

NOTICE OF MEETING

**OF THE
BOARD OF DIRECTORS
OF THE**



**WILL BE HELD ON
WEDNESDAY, NOVEMBER 18, 2015
10:00 A.M.**

**AT THE OFFICE OF THE AGENCY
6075 KIMBALL AVENUE, BUILDING A
CHINO, CA 91710**



AGENDA

MEETING OF THE BOARD OF DIRECTORS

**WEDNESDAY, NOVEMBER 18, 2015
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 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.

NEW HIRE INTRODUCTION

- Ms. Laura Mantilla, hired on 10/27/15 (April Woodruff)
- Mr. Antonio Arrellano, hired on 10/12/15 (Sharmeen Bhojani)

1. CONSENT CALENDAR

NOTICE: All matters listed under the Consent Calendar are considered to be routine and non-controversial and will be acted upon by the Board by one motion in the form listed below. There will be no separate discussion on these items prior to the time the Board votes unless any Board members, staff or the public requests specific items be discussed and/or removed from the Consent Calendar for separate action.

A. MINUTES

The Board will be asked to approve the minutes from the October 14, 2015 Special Board meeting.

B. TREASURER'S REPORT ON GENERAL DISBURSEMENTS

It is recommended that the Board approve the total disbursements for the month of September 2015, in the amount of \$11,604,862.68.

C. RATIFICATION OF SAP BUSINESSOBJECTS LICENSE PURCHASE

It is recommended that the Board ratify the sole-source purchase of the SAP BusinessObjects analytics tools, including license conversion and the first year's maintenance in the amount of \$99,600.

D. WAXIE CONTRACT AMENDMENT

It is recommended that the Board:

1. Authorize a contract amendment to the competitively-let contract with Waxie Sanitary Supply of Ontario, through November 30, 2017; for the supply and delivery of janitorial and related supplies; and
2. Authorize the Manager of CFS to execute Contract Amendment Number 4600000672-005.

E. RESOLUTION NO. 2015-11-1, APPROVING AN AMENDMENT TO THE 2013-2018 MEMORANDUM OF UNDERSTANDING (MOU) FOR THE GENERAL UNIT

It is recommended that the Board adopt Resolution No. 2015-11-1 amending the 2013 through 2018 MOU for the General Employees' Association, General Unit to allow unit employees assigned to the Inland Empire Regional Composting Authority (IERCA) to work a 4/10 schedule.

F. ADOPTION OF RESOLUTION NOS. 2015-11-2 THROUGH 4 FOR THE REGIONAL WATER RECYCLING PROGRAM

It is recommended that the Board:

1. Adopt Resolution No. 2015-11-2, authorizing the General Manager to sign and file application and agreement with the State Water Resources Control Board (SWRCB), for the design and construction of the Joint Inland Empire Utilities Agency (IEUA)-Jurupa Community Services District (JCSD) Regional Water Recycling Program (Project);
2. Adopt Resolution No. 2015-11-3, dedicating net revenues for the repayment of SRF loan from the SWRCB for the Project;
3. Adopt Resolution No. 2015-11-4, establishing its intention to apply for and be reimbursed for expenditures related to the construction of the Project; and,

4. Authorize the General Manager to negotiate an agreement with the Chino Basin Regional Financing Authority (CBRFA) that allows IEUA to become the lead agency to apply for the SRF loan and grant on behalf of the CBRFA for the Project, and authorizes IEUA to pay CBRFA its portion of the project's match share and debt that is incurred by CBRFA as the recipient of the SRF loan and grant.

G. ADOPTION OF RESOLUTION NO. 2015-11-5, FOR THE HABITAT CONSERVATION FUND (HCF)

It is recommended that the Board:

1. Adopt Resolution No. 2015-11-5, approving the application for grant funds from the HCF Program, under the California Wildlife Protection Act of 1990; and
2. Authorize the General Manager or in his absence, his designee, to conduct all negotiations, execute and submit all documents, including but not limited to applications, agreements, and amendments, which may be necessary for the completion of the project.

H. ADOPTION OF RESOLUTION NOS. 2015-11-8 THROUGH 10 FOR THE RECYCLED WATER INTERTIE PROJECT

It is recommended that the Board:

1. Adopt Resolution No. 2015-11-8, authorizing the General Manager to sign and file application and agreement with the State Water Resources Control Board (SWRCB), for the design and construction of the City of Pomona (Pomona), Monte Vista Water District (MVWD), and Inland Empire Utilities Agency (IEUA) Recycled Water Intertie Project (Project);
2. Adopt Resolution No. 2015-11-9, dedicating net revenues for the repayment of State Revolving Fund (SRF) loan from the SWRCB for the Project;
3. Adopt Resolution No. 2015-11-10, establishing its intention to apply for and be reimbursed for expenditures related to the construction of the Project; and
4. Authorize the General Manager to negotiate an agreement with the Chino Basin Regional Financing Authority (CBRFA) that allows IEUA to become the lead agency to apply for the SRF Loan/Grant on behalf of the CBRFA for the Project, and authorizes IEUA to pay CBRFA its portion of the project's match share and debt that is incurred by CBRFA as the recipient of the SRF loan and grant.

I. COMMISSIONING CONTRACT AWARD -- WATER QUALITY LABORATORY (LAB)

It is recommended that the Board:

1. Approve the commissioning contract award to Heery International, Inc. for the Lab, Project No. EN15008, for the not-to-exceed amount of \$59,884; and
2. Authorize the General Manager to execute the contract.

J. MEMORANDUM OF UNDERSTANDING (MOU) WITH LOCAL GOVERNMENT COMMISSION (LGC) FOR A SPONSORED CIVICSPARK FELLOW

It is recommended that the Board:

1. Approve an MOU for Sponsored CivicSpark Fellow with LGC; and
2. Authorize the General Manager to execute said MOU.

K. EAST DECLEZ PURCHASE AND SALE AGREEMENT

It is recommended that the Board:

1. Approve the Purchase and Sale Agreement with SLPR, LLC for the East Declez property; and
2. Authorize the General Manager to execute the agreement.

L. TERM SHEET FOR RECYCLED WATER (RW) INTERCONNECTION WITH JURUPA COMMUNITY SERVICES DISTRICT (JCSD)

It is recommended that the Board:

1. Approve the Term Sheet between Inland Empire Utilities Agency (IEUA) and JCSD for the development of a RW Interconnection; and
2. Authorize the General Manager to make non-substantive changes and execute the final Term Sheet.

M. CONTRACT AWARD FOR THE RP-1 MIXED LIQUOR RETURN PUMPS

It is recommended that the Board:

1. Approve the consulting engineering services contract award for the design efforts for the RP-1 Mixed Liquor Return Pumps, Project No. EN16024, to the most qualified consultant, for the not-to-exceed amount of \$424,198; and
2. Authorize the General Manager to execute the contract.

2. **ACTION ITEMS**

A. **ADOPTION OF RESOLUTIONS NOS. 2015-11-6 AND 7 FOR THE REGIONAL PLANT NOS. 1 AND 5 PRELIMINARY DESIGN REPORT PROJECT**

It is recommended that the Board:

1. Adopt Resolution No. 2015-11-6, authorizing the General Manager to sign and file the application and agreement with the State Water Resources Control Board (SWRCB) for funding of the Regional Plant No. 1 (RP-1) and Regional Plant No. 5 (RP-5) Expansion Preliminary Design Report Project (Project); and
2. Adopt Resolution No. 2015-11-7, dedicating net revenues for the repayment of State Revolving Fund (SRF) loan from the SWRCB for the Project.

3. **INFORMATION ITEMS**

A. **EL NINO PREPARATION (WRITTEN)**

B. **ENGINEERING AND CONSTRUCTION MANAGEMENT MONTHLY UPDATE (POWERPOINT)**

C. **MWD AND DROUGHT UPDATE (ORAL)**

RECEIVE AND FILE INFORMATION ITEMS

D. **TREASURER'S REPORT OF FINANCIAL AFFAIRS (WRITTEN/ POWERPOINT)**

E. **PUBLIC OUTREACH AND COMMUNICATION (WRITTEN)**

F. **LEGISLATIVE REPORT FROM INNOVATIVE FEDERAL STRATEGIES (WRITTEN)**

G. **LEGISLATIVE REPORT FROM AGRICULTURAL RESOURCES (WRITTEN)**

H. **LEGISLATIVE REPORT FROM WEST COAST ADVISORS (WRITTEN)**

I. **CALIFORNIA STRATEGIES, LLC MONTHLY ACTIVITY REPORT (WRITTEN)**

J. **STATE LEGISLATION MATRIX (WRITTEN)**

K. **FEDERAL LEGISLATION MATRIX (WRITTEN)**

L. **WATER CONNECTION FEE UPDATES (WRITTEN)**

M. **RECYCLED WATER ANNUAL REPORT (WRITTEN)**

- N. 1ST QUARTER PLANNING AND ENVIRONMENTAL COMPLIANCE UPDATE (WRITTEN)
- O. FY 2014/15 IEUA ANNUAL WATER-USE EFFICIENCY PROGRAMS REPORT

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.

- 4. AGENCY REPRESENTATIVES' REPORTS
 - A. SAWPA REPORT (WRITTEN)
 - B. MWD REPORT (WRITTEN)
 - C. REGIONAL SEWERAGE PROGRAM POLICY COMMITTEE REPORT
 - D. CHINO BASIN WATERMASTER REPORT (WRITTEN)
- 5. GENERAL MANAGER'S REPORT
- 6. BOARD OF DIRECTORS' REQUESTED FUTURE AGENDA ITEMS
- 7. DIRECTORS' COMMENTS
- 8. CONFERENCE REPORTS

This is the time and place for the Members of the Board to report on prescheduled Committee/District Representative Assignment meetings, which were held since the last regular Board meeting, and/or any other items of interest.

- 9. CLOSED SESSION
 - A. PURSUANT TO GOVERNMENT CODE SECTION 54956.9(a) – CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
 - 1. Chino Basin Municipal Water District vs. City of Chino, Case No. RCV51010
 - 2. Martin vs. IEUA, Case No. CIVRS 1000767
 - 3. Mwembu vs. IEUA, Case No. CIVDS 1415762
 - B. PURSUANT TO GOVERNMENT CODE SECTION 54956.8 – CONFERENCE WITH REAL PROPERTY NEGOTIATOR
 - 1. Supplemental Water Transfer/Purchase
Negotiating Party: General Manager P. Joseph Grindstaff
Under Negotiation: Price and Terms of Purchase

**C. PURSUANT TO GOVERNMENT CODE SECTION 54956.9
CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION**

1. One (1) Case

**D. PURSUANT TO GOVERNMENT CODE SECTION 54957 – PERSONNEL
MATTERS**

1. Various Positions – Compensation Study
2. Various Positions.

10. 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/Office Manager (909) 993-1736, 48 hours prior to the scheduled meeting so that the Agency can make reasonable arrangements.

Proofed by: SK

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, November 12, 2015.



April Woodruff

**CONSENT
CALENDAR
ITEM**

1A



**MINUTES OF THE REGULAR
MEETING OF
THE BOARD OF DIRECTORS
OF
THE INLAND EMPIRE UTILITIES AGENCY*
WEDNESDAY, OCTOBER 14, 2015
10:00 A.M.**

DIRECTORS PRESENT:

Terry Catlin, President
Michael Camacho, Vice President
Steven J. Elie, Secretary/Treasurer

DIRECTORS ABSENT:

Jasmin A. Hall
Gene Koopman

STAFF PRESENT:

P. Joseph Grindstaff, General Manager
Chris Berch, Executive Manager of Engineering/Assistant General Manager
Martha Davis, Executive Manager of Policy Development/Assistant General Manager
Christina Valencia, Chief Financial Officer/Assistant General Manager
Pietro Cambiaso, Supervisor-Environmental Compliance and Energy
Andy Campbell, Deputy Manager of Planning and Environmental Resources
Kathleen Baxter, Supervisor of Contracts & Program Administrator
Warren Green, Manager of Contracts and Facility Services
Jason Gu, Grants Officer
Liz Hurst, Environmental Resources Planner II
Sylvie Lee, Manager of Planning and Environmental Resources
Adham Almasri, Senior Engineer
Ernest Yeboah, Executive Manager of Operations/Assistant General Manager
Dave Mendez, Acting Deputy Manager of Engineering
Lisa Morgan-Perales, Senior Water Resources Planner II
Jesse Pompa, Senior Associate Engineer-PE
Shaun Stone, Manager of Engineering
Teresa Velarde, Manager of Internal Audit
Jamal Zughbi, Senior Engineer
April Woodruff, Board Secretary/Office Manager

OTHERS PRESENT:

Jean Cihigoyenette, Cihigoyenette, Grossberg, & Clouse

A regular meeting of the Board of Directors of the Inland Empire Utilities Agency* was held at the office of the Agency, 6075 Kimball Avenue, Bldg. A, Chino, California on the above date.

President Catlin called the meeting to order at 10:04 a.m., and he led with the pledge of allegiance to the flag. A quorum was present.

President Catlin stated that members of the public may address the Board. There was no one desiring to do so.

President Catlin asked if there were any changes/additions/deletions to the agenda. There were no changes, additions or deletion to the agenda.

NEW HIRE INTRODUCTION

Deferred to the November 18, Board meeting.

1. CONSENT CALENDAR

President Catlin asked if there were any Board members wishing to pull an item from the Consent Calendar for discussion. There was no one desiring to do so.

Upon motion by Director Elie, seconded by Director Camacho, and unanimously carried:

M2015-10-1

MOVED, to approve the Consent Calendar.

- A. The Board approved the minutes from the September 2, 2015, Board Workshop meeting, and the September 16, 2015 Board meeting.
- B. The Board approved the total disbursements for the month of August 2015, in the amount of \$13,263,433.81.
- C. The Board:
 - 1. Approved award of a five-year competitively-let contract with two one-year options to Planet Bids; and
 - 2. Authorized the General Manager to execute the contract.
- D. The Board:
 - 1. Approve Contract Number 4600001986 for banking services to Citizens Business Bank for a five-year contract with an option to extend for two additional years; and
 - 2. Authorize the General Manager to execute the contract.
- E. The Board:
 - 1. Adopt Resolution No. 2015-10-1, approving the application for grant funds from the Recreation Trails Program from the California Department of Parks and Recreation; and
 - 2. Authorized the General Manager or his designee to conduct all negotiations, execute and submit all documents, including but not limited to applications, agreements, and amendments, which may be necessary for the completion of the projects.

Continued...

M2015-10-1, continued.

**RESOLUTION NO. 2015-10-1
RESOLUTION OF THE BOARD OF DIRECTORS OF THE
INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO
COUNTY, CALIFORNIA, APPROVING THE APPLICATION
FOR GRANT FUNDS FROM THE RECREATIONAL TRAILS
PROGRAM (for full text, see Resolution Book)**

F. The Board:

1. Awarded a professional services contract with ARCADIS U.S., Inc. for the development of two 2015 Urban Water Management Plans including a land use-based water demand model (Project No. WR16026), for a not-to-exceed amount of \$334,540; and
2. Authorized the General Manager to execute the contract.

G. The Board:

1. Approved the Consultant Contract Amendment No. 1 to the Austin Company for the Water Quality Laboratory, Project No. EN15008, for the not-to-exceed amount of \$71,500;
2. Authorized the General Manager to execute the contract amendment.

2. ACTION ITEMS

A. CONSTRUCTION CONTRACT AWARD FOR THE MONTCLAIR FLOW SPLITTER BOX AND METERING STATION UPGRADES

Senior Engineer Adham Almasri gave a PowerPoint presentation on the Montclair Splitter Box and Metering Station upgrades construction contract award. He stated that the splitter box and metering station, which has been in operation since 1988, are located in an unincorporated area of San Bernardino County, and receives sewage flows from several IEUA service areas. The flows are typically diverted to RP-1 or Carbon Canyon with the capability of diverting flows to the Non-Reclaimable Wastewater line (NRW) in the event of an emergency. Mr. Almasri reported that the Operation and Maintenance staff has determined that the gates are inoperable and beyond repair. There is also the safety concern of manually operating the gates in an increasingly heavy traffic area. He stated that the project scope is to install 3 new electric actuated stainless steel isolation gates, new stainless steel traffic rated access hatches, and new up-to-date flow probes with remote dependable readout and redundancy. Staff solicited bids and staff is recommending that the Board approve the construction contract award to J.F. Shea Construction in the amount of \$557,565. He noted that the Engineer's estimate is \$540,000, and construction completion is anticipated for July 2016.

Director Elie asked staff what cause such a large variance between J.F. Shea and the next proposal. Staff responded that it is due to the cost of bypassing the sewage flows, and that J.F. Shea owns their equipment, and have no rental costs.

Upon motion by Director Elie seconded by President Catlin, and unanimously carried:

M2015-9-2

MOVED, to:

1. Approve the construction contract award for J.F. Shea Construction for the Montclair Splitter Box and Metering Station Upgrades, Project No. EN13028 in the amount of \$557,565; and
2. Authorize the General Manager to finalize and execute the contract

B. ENERGY STORAGE SERVICES AGREEMENT WITH ADVANCED MICROGRID SOLUTIONS, INC.

Senior Associate Engineer-PE Jesse Pompa reported that he had presented the MOU for this agreement to the Board back in August, and since that time staff, the Agency's legal counsel and financial consultants (PFM) have reviewed the language and terms and have reached an agreement that it is beneficial to the Agency. IEUA will be the first water agency to benefit from energy storage. He gave a PowerPoint presentation on the Energy Storage Services Agreement with Advanced Microgrid Solutions (AMS). He provided the key details, such as how the flexibility of the energy storage, enables the Agency to manage the loads at the facilities by integrating our renewable resources and steer the Agency towards peak power independence by 2020. He stated that AMS will install 3.65 MW of battery storage across six IEUA facilities, with the largest being at RP-1 and RP-4. It will be a 10-year term agreement, AMS will install the equipment at no cost to the Agency. IEUA will pay fixed equipment fees once the batteries go online on a monthly basis and annually the Agency will pay performance-based service charges. Third party agreements for demand response will be negotiated with SCE and subject to approval by all parties. He reviewed the fee structure by stating that the estimated savings to IEUA will be between \$55,000 and \$230,000 annually. The battery installations are anticipated to be complete by June 2016.

Upon motion by Director Elie seconded by Director Camacho, and unanimously carried:

M2015-9-3

MOVED, to:

1. Approve the Energy Storage Services Agreement between Inland Empire Utilities Agency and Advanced Microgrid Solutions, Inc. (AMS); and
2. Authorize the General Manager to finalize and execute the Agreement subject to non-substantive changes.

3. INFORMATION ITEMS

A. ENGINEERING AND CONSTRUCTION MANAGEMENT MONTHLY UPDATE

Manager of Engineering Shaun Stone gave a PowerPoint presentation on the Engineering and Construction Management monthly update. He provided an update on the Water Quality Laboratory, which is 85% complete in lab design, 30% complete in central plant design, and retained a third party expert for design review. He stated that the Wineville Recycled Water Pipeline Extension Segment B pipeline is complete and water is flowing to the basins and the manual operation is going well. Staff is expecting delivery of the control panels this week and installation will begin over the next two weeks. Mr. Stone said that regarding the SCADA Enterprise System CCWR, staff completed all of the factory acceptance testing. He stated that the next step is to install the headworks remote input/output for the actual field testing. He said that there is not much update from last month on the Agency-wide HVAC improvements, package no. 3. Staff is still receiving long lead time submittals and reviewing shop drawings. He stated that the Chino Creek Invert repair is the smallest and most simple project. It was anticipated to take about two weeks. The diversion plan was to design to divert approximately 5% of the channel flow of 3 to 4 inches; however, due to the recent major storm event, the channel was flowing five feet deep. The storm event caused some fairly significant damage. During the storm event, the creek picked up the k-rail and sent it approximately 15 feet down stream and tumbled the k-rails out of the project site. He stated that the resulting damage was that the hydraulic pressure got under the slab and lifted it 9 inches across the channel bottom. He stated that staff is having open discussions with the Corps of Engineers on how to mitigate and repair, including a cost-share discussion. He noted that there were existing issues with the Corps of Engineers' hydraulic relief under-drain system, which were discovered when staff started the project. He stated that due to the cost of the repairs, this project will go into next year's budget. He also noted that the temporary repairs are sealed, rebarred and concreted, which will hold up during the future storm events.

B. FY 2014/15 BUILDING ACTIVITY SUMMARY TEN-YEAR GROWTH SURVEY

Supervisor-Environmental Compliance and Energy Pietro Cambiaso gave a PowerPoint presentation on the FY 2014/15 building activity ten-year growth survey summary. He stated that for last fiscal year the Agency had approximately 3,000 new EDU's, which is in line with the IEUA budgeted forecast, and significantly below the IEUA member agency forecast of 5,105 EDUs. He reported that most of the growth occurred in the cities of Ontario, Chino, and Fontana, with Chino exceeding its projected numbers. Mr. Cambiaso stated the 70% of the new growth is in the Southern service area, which is consistent with the Wastewater Facilities Master Plan. He noted that 3,000 new EDUs is below average, based on historical EDU growth all the way back to 1988/89; however, it peaks compared to 2010/11. He stated that the member agencies are expecting an increase up to 5,000 in the next fiscal year, and a reduction of approximately 2,000 in 2025/26, when build-out of the area is reached.

C. MWD AND DROUGHT UPDATE

Executive Manager of Engineering/AGM Chris Berch shared a couple of slides that were presented at MWD committee and Board meetings this week. He presented the minimum and maximum trend of Northern Sierra rainfall, the wettest at 88.5 inches and driest at 17.1 inches, with the average at 50 inches. He reported that last year's rainfall was 37.2 inches. He stated that MWD will begin trending currently expected El Nino against the 1997/98 El Nino. Mr. Berch stated that on the Northern Sierra snowpack, the trend was similar to the rainfall. MWD also discussed the significant drop in MWD water purchases. He stated that in July, August and September trended that lowest deliveries since 1980. He also reported that meeting the Level 3 (15% reduction), which was

implemented last year, is currently trending on the average total of 20% reduction and continues to trend downward. Regarding the Turf Removal Rebates, Mr. Berch stated that the waiting list total is \$19.9M, and IEUA is third highest dollars in reserve amount. MWD is beginning to move projects from the waiting list to the active queue. Also presented at MWD was a conceptual plan on the project to work with LA County Sanitation District to reclaim 150 MGD worth of flow. He reported that a formal agreement is expected next month, which will trigger a 1 MGD pilot plan at the Carson facility.

THE FOLLOWING INFORMATION ITEMS WERE RECEIVED AND FILED BY THE BOARD:

- D. TREASURER'S REPORT OF FINANCIAL AFFAIRS (WRITTEN/ POWERPOINT)**
- E. PUBLIC OUTREACH AND COMMUNICATION (WRITTEN)**
- F. LEGISLATIVE REPORT FROM INNOVATIVE FEDERAL STRATEGIES (WRITTEN)**
- G. LEGISLATIVE REPORT FROM AGRICULTURAL RESOURCES (WRITTEN)**
- H. LEGISLATIVE REPORT FROM WEST COAST ADVISORS (WRITTEN)**
- I. CALIFORNIA STRATEGIES, LLC MONTHLY ACTIVITY REPORT (WRITTEN)**
- J. FEDERAL LEGISLATION TRACKING (WRITTEN)**
- K. FUNDING OF ESTIMATE WORKERS' COMPENSATION LIABILITIES (WRITTEN)**
- L. FY 2014/15 FOURTH QUARTER BUDGET VARIANCE, PERFORMANCE GOALS AND UPDATES, AND BUDGET TRANSFERS (WRITTEN)**
- M. ANNUAL WATER USE REPORT FOR FISCAL YEAR 2014/15 (WRITTEN)**
- N. RECYCLED WATER FY 2014/15 UPDATE (POWERPOINT)**

4. AGENCY REPRESENTATIVES' REPORTS

A. SAWPA REPORT

President Catlin reported that SAWPA is working on an RFP for Strategic Planning to bring in a consultant to help the Commission plan strategically. They are in the process of reviewing the three of the proposals submitted. SAWPA is also working on an RFP for a Lobbyist.

B. MWD REPORT

Director Camacho mentioned that MWD is expecting El Nino to be greater than the 1997 El Nino, due to the earlier signs and warmer water.

C. REGIONAL SEWERAGE PROGRAM POLICY COMMITTEE REPORT

Meeting was cancelled for October 1. The next meeting is scheduled for November 5.

D. CHINO BASIN WATERMASTER REPORT

Director Elie reported that the Safe Yield is moving along, and there should be a filing in the next couple of weeks. He reported that the CBWMBoard is up for renewal.

5. GENERAL MANAGER'S REPORT

General Manager P. Joseph Grindstaff provided a LAFCO update.

