**1. Population Information**

The District's existing population is estimated to be approximately 152,000. The District has approximately 42,000 water services and 32,000 sewer services. According to the Southern California Association of Governments, the District's service area is anticipated to grow to a population of approximately 210,000 by the year 2020, and it is estimated that the District will provide approximately 68,000 acre-feet of water per year to customers in the District's service area.

## **2. Significant Growth Areas**

The District is currently 72% built-out with the majority of the growth and development in the northeast portion of the District, which is primarily residential. In addition, there is a great deal of commercial development that is also occurring in the central east portion of the District, which includes a regional mall development. There are still many undeveloped parcels in the southern portion of the District that will be developed into light to heavy industrial uses.

## **C. Financing Opportunities and Constraints**

*Purpose: To evaluate factors that affect the financing of needed improvements.*

### **1. Financial Plans**

Part of the District's financial plan includes the establishment of reserve funds in accordance with the District's Reserve Policy. Reserve funds are used to save money each year to fund projects and operations in future years. The District has committed to the following funds and objectives in its Reserve Policy.

- 1) The District will strive to adopt balanced budgets in all operating funds.
- 2) An Operating Reserve fund is maintained at a minimum level of 10% of annual variable budget costs. These reserves are used to fund unexpected variable cost increases during any fiscal year.
- 3) A Capital and Equipment Replacement Reserve Fund is maintained at a minimum level of 50% of annual capital asset depreciation. This reserve is used to fund the replacement of capital assets and equipment.
- 4) A Rate Stabilization Reserve Fund is maintained at a minimum level equal to the cost of purchasing 8,000 acre-feet of imported water. This reserve is used to fund any annual budget increases necessary in the cost of water supply.

The purpose of these funds is to provide the District the ability to absorb fluctuations due to reductions in revenues or increases in expenses during the fiscal year. Additionally, reserve funds allow the District to fund the acquisition of capital facilities via financing or direct cash payment. These reserve funds account for revenues generated in excess of expenses for public disclosure. Each reserve fund provides additional financial stability to maintain the District's credit ratings with lenders and for the planning of extraordinary events. This process coupled with daily performance and job

cost accounting procedures, provides CCWD's management, its Board, the investment community, and the public with useful information upon which to base decisions.

The District is committed to presenting financial information to its customers as a method to report on its programs and operations. These reports are critical to satisfying the District's accountability to the public for the collection and use of public funds. The two most significant reports are the Comprehensive Annual Financial Report (CAFR) and the Executive Summary Budget Report. The CAFR is a report produced by the District and contains financial statements that are audited by an independent public accounting firm. The Executive Summary Budget provides the guidance and road map for operations of the District during the upcoming fiscal year. The report discloses the estimated revenues and provides limits of projected expenses for categories such as operations, personnel, capital and debt service. Whereas the CAFR discloses where the public funds were spent, the budget report discloses the intentions of the District prior to the start of the fiscal year. Both of these reports can be found on the District's website at [www.ccwwater.com](http://www.ccwwater.com). Additionally, the budget is adopted by law at a public meeting where the details of the budget are discussed and the public is free to attend and comment.

The District is currently developing a long-term funding strategy to pay for future capital projects identified in the most recent water and sewer master plans. The methodology being used is a combination of opportunities. Many projects can be paid for on a pay-as-you-go (PAYGO) basis. The funds for these projects will come from the excess general water/sewer fund net revenues or by the collection of capacity charges from developers. The capacity charges ensure that new development pays their fair share for the growth and development of the District's infrastructure needs. Additionally, debt financing will be used to fund some of the larger projects with extended useful lives. The District plans to take advantage of both fixed and variable rate financing, depending on the useful lives of the assets and the interest rate environment at that time.

## **2. Bond Rating**

The issue of maintaining good credit ratings with lenders in the bond community is critical for the District. Currently, CCWD has earned an "A" rating by Standard & Poor's. This rating gives the District the opportunity to borrow money to fund large capital projects which cannot be funded from annual budgeted revenues. Once money is borrowed, the District commits to maintaining net revenues at a level of 110% of the maximum annual debt service payments. This pledge is reviewed each year and the District has committed to adjusting rates or operations to, at least, meet the minimum revenue pledge to its bondholders.

## **3. Joint Financing Projects**

The District participated with the IEUA in the Chino Basin Regional Financing Authority for the issuing of bonds in May 1994. The Chino Basin Regional Financing Authority Revenue Bonds, Series 1994, in the total amount of \$87 million were issued and used to fund the wastewater facilities construction of Regional Plant #4 and improvements to Regional Plant #1, both of which receive sewer flows from the District. In addition, the District collects revenue for the wastewater treatment and quality costs on the District's customer service bill which are then passed through to IEUA to fund the cost of wastewater treatment and operations.

The District is also the signatory to a financing agreement with the Chino Basin Watermaster to fund flood control, conservation and water recharge basin improvements. The District along with other agencies that participate in the Chino Basin Watermaster are jointly financing this project. IEUA has assumed 50% of the financing, while the other agencies will assume the remaining 50%. A total of \$10.0 million has been issued in bonds to finance this project.

## **4. Revenue Sources**

The District has set forth a policy direction that ensures that all revenues from user charges generated from District customers must support all District operations including capital project funding. The District receives no state tax subsidies. Consequently, the District's ability to fulfill its mission of producing reliable, high quality water and sewer services is dependent on the ability to plan and fund these endeavors.

Rates

Water and sewer rates are reviewed on an annual basis. Any normal adjustment to rates due to changes in operations, personnel, capital or debt service budgets are typically recommended for modification in January of the fiscal year. Any adjustments to rates due to unforeseen circumstances such as significant increase in electricity rates or the cost of imported water or other extraordinary items, will be examined and addressed as needed throughout the fiscal year.

Both water and sewer rates are the user charges imposed on customers for services and is the primary component of the District's revenue. CCWD has three major rate categories. Water rates are comprised of two different charges. The first, and most significant, is the **commodity charge**. This charge is based on water consumed by customers during a billing period. The units of water billed are measured in hundred-cubic-feet (hcf). One hcf is equivalent to 748.1 gallons of water. The total quantity of water consumed is multiplied by the unit rate to calculate the total commodity charge.

The second component of the water rate is a **fixed meter charge**. This charge does not vary based on the quantity of water consumed by the customer. The revenues generated from the meter charge pay for the annual fixed debt service costs of the Water Fund. These revenues are collected in this manner so that the District's ability to pay its bondholders is not impacted by the quantities of water currently being sold. The meter charge varies based on the size of the customer's water meters.

Sewer rates are determined in a different fashion. Since there are not meters measuring the volume of wastewater entering the sewer system, a different unit of measure called the equivalent dwelling unit (EDU) is used. An EDU is theoretically equivalent to the amount of wastewater flow from a single-family household. The District charges each customer a fixed charge for each EDU billed. Customers with meters being served for irrigation water service only are not charged for sewer services. Large industrial customers may be charged based on the wastewater concentration being discharged from their facility.

## **D. Cost Avoidance Opportunities**

*Purpose: To identify practices or opportunities that may help eliminate unnecessary costs.*

### **1. Overlapping/Duplicative Services**

The District is the sole agency that provides retail water supplies and sewer services to customers within the District's boundaries. There are no overlapping or duplication of services that the District provides with any other public or private agency.

### **2. Joint Agency Practices**

CCWD participates in a number of joint agency groups that assist in addressing regional issues in a cost-effective and prudent manner. Below is a description of each of these groups.

Chino Basin Watermaster – In 1978 the District entered into a stipulated judgement with agricultural, urban and industrial producers within the Chino Groundwater Basin. The judgement brought a solution to the governance of the Chino Basin and created a Watermaster charged with administering the adjudicated water rights and managing groundwater resources within the watershed and groundwater basin. Three different interest groups or pools are representing the Basin: the Appropriative Pool (municipal), the Overlying (Non-Agricultural / Industrial) Pool (industrial) and the Overlying (Agricultural) Pool. The Judgment also established an "Advisory Committee", which has representatives from all three pools as members. District Board Member Robert Neufeld, and General Manager/CEO Robert DeLoach have been significant contributors to the Watermaster Advisory Committee and Board.

#### Regional Sewerage Policy Committee

CCWD is also represented on a Regional Sewerage Policy Committee. The purpose of the committee is to oversee the development and maintenance of the regional sewage collection and treatment system. The Committee is also responsible for the development of a regional recycled water program. A Board of Directors representative is appointed to the Regional Sewerage Policy Committee and works closely with other elected officials from neighboring agencies to advise the IEUA, the regional wastewater agency, on all matters related to the regional wastewater program.

San Bernardino County Flood Control Advisory Committee for Zones 1 & 2

The District staff participates on an advisory committee that addresses flood control management issues within the region.

Wholesale Water Sales to Other Agencies

The District has an agreement with the Fontana Water Company to provide water during peak demands during the summer months. The District also has an agreement with the City of Upland to provide water for emergency purposes and is working on agreements with other neighboring water agencies to wholesale imported water supplies. Finally, the District is also negotiating an agreement with the City of Pomona and the Pomona-Walnut-Rowland Joint Waterline Commission. District, located in Los Angeles County for the delivery of wholesale water.

Water Education Water Awareness Committee (WEWAC)

In 1986, faced with severe drought conditions throughout the State of California, a group of local water agencies pooled their resources in an effort to promote water conservation. Recognizing the benefits of regional programs, the agencies continue to work together with WEWAC. WEWAC covers an area between eastern Los Angeles County and west San Bernardino County. By pooling resources together and working cooperatively, WEWAC has been able to accomplish a number of programs that teach the public and youth about water conservation. One of WEWAC projects, the annual high school video contest has received acknowledgement for outstanding achievement in community outreach from the Inland Empire Resource Conservation Center.

CCWD/MWD Conjunctive Use Agreements

In 1996, the District entered into an agreement with the Metropolitan Water District of Southern California to share water in a storage account within the Chino Groundwater Basin. The District has developed infrastructure that would allow water to be pumped from the Basin back into their system for delivery throughout the Southern California area.

**3. Rely on Other Agencies**

Currently our agency does not rely on any other agency for administrative support. We do work cooperatively with other agencies, such as IEUA and the Chino Basin Watermaster on grant proposals and joint developments that provide a regionally benefit for all involved.

#### **4. Growth Management Strategies**

Conservation - CCWD has been implementing conservation management practices since the early 1990's. In 1995 the Cucamonga County Water District became a signatory to the California Department of Water Resources Urban Water Management Plan which CCWD is one of the original 100 signatories that agreed to develop and implement comprehensive conservation practices or "Best Management Practices" (BMP's).

The District works cooperatively with the IEUA and the Metropolitan Water District (MWD) on a number of programs to encourage water conservation. In addition, District staff participate in a number of community events and distribute materials that encourage water conservation.

CCWD has offered the following programs to encourage conservation:

- Residential and Multi-family ultra-low flush toilet distribution
- Commercial, Industrial and Institutional Appliance Rebate Program
- Residential Landscape Classes
- Professional Landscape Classes
- High-Efficiency Washer Rebates
- Residential Water Audits
- Water Awareness Day Celebration
- Water Wise Program
- Water Issues 101 (evening classes)

#### **5. Level of Service**

The District recently hired the Dolphin Group, a public relations firm, to undertake a study of the District's public affairs program. Included in the contract are a customer perception survey and a survey of local stakeholders. Staff anticipates that the study will provide feedback on how customers view the District and their level of satisfaction with the service. In addition the District last year developed a "Customer Satisfaction" survey for customers that come into the District offices for services. Generally, comments received back on survey cards indicate that customers are pleased with the service they receive when coming into the District.

**6. Per-Unit Service Costs**

Both residential and commercial customers are charged \$1.03 for each unit (hcf) of water used. The City of Rancho Cucamonga is charged a governmental park rate of \$0.94 per unit for water used on public park areas. The District's Finance Department annually compares CCWD water rates with the rates from surrounding water agencies. The most recent survey conducted is included in Attachment 3.

## E. Rating Restructuring

*Purpose: Identify opportunities to positively impact rates without decreasing service levels.*

### 1. Rates

The District rate structure is currently a flat rate system. Currently there are no plans to make any modifications to the rate structure. Water and sewer rates are reviewed on an annual basis. Any normal adjustment to rates due to changes in operations, personnel, capital or debt service budgets are recommended to the Board of Directors for modification in February of every fiscal year. Any adjustments to rates due to unforeseen circumstances such as significant increase in electricity rates or the cost of imported water or other extraordinary items, will be examined and addressed as needed throughout the fiscal year. As stated above, the District annually conducts a rate survey to ensure its rates are competitive with other agencies, and meet operational and debt service revenue requirements to provide a sufficient level of service to our customers.

## F. Opportunities for Shared Facilities

*Purpose: To evaluate the opportunities for a jurisdiction to share facilities and resources to develop more efficient service delivery systems.*

### 1. Shared Facilities

CCWD looks for opportunities to develop joint projects with other agencies that are cost-effective and provide increased efficiency to ratepayers, very few opportunities currently exist. The District has explored many opportunities and has initiated the following projects:

Interconnections with Other Water Agencies – The District has two inter-connections with the Fontana Water Company, one with the City of Ontario, and one with the City of Upland. The initial purpose of the inter-connection was to provide water for emergency purposes. However, the inter-connections with the Fontana Water Company (FWC) are currently being used regularly to supply their customers with water during peak demand periods during the summer. During the past year the District has provided FWC with approximately 400 acre feet of water. The

interconnection with the City of Upland for emergency purposes and can improve fire flow to a section of their service area.

#### Recycled Water

The District has been working with IEUA on the development of both a local and regional recycled water system. The two agencies worked cooperatively to negotiate an agreement to supply Reliant Energy with recycled water. The District is currently pursuing the acquisition of an additional supply of recycled water from a neighboring agency for the purposes of recharge and reuse.

#### Lytle Creek

The District is negotiating with the FWC to maximize utilization of water supplies in Lytle Creek area to provide water supply to our existing service area and for wholesale deliveries to other agencies, such as the City of Fontana.

## **G. Government Structure Options**

*Purpose: To consider the advantages and disadvantages of various government structures to provide public services.*

### **1. Agency Recommendation**

CCWD has operated under an independent special district governmental structure for nearly 50 years. This form of government structure has proven to be an efficient and cost effective method of delivering water and sewer services to the District's customers in the communities of Fontana, Ontario, Rancho Cucamonga, Upland and the unincorporated area of San Bernardino County. At this time the District sees no benefit to the reorganization or change in the governmental structure of the District.

The public has an increasingly higher expectation for water service delivery compared to other utility services due to the health and safety issues. In an era of increasing environmental regulation, an agency with a narrow mission and focus such as the District's is able to offer its customers excellent service and a safe and reliable product. Although the District is a governmental agency, the agency uses a business model approach in the day to day operations of the agency. Many of the District's municipal neighbors continually face double-digit rate increases because of their inability to adequately monitor the infrastructure needs and the financing of those needs. CCWD implements modest rate increases when necessary so that ratepayers are not faced with excessive rate hikes. CCWD is able to do this and still maintain competitive rates compared to other water purveyors in the area. As previously noted all revenue generated

though the sale of water to our customers goes directly to offset the direct cost of providing that service no rate payer revenue is used to support other, non-water or sewer related programs.

## H. Evaluation of Management Efficiencies

*Purpose: To evaluate whether organizational changes to governmental structure can be made to improve the quality of public services in comparison to cost.*

### 1. Training Opportunities

The District provides its employees with a safe work environment and the training necessary to educate them about proper working procedures. All District employees receive numerous hours of training that increases their awareness of safety in the workplace. In fact, the District's safety-training program has been so successful that two years year's ago the District received a \$51,000 reduction in its annual liability insurance premium. These savings are attributed to the District's comprehensive training program and to a concerted effort by employees to reduce "loss related" costs and work safely. Currently, the Risk Management Officer administers the District's safety program. In this current fiscal year the Board of Directors has approved the addition of a Safety Officer who will assist in the administration of the safety program.

The District not only conducts training for field employees but also places a high value on the training of managers and administrative employees to ensure they are at the top of their profession with technology, techniques, and methods available to perform their job. All supervisory employees are required to complete 8 hours of training to fully understand their responsibilities as a supervisor. Supervisory employees also have attended the "Enlightened Leadership" training seminars. This training has provided managers with the tools to lead and not just supervise employees.

### 2. Staffing Levels

Approximately two years ago the District hired a consultant to conduct an organizational assessment study of the District's operations. The emphasis of the study was to compare CCWD with the other "**best of class**" utilities. The study provided the District with recommendations on organizational structure changes that have provided us with greater efficiencies in productivity and staffing.

### **3. Technology**

CCWD recently made significant changes to its customer service division, which have improved customer convenience and District efficiency. CCWD has implemented an Interactive Voice Response (IVR) system which allows customers access to their account information 24 hours a day, 7 days a week via the telephone. The automated system will allow customers to obtain account information, service location, payment history, billing history, office hours and location 24 hours a day. Customers must have their customer service account number available to access their information.

Customers now have the option of paying their customer service bills with a major credit card over the phone or at the District offices. The District accepts MasterCard or Visa as payment for their billing services. Two years ago the District developed its website which can be found on the internet at [ccwdwater.com](http://ccwdwater.com). The website provides a variety of information to customers about the District including the most recent copy of the District's annual consumer confidence report and press release information. Customers also have the ability to pay their bill and view their account information using the internet.

### **4. Budget**

The District Board of Directors annually adopts an operating and capital budget prior to the new fiscal year which begins in July. The development of the budget is the responsibility of the Finance Department. The process of developing a new fiscal year budget begins in March of each year. All department managers participate in the development of their program budget. The review of each budget occurs at the department head level, at the Finance Department, and with the General Manager/CEO. Once the budget has met the approval of the General Manager/CEO, it is then forwarded to the Board of Directors Finance Committee. The Finance Committee is made up of two Boardmembers, the role of the Committee is to review the budget and make recommendations to the full Board of Directors. Four years ago, at the request of the Finance Committee, an Executive Budget Summary was developed which provides a comprehensive outlook of the District's finances and the policy direction of the District's budget. It is also a more "user-friendly" format for the general public. Attachment 4 is a copy of the 2002-2003 Executive Summary.

### **5. Joint Powers Agreements**

The District has joined JPA's when it has found that there would be an efficiency or cost-effective benefit from the District's participation. The District currently participates in the Association of California Water Agencies (ACWA/JPIA). The JPIA is a public entity that was formed in 1979 by the water agencies of the state of California. The JPIA is a special

district in the state of California. Its formation and operation are subject to the provisions of the California Government Code, including the Brown Act. It provides risk-sharing pools to meet the needs of its members for property, liability, and workers' compensation coverage. The JPIA is a partnership of water agencies working together to share the risks associated with purveying water. The risk-sharing pools of the JPIA are a cost-effective form of risk management available only to public entities, allowing them to bypass the high cost of commercial insurance. District Boardmember Jerome Wilson sits as the representative to the JPIA Board of Directors.

## **I. Local Accountability and Governance**

*Purpose: To evaluate the accessibility and levels of public participation associated within the agency's decision-making and management processes.*

### **1. Governing Body**

The Cucamonga County Water District is governed by a five-member, elected Board of Directors. The Board of Directors develops the policies of the District and hires a General Manager/CEO to oversee the day-to-day operations of the District. All Board members are elected by an "at large" vote of the people every four years. The most recent elections were held in November of 2001 and 1997. The officers of the Board of Directors include the President and the Vice-President which are appointed by the Board every two years. The Secretary to the Board of Directors, as defined within the State Water Code, is the General Manager/CEO of the District.

Board meetings are held at the District's main office, located at 10440 Ashford Street in Rancho Cucamonga. Meetings are held on the 2<sup>nd</sup> and 4<sup>th</sup> Tuesday of each month at 7:00 p.m. and are open to the public. Regularly scheduled Board meetings must comply with the provisions of the Ralph M. Brown Act (Open Meeting Laws) including posting an agenda 72 hours in advance of the meeting

Boardmembers are appointed to standing committees of the Board every two years. These committees are given the authority to obtain more information, investigate, and provide a report or recommendation to the full Board of Directors. The committee format allows the Board to conduct its Board meetings more efficiently. Standing committees may be

formed, renamed, or have functions added or removed with approval of the Board. Standing committees consist of two Board members, with one appointed as the chair. Standing committees must also comply with the provisions of the Ralph M. Brown Act which include posting an agenda 72 hours in advance of the meeting. Other Board members may attend the meetings of the standing committees; however, the Brown Act prohibits any participation in the meeting because this constitutes a quorum of the Board.

## **2. Customer Feedback**

As indicated early in this report, the District recently hired the Dolphin Group, a public relations firm, to assess the District's public affairs program. The findings of the survey will be made available to our Board of Directors and the public. In addition, the District last year developed a "Customer Satisfaction" survey for customers that come into the District offices for services.

## **3. Access**

The District's offices are located at 10440 Ashford Street which is centrally located within service area. The office is open Monday through Friday between the hours of 7:30 a.m. to 5:30 p.m. Customers may also communicate with staff using the District's website. As mentioned in the technology section, customers also have the ability to access their account information on-line or through an Automated Voice Recognition system 24 hours per day. For customer convenience, a 24-hour, drive through drop box is located in the District's parking lot for making after-hour payments for non-delinquent bills.

The District has an extensive public information program. Quarterly newsletters are directly mailed to all CCWD customers. The District also continually advertises programs and information to customers through billing inserts and public service announcement. The District has a wide variety of public information brochures that are available at the customer service counter and are distributed at community fairs that District representatives attend throughout the year.

The District distributes press releases to local newspapers, the Chamber of Commerce, City and local cable stations to inform the public about the activities of the District. The District also purchases air-time on approximately six cable network stations and has public service announcements that promote water conservation and the service the District provides. CCWD also has a kiosk located in the front lobby area of its administrative offices that provides an interactive way for the public to learn about district history, water quality, water supply, customer service, water treatment and many other subjects of interest.

**4. Regular Progress Reports**

A series of progress reports are presented to the Board of Directors at its regularly scheduled Board meetings and are available to the public. These reports are presented as follows:

Administration

General Manager's Report – bi-weekly  
Legislative Tracking – monthly

Finance & Administration

Cash & Investment Report – monthly  
Check Warrants – monthly  
Mid-Year Budget Review – six months  
Review of Investment Policy - annually

Engineering & Operations

Mid-Year Project Status Review – every six months

# *Water Capital Projects*

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**CUCAMONGA COUNTY WATER DISTRICT  
WATER CAPITAL PROJECTS  
For the Fiscal Year Ending June 30, 2003**

Project Number	Description	Approved Prior Year Capital	Budget Request 2003	Proposed 2004	Proposed 2005	Proposed 2006	Proposed 2007 & Beyond	Project Total
<b>WATER CAPITAL</b>								
<b>9030</b>	<b>Source of Supply</b>							
CP-5705	Hydrogeological Consulting Services	-	30,000	-	-	-	-	30,000
CP-5706	Watershed Biological Assessment	-	15,000	-	-	-	-	15,000
CP-5707	Flood Control Basins Imp. Phase I	-	150,000	-	-	-	-	150,000
CP-5708	Water Supply Feasibility Studies (Grants)	-	15,000	-	-	-	-	15,000
CP-4936	Canyon Diversion Pipeline	310,000	31,000	-	-	-	-	341,000
CP-4937	East Canyon Pipeline	605,000	65,000	-	-	-	-	670,000
CP-5105	Day Canyon Pipeline	585,000	63,000	-	-	-	-	648,000
<b>Subtotal</b>		<b>1,500,000</b>	<b>369,000</b>					<b>1,869,000</b>
<b>9045</b>	<b>Field Equipment</b>							
CP-5745	Air Quality Monitoring Equipment	-	6,500	-	-	-	-	6,500
CP-5334	AMR Retrofit	163,000	400,000	400,000	-	-	-	963,000
CP-5746	Plasma Cutter	-	2,300	-	-	-	-	2,300
<b>Subtotal</b>		<b>163,000</b>	<b>408,800</b>	<b>400,000</b>				<b>971,800</b>
<b>9055</b>	<b>Office Equipment</b>							
CP-5747	Office Improvements	6,000	-	-	-	-	-	6,000
CP-5748	Modular Furniture for Admin. Building	-	15,000	-	-	-	-	15,000
-	AS/400 Upgrade	-	-	39,400	-	-	-	39,400
CP-5749	Audiolog Additions - Phone Recording	-	9,900	-	-	-	-	9,900
CP-5750	Automated Laser Check Printing	-	11,200	-	-	-	-	11,200
CP-5751	Board Room Multimedia and Sound	-	37,500	-	-	-	-	37,500
CP-5752	Computer Output to Laser Disk	-	24,800	-	-	-	-	24,800
CP-5753	Desktop Fax	-	9,400	-	-	-	-	9,400
CP-5754	District Color Copier	-	17,300	-	-	-	-	17,300
CP-5755	District Warehouse Copier	-	9,200	-	-	-	-	9,200
-	Field Inspection Software	-	-	33,800	-	-	-	33,800
CP-5756	Imaging System Additional Scanners	-	7,500	7,500	-	-	-	15,000
CP-5757	IVR Telephone Inquiry Additions	-	12,000	-	-	-	-	12,000
CP-5758	Mapping Interface	-	11,300	-	-	-	-	11,300
CP-5759	Microsoft Office XP Upgrade	-	20,200	-	-	-	-	20,200
CP-5760	Network-Attached Storage Array	-	26,300	-	-	-	-	26,300
CP-5761	GIS Upgrades and Maintenance	-	20,000	-	-	-	-	20,000

