



**AGENDA**

**WORKSHOP  
OF THE  
BOARD OF DIRECTORS**

**WEDNESDAY, SEPTEMBER 7, 2016  
10:00 A.M.**

**INLAND EMPIRE UTILITIES AGENCY\*  
AGENCY HEADQUARTERS  
6075 KIMBALL AVENUE, BUILDING A  
CHINO, CALIFORNIA 91708**

**CALL TO ORDER  
OF THE INLAND EMPIRE UTILITIES AGENCY BOARD OF DIRECTORS  
WORKSHOP MEETING**

**FLAG SALUTE**

**PUBLIC COMMENT**

Members of the public may address the Board on any item that is within the jurisdiction of the Board; however, no action may be taken on any item not appearing on the agenda unless the action is otherwise authorized by Subdivision (b) of Section 54954.2 of the Government Code. Those persons wishing to address the Board on any matter, whether or not it appears on the agenda, are requested to complete and submit to the Board Secretary a "Request to Speak" form which are available on the table in the Board Room. Comments will be limited to five minutes per speaker. Thank you.

**ADDITIONS TO THE AGENDA**

In accordance with Section 54954.2 of the Government Code (Brown Act), additions to the agenda require two-thirds vote of the legislative body, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the local agency subsequent to the agenda being posted.

1. **WORKSHOP**

**IEUA BUSINESS GOALS WORKSHOP**

Materials related to an item on this agenda submitted to the Agency, after distribution of the agenda packet, are available for public inspection at the Agency's office located at 6075 Kimball Avenue, Chino, California during normal business hours.

2. **ADJOURN**

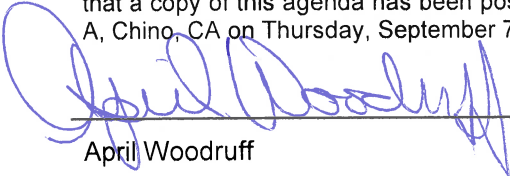
\*A Municipal Water District

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Board Secretary (909) 993-1736, 48 hours prior to the scheduled meeting so that the Agency can make reasonable arrangements.

Proofed by: \_\_\_\_\_

**Declaration of Posting**

I, April Woodruff, Board Secretary of the Inland Empire Utilities Agency\*, A Municipal Water District, hereby certify that a copy of this agenda has been posted by 5:30 p.m. at the Agency's main office, 6075 Kimball Avenue, Building A, Chino, CA on Thursday, September 7, 2016.