Chief Financial Officer Christina Valencia reported that the 2008B Variable Revenue Bonds letter of credit (LOC) with Union Bank is set to expire on November 26, 2015. She said that the Agency was unsuccessful in securing a renewal with Union Bank. However, Union Bank did agree to extend the term of the existing LOC agreement through the end of January 2016. As part of the extension, Union Bank increased the rate slightly from 40 basis points (bps) to 45, resulting in approximately \$4,000 in additional LOC fees for the 60 day period. This amount is well below the General Manager's approval threshold per the Agency's Procurement Ordinance. The General Manager has executed the extension agreement with Union Bank. An RFP for the substitution of the LOC was issued and negotiations with one of the respondents has been initiated. An RFP for remarking services for these bonds was also issued. Proposal for these services are due on Monday, October 19, 2016. We will be bringing both contracts to the Board for approval prior to the expiration of the LOC extension on January 25, 2016.

6. BOARD OF DIRECTORS' REQUESTED FUTURE AGENDA ITEMS

Director Elie requested that staff provide an El Nino Preparedness Plan for the Agency.

7. BOARD OF DIRECTORS' COMMENTS

Director Camacho reported that on September 30, he attended the Three Valleys MWD Water Resources Update welcoming Senators Bob Huff and Connie Leyva, as well as local water expert to provide the most updated information on water supplies, conservation efforts, local groundwater conditions, desalination prospects and more. He stated that the Senate hearing was well attended.

Director Elie reported that he also attended the September 30, Senate hearing.

President Catlin reported that on September 25, he attended the Chino Basin Water Conservation District – Are Umbrellas Enough? Prepping for the Godzilla El Nino. The panel included Ms. Cantu, Mr. Troxel, and Claremont College Professor Mr. Pontel and the discussion was on if we are prepared for the El Nino.

8. CLOSED SESSION

The Board went into Closed Session at 10:43 a.m., A. PURSUANT TO GOVERNMENT CODE SECTION 54956.9(a) – CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION: (1) Chino Basin Municipal Water District vs. City of Chino, Case No. RCV51010; (2) Martin vs. IEUA, Case No. CIVRS 1000767; (3) Sheilds vs. IEUA, Case No. CIVRS 1301638; (4) Mwembu vs. IEUA Case No. CIVDS 1415762; B. PURSUANT TO GOVERNMENT CODE SECTION 54956.8 – CONFERENCE WITH REAL PROPERTY NEGOTIATOR: (1) Property: Water and Pipeline Capacity/Cadiz, Negotiating Parties: General Counsel Jean Cihigoyenetché; (2) Supplemental Water Transfer/Purchase, Negotiating Party: General Manager P. Joseph Grindstaff; C. PURSUANT TO GOVERNMENT CODE SECTION 54956.9 – CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION: TWO (2) Cases; D. PURSUANT TO GOVERNMENT CODE SECTION 54957 – PERSONNEL MATTERS: (1) Various Positions – Compensation Study, (2) Various Positions.

The meeting resumed at 11:30 a.m. and General Counsel Jean Cihigoyenette stated that the below-mentioned matters were discussed in Closed Session, and the Board took the following actions:

Regarding Conference with Legal Counsel – Existing Litigation:

Chino Basin Municipal Water District vs. City of Chino, Case No. RCV51010

Martin vs. IEUA, Case No. CIVRS 1000767

Sheilds vs. IEUA, Case No. CIVRS 1301638

Mwembu vs. IEUA, Case No. CIVDS 1415762

The Board took no reportable action.

Regarding Conference with Real Property Negotiator:

Property: Water and Pipeline Capacity/Cadiz

Supplemental Water Transfer/Purchase

The Board took no reportable action.

Regarding Conference with Legal Counsel – Anticipated Litigation:

Two (2) Cases

The Board did not discuss.

Regarding Personnel Matters:

Various Positions – Compensation Study

Various Positions

The Board took no reportable action.

With no further business, President Catlin adjourned the meeting at 11:32 a.m.

Steven J. Elie, Secretary/Treasurer

APPROVED: NOVEMBER 18, 2015

**CONSENT
CALENDAR
ITEM**


1B





Date: November 18, 2015

To: The Honorable Board of Directors

Through: Finance, Legal, and Administration Committee (11/11/15)

From: P. Joseph Grindstaff
General Manager 

Submitted by:  Christina Valencia
Chief Financial Officer/Assistant General Manager

 for Javier Chagoyen-Lazaro
Manager of Finance and Accounting

Subject: Treasurer's Report on General Disbursements

RECOMMENDATION

It is recommended that the Board of Directors approve the total disbursements for the month of September 2015, in the amount of \$11,604,862.68.

BACKGROUND

September disbursement activity includes vendor payments (check numbers 210359-210825) of \$5,681,704.52 and workers compensation payments (check numbers 04287-04301) of \$4,231.26. The total amount of ACH and wire transfer payments is \$5,912,355.33, which includes payroll taxes in the amount of \$673,150.34. The total employee pay was \$1,295,519.66. The total pay for the Board of Directors was \$4,563.80.

Payment Type		Transactions	Total Amount
Check	Vendors	467	5,681,704.52
	Workers-Comp	15	4,231.26
	Payroll-Directors'	5	4,563.80
	Payroll-Others	1	2,007.77
Subtotal Check		488	\$5,692,507.35
ACH		149	\$1,294,054.56
Wire Transfer	Payroll-Net Pay	8	1,293,511.89
	Others	9	3,324,788.88
Subtotal Wires		17	\$4,618,300.77
TOTAL		654	\$11,604,862.68

Treasurer's Report on General Disbursements

November 18, 2015

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Payments to vendors this month above \$500,000 include:

Vendor	Amount	Description
Internal Revenue Service	563,463.63	P/R18, P/R19, Dir009 Taxes
CCL Contracting	530,457.06	EN06025-Wineville SegA Retention Release
Metropolitan Water District	1,900,684.18	July 2015 Water Purchase
CALPERS	739,151.47	P/R 18,19 PERS Contribution, 9/15 Health Ins
LA County Sanitation District	1,230,029.88	15/16-1 QTR Wstwtr Trmnt Surchg

The Treasurer's Report is consistent with the Agency's Business Goal of Fiscal Responsibility in providing financial reporting that accounts for general disbursements associated with operating requirements.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

The cash held by the Agency's various funds, including the Administrative Services (GG) Fund, is reduced as a result of paying the Agency's authorized expenditures.

Bank	Bank Key	Acct number	Check	Check Number	Pay Amt	Post Date	Cy	Amount Paid (FC)	Recipient/Inv'd Refert. Code	Date / Void
CITIZENS BUSINESS BANK	CEB	122234149	CHECK	231167641						
				220069100	09/02/2015	USD	2,007.77	RODRIGUEZ JR, YADEFOWSO CHINO HILLS CA	09/02/2015	
				220069119	09/03/2015	USD	1,876.71	AIRGAS WEST INC PASADENA CA	10/01/2015	
				220069199	09/03/2015	USD	239.14	AMERICAN HERITAGE LIFE INSURANCE DALLAS TX	09/10/2015	
				220069129	09/03/2015	USD	289.94	APPLEONE EMPLOYMENT SERVICES GLENDALE CA	09/10/2015	
				220069105	09/03/2015	USD	593.96	ARNEL COMPRESSOR CO SANTA FE SPRINGS CA	09/10/2015	
				220069219	09/03/2015	USD	300.00	RAMEZ, WILLIAM CHINO HILLS CA	09/22/2015	
				220069178	09/03/2015	USD	1,615.58	BERLIN PACKAGING LLC CHICAGO IL	09/11/2015	
				220069195	09/03/2015	USD	4,813.13	BERMINGHAM CONTROLS INC CERRITOS CA	09/10/2015	
				220069218	09/03/2015	USD	335.23	BOUGHAN, ARIN CHINO HILLS CA	09/08/2015	
				220069169	09/03/2015	USD	6,000.00	CALIFORNIA STRATEGIES LLC NEWPORT BEACH CA	09/10/2015	
				220069180	09/03/2015	USD	9,666.94	CALIFORNIA WATER TECHNOLOGIES, PASADENA CA	09/09/2015	
				220069210	09/03/2015	USD	147.63	CARL H TAYLOR III CRYSTAL RIVER FL	09/10/2015	
				220069213	09/03/2015	USD	86.25	CARTER, JOSEPH CHINO HILLS CA	09/11/2015	
				220069153	09/03/2015	USD	2,400.50	CASC ENGINEERING AND CONSULTING COLTON CA	09/10/2015	
				220069166	09/03/2015	USD	2,849.26	CINTAS CORPORATION LOC#150 PHOENIX AZ	09/09/2015	
				220069209	09/03/2015	USD	769.00	CITY EMPLOYERS ASSOCIATES LONG BEACH CA	09/16/2015	
				220069191	09/03/2015	USD	2,787.39	CITY OF CHINO CHINO CA	09/09/2015	
				220069107	09/03/2015	USD	1.62	CITY RENTALS INC ONTARIO CA	09/09/2015	
				220069108	09/03/2015	USD	340.48	COLE PARKER INSTRUMENT CO CHICAGO IL	09/09/2015	
				220069204	09/03/2015	USD	122.88	CONSECO LIFE INSURANCE COMPANY PITTSBURGH CA	09/24/2015	
				220069139	09/03/2015	USD	1,800.00	CUES ATLANTA GA	09/08/2015	
				220069168	09/03/2015	USD	375.00	DAVE'S PLUMBING CHINO HILLS CA	09/14/2015	
				220069131	09/03/2015	USD		voided by KMCHERIS - Lost Check	09/28/2015	
				220069177	09/03/2015	USD	6,225.00	EDROFFS PATON ANALYTICAL, INGRAPEVINE TX	09/09/2015	
				220069115	09/03/2015	USD	482.27	FIRST AID 2000 HUNTINGTON BEACH CA	09/14/2015	
				220069110	09/03/2015	USD	72.50	FISHER SCIENTIFIC LOS ANGELES CA	09/08/2015	
				220069127	09/03/2015	USD	192.38	FLW INC HUNTINGTON CA	09/10/2015	
				220069197	09/03/2015	USD	545.97	FONTANA WATER COMPANY FONTANA CA	09/11/2015	
				220069206	09/03/2015	USD	310.34	FRANCHISE TAX BOARD SACRAMENTO CA	09/10/2015	
				220069220	09/03/2015	USD	300.00	FRANCIS, GERARD CHINO HILLS CA	09/16/2015	
				220069123	09/03/2015	USD	4,319.71	GRAINGER PALATINE IL	09/09/2015	
				220069154	09/03/2015	USD	2,153.48	HACH COMPANY CHICAGO IL	09/09/2015	
				220069111	09/03/2015	USD	3,092.61	HARRINGTON INDUSTRIAL PLASTICS CHINO CA	09/09/2015	
				220069188	09/03/2015	USD	1,744.60	HEIDER INSPECTION GROUP ONTARIO CA	09/11/2015	
				220069112	09/03/2015	USD	535.23	HOME DEPOT CREDIT SERVICES DES MOINES IA	09/10/2015	
				220069128	09/03/2015	USD	2,144.61	HUB CONSTRUCTION SPECIALTIES ISAN BERNARDINO CA	09/09/2015	
				220069212	09/03/2015	USD	85.75	HUBER, JENNIFER CHINO HILLS CA	09/15/2015	
				220069201	09/03/2015	USD	195.00	IEEA EMPLOYEES' ASSOCIATION CHINO HILLS CA	09/30/2015	
				220069141	09/03/2015	USD	49.79	INDUSTRIAL SUPPLY COMPANY ONTARIO CA	09/10/2015	
				220069202	09/03/2015	USD	66.00	INLAND EMPIRE UNITED WAY RANCHO CUCAMONGA CA	09/10/2015	
				220069157	09/03/2015	USD	6,500.00	INNOVATIVE FEDERAL STRATEGIES WASHINGTON DC	09/11/2015	
				220069164	09/03/2015	USD	125,001.86	INTEGRATED DESIGN SERVICES INC IRVINE CA	09/09/2015	
				220069171	09/03/2015	USD	1,150.00	JB'S POOLS & PONDS INC UPLAND CA	09/09/2015	
				220069216	09/03/2015	USD	53.71	JONES, KYLE CHINO HILLS CA	09/09/2015	

Check Register

Inland Empire Util. Agency
 Chino, CA
 Company code 1000

Bank: CBB CITIZENS BUSINESS BANK
 Bank Key: 122234149
 Acct number: CHECK 231167641
 ONTARIO CA 917610000

Check Number	Amount	DATE	CITY	Amount Paid (USD)	Recipient Name	Check Date
210403	220069146	09/03/2015	USD	5,468.79	LEE & RO INC CITY OF INDMETRY CA	09/09/2015
210404	220069208	09/03/2015	USD	268.05	LEGALSHIELD ADA OK	09/14/2015
210405	220069205	09/03/2015	USD	13,423.57	LIFE INSURANCE COMPANY OF PHILADELPHIA PA	09/09/2015
210406	220069207	09/03/2015	USD	144.40	LINCOLN LIFE-TERM LIFE CHICAGO IL	09/21/2015
210407	220069185	09/03/2015	USD	6,725.00	LINKO TECHNOLOGY INC WHEAT RIDGE CO	09/21/2015
210408	220069143	09/03/2015	USD	566.16	LOCKMASTERS USA INC PANAMA CITY FL	09/21/2015
210409	220069173	09/03/2015	USD	777.62	MALFINANCE INC MILFORD CT	09/09/2015
210410	220069124	09/03/2015	USD	22,373.63	MARCAB COMPANY INC SAN MARCOS CA	09/09/2015
210411	220069211	09/03/2015	USD	288.00	MARIA FRESQUEZ LAS VEGAS NV	09/11/2015
210412	220069170	09/03/2015	USD	2,937.50	MEYERS NAVS OAKLAND CA	09/09/2015
210413	220069140	09/03/2015	USD	51.13	MIDPOINT BEARING ONTARIO CA	09/08/2015
210414	220069135	09/03/2015	USD	289.38	MITCHELL INSTRUMENTS SAN MARCOS CA	09/11/2015
210415	220069137	09/03/2015	USD	748.69	NEPTUNE CHEMICAL PUMP CO CHICAGO IL	09/11/2015
210416	220069165	09/03/2015	USD	500.00	NEWSPAPERS IN EDUCATION SAN ANTONIO TX	09/09/2015
210417	220069109	09/03/2015	USD	53.95	OFFICE DEPOT LOS ANGELES CA	09/08/2015
210418	220069149	09/03/2015	USD	450.50	OLSON HAGEL & FISHBURN LLP SACRAMENTO CA	09/10/2015
210419	220069130	09/03/2015	USD	243.00	ONTARIO FIRE EXTINGUISHER CO ONTARIO CA	09/15/2015
210420	220069192	09/03/2015	USD	252.05	ONTARIO MUNICIPAL UTILITIES COONTARIO CA	09/08/2015
210421	220069150	09/03/2015	USD	888.80	PANTHER PROTECTION ORANGE CA	09/21/2015
210422	220069203	09/03/2015	USD	70.98	PERS LONG TERM CARE PROGRAM PASADENA CA	09/14/2015
210423	220069120	09/03/2015	USD	175.00	PETE'S ROAD SERVICE FULLEXTON CA	09/11/2015
210424	220069121	09/03/2015	USD	269.02	PETTY CASH EXPENDITURES CHINO CA	09/11/2015
210425	220069217	09/03/2015	USD	37.95	PLANK, KATHERINE CHINO HILLS CA	09/09/2015
210426	220069190	09/03/2015	USD	137.35	POMONA UNIFIED SCHOOL DISTRICTPOMONA CA	09/14/2015
210427	220069182	09/03/2015	USD	38.23	PREMIUM PROMOTIONALS UPLAND CA	09/14/2015
210428	220069147	09/03/2015	USD	6,510.00	PROJECT PARTNERS INC LAGUNA HILLS CA	09/14/2015
210429	220069196	09/03/2015	USD	1,361.15	RANCHO DISPOSAL SERVICES INC BUENA PARK CA	09/14/2015
210430	220069113	09/03/2015	USD	110.50	RAYNE WATER CONDITIONING COVINA CA	09/14/2015
210431	220069106	09/03/2015	USD	149.52	REM LOCK & KEY ONTARIO CA	09/14/2015
210432	220069183	09/03/2015	USD	270.00	RLS INDUSTRIES BAKERSFIELD CA	09/10/2015
210433	220069215	09/03/2015	USD	497.38	ROBISON, JOHN CHINO HILLS CA	09/09/2015
210434	220069114	09/03/2015	USD	12,526.46	ROYAL WHOLESALE ELECTRIC ORANGE CA	09/10/2015
210435	220069214	09/03/2015	USD	109.25	RUSSO, EFRAIN CHINO HILLS CA	09/14/2015
210436	220069161	09/03/2015	USD	2,828.62	S&C ELECTRIC COMPANY CHICAGO IL	09/10/2015
210437	220069125	09/03/2015	USD	37,528.66	SAN BERNARDINO VALLEY WWD SAN BERNARDINO CA	09/21/2015
210438	220069200	09/03/2015	USD	87.77	SHERIFF'S COURT SERVICES SAN BERNARDINO CA	09/17/2015
210439	220069175	09/03/2015	USD	3,096.52	SIRMENS INDUSTRY INC CAROL STREAM IL	09/10/2015
210440	220069133	09/03/2015	USD	112.56	SIGMA-ALDRICH INC ATLANTA GA	09/09/2015
210441	220069194	09/03/2015	USD	42,745.49	SO CALIF EDISON ROSEMEAD CA	09/09/2015
210442	220069195	09/03/2015	USD	72.56	SO CALIF GAS MONTEY PARK CA	09/17/2015
210443	220069126	09/03/2015	USD	7,133.79	SOUTH COAST AQWC DIAMOND BAR CA	09/14/2015
210444	220069221	09/03/2015	USD	300.00	SPARK, IAN UPLAND CA	09/25/2015
210445	220069160	09/03/2015	USD	16,815.00	STANTEC CONSULTING INC CHICAGO IL	09/09/2015
210446	220069136	09/03/2015	USD	300.00	STATE WATER RESOURCES CNTRL SACRAMENTO CA	09/10/2015

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 Bank Key: 122314149
 Acct number: CHECK 231167641

Check Number	Bank	Check Date	Amount	Payee	Check Type	Check Status	Check Date
210447	2200069167	09/03/2015	USD	SUN WIRELESS SAN DIEGO CA	USD	09/09/2015	
210448	2200069122	09/03/2015	USD	303.82 SUNSHINE FILTERS OF PINELLAS ILARGO FL	USD	09/10/2015	
210449	2200069142	09/03/2015	USD	5,031.98 TELEVNE INSTRUMENTS INC DALLAS TX	USD	09/14/2015	
210450	2200069179	09/03/2015	USD	59,559.27 THE BRICKMAN GROUP LTD LIC CHICAGO IL	USD	09/10/2015	
210451	2200069186	09/03/2015	USD	20.00 THE SHREDDERS LOS ANGELES CA	USD	09/11/2015	
210452	2200069144	09/03/2015	USD	2,500.24 TOM DODSON & ASSOCIATES SAN BERNARDINO CA	USD	09/16/2015	
210453	2200069176	09/03/2015	USD	2,260.00 TRICO CORPORATION PEWAUKEE WI	USD	09/16/2015	
210454	2200069181	09/03/2015	USD	10,790.00 TRIPREI SMITH AND ASSOCIATES, IRVINE CA	USD	09/14/2015	
210455	2200069158	09/03/2015	USD	23,751.93 TRUSSELL TECHNOLOGIES INC PASADENA CA	USD	09/15/2015	
210456	2200069148	09/03/2015	USD	177.00 U S HEALTHWORKS MEDICAL GROUP LOS ANGELES CA	USD	09/08/2015	
210457	2200069116	09/03/2015	USD	351.00 UNDERGROUND SERVICE ALERT/SC CORONA CA	USD	09/11/2015	
210458	2200069174	09/03/2015	USD	12,870.14 UNIVERSAL PROTECTION SERVICE PASADENA CA	USD	09/09/2015	
210459	2200069172	09/03/2015	USD	10,910.81 US BANK VOYAGER FLEET SYSTEMS KANSAS CITY MO	USD	09/10/2015	
210460	2200069162	09/03/2015	USD	3,487.50 V & A CONSULTING ENGINEERS OAKLAND CA	USD	09/11/2015	
210461	2200069159	09/03/2015	USD	2,061.20 VALLEY COURTIERS INC CALABASAS CA	USD	09/10/2015	
210462	2200069163	09/03/2015	USD	44,533.16 VAUGHAN'S INDUSTRIAL REPAIR COPARAMOUNT CA	USD	09/09/2015	
210463	2200069193	09/03/2015	USD	790.78 VERIZON CALIFORNIA DALLAS TX	USD	09/09/2015	
210464	2200069198	09/03/2015	USD	204.99 VERIZON COMMUNICATIONS DALLAS TX	USD	09/10/2015	
210465	2200069145	09/03/2015	USD	7,517.61 VERIZON WIRELESS DALLAS TX	USD	09/14/2015	
210466	2200069152	09/03/2015	USD	5,786.25 VIRAMONTES EXPRESS CORONA CA	USD	09/10/2015	
210467	2200069117	09/03/2015	USD	770.17 VMK INTERNATIONAL LLC PITTSBURGH PA	USD	09/10/2015	
210468	2200069138	09/03/2015	USD	2,451.98 WASTE MANAGEMENT OF LOS ANGELES CA	USD	09/09/2015	
210469	2200069132	09/03/2015	USD	27,060.00 WATER EDUCATION FOUNDATION SACRAMENTO CA	USD	09/11/2015	
210470	2200069184	09/03/2015	USD	2,275.00 WATER RESOURCES PLANNING SANTA ANA CA	USD	09/10/2015	
210471	2200069118	09/03/2015	USD	2,186.88 WAXIE SANITARY SUPPLY LOS ANGELES CA	USD	09/10/2015	
210472	2200069134	09/03/2015	USD	306.00 WESTERN ANALYTICAL LABORATORIECHINO CA	USD	09/09/2015	
210473	2200069151	09/03/2015	USD	130.74 WESTERN WATER WORKS SUPPLY CO CHINO HILLS CA	USD	09/10/2015	
210474	2200069156	09/03/2015	USD	886.58 WORLDWIDE EXPRESS ALBANY NY	USD	09/10/2015	
210475	2200069187	09/03/2015	USD	2,850.00 XER LIMITED HULL	USD	09/22/2015	
210476	2200069189	09/03/2015	USD	275.00 YOURMEMBERSHIP.COM INC DALLAS TX	USD	09/14/2015	
210477	2200069248	09/09/2015	USD	100.00 BOWMAN, JIM W ONTARIO CA	USD	09/10/2015	
210478	2200069289	09/10/2015	USD	600.70 ACCUSTANDARD INC NEW HAVEN CT	USD	09/22/2015	
210479	2200069275	09/10/2015	USD	850.09 AIRGAS WEST INC PASADENA CA	USD	10/01/2015	
210480	2200069315	09/10/2015	USD	727.95 ALTA FOODCRAFT COFFEE ORANGE CA	USD	09/16/2015	
210481	2200069285	09/10/2015	USD	3,386.75 AMERICAN COMPRESSOR CO SANTA FE SPRINGS CA	USD	09/15/2015	
210482	2200069312	09/10/2015	USD	3,500.00 AMP MECHANICAL INC COSTA MESA CA	USD	09/17/2015	
210483	2200069288	09/10/2015	USD	90.00 ARMA RIVERS-DE CA	USD	09/21/2015	
210484	2200069303	09/10/2015	USD	269.00 ATMAA INC CALABASAS CA	USD	09/16/2015	
210485	2200069345	09/10/2015	USD	42.00 BESSER, KATHRYN CHINO HILLS CA	USD	09/21/2015	
210486	2200069284	09/10/2015	USD	164.00 CALIF WATER ENVIRONMENT ASSOC OAKLAND CA	USD	09/18/2015	
210487	2200069323	09/10/2015	USD	39,057.67 CALIFORNIA WATER TECHNOLOGIES,PASADENA CA	USD	09/16/2015	
210488	2200069301	09/10/2015	USD	19,213.00 CASC ENGINEERING AND CONSULTINGCOLTON CA	USD	09/16/2015	
210489	2200069283	09/10/2015	USD	34,842.10 CHINO BASIN WATERMASTER RANCHO CUCAMONGA CA	USD	09/16/2015	
210490	2200069346	09/10/2015	USD	52.98 CHOI, DAVID CHINO HILLS CA	USD	09/29/2015	