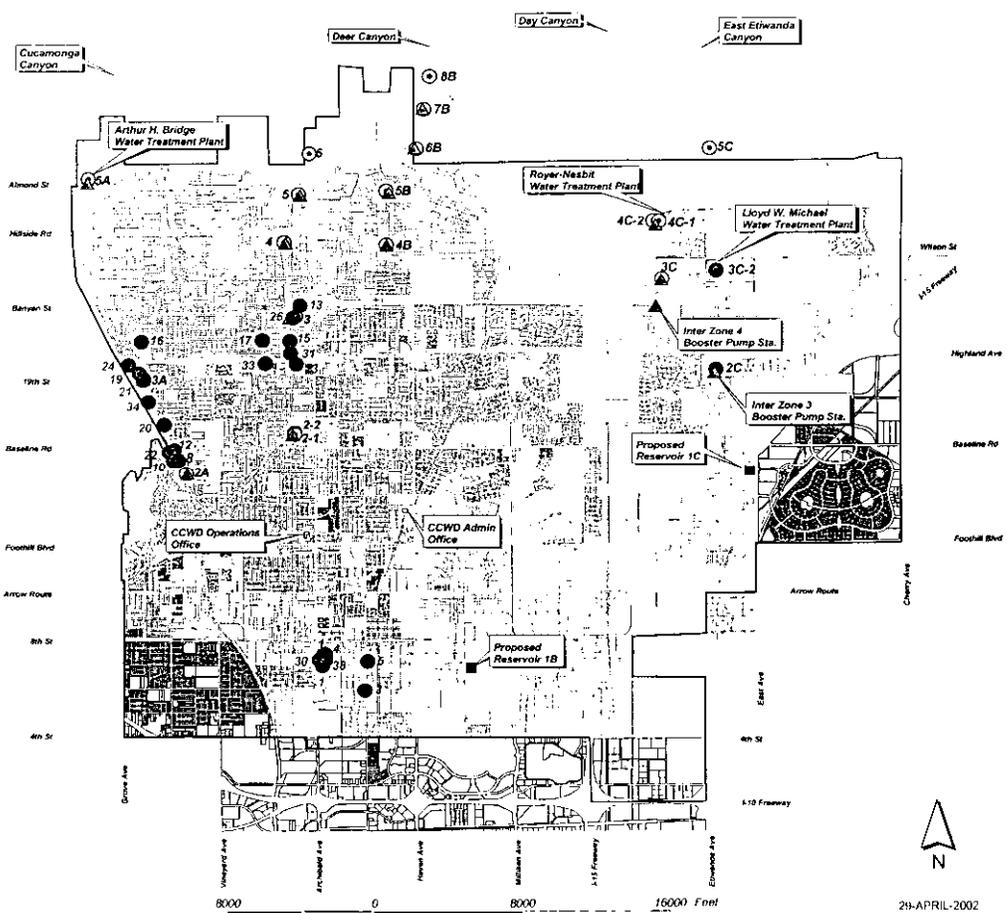
**WATER RATES AND SERVICE CHARGE SURVEY  
2002**

<b>AGENCY</b>	<b>WATER RATE</b>	<b>SERVICE CHARGE</b>	
		<b>5/8"</b>	<b>3/4"</b>
CHINO	.8456 per HCF	\$14.05 per month	\$14.05 per month
CLAREMONT	1.44 per HCF	\$13.75 per month	\$20.60 per month
<b>CUCAMONGA COUNTY</b>	<b>1.03 per HCF</b>	<b>\$9.88 per month</b>	<b>\$9.88 per month</b>
FONTANA	1.163 per HCF	\$10.36 per month	\$15.53 per month
LA VERNE	Tiered rates 1.70 HCF, low zone 2.08 HCF, high zone	\$6.30 per month	\$6.30 per month
MONTE VISTA WATER	1.090 per HCF	N/A	\$5.30 per month
ONTARIO	.99 per 1st 15 HCF, 1.09 after	\$8.85 per month	N/A
SAN DIMAS	1.530 per HCF	\$11.10 per month	\$16.80 per month
UPLAND	.75 per 1st 19 HCF, 1.05 after 80 HCF	\$8.00 per month	N/A
WALNUT VALLEY	1.54 per HCF	\$8.57 per month	\$8.57 per month
POMONA	.60 per 1st 12 HCF, 1.04 after	\$13.91 per month	\$20.05 per month
JURUPA COMM SERVICE DIST	Tiered rates .52 HCF, low zone 1.20 HCF, high zone	\$10.75 per month	\$15.80 per month
WEST SAN BERN COUNTY WATER	.70 HCF	\$6.98 per month	\$6.98 per month

# Attachment 1



## CCWD Facilities



**Legend**

- Well Sites
- ▲ Pump Stations
- Reservoirs
  - Concrete
  - Steel
- Water Treatment Plants
- CCWD Boundary
- CCWD Offices
- Streams
  - San Bernardino County
  - City of Rancho Cucamonga
  - City of Ontario
  - City of Fontana

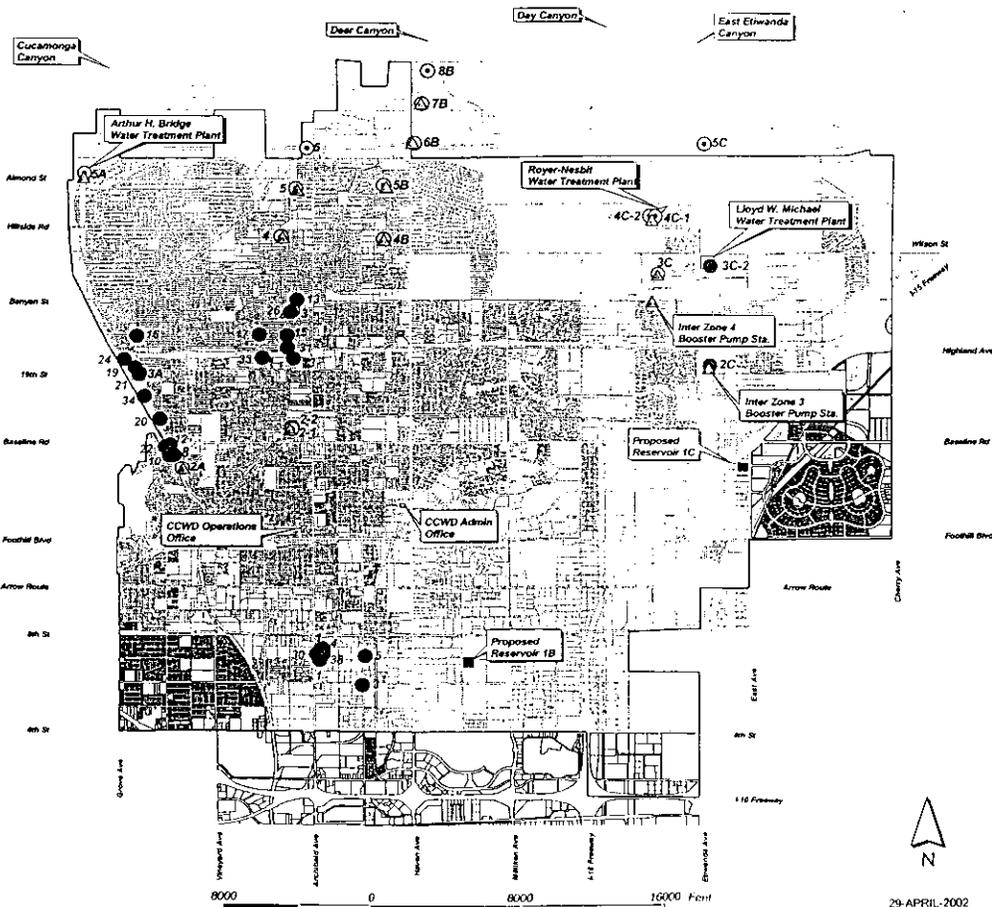


29-APRIL-2002

Attachment 1



CCWD Facilities



Legend	
●	Well Sites
▲	Pump Stations
Reservoirs	
●	Concrete
○	Steel
□	Water Treatment Plants
□	CCWD Boundary
□	CCWD Offices
□	Streams
□	San Bernardino County
□	City of Rancho Cucamonga
□	City of Ontario
□	City of Fontana

0 8000 16000 Feet



29-APRIL-2002

*Water Capital Projects*

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**CUCAMONGA COUNTY WATER DISTRICT  
WATER CAPITAL PROJECTS  
For the Fiscal Year Ending June 30, 2003**

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**ANNUAL BUDGET  
EXECUTIVE SUMMARY**  
For the Fiscal Year Ending June 30, 2003



**Gucamonga County Water District**

# *Executive Summary Annual Budget*

*For the Fiscal Year Ending  
June 30, 2003*

*Cucamonga County Water District*

*10440 Ashford Street  
Rancho Cucamonga, California*

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**Cucamonga County Water District  
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For the Fiscal Year Ending  
June 30, 2003**

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**Cover Art**



2002 Bottled Water Label Contest Winner  
Kristen Alamos  
10th Grade  
Alta Loma High School  
Chaffey Joint Union High School District

# *Executive Summary*

---

Date: June 25, 2002

## FISCAL YEAR 2003 BUDGET MESSAGE

I am pleased to present for the Board of Director's consideration our FY 2003 Budget. At the heart of our budgetary process is our mission statement:

*"The **mission** of the Cucamonga County Water District is to provide high-quality, safe and reliable water and wastewater services, while practicing good stewardship of natural and fiscal resources."*

Our budget reflects our on-going commitment to the highest caliber of customer service. Each of the individuals and the departments involved in preparing this document have attempted to incorporate the values reflected in the actions of the Board of Directors that have made this District the outstanding organization that it is today.

For FY 2003 staff is submitting a budget based on operating revenues of \$41,768,000 and expenses of \$38,193,000. Pursuant to Board policy, the budget also fully funds the District's reserve accounts. As in previous budgets we have continued to invest in our capital infrastructure. In this year's budget, our Capital Improvement Plan (CIP) includes Water Capital Fund expenditures of \$7,180,000 and Sewer Capital Fund expenditures of \$466,000. As noted in the Capital Project Section of this document, our CIP expenditures are less than in previous fiscal years and reflect our objective of concentrating on specific projects to enhance water system reliability and supply. Included in the project list are two large facility projects, the completion of the Lloyd Michael Water Treatment Plant upgrade and the construction of our new Operations and Maintenance facility. Both projects will allow us to continue to meet expanding needs of our customer base for many years into the future.

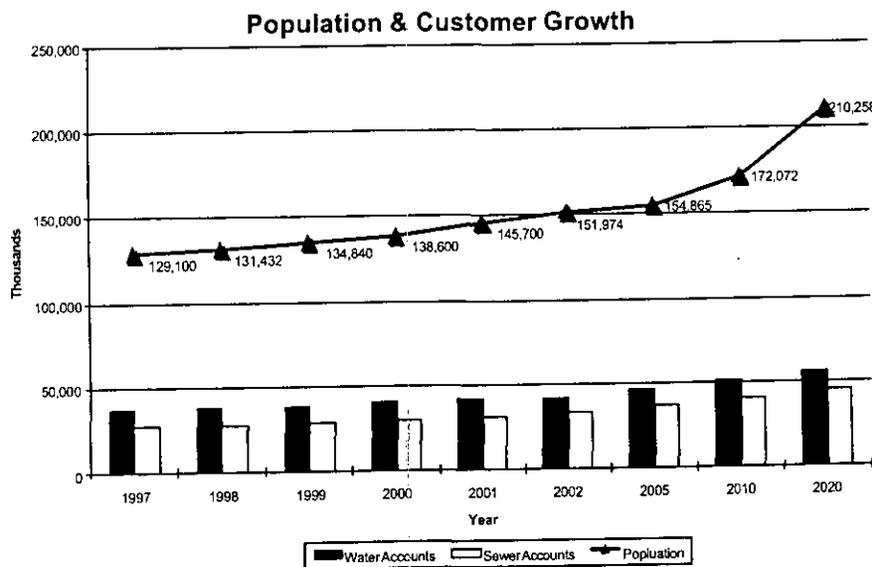
This budget also reflects a number of factors that have influenced our present and future business practices. **The growth of the District** is one such example. The District continues to experience steady growth in the number of customers incorporated into our service area each year, (Fig. 1). For this past year a total of 600 new water services were added. The west end of the Inland Empire, and in particular the Rancho Cucamonga and Fontana areas, have seen continued economic development while many parts of the State and the nation have experienced an economic downturn. An ample supply of affordable water is one of the keys to the economical viability of our service area. This challenge is viewed as an opportunity – an opportunity to meet the demands of growth and water supply and continue to provide the high level of service that our existing customers have come to expect.

As an organization we have also experienced a great deal of growth over the past year. The late commissioner of Major League Baseball, Bart Giamatti, defined **leadership** as the assertion of a vision, not simply the exercise of a style. For the past few years, working closely with the Board of Directors, we have developed a **vision** for the District. This vision has allowed us to take advantage of opportunities that impact decisions effecting the District to the betterment of our customers. The genesis of this vision was the development of the District's first "Strategic Plan". The key action elements

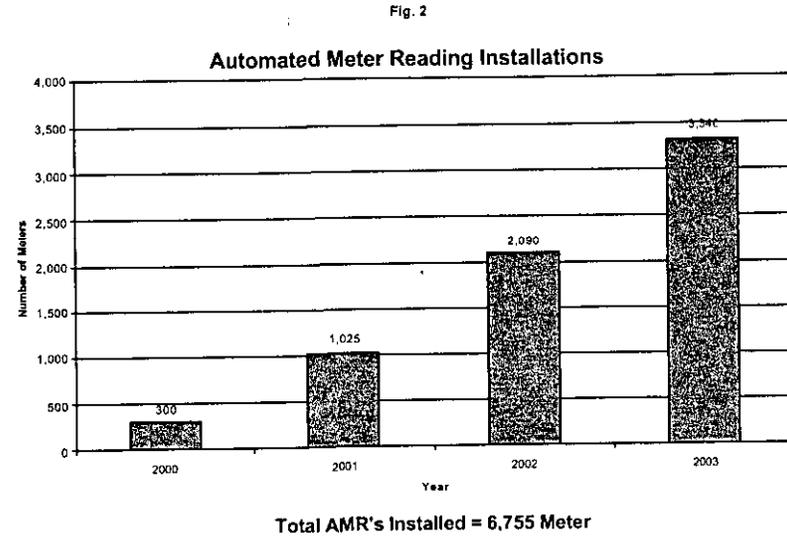
of the Plan are: Water Supply, Infrastructure Management, Growth Management, Political Involvement, Financial Management and Public Outreach, which are incorporated into the various elements of this year's budget and CIP. It is also important to note that the Board of Directors recognized the need to assume a more active political leadership role in activities affecting water and wastewater issues and formed a new Board committee, the Legislative Affairs Committee. Accordingly, staff is recommending an increase in budgeted expenditures to accommodate this need.

In FY '01, our employees were challenged to provide a higher level of customer service and from their efforts a new slogan was created: **"Service You Can Depend On!"** In this past year's budget, we planned to conduct a series of customer surveys aimed at soliciting responses

Fig. 1

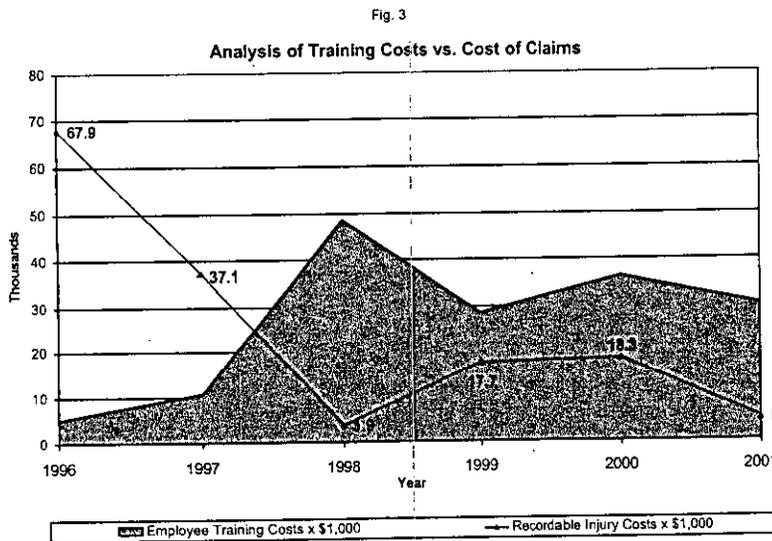


and feedback on the types of services and the levels of services required by our customers. As this project carries over into the next fiscal year, we will learn even more about the needs of our customers. In addition, staff is proposing to continue investing in programs and technology that increase our efficiency and delivery of service such as our debit and credit card payment program, on-line account access capabilities and our automated meter reading (AMR) program. Since the inception of our AMR program in FY '00, District staff will have installed over 6,700 new meters equipped with the AMR technology (Fig. 2).



As the District has grown and the levels of maintenance have increased to accommodate our expanding system of infrastructure, the need for continuous employee training has been critical to our ability to provide efficient service. Additionally with the advent of new technology and new programs mandated by agencies such as the State Department

of Health and CAL-OSHA, our proposed budget reflects an increased level of effort in all facets of employee training from computer technology, safety and employee development. For FY '03, I am proposing the creation of a new staff position, a Safety Analyst, to deal with the rapidly expanding need for employee safety training. Since FY '98, the District has made a conscious effort to reduce the number of work-related injuries and cost impact of claims through an increased investment in improved training programs. With the increased effort in our safety training programs, we have established safety as a critical organizational value (Fig. 3).



Another measure by which to gauge the effectiveness of our programs is a comparison of our average cost for water service for a single-family home against other similar water utilities. The

programs and services offered each fiscal year is reflected in our rate schedule. Our objective and mission has always been to provide the highest level of services and programs possible to our customers at the fairest rates. Based on a survey of other water utility agencies, it is clear that we have again achieved that objective (Fig. 4).

The Cucamonga County Water District will continue to experience **growth** in the years ahead and will strive to provide the highest levels of **service** and **leadership** to our customers and the water industry as a whole. Through the policies established by the Board of Directors, our **vision** and **mission** are clear. The FY '03 Budget is a planning tool designed to meet the objectives for this next fiscal year and serve as a guide for future years.

As with past budget documents, this would not have been possible had it not been for the dedicated efforts of many of our staff. Under the direction of Todd Corbin, Assistant General Manager & Chief Financial Officer our budget process has improved each and every year. Special thanks also to Martin Zvirbulis, Assistant General Manager & Chief Operating Officer for his work on the Capital Improvement Plan portion of the budget. In addition to their efforts I would also like to thank our department managers and give a special thanks to Carrie Corder and Cathleen Trunnell for their hard work and diligence.

Respectfully submitted,

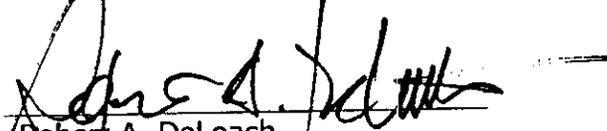
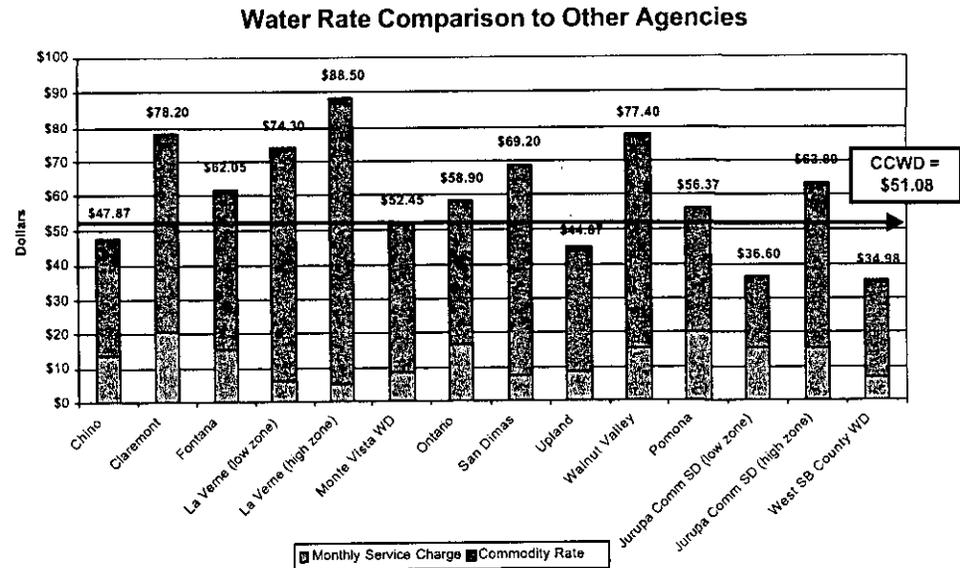
  
 Robert A. DeLoach  
 General Manager/CEO

Fig. 4



**CUCAMONGA COUNTY WATER DISTRICT  
OFFICIALS**

**For the Fiscal Year Ending  
June 30, 2003**

**BOARD OF DIRECTORS**

Donald J. Kurth	President
Henry L. Stoy	Vice President
Robert Neufeld	Director
Jerome M. Wilson	Director
James V. Curatalo, Jr.	Director

**DISTRICT MANAGEMENT**

Robert A. DeLoach	General Manager/CEO
Todd M. Corbin	Assistant General Manager/CFO
Martin E. Zvirbulis	Assistant General Manager/COO

## **Basis of Accounting**

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

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

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

**Cucamonga County Water District**  
**Statement of Budgeted Revenues and Expenses (ALL FUNDS)**  
**For the Fiscal Year Ending June 30, 2003**

	General Funds			Capital Projects Funds		Debt Service Fund	Total
	Water Fund	Sewer Fund	Subtotal	Water	Sewer		
<b>Operating Revenues</b>							
Water Sales & Services	\$ 30,034,873	\$ -	\$ 30,034,873	\$ -	\$ -	\$ -	\$ 30,034,873
Water Sales to Other Agencies	3,482,233	-	3,482,233	-	-	-	3,482,233
Sewer Services	-	6,170,500	6,170,500	-	-	-	6,170,500
Total Operating Revenues	33,517,106	6,170,500	39,687,606	-	-	-	39,687,606
<b>Operating Expenses</b>							
Executive Department	1,341,399	91,737	1,433,136	-	-	-	1,433,136
Administration Department	1,790,802	125,800	1,916,602	78,700	-	-	1,995,302
Finance Department	2,197,208	65,702	2,262,910	-	-	-	2,262,910
Engineering Department	786,870	588,435	1,375,305	245,670	141,934	-	1,762,909
Operations Department	20,870,334	4,611,832	25,482,166	37,200	-	-	25,519,366
Depreciation	-	-	-	3,950,304	1,269,109	-	5,219,413
Total Operating Expenses	26,986,613	5,483,506	32,470,119	4,311,874	1,411,043	-	38,193,036
<b>Net Operating Revenue (Expense)</b>	6,530,493	686,994	7,217,487	(4,311,874)	(1,411,043)	-	1,494,570
<b>Non-Operating Revenues</b>							
Interest Income	1,500,000	500,000	2,000,000	450,000	100,000	-	2,550,000
Development Fees	-	-	-	3,100,000	1,700,000	-	4,800,000
Inspection Fees	-	-	-	35,000	45,000	-	80,000
Meter Installations	-	-	-	225,000	-	-	225,000
Proceeds from Prior COP Issuance	-	-	-	2,596,077	-	-	2,596,077
Property Tax Revenue	-	-	-	-	-	-	-
Other Income	80,120	-	80,120	-	12,500	-	92,620
Total Non-Operating Revenues	1,580,120	500,000	2,080,120	6,406,077	1,857,500	-	10,343,697
<b>Non-Operating Expenses</b>							
Capital Improvement Projects	-	-	-	7,179,717	465,950	-	7,645,667
Principal and Interest Expense on Debt	-	-	-	310,000	-	7,700,989	8,010,989
Total Non-Operating Expenses	-	-	-	7,489,717	465,950	7,700,989	15,656,656
<b>Net Income before Transfers</b>	8,110,613	1,186,994	9,297,607	(5,395,514)	(19,493)	(7,700,989)	(3,818,389)
<b>Transfers</b>							
Transfers Out	(8,110,613)	(1,186,994)	(9,297,607)	-	-	-	(9,297,607)
Transfers In	-	-	-	409,624	1,186,994	7,700,989	9,297,607
Total Transfers	(8,110,613)	(1,186,994)	(9,297,607)	409,624	1,186,994	7,700,989	-
<b>Net Income</b>	\$ -	\$ -	\$ -	\$ (4,985,890)	\$ 1,167,501	\$ -	\$ (3,818,389)

**Cucamonga County Water District  
Reserve Policy  
For the Fiscal Year Ending  
June 30, 2003**

**Purpose**

The Board of Directors of the Cucamonga County Water District adopted a reserve policy to establish and maintain the District's reserves at fiscally responsible levels. This ensures the continued orderly operation of the District's water and wastewater systems, the provision of the services to residents at established levels, and the continued stability of the District's rate structures.

**Policy**

The District will strive to maintain a balanced operating budget for all operational funds with on-going revenues equal to or greater than on-going expenses.

*The District has met the policy objective.*

*The Water General Fund and the Sewer General Fund are considered the District's operating funds with projected revenues of \$39,688,000 and proposed expenses (including depreciation) of \$38,193,000.*

The District shall maintain an Operating Reserve at a minimum level of 10% of the annual variable budget costs including the cost of purchased water which totals \$1,834,700. The appropriate funding source, when needed, is the water bi-monthly water charge.

*The District has met the policy objective.*

*The Water Operating Reserve of \$1,781,100 will increase at June 30, 2002 to \$1,834,700.*

Reserve Policy  
(Continued)

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The District shall maintain a Capital and Equipment Replacement Reserve at a minimum level of 50% of the annual capital asset depreciation (\$5,219,413 for fiscal year ended June 30, 2001) which equals a minimum reserve balance of \$2,609,706. The annual contribution to be included in the bi-monthly water charge.

*The District has met the policy objective.*

*The capital asset depreciation is the amount calculated for the eventual replacement of the District's fixed assets. It includes items such as the water treatment plants, reservoirs, pipelines, buildings, vehicles, and office equipment. The Capital Replacement Reserve at June 30, 2002 will be \$2,609,706.*

The District shall maintain a Rate Stabilization Reserve equal to the cost of purchasing 8,000 acre-feet of water from the Metropolitan Water District of Southern California. The adjustments, when needed, will be included in the bi-monthly water rate.