April Woodruff

# WORKSHOP

# 1

# IEUA Business Goals Update September 2016



*Inland Empire Utilities Agency*

**A MUNICIPAL WATER DISTRICT**

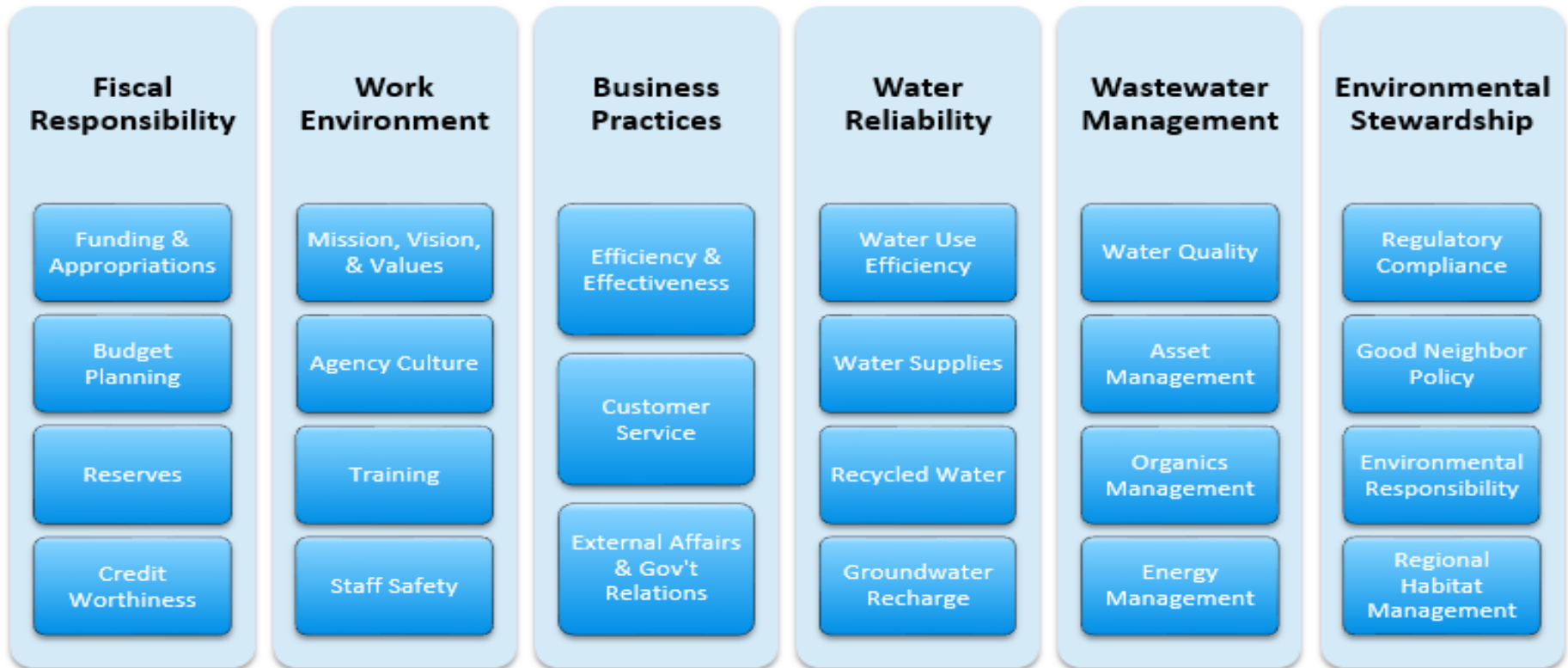
# Business Goals Background

- 2011 - Levels of Service (LOS) development and approval
  - Included IEUA Board of Directors and staff
- Early 2013 - LOS expansion into broader business goals to include additional areas beyond operational function; areas included water reliability, fiscal accountability and employee well-being
- October 2013 - IEUA Business Goals development and approval
  - Included IEUA Board of Directors, staff and Tech & Policy Committees
- January 2016 – IEUA Board Workshop
  - Review and discussion of proposed changes
  - Business Goal Focus

# Business Goals Workshop Expectations

- Review updates to the Business Goals
  - Consolidation of the Objective and Commitment Statements
- Obtain feedback from the Directors
  - Elements they would like to see included, emphasized, removed
- Information on Agency Actions and Initiatives
  - Areas of business that support the accomplishment of these goals
- How these goals drive the Agency
  - Strategic Plan Updates
  - Work Plan Updates
  - Budget
  - Department Goals
  - Performance Evaluations

# Business Goal Focus



# Fiscal Responsibility

***Goal: IEUA is committed to safeguarding the Agency's fiscal health and maintaining a high quality credit rating to effectively support short and long term needs, while providing the best value for our customers.***

**Key Topics: Funding & Appropriations, Budget Planning, Reserves, Credit Worthiness**

## ■ **FUNDING & APPROPRIATIONS**

### **Objective:**

IEUA will sustainably fund operations and capital investments by attaining service rates and fees that fully support the costs of service, and by pursuing grants and other funding sources.