CITIZENS BUSINESS BANK
ONTARIO CA 917610000

CITIZENS BUSINESS BANK
231167641

Bank CBB
Bank Key 122234149
Acct number CHECK

Check	Check Number	Amount	Date	Currency	Payee	Balance
210491	2200069308	1,308.08	09/10/2015	USD	CINTAS CORPORATION LOC#150 PHOENIX AZ	09/16/2015
210492	2200069331	823.43	09/10/2015	USD	CITY OF CHINO CHINO CA	09/14/2015
210493	2200069286	1,008.19	09/10/2015	USD	CONTROL PRO INC CHINO CA	09/18/2015
210494	2200069298	1,234.72	09/10/2015	USD	COUNTY OF SAN BERNARDINO SAN BERNARDINO CA	09/21/2015
210495	2200069263	1,230,029.88	09/10/2015	USD	COUNTY SANITATION DISTRICTS OF WHITTIER CA	09/17/2015
210496	2200069333	55.20	09/10/2015	USD	CUCAMONGA VALLEY WATER DISTRICTS LOS ANGELES CA	09/15/2015
210497	2200069328	100.00	09/10/2015	USD	CURAYALO JR., JAMES V. RANCHO CUCAMONGA CA	09/16/2015
210498	2200069264	677.61	09/10/2015	USD	DATALOK COMPANY, THE LOS ANGELES CA	09/17/2015
210499	2200069311	375.00	09/10/2015	USD	DAVE'S PLUMBING CHINO HILLS CA	09/21/2015
210500	2200069281	12,069.09	09/10/2015	USD	DELL MARKETING L P PASADENA CA	09/15/2015
210501	2200069316	1,622.70	09/10/2015	USD	DOWN'S ENERGY CORONA CA	09/16/2015
210502	2200069305	100.00	09/10/2015	USD	ELROD, EARL CHINO CA	09/25/2015
210503	2200069320	5,500.00	09/10/2015	USD	EE-USE AMERICA INC ATLANTA GA	09/21/2015
210504	2200069319	475.00	09/10/2015	USD	EUROFINS EATON ANALYTICAL, INGRAPEVINE TX	09/16/2015
210505	2200069297	62.21	09/10/2015	USD	EUROFINS ENTERPRISES INC LOS ANGELES CA	09/14/2015
210506	2200069266	3,567.68	09/10/2015	USD	FISHER SCIENTIFIC LOS ANGELES CA	09/14/2015
210507	2200069325	1,275.00	09/10/2015	USD	FLO SERVICES, INC. BUREBANK CA	09/16/2015
210508	2200069280	934.31	09/10/2015	USD	FLUID COMPONENTS INTERNATIONAL SAN FRANCISCO CA	09/16/2015
210509	2200069337	4,216.07	09/10/2015	USD	FOUNDTION HA ENERGY GENERATION SAN FRANCISCO CA	09/24/2015
210510	2200069267	2,163.09	09/10/2015	USD	G P ELECTRIC MOTOR SERVICES POMONA CA	09/16/2015
210511	2200069268	4,931.86	09/10/2015	USD	G P ELECTRIC MOTOR SALT LAKE CITY UT	09/16/2015
210512	2200069279	5,235.47	09/10/2015	USD	GRAINGER PALATINE IL	09/15/2015
210513	2200069304	862.77	09/10/2015	USD	HACH COMPANY CHICAGO IL	09/16/2015
210514	2200069344	145.04	09/10/2015	USD	HALL, JASON CHINO HILLS CA	09/17/2015
210515	2200069269	208.35	09/10/2015	USD	HARRINGTON INDUSTRIAL PLASTICS CHINO CA	09/16/2015
210516	2200069270	855.21	09/10/2015	USD	HOME DEPOT CREDIT SERVICES DES MOINES IA	09/16/2015
210517	2200069307	43,480.00	09/10/2015	USD	INTEGRATED DESIGN SERVICES INCI RVINE CA	09/15/2015
210518	2200069310	783.00	09/10/2015	USD	INTERNATIONAL PUBLIC MANAGEMENT ALEXANDRIA VA	09/16/2015
210519	2200069277	1,526.72	09/10/2015	USD	INTERSTATE BATTERY SYSTEM ALTA LOMA CA	09/18/2015
210520	2200069340	16.63	09/10/2015	USD	JONES, KYLE CHINO HILLS CA	09/17/2015
210521	2200069287	168.44	09/10/2015	USD	KONICA MINOLTA BUSINESS SOLUTIONS PASADENA CA	09/21/2015
210522	2200069295	677.04	09/10/2015	USD	LOCKMASTERS USA INC PANAMA CITY FL	09/17/2015
210523	2200069291	162.61	09/10/2015	USD	MCMASTER-CARR SUPPLY CO CHICAGO IL	09/18/2015
210524	2200069338	56.35	09/10/2015	USD	MEDEIROS, SHAWN CHINO HILLS CA	09/16/2015
210525	2200069313	20,489.71	09/10/2015	USD	MEYERS NAVE OAKLAND CA	09/16/2015
210526	2200069321	13,188.00	09/10/2015	USD	MICROAGE PHOENIX AZ	09/15/2015
210527	2200069292	393.70	09/10/2015	USD	MIDPOINT BEARING ONTARIO CA	09/14/2015
210528	2200069306	995.10	09/10/2015	USD	NATIONAL CONSTRUCTION RENTALS PACOIMA CA	09/16/2015
210529	2200069265	353.02	09/10/2015	USD	OFFICE DEPOT LOS ANGELES CA	09/15/2015
210530	2200069309	46,439.71	09/10/2015	USD	OLIN CORP ATLANTA GA	09/15/2015
210531	2200069332	627.20	09/10/2015	USD	ONTARIO MUNICIPAL UTILITIES COONTARIO CA	09/14/2015
210532	2200069276	175.00	09/10/2015	USD	PETE'S ROAD SERVICE FULLERTON CA	09/16/2015
210533	2200069341	32.20	09/10/2015	USD	PIVOVAROFF, JASON CHINO HILLS CA	09/18/2015
210534	2200069343	63.14	09/10/2015	USD	POPE, SERINA CHINO HILLS CA	09/17/2015

Bank CBB CITIZENS BUSINESS BANK ONTARIO CA 917610000
Bank Key 122234149
Acct number CHECK 23116764

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210535	220069271	09/10/2015	USD		1,609.53 RAYONA TIRE & SERVICE CENTERS HEMET CA	09/17/2015	
210536	220069262	09/10/2015	USD		25.38 REM LOCK & KEY ONTARIO CA	09/18/2015	
210537	220069327	09/10/2015	USD		1,257.50 ROSENOW SPEVACEK GROUP INC SANTA ANA CA	09/15/2015	
210538	220069272	09/10/2015	USD		254.88 ROYAL WHOLESAL-E ELECTRIC ORANGE CA	09/16/2015	
210539	220069326	09/10/2015	USD		100.00 SANDOVAL, JESUS L FONTANA CA	09/22/2015	
210540	220069273	09/10/2015	USD		669.41 SMART & FVAL LOS ANGELES CA	09/18/2015	
210541	220069342	09/10/2015	USD		11.86 SMITH, JEANNETTE CHINO HILLS CA	09/15/2015	
210542	220069335	09/10/2015	USD		7,217.26 SO CALIF EDISON ROSEMEAD CA	09/16/2015	
210543	220069282	09/10/2015	USD		2,000.00 SOUTHERN CALIFORNIA WATER COMMSTUDIO CITY CA	09/17/2015	
210544	220069322	09/10/2015	USD		100.00 STONE, DEBRA KAYE UPLAND CA		
210545	220069329	09/10/2015	USD		2,221.97 SUPERIOR ELECTRIC MOTOR SERVICVERNON CA	09/18/2015	
210546	220069339	09/10/2015	USD		62.10 SWEZEY, TOM CHINO HILLS CA	10/07/2015	
210547	220069293	09/10/2015	USD		1,813.46 TELEDYME INSTRUMENTS INC DALLAS TX	09/17/2015	
210548	220069296	09/10/2015	USD		19,131.84 TOM DODSON & ASSOCIATES SAN BERNARDINO CA	09/15/2015	
210549	220069290	09/10/2015	USD		125.00 TRI STATE ENVIRONMENTAL SAN BERNARDINO CA	09/21/2015	
210550	220069318	09/10/2015	USD		481.00 TRICO CORPORATION PEWAUKEE WI	09/16/2015	
210551	220069300	09/10/2015	USD		2,420.00 U S BANK ST PAUL MN	09/15/2015	
210552	220069299	09/10/2015	USD		120.00 U S HEALTHWORKS MEDICAL GROUP LOS ANGELES CA	09/14/2015	
210553	220069294	09/10/2015	USD		743.99 U S HOSE LVC ONTARIO CA	09/15/2015	
210554	220069317	09/10/2015	USD		7,082.52 UPS PROTECTION INC ANAHEIM CA	09/15/2015	
210555	220069324	09/10/2015	USD		744.00 V3IT CONSULTING INC NAPERVILLE IL	09/15/2015	
210556	220069278	09/10/2015	USD		821.40 VALVE AUTOMATION & CONTROLS ATLANTA GA	09/16/2015	
210557	220069334	09/10/2015	USD		819.44 VERIZON CALIFORNIA DALLAS TX	09/18/2015	
210558	220069336	09/10/2015	USD		369.15 VERIZON COMMUNICATIONS DALLAS TX	09/18/2015	
210559	220069274	09/10/2015	USD		491.35 VWR INTERNATIONAL LLC PITTSBURGH PA	09/17/2015	
210560	220069302	09/10/2015	USD		15,070.15 W A BASIC CONSTRUCTION CO INC LONG BEACH CA	09/15/2015	
210561	220069330	09/10/2015	USD		9,800.00 WEST COAST ADVISORS SACRAMENTO CA	09/18/2015	
210562	220069314	09/10/2015	USD		17,402.26 WESTIN ENGINEERING INC RANCHO CORDOVA CA	09/16/2015	
210563	220069352	09/10/2015	USD		484.71 BOOT BARN INC IRVINE CA	09/18/2015	
210564	220069357	09/10/2015	USD		54.00 CHENG, TINA CHINO HILLS CA	09/16/2015	
210565	220069362	09/10/2015	USD		79.00 HUBER, JENNIFER CHINO HILLS CA	10/06/2015	
210566	220069354	09/10/2015	USD		67,837.94 HUMPHREY CONSTRUCTORS DIAMOND BAR CA	09/25/2015	
210567	220069359	09/10/2015	USD		350.00 JONES, LONDON CHINO HILLS CA	09/16/2015	
210568	220069350	09/10/2015	USD		225.00 RED MING SHOE STORE CORONA CA	09/16/2015	
210569	220069349	09/10/2015	USD		225.00 RED MING SHOE STORE UPLAND CA	09/18/2015	
210570	220069360	09/10/2015	USD		350.00 RESECK-FRANCIS, CHEYANNE CHINO HILLS CA	09/17/2015	
210571	220069356	09/10/2015	USD		500.00 RIALTO UNIFIED SCHOOL DISTRICT/ALTO CA	09/21/2015	
210572	220069358	09/10/2015	USD		350.00 RODRIGUEZ, VICTOR CHING HILLS CA	09/22/2015	
210573	220069348	09/10/2015	USD		1,407.24 SOLINIST CANADA LTD GEORGETOWN ON	09/18/2015	
210574	220069363	09/10/2015	USD		350.00 TAM, KEN CHINO HILLS CA	09/21/2015	
210575	220069355	09/10/2015	USD		1,989.36 THE PM GROUP LAKE FOREST CA	09/15/2015	
210576	220069361	09/10/2015	USD		125.00 VALENZUELA, ANDREW CHINO HILLS CA	09/17/2015	
210577	220069351	09/10/2015	USD		262.87 VERIZON WIRELESS DALLAS TX	09/15/2015	
210578	220069353	09/10/2015	USD		557.57 WORLDWIDE EXPRESS ALBANY NY	09/15/2015	

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210580	220069416	09/17/2015	USD	16,710.53	ACCURATE AIR ENGINEERING INC CERRITOS CA	09/23/2015
210581	220069418	09/17/2015	USD	282.72	ACCUSTANDARD INC NEW HAVEN CT	09/25/2015
210582	220069402	09/17/2015	USD	527.62	AIRGAS WEST INC PASADENA CA	10/01/2015
210583	220069414	09/17/2015	USD	215.60	ALL AMERICAN CRANE MAINTENANCEWALNUT CA	09/22/2015
210584	220069468	09/17/2015	USD	22,247.83	ALLISON MECHANICAL, INC. REDLANDS CA	09/23/2015
210585	220069431	09/17/2015	USD	1,494.34	AM CONSERVATION GROUP INC CHARLESTON SC	09/22/2015
210586	220069413	09/17/2015	USD	532.88	AMERICAN COMPRESSOR CO SANTA FE SPRINGS CA	09/22/2015
210587	220069459	09/17/2015	USD	35.00	AMERICAN SOCIETY OF CIVIL ENGIUSTIN CA	09/25/2015
210588	220069453	09/17/2015	USD	620.00	AMP MECHANICAL INC COSTA MESA CA	09/28/2015
210589	220069462	09/17/2015	USD	645.23	AUTOZONE INC ATLANTA GA	09/28/2015
210590	220069479	09/17/2015	USD	6,707.74	BURRTEC WASTE INDUSTRIES INC BUENA PARK CA	09/24/2015
210591	220069433	09/17/2015	USD	106,690.90	BUTIER ENGINEERING INC TUSTIN CA	09/22/2015
210592	220069426	09/17/2015	USD	247.80	CALIFORNIA NEWSPAPER SERVICE BLOS ANGELES CA	09/22/2015
210593	220069464	09/17/2015	USD	9,643.03	CALIFORNIA WATER TECHNOLOGIES,PASADENA CA	09/22/2015
210594	220069420	09/17/2015	USD	232.82	CALUMFIC SAFETY CORONA CA	09/22/2015
210595	220069457	09/17/2015	USD	880.00	CALVADA SURVEYING INC CORONA CA	09/22/2015
210596	220069488	09/17/2015	USD	147.63	CARE H TAYLOR III CRYSTAL RIVER FL	09/24/2015
210597	220069412	09/17/2015	USD	2,450.00	CHINO BASIN WATER CONSERVATIONMONTCLAIR CA	09/29/2015
210598	220069434	09/17/2015	USD	2,994.30	CHINO MFG & REPAIR INC CHINO CA	09/23/2015
210599	220069450	09/17/2015	USD	785.07	CINTAS CORPORATION LOC#150 PHOENIX AZ	09/29/2015
210600	220069486	09/17/2015	USD	744.06	CITY EMPLOYERS ASSOCIATES LONG BEACH CA	09/22/2015
210601	220069387	09/17/2015	USD	50.70	CITY RENTALS INC ONTARIO CA	09/23/2015
210602	220069388	09/17/2015	USD	1,749.57	COLE PARKER INSTRUMENT CO CHICAGO IL	09/25/2015
210603	220069484	09/17/2015	USD	572.55	COLONIAL LIFE & ACCIDENT INSURCOLUMBIA SC	09/22/2015
210604	220069438	09/17/2015	USD	9,435.00	COLORADO SCHOOL OF MINES GOLDEN CO	09/22/2015
210605	220069423	09/17/2015	USD	18,724.78	COONSTRUCTION INC RAMCHO CUCAMONGA CA	10/02/2015
210606	220069495	09/17/2015	USD	300.00	CROME, LAURIE GLENDORA CA	09/24/2015
210607	220069491	09/17/2015	USD	44.85	CUNNINGHAM, RICHARD CHINO HILLS CA	09/23/2015
210608	220069410	09/17/2015	USD	20,180.78	DELL MARKETING L P PASADENA CA	09/22/2015
210609	220069435	09/17/2015	USD	14,630.17	DUDEK & ASSOCIATES INC ENCINITAS CA	09/21/2015
210610	220069467	09/17/2015	USD	2,846.90	EMA, INC. MINNEAPOLIS MN	09/23/2015
210611	220069456	09/17/2015	USD	7,126.69	ENVIRONMENTAL WATER SOLUTIONS CARSON CA	09/22/2015
210612	220069461	09/17/2015	USD	390.00	EUROFING BATON ANALYTICAL, INGRAPEVINE TX	09/23/2015
210613	220069429	09/17/2015	USD	1,799.53	EXPRESS PIPE & SUPPLY INC ANAHEIM CA	09/24/2015
210614	220069487	09/17/2015	USD	2,036.60	FIDELITY SECURITY LIFE INSURANCINCINNATI OH	09/23/2015
210615	220069400	09/17/2015	USD	117.07	FIRST AID 2000 HUNTINGTON BEACH CA	09/23/2015
210616	220069390	09/17/2015	USD	803.54	FISHER SCIENTIFIC LOS ANGELES CA	09/21/2015
210617	220069391	09/17/2015	USD	257.00	FLO SYSTEMS INC BURBANK CA	09/23/2015
210618	220069425	09/17/2015	USD	380.76	FLORENCE FILTER CORP COMPTON CA	09/28/2015
210619	220069405	09/17/2015	USD	2,278.00	FLUID METERING INC ATLANTA GA	09/23/2015
210620	220069406	09/17/2015	USD	2,186.58	GRAINING PALATINE IL	09/22/2015
210621	220069392	09/17/2015	USD	3,224.40	HARRINGTON INDUSTRIAL PLASTICSCHINO CA	09/22/2015
210622	220069493	09/17/2015	USD	206.99	HAWES, STEPHANIE CHINO HILLS CA	09/21/2015

CITIZENS BUSINESS BANK
 122234149
 231167641
 CHECK

ONTARIO CA 917610000

Bank	CBB	CITIZENS BUSINESS BANK	ONTARIO CA	917610000
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210624	09/17/2015	237.51	HOME DEPOT CREDIT SERVICES DES MOINES IA	09/23/2015
210625	09/17/2015	34.49	HUNTER, BONNIE CHINO HILLS CA	09/22/2015
210626	09/17/2015	237.00	IEUA EMPLOYERS' ASSOCIATION CHINO HILLS CA	09/30/2015
210627	09/17/2015	15.34	INDUSTRIAL SUPPLY COMPANY ONTARIO CA	09/23/2015
210628	09/17/2015	66.70	INLAND BIOENERGY LLC FONTANA CA	09/28/2015
210629	09/17/2015	66.00	INLAND EMPIRE UNITED MAY RANCHO CUCAMONGA CA	09/22/2015
210630	09/17/2015	130.00	INSTITUTE OF INTERNAL AUDITORS RIVERSIDE CA	09/23/2015
210631	09/17/2015	9,858.00	INTEGRATED DESIGN SERVICES INC IRVINE CA	09/23/2015
210632	09/17/2015	2,700.00	INTERNATIONAL E Z UP INC NORCO CA	09/23/2015
210633	09/17/2015	406,079.00	J F SHEA CONSTRUCTION INC WALNUT CA	09/22/2015
210634	09/17/2015	4,703.29	J G TUCKER & SON INC COVINA CA	09/25/2015
210635	09/17/2015	253,145.38	J R FILLANC CONSTRUCTION CO. INCESCONZIDO CA	09/22/2015
210636	09/17/2015	2,914.28	JOHN LISEZ PUMPS INC BELL GARDENS CA	09/25/2015
210637	09/17/2015	1,000.00	KOLA-FM RADIO REDLANDS CA	09/25/2015
210638	09/17/2015	2,640.28	KONICA MINOLTA PASADENA CA	10/02/2015
210639	09/17/2015	1,946.82	LIPAN, MICHAEL ONTARIO CA	09/23/2015
210640	09/17/2015	985.52	LOCKWOOD, MARY CHINO HILLS CA	09/23/2015
210641	09/17/2015	500.00	LOS SERRANOS GOLF & COUNTRY CLICHINO HILLS CA	09/28/2015
210642	09/17/2015	288.00	MARIA FRESQUEZ LAS VEGAS NV	10/01/2015
210643	09/17/2015	5,698.43	MCMASTER-CARR SUPPLY CO CHICAGO IL	09/24/2015
210644	09/17/2015	112.70	MEDEIROS, SHAWN CHINO HILLS CA	09/28/2015
210645	09/17/2015	10,095.38	MERCHANTS BUILDING MAINTENANCE MONTEREY PARK CA	09/22/2015
210646	09/17/2015	218.85	MIDPOINT BEARING ONTARIO CA	09/21/2015
210647	09/17/2015	83,348.63	MIKE RUCALO CONSTRUCTION CO IRVING PARK CA	09/22/2015
210648	09/17/2015	1,603.80	MISCO WATER FOOTHILL RANCH CA	09/28/2015
210649	09/17/2015	8.26	MISSION REPROGRAPHICS RIVERSIDE CA	09/24/2015
210650	09/17/2015	579.82	NEW FIG CORPORATION TIPTON PA	09/25/2015
210651	09/17/2015	1,435.00	NEW RESOURCES GROUP INC FAIRFIELD CT	09/29/2015
210652	09/17/2015	1,126.33	OFFICE DEPOT LOS ANGELES CA	09/22/2015
210653	09/17/2015	24,393.68	OLIN CORP ATLANTA GA	09/22/2015
210654	09/17/2015	4,412.84	ONTARIO MUNICIPAL UTILITIES COONTARIO CA	09/21/2015
210655	09/17/2015	70.98	PERS LONG TERM CARE PROGRAM PASADENA CA	09/25/2015
210656	09/17/2015	9,558.43	POLYDNE INC ATLANTA GA	09/23/2015
210657	09/17/2015	14,369.60	PREFERRED BENEFIT INSURANCE PLEASANTON CA	09/23/2015
210658	09/17/2015	63.11	RAMONA TIRE & SERVICE CENTERS HEMET CA	09/22/2015
210659	09/17/2015	30,543.50	RMA GROUP RANCHO CUCAMONGA CA	09/22/2015
210660	09/17/2015	1,142.66	ROYAL WHOLESALE ELECTRIC ORANGE CA	09/23/2015
210661	09/17/2015	893.14	RSD LAKE FOREST CA	09/23/2015
210662	09/17/2015	850.50	RUTAN & TUCKER LLP COSTA MESA CA	09/23/2015
210663	09/17/2015	5,462.00	SAN BERNARDINO COUNTY SAN BERNARDINO CA	09/24/2015
210664	09/17/2015	52.56	SANCHEZ, MELINDA CHINO HILLS CA	10/09/2015
210665	09/17/2015	15.56	SMART & FINAL LOS ANGELES CA	09/30/2015
210666	09/17/2015	8,127.73	SO CALIF EDISON ROSEMEAD CA	09/23/2015

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210667	09/17/2015	38.58	SO CALIF GAS MONTEREY PARK CA	09/28/2015
210668	09/17/2015	155.00	SOCIETY FOR MAINTENANCE AND ATLANTA GA	09/23/2015
210669	09/17/2015	36,540.88	STANTEC CONSULTING INC CHICAGO IL	09/22/2015
210670	09/17/2015	216,200.05	TECHNICAL SYSTEMS INC LYNNWOOD WA	09/23/2015
210671	09/17/2015	4,069.82	THATCHER COMPANY OF CALIFORNIA SALT LAKE CITY UT	09/23/2015
210672	09/17/2015	722.63	THERMO ELECTRON NORTH AMERICA ATLANTA GA	09/23/2015
210673	09/17/2015	8,162.55	THERMO FISHER SCIENTIFIC LLC DALLAS TX	09/24/2015
210674	09/17/2015	950.19	TIME WARNER TELECOM DENVER CO	09/23/2015
210675	09/17/2015	452.00	TRICO CORPORATION PEMAUKEE WI	09/24/2015
210676	09/17/2015	350.00	TRIPLEI SMITH AND ASSOCIATES ITUSTEN CA	09/24/2015
210677	09/17/2015	1,668.16	U S EQUIPMENT CO SANTA FE SPRINGS CA	10/05/2015
210678	09/17/2015	482.00	U S HEALTHWORKS MEDICAL GROUP LOS ANGELES CA	09/22/2015
210679	09/17/2015	436.07	U S HOSE INC ONTARIO CA	09/21/2015
210680	09/17/2015	1,398.45	ULTRA SCIENTIFIC NORTH KINGSTOWN RI	09/24/2015
210681	09/17/2015	750.00	UNION BANK OF CALIFORNIA MONTEREY PARK CA	09/28/2015
210682	09/17/2015	90.72	UNIMAGER BLOOMINGTON CA	09/25/2015
210683	09/17/2015	438.08	VERIZON BUSINESS DALLAS TX	09/28/2015
210684	09/17/2015	1,763.37	VERIZON CALIFORNIA DALLAS TX	09/22/2015
210685	09/17/2015	739.72	VERIZON COMMUNICATIONS DALLAS TX	09/22/2015
210686	09/17/2015	2,526.99	W A RASIC CONSTRUCTION CO INC LONG BEACH CA	09/22/2015
210687	09/17/2015	218.00	WATER ENVIRONMENT FEDERATION BOSTON MA	09/24/2015
210688	09/17/2015	1,238.22	WAXIE SANITARY SUPPLY LOS ANGELES CA	09/25/2015
210689	09/17/2015	2,738.77	WESTERN DENTAL PLAN ORANGE CA	09/24/2015
210690	09/17/2015	447.78	WORLDWIDE EXPRESS ALBANY NY	09/28/2015
210691	09/24/2015	4,729.64	10-8 RETROFIT INC ONTARIO CA	09/30/2015
210692	09/24/2015	900.00	ACCELERATED TECHNOLOGY LABORATWEST END NC	09/30/2015
210693	09/24/2015	289.08	AIRGAS WEST INC PASADENA CA	10/01/2015
210694	09/24/2015	540.41	AMERICAN PRINTING & PROMOTIONSEASTVALE CA	09/30/2015
210695	09/24/2015	3,369.90	ATOM ENGINEERING CONSTRUCTION HEMET CA	09/29/2015
210696	09/24/2015	626.36	AUTOZONE INC ATLANTA GA	09/29/2015
210697	09/24/2015	1,450.90	BERLIN PACKAGING LLC CHICAGO IL	10/01/2015
210698	09/24/2015	2,328.98	BRITHNER ELECTRIC COLTON CA	09/30/2015
210699	09/24/2015	10,100.62	BUSINESS CARD WILMINGTON DE	09/29/2015
210700	09/24/2015	49,706.31	C E PICKUP COMPANY INC SANTA ANA CA	09/29/2015
210701	09/24/2015	747.55	CABLE AND CONNECTIVITY SOLUTIONLAKE OSWEGO OR	10/01/2015
210702	09/24/2015	1,345.00	CALIFORNIA BOILER INC HUNTINGTON BEACH CA	09/30/2015
210703	09/24/2015	19,307.63	CALIFORNIA WATER TECHNOLOGIES.PASADENA CA	09/29/2015
210704	09/24/2015	227.01	CALOLYMPIC SAFETY CORONA CA	09/29/2015
210705	09/24/2015	157.50	CAMACHO, MICHAEL CHINO HILLS CA	09/29/2015
210706	09/24/2015	4,915.56	CASC ENGINEERING AND CONSULTINGCOLTON CA	09/29/2015
210707	09/24/2015	1,235.00	CEPA OPERATIONS INC ONTARIO CA	09/30/2015
210708	09/24/2015	46,790.66	CHINO BASIN WATERMASTER RANCHO CUCMONGA CA	09/28/2015
210709	09/24/2015	168.00	CHINO CREEK TOASTMASTER CLUB CHINO HILLS CA	09/28/2015
210710	09/24/2015	780.79	CHINO MFG & REPAIR INC CHINO CA	09/30/2015