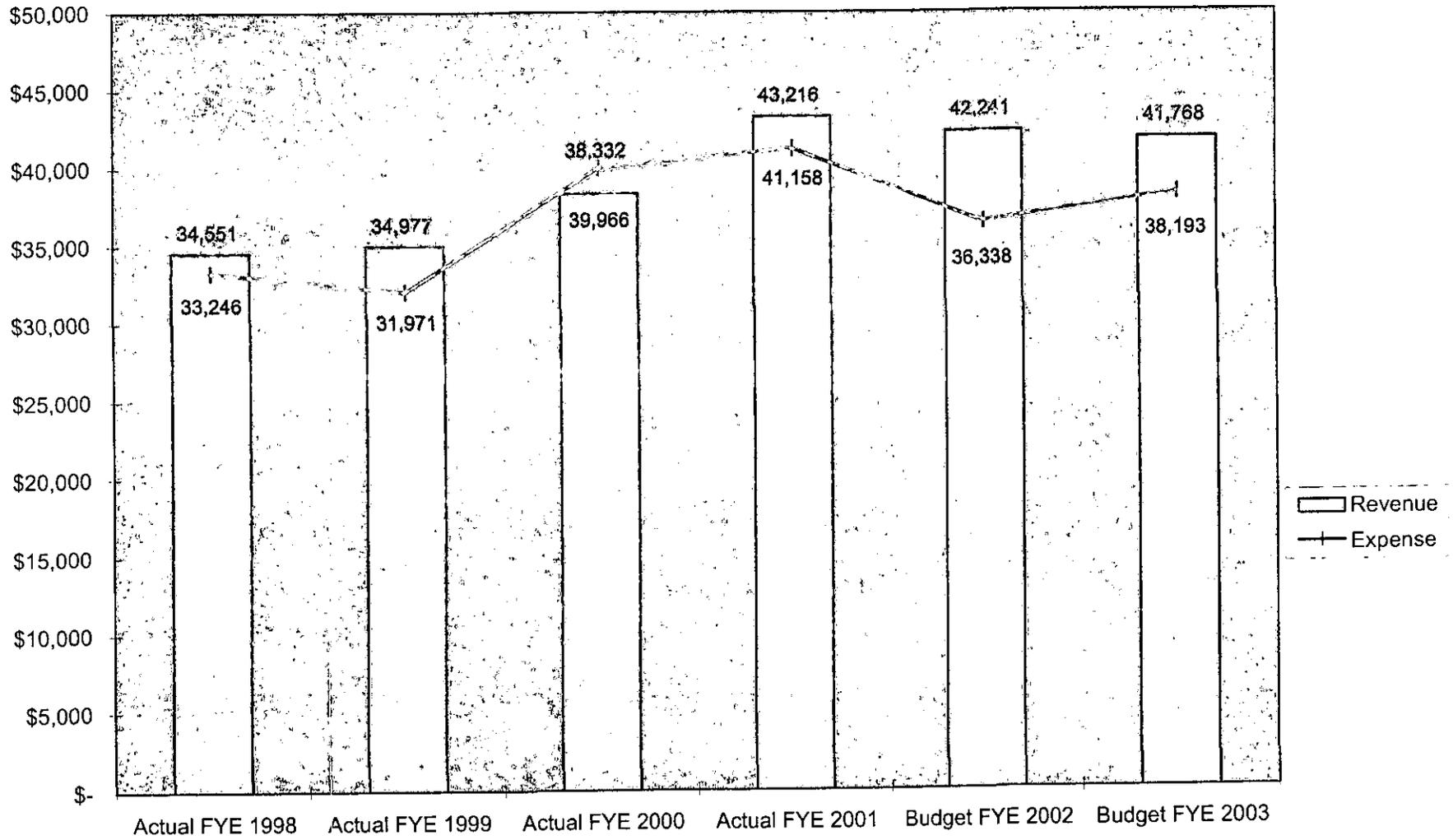
*The District has met the policy objective.*

*The cost of purchasing 8,000 acre-feet of water from the Metropolitan Water District is \$2,848,000. The Rate Stabilization Reserve at June 30, 2002 will be \$2,848,000.*

# *Historical Trends*

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### Total Revenues and Expenses (Amounts Expressed in Thousands)

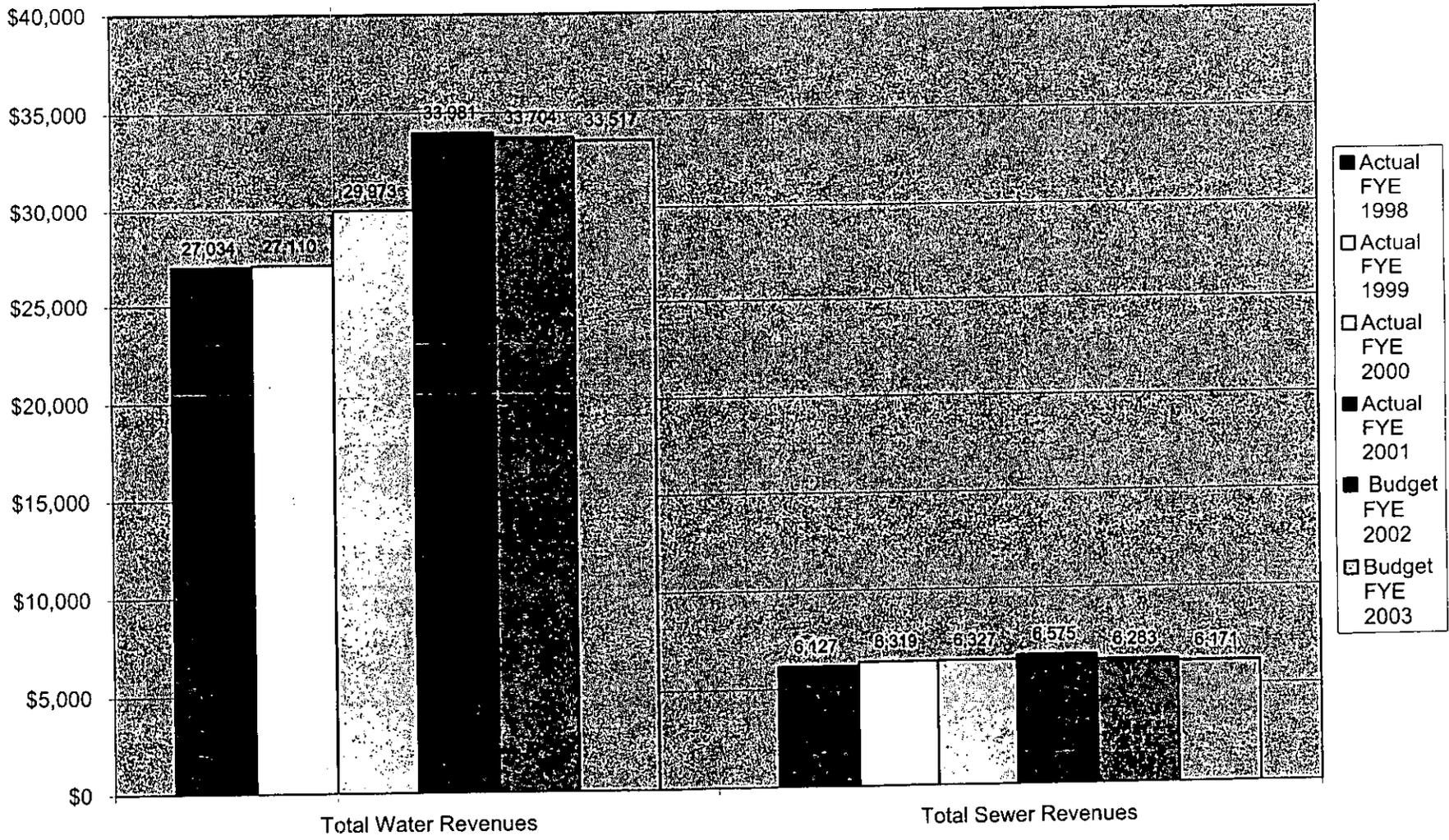


**Cucamonga County Water District**  
**Total Revenues and Expenses**  
(Amounts Expressed in Thousands)

Activity	Actual FYE 1998	Actual FYE 1999	% of Change	Actual FYE 2000	% of Change	Actual FYE 2001	% of Change	Budget FYE 2002	% of Change	Est. Actual FYE 2002	Budget FYE 2003	% of Change
Total Revenues	\$ 34,551	\$ 34,977	1.2%	\$ 38,332	9.6%	\$ 43,216	12.7%	\$ 42,241	(2.3)%	\$ 33,766	\$ 41,768	23.7%
Total Expenses	33,246	31,971	(3.8)%	39,966	25.0%	41,158	3.0%	36,338	(11.7)%	33,525	38,193	13.9%
Net Income	\$ 1,305	\$ 3,006	130.3%	\$ (1,633)	(154.3)%	\$ 2,057	(226.0)%	\$ 5,903	(461.4)%	\$ 242	\$ 3,575	1380.0%

## Total Revenues by Activity

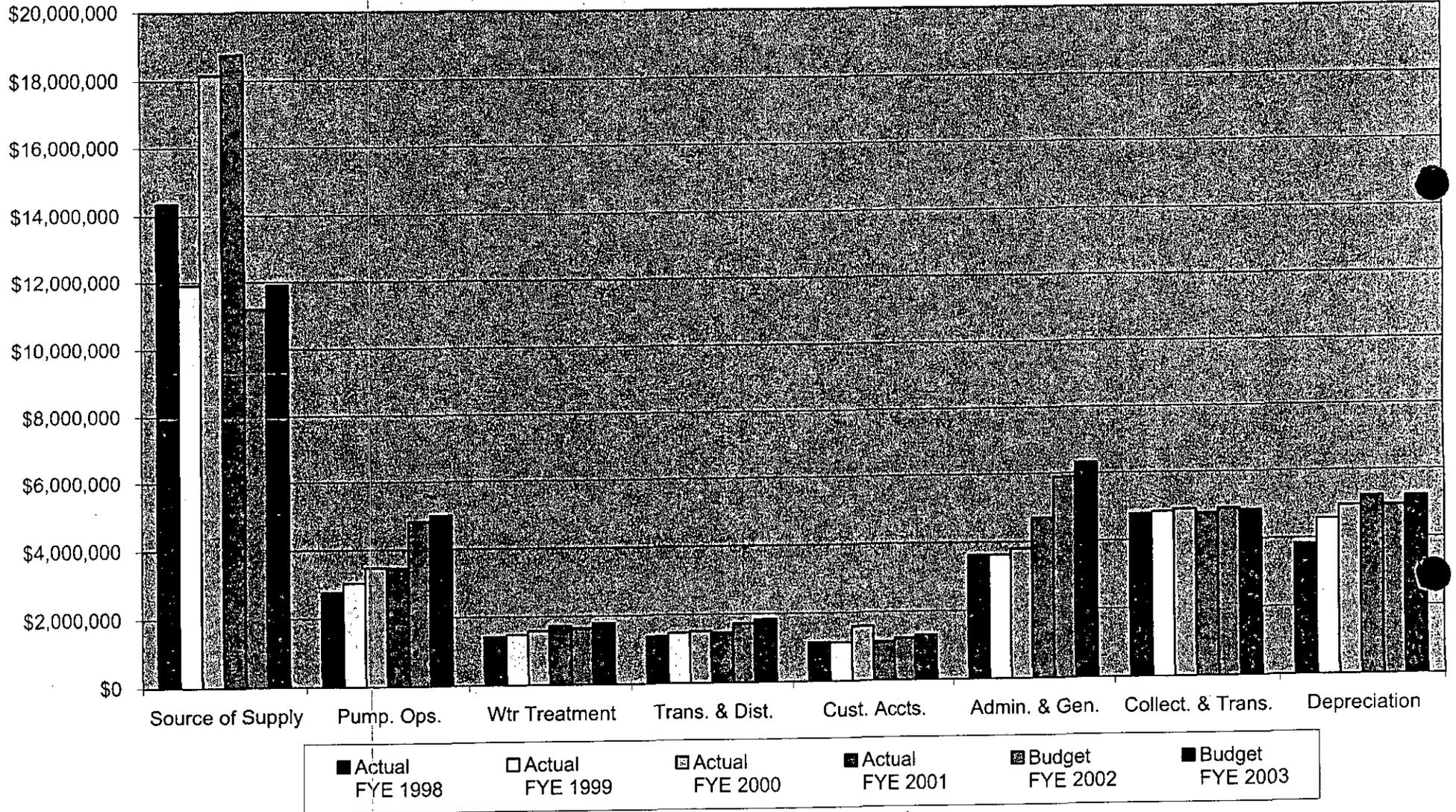
(Amounts Expressed in Thousands)



**Cucamonga County Water District**  
**Total Revenues by Activity**  
(Amounts Expressed in Thousands)

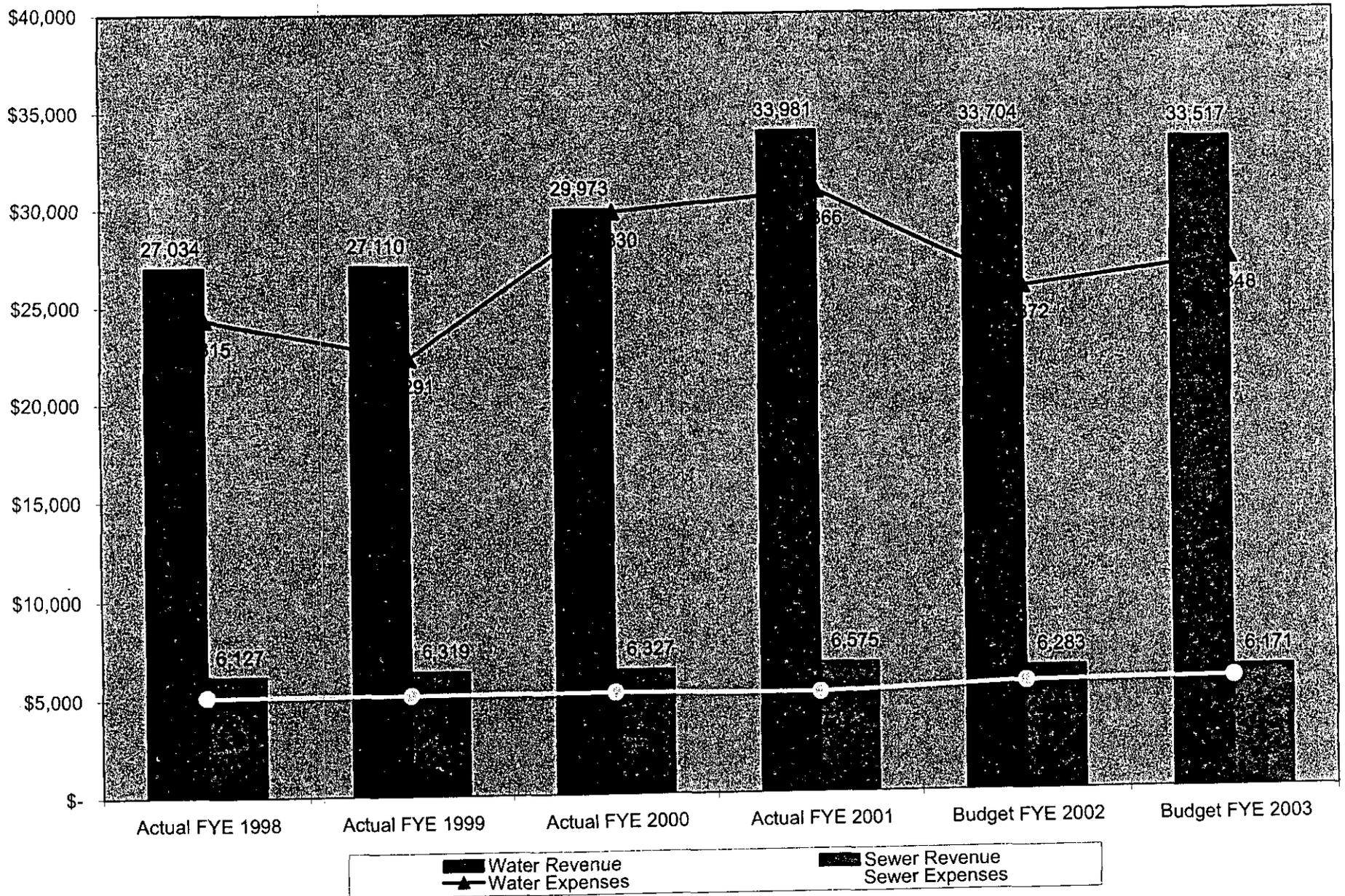
Activity	Actual FYE 1998	Actual FYE 1999	% of Change	Actual FYE 2000	% of Change	Actual FYE 2001	% of Change	Budget FYE 2002	% of Change	Estimated Actual FYE 2002	Budget FYE 2003	% of Change
<b>Operating Revenues:</b>												
Water Sales	\$ 19,819	\$ 22,400	13.0%	\$ 24,844	10.9%	\$ 24,991	0.6%	\$ 27,780	11.2%	\$ 24,583	\$ 29,399	19.6%
Water Sales-Other Agencies	6,919	4,374	(36.8)%	4,835	10.5%	8,592	77.7%	5,314	(38.2)%	1,213	3,482	187.1%
Water Services	296	336	13.5%	295	(12.3)%	398	35.0%	611	53.5%	308	636	106.3%
<b>Total Water Revenues</b>	<b>27,034</b>	<b>27,110</b>	<b>0.3%</b>	<b>29,973</b>	<b>10.6%</b>	<b>33,981</b>	<b>13.4%</b>	<b>33,704</b>	<b>(0.8)%</b>	<b>26,104</b>	<b>33,517</b>	<b>28.4%</b>
Sewer Sales	5,882	6,078	3.3%	6,141	1.0%	6,217	1.2%	6,075	(2.3)%	5,220	6,075	16.4%
Sewer Services	245	241	(1.7)%	186	(22.9)%	260	39.9%	208	(19.7)%	276	96	(65.4)%
Other Sewer Revenue	0	0	0.0%	0	0.0%	99	100.0%	0	(100.0)%	33	0	(100.0)%
<b>Total Sewer Revenues</b>	<b>6,127</b>	<b>6,319</b>	<b>3.1%</b>	<b>6,327</b>	<b>0.1%</b>	<b>6,575</b>	<b>3.9%</b>	<b>6,283</b>	<b>(4.4)%</b>	<b>5,528</b>	<b>6,171</b>	<b>11.6%</b>
<b>Total Operating Revenues</b>	<b>33,161</b>	<b>33,429</b>	<b>0.8%</b>	<b>36,300</b>	<b>8.6%</b>	<b>40,557</b>	<b>11.7%</b>	<b>39,988</b>	<b>(1.4)%</b>	<b>31,632</b>	<b>39,688</b>	<b>25.5%</b>
<b>Non-Operating Revenues:</b>												
Interest and Other Revenue	1,390	1,548	11.4%	2,032	31.3%	2,659	30.9%	2,253	(15.3)%	2,134	2,080	(2.5)%
<b>Total Revenue</b>	<b>\$ 34,551</b>	<b>\$ 34,977</b>	<b>1.2%</b>	<b>\$ 38,332</b>	<b>9.6%</b>	<b>\$ 43,216</b>	<b>12.7%</b>	<b>\$ 42,241</b>	<b>(2.3)%</b>	<b>\$ 33,766</b>	<b>\$ 41,768</b>	<b>23.7%</b>

# Total Expenses by Activity



## Total Operating Revenues and Expenses by Activity

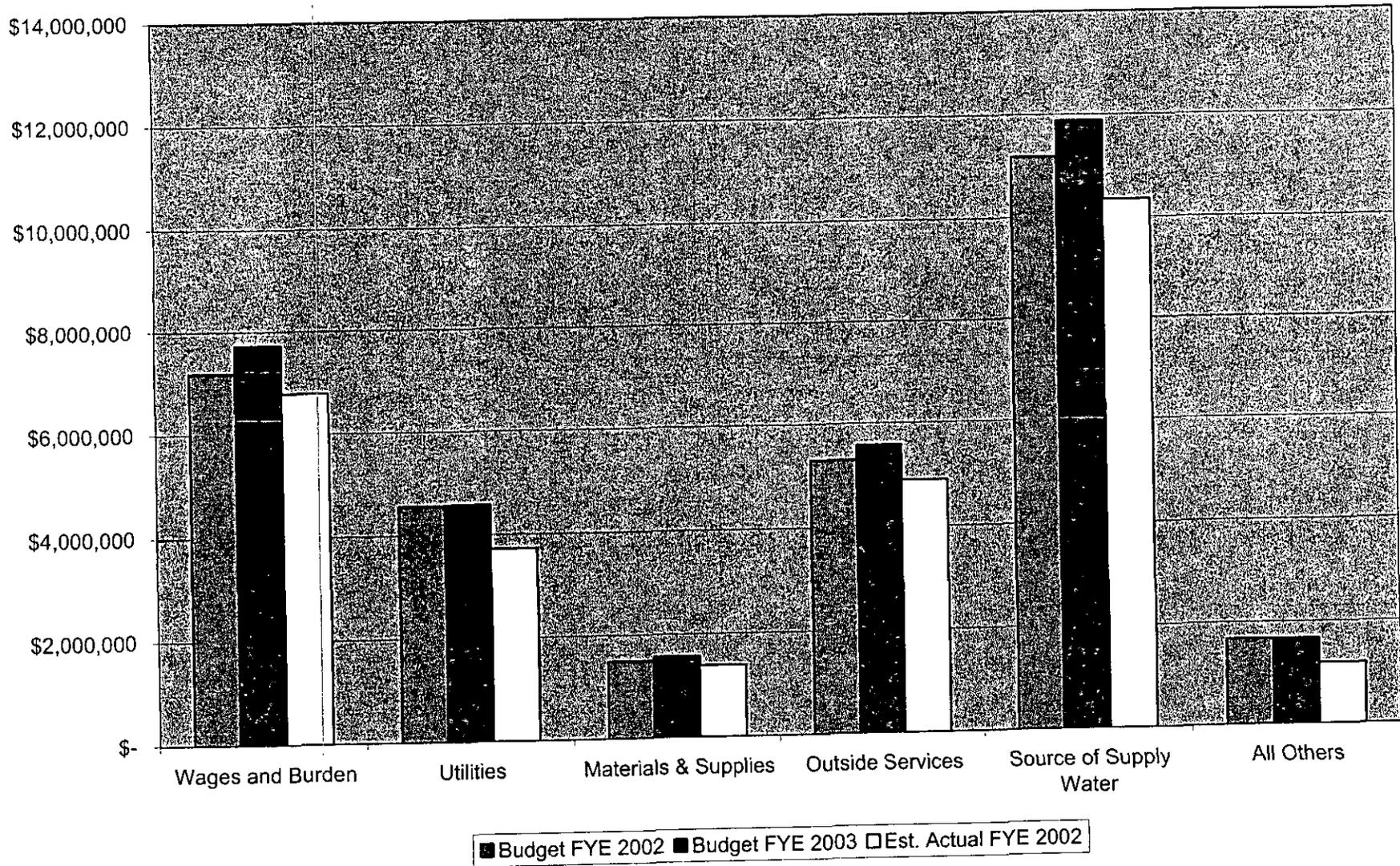
( Amounts Expressed in Thousands)



**Cucamonga County Water District**  
**Total Revenues and Expenses by Activity**  
(Amounts Expressed in Thousands)

Activity	Actual FYE 1998	Actual FYE 1999	% of Change	Actual FYE 2000	% of Change	Actual FYE 2001	% of Change	Budget FYE 2002	% of Change	Est. Actual FYE 2002	Budget FYE 2003	% of Change (03 Budget / 02 Est. Act.)
<b>Total Revenues</b>	<b>\$ 34,551</b>	<b>\$ 34,977</b>	<b>1.2%</b>	<b>\$ 38,332</b>	<b>9.6%</b>	<b>\$ 43,216</b>	<b>12.7%</b>	<b>\$ 42,241</b>	<b>(2.3)%</b>	<b>\$ 33,766</b>	<b>\$ 41,768</b>	<b>23.7%</b>
<b>Operating Expenses:</b>												
Source of Supply	14,352	11,907	(17.0)%	18,165	52.6%	18,759	3.3%	11,199	(40.3)%	10,344	11,899	15.0%
Pumping Operations	2,766	3,025	9.4%	3,482	15.1%	3,461	(0.6)%	4,813	39.0%	4,242	5,001	17.9%
Water Treatment	1,401	1,452	3.6%	1,564	7.7%	1,715	9.6%	1,636	(4.6)%	1,609	1,779	10.5%
Transmission and Distribution	1,372	1,460	6.4%	1,496	2.5%	1,437	(3.9)%	1,714	19.2%	1,531	1,821	19.0%
Customer Accounts	1,132	1,117	(1.3)%	1,582	41.6%	1,118	(29.3)%	1,214	8.6%	1,149	1,307	13.8%
Administration and General	3,292	3,330	1.2%	3,540	6.3%	4,375	23.6%	5,296	21.0%	4,536	5,541	22.2%
<b>Total Water Expenses</b>	<b>24,315</b>	<b>22,291</b>	<b>(8.3)%</b>	<b>29,830</b>	<b>33.8%</b>	<b>30,866</b>	<b>3.5%</b>	<b>25,872</b>	<b>(16.2)%</b>	<b>23,410</b>	<b>27,348</b>	<b>16.8%</b>
Collection and Transmission	4,770	4,830	1.3%	4,901	1.5%	4,766	(2.7)%	4,913	3.1%	4,411	4,852	10.0%
Administrative and General	332	297	(10.5)%	273	(7.9)%	307	12.2%	591	92.4%	484	773	59.8%
<b>Total Sewer Expenses</b>	<b>5,102</b>	<b>5,127</b>	<b>0.5%</b>	<b>5,174</b>	<b>0.9%</b>	<b>5,073</b>	<b>(2.0)%</b>	<b>5,504</b>	<b>8.5%</b>	<b>4,895</b>	<b>5,625</b>	<b>14.9%</b>
<b>Total Operating Expenses</b>	<b>29,417</b>	<b>27,418</b>	<b>(6.8)%</b>	<b>35,005</b>	<b>27.7%</b>	<b>35,939</b>	<b>2.7%</b>	<b>31,376</b>	<b>(12.7)%</b>	<b>28,306</b>	<b>32,974</b>	<b>16.5%</b>
Depreciation	3,829	4,553	18.9%	4,961	9.0%	5,219	5.2%	4,961	(5.0)%	5,219	5,219	0.0%
<b>Total Expenses</b>	<b>33,246</b>	<b>31,971</b>	<b>(3.8)%</b>	<b>39,966</b>	<b>25.0%</b>	<b>41,158</b>	<b>3.0%</b>	<b>36,337</b>	<b>(11.7)%</b>	<b>33,525</b>	<b>38,193</b>	<b>13.9%</b>
<b>Net Income</b>	<b>\$ 1,305</b>	<b>\$ 3,006</b>	<b>130.3%</b>	<b>\$ (1,633)</b>	<b>(154.3)%</b>	<b>\$ 2,057</b>	<b>(226.0)%</b>	<b>\$ 5,904</b>	<b>187.0%</b>	<b>\$ 242</b>	<b>\$ 3,575</b>	<b>1380.0%</b>