### **IEUA Actions & Initiatives:**

- Adopt multi-year rate structures to meet cost of service
  - Regional wastewater monthly EDU charge, recycled water rates, imported water rates
  - Regional wastewater & water connection fees
- Optimize low interest loans through the State Revolving Fund (SRF)
- Secure federal, state and local grants for IEUA and on behalf of local partners
- Leverage Public/Private Partnerships (P3s)



# Fiscal Responsibility

***Goal: IEUA is committed to safeguarding the Agency's fiscal health and maintaining a high quality credit rating to effectively support short and long term needs, while providing the best value for our customers.***

**Key Topics:** Funding & Appropriations, **Budget Planning**, Reserves, Credit Worthiness

## ■ BUDGET PLANNING

### Objective:

IEUA will plan for multi-year budget and rate requirements by analyzing trends for revenues, operational, capital investment, and debt service costs in support of maintaining fiscal stability for IEUA and the member agencies.

### IEUA Actions & Initiatives:

- Adopt multi-year rates
- Develop and adopt biennial O&M budgets
- Annually update and adopt a Ten Year Capital Improvement Plan (TYCIP)
- Apply a 10 year rolling average for trends and analysis
- Adhere to competitive purchasing/solicitation practices

# Fiscal Responsibility

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**Key Topics:** Funding & Appropriations, Budget Planning, **Reserves**, Credit Worthiness

## ■ RESERVES

### Objective:

IEUA will implement financial policies to maintain fund reserves, which can withstand significant changes to the economy and funding sources.

### IEUA Actions & Initiatives:

- Fiscal Ordinance – accountability and financial operations
- Fiscal Policies
  - Reserves – establish minimum target levels for each reserve category
  - Debt Management – guides the use of debt financing and prepayment/refunding of outstanding debt

# Fiscal Responsibility

***Goal: IEUA is committed to safeguarding the Agency's fiscal health and maintaining a high quality credit rating to effectively support short and long term needs, while providing the best value for our customers.***

**Key Topics:** Funding & Appropriations, Budget Planning, Reserves, **Credit Worthiness**

## ■ CREDIT WORTHINESS

### **Objective:**

IEUA will improve its credit rating, with the goal of reinstating the AAA rating, to reduce IEUA's future borrowing costs.

### **IEUA Actions & Initiatives:**

- Debt Coverage Ratio (DCR) – maintain at a level that supports AAA rating
- Monitor and analyze debt service management
- Funding of employee retirement and other long term obligations

# Work Environment

***Goal: IEUA is committed to providing a positive work environment with a highly skilled and dedicated workforce.***

**Key Topics: Mission, Vision & Values, Agency Culture, Training, Staff Safety**

## ■ MISSION, VISION & VALUES

### **Objective:**

IEUA will adopt Business Goals and Objectives that support and advance the Agency's Mission, Vision and Values, ensuring the highest standard of conduct throughout the Agency by promoting values of leadership, integrity, collaboration, open communication, accountability, and respect for each other.

### **IEUA Actions & Initiatives:**

- Uphold the Agency's Mission, Vision and Values
- Demonstrate the highest standard of leadership by the Board and management
- Adhere to Agency-wide policies and procedures
- Implement Memorandum of Understandings (MOUs) with bargaining units
- Promote cross department/division collaboration and Board workshops
- Implement strategic planning principles

# Mission, Vision & Values

- **Mission**

Inland Empire Utilities Agency is committed to meeting the needs of the region by providing essential services in a regionally planned and cost effective manner while safeguarding public health, promoting economic development, and protecting the environment.

- Key areas of Service:

- Securing and supplying imported water.
    - Collecting and treating wastewater.
    - Producing high-quality renewable products such as recycled water, compost and energy.
    - Promoting sustainable use of groundwater and development of local water supplies.

- **Vision**

To become a world class leader in water management and environmental stewardship, including water quality, water-use efficiency, recycled water, and renewable energy, in order to enhance and preserve the quality of life throughout the region.

- **Values**

Leading the way, Planning for the future, Protecting the resources of the communities we serve. The Inland Empire Utilities Agency is:

- Committed to applying ethical, fiscally responsible, transparent, and environmentally sustainable principles to all aspects of business.
  - Working with integrity as ONE team, while celebrating the region's diversity.
  - Staying in the forefront of the industry through education, innovation, efficiency and creativity.