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Acct number	CHECK	231167541				
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21071	2200069588	09/24/2015	USD	6,246.68	CINTAS CORPORATION LOCH150 PHOENIX AZ	10/01/2015
21072	2200069604	09/24/2015	USD	10,281.40	CORR IT SOLUTIONS LLC STRONGSVILLE OH	10/05/2015
21073	2200069591	09/24/2015	USD	115.59	CUMMINS CAL PACIFIC LLC LOS ANGELES CA	09/29/2015
21074	2200069596	09/24/2015	USD	1,301.16	DAVID WHEELER'S PEST CONTROL, NORCO CA	10/05/2015
21075	2200069555	09/24/2015	USD	56,513.28	DELL MARKETING L P PASADENA CA	09/29/2015
21076	2200069561	09/24/2015	USD	115.00	DEPT OF CONSUMER AFFAIRS SACRAMENTO CA	10/05/2015
21077	2200069625	09/24/2015	USD	103.72	ELIE, STEVE CHINO HILLS CA	10/09/2015
21078	2200069615	09/24/2015	USD	2,200.00	ENVIRONMENTAL CONCEPTS COMP IMMISSION VIEJO CA	09/30/2015
21079	2200069551	09/24/2015	USD	521.97	ENVIRONMENTAL RESOURCES ASSOC ARVADA CO	09/28/2015
21070	2200069535	09/24/2015	USD	869.01	FISHER SCIENTIFIC LOS ANGELES CA	09/30/2015
21071	2200069536	09/24/2015	USD	204.97	FLO SYSTEMS INC BURBANK CA	09/30/2015
21072	2200069622	09/24/2015	USD	165.03	FRESQUEZ, ADRIAN CHINO HILLS CA	09/30/2015
21073	2200069594	09/24/2015	USD	1,888.50	GLENN LUKOS ASSOCIATES INC LAKE FOREST CA	09/29/2015
21074	2200069549	09/24/2015	USD	3,433.54	GRAINGER PALATINE IL	09/29/2015
21075	2200069581	09/24/2015	USD	147.39	HACH COMPANY CHICAGO IL	09/29/2015
21076	2200069537	09/24/2015	USD	9,897.87	HARRINGTON INDUSTRIAL PLASTICSCHINO CA	09/29/2015
21077	2200069538	09/24/2015	USD	2,607.66	HOME DEPOT CREDIT SERVICES DES MOINES IA	09/29/2015
21078	2200069621	09/24/2015	USD	25.87	HUGHBANKS,ROGER CHINO HILLS CA	10/01/2015
21079	2200069572	09/24/2015	USD	25.00	INDUSTRIAL HEARING & PULMONARYLAND CA	10/02/2015
21070	2200069539	09/24/2015	USD	966.10	INLAND VALLEY DAILY BULLETIN COVINA CA	09/30/2015
21071	2200069587	09/24/2015	USD	680.93	INTEGRATED DESIGN SERVICES INCIRVINE CA	09/29/2015
21072	2200069571	09/24/2015	USD	6,695.00	JDV EQUIPMENT CORP JOVER NJ	09/29/2015
21073	2200069552	09/24/2015	USD	2,798.54	JOHN LISEB PUMPS INC BELL GARDENS CA	10/01/2015
21074	2200069540	09/24/2015	USD	1,461.32	JOHNSON POWER SYSTEMS LOS ANGELES CA	09/29/2015
21075	2200069601	09/24/2015	USD	985.60	KINETIC PERSONNEL GROUP, INC RIVERSIDE CA	09/29/2015
21076	2200069560	09/24/2015	USD	6,225.00	KONICA MINOLTA BUSINESS SOLUTIONSPASADENA CA	10/01/2015
21077	2200069623	09/24/2015	USD	190.00	LETULLE, CHAMDER CHINO HILLS CA	10/01/2015
21078	2200069607	09/24/2015	USD	154.59	LINDSAY ENGINEERING, INC. CAMARILLO CA	10/01/2015
21079	2200069565	09/24/2015	USD	42.70	MCMASTER-CARR SUPPLY CO CHICAGO IL	10/02/2015
21070	2200069602	09/24/2015	USD	33,573.12	MICROMAGE PHOENIX AZ	09/30/2015
21071	2200069566	09/24/2015	USD	1,167.46	MIDPOINT BEARING ONTARIO CA	09/28/2015
21072	2200069547	09/24/2015	USD	23.53	MISSION REPROGRAPHICS RIVERSIDE CA	09/30/2015
21073	2200069608	09/24/2015	USD	13,440.00	MSSO TECHNOLOGIES INC THOUSAND OAKS CA	10/02/2015
21074	2200069575	09/24/2015	USD	676.50	MWH AMERICAS INC LOS ANGELES CA	09/29/2015
21075	2200069626	09/24/2015	USD	28.81	NANGIA, SAPNA CHINO HILLS CA	10/01/2015
21076	2200069593	09/24/2015	USD	704.88	NESTLE WATERS NORTH AMERICA LOUISVILLE KY	09/29/2015
21077	2200069534	09/24/2015	USD	587.23	OFFICE DEPOT LOS ANGELES CA	09/28/2015
21078	2200069589	09/24/2015	USD	27,929.36	OLIX CORP ATLANTA GA	10/06/2015
21079	2200069553	09/24/2015	USD	243.00	ONTARIO FIRE EXTINGUISHER CO ONTARIO CA	09/29/2015
21070	2200069617	09/24/2015	USD	1,115.95	ONTARIO MUNICIPAL UTILITIES COONTARIO CA	10/02/2015
21071	2200069574	09/24/2015	USD	2,541.60	PALM AUTO DETAIL INC COLTON CA	09/29/2015
21072	2200069578	09/24/2015	USD	360.00	PANTHER PROTECTION ORANGE CA	10/02/2015
21073	2200069633	09/24/2015	USD	11,592.00	PENCO ENGINEERING INC IRVINE CA	09/30/2015
21074	2200069548	09/24/2015	USD	1,203.56	PETE'S ROAD SERVICE FULLERTON CA	09/30/2015

Bank	CBB	CITIZENS BUSINESS BANK	ONTARIO CA	917610000		
Bank Key	122234149					
Acct number	CHECK	231167641				
Check number	Payee	DATE PAID	CITY	AMOUNT PAID (USD)	RECAPITULATION	DATE PAID
210755	2200069592	09/24/2015	USD	556.73	PREFERRED PUMP & EQUIPMENT LP LOS ANGELES CA	09/29/2015
210756	2200069612	09/24/2015	USD	347.60	PROGROUP IRVINE CA	09/29/2015
210757	2200069584	09/24/2015	USD	159.00	PROJECT MANAGEMENT INSTITUTE NEWTOWN SQUARE PA	10/06/2015
210758	2200069541	09/24/2015	USD	2,982.87	RAMONA TIRE & SERVICE CENTERS HERMET CA	09/30/2015
210759	2200069610	09/24/2015	USD	10,000.00	RAND CORPORATION SANTA MONICA CA	09/30/2015
210760	2200069533	09/24/2015	USD	2,263.80	RAM LOCK & KEY ONTARIO CA	10/05/2015
210761	2200069542	09/24/2015	USD	3,640.11	ROYAL WHOLESALE ELECTRIC ORANGE CA	09/29/2015
210762	2200069586	09/24/2015	USD	149.96	RSD LAKE FOREST CA	09/30/2015
210763	2200069570	09/24/2015	USD	5,450.00	SAN BERNARDINO COUNTY SAN BERNARDINO CA	10/05/2015
210764	2200069599	09/24/2015	USD	7,480.00	SCHWEEL ENGINEERING LLC ANAHEIM CA	09/29/2015
210765	2200069519	09/24/2015	USD	93,103.58	SO CALIF EDISON ROSEMEAD CA	09/29/2015
210766	2200069627	09/24/2015	USD	34.50	SOELTER, PETER CHINO HILLS CA	
210767	2200069543	09/24/2015	USD	202.00	SOUTHWEST ALARM SERVICE UPLAND CA	09/30/2015
210768	2200069585	09/24/2015	USD	665.00	STANTEC CONSULTING INC CHICAGO IL	09/29/2015
210769	2200069550	09/24/2015	USD	18,450.45	TETRA TECH INC DENVER CO	09/29/2015
210770	2200069605	09/24/2015	USD	35,496.25	THE BRICKMAN GROUP LTD LLC CHICAGO IL	09/30/2015
210771	2200069582	09/24/2015	USD	130.00	THE INSTITUTE OF INTERNAL AUDITORLANDO FL	09/29/2015
210772	2200069569	09/24/2015	USD	675.00	TOM DODSON & ASSOCIATES SAN BERNARDINO CA	10/01/2015
210773	2200069598	09/24/2015	USD	37.00	TRICO CORPORATION PEWAUKEE WI	09/30/2015
210774	2200069583	09/24/2015	USD	98.00	U S COMPOSTING COUNCIL BETHESDA MD	
210775	2200069567	09/24/2015	USD	33.74	U S HOSE INC ONTARIO CA	10/02/2015
210776	2200069559	09/24/2015	USD	504.09	USA BLUE BOOK GURNEE IL	09/29/2015
210777	2200069518	09/24/2015	USD	2,890.12	VERIZON CALIFORNIA DALLAS TX	09/29/2015
210778	2200069620	09/24/2015	USD	114.99	VERIZON COMMUNICATIONS DALLAS TX	10/02/2015
210779	2200069544	09/24/2015	USD	83.57	VWR INTERNATIONAL LLC PITTSBURGH PA	10/08/2015
210780	2200069557	09/24/2015	USD	322.00	WATER ENVIRONMENT FEDERATION ALEXANDRIA VA	10/01/2015
210781	2200069611	09/24/2015	USD	4,375.00	WATER RESOURCES PLANNING SANTA ANA CA	09/29/2015
210782	2200069545	09/24/2015	USD	2,686.93	WAXIE SANITARY SUPPLY LOS ANGELES CA	10/01/2015
210783	2200069558	09/24/2015	USD	1,287.00	WESTERN ANALYTICAL LABORATORIECHINO CA	09/29/2015
210784	2200069579	09/24/2015	USD	95.46	WESTERN WATER WORKS SUPPLY CO CHINO HILLS CA	10/01/2015
210785	2200069554	09/24/2015	USD	373.14	YALE CHASE EQUIPMENT AND SERVICES ANGELES CA	09/29/2015
210786	2200069568	09/24/2015	USD	1,386.24	YEL INCORPORATED CINCINNATI OH	09/30/2015
210787	2200069767	09/28/2015	USD	173.51	BREIG, ANNA VICTORVILLE CA	10/06/2015
210788	2200069763	09/28/2015	USD	530,457.06	CCL CONTRACTING INC ESCONCIDO CA	10/05/2015
210789	2200069751	09/28/2015	USD	158,689.61	DAVIS ELECTRIC INC YUCAIPA CA	10/06/2015
210790	2200069762	09/28/2015	USD	34,987.74	GSE CONSTRUCTION COMPANY INC LIVERMORE CA	10/06/2015
210791	2200069770	09/28/2015	USD	469.02	HOBBS, DIANA APPLE VALLEY CA	10/06/2015
210792	2200069733	09/28/2015	USD	12.83	HOMES DEPOT CREDIT SERVICES DES MOINES IA	10/05/2015
210793	2200069768	09/28/2015	USD	469.02	HORNE, WILLIAM YUCCA VALLEY CA	10/07/2015
210794	2200069742	09/28/2015	USD	291.60	KONICA MINOLTA PASADENA CA	10/05/2015
210795	2200069741	09/28/2015	USD	2,359.85	KONICA MINOLTA BUSINESS SOLUTIONS PASADENA CA	10/06/2015
210796	2200069769	09/28/2015	USD	694.69	MILLER, ELMER L BLUE JAY CA	
210797	2200069732	09/28/2015	USD	375.92	RAM LOCK & KEY ONTARIO CA	
210798	2200069771	09/28/2015	USD	64.40	ROSALES, TIMOTEO CHINO HILLS CA	10/09/2015

Bank: CIBB
 Bank Key: 122234149
 Acct number: CHECK 231167641
 CITIZENS BUSINESS BANK
 ONTARIO CA 917610069

Check	Original Number	Bank	Amount	Pay Date	Currency	Amount Paid (USD)	Recipient/Item Description	Pay Date
210799	2200069734		82,580.56	09/28/2015	USD	82,580.56	ROYAL WHOLESALE ELECTRIC ORANGE CA	10/06/2015
210800	2200069735		19.11	09/28/2015	USD	19.11	SMART & FYNAL LOS ANGELES CA	10/09/2015
210801	2200069765		8,379.58	09/28/2015	USD	8,379.58	SO CALIF EDISON ROSEMEAD CA	10/02/2015
210802	2200069766		12,074.92	09/28/2015	USD	12,074.92	SO CALIF GAS MONTEREY PARK CA	10/05/2015
210803	2200069753		6,118.00	09/28/2015	USD	6,118.00	STANWICK CONSULTING INC CHICAGO IL	10/05/2015
210804	2200069740		5,116.81	09/28/2015	USD	5,116.81	SUNRISE COLLISION CENTER FONTANA CA	10/06/2015
210805	2200069739		239.90	09/28/2015	USD	239.90	SUNSHINE FILTERS OF PINELLAS ILARGO FL	10/07/2015
210806	2200069744		2,875.72	09/28/2015	USD	2,875.72	TELEDYNE INSTRUMENTS INC DALLAS TX	10/06/2015
210807	2200069760		1,386.27	09/28/2015	USD	1,386.27	THERMO ELECTRON NORTH AMERICA ATLANTA GA	10/06/2015
210808	2200069759		911.00	09/28/2015	USD	911.00	TRICO CORPORATION PEWAUKEE WI	10/09/2015
210809	2200069761		2,730.00	09/28/2015	USD	2,730.00	TR-PEPI SMITH AND ASSOCIATES, IRVINE CA	10/09/2015
210810	2200069756		13,323.39	09/28/2015	USD	13,323.39	U S BANK ST LOUIS MO	10/08/2015
210811	2200069745		124.53	09/28/2015	USD	124.53	U S ROSE INC ONTARIO CA	10/06/2015
210812	2200069743		1,955.86	09/28/2015	USD	1,955.86	ULTRA SCIENTIFIC NORTH KINGSTOWN RI	10/05/2015
210813	2200069757		4,079.46	09/28/2015	USD	4,079.46	UNIVERSAL PROTECTION SERVICE PASADENA CA	10/08/2015
210814	2200069752		3,165.72	09/28/2015	USD	3,165.72	VALLEY COURIERS INC CALABASAS CA	10/08/2015
210815	2200069755		23,498.73	09/28/2015	USD	23,498.73	VAUGHAN'S INDUSTRIAL REPAIR COPARAMOUNT CA	10/05/2015
210816	2200069746		9,427.79	09/28/2015	USD	9,427.79	VERIZON WIRELESS DALLAS TX	10/08/2015
210817	2200069748		77,904.11	09/28/2015	USD	77,904.11	VIRAMONTES EXPRESS CORONA CA	10/09/2015
210818	2200069737		1,738.92	09/28/2015	USD	1,738.92	VWR INTERNATIONAL LLC PITTSBURGH PA	10/06/2015
210819	2200069749		129,900.00	09/28/2015	USD	129,900.00	W A BASIC CONSTRUCTION CO INC LONG BEACH CA	10/05/2015
210820	2200069764		15,771.31	09/28/2015	USD	15,771.31	WATSON-MASLOW INC PITTSBURGH PA	10/06/2015
210821	2200069754		2,013.37	09/28/2015	USD	2,013.37	WAUKESHA-PEARCE INDUSTRIES INC DALLAS TX	10/05/2015
210822	2200069738		1,165.54	09/28/2015	USD	1,165.54	WAXIE SANITARY SUPPLY LOS ANGELES CA	10/05/2015
210823	2200069747		1,982.88	09/28/2015	USD	1,982.88	WESTERN WATER WORKS SUPPLY CO CHINO HILLS CA	10/05/2015
210824	2200069758		895.00	09/28/2015	USD	895.00	WHITE NELSON DIEHL EVANS LLP IRVINE CA	10/05/2015
210825	2200069750		415.20	09/28/2015	USD	415.20	WORLDWIDE EXPRESS ALBANY NY	10/07/2015
* Payment method Check			5,681,704.52		USD	5,681,704.52		

Bank		CITIZENS BUSINESS BANK		ONTARIO CA 917610000	
Bank Key	CBB	122234149			
Acct number	WCOMP	231159290			
Checks created manually					
Check number	Amount	Month	Year	Check	End Date
04287	220069241	09/02/2015	USD	8.74	09/09/2015
04288	220069242	09/02/2015	USD	267.88	09/08/2015
04289	220069347	09/09/2015	USD	133.35	09/09/2015
04290	220069506	09/16/2015	USD	352.00	09/23/2015
04291	220069507	09/16/2015	USD	400.00	09/23/2015
04292	220069508	09/16/2015	USD	90.00	09/21/2015
04293	220069509	09/16/2015	USD	76.42	09/25/2015
04294	220069510	09/16/2015	USD	16.45	10/01/2015
04295	220069511	09/16/2015	USD	272.00	09/23/2015
04296	220069628	09/23/2015	USD	1,466.95	10/02/2015
04297	220069629	09/23/2015	USD	49.45	
04298	220069630	09/23/2015	USD	199.39	
04299	220070017	09/30/2015	USD	307.90	10/05/2015
04300	220070018	09/30/2015	USD	463.25	10/07/2015
04301	220070019	09/30/2015	USD	121.48	10/06/2015
* Payment method Checks created manually				4,231.26	

Check number	Amount	Month	Year	Check	End Date
04287	220069241	09/02/2015	USD	8.74	09/09/2015
04288	220069242	09/02/2015	USD	267.88	09/08/2015
04289	220069347	09/09/2015	USD	133.35	09/09/2015
04290	220069506	09/16/2015	USD	352.00	09/23/2015
04291	220069507	09/16/2015	USD	400.00	09/23/2015
04292	220069508	09/16/2015	USD	90.00	09/21/2015
04293	220069509	09/16/2015	USD	76.42	09/25/2015
04294	220069510	09/16/2015	USD	16.45	10/01/2015
04295	220069511	09/16/2015	USD	272.00	09/23/2015
04296	220069628	09/23/2015	USD	1,466.95	10/02/2015
04297	220069629	09/23/2015	USD	49.45	
04298	220069630	09/23/2015	USD	199.39	
04299	220070017	09/30/2015	USD	307.90	10/05/2015
04300	220070018	09/30/2015	USD	463.25	10/07/2015
04301	220070019	09/30/2015	USD	121.48	10/06/2015
* Payment method Checks created manually				4,231.26	

INLAND EMPIRE UTILITIES AGENCY

RATIFICATION OF BOARD OF DIRECTORS

PAYROLL FOR SEPTEMBER 11, 2015
PRESENTED AT BOARD MEETING ON NOVEMBER 18, 2015

DIRECTOR NAME	GROSS PAYROLL	NET PAYROLL
MICHAEL CAMACHO	\$3,351.00	\$956.30
TERRY L. CATLIN	\$3,640.25	\$1,341.16
STEVEN J. ELIE	\$2,965.25	\$481.85
JASMIN HALL	\$2,823.91	\$1,784.49
GENE T. KOOPMAN	\$1,279.35	\$0.00
TOTALS	\$14,059.76	\$4,563.80

TOTAL EFTS PROCESSED	0
BEGINNING CHECK NO.	105500
ENDING CHECK NO.	105504
TOTAL CHECKS PROCESSED	5

IEUA DIRECTOR PAYSHEET

MICHAEL CAMACHO

EMPLOYEE NO. 1140

ACCOUNT NO. 10200 110100 100000 501010

AUGUST 2015

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
08-05-15	Special Joint Workshop of the IEUA and the Regional Policy Committee	Yes	\$225.00
08-12-15	Public, Legislative Affairs, & Water Resources Committee Meeting	Yes	\$225.00
08-12-15	Engineering, Operations & Biosolids Mgmt. Committee Meeting	Yes (same day)	\$-0-
08-17-15	Witness Testimony for Shields Trial	Yes	\$225.00
08-18-15	Witness Testimony for Shields Trial	Yes	\$225.00
08-19-15	IEUA Board Meeting	Yes	\$225.00
08-24-15	Witness Testimony for Shields Trial	Yes	\$225.00
08-25-15	Witness Testimony for Shields Trial	Yes	\$225.00
TOTAL REIMBURSEMENT (Up to 10 days of service per month per Ordinance No. 83, including MWD meetings)			\$1,575.00
Total No. of Meetings Attended			8
Total No. of Meetings Paid			7

DIRECTOR
SIGNATURE

Michael Camacho

Approved by:

Terry Catlin, President, Board of Directors

**DIRECTOR PAYSHEET FOR IEUA REPRESENTATIVE
ON MWD BOARD**

MICHAEL CAMACHO
EMPLOYEE NO. 1140
ACCOUNT NO. 10200 110100 100000 501010

AUGUST 2015

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
08-11-15	OP & T Committee Update Telecon	Yes	\$225.00
08-17-15	MWD Standing Committee Mtgs.	No	\$-0-
08-18-15	MWD Standing Committee and Board Meetings	No	\$-0-
08-25-15	MWD Other Committee Meetings	Yes	\$-0- ✓
TOTAL REIMBURSEMENT (Up to 10 days of service per month per Ordinance No. 83)			\$ 225 00 ✓
Total No. of Meetings Attended			2
Total No. of Meetings Paid			2 ✓

DIRECTOR
SIGNATURE

Michael Camacho
Michael Camacho

Approved by:

Terry Catlin
President, Board of Directors

**DIRECTOR PAYSHEET FOR IEUA REPRESENTATIVE
ON REGIONAL POLICY COMMITTEE (ALTERNATE)**

MICHAEL CAMACHO
EMPLOYEE NO. 1140
ACCOUNT NO. 10200 110100 100000 501010

AUGUST 2015

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
08-05-15	Special Joint Workshop of the IEUA and the Regional Policy Committee	Yes (same day)	-0-

TOTAL REIMBURSEMENT Up to 10 days of service per month per Ordinance No. 73, Section 1 (d) (i.e., \$125.00 – difference between Regional Policy Committee (\$100.00 and Agency meetings \$225.00) including Agency meetings	\$-0-
Total No. of Meetings Attended	1
Total No. of Meetings Paid	0

**DIRECTOR
SIGNATURE**

[Handwritten Signature]

Approved by:

Terry Catlin
President, Board of Directors

IEUA DIRECTOR PAYSHEET

TERRY CATLIN
 EMPLOYEE NO. 615
 ACCOUNT NO. 10200 110100 100000 501010


AUGUST 2015

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
08-05-15	Special Joint Workshop of the IEUA and the Regional Policy Committee	Yes	\$225.00
08-06-15	Agency Representative for Shields Trial	Yes	\$225.00
08-10-15	City of Upland Prop 218 Public Hearing	Yes	\$225.00
08-11-15	Agency Representative for Shields Trial	Yes	\$225.00
08-12-15	Engineering, Operations & Biosolids Management Committee Meeting	Yes	\$225.00
08-12-15	Finance, Legal & Administration Committee	Yes (same day)	\$-0-
08-19-15	IEUA Board Meeting	Yes	\$225.00
TOTAL REIMBURSEMENT (Up to 10 days of service per month per Ordinance No. 83)			\$1,350.00
Total No. of Meetings Attended			7
Total No. of Meetings Paid			6

DIRECTOR SIGNATURE



Approved by:


 Steven J. Elie
 Secretary/Treasurer, Board of Directors

**DIRECTOR PAYSHEET FOR IEUA REPRESENTATIVE
ON SAWPA COMMISSION**

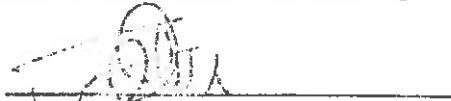
TERRY CATLIN
EMPLOYEE NO. 615
ACCOUNT NO. 10200 110100 100000 501010

AUGUST 2015

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
08-04-15	SAWPA Commission Workshop	Yes	\$225.00
08-18-15	SAWPA Commission Meeting	Yes	\$225.00

TOTAL REIMBURSEMENT Up to 10 days of service per month per Ordinance No. 83, Section 1 (d) including Agency meetings* (SAWPA \$188.40(2015)	\$450.00
Total No. of SAWPA Meetings Attended	2
Total No. of SAWPA Meetings Paid	2

DIRECTOR
SIGNATURE



Approved by:

Steven J. Elie
Steven J. Elie
Secretary/Treasurer, Board of Directors

*SAWPA will pay \$179.43 (2014) per meeting directly to the Agency.