## Total Expenses by Account



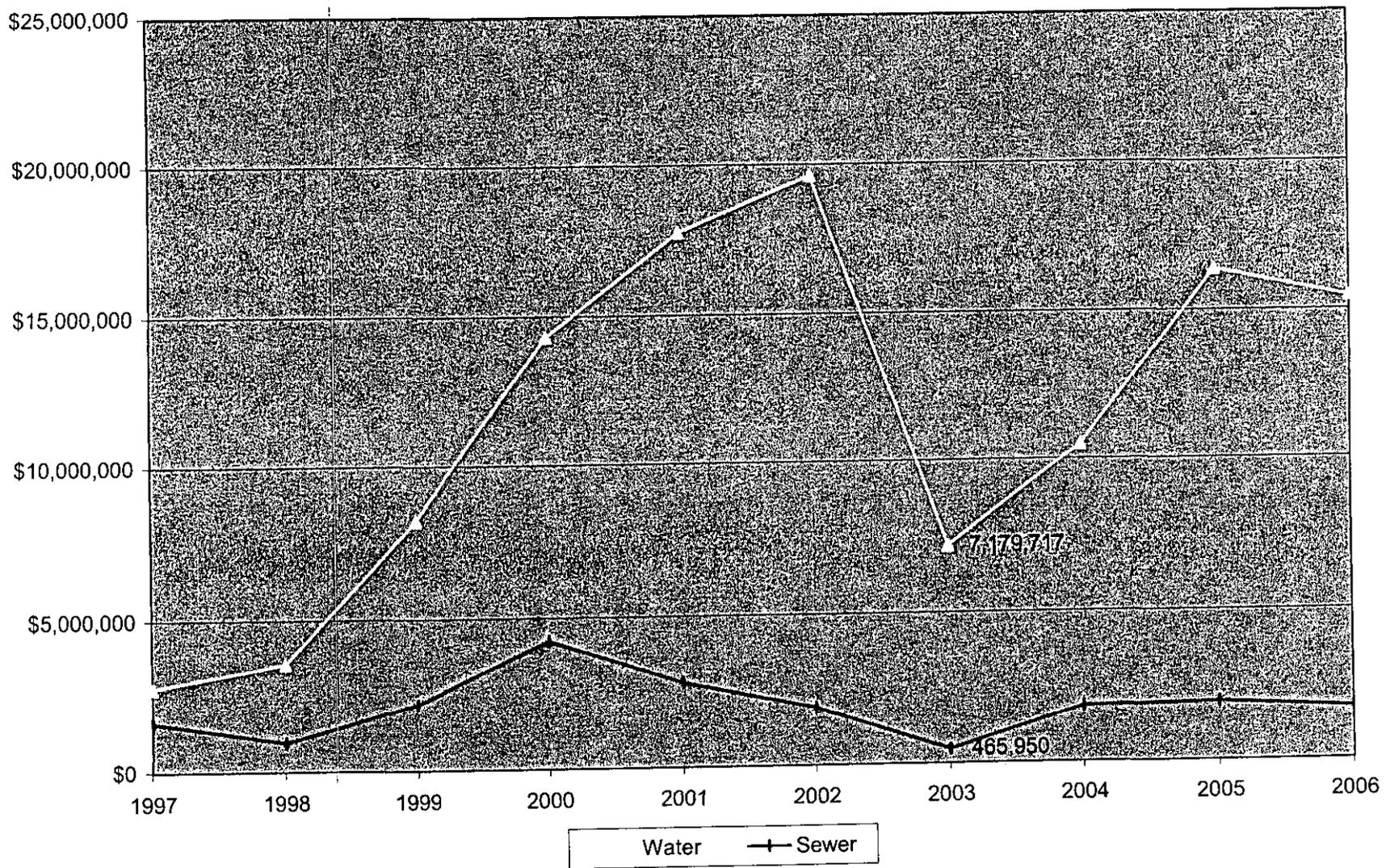
**Cucamonga County Water District  
Total Expenses by Account**

Account	Budget FYE 2002	Budget FYE 2003	% Change Budget '02 vs. Budget '03	Estimated Actual FYE 2002	% Change Actual '02 vs. Budget '03
Wages and Burden	\$ 7,187,616	\$ 7,715,945	7.4%	\$ 6,788,571	13.7%
Professional Development	340,790	341,237	0.1%	226,325	50.8%
Professional Services	504,300	619,200	22.8%	258,462	139.6%
Advertisements	18,000	16,900	(6.1)%	20,616	(18.0)%
Elections	32,000	0	(100.0)%	58,160	(100.0)%
Personnel	147,900	173,759	17.5%	114,641	51.6%
Insurance	268,000	225,000	(16.0)%	208,732	7.8%
Collections	40,000	30,000	(25.0)%	7,302	310.8%
Utilities	4,557,266	4,574,450	0.4%	3,719,606	23.0%
Materials & Supplies	1,495,977	1,565,499	4.6%	1,385,791	13.0%
Equipment	71,000	113,472	59.8%	56,766	99.9%
Outside Services	5,291,303	5,579,361	5.4%	4,890,293	14.1%
Safety	40,475	45,700	12.9%	37,754	21.0%
Source of Supply Water	11,173,700	11,878,140	6.3%	10,343,785	14.8%
Miscellaneous	27,200	54,725	101.2%	40,515	35.1%
Other Items	179,999	40,235	(77.6)%	148,272	(72.9)%
<b>Totals</b>	<b>\$ 31,375,526</b>	<b>\$ 32,973,623</b>	<b>5.1%</b>	<b>\$ 28,305,591</b>	<b>16.5%</b>

**Cucamonga County Water District**  
**Total Expenses**  
**by Account and Department**  
**For the Fiscal Years Ending 2002 and 2003**  
(Amounts Expressed in Thousands)

Account Title	Executive		Administration		Finance		Engineering		Operations		Totals	
	FY 2002	FY 2003	FY 2002	FY 2003	FY 2002	FY 2003	FY 2002	FY 2003	FY 2002	FY 2003	FY 2002	FY 2003
<b>Water</b>												
Wages and Burden	\$ 1,064	\$ 672	\$ 577	\$ 691	\$ 1,317	\$ 1,470	\$ 764	\$ 897	\$ 2,463	\$ 2,751	\$ 6,184	\$ 6,480
Professional Development	133	153	97	65	31	30	19	28	43	46	323	322
Professional Services	395	454	46	100	28	30	10	10	15	15	494	609
Advertisements	3	2	15	15	-	-	-	-	-	-	18	17
Elections	32	-	-	-	-	-	-	-	-	-	32	-
Personnel Costs	31	32	117	140	1	1	-	0	-	-	148	174
Insurance	-	-	190	165	-	-	-	-	-	-	190	165
Collections	-	-	-	-	40	30	-	-	-	-	40	30
Utilities	7	7	5	4	128	173	2	0	4,404	4,374	4,545	4,559
Materials & Supplies	10	13	112	128	417	369	46	5	850	920	1,435	1,434
Equipment Expense	-	-	53	88	-	-	-	67	-	-	53	154
Outside Services	1	1	282	463	57	52	24	-	748	866	1,113	1,382
Safety	0	0	-	0	7	7	4	19	24	24	35	50
Source of Supply Water	-	-	-	-	-	-	-	-	11,174	11,878	11,174	11,878
Miscellaneous	7	7	2	4	6	31	1	4	11	12	27	57
Other Items	17	-	6	7	5	6	1	1	32	22	61	36
<b>Totals - Water</b>	<b>\$ 1,700</b>	<b>\$ 1,341</b>	<b>\$ 1,501</b>	<b>\$ 1,870</b>	<b>\$ 2,036</b>	<b>\$ 2,197</b>	<b>\$ 871</b>	<b>\$ 1,032</b>	<b>\$ 19,764</b>	<b>\$ 20,908</b>	<b>\$ 25,872</b>	<b>\$ 27,347</b>
<b>Sewer</b>												
Wages and Burden	\$ -	\$ 92	\$ -	\$ 40	\$ -	\$ 66	\$ 567	\$ 607	\$ 436	\$ 431	\$ 1,003	\$ 1,236
Professional Development	-	-	-	-	-	-	9	11	9	9	17	20
Professional Services	-	-	-	-	-	-	10	10	-	-	10	10
Advertisements	-	-	-	-	-	-	-	0	-	-	-	0
Insurance	-	-	78	60	-	-	-	-	-	-	78	60
Utilities	-	-	-	0	-	-	7	-	5	5	12	5
Materials & Supplies	-	-	-	-	-	-	14	5	47	55	61	60
Equipment Expense	-	-	18	26	-	-	-	15	-	-	18	41
Outside Services	-	-	-	-	-	-	76	77	4,102	4,102	4,178	4,179
Safety	-	-	-	-	-	-	1	1	5	10	6	11
Miscellaneous	-	-	-	-	-	-	0	0	0	0	0	0
Other Items	-	-	-	-	-	-	3	4	117	-	119	4
<b>Totals - Sewer</b>	<b>\$ -</b>	<b>\$ 92</b>	<b>\$ 96</b>	<b>\$ 126</b>	<b>\$ -</b>	<b>\$ 66</b>	<b>\$ 687</b>	<b>\$ 730</b>	<b>\$ 4,720</b>	<b>\$ 4,612</b>	<b>\$ 5,504</b>	<b>\$ 5,625</b>
<b>Totals</b>	<b>\$ 1,700</b>	<b>\$ 1,433</b>	<b>\$ 1,598</b>	<b>\$ 1,995</b>	<b>\$ 2,036</b>	<b>\$ 2,263</b>	<b>\$ 1,558</b>	<b>\$ 1,762</b>	<b>\$ 24,484</b>	<b>\$ 25,519</b>	<b>\$ 31,376</b>	<b>\$ 32,973</b>

# Capital Projects Trend by Fund

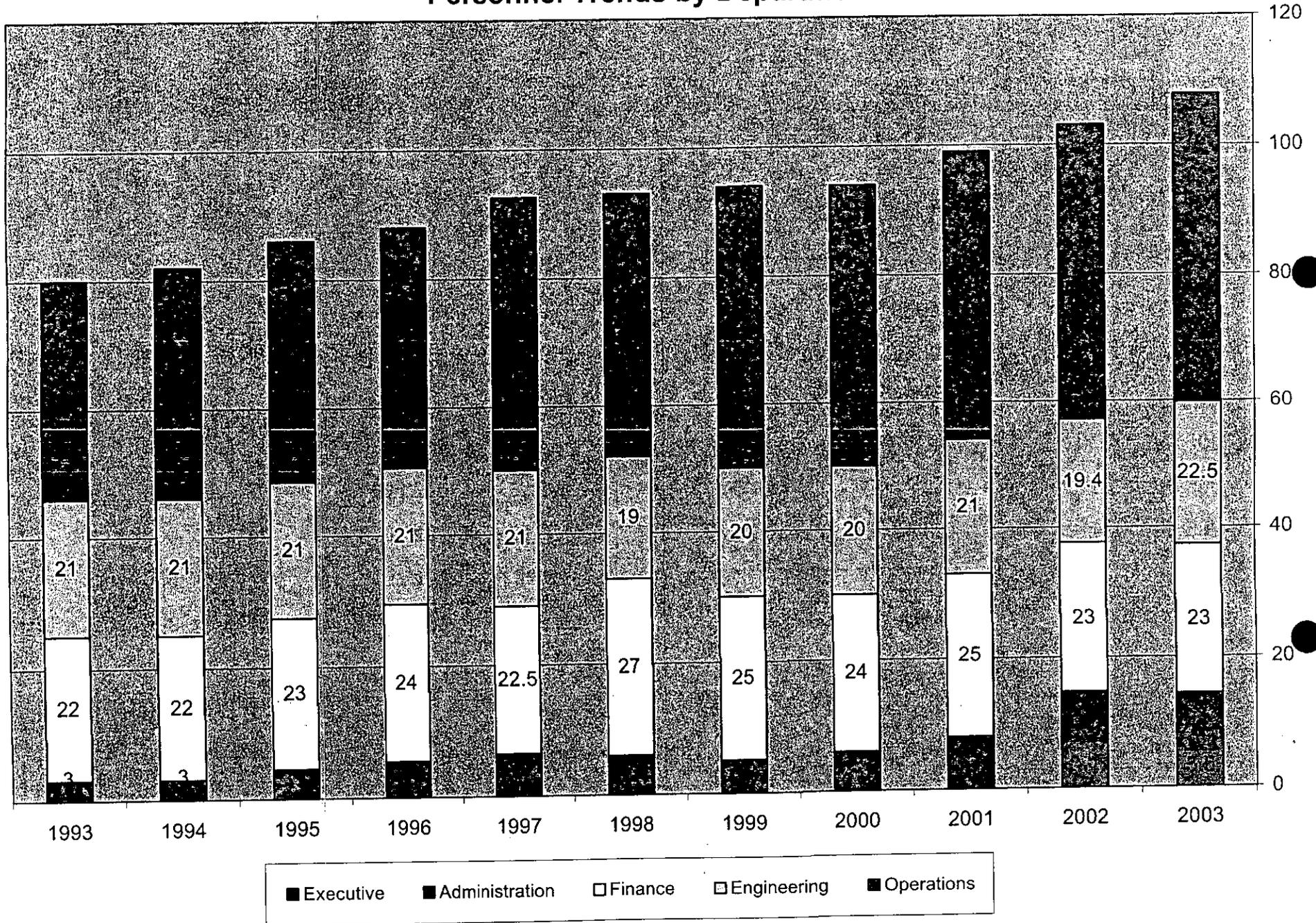


## Cucamonga County Water District Capital Projects Trend by Fund

Fiscal Year Ending		Water	% of Change		Sewer	% of Change	Total
1997	\$	2,790,300		\$	1,638,000		\$ 4,428,300
1998		3,561,000	27.6%		975,500	(40.4)%	4,536,500
1999		8,197,400	130.2%		2,193,072	124.8%	10,390,472
2000		14,305,435	74.5%		4,227,550	92.8%	18,532,985
2001		17,788,700	24.3%		2,811,100	(33.5)%	20,599,800
2002		19,611,800	10.2%		1,919,500	(31.7)%	21,531,300
<b>2003</b>		<b>7,179,717</b>	<b>(63.4)%</b>		<b>465,950</b>	<b>(75.7)%</b>	<b>7,645,667</b>
2004		10,455,020	45.6%		1,858,300	298.8%	12,313,320
2005		16,375,000	56.6%		1,951,000	5.0%	18,326,000
2006		15,435,000	(5.7)%		1,739,000	(10.9)%	17,174,000
<b>Average</b>	<b>\$</b>	<b>11,569,937</b>	<b>33.3%</b>	<b>\$</b>	<b>1,977,897</b>	<b>36.6%</b>	<b>\$ 13,547,834</b>

*Note: All amounts presented above are estimated water and sewer project costs for each respective budget year. For fiscal year ending June 30, 2003, the capital project budget does not include projects "carried-over" from previous budget years which have not been completed.*

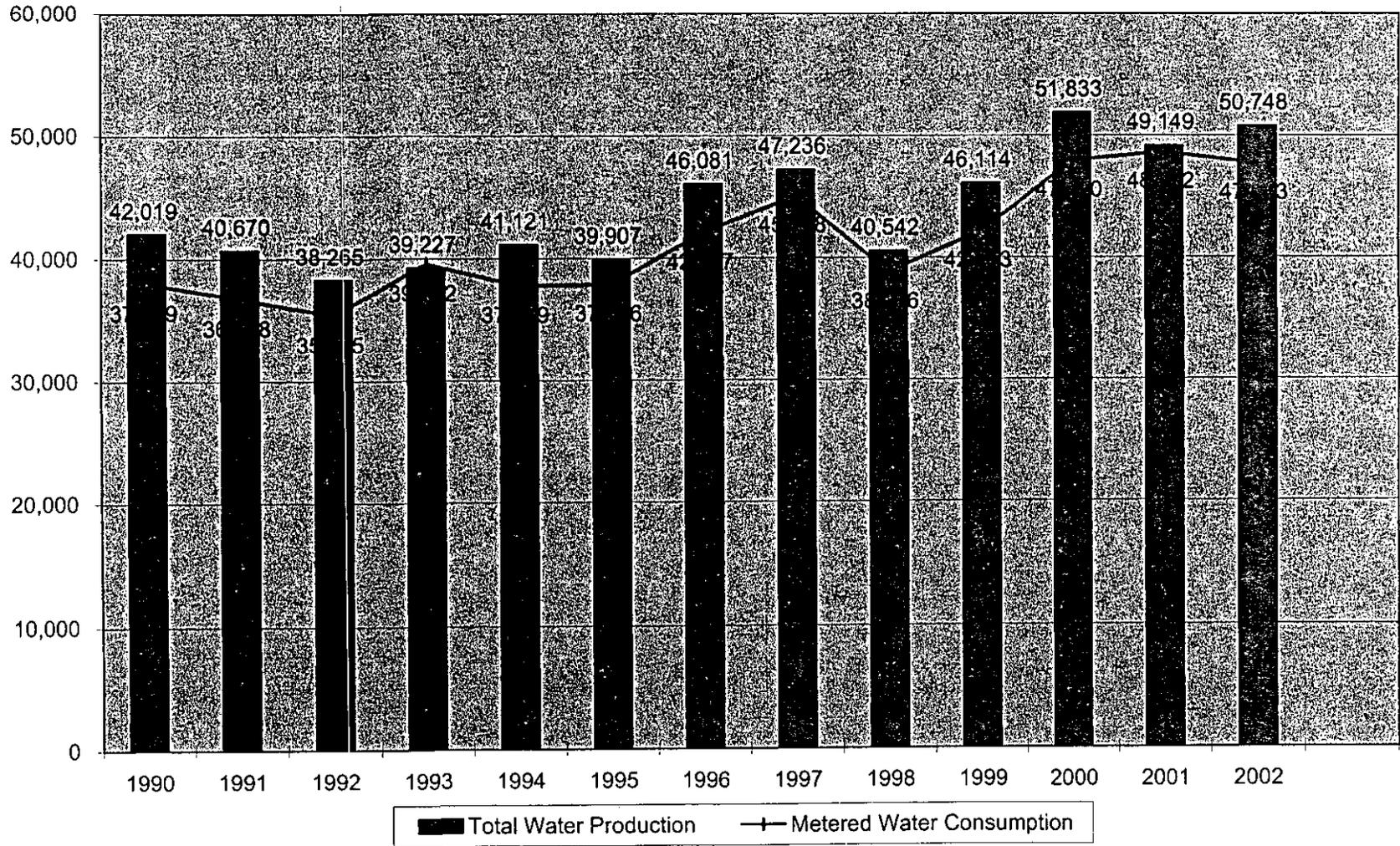
# Personnel Trends by Department



## Cucamonga County Water District Personnel Trends by Department

Department	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Executive	0	0	0	0	0	0	0	0	0	0	7.1	5.50
Administration	5	3	3	4.5	5.5	6.5	6	5	6	8	7.5	8.75
Finance	20	22	22	23	24	22.5	27	25	24	25	23	23.00
Engineering	20	21	21	21	21	21	19	20	20	21	19.4	22.50
Operations	39	34	36	37.5	37.5	42.5	41	44	44	45	46	48.00
<b>District Total</b>	<b>84</b>	<b>80</b>	<b>82</b>	<b>86</b>	<b>88</b>	<b>92.5</b>	<b>93</b>	<b>94</b>	<b>94</b>	<b>99</b>	<b>103</b>	<b>107.75</b>

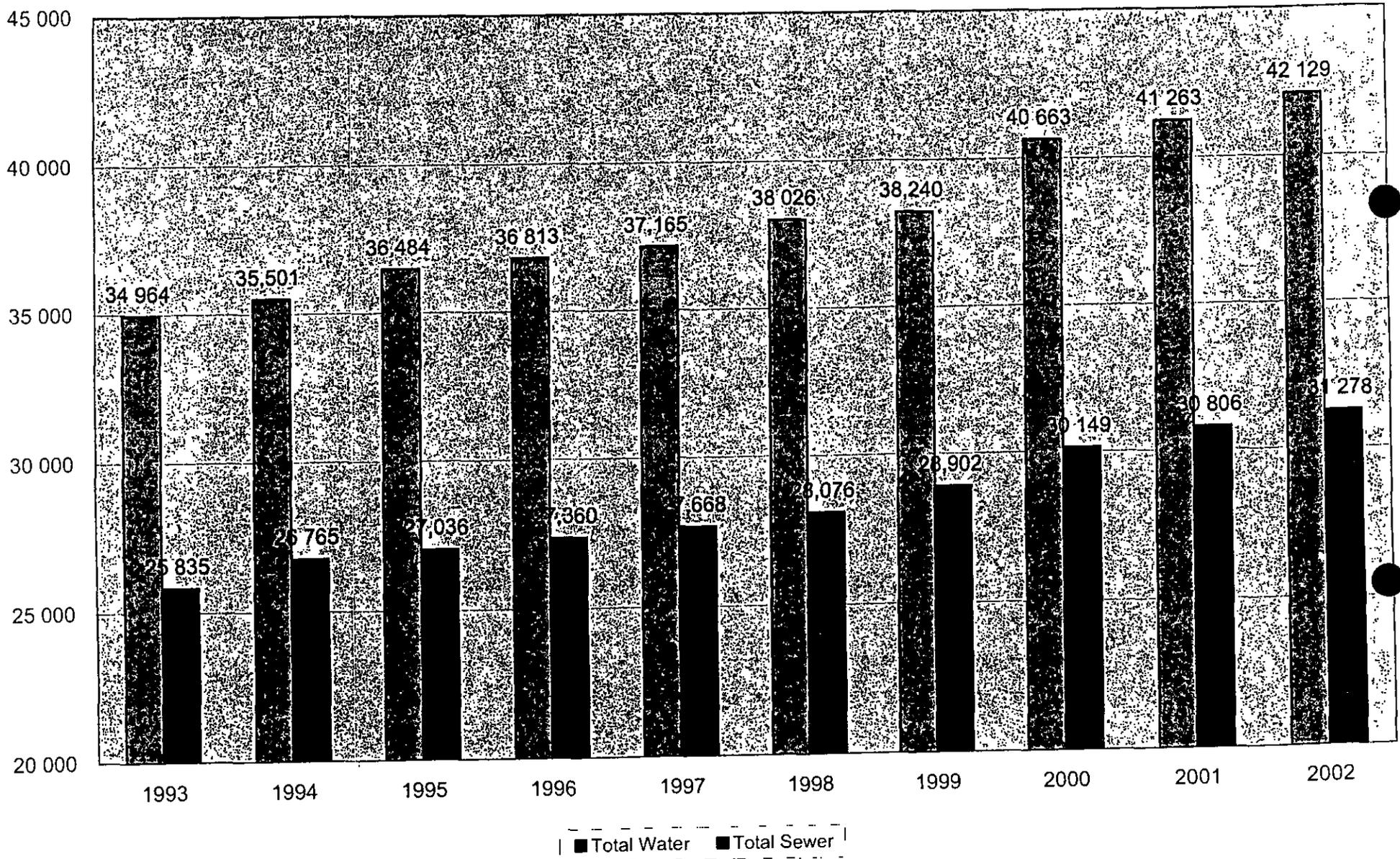
## Water Production vs. Metered Consumption (Amounts Expressed in Acre Feet)



**Cucamonga County Water District  
Water Production  
vs.  
Metered Consumption  
(Amounts Expressed in Acre Feet)**

Fiscal Year Ending	Total Water Production	% of Change	Metered Water Consumption	% of Change
1990	42,019	0%	37,999	13%
1991	40,670	(3%)	36,728	(3%)
1992	38,265	(6%)	35,375	(4%)
1993	39,227	3%	39,572	12%
1994	41,121	5%	37,759	(5%)
1995	39,907	(3%)	37,876	0%
1996	46,081	15%	42,077	11%
1997	47,236	3%	45,088	7%
1998	40,542	(14%)	38,806	(14%)
1999	46,114	14%	42,173	9%
2000	51,833	12%	47,970	14%
2001	49,149	(5%)	48,652	1%
2002	50,748	3%	47,743	(2%)
<b>Average</b>	<b>44,070</b>	<b>2%</b>	<b>41,371</b>	<b>3%</b>

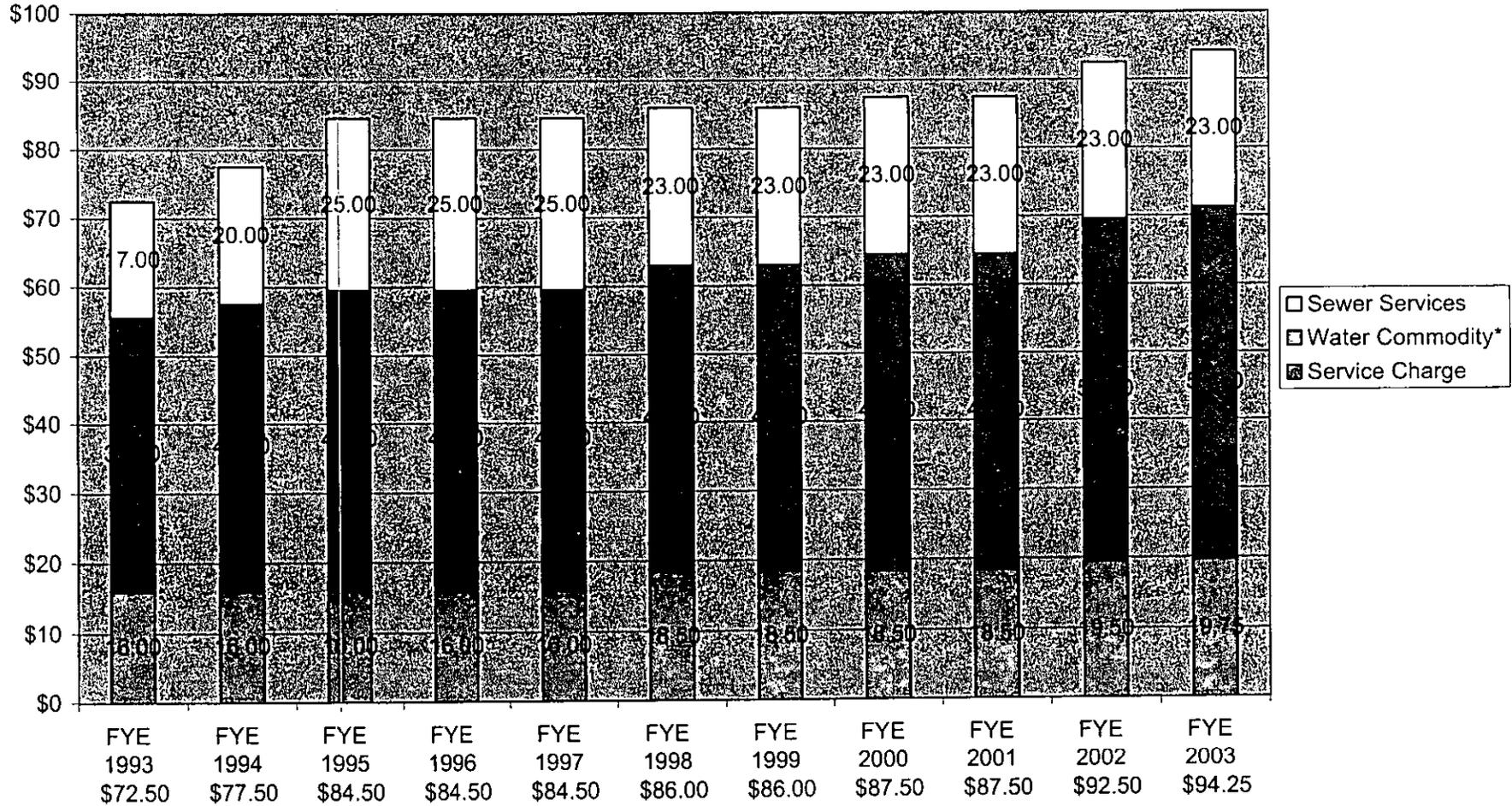
# Total Water and Sewer Services by Year