# Work Environment

***Goal: IEUA is committed to providing a positive work environment with a highly skilled and dedicated workforce.***

**Key Topics:** Mission, Vision & Values, **Agency Culture**, Training, Staff Safety

## ■ AGENCY CULTURE

### Objective:

IEUA will foster a collaborative work environment that values communication, innovation and work-life balance, adheres to the Agency's policies and procedures, and respects all aspects of diversity.

### IEUA Actions & Initiatives:

- Build teamwork and collaboration
- Support STAR Employee Award program
- Promote employee appreciation events
- Implement flexible schedules

# Work Environment

***Goal: IEUA is committed to providing a positive work environment with a highly skilled and dedicated workforce.***

**Key Topics:** Mission, Vision & Values, Agency Culture, **Training**, Staff Safety

## ■ TRAINING

### Objective:

IEUA will meet current and anticipated Agency and industry needs by facilitating and providing opportunities for staff to further their professional development in support of maintaining a highly skilled workforce.

### IEUA Actions & Initiatives:

- Certification programs
- Employee Tuition Reimbursement Program
- Leadership Academy
- Liebert Cassidy workshops
- Various training programs

# Work Environment

***Goal: IEUA is committed to providing a positive work environment with a highly skilled and dedicated workforce.***

**Key Topics:** Mission, Vision & Values, Agency Culture, Training, **Staff Safety**

## ■ **STAFF SAFETY**

### **Objective:**

IEUA will promote and ensure a safe and healthy work environment, exceeding industry best practices in support of achieving the CalOSHA Star Voluntary Protection Program (CAL/VPP) certification.

### **IEUA Actions & Initiatives:**

- Safety Award Program
- Injury Illness Prevention Plan (IIPP)
- Routine facility safety inspections
- Numerous safety and training programs
  - Lock-Out/Tag-Out, Global Harmonization, Heat Injury/Illness, Confined Space Entry & Rescue, etc.



# Business Practices

***Goal: IEUA will be ethical, fiscally responsible, and utilize environmentally sustainable regional planning principles in all aspects of business and public service.***

**Key Topics: Efficiency & Effectiveness, Customer Service, External Affairs & Gov't Relations**

## ■ EFFICIENCY & EFFECTIVENESS

### Objective:

IEUA will apply best industry practices in all processes to maintain or improve the quality and value of the services we provide to our member agencies and the public.

### IEUA Actions & Initiatives:

- Utilization of Enterprise Resource Programs (SAP)
- LEAN management principles and cost containments strategies
- Public/Private Partnerships
- Geographic Information System (GIS) utilization
- Mutual Aid agreements

# Business Practices

***Goal: IEUA will be ethical, fiscally responsible, and utilize environmentally sustainable regional planning principles in all aspects of business and public service.***

**Key Topics:** Efficiency & Effectiveness, **Customer Service**, External Affairs & Gov't Relations

## ■ CUSTOMER SERVICE

### Objective:

IEUA will provide outstanding service that supports our member agencies and region in a cost effective, efficient and reliable manner.

### IEUA Actions & Initiatives:

- Maximize Education Programs
- Maximize Outreach Programs
- Support recycled water supply reliability
- Identify and secure grants for member agencies
- Implement best industry business practices

# Business Practices

***Goal: IEUA will be ethical, fiscally responsible, and utilize environmentally sustainable regional planning principles in all aspects of business and public service.***

**Key Topics:** Efficiency & Effectiveness, Customer Service, **External Affairs & Gov't Relations**

## ■ **EXTERNAL AFFAIRS & GOVERNMENT RELATIONS**

### **Objective:**

IEUA will support effective public outreach and education, and support the development of policies, legislation and regulations that benefit the region.

### **IEUA Actions & Initiatives:**

- Legislative and regulatory outreach
- Promote public education and outreach
  - Garden in Every School Program®
  - Earth Day Events
  - Chino Creek Wetlands & Educational Park Tours

# Water Reliability

***Goal: IEUA is committed to providing a reliable and cost-effective water supply; and promoting sustainable water use throughout the region.***

**Key Topics: Water Use Efficiency, Water Supplies, Recycled Water, Groundwater Recharge**

## ■ WATER USE EFFICIENCY

### **Objective:**

IEUA will promote water conservation, education and incentive programs to assist the region in meeting and exceeding state efficiency standards.