**DIRECTOR PAYSHEET FOR IEUA REPRESENTATIVE
ON CHINO DESALTER AUTHORITY**

TERRY CATLIN
EMPLOYEE NO. 615
ACCOUNT NO. 10200 110100 100000 501010

AUGUST 2015

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
08-06-15	CDA Board Meeting	Yes (Present)	\$ 0.00
TOTAL REIMBURSEMENT			\$ 0.00
Up to 10 days of service per month per Ordinance No. 83, Section 1 (d) (i.e., \$75.00 – difference between CDA (\$150.00 And Agency meetings \$225.00) including Agency meetings			
Total No. of CDA Meetings Attended			1
Total No. of CDA Meetings Paid			0

DIRECTOR
SIGNATURE



Approved by:


Stéven J. Elie
Secretary/Treasurer, Board of Directors

*Chino Desalter Authority will pay \$150.00 per meeting directly to the Agency.

**DIRECTOR PAYSHEET FOR IEUA REPRESENTATIVE
ON REGIONAL POLICY COMMITTEE**


TERRY CATLIN
EMPLOYEE NO. 615
ACCOUNT NO. 10200 110100 100000 501010

AUGUST 2015

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
08-05-15	Special Joint Workshop of the IEUA and the Regional Policy Committee	Yes (same day)	-0-

TOTAL REIMBURSEMENT Up to 10 days of service per month per Ordinance No. 73, Section 1 (d) (i.e., \$125.00 -- difference between Regional Policy Committee (\$100.00 and Agency meetings \$225.00) including Agency meetings	\$-0-
Total No. of Meetings Attended	1
Total No. of Meetings Paid	0

DIRECTOR SIGNATURE 

Approved by: 
Steven J. Elie
Secretary/Treasurer, Board of Directors

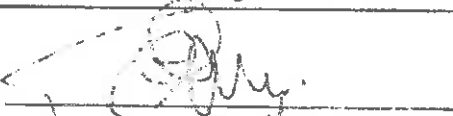
**DIRECTOR PAYSHEET FOR IEUA REPRESENTATIVE
ON WATERMASTER BOARD (ALTERNATE)**

TERRY CATLIN
EMPLOYEE NO. 615
ACCOUNT NO. 10200 110100 100000 501010

AUGUST 2015

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
08-20-15	CBWM Advisory Cmte. Meeting	Yes (decline pymt.)	\$-0-
08-27-15	CBWM Board Meeting	No	\$-0-
TOTAL REIMBURSEMENT			\$-0-
Up to 10 days of service per month per Ordinance No. 83, Section 1 (d) (i.e., \$100.00 – difference between Watermaster \$125.00 and District meetings \$225.00), including District meetings			
Total No. of Watermaster Meetings Attended			1
Total No. of Watermaster Meetings Paid			0

DIRECTOR
SIGNATURE



Approved by:



Steven J. Elie
Secretary/Treasurer, Board of Directors

IEUA DIRECTOR PAYSHEET

STEVEN J. ELIE
 EMPLOYEE NO. 1175
 ACCOUNT NO. 10200 110100 100000 501010

AUGUST 2015

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
08-05-15	Special Joint Workshop of the IEUA and the Regional Policy Committee	No	-0-
08-12-15	Public, Legislative Affairs and Water Resources Committee	Yes	\$225.00
08-12-15	Finance, Legal, & Administration Committee	Yes (same day)	\$-0-
08-13-15	Attended Shields Trial	Yes	\$225.00
08-19-15	IEUA Board Meeting	Yes	\$225.00
08-24-15	Meetings/CV Strategies re: Plume	Yes	\$225.00
08-31-15	Witness Testimony for Shields Trial	Yes	\$225.00
TOTAL REIMBURSEMENT (Up to 10 days of service per month per Ordinance No. 83)			\$1,125.00
Total No. of Meetings Attended			6
Total No. of Meetings Paid			5

DIRECTOR
SIGNATURE

(Handwritten Signature)

Approved By:

(Handwritten Signature)
 Terry Carlin
 President, Board of Directors

**DIRECTOR PAYSHEET FOR IEUA
ON WATERMASTER BOARD**

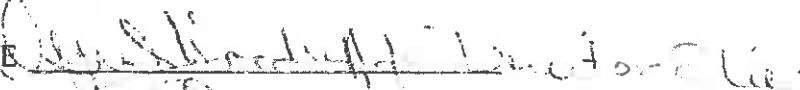
STEVEN J. ELIE
EMPLOYEE NO. 1175
ACCOUNT NO. 10200 110100 100000 501010

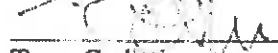
AUGUST 2015

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
08-25-15	Conference call for Chair and Vice Chair for Agenda review	Yes	\$-0-
08-27-15	CBWM Board Meeting	Yes	\$-0-

TOTAL REIMBURSEMENT Up to 10 days of service per month per Ordinance No. 83, Section 1 (d) (i.e., \$100.00 – difference between Watermaster \$125.00 and District meetings \$225.00), including District meetings	\$-0-
Total No. of Watermaster Meetings Attended	2
Total No. of Watermaster Meetings Paid	0

***Decline IEUA portion**

DIRECTOR SIGNATURE 

Approved by: 
Terry Catlin
President, Board of Directors

IEUA DIRECTOR PAYSHEET

JASMIN A. HALL
 EMPLOYEE NO. 1256
 ACCOUNT NO. 10200 110100 100000 501010

AUGUST 2015

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
08-01-15	City of Rancho Cucamonga Wilson Avenue Extension Ribbon Cutting	Yes	\$225.00
08-03-15	IERCA Board Meeting	Yes	\$225.00
08-05-15	Special Joint Workshop of the IEUA and the Regional Policy Committee	Yes	\$225.00
08-12-15	Public, Leg, & Water Resources Committee Meeting (Alt)	Yes (same day)	\$-0-
08-12-15	E&O Committee Meeting (Alt)	Yes	\$225.00
08-12-15	Finance, Legal & Admin. Committee	Yes (same day)	\$-0-
08-13-15	Agency Representative for the Sheilds Trial	Yes	\$225.00
08-14-15	Meeting w/ Mr. Grindstaff	Yes (staff)	\$-0-
08-17-15	Meeting w/Chuck Hayes, City of Fontana	Yes	\$225.00
08-19-15	IEUA Board Meeting	Yes	\$225.00
08-19-15	CASA Annual Conference	Yes (same day)	\$-0-
08-20-15	CASA Annual Conference	Yes	\$225.00
08-21-15	CASA Annual Conference	Yes	\$225.00
08-31-15	Agency Representative in Sheilds Trial	Yes	\$225.00
TOTAL REIMBURSEMENT (Up to 10 days of service per month per Ordinance No. 83)			\$2,225.00
Total No. of Meetings Attended			14
Total No. of Meetings Paid			10

DIRECTOR
SIGNATURE

Jasmin A. Hall

 Director

Approved by:

 Terry Catlin, President, Board of Directors

**DIRECTOR PAYSHEET FOR IEUA
ON SAWPA COMMISSION (ALTERNATE)**

JASMIN A. HALL
 EMPLOYEE NO. 1256
 ACCOUNT NO. 10200 110100 100000 501010

AUGUST 2015

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
08-05-15	SAWPA Commission Workshop	Yes (same day)	\$-0-
08-18-15	SAWPA Commission Meeting	Yes (10 mtg. max.)	\$-0-
TOTAL REIMBURSEMENT			\$-0-
Up to 10 days of service per month per Ordinance No. 83,			
Section 1 (d) (i.e., \$36.60 – difference between SAWPA (\$188.40 (2015)			
And Agency meetings \$225.00) including Agency meetings			
Total No. of SAWPA Meetings Attended			2
Total No. of SAWPA Meetings Paid			0

DIRECTOR SIGNATURE *Jasmin A. Hall*

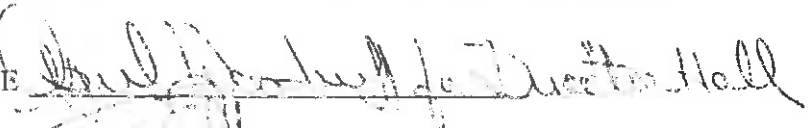
Approved by: *Terry Catlin*
 Terry Catlin
 President, Board of Directors

**DIRECTOR PAYSHEET FOR IEUA REPRESENTATIVE
ON CHINO DESALTER AUTHORITY**

JASMIN A. HALL
 EMPLOYEE NO. 1256
 ACCOUNT NO. 10200 110100 100000 501010

AUGUST 2015

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
08-06-15	Special CDA Board Meeting	No	\$-0-
TOTAL REIMBURSEMENT			\$-0-
Up to 10 days of service per month per Ordinance No. 83, Section 1 (d) (i.e., \$45.00 – difference between CDA (\$150.00 And Agency meetings \$195.00 excludes alternate) including Agency meetings			
Total No. of CDA Meetings Attended			0
Total No. of CDA Meetings Paid			0

DIRECTOR SIGNATURE 

Approved by: 
 Terry Catlin
 President, Board of Directors

IEUA DIRECTOR PAYSHEET

GENE KOOPMAN
 EMPLOYEE NO. 642
 ACCOUNT NO. 10200 110100 100000 501010

AUGUST 2015

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
TOTAL REIMBURSEMENT (Up to 10 days of service per month per Ordinance No. 83)			\$-0-
Total No. of Meetings Attended			0
Total No. of Meetings Paid			0

REPRESENTATIVE'S
SIGNATURE

Gene Koopman

Approved by:

Terry Catlin
 Terry Catlin
 President, Board of Directors

INLAND EMPIRE UTILITIES AGENCY

PAYROLL FOR SEPTEMBER 4, 2015

PRESENTED AT BOARD MEETING ON NOVEMBER 18, 2015

GROSS PAYROLL COSTS			\$1,112,325.53
DEDUCTIONS			(\$479,565.32)
NET PAYROLL			<u>\$632,760.21</u>
NET PAYROLL BREAKDOWN	CHECKS	EFT	TOTAL
CHECKS USED	105499 - 105499		
TRANSACTION PROCESSED	1	332	333
AMOUNT	\$2,007.77	\$630,752.44	<u>\$632,760.21</u>

INLAND EMPIRE UTILITIES AGENCY

PAYROLL FOR SEPTEMBER 18, 2015

PRESENTED AT BOARD MEETING ON NOVEMBER 18, 2015

GROSS PAYROLL COSTS			\$1,193,874.36
DEDUCTIONS			(\$531,114.91)
NET PAYROLL			\$662,759.45 =====
NET PAYROLL BREAKDOWN	CHECKS	EFT	TOTAL
CHECKS USED	-		
TRANSACTION PROCESSED	0	331	331
AMOUNT	\$0.00	\$662,759.45	<u>\$662,759.45</u>

check	Payee / Description		Amount
ACH	ICMA RETIREMENT TRUST 457 P/R 18 9/4 Deferred Comp Ded	HR 0036400	12,211.27
	ICMA RETIREMENT TRUST 457	\$	12,211.27
ACH	LINCOLN NATIONAL LIFE INS CO P/R 18 9/4 Deferred Comp Ded	HR 0036400	23,779.36
	LINCOLN NATIONAL LIFE INS CO	\$	23,779.36
ACH	ICMA RETIREMENT TRUST 401 P/R 18 9/4 Exec Deferred Comp Ded	HR 0036400	9,772.40
	ICMA RETIREMENT TRUST 401	\$	9,772.40
ACH	AQUA BEN CORPORATION RP1-16,100 Lbs Polymer 750A DAFT-4,600 Lbs Polymer 748E	33594 33593	21,105.55 4,992.84
	AQUA BEN CORPORATION	\$	26,098.39
ACH	CIHIGOYENETCHE GROSSBERG & CLO 3/15 IEUA vs SCE 7/15 GD vs IEUA 7/15 General Legal 7/15 RCA Legal 7/15 IEUA vs PM 7/15 IEUA vs RP1 Ontario Airport Plume 7/15 PS vs IEUA 7/15 Watermaster	49647 50045 50046 50047 50049 50050 50051 50052	294.00 350.00 23,232.00 1,162.00 200.00 200.00 4,650.00 5,821.00
	CIHIGOYENETCHE GROSSBERG & CLO	\$	35,909.00
ACH	UNIVAR USA INC CCWRP-12,896 Lbs Sodium Bisulfite	LA150538	3,244.69
	UNIVAR USA INC	\$	3,244.69
ACH	GOV CONNECTION INC IS16015-Monitors	52925029	1,087.16
	GOV CONNECTION INC	\$	1,087.16
ACH	WESTERN MUNICIPAL WATER DISTRI WR15001-7/1/15-7/31/15 5,287 Sprinkler N IEUA-797		19,033.20
	WESTERN MUNICIPAL WATER DISTRI	\$	19,033.20
ACH	PEST OPTIONS INC July 2015 GWR Weed Abatement Services	246772	5,916.00
	PEST OPTIONS INC	\$	5,916.00
ACH	MEASUREMENT SPECIALTIES INC 710S14A0A005.000000.000B10050A	520482	2,494.30
	MEASUREMENT SPECIALTIES INC	\$	2,494.30

Check	Payee / Description	Amount
ACH	THIRDWAVE CORPORATION IS15002-7/1-7/31 ECM Enterprise Assessme 15-1990	10,904.00
	THIRDWAVE CORPORATION \$	10,904.00
ACH	IEUA GENERAL EMPLOYEES ASSOCIA P/R 18 9/4 Employee Ded HR 0036400	1,119.10
	IEUA GENERAL EMPLOYEES ASSOCIA\$	1,119.10
ACH	IEUA PROFESSIONAL EMPLOYEES AS P/R 18 9/4 Employee Ded HR 0036400	380.00
	IEUA PROFESSIONAL EMPLOYEES ASS\$	380.00
ACH	DISCOVERY BENEFITS INC P/R 18 9/4 Cafeteria Plan HR 0036400	2,793.33
	DISCOVERY BENEFITS INC \$	2,793.33
ACH	AQUA BEN CORPORATION DAFT-2,300 Lbs Polymer 748E 33613 2,496.42 RP1-16,100 Lbs Polymer 750A 33614 21,105.55	
	AQUA BEN CORPORATION \$	23,601.97
ACH	LASER LINE HQ-Svc HP 9250C,ADF Kit & Landing Assemb 28156	459.06
	LASER LINE \$	459.06
ACH	NAPA GENUINE PARTS COMPANY 2 Pick Up Tool, Telescopic Mirror 707973	30.57
	NAPA GENUINE PARTS COMPANY \$	30.57
ACH	SANTA ANA WATERSHED July 2015 Service 8708	137,340.24
	SANTA ANA WATERSHED \$	137,340.24
ACH	UNIVAR USA INC PradoLS-13,440 Lbs Sodium Bisulfite LA143346 3,381.63 PradoLS-12,264 Lbs Sodium Bisulfite LA155933 3,085.89	
	UNIVAR USA INC \$	6,467.52
ACH	GOV CONNECTION INC IS16015-Thin Clients,Monitors 52952091	1,787.73
	GOV CONNECTION INC \$	1,787.73
ACH	SHELL ENERGY NORTH AMERICA LP CCWRP/TP/RWPS-7/1-7/31 14950 Tlphn 4/1-4 2046 7/15 40,533.69 RP2/RP5-7/1-7/31 16400 El Prado 4/1-4/30 2044 7/15 160.75 RP1-7/1-7/31 2450 Phila St 4/1-4/30 Adj 2042 7/15 105,343.97	
	SHELL ENERGY NORTH AMERICA LP \$	146,038.41

Check	Payee / Description		Amount
ACH	SOLAR STAR CALIFORNIA V LLC 7/15 Solar Energy	IEUA0081	64,647.20
	SOLAR STAR CALIFORNIA V LLC	\$	64,647.20
ACH	RP1 FUEL CELL LLC RP1FuelCell-6/26-7/31 2450 Phila	IEUA_15-07	102,119.99
	RP1 FUEL CELL LLC	\$	102,119.99
ACH	GK & ASSOCIATES INC 46-1141-7/15 Prof Svcs	15-226	24,598.50
	46-1141-7/15 Prof Svcs	15-227	11,264.00
	46-1141-7/15 Prof Svcs	15-223	14,080.00
	46-1141-7/15 Prof Svcs	15-224	20,496.00
	46-1141-7/15 Prof Svcs	15-225	21,472.00
	GK & ASSOCIATES INC	\$	91,910.50
ACH	DISCOVERY BENEFITS INC P/R DIR 009 9/11 Cafeteria Plan	HR 0036500	80.00
	DISCOVERY BENEFITS INC	\$	80.00
ACH	ICMA RETIREMENT TRUST 457 P/R 19 9/18 Deferred Comp Ded	HR 0036600	12,254.18
	ICMA RETIREMENT TRUST 457	\$	12,254.18
ACH	LINCOLN NATIONAL LIFE INS CO P/R 19 9/18 Deferred Comp Ded	HR 0036600	39,563.15
	LINCOLN NATIONAL LIFE INS CO	\$	39,563.15
ACH	ICMA RETIREMENT TRUST 401 P/R 19 9/18 Exec Deferred Comp Ded	HR 0036600	9,798.38
	ICMA RETIREMENT TRUST 401	\$	9,798.38
ACH	AQUA BEN CORPORATION RP1-18,400 Lbs Polymer 750A	33637	24,120.63
	RP2-18,400 Lbs Polymer 748E	33657	19,971.36
	AQUA BEN CORPORATION	\$	44,091.99
ACH	HASCO OIL COMPANY, INC. RP5-Mobil Delvac 1300 Super 15W-40	0195266-IN	1,372.40
	HASCO OIL COMPANY, INC.	\$	1,372.40
ACH	INVENSYS SYSTEMS INC 8/14/15-11/13/15 IA/DCS Tech Support Svc	93270605	31,657.75
	INVENSYS SYSTEMS INC	\$	31,657.75
ACH	INLAND EMPIRE REGIONAL 8/15 Biosolids	90016798	247,043.52
	INLAND EMPIRE REGIONAL	\$	247,043.52

Check	Payee / Description		Amount
ACH	IEUA GENERAL EMPLOYEES ASSOCIA P/R 19 9/18 Employee Ded	HR 0036600	1,106.60
	IEUA GENERAL EMPLOYEES ASSOCIA\$		1,106.60
ACH	IEUA PROFESSIONAL EMPLOYEES AS P/R 19 9/18 Employee Ded	HR 0036600	380.00
	IEUA PROFESSIONAL EMPLOYEES AS\$		380.00
ACH	DISCOVERY BENEFITS INC 2014 Rollover from TASC f/Active Employe 2014 RLLOVR-T		1,394.84
	DISCOVERY BENEFITS INC \$		1,394.84
ACH	DISCOVERY BENEFITS INC P/R 19 9/18 Cafeteria Plan	HR 0036600	2,793.14
	DISCOVERY BENEFITS INC \$		2,793.14
ACH	DISCOVERY BENEFITS INC P/R 17 & P/R 18 Admin Fees	0000572255-IN	152.00
	DISCOVERY BENEFITS INC \$		152.00
ACH	AQUA BEN CORPORATION RP1-16,100 Lbs Polymer 750A	33663	21,105.55
	AQUA BEN CORPORATION \$		21,105.55
ACH	HASCO OIL COMPANY, INC. RP2-Mobil SHC 626	0195445-IN	3,673.54
	HASCO OIL COMPANY, INC. \$		3,673.54
ACH	LASER LINE HQA-Svc Ricoh AFICIO SC364	28178	139.95
	LASER LINE \$		139.95
ACH	NAPA GENUINE PARTS COMPANY Air Filters, Oil Filters, Fuel Filters 167917		400.53
	3 Core Deposit Refund for Invoice 142389 148873		48.60-
	3 Core Deposit Refund for Invoice 157328 157617		48.60-
	Core Deposit Refund for Invoice 163934 164488		16.20-
	NAPA GENUINE PARTS COMPANY \$		287.13
ACH	AGRICULTURAL RESOURCES 10/15 Wtr Quality Consult	10/15 WTR QLT	6,000.00
	AGRICULTURAL RESOURCES \$		6,000.00
ACH	INVENSYS SYSTEMS INC Inv-Elctrdlss Cndctvty Snrs	93277409	1,540.12
	Inv-Elctrdlss Cndctvty Trnsmttrs 93275436		3,258.69
	INVENSYS SYSTEMS INC \$		4,798.81

Check	Payee / Description	Amount
ACH	PEST OPTIONS INC August 2015 Weed Abatement Services 247916	2,377.48
	PEST OPTIONS INC \$	2,377.48
ACH	GK & ASSOCIATES INC 46-1141-8/15 Prof Svcs 15-232	20,496.00
	46-1141-8/15 Prof Svcs 15-231	16,560.00
	GK & ASSOCIATES INC \$	37,056.00
ACH	ADVANCED ENVIRONMENTAL COMPLIA 3rd Qtr 2015 Odor Study 6882	985.00
	ADVANCED ENVIRONMENTAL COMPLIA\$	985.00
ACH	KAMBRIAN CORPORATION ISS-Annl Wndws 2013 Srvr Lic,Clnt Access 8019	5,730.94
	KAMBRIAN CORPORATION \$	5,730.94
ACH	DANRAE, INC EN15052-8/2015 Professional Services 140974	6,487.50
	EN15032-8/2015 Professional Services 140973	1,050.00
	DANRAE, INC \$	7,537.50
ACH	PACIFIC RELIABILITY AND 8/27 Motor Circuit Analysis Training 20150827	5,750.00
	PACIFIC RELIABILITY AND \$	5,750.00
ACH	ESTRADA, JIMMIE J Reim Monthly Health Prem HEALTH PREM	469.02
	ESTRADA, JIMMIE J \$	469.02
ACH	LICHTI, ALICE Reim Monthly Health Prem HEALTH PREM	173.51
	LICHTI, ALICE \$	173.51
ACH	MORASSE, EDNA Reim Monthly Health Prem HEALTH PREM	173.51
	MORASSE, EDNA \$	173.51
ACH	NOWAK, THEO T Reim Monthly Health Prem HEALTH PREM	469.02
	NOWAK, THEO T \$	469.02
ACH	SONNENBURG, ILSE Reim Monthly Health Prem HEALTH PREM	173.51
	SONNENBURG, ILSE \$	173.51
ACH	DYKSTRA, BETTY	

Check	Payee / Description		Amount
	Reim Monthly Health Prem	HEALTH PREM	173.51
	DYKSTRA, BETTY	\$	173.51
ACH	TORRES, ROBERT G Reim Monthly Health Prem	HEALTH PREM	469.02
	TORRES, ROBERT G	\$	469.02
ACH	MUELLER, CAROLYN Reim Monthly Health Prem	HEALTH PREM	173.51
	MUELLER, CAROLYN	\$	173.51
ACH	GRIFFIN, GEORGE Reim Monthly Health Prem	HEALTH PREM	173.51
	GRIFFIN, GEORGE	\$	173.51
ACH	CANADA, ANGELA Reim Monthly Health Prem	HEALTH PREM	173.51
	CANADA, ANGELA	\$	173.51
ACH	CUPERSMITH, LEIZAR Reim Monthly Health Prem	HEALTH PREM	173.51
	CUPERSMITH, LEIZAR	\$	173.51
ACH	DELGADO-ORAMAS JR, JOSE Reim Monthly Health Prem	HEALTH PREM	295.51
	DELGADO-ORAMAS JR, JOSE	\$	295.51
ACH	GRANGER, BRANDON Reim Monthly Health Prem	HEALTH PREM	195.24
	GRANGER, BRANDON	\$	195.24
ACH	GADDY, CHARLES L Reim Monthly Health Prem	HEALTH PREM	195.24
	GADDY, CHARLES L	\$	195.24
ACH	BAKER, CHRIS Reim Monthly Health Prem	HEALTH PREM	73.24
	BAKER, CHRIS	\$	73.24
ACH	WEBB, DANNY C Reim Monthly Health Prem	HEALTH PREM	122.00
	WEBB, DANNY C	\$	122.00
ACH	HUMPHREYS, DEBORAH E Reim Monthly Health Prem	HEALTH PREM	260.59
	HUMPHREYS, DEBORAH E	\$	260.59