**Cucamonga County Water District  
Total Water and Sewer Services  
by Year**

Fiscal Year Ending	Total Water	% of Change	Total Sewer	% of Change
1993	34,964		25,835	
1994	35,501	2%	26,765	4%
1995	36,484	3%	27,036	1%
1996	36,813	1%	27,360	1%
1997	37,165	1%	27,668	1%
1998	38,026	2%	28,076	1%
1999	38,240	1%	28,902	3%
2000	40,663	6%	30,149	4%
2001	41,263	1%	30,806	2%
2002	42,129	2%	31,278	2%
<b>Average</b>	<b>38,125</b>	<b>2%</b>	<b>28,388</b>	<b>2%</b>

## Average Residential Bi-Monthly Bill by Year



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

## Cucamonga County Water District Water and Sewer Rate History

### Water Rates:

Fiscal Year Ending	Water Service Charge (5/8" Meter)	Water Commodity Rate	Interruptible Government Rate
1993	\$ 16.00	\$ 0.79	\$ -
1994	16.00	0.83	-
1995	16.00	0.87	-
1996	16.00	0.87	-
1997	16.00	0.87	-
1998	18.50	0.89	0.81
1999	18.50	0.89	0.81
2000	18.50	0.92	0.84
2001	18.50	0.92	0.84
2002	19.50	1.00	0.91
2003	19.75	1.03	0.94

Note: In 1998, the District combined the service charge for the 5/8" meter and the 3/4"

### Sewer Rates:

Fiscal Year Ending	Sewer Service Charge	Treatment Charge IEUA	Regulatory Surcharge IEUA	Total
1993	\$ 4.64	\$ 9.82	\$ 10.54	\$ 25.00
1994	10.90	12.50	1.60	25.00
1995	7.94	14.34	2.72	25.00
1996	7.94	14.34	2.72	25.00
1997	8.34	12.32	2.34	23.00
1998	8.34	12.34	2.32	23.00
1999	8.02	13.00	1.98	23.00
2000	8.02	13.00	1.98	23.00
2001	8.02	13.00	1.98	23.00
2002	7.62	13.62	1.76	23.00
2003	7.62	13.62	1.76	23.00



# **FIVE-YEAR CAPITAL IMPROVEMENT PLAN**

## **Goals & Objectives**

### **Strategic Planning**

- Implement major capital projects utilizing the new Water and Sewer Master Plans.
- Continue addressing the high priority issues related to water supply, infrastructure, and growth as set forth in the District's Strategic Plan.
- Continue development and implementation of a Regional Recycled Water Program in coordination with contracting agencies and the Inland Empire Utilities Agency. In addition, continue to evaluate other opportunities for the development of high quality recycled water supplies.
- Work with Chino Basin Watermaster, regional water purveyors, and local agencies to develop additional opportunities for utilizing the District's stored ground water.

### **Reliable Water Supply**

- Continue implementation of District's Water Supply Strategic Plan.
- Develop opportunities for more efficient use of groundwater rights within the Chino and Cucamonga Basins.
- Develop a strategy for maximum utilization of the District's portion of Fontana Union and Lytle Creek water.
- Continue negotiations with San Gabriel Valley Water Company for exchange and delivery of treated water into respective service areas.
- Complete construction modification to canyon supply systems to maximize use of available surface and tunnel water.

**Operating Performance**

- Enhance our Technical Support capabilities through Geographical Information System (GIS) and Computer Aided Design (CAD) to provide accurate maps, capture as-built drawings, and provide facility information to all departments of the District.
- Continue constant communication and project planning with the District's Operations Department and improve utility coordination meetings with the various cities and utility agencies in our service area.
- Construct projects that will enhance the District's distribution and collection systems in an effort to meet the needs of our Customers and prepare for future growth.
- Continue developing new operating procedures to reduce maintenance costs and ensure dependable service to our customers.

## **SIGNIFICANT CAPITAL PROJECTS**

- Lloyd-Michaels Water Treatment Plant expansion project
- Begin construction of District Operations facility
- Construct new transmission waterlines to improve recovery of storage tank levels and meet system demands
- Construct 2 new water storage, production and pumping facilities  
(These projects include 2 new wells in Chino Basin and 6 million gallons of additional storage capacity.)
- Continue poly service replacement program
- Improve well production capacity through a continuous well rehabilitation program

## **SIGNIFICANT FUTURE CAPITAL PROJECTS**

- Acquisition of property for construction of future reservoir sites – \$5.0 million
- Construction of new reservoirs to increase storage capacity – \$10.0 million
- Installation of four (4) new wells in the Chino Basin - \$2.3 million
- Replacement of and installation of distribution pipelines and services - \$6.0 million
- Replacement of and installation of sewer collection and trunk lines \$2.5 million

**CUCAMONGA COUNTY WATER DISTRICT  
CAPITAL PROJECTS SUMMARY  
For the Fiscal Year Ending June 30, 2003**

Category Number	Description	Amount	% of Total
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Category Number	Description	Amount	% of Total
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<b>Water Capital Projects</b>			
9030	Source of Supply	\$ 369,000	5.6%
9045	Field Equipment	408,800	6.2%
9065	Water Treatment	217,190	3.3%
9070	Pumps & Pumping Equipment	1,728,000	26.2%
9071	Reservoirs	388,400	5.9%
9072	Telemetry	40,000	0.6%
9075	Building Improvements	2,606,077	39.6%
9085	Water Mains	827,000	12.6%
<b>TOTAL WATER CAPITAL</b>		<b>\$ 6,584,467</b>	<b>100.0%</b>

<b>Sewer Capital Projects</b>			
9030	Source of Supply	\$ -	0.0%
9045	Field Equipment	36,500	13.2%
9095	Sewer Improvements	240,000	86.8%
<b>TOTAL SEWER CAPITAL</b>		<b>\$ 276,500</b>	<b>100.0%</b>

<b>Office Equipment</b>			
9055	Office Equipment - Water	\$ 255,950	59.3%
9055	Office Equipment - Sewer	175,950	40.7%
<b>TOTAL OFFICE EQUIPMENT</b>		<b>\$ 431,900</b>	<b>100%</b>

<b>Vehicle Replacement</b>			
9080	Vehicle Replacement - Water	\$ 339,300	96.2%
9080	Vehicle Replacement - Sewer	13,500	3.8%
<b>TOTAL VEHICLE REPLACEMENT</b>		<b>\$ 352,800</b>	<b>100%</b>

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**Grand Total - Capital Projects:                   \$7,645,667**

# *Water Capital Projects*

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**CUCAMONGA COUNTY WATER DISTRICT  
WATER CAPITAL PROJECTS  
For the Fiscal Year Ending June 30, 2003**

Project Number	Description	Approved Prior Year Capital	Budget Request 2003	Proposed 2004	Proposed 2005	Proposed 2006	Proposed 2007 & Beyond	Project Total
<b>WATER CAPITAL</b>								
<b>9030</b>	<b>Source of Supply</b>							
CP-5705	Hydrogeological Consulting Services	-	30,000	-	-	-	-	30,000
CP-5706	Watershed Biological Assessment	-	15,000	-	-	-	-	15,000
CP-5707	Flood Control Basins Imp. Phase I	-	150,000	-	-	-	-	150,000
CP-5708	Water Supply Feasibility Studies (Grants)	-	15,000	-	-	-	-	15,000
CP-4936	Canyon Diversion Pipeline	310,000	31,000	-	-	-	-	341,000
CP-4937	East Canyon Pipeline	605,000	65,000	-	-	-	-	670,000
CP-5105	Day Canyon Pipeline	585,000	63,000	-	-	-	-	648,000
<b>Subtotal</b>		<b>1,500,000</b>	<b>369,000</b>					<b>1,869,000</b>
<b>9045</b>	<b>Field Equipment</b>							
CP-5745	Air Quality Monitoring Equipment	-	6,500	-	-	-	-	6,500
CP-5334	AMR Retrofit	163,000	400,000	400,000	-	-	-	963,000
CP-5746	Plasma Cutter	-	2,300	-	-	-	-	2,300
<b>Subtotal</b>		<b>163,000</b>	<b>408,800</b>	<b>400,000</b>				<b>971,800</b>
<b>9055</b>	<b>Office Equipment</b>							
CP-5747	Office Improvements	6,000	-	-	-	-	-	6,000
CP-5748	Modular Furniture for Admin. Building	-	15,000	-	-	-	-	15,000
-	AS/400 Upgrade	-	-	39,400	-	-	-	39,400
CP-5749	Audiolog Additions - Phone Recording	-	9,900	-	-	-	-	9,900
CP-5750	Automated Laser Check Printing	-	11,200	-	-	-	-	11,200
CP-5751	Board Room Multimedia and Sound	-	37,500	-	-	-	-	37,500
CP-5752	Computer Output to Laser Disk	-	24,800	-	-	-	-	24,800
CP-5753	Desktop Fax	-	9,400	-	-	-	-	9,400
CP-5754	District Color Copier	-	17,300	-	-	-	-	17,300
CP-5755	District Warehouse Copier	-	9,200	-	-	-	-	9,200
-	Field Inspection Software	-	-	33,800	-	-	-	33,800
CP-5756	Imaging System Additional Scanners	-	7,500	7,500	-	-	-	15,000
CP-5757	IVR Telephone Inquiry Additions	-	12,000	-	-	-	-	12,000
CP-5758	Mapping Interface	-	11,300	-	-	-	-	11,300
CP-5759	Microsoft Office XP Upgrade	-	20,200	-	-	-	-	20,200
CP-5760	Network-Attached Storage Array	-	26,300	-	-	-	-	26,300
CP-5761	GIS Upgrades and Maintenance	-	20,000	-	-	-	-	20,000

**CUCAMONGA COUNTY WATER DISTRICT  
WATER CAPITAL PROJECTS  
For the Fiscal Year Ending June 30, 2003**

Project Number	Description	Approved Prior Year Capital	Budget Request 2003	Proposed 2004	Proposed 2005	Proposed 2006	Proposed 2007 & Beyond	Project Total
CP-5762	Inkjet Plotter	-	7,500	-	-	-	-	7,500
CP-5763	Internet Server Replacement	-	11,250	-	-	-	-	11,250
-	Imaging of Engineering Archives	-	-	19,200	-	-	-	19,200
CP-5764	H2O Net Upgrade	-	5,600	-	-	-	-	5,600
<b>Subtotal</b>		<b>6,000</b>	<b>255,950</b>	<b>99,900</b>				<b>361,850</b>
<b>9065 Water Treatment</b>								
CP-5709	Coagulant Optimization Study	-	28,000	-	-	-	-	28,000
CP-5710	Chloramine Integration Study	-	30,000	-	-	-	-	30,000
CP-5711	RNWTP Replace 4 Chemical Pumps	-	21,600	-	-	-	-	21,600
CP-5712	LMWTP & RNWTP Replace 4 Actuators	-	52,490	-	-	-	-	52,490
CP-5713	LMWTP Chemical Storage Tanks	-	38,100	-	-	-	-	38,100
CP-5714	Ammonia System for RNWTP	-	17,000	-	-	-	-	17,000
CP-5715	Ammonia System for AHBWTP	-	15,000	-	-	-	-	15,000
CP-5716	Res. 8B Treatment Study	-	15,000	-	-	-	-	15,000
CP-5717	RNWTP Filter Media Replacement	30,000	-	-	-	-	-	30,000
CP-5718	LMWTP Influent Control Facility	2,128,000	-	-	-	-	-	2,128,000
CP-5339	LWMTP - Sewer Line	29,500	-	-	-	-	-	29,500
CP-5547	LMWTP Design (including control system)	1,022,600	-	-	-	-	-	1,022,600
CP-5547	LMWTP Modification	7,028,200	-	-	-	-	-	7,028,200
<b>Subtotal</b>		<b>10,238,300</b>	<b>217,190</b>					<b>10,455,490</b>
<b>9070 Pumps &amp; Pumping Equipment</b>								
CP-5719	Chloramine Retrofit for Cl2 Stations	-	251,000	-	-	-	-	251,000
CP-5720	Recondition Well 26	-	25,000	-	-	-	-	25,000
CP-5721	Recondition Well 22	-	25,000	-	-	-	-	25,000
CP-5722	General Well Rehabilitation	-	50,000	-	-	-	-	50,000
CP-5723	Pump Station 3C2 Emerg. Gen. Switch	-	30,000	-	-	-	-	30,000
CP-5724	Install Nitrate Analyzers	-	31,000	-	-	-	-	31,000
CP-5725	Automated Actuator for 8B	-	5,000	-	-	-	-	5,000
CP-5078	New Wells - Reservoir 1C	-	575,000	575,000	-	-	-	1,150,000
CP-5726	New Wells - Reservoir 1B	-	575,000	575,000	-	-	-	1,150,000
CP-5727	Install Fence at Well 23	-	6,000	-	-	-	-	6,000
CP-5728	Install Fence at Well 12	-	5,000	-	-	-	-	5,000
CP-5341	Meters for Bypass Regulators	85,000	-	-	-	-	-	85,000
CP-4780	Interzone Pump Station 3	260,000	-	-	-	-	-	260,000

**CUCAMONGA COUNTY WATER DISTRICT  
WATER CAPITAL PROJECTS  
For the Fiscal Year Ending June 30, 2003**

Project Number	Description	Approved Prior Year Capital	Budget Request 2003	Proposed 2004	Proposed 2005	Proposed 2006	Proposed 2007 & Beyond	Project Total
CP-5355	New Well in Chino Basin	560,000	-	575,000	575,000	-	-	1,710,000
CP-5563	Steel Motor Covers for Pump Sta. 1,2, and 3	25,000	-	-	-	-	-	25,000
CP-5729	Res. 1B Pump Station	500,000	150,000	-	-	-	-	650,000
	Pump Stn. 3 Switchgear/Motor Controls	-	-	100,000	-	-	-	100,000
	Switchgear/Motor Controls Safety Study	-	-	15,000	-	-	-	15,000
	Well 38 Column Extension	-	-	9,700	-	-	-	9,700
	Well 10 Electrical Starter Enclosure	-	-	35,000	-	-	-	35,000
	Retrofit Cla-Valves at Res. 1, 2 & 3	-	-	30,000	-	-	-	30,000
	Well 38 Paving	-	-	5,400	-	-	-	5,400
	Servicing/Rebuilding 25 Pressure Regs.	-	-	33,000	-	-	-	33,000
	Abandon Well 14 (located at Well 31)	-	-	19,000	-	-	-	19,000
	Abandon Well 18 (located at Well 23)	-	-	23,000	-	-	-	23,000
	Pressure Transmitters Various Res. Sites	-	-	15,000	-	-	-	15,000
	Generator Platforms Res. 3CII & 3	-	-	12,000	-	-	-	12,000
	Booster Pumps and Piping at Res. 2-1 and 2-2	-	-	-	900,000	-	-	900,000
	Pump Station for Res. 1C	-	-	-	-	1,180,000	-	1,180,000
	Pumps and Piping at Res. 1	-	-	-	-	3,840,000	-	3,840,000
	Equip. Res. 3 with Additional Pumps and Piping	-	-	-	-	330,000	-	330,000
	<b>Subtotal</b>	<b>1,430,000</b>	<b>1,728,000</b>	<b>2,022,100</b>	<b>1,475,000</b>	<b>5,350,000</b>	<b>-</b>	<b>12,005,100</b>
<b>9071</b>	<b>Reservoirs</b>							
CP-5730	Reservoir 4B Landscaping	-	20,000	-	-	-	-	20,000
CP-5731	Reservoir #2 Valve Replacement	-	15,000	-	-	-	-	15,000
CP-5732	Reroof Reservoir 3A	-	22,000	-	-	-	-	22,000
CP-5733	Paint Reservoir 1 Exterior	-	4,900	-	-	-	-	4,900
CP-5734	Paint Reservoir 2C Exterior	-	8,500	-	-	-	-	8,500
CP-5735	Reservoir 2-1 Interior Recoating	-	53,000	-	-	-	-	53,000
CP-5346	Inlet and Piping - Reservoir 8B	90,000	-	-	-	-	-	90,000
CP-5211	Property Acquisition - Reservoir Sites	885,000	115,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000
CP-5080	New Reservoir Zone 6	-	-	-	200,000	800,000	-	1,000,000
CP-5357	New Reservoir Zone 4D	-	-	900,000	-	-	-	900,000
CP-4783	Reservoir 1C	1,500,000	-	-	-	-	-	1,500,000
CP-5691	Reservoir 1B	750,000	150,000	-	-	-	-	900,000
	Reservoir 4B Interior Recoating	-	-	103,020	-	-	-	103,020
	Various Tanks Recoating	-	-	150,000	150,000	150,000	-	450,000
	Res. 6B Paving	-	-	6,000	-	-	-	6,000
	Res. 7B Paving	-	-	5,000	-	-	-	5,000

**CUCAMONGA COUNTY WATER DISTRICT  
WATER CAPITAL PROJECTS  
For the Fiscal Year Ending June 30, 2003**

Project Number	Description	Approved Prior Year Capital	Budget Request 2003	Proposed 2004	Proposed 2005	Proposed 2006	Proposed 2007 & Beyond	Project Total
	3.5 MG Res. 3C-3 and Piping	-	-	-	1,430,000	-	-	1,430,000
	4.0 MG Res. 3B and Piping	-	-	-	-	2,080,000	-	2,080,000
	Two 3.0 MG Res. 2-3 and 2-4 and Piping	-	-	-	3,270,000	-	-	3,270,000
	2.0 MG Res. 6A and Water Mains at ABWTP	-	-	-	-	2,020,000	2,020,000	4,040,000
	<b>Subtotal</b>	<b>3,225,000</b>	<b>388,400</b>	<b>2,164,020</b>	<b>6,050,000</b>	<b>6,050,000</b>	<b>3,020,000</b>	<b>20,897,420</b>
<b>9072</b>	<b>Telemetry</b>							
	Treatment Plant Control System Upgrade	1,024,600	-	-	-	-	-	1,024,600
CP-5736	Pump Station Pressure Zone Transmitters	-	40,000	-	-	-	-	40,000
	<b>Subtotal</b>	<b>1,024,600</b>	<b>40,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,064,600</b>
<b>9075</b>	<b>Building Improvements</b>							
CP-5301	Operations & Maintenance Facility	5,035,000	2,596,077	293,000	-	-	-	7,924,077
CP-5737	Improvements to Old Admin. Building	-	10,000	-	-	-	-	10,000
CP-5738	Conservation Resource Center Feasibility Study	15,000	-	-	-	-	-	15,000
	<b>Subtotal</b>	<b>5,050,000</b>	<b>2,606,077</b>	<b>293,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,949,077</b>
<b>9080</b>	<b>Vehicles</b>							
CP-5770	Lift Truck- Warehouse	-	20,000	-	-	-	-	20,000
CP-5771	Electric Liftgate for Unit #140	-	5,300	-	-	-	-	5,300
CP-5772	Restore 1942 Ford Flatbed Truck	-	12,000	-	-	-	-	12,000
CP-5773	3/4 Ton Utility Vehicle (#198)	-	32,000	-	-	-	-	32,000
CP-5774	3/4 Ton Utility Vehicle (#199)	-	32,000	-	-	-	-	32,000
CP-5775	3/4 Ton 4 X 4 Utility Vehicle (#208)	-	34,000	-	-	-	-	34,000
CP-5776	4 X 2 SUV (#196)	-	30,000	-	-	-	-	30,000
CP-5777	3/4 Ton 4 X 4 Utility Vehicle (#194)	-	34,000	-	-	-	-	34,000
CP-5778	3/4 Ton Utility Vehicle (#183)	-	32,000	-	-	-	-	32,000
CP-5779	Used High Cube Van (#121)	-	40,000	-	-	-	-	40,000
CP-5780	Backhoe 4-Wheel Drive Extension Hoe	-	68,000	-	-	-	-	68,000
	3/4 Ton Utility Vehicle (#210)	-	-	32,000	-	-	-	32,000
	<b>Subtotal</b>	<b>-</b>	<b>339,300</b>	<b>32,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>371,300</b>
<b>9085</b>	<b>Water Mains</b>							
CP-5351	Poly Service Replacement (Various Locations)	-	575,000	575,000	575,000	575,000	575,000	2,875,000
CP-5739	12" Water Main/ Foothill w/o Vineyard	-	252,000	-	-	-	-	252,000
CP-5613	Res. 1C Pipeline-21,800 LF of 30" Main	4,430,000	-	-	-	-	-	4,430,000

**CUCAMONGA COUNTY WATER DISTRICT  
WATER CAPITAL PROJECTS  
For the Fiscal Year Ending June 30, 2003**

Project Number	Description	Approved Prior Year Capital	Budget Request 2003	Proposed 2004	Proposed 2005	Proposed 2006	Proposed 2007 & Beyond	Project Total
CP-5358	8" Water main / Cambridge S. of Baseline	66,000	-	-	-	-	-	66,000
CP-5473	12" Water Main/ Foothill and Ramona	80,000	-	-	-	-	-	80,000
CP-5531	Res. 1C to Etiwanda Pipeline-3,700 LF of 30" Main	770,000	-	-	-	-	-	770,000
CP-5522	Highland Transmission Main	1,730,000	-	-	-	-	-	1,730,000
CP-5321	Banyan Transmission Main	1,920,000	-	-	-	-	-	1,920,000
CP-5744	City of Ontario Service Tie-Overs	17,000	-	-	-	-	-	17,000
	Installation of Transmission Main Valves	-	-	122,000	-	-	-	122,000
	12" Water Main/ Archibald - Arrow to Foothill	-	-	243,000	-	-	-	243,000
CP-5360	Reservoir 4D Pipeline	-	-	185,000	-	-	-	185,000
	12" Water Main/ Vineyard n/o Arrow Hwy	-	-	319,000	-	-	-	319,000
	12" Water Main / Vineyard from 6th to 8th	-	-	233,000	-	-	-	233,000
	12" Water Main / Foothill - Malachite to Klusman	-	-	107,000	-	-	-	107,000
	8" Water Main / Etiwanda s/o Arrow Hwy	-	-	115,000	-	-	-	115,000
	8" Water Main/ Tract w/o Archibald s/o Hampshire	-	-	550,000	-	-	-	550,000
CP-5359	12" Water main / Hermosa S. of Foothill	-	-	315,000	-	-	-	315,000
	Water Mains in East Avenue and Arrow Rte.	-	-	-	4,575,000	-	-	4,575,000
	Water main in 24th Street/Summit Ave.	-	-	1,650,000	-	-	-	1,650,000
	Water Mains in Archibald and 8th Street	-	-	1,030,000	-	-	-	1,030,000
	Water Main in Heritage Circle n/o Baseline	-	-	-	-	70,000	-	70,000
	Water Main in Summit West of Cherry Avenue	-	-	-	200,000	-	-	200,000
	Water Main in Highland e/o Etiwanda Creek	-	-	-	90,000	-	-	90,000
	Water Main in 24th Street and Hanley Ave.	-	-	-	-	320,000	-	320,000
	Water Mains South of Red Hill Country Club	-	-	-	1,610,000	-	-	1,610,000
	Water Mains in Baseline Ave	-	-	-	-	1,650,000	-	1,650,000
	Water Mains in 24th Street/Wilson Ave.	-	-	-	-	1,420,000	-	1,420,000
	Water Main from Res. 2 to Res. 3	-	-	-	1,800,000	-	-	1,800,000
	<b>Subtotal</b>	<b>9,013,000</b>	<b>827,000</b>	<b>5,444,000</b>	<b>8,850,000</b>	<b>4,035,000</b>	<b>575,000</b>	<b>28,744,000</b>
	<b>Total Water Capital Projects</b>	<b>31,649,900</b>	<b>7,179,717</b>	<b>10,455,020</b>	<b>16,375,000</b>	<b>15,435,000</b>	<b>3,595,000</b>	<b>84,689,637</b>