### **IEUA Actions & Initiatives:**

- Water Use Efficiency Plan (WUE)
- Urban Water Management Plan (UWMP)
- Landscape Retrofit Program
- Water conservation programs
- Support sustainable water rates within the service area

# Water Reliability

***Goal: IEUA is committed to providing a reliable and cost-effective water supply; and promoting sustainable water use throughout the region.***

**Key Topics:** Water Use Efficiency, **Water Supplies**, Recycled Water, Groundwater Recharge

## ■ WATER SUPPLIES

### **Objective:**

IEUA will support the region with the development of reliable, resilient and sustainable water supplies from diverse sources.

### **IEUA Actions & Initiatives:**

- Integrated Resources Plan
- New storage programs
- Secure additional water supply sources
- Santa Ana River Conservation & Conjunctive Use Project (SARCCUP)
- Regional salt management

# Water Reliability

***Goal: IEUA is committed to providing a reliable and cost-effective water supply; and promoting sustainable water use throughout the region.***

**Key Topics:** Water Use Efficiency, Water Supplies, **Recycled Water**, Groundwater Recharge

## ■ RECYCLED WATER

### Objective:

IEUA will maximize the use of recycled water to enhance regional water reliability.

### IEUA Actions & Initiatives:

- Recycled Water Program Strategy (RWPS)
- Expansion and interconnection of external recycled water sources
- Maximize recharge of recycled water

# Water Reliability

***Goal: IEUA is committed to providing a reliable and cost-effective water supply; and promoting sustainable water use throughout the region.***

**Key Topics:** Water Use Efficiency, Water Supplies, Recycled Water, **Groundwater Recharge**

## ■ **GROUNDWATER RECHARGE**

### **Objective:**

Maximize groundwater recharge projects in the region through strategic, cost-effective partnerships and development.

### **IEUA Actions & Initiatives:**

- Recharge Master Plan Update (RMPU) implementation
- Continued operation and leadership of Groundwater Recharge Program
- Support and enhance partnerships within the region on groundwater recharge
- Four Party Agreement

# Wastewater Management

***Goal: IEUA is committed to managing Agency facilities and infrastructure to meet current and future needs in an environmentally responsible and cost effective manner that meets or exceeds regulatory standards.***

**Key Topics: Water Quality, Asset Management, Organics Management, Energy Management**

## ■ WATER QUALITY

### Objective:

IEUA will ensure that Agency systems are planned, constructed and managed to protect public health, the environment, and meet anticipated regulatory requirements.

### IEUA Actions & Initiatives:

- Wastewater (NPDES) and Recycled Water (Title-22) Compliance requirements
- Water softener removal programs
- Salinity management programs
- Nitrogen/total dissolved solids groundwater and Santa Ana River objectives
- Emerging constituents of concern



# Wastewater Management

***Goal: IEUA is committed to managing Agency facilities and infrastructure to meet current and future needs in an environmentally responsible and cost effective manner that exceeds regulatory standards.***

**Key Topics:** Water Quality, **Asset Management**, Organics Management, Energy Management

## ■ **ASSET MANAGEMENT**

### **Objective:**

IEUA will ensure the regional sewer system and treatment facilities are well maintained, upgraded to meet evolving requirements, sustainably managed, and can accommodate changes in regional water use.

### **IEUA Actions & Initiatives:**

- Asset Management Plan
- Robust centralized maintenance management system
- Predictive/preventive vs. corrective maintenance
- Condition-based monitoring
- Planned rehabilitation and replacement capital program

# Wastewater Management

***Goal: IEUA is committed to managing Agency facilities and infrastructure to meet current and future needs in an environmentally responsible and cost effective manner that exceeds regulatory standards.***

**Key Topics:** Water Quality, Asset Management, **Organics Management**, Energy Management

## ■ ORGANICS MANAGEMENT

### Objective:

IEUA will manage organics to meet regulatory compliance standards in a fiscally prudent and environmentally sustainable manner.