Check	Payee / Description		Amount
ACH	MOUAT, FREDERICK W Reim Monthly Health Prem	HEALTH PREM	147.76
	MOUAT, FREDERICK W	\$	147.76
ACH	MORGAN, GARTH W Reim Monthly Health Prem	HEALTH PREM	122.00
	MORGAN, GARTH W	\$	122.00
ACH	ALLINGHAM, JACK Reim Monthly Health Prem	HEALTH PREM	25.76
	ALLINGHAM, JACK	\$	25.76
ACH	MAZUR, JOHN Reim Monthly Health Prem	HEALTH PREM	437.66
	MAZUR, JOHN	\$	437.66
ACH	RUDDER, LARRY Reim Monthly Health Prem	HEALTH PREM	25.76
	RUDDER, LARRY	\$	25.76
ACH	INTERLICCHIA, RANDY Reim Monthly Health Prem	HEALTH PREM	122.00
	INTERLICCHIA, RANDY	\$	122.00
ACH	HAMILTON, MARIA Reim Monthly Health Prem	HEALTH PREM	122.00
	HAMILTON, MARIA	\$	122.00
ACH	PICENO, TONY Reim Monthly Health Prem	HEALTH PREM	173.51
	PICENO, TONY	\$	173.51
ACH	RAMOS, CAROL Reim Monthly Health Prem	HEALTH PREM	25.76
	RAMOS, CAROL	\$	25.76
ACH	FISHER, JAY Reim Monthly Health Prem	HEALTH PREM	122.00
	FISHER, JAY	\$	122.00
ACH	KING, PATRICK Reim Monthly Health Prem	HEALTH PREM	25.76
	KING, PATRICK	\$	25.76
ACH	DIETZ, JUDY Reim Monthly Health Prem	HEALTH PREM	122.00
	DIETZ, JUDY	\$	122.00

Check	Payee / Description		Amount
ACH	DAVIS, GEORGE Reim Monthly Health Prem	HEALTH PREM	195.24
	DAVIS, GEORGE	\$	195.24
ACH	MONZAVI, TAGHI Reim Monthly Health Prem	HEALTH PREM	25.76
	MONZAVI, TAGHI	\$	25.76
ACH	PETERSEN, KENNETH Reim Monthly Health Prem	HEALTH PREM	173.51
	PETERSEN, KENNETH	\$	173.51
ACH	TRAUTERMAN, HELEN Reim Monthly Health Prem	HEALTH PREM	173.51
	TRAUTERMAN, HELEN	\$	173.51
ACH	TIEGS, KATHLEEN Reim Monthly Health Prem	HEALTH PREM	1,042.36
	TIEGS, KATHLEEN	\$	1,042.36
ACH	DIGGS, GEORGE Reim Monthly Health Prem	HEALTH PREM	753.31
	DIGGS, GEORGE	\$	753.31
ACH	HAYES, KENNETH Reim Monthly Health Prem	HEALTH PREM	816.90
	HAYES, KENNETH	\$	816.90
ACH	HUNTON, STEVE Reim Monthly Health Prem	HEALTH PREM	195.24
	HUNTON, STEVE	\$	195.24
ACH	RODRIGUEZ, LOUIS Reim Monthly Health Prem	HEALTH PREM	147.76
	RODRIGUEZ, LOUIS	\$	147.76
ACH	VARBEL, VAN Reim Monthly Health Prem	HEALTH PREM	521.18
	VARBEL, VAN	\$	521.18
ACH	CLIFTON, NEIL Reim Monthly Health Prem	HEALTH PREM	399.18
	CLIFTON, NEIL	\$	399.18
ACH	DELGADO, FRANCOIS Reim Monthly Health Prem	HEALTH PREM	122.00

Check	Payee / Description	Amount
	DELGADO, FRANCOIS	\$ 122.00
ACH	WELLMAN, JOHN THOMAS Reim Monthly Health Prem	HEALTH PREM 521.18
	WELLMAN, JOHN THOMAS	\$ 521.18
ACH	SPEARS, SUSAN Reim Monthly Health Prem	HEALTH PREM 25.76
	SPEARS, SUSAN	\$ 25.76
ACH	TROXEL, WYATT Reim Monthly Health Prem	HEALTH PREM 173.51
	TROXEL, WYATT	\$ 173.51
ACH	CORLEY, WILLIAM Reim Monthly Health Prem	HEALTH PREM 437.66
	CORLEY, WILLIAM	\$ 437.66
ACH	CALLAHAN, CHARLES Reim Monthly Health Prem	HEALTH PREM 339.39
	CALLAHAN, CHARLES	\$ 339.39
ACH	LESNIAKOWSKI, NORBERT Reim Monthly Health Prem	HEALTH PREM 268.47
	LESNIAKOWSKI, NORBERT	\$ 268.47
ACH	VER STEEG, ALLEN J Reim Monthly Health Prem	HEALTH PREM 289.90
	VER STEEG, ALLEN J	\$ 289.90
ACH	HACKNEY, GARY Reim Monthly Health Prem	HEALTH PREM 408.35
	HACKNEY, GARY	\$ 408.35
ACH	CAREL, LARRY Reim Monthly Health Prem	HEALTH PREM 73.24
	CAREL, LARRY	\$ 73.24
ACH	TOL, HAROLD Reim Monthly Health Prem	HEALTH PREM 315.66
	TOL, HAROLD	\$ 315.66
ACH	BANKSTON, GARY Reim Monthly Health Prem	HEALTH PREM 457.80
	BANKSTON, GARY	\$ 457.80
ACH	ATWATER, RICHARD Reim Monthly Health Prem	HEALTH PREM 122.00

Check	Payee / Description	Amount
	ATWATER, RICHARD	\$ 122.00
ACH	FIESTA, PATRICIA Reim Monthly Health Prem	HEALTH PREM 437.66
	FIESTA, PATRICIA	\$ 437.66
ACH	DIGGS, JANET Reim Monthly Health Prem	HEALTH PREM 875.31
	DIGGS, JANET	\$ 875.31
ACH	CARAZA, TERESA Reim Monthly Health Prem	HEALTH PREM 138.59
	CARAZA, TERESA	\$ 138.59
ACH	ANDERSON, JOHN Reim Monthly Health Prem	HEALTH PREM 469.02
	ANDERSON, JOHN	\$ 469.02
ACH	SANTA CRUZ, JACQUELYN Reim Monthly Health Prem	HEALTH PREM 753.74
	SANTA CRUZ, JACQUELYN	\$ 753.74
ACH	HECK, ROSELYN Reim Monthly Health Prem	HEALTH PREM 25.76
	HECK, ROSELYN	\$ 25.76
ACH	SOPICKI, LEO Reim Monthly Health Prem	HEALTH PREM 295.51
	SOPICKI, LEO	\$ 295.51
ACH	HERNANDEZ, BENJAMIN Reim Monthly Health Prem	HEALTH PREM 399.18
	HERNANDEZ, BENJAMIN	\$ 399.18
ACH	GOSE, ROSEMARY Reim Monthly Health Prem	HEALTH PREM 122.00
	GOSE, ROSEMARY	\$ 122.00
ACH	KEHL, BARRETT Reim Monthly Health Prem	HEALTH PREM 122.00
	KEHL, BARRETT	\$ 122.00
ACH	RITCHIE, JANN Reim Monthly Health Prem	HEALTH PREM 122.00
	RITCHIE, JANN	\$ 122.00
ACH	LONG, ROCKWELL DEE	

Check	Payee / Description		Amount
	Reim Monthly Health Prem	HEALTH PREM	399.18
	LONG, ROCKWELL DEE	\$	399.18
ACH	FATTAHI, MIR Reim Monthly Health Prem	HEALTH PREM	122.00
	FATTAHI, MIR	\$	122.00
ACH	VERGARA, FLORENTINO Reim Monthly Health Prem	HEALTH PREM	295.51
	VERGARA, FLORENTINO	\$	295.51
ACH	WARMAN, RALPH Reim Monthly Health Prem	HEALTH PREM	173.51
	WARMAN, RALPH	\$	173.51
ACH	ROGERS, SHIRLEY Reim Monthly Health Prem	HEALTH PREM	173.51
	ROGERS, SHIRLEY	\$	173.51
ACH	WALL, DAVID Reim Monthly Health Prem	HEALTH PREM	260.59
	WALL, DAVID	\$	260.59
ACH	CHUNG, MICHAEL Reim Monthly Health Prem	HEALTH PREM	34.93
	CHUNG, MICHAEL	\$	34.93
ACH	ADAMS, PAMELA Reim Monthly Health Prem	HEALTH PREM	173.51
	ADAMS, PAMELA	\$	173.51
ACH	BLASINGAME, MARY Reim Monthly Health Prem	HEALTH PREM	920.36
	BLASINGAME, MARY	\$	920.36
ACH	ANDERSON, KENNETH Reim Monthly Health Prem	HEALTH PREM	25.76
	ANDERSON, KENNETH	\$	25.76
ACH	MOE, JAMES Reim Monthly Health Prem	HEALTH PREM	286.35
	MOE, JAMES	\$	286.35
ACH	POLACEK, KEVIN Reim Monthly Health Prem	HEALTH PREM	677.54
	POLACEK, KEVIN	\$	677.54

Check	Payee / Description	Amount
ACH	ELROD, SONDR Reim Monthly Health Prem	HEALTH PREM 260.59
	ELROD, SONDR	\$ 260.59
ACH	FRAZIER, JACK Reim Monthly Health Prem	HEALTH PREM 167.90
	FRAZIER, JACK	\$ 167.90
ACH	HOAK, JAMES Reim Monthly Health Prem	HEALTH PREM 122.00
	HOAK, JAMES	\$ 122.00
ACH	DEZHAM, PARIVASH Reim Monthly Health Prem	HEALTH PREM 167.90
	DEZHAM, PARIVASH	\$ 167.90
ACH	FOLEY III, DANIEL J. Reim Monthly Health Prem	HEALTH PREM 138.59
	FOLEY III, DANIEL J.	\$ 138.59
ACH	CLEVELAND, JAMES Reim Monthly Health Prem	HEALTH PREM 122.00
	CLEVELAND, JAMES	\$ 122.00
ACH	LANGNER, CAMERON Reim Monthly Health Prem	HEALTH PREM 806.79
	LANGNER, CAMERON	\$ 806.79
ACH	HAMILTON, LEANNE Reim Monthly Health Prem	HEALTH PREM 138.59
	HAMILTON, LEANNE	\$ 138.59
ACH	HOOSHMAND, RAY Reim Monthly Health Prem	HEALTH PREM 122.00
	HOOSHMAND, RAY	\$ 122.00
ACH	SCHLAPKOHL, JACK Reim Monthly Health Prem	HEALTH PREM 122.00
	SCHLAPKOHL, JACK	\$ 122.00
ACH	POOLE, PHILLIP Reim Monthly Health Prem	HEALTH PREM 167.90
	POOLE, PHILLIP	\$ 167.90
ACH	ADAMS, BARBARA Reim Monthly Health Prem	HEALTH PREM 195.24
	ADAMS, BARBARA	\$ 195.24

Check	Payee / Description		Amount
ACH	RUESCH, GENECE Reim Monthly Health Prem	HEALTH PREM	442.70
	RUESCH, GENECE	\$	442.70
ACH	VANDERPOOL, LARRY Reim Monthly Health Prem	HEALTH PREM	457.80
	VANDERPOOL, LARRY	\$	457.80
ACH	DECOITE, JOANN Reim Monthly Health Prem	HEALTH PREM	122.00
	DECOITE, JOANN	\$	122.00
ACH	AMBROSE, JEFFREY Reim Monthly Health Prem	HEALTH PREM	521.18
	AMBROSE, JEFFREY	\$	521.18
ACH	MERRILL, DIANE Reim Monthly Health Prem	HEALTH PREM	260.59
	MERRILL, DIANE	\$	260.59
ACH	HOUSER, ROD Reim Monthly Health Prem	HEALTH PREM	656.63
	HOUSER, ROD	\$	656.63
ACH	RUSSO, VICKI Reim Monthly Health Prem	HEALTH PREM	138.59
	RUSSO, VICKI	\$	138.59
ACH	HUSS, KERRY Reim Monthly Health Prem	HEALTH PREM	555.54
	HUSS, KERRY	\$	555.54
ACH	UNIVAR USA INC RP1-13,318 Lbs Sodium Bisulfite CCWRP-12,405 Lbs Sodium Bisulfite	LA158980 LA160572	3,350.91 3,121.19
	UNIVAR USA INC	\$	6,472.10
ACH	ICMA RETIREMENT TRUST 457 P/R 20 10/2 Deferred Comp Ded	HR 0036700	12,361.28
	ICMA RETIREMENT TRUST 457	\$	12,361.28
ACH	LINCOLN NATIONAL LIFE INS CO P/R 20 10/2 Deferred Comp Ded	HR 0036700	22,652.55
	LINCOLN NATIONAL LIFE INS CO	\$	22,652.55
ACH	ICMA RETIREMENT TRUST 401 P/R 20 10/2 Exec Deferred Comp Ded	HR 0036700	9,895.54

Check	Payee /	Description	Amount
		ICMA RETIREMENT TRUST 401	9,895.54

Grand Total Payment Amount: \$ 1,294,054.56

Check	Payee / Description		Amount
Wire	EMPLOYMENT DEVELOPMENT DEPARTM		
	P/R 18 9/4 Taxes	HR 0036400	42,433.86
	P/R 18 9/4 Taxes	HR 0036400	8,535.46
	EMPLOYMENT DEVELOPMENT DEPARTM\$		50,969.32
Wire	INTERNAL REVENUE SERVICE		
	P/R 18 9/4 Taxes	HR 0036400	264,824.09
	INTERNAL REVENUE SERVICE	\$	264,824.09
Wire	EMPLOYMENT DEVELOPMENT DEPARTM		
	P/R DIR 009 9/11 Taxes	HR 0036500	376.15
	EMPLOYMENT DEVELOPMENT DEPARTM\$		376.15
Wire	INTERNAL REVENUE SERVICE		
	P/R DIR 009 9/11 Taxes	HR 0036500	2,293.16
	INTERNAL REVENUE SERVICE	\$	2,293.16
Wire	BANK OF AMERICA NT&SA		
	P/R 18 9/4/15 EFT Direct Deposit	090415	630,752.44
	BANK OF AMERICA NT&SA	\$	630,752.44
Wire	BANK OF AMERICA NT&SA		
	P/R 19 9/18/15 EFT Direct Deposit	091815	662,759.45
	BANK OF AMERICA NT&SA	\$	662,759.45
Wire	EMPLOYMENT DEVELOPMENT DEPARTM		
	P/R 19 9/18 Taxes	HR 0036600	49,186.43
	P/R 19 9/18 Taxes	HR 0036600	9,154.81
	EMPLOYMENT DEVELOPMENT DEPARTM\$		58,341.24
Wire	INTERNAL REVENUE SERVICE		
	P/R 19 9/18 Taxes	HR 0036600	296,346.38
	INTERNAL REVENUE SERVICE	\$	296,346.38
Wire	PUBLIC EMPLOYEES' RETIREMENT S		
	9/15 Health Ins-Retirees, Board, Employees 1822 9/15		223,917.87
	PUBLIC EMPLOYEES' RETIREMENT S\$		223,917.87
Wire	STATE BOARD OF EQUALIZATION		
	8/15 Sales Tax Deposit	23784561 8/15	9,396.00
	STATE BOARD OF EQUALIZATION	\$	9,396.00
Wire	PUBLIC EMPLOYEE'S RETIREMENT S		
	P/R 18 9/4 Deferred Comp Ded	HR 0036400	14,139.34
	PUBLIC EMPLOYEE'S RETIREMENT S\$		14,139.34
Wire	STATE DISBURSEMENT UNIT		

Check	Payee / Description		Amount
	P/R 18 9/4	HR 0036400	353.07
	P/R 18 9/4	HR 0036400	1,026.91
	STATE DISBURSEMENT UNIT	\$	1,379.98
Wire	PUBLIC EMPLOYEES RETIREMENT SY		
	P/R 18 9/4 PERS	HR 0036400	239,709.51
	PUBLIC EMPLOYEES RETIREMENT SY\$		239,709.51
Wire	PUBLIC EMPLOYEE'S RETIREMENT S		
	P/R 19 9/18 Deferred Comp Ded	HR 0036600	14,282.00
	P/R 17 8/21 Deferred Comp Ded Pay Period 082115 REV/PM		3.00
	PUBLIC EMPLOYEE'S RETIREMENT S\$		14,285.00
Wire	METROPOLITAN WATER DISTRICT		
	July 2015 Water Purchase	8418	1,900,684.18
	METROPOLITAN WATER DISTRICT	\$	1,900,684.18
Wire	STATE DISBURSEMENT UNIT		
	P/R 19 9/18	HR 0036600	1,026.91
	STATE DISBURSEMENT UNIT	\$	1,026.91
Wire	PUBLIC EMPLOYEES RETIREMENT SY		
	P/R 19 9/18/15 Emp/Empr Adj/Correction	P/R 19 9/18 A	76.29-
	P/R 19 9/18 PERS	HR 0036600	247,176.04
	PUBLIC EMPLOYEES RETIREMENT SY\$		247,099.75

Grand Total Payment Amount: \$ 4,618,300.77

**CONSENT
CALENDAR
ITEM**


1C

Date: November 18, 2015

To: The Honorable Board of Directors

Through: Finance, Legal, and Administration Committee (11/11/15)

From: P. Joseph Grindstaff
General Manager

Submitted by:  Christina Valencia
Chief Financial Officer/Assistant General Manager

Kanes Pantayatiwong
Manager of Business Information Services *EP #807*

Subject: Ratification of SAP BusinessObjects License Purchase

RECOMMENDATION

It is recommended that the Board of Directors ratify the sole-source purchase of SAP BusinessObjects analytics tools, including license conversion and the first year's maintenance in the amount of \$99,600.

BACKGROUND

In 2009, the Agency purchased a license for SAP BusinessObjects Enterprise Professional (BOE Professional) to meet the enterprise reporting needs. The license was hardware-based and equivalent to one central processing unit (CPU). This tool provides the Agency with a centrally managed and secured reporting platform enabling users to view both SAP and non-SAP data. To date, over 140 reports have been developed and deployed.

Although the reports are useful, they lack the interactivity and graphical displays that can provide greater insight into data not easily drawn from tabulated information. The need for more dynamic reporting tools was confirmed by the recently completed Technology Master Plan (TMP) assessment survey. Between the need for improved data analytics and the Agency's goal toward more efficient and effective business practices, staff opted to expand the reporting capability from the static reporting tool to a more interactive and mobile computing reporting tool version of BusinessObjects.

In November 2014, the Board approved the purchase of additional SAP BusinessObjects licenses to support more robust functionality including; Dashboard, Explorer, Mobile BI and Lumira, and the upgrade from BOE Professional to BusinessObjects Enterprise Premium (BOE Premium).

As a separate initiative in 2009, the Agency also began transitioning its hardware servers to a virtual environment (see Figure 1). Although virtualization enables the Agency to maximize the hardware use while meeting the growing demands for servers, it presented a challenge of applying the traditional licensing model that is based on physical server (hardware based). Nonetheless, our support team did their best to configure all the systems to meet the traditional licensing requirements. In the case for BOE Premium, the team configured what was believed to be equivalent to one virtual CPU (vCPU) in accordance to the license agreement.

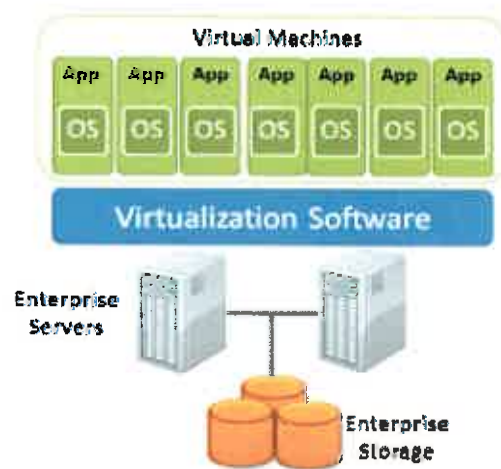


Figure 1. Virtualization Concept

In June 2015, during SAP’s periodic licensing audit, the Agency was found to have misconfigured the virtual server for BusinessObjects with the equivalence of two vCPUs, thus exceeding the license limit by one vCPU. However, the system log confirmed the Agency’s actual use never exceeded the one licensed vCPU since installation. To remedy the non-compliance, SAP provided the Agency the following remedies:

- 1) Purchase of one additional vCPU license for BOE Premium for \$107,680 (\$91,125 for software licenses and \$16,555 for annual maintenance); or
- 2) Convert existing hardware-based licensing model and fixed number of licenses to a new product called the “BusinessObjects BI Suite” (BOBJ Suite) and with user-based licensing model for \$162,123 (\$135,750 for software licenses and \$26,373 for annual maintenance); or
- 3) Convert existing hardware-based licensing model to BusinessObjects BI Suite Analytics Edition, which includes additional server-side tools for data extraction and performance fine-tuning, with user-based licensing model for \$180,301 (\$150,650 for software licenses and \$29,650.50 for annual maintenance).

On September 16, 2015, the General Manager (GM), informed the Board, that he would be excising his emergency authority to execute the agreement with SAP in order to meet SAP's compliance deadline of October 14, 2015. The Agency engaged the Government Finance Officers Association (GFOA) to assist in the negotiations with SAP. GFOA was successful in securing a 10-year maintenance agreement for the SAP enterprise system in 2006. Through GFOA's assistance, SAP reduced the initial options as follows:

	One-Time Cost	Ongoing Maintenance ¹
Option 1 (Selected): Additional vCPU	\$76,545	\$16,840
Option 2: BI Suite (50 Licenses)	\$119,875	\$26,373
Option 3: BI Suite Analytics Edition (50 Licenses)	\$150,650	\$29,651
Option 4: BI Suite (20 Licenses)	\$113,636	\$25,000

¹ The ongoing maintenance shown is in addition to the existing annual maintenance of \$20,839.

In considering the final proposed options by SAP, Agency staff evaluated reporting tools from non-SAP vendors, current and future reporting needs, costs associated with integration to SAP and ongoing maintenance. Based on the overall assessment, Option 1 proved to be the best value for the Agency:

- 1) **Cost** – The most economical option in terms of one time investment and ongoing maintenance costs.
- 2) **Future growth** – The additional CPU will provide additional capacity to support anticipated growth in system demands over the next few years and is scalable in smaller increments than the product offerings from Options 2 – 4, which is at a minimum of \$90,000 or higher.
- 3) **No deployment disruption** – Users will not be subjected to any deployment change and may see improved system performance.

Since the proposed product purchase can only be made with SAP, this purchase required to be made as a sole-source purchase. The license conversion will result in combining the existing annual maintenance (\$20,839), which is already budgeted for in FY 2015/16 and FY 2016/17, with the new maintenance cost for additional BOE Premium 1-CPU license.

Product	One-Time Cost (First Year)	Ongoing Annual Cost
Additional License	\$76,545	\$0
Sales Tax (8%)	\$6,124	\$0
Annual Maintenance (22%) ^a	16,840	16,840
Annual Maintenance (Existing) ^b	\$20,839	\$20,839
Total	\$120,348	\$37,679

^a Annual maintenance cost is based on 22% of the net licensing cost of \$76,545.

^b The existing maintenance will remain.

Since the SAP's audit, both Business Information Services (BIS) and Information Systems Services (ISS) departments have reviewed all current enterprise software and licenses and verified that no other software has the same hard-ware based licensing terms. Secondly, Both BIS and ISS departments have implemented processes for continuous monitoring of licenses and protocol changes to ensure ongoing compliance for all of Agency's software licensing.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

If approved, purchase of the license and annual maintenance is supported by FY 2015/16 Administrative Services (GG) fund professional services and capital project budget.

**CONSENT
CALENDAR
ITEM**


1D


Date: November 18, 2015

To: The Honorable Board of Directors

Through: Finance, Legal and Administration Committee (11/11/15)

From: P. Joseph Grindstaff
General Manager

Submitted by:  Christina Valencia
Chief Financial Officer/Assistant General Manager

Warren T. Green
Manager of Contracts and Facilities Services (CFS) 

Subject: Waxie Contract Amendment

RECOMMENDATION

It is recommended that the Board of Directors:

1. Authorize a contract amendment to the competitively-let contract with Waxie Sanitary Supply of Ontario, through November 30, 2017; for the supply and delivery of janitorial and related supplies; and
2. Authorize the Manager of CFS to execute Contract Amendment Number 4600000672-005.