**CUCAMONGA COUNTY WATER DISTRICT  
SEWER CAPITAL PROJECTS  
For the Fiscal Year Ending June 30, 2003**

Project Number	Description	Approved Prior Year Capital	Budget Request 2003	Proposed 2004	Proposed 2005	Proposed 2006	Proposed 2007 & Beyond	Project Total
<b>SEWER CAPITAL</b>								
<b>9045</b>	<b>Field Equipment</b>							
CP-5765	Lateral Camera	-	7,500	-	-	-	-	7,500
CP-5766	Flexidata Software	-	23,000	-	-	-	-	23,000
CP-5767	Confined Space Equipment	-	6,000	-	-	-	-	6,000
<b>Subtotal</b>			<b>36,500</b>					<b>36,500</b>
<b>9055</b>	<b>Office Equipment</b>							
CP-5768	Industrial Waste Database Replacement	-	60,000	-	-	-	-	60,000
-	AS/400 Upgrade	-	-	13,100	-	-	-	13,100
CP-5749	Audiolog Additions - Phone Recording	-	3,300	-	-	-	-	3,300
CP-5750	Automated Laser Check Printing	-	3,800	-	-	-	-	3,800
CP-5751	Board Room Multimedia and Sound	-	12,500	-	-	-	-	12,500
CP-5769	Computer Equipment and Printers	-	10,500	-	-	-	-	10,500
CP-5752	Computer Output to Laser Disk	-	8,300	-	-	-	-	8,300
CP-5753	Desktop Fax	-	3,100	-	-	-	-	3,100
CP-5754	District Color Copier	-	5,800	-	-	-	-	5,800
CP-5755	District Warehouse Copier	-	3,100	-	-	-	-	3,100
-	Field Inspection Software	-	-	11,300	-	-	-	11,300
CP-5761	GIS Upgrades and Maintenance	-	20,000	-	-	-	-	20,000
CP-5762	Inkjet Plotter	-	7,500	-	-	-	-	7,500
CP-5764	H2O Net Sewer Upgrade	-	8,400	-	-	-	-	8,400
CP-5756	Imaging System Additional Scanners	-	2,500	2,500	-	-	-	5,000
CP-5757	IVR Telephone Inquiry Additions	-	4,000	-	-	-	-	4,000
CP-5758	Mapping Interface	-	3,800	-	-	-	-	3,800
CP-5759	Microsoft Office XP Upgrade	-	6,800	-	-	-	-	6,800
CP-5760	Network-Attached Storage Array	-	8,800	-	-	-	-	8,800
CP-5763	Internet Server Replacement	-	3,750	-	-	-	-	3,750
-	Imaging of Engineering Archive	-	-	6,400	-	-	-	6,400
<b>Subtotal</b>			<b>175,950</b>	<b>33,300</b>				<b>209,250</b>
<b>9080</b>	<b>Vehicles</b>							
CP-5770	Lift Truck-Warehouse	-	11,000	-	-	-	-	11,000
CP-5781	Tandem Axle Equipment Trailer	-	2,500	-	-	-	-	2,500
<b>Subtotal</b>			<b>13,500</b>					<b>13,500</b>
<b>9095</b>	<b>Sewer Improvements</b>							
CP-5740	Feasibility Study WWTP	-	75,000	-	-	-	-	75,000
CP-5741	Central Park Recycled Water Project	-	100,000	-	-	-	-	100,000
CP-5742	Empire Lakes Recycled Water Project	-	50,000	-	-	-	-	50,000
CP-2349	Sewer Siphon South of Red Hill	110,000	-	-	-	-	-	110,000

**CUCAMONGA COUNTY WATER DISTRICT  
SEWER CAPITAL PROJECTS  
For the Fiscal Year Ending June 30, 2003**

<b>Project Number</b>	<b>Description</b>	<b>Approved Prior Year Capital</b>	<b>Budget Request 2003</b>	<b>Proposed 2004</b>	<b>Proposed 2005</b>	<b>Proposed 2006</b>	<b>Proposed 2007 &amp; Beyond</b>	<b>Project Total</b>
CP-2351	Baseline - Hellman West to Lion St. (70%)	81,600	-	-	-	-	-	81,600
CP-2351	Baseline - Hellman West to Lion St. (30%)	38,400	-	-	-	-	-	38,400
CP-5353	Rehab 25 Manholes	-	15,000	15,000	15,000	15,000	15,000	75,000
CP-5743	Upgrade Almond Lift Station Starter/Switchgear	25,000	-	-	-	-	-	25,000
CP-5083	San Bernardino Ave Trunk Line	-	-	1,235,000	-	-	-	1,235,000
CP-5084	Haven Trunk Line - 4th to Baseline	-	-	575,000	-	759,000	-	2,034,000
	Sewer Replmnt., 4th St. - Vincent to Cleveland	-	-	-	167,000	-	-	167,000
	Sewer Replmnt., 4th St. - e/o Cleveland	-	-	-	124,000	-	-	124,000
	Sewer Replmnt., 4th St. - Milliken to Vincent	-	-	-	-	454,000	-	454,000
	Sewer Replmnt., 4th St. - Utica to Cleveland	-	-	-	737,000	-	-	737,000
	Sewer Replmnt., 4th St. - Deer Creek to Outfall	-	-	-	-	342,000	-	342,000
	Sewer Replmnt., Archibald - Bus. Cntr Dr. to n/o Feron	-	-	-	116,000	-	-	116,000
	Sewer Replmnt., Haven - Town Ctr. Dr. to Foothill	-	-	-	71,000	-	-	71,000
	Sewer Replmnt., Hellman - Baseline to Spur Drive	-	-	-	21,000	-	-	21,000
	Sewer Replmnt., Spuce - s/o Elm to Church Street	-	-	-	-	169,000	-	169,000
	<b>Subtotal</b>	<b>255,000</b>	<b>240,000</b>	<b>1,825,000</b>	<b>1,951,000</b>	<b>1,739,000</b>	<b>15,000</b>	<b>6,025,000</b>
	<b>Total Sewer Capital Projects</b>	<b>255,000</b>	<b>465,950</b>	<b>1,858,300</b>	<b>1,951,000</b>	<b>1,739,000</b>	<b>15,000</b>	<b>6,284,250</b>
	<b>GRAND TOTAL (Water plus Sewer)</b>	<b>31,904,900</b>	<b>7,645,667</b>	<b>12,313,320</b>	<b>18,326,000</b>	<b>17,174,000</b>	<b>3,610,000</b>	<b>90,973,887</b>

*Executive  
Department*

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## **EXECUTIVE DEPARTMENT**

**Board of Directors, General Manager Office, and Assistant General Managers' Offices**

### **Goals and Objectives**

#### **Strategic Issues**

- Continue to develop the leadership role the District plays in the water industry and within the region.
- Complete the District's Business Plan.
- Evaluate the public affairs program, including the feasibility of renaming the District and developing new logo.
- Study the feasibility of providing service to areas outside the District boundaries, and investigate annexation of areas within our sphere of influence but not within our service area boundaries.
- Develop marketing approach for the sale of water to other agencies.
- Develop opportunities to implement "recycled water" for landscape use.
- Complete the District's Water Supply Plan
- Formalize internal policies to comply with the Public Records Act.
- Complete codification of the District's resolutions and ordinances.

**Employee Performance**

- Encourage employees to participate in the “Ladder of Success” program by providing them with information on where to obtain the necessary training.
- Develop a framework for a “pay for performance” program for senior management staff.
- Develop additional training programs for all groups of employees.

**Financial Management**

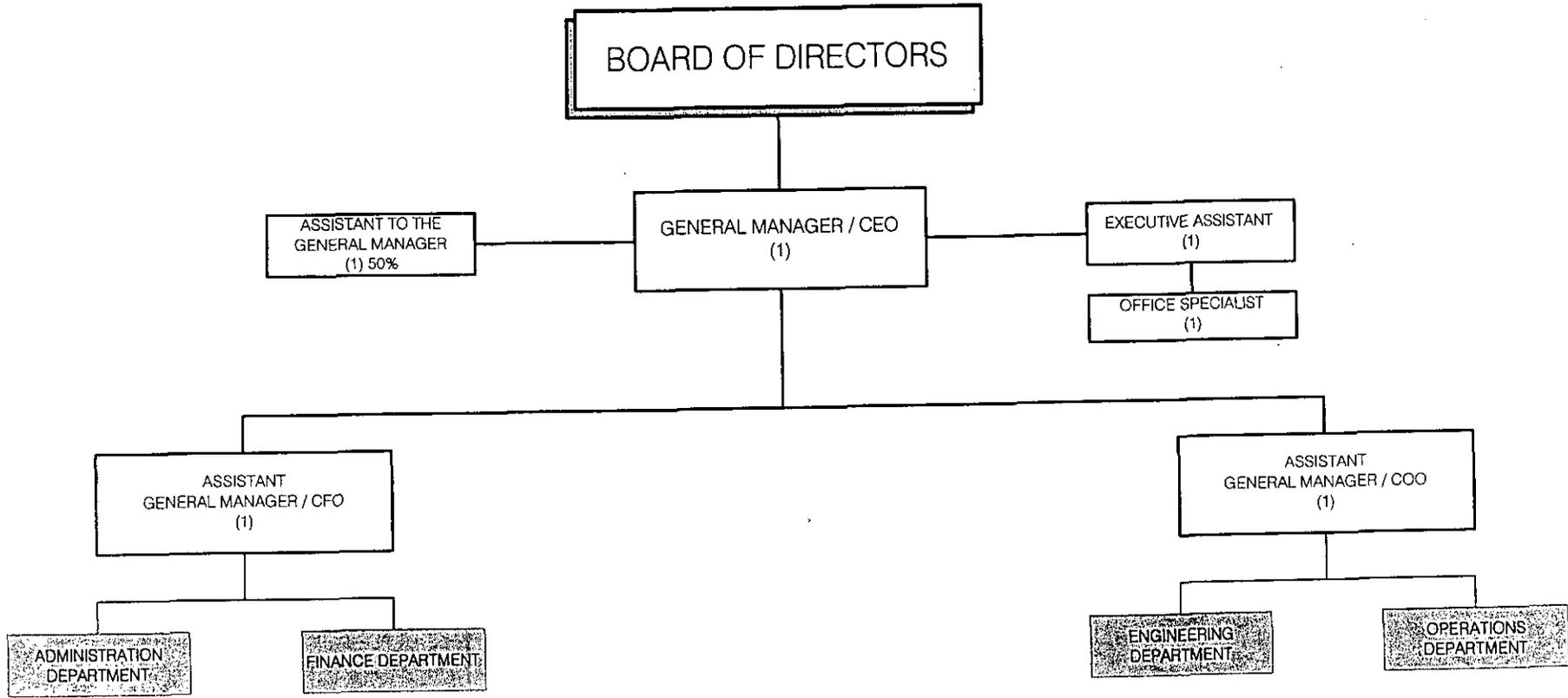
- Update the water, sewer and capacity fee rate studies.
- Maximize the District’s investment income return.
- Implement the district-wide cost accounting system

**Customer Service**

- Prepare the biennial report describing the activities and accomplishments of the District for the last two years.
- Develop a recycled water marketing campaign that shows the beneficial use of recycled water.

# EXECUTIVE DEPARTMENT

Organization Chart  
FYE 2003



## LEGEND

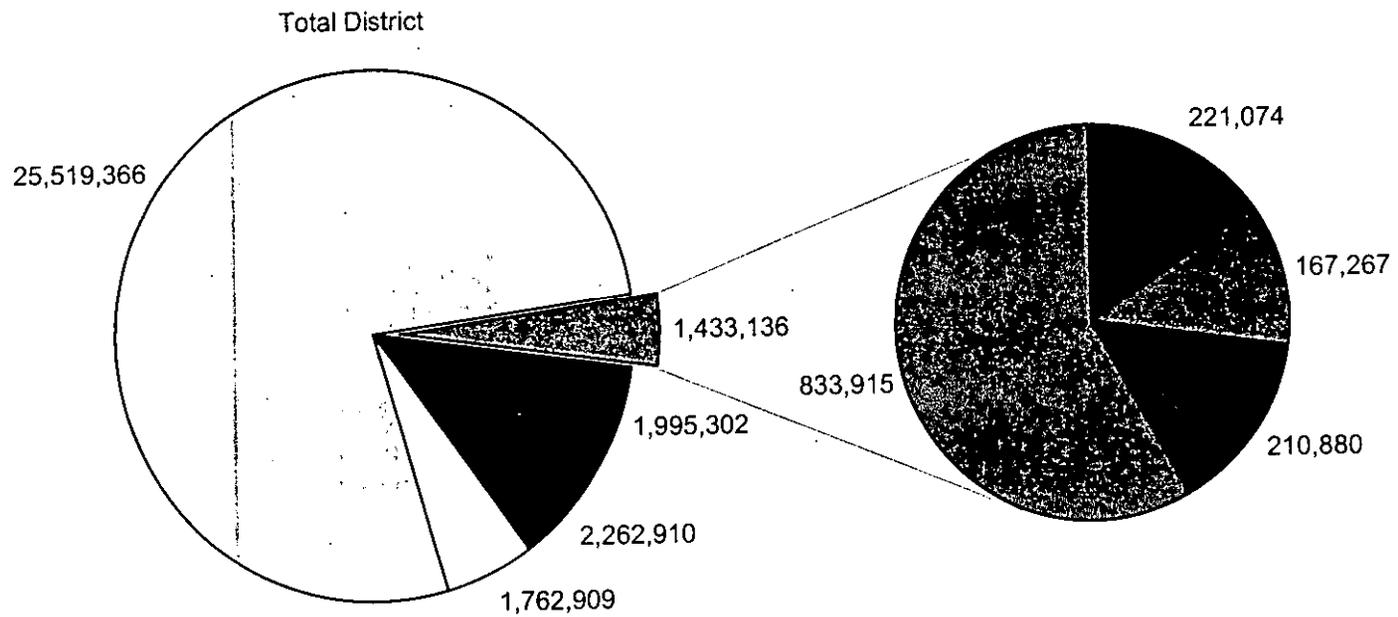
-  CURRENT FILLED POSITION
-  "LADDER OF SUCCESS" POSITION

TOTAL: 5.5 Employees

**Cucamonga County Water District  
Executive Department  
Personnel Distribution**

<b>Water Fund</b>	<b>Sewer Fund</b>	<b>Capital Fund</b>	<b>02-03</b>	<b>Division</b>	<b>01-02</b>	<b>00-01</b>	<b>99-00</b>	<b>98-99</b>	<b>97-98</b>
3.15	0.35	0	3.5	Office of the General Manager	5.1	0	0	0	0
0.9	0.1	0	1.0	Office of the CFO	1.0	0	0	0	0
0.7	0.3	0	1.0	Office of the COO	1.0	0	0	0	0
<b>4.75</b>	<b>0.75</b>	<b>0</b>	<b>5.5</b>	<b>Executive Total</b>	<b>7.1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Executive Department  
FYE 2003



■ Board of Directors ■ Office of the General Manager ■ Office of the CFO ■ Office of the COO

**Cucamonga County Water District  
Executive Department  
FYE 2003**

Department	Budget	% of Total	Division	Budget	% of Total
<b><u>Water Fund</u></b>					
<i>Executive</i>	\$ 1,433,136	4.3%	Board of Directors	210,880	14.7%
Administration	1,995,302	6.1%	Office of the General Manager	798,306	59.5%
Finance	2,262,910	6.9%	Office of the CFO	207,034	14.4%
Engineering	1,762,909	5.3%	Office of the COO	125,179	8.7%
Operations	25,519,366	77.4%	<b>Subtotal - Water</b>	<b>1,341,399</b>	<b>93.6%</b>
<b>Total Operating Budget</b>	<b>\$ 32,973,623</b>	<b>100.0%</b>			
<b><u>Sewer Fund</u></b>					
			Office of the General Manager	35,609	2.5%
			Office of the CFO	14,040	1.0%
			Office of the COO	42,088	2.9%
			<b>Subtotal - Sewer</b>	<b>91,737</b>	<b>6.4%</b>
			<b>Total Department Budget</b>	<b>\$ 1,433,136</b>	<b>100.0%</b>

**Cucamonga County Water District  
Executive Department  
Summary by Account  
FYE 2003**

<b>Account Number</b>	<b>Account Title</b>	<b>Water</b>	<b>Sewer</b>	<b>Total</b>
<b><u>100</u></b>	<b><u>Water Fund</u></b>			
10-XX	Wages and Directors' Fees	\$ 583,399	79,200	\$ 662,599
12-XX	District Burden	\$ 88,522	12,537	101,059
18-XX	Outside Labor	\$ -	-	-
20-XX	Professional Development	\$ 152,589	-	152,589
25-XX	Professional Services	\$ 454,200	-	454,200
27-XX	Advertisements	\$ 2,000	-	2,000
28-XX	Election Expense	\$ -	-	-
30-XX	Personnel Costs	\$ 32,475	-	32,475
32-XX	Insurance	\$ -	-	-
40-XX	Utilities	\$ 7,164	-	7,164
45-XX	Materials & Supplies	\$ 13,025	-	13,025
50-XX	Equipment Depreciation	\$ -	-	-
55-XX	Outside Services	\$ 850	-	850
60-XX	Safety	\$ 75	-	75
79-XX	Miscellaneous	\$ 7,100	-	7,100
80-XX	Other - Capital Equipment	\$ -	-	-
	<b>Totals</b>	<b>\$ 1,341,399</b>	<b>\$ 91,737</b>	<b>\$ 1,433,136</b>

*Administration  
Department*

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## **ADMINISTRATION DEPARTMENT**

### **Human Resources, Risk Management and Information Systems**

#### **Goals and Objectives**

##### **Strategic Issues**

- Complete the implementation of the Rapport program, "Rapport the Key to Unlocking Our Culture".
- Develop and implement a new performance evaluation that reflects the culture of the District
- Complete the development of a comprehensive Emergency Preparedness Plan.
- Develop and implement a more extensive orientation program to introduce District culture and goals to new employees.
- Instill safety and risk management concepts as part of the organization's culture.

##### **Employee Performance**

- Increase training and qualifications of all employees to improve work safety, reduce work-related injuries and promote a harmonious work environment.
- Continue conducting district "Enlightened Leadership" management training to improve the quality and effectiveness of District management staff.

- Continue to create an organizational culture that directs focus on conducting business in a competitive environment, while meeting and or exceeding our customers' expectations.

### **Customer Service**

- Enhance communication and services provided over the web to the public.
- Enhance employee access to personnel data and policies through the development of the intranet.
- Develop a new "Employment Opportunity Flyer" that promotes the District and its Culture.
- Provide more "in-house" computer and information technology training to the employees.
- Promote and foster a positive climate of open and honest communication amongst all departments and employees.

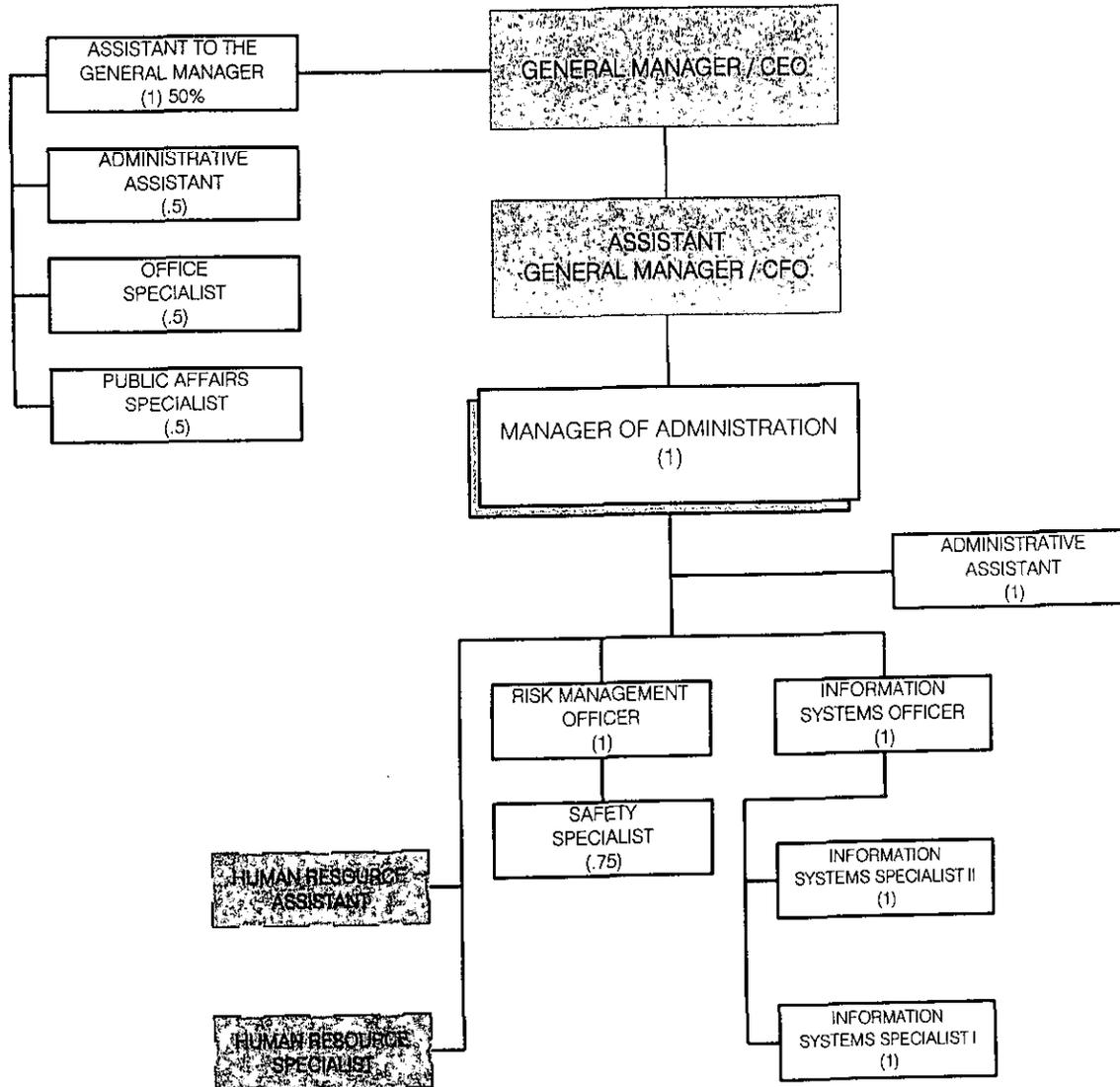
### **Operating Performance**

- Ensure that the District offers fair and competitive salaries and benefits to its employees to communicate the District's commitment to the development and growth of employees.
- Continue to hold routine staff meetings with members of the Administration department that will help enhance communication and develop friendly, efficient service to all District personnel.
- Enhance and expand technology to run the District in the most efficient manner.
- Continue to develop and support interdepartmental communications in pursuit of improved District functionality and adherence with corporate values.

# ADMINISTRATION DEPARTMENT

Organization Chart

FYE 2003



**LEGEND**

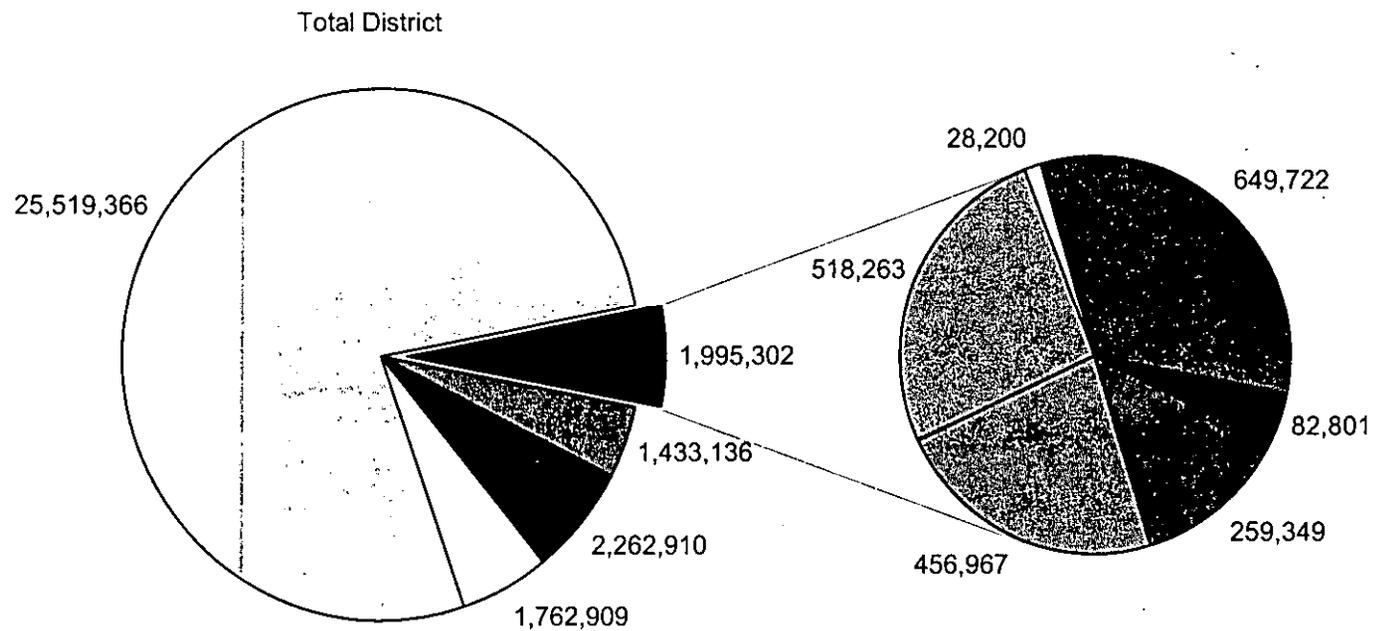
- CURRENT FILLED POSITION
- "LADDER OF SUCCESS" POSITION

**TOTAL: 8.75 Employees**

**Cucamonga County Water District  
Administration Department  
Personnel Distribution**

<b>Water Fund</b>	<b>Sewer Fund</b>	<b>Capital Fund</b>	<b>02-03</b>	<b>Division</b>	<b>01-02</b>	<b>00-01</b>	<b>99-00</b>	<b>98-99</b>	<b>97-98</b>
0.6	0	0	0.6	Administration	0.6	2	2	2	2
1.4	0	0	1.4	Personnel	1.4	2	1	1	2
2.0	0	0	2	Public Relations	1.5	2	1	1	1
3.0	0	0	3	Information Systems	3.0	-	-	-	-
1.2	0.53	0	1.75	Risk Management	1.0	1	1	1	1
0.0	0	0	0	Director of Special Projects	0.0	1	1	0	0
<b>8.2</b>	<b>0.53</b>	<b>0</b>	<b>8.75</b>	<b>Administration Total</b>	<b>7.5</b>	<b>8</b>	<b>6</b>	<b>5</b>	<b>6</b>

**Administration Department  
FYE 2003**



Administration
  Personnel
  Public Relations
  Risk Management
  Emergency Preparedness
  Information Systems

**Cucamonga County Water District  
Administration Department  
FYE 2003**

Department	Budget	% of Total	Division	Budget	% of Total
<b><u>Water Fund</u></b>					
Executive	1,433,136	4.3%	Administration	\$ 82,801	4.1%
<b>Administration</b>	<b>\$ 1,995,302</b>	<b>6.1%</b>	Personnel	259,349	13.0%
Finance	2,262,910	6.9%	Public Relations	456,967	22.9%
Engineering	1,762,909	5.3%	Risk Management	339,530	17.0%
Operations	25,519,366	77.4%	Emergency Preparedness	28,200	1.4%
<b>Total Operating Budget</b>	<b>\$ 32,973,623</b>	<b>100.0%</b>	Information Systems	623,955	31.3%
			<i>Subtotal - Operating</i>	<u>1,790,802</u>	<u>89.8%</u>
			Risk Management	78,700	3.9%
			<i>Subtotal - Capital</i>	<u>78,700</u>	<u>3.9%</u>
			<b>Subtotal - Water</b>	<u><b>1,869,502</b></u>	<u><b>93.7%</b></u>
<b><u>Sewer Fund</u></b>					
			Risk Management	100,033	5.0%
			Information Systems	25,767	1.3%
			<b>Subtotal - Sewer</b>	<u><b>125,800</b></u>	<u><b>6.3%</b></u>
			<b>Total Department Budget</b>	<u><b>\$ 1,995,302</b></u>	<u><b>100.0%</b></u>

**Cucamonga County Water District  
Administration Department  
Summary by Account  
FYE 2003**

<b>Account Number</b>	<b>Account Title</b>	<b>Water</b>	<b>Sewer</b>	<b>Total</b>
<b><u>100</u></b>	<b><u>Water Fund</u></b>			
10-XX	Wages and Salaries	\$ 564,004	33,609	\$ 597,613
12-XX	District Burden	\$ 101,697	6,719	108,416
18-XX	Outside Labor	\$ 25,000	-	25,000
20-XX	Professional Development	\$ 65,091	-	65,091
25-XX	Professional Services	\$ 100,000	-	100,000
27-XX	Advertisements	\$ 14,500	-	14,500
28-XX	Election Expense	\$ -	-	-
30-XX	Personnel Costs	\$ 140,384	-	140,384
32-XX	Insurance	\$ 165,400	59,600	225,000
40-XX	Utilities	\$ 4,060	105	4,165
45-XX	Materials & Supplies	\$ 127,550	-	127,550
50-XX	Equipment Depreciation	\$ 87,705	25,767	113,472
55-XX	Outside Services	\$ 462,986	-	462,986
60-XX	Safety	\$ 350	-	350
79-XX	Miscellaneous	\$ 3,625	-	3,625
80-XX	Other - Capital Equipment	\$ 7,150	-	7,150
	<b>Totals</b>	<b>\$ 1,869,502</b>	<b>\$ 125,800</b>	<b>\$ 1,995,302</b>

*Finance  
Department*

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## **FINANCE DEPARTMENT**

### **Finance Administration, Accounting, Customer Service, and Warehouse Operations**

#### **Goals & Objectives**

##### **Strategic Planning**

- Implement “Centralized Purchasing” through the revision of Chapter 3.08 of the District's Code.