### IEUA Actions & Initiatives:

- Nation's largest indoor composting facility (IERCF)
- Public/Private Partnerships
- Support local agency landfill diversion objectives
- Support State landfill diversion and greenhouse gas reduction goals

# Wastewater Management

***Goal: IEUA is committed to managing Agency facilities and infrastructure to meet current and future needs in an environmentally responsible and cost effective manner that exceeds regulatory standards.***

**Key Topics:** Water Quality, Asset Management, Organics Management, **Energy Management**

## ■ ENERGY MANAGEMENT

### Objective:

IEUA will effectively manage energy resources including renewable energy initiatives and programs to achieve statewide environmental and renewable energy goals, and stabilize future costs.

### IEUA Actions & Initiatives:

- Energy Management Plan
- Public/Private Partnerships
- Power Purchase Agreements
- Maximize beneficial use of Biogas

# Environmental Stewardship

***Goal: IEUA is committed to enhancing and promoting environmental sustainability and the preservation of the region's heritage.***

**Key Topics: Regulatory Compliance, Good Neighbor Policy, Environmental Responsibility, Regional Habitat Management**

## ■ REGULATORY COMPLIANCE

### Objective:

IEUA will comply with all federal, state, local and environmental laws and regulations.

### IEUA Actions & Initiatives:

- Regional Water Quality Control Board permits
- Air Quality Management District (AQMD) permits
- Compliance with various Resource Agency permitting
- Robust and proactive laboratory analysis

# Environmental Stewardship

***Goal: IEUA is committed to enhancing and promoting environmental sustainability and the preservation of the region's heritage.***

**Key Topics:** Regulatory Compliance, **Good Neighbor Policy**, Environmental Responsibility, Regional Habitat Management

## ■ **GOOD NEIGHBOR POLICY**

### **Objective:**

IEUA will foster positive relationships within the region, and develop and implement projects that minimize impacts to the community and environment.

### **IEUA Actions & Initiatives:**

- Maintain an odor monitoring program
- Midge Fly management study
- Ensure capital improvements designed to meet “No Nuisance” standards
- Early capital project coordination to minimize community impacts

# Environmental Stewardship

***Goal: IEUA is committed to enhancing and promoting environmental sustainability and the preservation of the region's heritage.***

**Key Topics:** Regulatory Compliance, Good Neighbor Policy, **Environmental Responsibility**, Regional Habitat Management

## ■ ENVIRONMENTAL RESPONSIBILITY

### Objective:

IEUA will provide regional leadership to implement environmentally sustainable business practices and promote the preservation of the region's cultural and ecological heritage.

### IEUA Actions & Initiatives:

- Santa Ana River Conservation & Conjunctive Use Project (SARCCUP)
- Implement California Green Building Standards and LEED Standards in new buildings construction and O&M
- Conduct regular proactive energy audits
- Integration of legacy culture and habitat into planning and capital programs

# Environmental Stewardship

***Goal: IEUA is committed to enhancing and promoting environmental sustainability and the preservation of the region's heritage.***

**Key Topics:** Regulatory Compliance, Good Neighbor Policy, Environmental Responsibility, **Regional Habitat Management**

## ■ REGIONAL HABITAT MANAGEMENT

### Objective:

IEUA will promote the preservation of regional habitat and implement the development and use of appropriate mitigation measures on all projects.

### IEUA Actions & Initiatives:

- California Environmental Quality Act (CEQA)
- Upper Santa Ana River Habitat Conservation Plan
- Prado habitat protection
- Cooperative coordination with local resource agencies
- Environmental impact reporting (EIR)

# Next Steps

- **September 2016**
  - Feedback and Updates
  - Regional Technical Committee - 9/29
- **October 2016**
  - Regional Policy Committee - 10/6
- **December 2016**
  - Board Adoption - 12/21