BACKGROUND

In April 2010, the Agency issued a solicitation for the supply and delivery of janitorial and related supplies. A total of five proposals were received, Waxie was the effective low bidder. Waxie was able to offer even more competitive pricing by utilizing the competitively-let Western States Contracting Alliance (WSCA) contract. Therefore, in June 2010, the Agency administratively awarded a two-year contract to Waxie utilizing the WSCA contract. In July 2012, a contract amendment was executed extending the contract one year.

In November 2012, the National Cooperative Purchasing Alliance (NCPA), a nonprofit Governmental Purchasing Cooperative, awarded a competitively-let contract to Waxie, through November 30, 2013, with four one-year extensions through November 2017.

NCPAs program used the purchasing power of large counties and cities throughout the United States to supply governments with significant discounts for a variety of products, supplies, and services. During the sealed bid process, NCPA received proposals from four suppliers; Waxie, Zep, Buckeye, and All American Poly. Contracts were awarded to both Waxie and Zep. The NCPA contract allows for all governmental agencies to enter into a contract with Waxie, utilizing their advantageous pricing and terms. Numerous local public agencies are currently utilizing this contract, some include: the Cities of Anaheim, Chino, Fontana, Long Beach, Riverside, Ontario, the Counties of Orange, San Diego, Riverside, as well as the Metropolitan Water District and Eastern Municipal Water District and a number of colleges and universities.

The quality of products and services provided by Waxie over the past several years has been excellent. The Agency's average annual expenditures on janitorial supplies through Waxie is approximately \$46,000.

The utilization of a competitively-let contract with Waxie is consistent with the Agency's Business Goal of *Fiscal Responsibility* by continuing to utilize competitive purchase programs consistent with the Agency's Procurement Ordinance and to contain costs for supplies through multi-year contracts.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

The annual costs of supplies of approximately \$46,000 to be purchased from Waxie are budgeted in Fiscal Years 2015/16 and 2016/17 Supplies-General budget in various Agency funds.



AMENDMENT NUMBER 460000672-005

FOR

THE PURCHASE OF JANITORIAL SUPPLIES

This Amendment Number 5, to Contract Number 460000672, between the Inland Empire Utilities Agency (Agency) and Waxie Sanitary Supply, shall revise the Contract as follows:

REVISE SECTION 5, TERM TO READ:

The term of this Contract and Amendment shall extend and terminate on November 30, 2017, unless agreed to by both parties, reduced to writing and amended to this Contract.

ALL OTHER PROVISIONS OF THIS CONTRACT REMAIN IN FULL FORCE AND EFFECT.

IN WITNESS WHEREOF, the parties hereto have mutually covenanted and agreed as per the above amendment item(s), and in doing so have caused this document to become incorporated into the Contract Documents.

INLAND EMPIRE UTILITIES AGENCY:

WAXIE SANITARY SUPPLY:

Warren T. Green
Manager of Contracts and
Facilities Services

(Date)

Amy J. Estermyer
Account Executive

(Date)


**CONSENT
CALENDAR
ITEM**


1E





Date: November 18, 2015

To: The Honorable Board of Directors

Through:  Finance, Legal, and Administration Committee (11/11/15)

From:  P. Joseph Grindstaff
General Manager

Submitted by:  Christina Valencia
Chief Financial Officer/Assistant General Manager

 Sharmeen Bhojani
Manager of Human Resources

Subject: Resolution No. 2015-11-1, Approving an Amendment to the 2013 through 2018 Memorandum of Understanding (MOU) for the General Unit

RECOMMENDATION

It is recommended that the Board of Directors adopt Resolution No. 2015-11-1 amending the 2013 through 2018 MOU for the General Employees' Association, General Unit to allow unit employees assigned to the Inland Empire Regional Composting Authority (IERCA) to work a 4/10 schedule.

BACKGROUND

During the 2013 through 2018 MOU negotiations for the General Unit, the Agency agreed to implement a 4/10 work schedule for unit employees with the exception of employees assigned to the IERCA. Exclusion of the IERCA staff was due to regulatory and safety related concerns. Since then, the IERCA Management staff has been working on making improvements to the facility which has resulted in resolving all regulatory and safety related concerns. Management staff has also spent a considerable amount of time evaluating staffing needs and creating operational efficiencies.

Recent improvements at the facility have resulted in significant operational efficiencies; thereby, meeting production needs over a five-day versus a seven-day work week. Implementation of a 4/10 work schedule for IERCA staff will eliminate the need to operate the facility seven days a week and allow the facility to operate Monday through Friday giving employees the ability to be off on the weekends.

IERCA Management and the majority of the unit employees assigned to IERCA are supportive of a 4/10 work schedule. In order to implement this option for the IERCA, an amendment to the General Unit MOU is necessary as the current MOU language expressly prohibits the 4/10 schedule for IERCA employees. Upon the Board's approval, Section 9.1 of the MOU shall be amended to remove section 9.1.1 which specifically states the following:

“Unit employees assigned to work at the Inland Empire Regional Composting Authority (IERCA) facility shall not be placed on the 4/10 schedule.”

In order to facilitate this amendment, a Side Letter of Agreement was executed between the Agency and the General Unit Employees. With the approval of Resolution No. 2015-11-1, the effective date of the Side Letter of Agreement shall be December 6, 2015.

The amendment to the General Unit MOU is consistent with the Agency's *Workplace Environment* business goal to be committed to providing a positive workplace environment by recruiting, retaining and developing a highly-skilled team dedicated to the Agency's Mission, Vision, and Values.

PRIOR BOARD ACTION

On September 4, 2013, the Board of Directors adopted Resolution No. 2013-9-3, approving the MOU for the General Unit.

IMPACT ON BUDGET

None

SIDE LETTER OF AGREEMENT
BETWEEN
THE INLAND EMPIRE UTILITIES AGENCY
AND
THE GENERAL EMPLOYEES' ASSOCIATION, GENERAL UNIT

The Inland Empire Utilities Agency (Agency) and the General Employees' Association, General Unit (GU) have agreed to the following amendment to the Memorandum of Understanding (MOU) which is in effect September 1, 2013 through June 30, 2018.

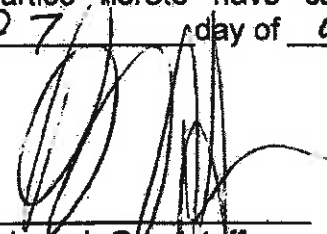
Section 9.1 is hereby amended to delete Section 9.1.1 which reads as follows:

9.1.1. Unit employees assigned to work at the Inland Empire Regional Composing Authority (IERCA) facility shall not be placed on the 4/10 work schedule.

The amendment shall be effective December 6, 2015 to allow Unit employees at IERCA to work a 4/10 schedule.

Section 4.31 of the General Unit MOU shall apply to IERCA employees.

The Parties hereto have caused this Side Letter of Agreement to be executed the 27 day of October, 2015.

By: 
P. Joseph Grindstaff
General Manager

Date: 10/27/15

By: 
General Unit Board Member

Date: 10-27-15

By: 
General Unit Board Member

Date: 10-27-15

RESOLUTION NO. 2015-11-1

RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, APPROVING AN AMENDMENT TO THE 2013 - 2018 MEMORANDUM OF UNDERSTANDING FOR GENERAL UNIT EMPLOYEES, BY ADOPTING A SIDE LETTER OF AGREEMENT

WHEREAS, the Board of Directors of the Inland Empire Utilities Agency* approved a Memorandum of Understanding for the General Unit Employees on September 4, 2013, and

WHEREAS, the representatives of the Agency have met and conferred with duly authorized representatives of the General Unit regarding the proposed amendment to the MOU and reached consensus via a Side Letter of Agreement executed on October 27, 2015, and

WHEREAS, this Agreement would provide for the following change: delete Section 9.1.1, which currently prohibits the Inland Empire Regional Composting Authority (IERCA) facility to be placed on a 4/10 work schedule.

NOW, THEREFORE, the Board of Directors of the Inland Empire Utilities Agency* does hereby **RESOLVE, DETERMINE AND ORDER** as follows:

Section 1. The Side Letter of Agreement between the Inland Empire Utilities Agency and the General Unit Employees is hereby adopted and set forth in Exhibit "1" of this resolution.

Section 2. The Board of Directors do hereby order that the General Unit Side Letter of Agreement be included herein as part of the General Unit Memorandum of Understanding.

ADOPTED the 18th day of November, 2015.

Terry Catlin
President of the Inland Empire
Utilities Agency* and of the
Board of Directors thereof

ATTEST:

Steven J. Elie
Secretary/Treasurer of the Inland Empire
Utilities Agency* and of the
Board of Directors thereof

*A Municipal Water District

STATE OF CALIFORNIA)
COUNTY OF) SS
SAN BERNARDINO)

I, Steven J. Elie, Secretary/Treasurer of the Inland Empire Utilities Agency*, DO
HEREBY CERTIFY that the foregoing Resolution being No. 2015-11-1, was adopted at a regular
Board Meeting on November 18, 2015, of said Agency by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Steven J. Elie
Secretary/Treasurer

*A Municipal Water District

**CONSENT
CALENDAR
ITEM**

1F



Date: November 18, 2015

To: The Honorable Board of Directors

Through: Finance, Legal, and Administration Committee (11/11/2015)

From: P. Joseph Grindstaff
General Manager

Submitted by: Chris Berch
Executive Manager of Engineering/Assistant General Manager

Jason Gu
Grants Officer

Subject: Adoption of Resolution Nos. 2015-11-2 through 4 for the Regional Water Recycling Program

RECOMMENDATION

It is recommended that the Board of Directors:

1. Adopt Resolution No. 2015-11-2, authorizing the General Manager to sign and file application and agreement with the State Water Resources Control Board (SWRCB), for the design and construction of the Joint Inland Empire Utilities Agency (IEUA)-Jurupa Community Services District (JCSD) Regional Water Recycling Program (Project);
2. Adopt Resolution No. 2015-11-3, dedicating net revenues for the repayment of State Revolving Fund (SRF) loan from the SWRCB for the Project;
3. Adopt Resolution No. 2015-11-4, establishing its intention to apply for and be reimbursed for expenditures related to the construction of the Project; and
4. Authorize the General Manager to negotiate an agreement with the Chino Basin Regional Financing Authority (CBRFA) that allows IEUA to become the lead agency to apply for the SRF loan and grant on behalf of the CBRFA for the Project, and authorizes IEUA to pay CBRFA its portion of the project's match share and debt that is incurred by CBRFA as the recipient of the SRF loan and grant.

BACKGROUND

The SWRCB administers a program for planning or design funding through the Clean Water State Revolving Fund (CWSRF) Program.

In April 2015, the SWRCB announced the Proposition 1 (Prop 1) grant funding opportunity for Water Recycling projects, which will provide 35% in Prop 1 grant funds up to a maximum of \$15,000,000 for each project in addition to a 1% interest, 30-year SRF loan.

IEUA filed a pre-application in October 2015 on behalf of the CBRFA. The subject project is a collaboration of IEUA, JCSD, and Western Municipal Water District (WMWD). This project will initially deliver 3,000 AFY of recycled water for groundwater recharge and provide direct use for multiple public lands that currently use potable water. Further, the project will provide additional non-potable water for private agricultural enterprises throughout the region. This project has a total cost of approximately \$52 million.

Specifically, the project entails the planning, design, and construction of the following: 750 horsepower (HP) booster station at the Western Riverside County Regional Wastewater Authority's Treatment Plant; 31,600 lineal feet (LF) of 24-inch diameter transmission pipeline; an "in-line" 750 HP booster station; 47,800 LF of 18-inch and 12-inch distribution pipeline system; and pressure reducing stations.

This project demonstrates the integrated regional approach of recycled water supply optimization. It is consistent with the Agency's Business Goal of increasing Water Supply Reliability by meeting the region's need to develop reliable, drought-proof and diverse local water resources in order to reduce dependence on imported water supplies.

PRIOR BOARD ACTION

On August 20, 2014, the Board approved the MOU with JCSD and WMWD for the RW Interconnection project.

On October 16, 2013, the Board adopted Resolution No. 2013-10-2 to sign and file the grant application and agreement with the Metropolitan Water District of Southern California (MWD) for the Foundational Actions Funding Program for a Recycled Water Intertie Permit Study.

IMPACT ON BUDGET

The Joint IEUA-JCSD Regional Water Recycling Program project has a total cost of \$52,460,000. IEUA's total project share will be \$13,000,000. JCSD's cost share will be \$39,460,000. The application would request \$52,460,000 in CWSRF and Proposition 1 grant funding. IEUA has a total project budget of \$10,000,000 in the Ten-Year Capital Improvement Plan (TYCIP). JCSD has pledged net revenues for the repayment of its \$39,460,000 cost share.

Upon approval by SWRCB, both agencies will revise their budgets to align with the new SRF loan, grants, and total project costs.

RESOLUTION NO. 2015-11-2

RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, AUTHORIZING THE GENERAL MANAGER TO SIGN AND FILE ON BEHALF OF THE AGENCY AND THE CHINO BASIN REGIONAL FINANCING AUTHORITY, FINANCIAL ASSISTANCE APPLICATIONS AND AGREEMENTS WITH THE STATE WATER RESOURCES CONTROL BOARD, FOR THE JOINT IEUA - JCSO REGIONAL WATER RECYCLING PROGRAM

BE IT RESOLVED, by the Board of Directors of the Inland Empire Utilities Agency (IEUA) that the General Manager or in his absence, his designee, is hereby authorized and directed to sign and file, on behalf of the Inland Empire Utilities Agency, a Financial Assistance Application for financing agreements from the State Water Resources Control Board for the planning, design and construction of all projects related to the Joint IEUA – JCSO Regional Water Recycling Program (the Project); and

BE IT RESOLVED, that the Inland Empire Utilities Agency hereby agrees and further does authorize the General Manager or in his absence, his designees to provide the assurances, certifications and commitments required for the financial assistance applications, including executing a financial assistance agreement from the State Water Resources Control Board and any amendments or changes thereto,

BE IT FURTHER RESOLVED, that the General Manager or in his absence his designees is authorized to represent the IEUA in carrying out the IEUA's responsibilities under the financing agreement, including certifying disbursement requests on behalf of the IEUA and compliance with applicable state and federal laws.

ADOPTED this 18th day of November, 2015.

Terry Catlin, President of the Inland Empire Utilities Agency* and of the Board of Directors thereof

ATTEST:

Steven J. Elie, Secretary/Treasurer of the Inland Empire Utilities Agency* and of the Board of Directors thereof

STATE OF CALIFORNIA)
)SS
COUNTY OF SAN BERNARDINO)

I, Steven J. Elie, Secretary/Treasurer of the Inland Empire Utilities Agency*, DO
HEREBY CERTIFY that the foregoing Resolution No. 2015-11-2 was adopted at a regular
meeting on November 18, 2015 of said Agency* by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Steven J. Elie
Secretary/Treasurer

(Seal)

*A Municipal Water District

RESOLUTION NO. 2015-11-3

RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY, SAN BERNARDINO, CALIFORNIA, APPROVING A FINANCING AGREEMENT WITH THE CHINO BASIN REGIONAL FINANCING AUTHORITY AND DEDICATING CERTAIN REVENUES IN CONNECTION WITH A STATE REVOLVING FUND (SRF) FINANCING FROM THE STATE WATER RESOURCES CONTROL BOARD FOR THE JOINT IEUA-JCSD REGIONAL WATER RECYCLING PROGRAM

WHEREAS, The State Water Resources Control Board (SWRCB) offers funding to assist local agencies with the design and construction of the Joint IEUA-JCSD Regional Water Recycling Program;

WHEREAS, the Chino Basin Regional Financing Authority (CBRFA) has applied for SRF loan and grant from SWRCB for the Joint IEUA-JCSD Regional Water Recycling Program (Project);

WHEREAS, The Board of Directors of the Inland Empire Utilities Agency has authorized the General Manager to execute a financing agreement with the Chino Basin Regional Financing Authority; and

NOW THEREFORE, BE IT RESOLVED, by the Board of Directors, that the form of financing agreement attached hereto as 2015 Financing Agreement is hereby approved in substantial form and the General Manager is authorized to execute and deliver the financing agreement with such changes as may be approved by General Counsel. IEUA hereby dedicates and pledges the revenues described in Section 2.04 of the attached financing agreement to payments thereunder. IEUA commits to collecting such revenues and maintaining such funds(s) throughout the term of such financing and until the IEUA has satisfied its repayment obligation thereunder, unless modification or change is approved in writing by the CBRFA. So long as the financing agreement is outstanding, the IEUA's pledge hereunder shall constitute a lien in favor of the CBRFA on the foregoing fund(s) and revenue(s) without any further action necessary. So long as the financing agreement is outstanding, the IEUA commits to maintaining the funds and revenues at levels sufficient to meet its obligations under the financing agreements.

ADOPTED this 18th day of November, 2015.

Terry Catlin
President of the Inland Empire Utilities
Agency

ATTEST:

Steven J. Elie
Secretary/Treasurer of the Inland Empire Utilities Agency

STATE OF CALIFORNIA)
COUNTY OF) SS
SAN BERNARDINO)

I, Steven J. Elie, Secretary/Treasurer of the Inland Empire Utilities Agency, DO HEREBY CERTIFY that the foregoing Resolution No. 2015-11-3 was adopted at a regular meeting on November 18, 2015 of said Agency by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Steven J. Elie
Secretary/Treasurer

(Seal)

2015 FINANCING AGREEMENT
(JCSD Recycled Water Project)

by and between

INLAND EMPIRE UTILITIES AGENCY*

and

CHINO BASIN REGIONAL FINANCING AUTHORITY

Dated as of November 18, 2015

* *A Municipal Water District.*

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**2015 FINANCING AGREEMENT
(JCSD Recycled Water Project)**

This 2015 FINANCING AGREEMENT (JCSD Recycled Water Project) (the "Financing Agreement"), dated as of December 1, 2015, by and between the INLAND EMPIRE UTILITIES AGENCY, a municipal water district duly organized and existing under and by virtue of the laws of the State of California ("IEUA"), and CHINO BASIN REGIONAL FINANCING AUTHORITY, a joint powers authority duly organized and existing under and by virtue of the laws of the State of California (the "Issuer");

WITNESSETH

WHEREAS, pursuant to Section 71722 of the Water Code of the State of California, IEUA desires to pay a portion of the costs of certain recycled water facilities as more particularly described in Exhibit A hereto (the "Project"); and

WHEREAS, the Issuer desires to assist IEUA in financing IEUA's share of the cost of the acquisition and construction of the Project; and

WHEREAS, the Jurupa Community Services District ("JCSD") has provided for the financing of JCSD's share of the Project pursuant to that certain 2015 Recycled Facilities Financing Agreement (JCSD Recycled Water Project) dated as of December 1, 2015 by and between JCSD and the Issuer (the "2015 Recycled Water Facilities Financing Agreement"); and

WHEREAS, in order to provide the funds for the design, acquisition and construction of the Project, the Issuer currently expects to enter into a loan or similar agreement with the State Water Resources Control Board or other department or agency of the State of California secured in part by the payments to be made by IEUA to the Issuer under this Financing Agreement; and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and delivery of the Financing Agreement do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into the Financing Agreement;

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND OF THE MUTUAL AGREEMENTS AND COVENANTS CONTAINED HEREIN AND FOR OTHER VALUABLE CONSIDERATION, THE PARTIES HERETO DO HEREBY AGREE AS FOLLOWS:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. Capitalized terms used herein and not otherwise defined herein shall have the respective meanings ascribed to such terms in the Master Resolution. Unless the context otherwise requires, the terms defined in this Section shall for all purposes hereof and of any amendment hereof or supplement hereto and of any opinion or report or other document mentioned herein or therein have the meanings defined herein, the following definitions to be equally applicable to both the singular and plural forms of any of the terms defined herein:

Bond Resolution. The term “Bond Resolutions” means the resolution or resolutions providing for the issuance of Issuer Bonds and the terms thereof, and any indenture, trust agreement, or similar loan agreement related thereto.

Debt Service. The term “Debt Service” means, as of the date of calculation and with respect to Issuer Bonds, an amount equal to the sum of (i) interest payable during such Issuer Fiscal Year on Issuer Bonds, except to the extent that such interest is to be paid from capitalized interest, (ii) that portion of principal of Issuer Bonds payable during such Issuer Fiscal Year, (iii) amounts necessary to replenish any reserve fund created pursuant to a Bond Resolution, and (iv) all letters of credit, remarketing and other financing costs payable on a periodic basis. Such interest, principal and financing costs for Issuer Bonds shall be calculated on the assumption that no Issuer Bonds outstanding at the date of calculation will cease to be outstanding except by reason of the payment of principal on the due date thereof;

provided further that, as to any such Issuer Bonds bearing or comprising interest at other than a fixed rate, the rate of interest used to calculate Debt Service shall be one hundred ten percent (110%) of the greater of (a) the daily average interest rate on such Issuer Bonds during the twelve (12) calendar months preceding the date of calculation (or the portion of the then current Issuer Fiscal Year that such Issuer Bonds have borne interest) or (b) the most recent effective interest rate on such Issuer Bonds prior to the date of calculation; and

provided further that, as to any such Issuer Bonds or portions thereof bearing no interest but which are sold at a discount and which discount accretes with respect to such Issuer Bonds or portions thereof, such accreted discount shall be treated as interest in the calculation of Debt Service; and

provided further that the amount on deposit in a debt service reserve fund on any date of calculation of Debt Service shall be deducted from the amount of principal due at the final maturity of the Issuer Bonds for which such debt service reserve fund was established and in each preceding Issuer Fiscal Year until such amount is exhausted.

Fixed Project Costs. The term “Fixed Project Costs” means the IEUA Share of capital costs of the Project as set forth in Exhibit B hereto, including but not limited to (i) Debt Service, (ii) reserves for repair and replacement and improvement to the Project and (iii) reserves for payment of Debt Service.

IEUA Share. The term “IEUA Share” means the share of capital costs of the Project allocated to IEUA as set forth in Exhibit B hereto.

Independent Certified Public Accountant. The term “Independent Certified Public Accountant” means any firm of certified public accountants appointed by IEUA, or the Issuer, as the case may be, and each of whom is independent pursuant to the Statement on Auditing Standards No. 1 of the American Institute of Certified Public Accountants.

Issuer. The term “Issuer” means the Chino Basin Regional Financing Authority, a joint powers authority duly organized and existing under and by virtue of the laws of the State of California.

Issuer Bonds. The term “Issuer Bonds” means bonds, notes or other evidences of indebtedness issued by or on behalf of the Issuer to finance or refinance the Project, including but not limited to loans or similar agreements from the State Water Resources Control Board or other department or agency of the State.

Issuer Fiscal Year. The term “Issuer Fiscal Year” means the twelve month period commencing on July 1 of each calendar year and ending on the following June 30 or such other twelve month period which may be designated by the Issuer as its fiscal year.

Joint Powers Agreement. The term “Joint Powers Agreement” means the Joint Exercise of Powers Agreement creating the Chino Basin Regional Financing Authority, as such agreement may be amended or supplemented from time to time.

Master Resolution. The term “Master Resolution” means the Resolution of the Board of Directors of the Chino Basin Municipal Water District Providing for the Allocation of Sewer System Revenues and Establishing Covenants to Secure the Payment of Obligations Payable from Sewer Revenues, adopted by the Board of Directors of IEUA on March 30, 1994, as it is from time to time modified, amended or supplemented.

Pledged Revenues. The term “Pledged Revenues” means ad valorem property taxes received by IEUA pursuant to Section 97 *et seq.* of the Revenue and Taxation Code of the State of California, water connection fees received by IEUA and all recycled water sales revenues received by IEUA.

Project. The term “Project” means certain recycled water facilities [a description of which is attached as Exhibit A hereto.] The Issuer and IEUA acknowledge that portions of the Project are currently being designed and that the definition of the Project may be revised from time-to-time without amendment to this Financing Agreement.

State. The term “State” means the State of California.

Trustee. The term “Trustee” means the entity or entities designated by the Issuer pursuant to any Bond Resolution to administer any funds or accounts required by such Bond Resolution or otherwise.

2002 Financing Agreement. The term “2002 Financing Agreement” means the 2002 Financing Agreement, dated as of June 1, 2002, by and between the Authority and IEUA as such 2002 Financing Agreement may be supplemental or amended from time-to-time as accordance therewith.

2015 Recycled Water Facilities Financing Agreement. The term “2015 Recycled Water Facilities Financing Agreement” shall have the meaning assigned thereto in the preamble hereto.

Section 1.02. Terms Not Defined Herein. Unless the context otherwise requires, the terms not defined herein shall have the meanings set forth in Section 1.01 of the Master Resolution.

ARTICLE II

FINANCING OF THE PROJECT

Section 2.01. Purpose, Financing and Construction.