##### **Financial Performance**

- Continue to review vendor programs in Purchasing to evaluate and enhance cost savings and vendor performance.
- Continue to evaluate procedures with the goal of improving efficiency and strengthening internal controls.
- Continue to implement the new project management system and train staff District-wide.
- Continue to expand the water audit services to residential customers utilizing the meter data logging system. Explore the possibility to develop an industrial customer program.

##### **Customer Service**

- Expand communication and services provided to the public and our vendors via the District's web-site by including a section on “Doing Business with CCWD”.
- Explore automatic bank drafting and determine feasibility.
- Perform approximately 2,500 Automated Meter Reading retrofits.

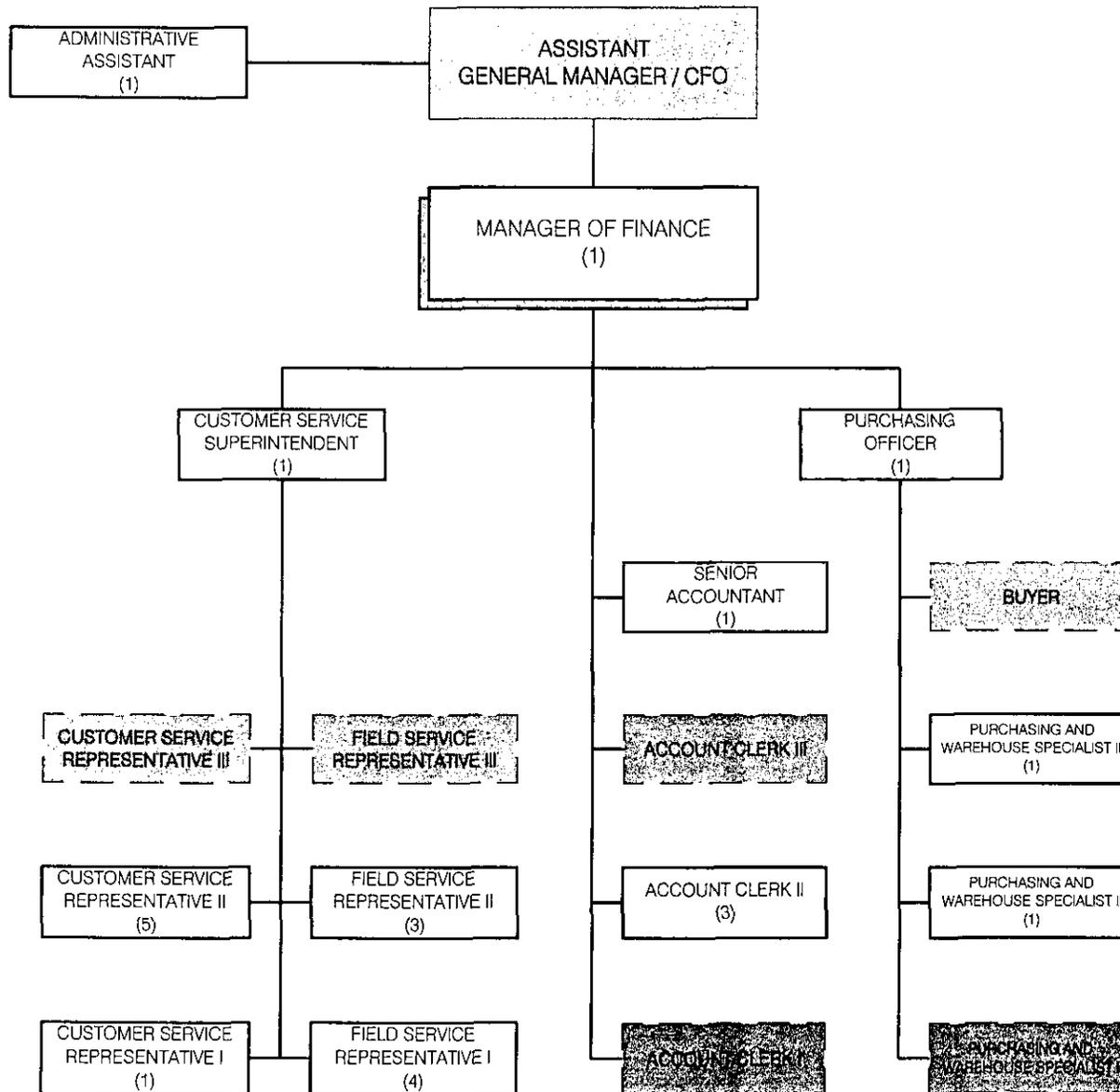
**Operating Performance**

- Continue to develop and implement purchasing policies and procedures and the use of a purchasing manual to promote improved purchasing services to other departments.
- Initiate the development of comprehensive procedure guidebooks that will ensure uniform processing, assist with cross-training, and the training of new staff.

# FINANCE DEPARTMENT

Organization Chart

FYE 2003



**LEGEND**

CURRENT FILLED POSITION

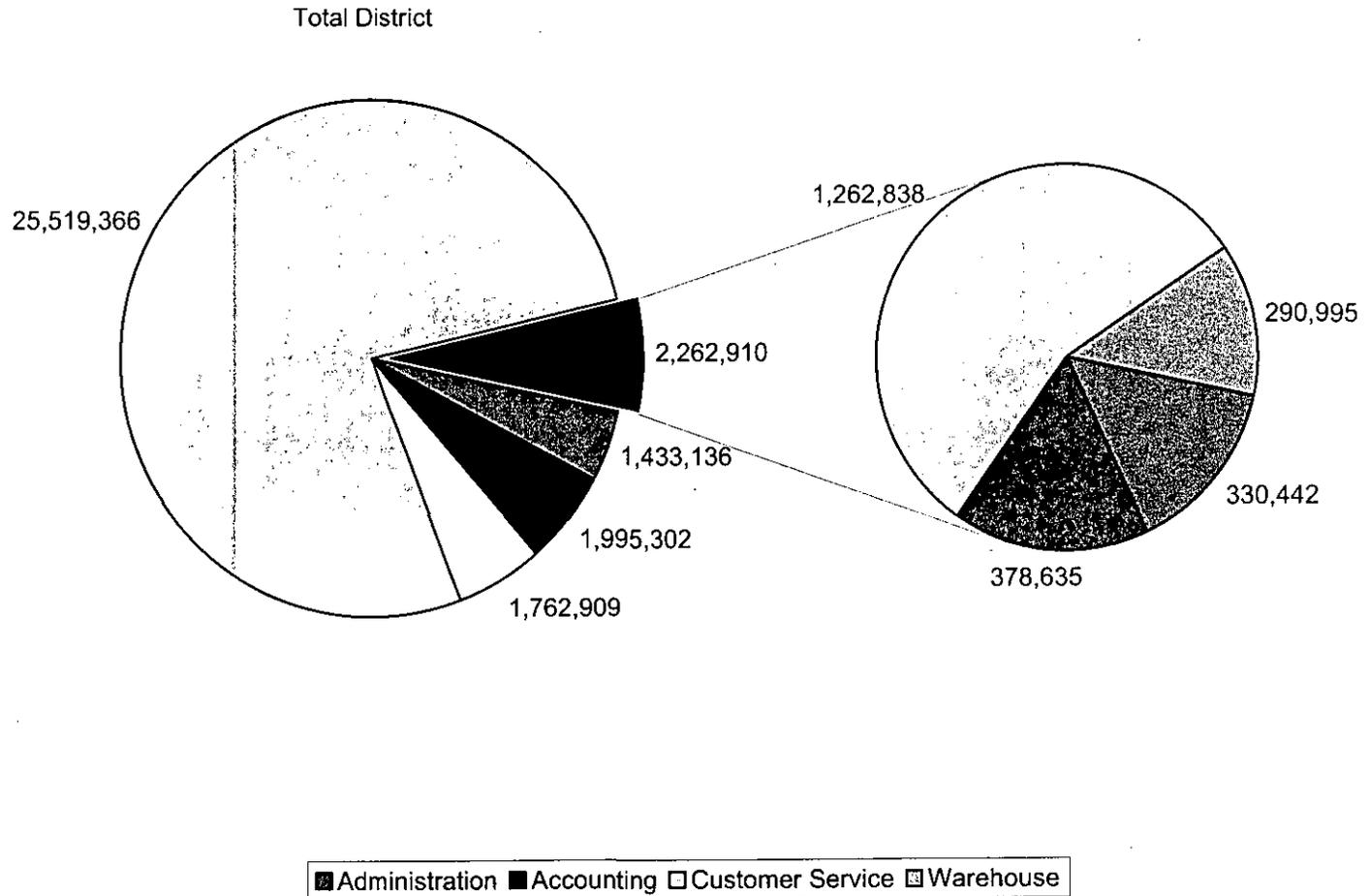
"LADDER OF SUCCESS" POSITION

TOTAL: 23 Employees

**Cucamonga County Water District  
Finance Department  
Personnel Distribution**

Water Fund	Sewer Fund	Capital Fund	02-03	Division	01-02	00-01	99-00	98-99	97-98
2	0	0	2	Administration	2	2	2	2	2
4	0	0	4	Accounting	4	4	4	4	4
14	0	0	14	Customer Service	14	14	13	13	13
0	0	0	0	Information Systems	0	3	3	3	3
0	0	0	0	GIS Systems	0	0	0	1	1
0	0	0	0	Technical Support	0	0	0	0	2
2.1	0.9	0	3	Warehouse	3	2	2	2	2
<b>22.1</b>	<b>0.9</b>	<b>0</b>	<b>23</b>	<b>Finance Total</b>	<b>23</b>	<b>25</b>	<b>24</b>	<b>25</b>	<b>27</b>

**Finance Department  
FYE 2003**



**Cucamonga County Water District  
Finance Department  
FYE 2003**

Department	Budget	% of Total	Division	Budget	% of Total
<b><u>Water Fund</u></b>					
Executive	1,433,136	4.3%	Administration	\$ 330,442	15.0%
Administration	1,995,302	6.1%	Accounting	378,635	17.2%
<b>Finance</b>	<b>2,262,910</b>	<b>6.9%</b>	Customer Service	1,262,838	57.5%
Engineering	1,762,909	5.3%	Warehouse	225,293	10.3%
Operations	25,519,366	77.4%	<b>Subtotal - Water</b>	<b>2,197,208</b>	<b>97.1%</b>
<b>Total Operating Budget</b>	<b>\$ 32,973,623</b>	<b>100.0%</b>			
<b><u>Sewer Fund</u></b>					
			Warehouse	65,702	2.9%
			<b>Subtotal - Sewer</b>	<b>65,702</b>	<b>2.9%</b>
			<b>Total Department Budget</b>	<b>\$ 2,262,910</b>	<b>100.0%</b>

**Cucamonga County Water District  
Finance Department  
Summary by Account  
FYE 2003**

<b>Account Number</b>	<b>Account Title</b>	<b>Water</b>	<b>Sewer</b>	<b>Total</b>
<b>100</b>	<b><u>Water Fund</u></b>			
10-XX	Salaries and Wages	\$ 1,147,927	53,915	\$ 1,201,842
12-XX	District Burden	\$ 251,650	11,787	263,437
18-XX	Outside Labor	\$ 70,000	-	70,000
20-XX	Professional Development	\$ 29,935	-	29,935
25-XX	Professional Services	\$ 30,000	-	30,000
30-XX	Personnel Costs	\$ 500	-	500
35-XX	Collections	\$ 30,000	-	30,000
40-XX	Utilities	\$ 172,921	-	172,921
45-XX	Materials & Supplies	\$ 368,700	-	368,700
50-XX	Equipment Depreciation	\$ -	-	-
55-XX	Outside Services	\$ 51,775	-	51,775
60-XX	Safety	\$ 6,900	-	6,900
79-XX	Miscellaneous	\$ 30,900	-	30,900
80-XX	Other - Capital Equipment	\$ 6,000	-	6,000
	<b>Totals</b>	<b>\$ 2,197,208</b>	<b>\$ 65,702</b>	<b>\$ 2,262,910</b>

*Engineering  
Department*

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## **ENGINEERING DEPARTMENT**

**Engineering Planning and Design, GIS, Construction, Industrial Waste, and Cross-Connection Control**

### **Goals & Objectives**

#### **Strategic Planning**

- Continue addressing the high priority issues related to water supply, infrastructure, and growth as set forth in the District's Strategic Plan.
- Enhance our Corporate Culture and Values to achieve success in providing courteous and dependable services to our customers.
- Develop innovative methods in a continuous effort toward a more efficient working environment.
- Update and revise the District's standard drawings, specifications, and ordinances. Develop new wastewater constituent parameters to ensure compliance with current State and Federal regulations.
- Develop a five year plan for construction of major capital projects utilizing the new Water and Sewer Master Plans.
- Continue development and implementation of a Regional Recycled Water Program in coordination with contracting agencies and the Inland Empire Utilities Agency. In addition, evaluate other opportunities for the development of high quality recycled water supplies.

**Operating Performance**

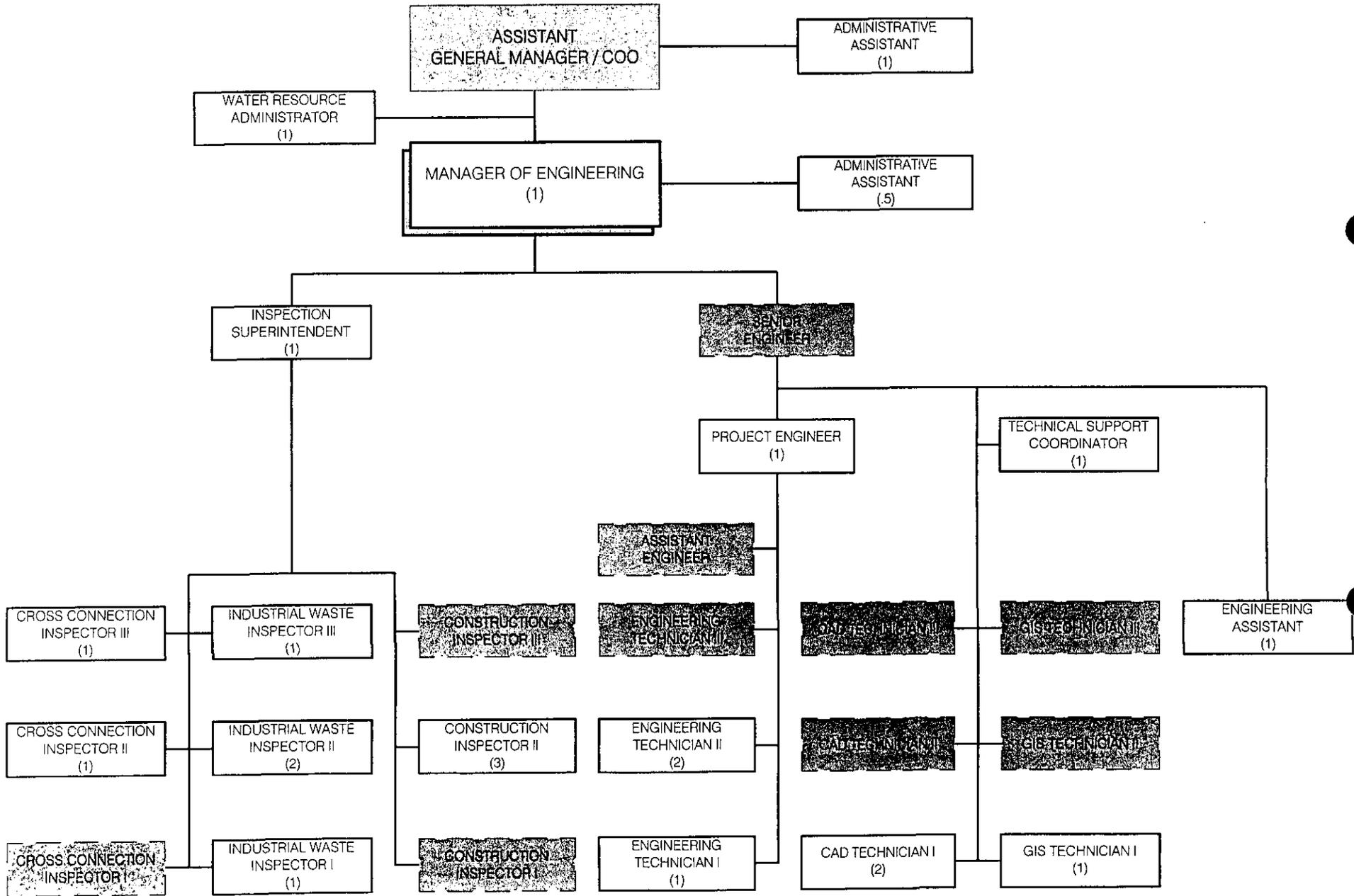
- Enhance our Technical Support capabilities through Geographical Information System (GIS) and Computer Aided Design (CAD) to provide accurate maps, capture as-built drawings, and provide facility information to all departments of the District.
- Continue constant communication and project planning with the District's Operations Department and improve utility coordination meetings with the various cities and utility agencies in our service area.
- Further analysis of the District's water and wastewater network to further develop the Districts' five-year plan for the construction of projects that will enhance the District's distribution and collection systems in an effort to meet the needs of our Customers and prepare for future growth.

**Employee Performance/Customer Service**

- Continuous education and related workshops to stay abreast of new technologies and maintain compliance with industry regulations.
- Evaluate staffing and support resources to improve utilization of funding and delivery of capital projects.

# ENGINEERING DEPARTMENT

Organization Chart  
FYE 2003



**LEGEND**

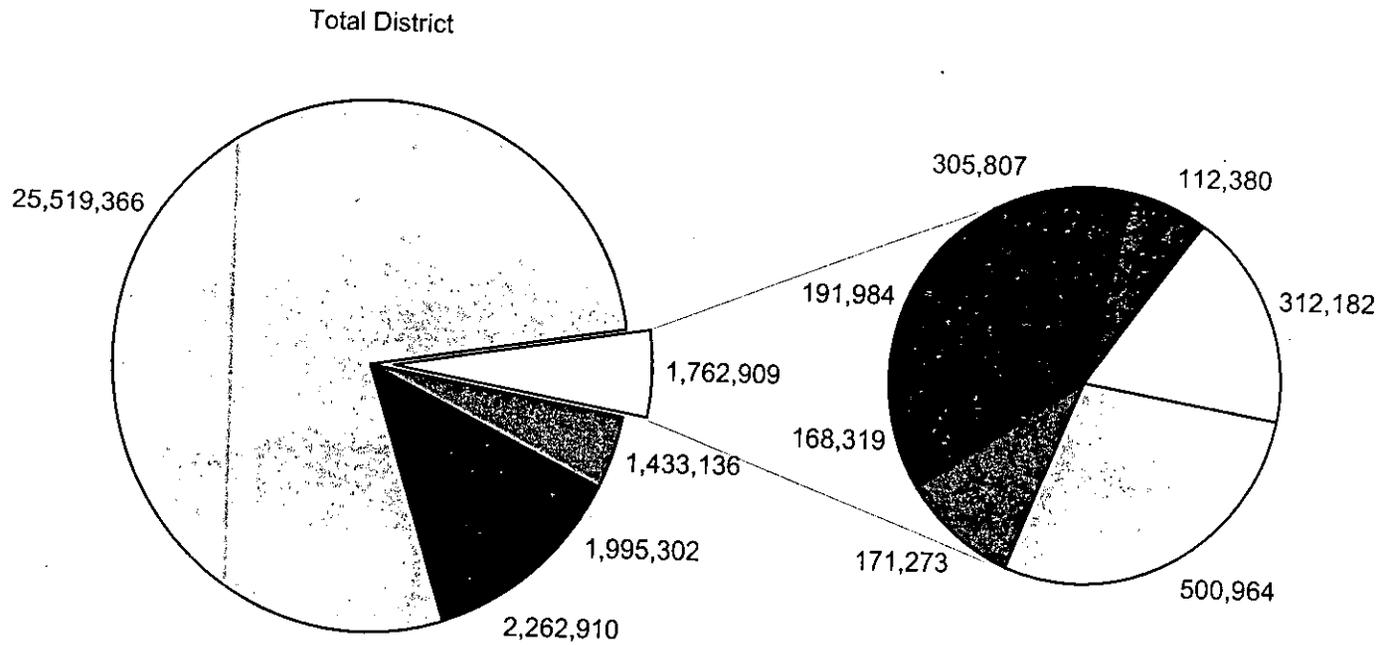
□ CURRENT FILLED POSITION

**TOTAL: 22.5 Employees**

**Cucamonga County Water District  
Engineering Department  
Personnel Distribution**

<b>Water Fund</b>	<b>Sewer Fund</b>	<b>Capital Fund</b>	<b>02-03</b>	<b>Division</b>	<b>01-02</b>	<b>00-01</b>	<b>99-00</b>	<b>98-99</b>	<b>97-98</b>
3.78	2.52	4.2	10.5	Administration	8.4	8	8	6	5
2	0	0	2	GIS Systems	2	2	1	0	0
0.81	0.54	2.25	3.6	Inspection	3.6	4	4	6	6
0	4.3	0	4.3	Industrial Waste	3.3	5	5	6	6
1.575	0	0.525	2.1	Cross-Connection	2.1	2	2	2	2
<b>8.165</b>	<b>7.36</b>	<b>6.975</b>	<b>22.5</b>	<b>Engineering Total</b>	<b>19.4</b>	<b>21</b>	<b>20</b>	<b>20</b>	<b>19</b>

## Engineering Department FYE 2003



□ Water - Administration	■ Water - GIS Systems	■ Water - Inspection	■ Water - Cross Connection
■ Sewer - Administration	■ Sewer - Inspection	□ Sewer - Industrial Waste	

**Cucamonga County Water District  
Engineering Department  
FYE 2003**

Department	Budget	% of Total	Division	Budget	% of Total
<b><u>Water Fund</u></b>					
Executive	1,433,136	4.3%	Administration	\$ 377,328	21.4%
Administration	1,995,302	6.1%	GIS Systems	171,273	9.7%
Finance	2,262,910	6.9%	Inspection	79,055	4.5%
<b>Engineering</b>	<b>1,762,909</b>	<b>5.3%</b>	Cross Connection	159,214	9.0%
Operations	25,519,366	77.4%	<i>Subtotal - Operating</i>	<u>786,870</u>	<u>44.6%</u>
<b>Total Operating Budget</b>	<b>\$ 32,973,623</b>	<b>100.0%</b>	Administration - Capital	\$ 123,636	7.0%
			Inspection - Capital	89,264	5.1%
			Cross Connection - Capital	32,770	1.9%
			<i>Subtotal - Capital</i>	<u>245,670</u>	<u>13.9%</u>
			<b>Subtotal - Water</b>	<b><u>1,032,540</u></b>	<b>58.6%</b>
<b><u>Sewer Fund</u></b>					
			Administration	223,383	12.7%
			Inspection	52,870	3.0%
			Industrial Waste	312,182	17.7%
			<i>Subtotal - Operating</i>	<u>588,435</u>	<u>33.4%</u>
			Administration - Capital	\$ 82,424	4.7%
			Inspection - Capital	59,510	3.4%
			<i>Subtotal - Capital</i>	<u>141,934</u>	<u>8.1%</u>
			<b>Subtotal - Sewer</b>	<b><u>730,369</u></b>	<b>41.4%</b>
			<b>Total Department Budget</b>	<b><u>\$ 1,762,909</u></b>	<b>100.0%</b>

**Cucamonga County Water District  
Engineering Department  
Summary by Account  
FYE 2003**

<b>Account Number</b>	<b>Account Title</b>	<b>Water</b>	<b>Sewer</b>	<b>Total</b>
10-XX	Salaries and Wages	\$ 727,658	\$ 504,994	\$ 1,232,652
12-XX	District Burden	149,272	101,664	250,936
18-XX	Outside Labor	20,000	-	20,000
20-XX	Professional Development	28,450	10,722	39,172
25-XX	Professional Services	10,000	10,000	20,000
27-XX	Advertisements	-	400	400
30-XX	Personnel Costs	400	-	400
40-XX	Utilities	5,400	5,450	10,850
45-XX	Materials & Supplies	66,710	14,814	81,524
50-XX	Equipment Depreciation	-	-	-
55-XX	Outside Services	18,800	77,000	95,800
60-XX	Safety	3,650	1,125	4,775
79-XX	Miscellaneous	1,000	200	1,200
80-XX	Other - Capital Equipment	1,200	4,000	5,200
<b>Totals</b>		<b>\$ 1,032,540</b>	<b>\$ 730,369</b>	<b>\$ 1,762,909</b>

*Operations  
Department*

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## **OPERATIONS DEPARTMENT**

**Operations Administration, Supply and Delivery, Telemetry, Facilities and Equipment, and Water and Sewer System Maintenance**

### **Goals & Objectives**

#### **Strategic Planning**

- Complete design and begin construction of the new Operations Facility located adjacent to the Administration Building.
- Construction of improvements at the Lloyd W. Michael Treatment Plant to improve plant efficiency and increase treatment plant capacity, as well as, evaluate, recommend and implement new processes for alternative disinfection to ensure compliance with changing water quality regulations.
- Perform hydrogeologic site assessments of existing District property to identify locations appropriate for the construction of new water production wells in the Chino Basin.
- Coordinate with the Inland Empire Utilities Agency to develop a regional recycled water system and with the City of Rancho Cucamonga to promote water conservation and the use of recycled water.
- Complete the analysis of a co-generation facility at the Lloyd W. Michael Treatment Plant and construct facilities to utilize available water pressure and a hydro generation unit to generate electricity to be used at District facilities.

#### **Customer Service**

- Conduct plant tours at the Lloyd W. Michael and Arthur H. Bridge Treatment Plants. Continue to raise public awareness regarding the District operations, water supply and water quality.
- Prepare a comprehensive annual consumer confidence report.
- Promote "Service You Can Depend On" with courteous and prompt service response to our customers.

### **Employee Performance**

- Coordinate with city agencies and in house staff to provide Haz-Mat, Confined Space, Emergency Response, Shoring & Excavation and Heavy Equipment Use training.
- Promote certification training for operators to maintain State required Distribution, Treatment and Collection System certificates.
- Promote employee development through attending technical workshops, conferences and water association meetings.

### **Financial Management**

- Participate in the MWD seasonal storage program to maximize the use of available State Project water.
- Maximize energy efficiency at District pumping facilities through the beneficial use of the District's Computer Control System in an effort to ensure the efficient operation of facilities and reduce energy use and cost.

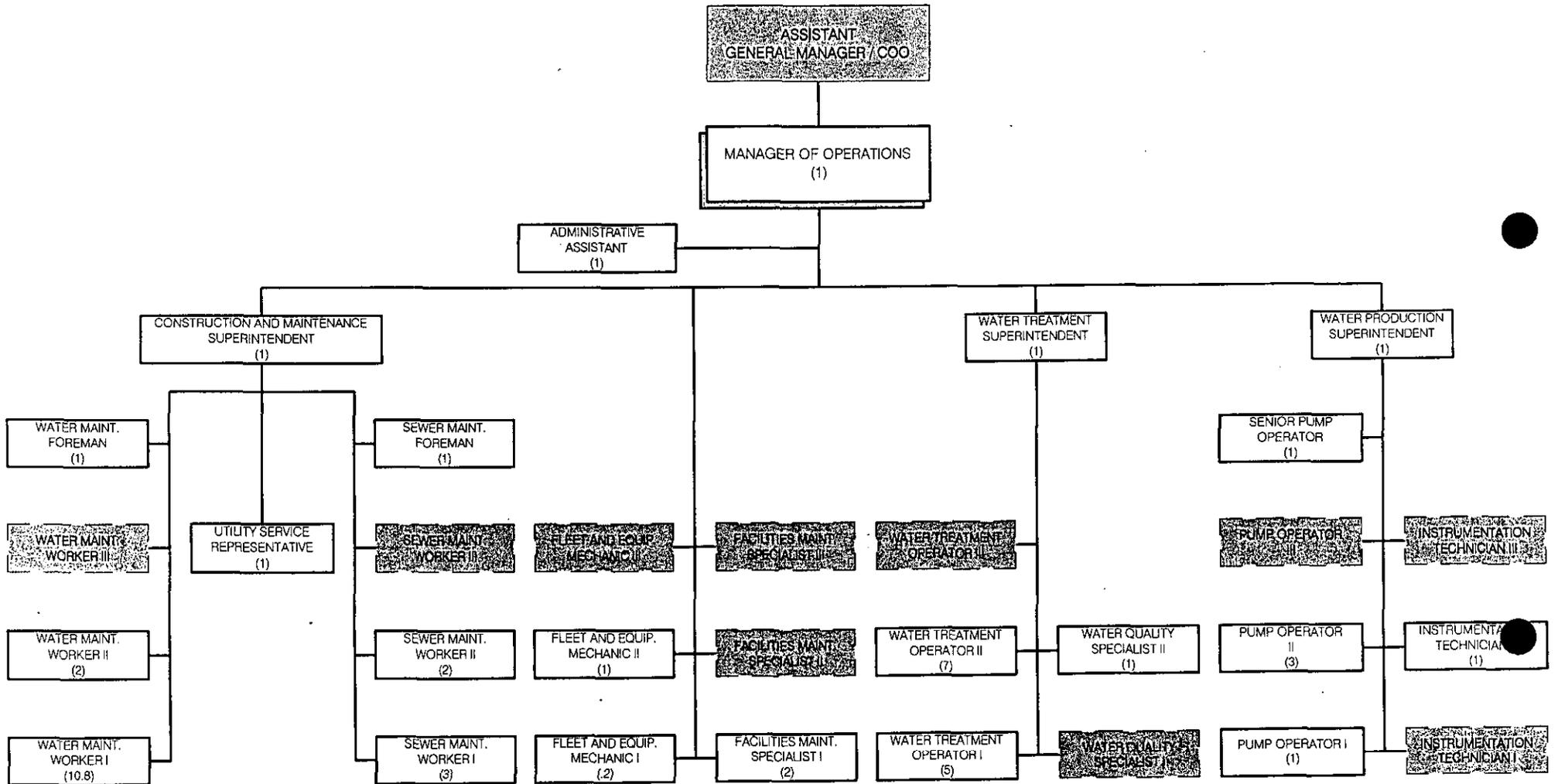
### **Operating Efficiency**

- Reduce electrical use at all District facilities by implementing "ECAP", Energy Conservation Action Plan. Maximize the use of local canyon water supplies to reduce pumping expenses.
- Continue the District's meter change out program to replace old inaccurate meters with new accurate equipment and install the Automated Meter Reading equipment to improve program efficiency.
- Conduct annual pump efficiency tests on the District's well and booster pumps.
- Improve the District's valve exercising and system flushing programs to ensure buried valves are adequately maintained and operate properly to ensure the District's water supply is of the highest quality.
- Continue an aggressive sewer cleaning, video inspection and maintenance program to prevent potential backups and sewer spill overflows.

# OPERATIONS DEPARTMENT

Organization Chart

FYE 2003



## LEGEND

 CURRENT FILLED POSITION

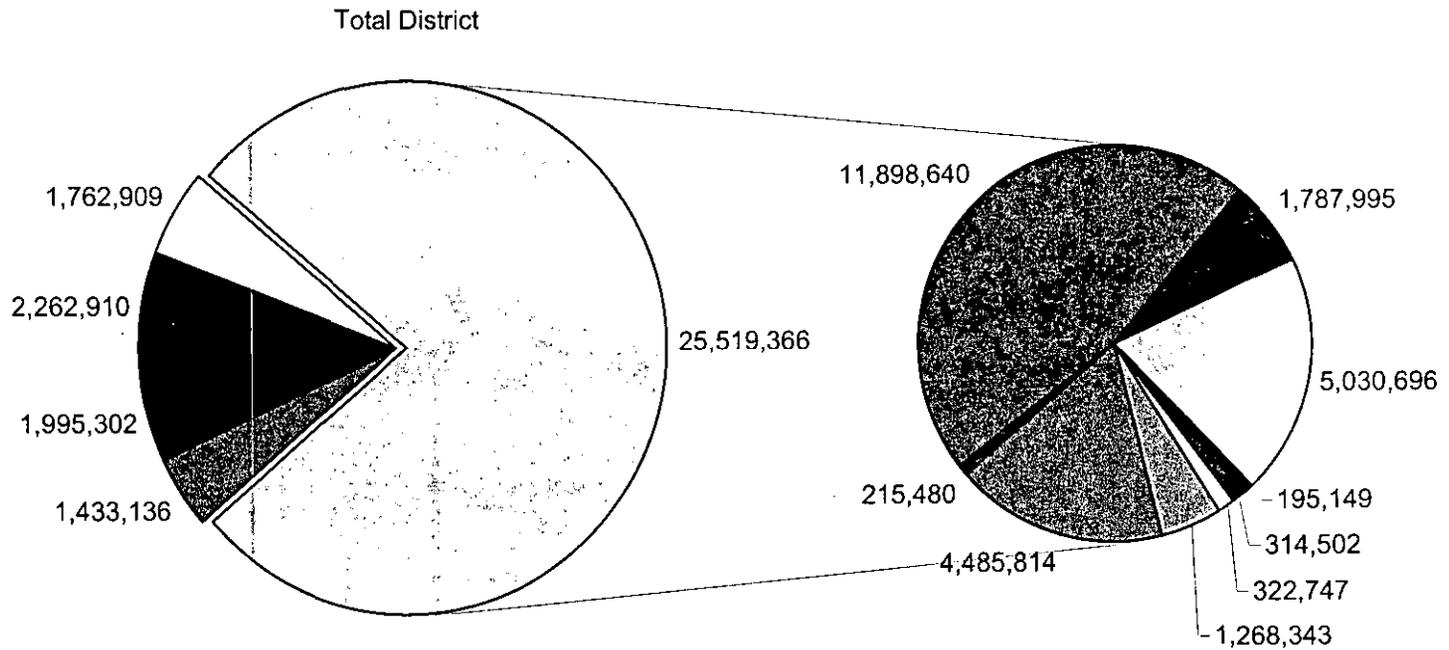
 'LADDER OF SUCCESS' POSITION

TOTAL: 48 Employees

**Cucamonga County Water District  
Operations Department  
Personnel Distribution**

<b>Water Fund</b>	<b>Sewer Fund</b>	<b>Capital Fund</b>	<b>01-02</b>	<b>Division</b>	<b>01-02</b>	<b>00-01</b>	<b>99-00</b>	<b>98-99</b>	<b>97-98</b>
1.2	0.8	0	2	Administration	2	2	2	2	2
14	0	0	14	Water Treatment	13	14.5	13.5	13.5	13.5
5.5	0	0	5.5	Pumping	6.5	6.5	7.5	7.5	6.5
1.5	0	0	1.5	Technical Support (Telemetry)	1.5	2	2	2	0
2	0	0	2	Facilities	1	1	1	1	1
1.2	0	0	1.2	Vehicle & Equip. Maintenance	2	2	1	1	1
15.55	0	0	15.55	Water Distribution	13.75	10.5	10.5	10.5	10.5
0	6.25	0	6.25	Sewer Collection & Transmission	6.25	6.5	6.5	6.5	6.5
<b>40.95</b>	<b>7.05</b>	<b>0</b>	<b>48</b>	<b>Operations Total</b>	<b>46</b>	<b>45</b>	<b>44</b>	<b>44</b>	<b>41</b>

**Operations Department  
FYE 2003**



- |                                       |                              |                              |
|---------------------------------------|------------------------------|------------------------------|
| ■ Water/Sewer - Administration        | ■ Water - Source of Supply   | ■ Water - Water Treatment    |
| □ Water - Pumping                     | ■ Water - Telemetry          | ■ Water - Facilities         |
| □ Water/Sewer - Vehicle & Equip Maint | ■ Water - Water Distribution | ■ Sewer - Collection & Trans |

**Cucamonga County Water District  
Operations Department  
FYE 2003**

Department	Budget	% of Total	Division	Budget	% of Total
<b><u>Water Fund</u></b>					
Executive	1,433,136	4.3%	Administration	\$ 134,609	0.5%
Administration	1,995,302	6.1%	Source of Supply	11,898,640	46.6%
Finance	2,262,910	6.9%	Water Treatment	1,750,795	6.9%
Engineering	1,762,909	5.3%	Pumping	5,030,696	19.7%
<b>Operations</b>	<b><u>25,519,366</u></b>	<b><u>77.4%</u></b>	Telemetry	195,149	0.8%
<b>Total Operating Budget</b>	<b><u>\$ 32,973,623</u></b>	<b><u>100.0%</u></b>	Facilities	314,502	1.2%
			Vehicle & Equipment Maintenance	277,600	1.1%
			Water Distribution	1,268,343	5.0%
			<i>Subtotal - Operating</i>	<u>20,870,334</u>	<u>81.8%</u>
			Water Treatment	37,200	82.4%
			<i>Subtotal - Capital</i>	<u>37,200</u>	<u>0.1%</u>
			<b>Subtotal - Water</b>	<b><u>20,907,534</u></b>	<b><u>81.9%</u></b>
<b><u>Sewer Fund</u></b>					
			Administration	80,871	0.3%
			Vehicle & Equipment Maintenance	45,147	0.2%
			Collection & Transmission	4,485,814	17.6%
			<b>Subtotal - Sewer</b>	<b><u>4,611,832</u></b>	<b><u>18.1%</u></b>
			<b>Total Department Budget</b>	<b><u>\$ 25,519,366</u></b>	<b><u>99.9%</u></b>

**Cucamonga County Water District  
Operations Department  
Summary by Account  
FYE 2003**

<b>Account Number</b>	<b>Account Title</b>	<b>Water</b>	<b>Sewer</b>	<b>Total</b>
10-XX	Salaries and Wages	\$ 2,217,264	\$ 355,184	\$ 2,572,448
12-XX	District Burden	533,702	76,241	609,943
18-XX	Outside Labor	-	-	-
20-XX	Professional Development	45,650	8,800	54,450
25-XX	Professional Services	15,000	-	15,000
35-XX	Collections	-	-	-
40-XX	Utilities	4,374,343	5,007	4,379,350
45-XX	Materials & Supplies	919,700	55,000	974,700
50-XX	Equipment Depreciation	-	-	-
55-XX	Outside Services	866,150	4,101,800	4,967,950
60-XX	Safety	24,000	9,600	33,600
70-XX	Purchased Water	11,878,140	-	11,878,140
79-XX	Miscellaneous	11,700	200	11,900
80-XX	Other - Capital Equipment	21,885	-	21,885
	<b>Totals</b>	<b>\$ 20,907,534</b>	<b>\$ 4,611,832</b>	<b>\$ 25,519,366</b>

**DRAFT  
RESOLUTION #2756**

**Attachment 2**

DRAFT

PROPOSAL NO.: LAFCO 2905

HEARING DATE: NOVEMBER 20, 2002

**RESOLUTION NO. 2756**

**A RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION OF THE COUNTY OF SAN BERNARDINO MAKING DETERMINATIONS ON LAFCO 2905, A SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE FOR THE CUCAMONGA COUNTY WATER DISTRICT.**

**On motion of Commissioner \_\_\_\_\_, duly seconded by Commissioner \_\_\_\_\_, and carried, the Local Agency Formation Commission adopts the following resolution:**

**WHEREAS**, a service review mandated by Government Code Section 56430 and a sphere of influence update mandated by Government Code Section 56425 have been conducted by the Local Agency Formation Commission of the County of San Bernardino (hereinafter referred to as "the Commission") in accordance with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Sections 56000 et seq.); and,

**WHEREAS**, at the times and in the form and manner provided by law, the Executive Officer has given notice of the public hearing by this Commission on this matter; and,

**WHEREAS**, the Executive Officer has reviewed available information and prepared a report including his recommendations thereon, the filings and report and related information having been presented to and considered by this Commission; and,

**WHEREAS**, the public hearing by this Commission was held upon the date and at the time and place specified in the notice of public hearing and in an order or orders continuing the hearing; and,

**WHEREAS**, at the hearing, this Commission heard and received all oral and written protests; the Commission considered all objections and evidence which were made, presented, or filed; and all persons present were given an opportunity to hear and be heard in respect to any matter relating to the review, in evidence presented at the hearing; and,

**WHEREAS**, a statutory exemption has been issued pursuant to the provisions of the California Environmental Quality Act (CEQA) indicating that this service review and sphere of influence update are

statutorily exempt from CEQA and such exemption is hereby adopted by this Commission. The Clerk is directed to file a Notice of Exemption within five working days of adoption of this resolution; and,

**WHEREAS**, based on presently existing evidence, facts, and circumstances filed with the Local Agency Formation Commission and considered by this Commission, it is determined that the sphere of influence for the Cucamonga County Water District should be affirmed as it currently exists, as more specifically described in maps and legal descriptions on file in the LAFCO staff office; and,

**WHEREAS**, the following findings are made in conformance with Government Code Section 56430 and local Commission policy:

1. **Infrastructure Needs and Deficiencies.** The Cucamonga County Water District annually adopts and updates a five-year Capital Improvement Plan which includes a budget for both water and sewer capital infrastructure improvements and new projects. The District also recently completed a recycled water master plan in conjunction with the Inland Empire Utilities Agency. The District notes that these documents are continually updated based on the changing needs of the community, and copies of these plans are on file and available for public review in District offices.

The District has a total of 23 groundwater wells (17 in the Cucamonga Basin and 6 in the Chino Basin), with a total groundwater production capacity of 31,121 gallons per minute. For FY 2001-02, the District budgeted \$100,000 to perform well upgrades and improvements. The District also has three water treatment facilities, 27 reservoirs, and 230 miles of primary distribution lines.

The District also provides sewer collection services (with the Inland Empire Utilities Agency providing regional sewage treatment) through 230 miles of collection pipelines. Existing flow is calculated to be 10.06 million gallons per day, and the District estimates that its existing and planned facilities are sufficient to accommodate anticipated growth through the year 2030.

The District's complete response to this factor of consideration is attached to the staff report for LAFCO 2905, and is also available for public review in the LAFCO staff office and District offices.

2. **Growth and Population.** The District's current population is approximately 152,000, with 42,000 water services and 32,000 sewer services. According the Southern California Association of Governments, the District's population is anticipated to grow to approximately 210,000 by the year 2020.

3. **Financing Opportunities and Constraints.** The District receives its primary revenues through water and sewer rates which are reviewed on an annual basis. These rates include commodity charges based on water consumed by customers (measured in hundred-cubic-feet) during a billing period. The District also has a fixed meter charge, which varies based on the size of the customer's water meter. Sewer rates are determined based on an Equivalent Dwelling Unit (EDU).

The District also notes that it maintains an operating Reserve Fund at a minimum level of 10% of annual variable budget costs, a Capital and Equipment Reserve Fund at a minimum level of 50% of annual capital asset depreciation, and Rate Stabilization equal to the cost of purchasing 8,000 acre-feet of imported water.

The District's complete response to this statutory factor for a service review is included as a function of the staff report for LAFCO 2905, with copies available in the District and LAFCO staff offices.

4. **Cost Avoidance Opportunities.** The District notes that it does not overlap or duplicate services provided by any other water and sewer collection agency. It is also noted that the District participates in a number of joint agency practices which maximize cost avoidance opportunities (such as the Chino Basin Water Master, a Regional Sewerage Policy Committee, the Flood Control Advisory Committee, wholesale water sales to other agencies, a Water Education/Water Awareness Committee and conjunctive use agreements). These programs are more fully set forth within the District's documentation submitted for this review.
5. **Rate Restructuring.** The Cucamonga County Water District implements a flat rate system which may be adjusted due to changes in operations, personnel, capital, or debt service. Such adjustments are typically considered by the District Board of Directors in February of every fiscal year. This annual review is conducted to ensure that the District's rates are competitive with other agencies and meet operational and debt service requirements.
6. **Opportunities for Shared Facilities.** The District has provided documentation related to this service review, which is included as a function of the staff report for LAFCO 2905 and is available for public review in the District and LAFCO staff offices. In summary, the District notes that it has inter-connections with the City of Ontario, the City of Upland, and the Fontana Water Company to maximize opportunities for shared facilities wherever possible. Moreover, the District notes that it has been working with the Inland Empire Utilities Agency on the development of both a local and regional recycled water system. The District is also negotiating with the Fontana Water Company to maximize utilization of water supplies in Lytle Creek for retail and wholesale water availability.
7. **Government Structure Options.** The Cucamonga County Water District is an independent special district governed by a locally elected Board of Directors consisting of five persons elected at large. Although the District primarily serves the City of Rancho Cucamonga, it also overlays and serves portions of the City of Fontana. In discussions with the District and other agencies, there are no realistic governmental structure options available for consideration in the foreseeable future.
8. **Management Efficiencies.** The District has provided documentation which is on file in the LAFCO and District offices which responds to this factor, and is attached to the staff report as part of the record of these proceedings. In that documentation, the District notes that management efficiencies are maximized through availability of training programs, periodic review of staffing levels, accessibility to the latest technology in water, sewer, and administrative programs, and careful review of program budgets.
9. **Local Accountability and Governance.** The District has provided documentation on file in the LAFCO office and attached to the staff report which responds to this factor, and includes responses to such issues as the selection and meetings of the Board of Directors, Brown Act compliance, and customer surveys and feedback programs. In addition, the Cucamonga County Water District maintains a website ([www.ccwwater.com](http://www.ccwwater.com)), provides quarterly newsletters to district constituents, and requires regular progress reports from various departments within the District.

**WHEREAS**, pursuant to the provisions of Government Code Section 56425(h) the range of services provided by the Cucamonga County Water District shall be limited to wholesale and retail water service, and sewer collection, and such range of services shall not be changed unless approved by this Commission; and,

**WHEREAS**, the following findings are made in conformance with Government Code Section 56425 and local Commission policy:

1. **PRESENT AND PLANNED LAND USES**

The full range of urban, suburban, and rural land uses are included within the boundaries and current sphere of influence of the Cucamonga County Water District. This sphere of influence update and service review have no potential whatsoever to change present or planned land uses within the District sphere, since no changes to the sphere of influence are contemplated.

2. **PRESENT AND PROBABLE NEED FOR PUBLIC FACILITIES AND SERVICES IN THE AREA**

No changes to the District sphere of influence are proposed or contemplated through this review. The District has adopted a master plan for service which addresses this issue, and is on file in the District office.

3. **PRESENT CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES PROVIDED**

No changes to the District sphere of influence are proposed or contemplated through this review. The District has adopted a master plan for service which addresses this issue, and is on file in the District office.

4. **COMMUNITIES OF INTEREST IN THE AREA**

No changes to the District sphere of influence are proposed or contemplated through this review. The Commission therefore determines that this factor of determination is not relevant to this review, as permitted by Government Code Section 56425.

5. **OTHER FINDINGS**

A. Notice of this hearing has been published as required by law in The Sun and the Inland Valley Daily Bulletin, newspapers of general circulation in the area. As required by state law, individual notification was provided to affected and interested local agencies, County departments, and those individuals wishing mailed notice.

B. Comments from landowners and any affected local agency have been reviewed and considered by the Commission in making its determination.

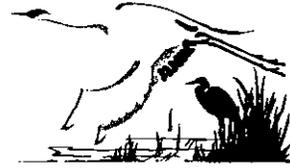


**RESPONSE FROM  
TOM DODSON & ASSOCIATES**

**Attachment 3**

**TOM DODSON & ASSOCIATES**

2150 N. ARROWHEAD AVENUE  
SAN BERNARDINO, CA 92405  
TEL (909) 882-3612 • FAX (909) 882-7015  
E-MAIL tda@tstonramp.com



October 3, 2002

**RECEIVED**

OCT 04 2002

Mr. James M. Roddy, Executive Officer  
Local Agency Formation Commission  
175 West Fifth Street, Second Floor  
San Bernardino, CA 92415-0490

**LAFCO**  
San Bernardino County

Dear Jim:

LAFCO 2905 consists of a service review for the Cucamonga County Water District (District) pursuant to Government Code Section 56430 and Sphere of Influence Study Pursuant to Government Code 56425. If approved by the Commission, the service and Sphere review would not result in any change to the services or the Sphere of Influence for the District. Based on the above proposal, it appears that LAFCO 2905 can be implemented without causing any physical changes to the environment or any adverse environmental impacts. The service and Sphere review does not appear to have any potential to alter the existing physical environment in any manner. Since no projects are pending or will occur as a result of approving this review, no physical changes in the environment are forecast to result from approving the action before the Commission.

Without a potential for causing physical changes in the environment, I recommend that the Commission find that a Statutory Exemption applies to LAFCO 2905 under the Section 15061 (b) (3) which states: "A project is exempt from CEQA if the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA." It is my opinion, and recommendation to the Commission, that this circumstance applies to LAFCO 2905.

Based on a review of LAFCO 2905 and the pertinent sections of CEQA and the State CEQA Guidelines, I conclude that LAFCO 2905 does not constitute a project under CEQA and adoption of the Statutory Exemption and filing of a Notice of Exemption is the most appropriate determination to comply with the CEQA process for this action. The Commission can approve the review and findings for this action and I recommend that you notice LAFCO 2905 as statutorily exempt from CEQA for the reasons outlined in the State CEQA Guideline sections cited above. The Commission needs to file a Notice of Exemption with the County Clerk to the Board for this action once the hearing is completed.

A copy of this exemption should be retained in LAFCO's project file to serve as verification of this evaluation and as the CEQA environmental determination record. If you have any questions, please feel free to give me a call.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Dodson". The signature is written in a cursive, slightly slanted style.

Tom Dodson