The purpose of this Financing Agreement is for the Authority to provide for the financing of the Fixed Project Costs of the Project. All other aspects of the Project, including the obtaining of all necessary authority and rights, consents and approvals, and the performance of all things necessary and convenient therefor, subject to compliance with all necessary federal and state laws, including but not

limited to the California Environmental Quality Act (“CEQA”), and all other agreements relating thereto, shall be provided for by separate agreements.

Section 2.02. Recycled Water Facilities.

Pursuant to the terms of this Financing Agreement, the Authority shall provide to IEUA, and IEUA shall utilize, the components of the Project identified in Exhibit A hereto for recycled water purposes of offsetting potable water demands within the Chino Groundwater Basin. Subject to IEUA’s payment obligations hereunder, the Authority agrees to use its best efforts to finance such components of the Project pursuant to this Financing Agreement. IEUA shall be responsible for the operation of such components of the Project so designated in Exhibit B hereto, and the Authority shall have no responsibility to pay any operation and maintenance costs with respect to such components of the Project. Title to such components of the Project shall be held by the Authority or IEUA.

Section 2.03. No Authority Responsibility for Recycled Water.

Neither the Authority nor any of its officers or agents shall be liable for the control, carriage, handling, use, disposal, or distribution of recycled water; nor for claim of damage of any nature whatsoever, including but not limited to property damage, personal injury or death, arising out of or connected with the control, carriage, handling, use, disposal or distribution of such recycled water and including attorneys fees and other costs of defense in connection therewith. IEUA shall indemnify and hold harmless the Authority and its officers, agents, and employees from any such damages or claims of damages.

Section 2.04. Charges to IEUA.

(a) Establishment of Charges. The Issuer shall fix charges to IEUA under this Financing Agreement equal to the amounts anticipated to be needed by the Issuer to pay Fixed Project Costs.

(b) Insufficiency of Funds. IEUA acknowledges that Fixed Project Costs will vary from time-to-time and within any Issuer Fiscal Year. If Fixed Project Costs collected by the Issuer in any Issuer Fiscal Year are insufficient to pay Fixed Costs of the Project in such Issuer Fiscal Year, the Issuer shall promptly notify IEUA of such insufficiency and IEUA shall pay to the Issuer an amount equal to such insufficiency. The obligation of IEUA to pay Fixed Project Costs shall commence upon execution and delivery of this Financing Agreement.

(c) Source of Payments. All Pledged Revenues are hereby irrevocably pledged to the payment of Fixed Project Costs as provided herein and the Pledged Revenues shall not be used for any other purpose while any of the Fixed Project Costs remain unpaid; provided that out of the Pledged Revenues there may be apportioned such sums for such purposes as are expressly permitted herein. Payments by IEUA to the Issuer hereunder are obligations of IEUA payable from Pledged Revenues. Subject to Section 3.04 hereof, the obligation of IEUA to use Pledged Revenues to make payments hereunder from property taxes described in the definition of Pledged Revenues is subordinate to the obligation of IEUA to make payment of all other Contracts and Bonds and on a parity with the obligation to pay amounts under the 2002 Financing Agreement. IEUA shall make such payments in accordance with the provisions of this Financing Agreement and from the Subordinate Obligation Payment Fund under the Master Resolution, as the case may be. IEUA shall not make payment on Contracts or Bonds from amounts in the Subordinate Obligation Payment Fund if other amounts are

available therefor. Nothing herein shall be construed as prohibiting IEUA from using any other funds and revenues for purposes of satisfying any provisions of this Financing Agreement.

(d) Obligation Is Not Subject To Reduction. IEUA shall make payments of Fixed Project Costs under this Financing Agreement whether or not the Project is completed, operable, operated or retired and notwithstanding the suspension, interruption, interference, reduction or curtailment of operation of the Project in whole or in part for any reason whatsoever. Such payments are not subject to any reduction, whether offset or otherwise, and are not conditioned upon performance by the Issuer under this Financing Agreement or any other agreement.

(e) Allocation of Costs and Expenses.

(i) Adjustments. The Issuer shall update the values and amounts of Fixed Project Costs on a quarterly basis, including year-to-date comparisons, in order that the costs and expenses to IEUA may accurately reflect increases or decreases from Issuer Fiscal Year to Issuer Fiscal Year in Fixed Project Costs. In addition, each such determination shall include an adjustment to be paid or received by IEUA for succeeding Issuer Fiscal Years which shall account for the differences, if any, between projections of Fixed Project Costs used by the Issuer in determining the amounts of said Fixed Project Costs for all preceding Issuer Fiscal Years and actual Fixed Project Costs incurred by the Issuer to IEUA during such Issuer Fiscal Years.

(ii) Credits. Interest earnings on all amounts paid by IEUA to the Issuer shall be credited to IEUA through the budgeting process.

(f) Time and Method of Payment.

(i) Fixed Project Costs. For the Issuer Fiscal Year ending June 30, 2016, IEUA shall pay to the Authority within 15 days of receiving an invoice in an amount equal to the Fixed Project Costs as provided in the initial budget described in Section 2.02 hereof. Thereafter IEUA shall pay to the Issuer, on or before July 15 of each Issuer Fiscal Year, 100% of such Fixed Project Costs for such Issuer Fiscal Year.

(ii) Statement of Charges. The Issuer shall furnish IEUA with a written statement of the estimated Fixed Project Costs for the next succeeding Issuer Fiscal Year on or prior to June 1 of the prior Issuer Fiscal Year. Such written statements shall take into account applicable credits received by the Issuer and estimated investment earnings on moneys related to the Project held by the Issuer.

(iii) Contest of Accuracy of Charges. If IEUA questions or disputes the correctness of any billing statement by the Issuer, it shall pay the Issuer the amount claimed when due and shall, within thirty (30) days of the completion and delivery of the Issuer's annual audit, request an explanation from the Issuer. If the bill is determined to be incorrect, the Issuer will adjust the bill to IEUA in the next Issuer Fiscal Year, including an adjustment equal to the interest actually earned by the Issuer on its general reserves during such period. If the Issuer and IEUA fail to agree on the correctness of a bill within thirty (30) days after IEUA has requested an explanation, the parties shall promptly submit the dispute to arbitration under Section 1280 et seq. of the Code of Civil Procedure.

Section 2.05. Annual Capital Budget and Billing Statement. The Issuer will prepare and approve a capital budget for the period from the date of this Financing Agreement through June 30,

2016 on or prior to execution and delivery of this Financing Agreement. Such initial capital budget shall include all Fixed Project Costs. Thereafter, the Issuer will prepare a preliminary annual capital budget for each applicable Issuer Fiscal Year for credits, costs and expenses relating to the Project. The Issuer shall submit a draft of such budget to IEUA on or prior to each April 1 for review and comment. Issuer staff shall use its best efforts to resolve any questions or concerns of IEUA during such review. The Board of Directors of the Issuer will adopt a final annual capital budget for the applicable Issuer Fiscal Year on or before June 1 of each Issuer Fiscal Year. The Issuer shall supply a copy of said final annual capital budget to IEUA on or before June 15 of each Issuer Fiscal Year. Any amendment to the capital budget shall be submitted to IEUA for review and comment at least 30 days prior to action thereon by the Issuer Board of Directors.

Section 2.06. Obligation in the Event of Default.

(a) Written Demand. Upon failure of IEUA to (i) make any payment in full when due under this Financing Agreement or (ii) to perform any other obligation hereunder, the Issuer shall make written demand upon IEUA. If a failure described in clause (i) above is not remedied within thirty (30) days from the date of such demand or, if Issuer Bonds are outstanding, for such additional time as is reasonably required, in the sole discretion of the Trustee, to correct the same, such failure shall constitute a default at the expiration of such period. If a failure described in clause (ii) cannot be remedied within thirty (30) days from the date of such demand but IEUA commences remedial action within such thirty (30) day period, such failure shall not constitute a default hereunder. Notice of any such demand shall be provided to IEUA by the Issuer. Upon failure of the Issuer to perform any obligation of the Issuer hereunder, IEUA shall make written demand upon the Issuer, and if said failure is not remedied within thirty (30) days from the date of such demand or, if Issuer Bonds are outstanding, for such additional time as is reasonably required, in the sole discretion of the Trustee, to correct the same, such failure shall constitute a default at the expiration of such period. Notice of such demand shall be provided to IEUA.

In addition to any default resulting from breach by the Issuer or IEUA of any agreement, condition, covenant or term hereof, if the Issuer or IEUA shall file any petition or institute any proceedings under any act or acts, state or federal, dealing with or relating to the subject of bankruptcy or insolvency or under any amendment of such act or acts, either as a bankrupt or as an insolvent or as a debtor or in any similar capacity, wherein or whereby the Issuer or IEUA asks or seeks or prays to be adjudicated a bankrupt, or is to be discharged from any or all of its debts or obligations, or offers to its creditors to effect a composition or extension of time to pay its debts, or asks, seeks or prays for a reorganization or to effect a plan of reorganization or for a readjustment of its debts or for any other similar relief, or if the Issuer or IEUA shall make a general or any assignment for the benefit of its creditors, then in each and every such case the Issuer or IEUA, as the case may be, shall be deemed to be in default hereunder.

(b) Termination of Agreement; Continuing Obligations. Upon the failure of IEUA to make any payment which failure constitutes a default under this Financing Agreement and causes the Issuer to be in default under any Bond Resolution or related agreement, the Issuer may (in addition to the remedy provided by subsection (a) of this Section) give notice of termination of the provisions of this Financing Agreement insofar as the same entitle IEUA to use the Project which notice shall be effective within 30 days thereof unless such termination shall be enjoined, stayed or otherwise delayed by judicial action. Irrespective of such termination, IEUA shall remain liable to the Issuer to pay the full amount of costs hereunder.

(c) Enforcement of Remedies. In addition to the remedies set forth in this Section, upon the occurrence of an Event of Default as defined herein, the Issuer or IEUA, as the case may be, shall be entitled to proceed to protect and enforce the rights vested in such party by this Financing Agreement by such appropriate judicial proceeding as such party shall deem most effectual, either by suit in equity or by action at law, whether for the specific performance of any covenant or agreement contained herein or to enforce any other legal or equitable right vested in such party by this Financing Agreement or by law. The provisions of this Financing Agreement and the duties of each party hereof, their respective boards, officers or employees shall be enforceable by the other party hereto by mandamus or other appropriate suit, action or proceeding in any court of competent jurisdiction, with the losing party paying all costs and attorney fees.

(d) Trustee is Third Party Beneficiary. Any Trustee for Issuer Bonds shall have the right, as a third party beneficiary, to initiate and maintain suit to enforce this Financing Agreement to the extent provided in any Bond Resolution.

ARTICLE III

COVENANTS OF IEUA

Section 3.01. Compliance with Financing Agreement. IEUA will punctually pay the Fixed Project Costs in strict conformity with the terms hereof, and will faithfully observe and perform all the agreements, conditions, covenants and terms contained herein required to be observed and performed by it, and will not terminate this Financing Agreement for any cause including, without limiting the generality of the foregoing, any acts or circumstances that may constitute failure of consideration, destruction of or damage to the Project, commercial frustration of purpose, any change in the tax or other laws of the United States of America or of the State of California or any political subdivision of either or any failure of the Issuer to observe or perform any agreement, condition, covenant or term contained herein required to be observed and performed by it, whether express or implied, or any duty, liability or obligation arising out of or connected herewith or the insolvency, or deemed insolvency, or bankruptcy or liquidation of the Issuer or any force majeure, including Acts of God, tempest, storm, earthquake, war, rebellion, riot, civil disorder, acts of public enemies, blockade or embargo, strikes, industrial disputes, lockouts, lack of transportation facilities, fire, explosion, or acts or regulations of governmental authorities.

Section 3.02. Protection of Security and Rights of the Issuer and the Trustee. IEUA will preserve and protect the security hereof and the rights of the Issuer and the Trustee to the payments hereunder and will warrant and defend such rights against all claims and demands of all persons.

Section 3.03. Further Assurances. IEUA will adopt, deliver, execute and make any and all further assurances, instruments and resolutions and provide legal opinions of IEUA general or special counsel as may be reasonably necessary or proper to carry out the intention or to facilitate the performance hereof and for the better assuring and confirming unto the Issuer of the rights and benefits provided to it herein.

Section 3.04. Amount of Rates and Charges. To the fullest extent permitted by law, IEUA shall fix, prescribe and collect rates and charges for recycled water service which, along with other Pledged Revenues, will be at least sufficient to yield during each Fiscal Year an amount equal to debt service on all Authority Bonds for such Fiscal Year. IEUA may make adjustments from time to time in such rates and charges and may make such classification thereof as it deems necessary, but shall not

reduce the rates and charges then in effect unless the revenues resulting from such reduced rates and charges will at all times be sufficient to meet the requirements of this section.

Section 3.05. Additional Contracts and Bonds. IEUA may at any time issue or incur any Subordinate Obligation; provided the estimated Pledged Revenues available to pay Fixed Project Costs for the then current Fiscal Year and each subsequent Fiscal Year, as evidenced by a certificate of the General Manager of IEUA, shall equal a sum equal to at least the Fixed Project Costs due hereunder for such Fiscal Years.

Section 3.06. Maintenance of Tax Exempt Status of Authority Bonds. Notwithstanding any other provision of this Financing Agreement, IEUA shall not take any action or omit to take any action, directly or indirectly, in any manner, which would result in any of the Authority Bonds being treated as an obligation not described in Section 103(a) of the Internal Revenue Code of 1986, as amended, by reason of classification of such Authority Bond as a “private activity bond” within the meaning of Section 141 of said Code or for any other reason.

ARTICLE IV

COVENANTS OF THE ISSUER

Section 4.01. Accounting Records and Financial Statements.

(a) The Issuer will keep appropriate accounting records in which complete and correct entries shall be made of all Issuer transactions relating to the Project, which records shall be available for inspection, copying and audit by IEUA and its accountants, attorneys and agents at reasonable hours and under reasonable conditions.

(b) The Issuer will prepare annually within two hundred ten (210) days after the close of each Issuer Fiscal Year (commencing with the Issuer Fiscal Year ending June 30, 2016) financial statements of the Issuer for the preceding Issuer Fiscal Year prepared in accordance with generally accepted accounting principles, together with a report of an Independent Certified Public Accountant thereof. The Issuer will promptly furnish a copy of such report to IEUA and to the Trustee.

Section 4.02. Compliance with Law. The Issuer shall comply with all local, state and federal laws applicable to the Project.

Section 4.03. Use of Funds for Project. The Authority shall not allow the portion of the proceeds of Authority Bonds allocated to the Project to be used for any purpose other than to pay for costs associated with financing or refinancing the Project.

ARTICLE V

MISCELLANEOUS

Section 5.01. Liability of IEUA Limited to Pledged Revenues. Notwithstanding anything contained herein, IEUA shall not be required to advance any moneys derived from any source of income other than that portion of the Pledged Revenues for the payment of the Financing Payments or for the performance of any agreements or covenants required to be performed by it contained herein.

The obligation of IEUA to make the payments due hereunder is a special obligation of IEUA payable solely from that portion of the Pledged Revenues, and does not constitute a debt of IEUA or of the State of California or of any political subdivision thereof in contravention of any constitutional or statutory debt limitation or restriction.

Section 5.02. Benefits of Financing Agreement Limited to Parties. Nothing contained herein, expressed or implied, is intended to give to any person other than the Issuer, IEUA or the Trustee any right, remedy or claim under or pursuant hereto, and any agreement or covenant required herein to be performed by or on behalf of the Issuer or IEUA or the Trustee shall be for the sole and exclusive benefit of the other parties.

Section 5.03. Successor Is Deemed Included in all References to Predecessor. Whenever either the Issuer or IEUA or the Trustee is named or referred to herein, such reference shall be deemed to include the successor to the powers, duties and functions that are presently vested in the Issuer or IEUA or the Trustee, and all agreements and covenants required hereby to be performed by or on behalf of the Issuer or IEUA or the Trustee shall bind and inure to the benefit of the respective successors thereof whether so expressed or not.

Section 5.04. Waiver of Personal Liability. No member of the Board of Directors, officer or employee of IEUA shall be individually or personally liable for the payment of the Financing Payments, but nothing contained herein shall relieve any member of the Board of Directors, officer or employee of IEUA from the performance of any official duty provided by any applicable provisions of law or hereby.

Section 5.05. Article and Section Headings, Gender and References. The headings or titles of the several articles and sections hereof and the table of contents appended hereto shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof, and words of any gender shall be deemed and construed to include all genders. All references herein to "Articles," "Sections," "Exhibits" and other subdivisions or clauses are to the corresponding articles, sections, exhibits, subdivisions or clauses hereof; and the words "hereby," "herein," "hereof" "hereto," "herewith" and other words of similar import refer to the Financing Agreement as a whole and not to any particular article, section, exhibit, subdivision or clause hereof.

Section 5.06. Partial Invalidity. If any one or more of the agreements or covenants or portions thereof required hereby to be performed by or on the part of the Issuer or IEUA shall be contrary to law, then such agreement or agreements, such covenant or covenants or such portions thereof shall be null and void and shall be deemed separable from the remaining agreements and covenants or portions thereof and shall in no way affect the validity hereof. The Issuer and IEUA hereby declare that they would have executed the Financing Agreement, and each and every other article, section, paragraph, subdivision, sentence, clause and phrase hereof irrespective of the fact that any one or more articles, sections, paragraphs, subdivisions, sentences, clauses or phrases hereof or the application thereof to any person or circumstance may be held to be unconstitutional, unenforceable or invalid.

Section 5.07. CALIFORNIA LAW. THIS FINANCING AGREEMENT SHALL BE CONSTRUED AND GOVERNED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA.

Section 5.08. Notices. All written notices to be given hereunder shall be given by mail, overnight courier or facsimile to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other party in writing from time to time, namely:

If to IEUA:

Inland Empire Utilities Agency
6075 Kimball Avenue
Chino, CA 91708
Attention: Chief Financial Officer
Facsimile: 909/993-1985

If to the Issuer:

Chino Basin Regional Financing Authority
6075 Kimball Avenue
Chino, CA 91708
Attention: Treasurer
Facsimile: 909/993-1985

Section 5.09. Effective Date. This Financing Agreement shall become effective upon its execution and delivery.

Section 5.10. Execution in Counterparts. This Financing Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

Section 5.11. Term. (a) Either party may terminate this Financing Agreement on any date on and prior to the date Authority Bonds are first issued by providing written notice of such termination to the other party 30 days prior to the effective date of such termination.

(b) The term of this Financing Agreement shall continue until the later of December 31, 2045 or the final maturity of Authority Bonds. The parties hereto agree to negotiate in good faith to amend this Financing Agreement on or prior to such date to extend the term hereof and to include terms and conditions as are mutually agreeable to the parties.

Section 5.12. Amendment. This Financing Agreement may only be otherwise amended, modified, changed or rescinded in writing by each of the parties hereto. The parties acknowledge that the Authority currently expects to finance the Project from grants and a loan or other agreements from the State Water Resource Control Board or other department or agency of the State and will negotiate in good faith to amend this Financing Agreement to conform to the terms and conditions of such grants or loan. In the event that such grants and such loans or other agreements are not sufficient to fund all of the capital costs of the Project, the Authority shall use its best efforts to finance such remaining capital costs from the proceeds of Authority Bonds in a timely and cost-effective manner.

Section 5.13. Merger of Prior Agreements. This Financing Agreement and the exhibits hereto constitute the entire agreement between the parties and supersede all prior agreements and understandings between the parties relating to the subject matter hereof.

Section 5.14. Time of the Essence. Time is of the essence in the performance of this Financing Agreement.

Section 5.15. Appointment of Agent. In order to facilitate the administration of this Financing Agreement, the Authority may appoint IEUA to act as its agent in carrying out the Authority's obligations under this Financing Agreement.

IN WITNESS WHEREOF, the parties hereto have executed and attested the Financing Agreement by their officers thereunto duly authorized as of the day and year first written above.

INLAND EMPIRE UTILITIES AGENCY

By: _____
General Manager

**CHINO BASIN REGIONAL FINANCING
AUTHORITY**

By: _____
President of the Commission

EXHIBIT A

CWSRF Project No. 8167-110

EXHIBIT B

CWSRF Project No. 8167-110

SWRCB Form 259 and 260

RESOLUTION NO. 2015-11-4

RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING ITS INTENTION TO BE REIMBURSED FOR EXPENDITURES RELATED TO THE CONSTRUCTION OF PUBLIC FACILITIES AND IMPROVEMENT RELATED TO THE JOINT IEUA - JCSD REGIONAL WATER RECYCLING PROGRAM

WHEREAS, the Inland Empire Utilities Agency (the "Agency") desires to finance the costs of constructing and/or reconstructing certain public facilities and improvements relating to its water and wastewater system, including certain treatment facilities, pipelines and other infrastructure (the "Project"); and

WHEREAS, the Agency intends to finance the construction and/or reconstruction of the Project or portions of the Project with moneys (Project Funds) provided by the State of California, acting by and through the State Water Resources Control Board (SWRCB); and

WHEREAS, the SWRCB may fund the Project Funds with proceeds from the sale of obligations the interest upon which is excluded from gross income for federal income tax purposes (the "Obligations"), and

WHEREAS, prior to either the issuance of the Obligations or the approval by the SWRCB of the Project Funds the Agency desires to incur certain capital expenditures (the "Expenditures") with respect to the Project from available monies of the Agency; and

WHEREAS, the Agency has determined that those moneys to be advanced on and after the date hereof to pay the Expenditures are available only for a temporary period and it is necessary to reimburse the Agency for the Expenditures from the proceeds of the Obligations.

NOW, THEREFORE, the Board of Directors of the Inland Empire Utilities Agency* does hereby **RESOLVE, DETERMINE AND ORDER AS FOLLOWS**:

SECTION 1. The Agency hereby states its intention and reasonably expects to reimburse Expenditures paid prior to the issuance of the Obligations or the approval by the SWRCB of the Project Funds.

SECTION 2. The reasonably expected maximum principal amount of the Project Funds is \$52,460, 000.

SECTION 3. This resolution is being adopted no later than 60 days after the date on which the Agency will expend moneys for the construction portion of the Project costs to be reimbursed with Project Funds.

SECTION 4. Each Agency's expenditure will be of a type properly chargeable to a capital account under general federal income tax principles.

SECTION 5. To the best of our knowledge, this Agency is not aware of the previous adoption of official intents by the Agency that have been made as a matter of course for

the purpose of reimbursing expenditures and for which tax-exempt obligations have not been issued.

SECTION 6. This resolution is adopted as official intent of the Agency in order to comply with Treasury Regulation §1.150-2 and any other regulations of the Internal Revenue Service relating to the qualification for reimbursement of Project costs.

SECTION 7. All the recitals in this Resolution are true and correct and this Agency so finds, determines and represents.

ADOPTED this 18th day of November, 2015.

Terry Catlin, President of the Inland
Empire Utilities Agency* and of
the Board of Directors thereof

ATTEST:

Steven J. Elie, Secretary/Treasurer of the
Inland Empire Utilities Agency* and of the
Board of Directors thereof

STATE OF CALIFORNIA)
)SS
COUNTY OF SAN BERNARDINO)

I, Steve Elie, Secretary/Treasurer of the Inland Empire Utilities Agency*, DO HEREBY CERTIFY that the foregoing Resolution No. 2015-11-4 was adopted at a regular meeting on November 18, 2015 of said Agency* by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Steven J. Elie
Secretary/Treasurer

(Seal)

*A Municipal Water District

**CONSENT
CALENDAR
ITEM**

1G



Date: November 18, 2015

To: The Honorable Board of Directors

Through: Finance, Legal, and Administration Committee (11/11/15)

From: P. Joseph Grindstaff
General Manager

Submitted by: Chris Berch
Executive Manager of Engineering/Assistant General Manager

Jason Gu
Grants Officer

Subject: Adoption of Resolution No. 2015-11-5, for the Habitat Conservation Fund (HCF)

RECOMMENDATION

It is recommended that the Board of Directors:

1. Adopt Resolution No. 2015-11-5, approving the application for grant funds from the HCF Program, under the California Wildlife Protection Act of 1990; and
2. Authorize the General Manager or in his absence, his designee, to conduct all negotiations, execute and submit all documents, including but not limited to applications, agreements, and amendments, which may be necessary for the completion of the project.

BACKGROUND

The HCF Program allocates approximately \$2 million per year to the California Department of Parks and Recreation to provide grants to local entities to protect fish, wildlife, and native plant resources; to acquire or develop wildlife corridors and trails; and to provide for wildlife area activities and other programs, which bring urban residents into park and wildlife areas.

On October 1, 2015, IEUA submitted an application to the Department of Parks and Recreation requesting \$67,500 in HCF grant funding. As part of the grant application, the Agency has proposed a free Wetlands Event and Education Program (Program) that will be hosted at the Chino Creek Wetlands and Educational Park known as Wetlands Quest Education Program

(Quest). In addition, a busing scholarship will also be offered. This educational program would focus on junior high and high school age students.

The Quest is designed to meet the growing need of integrating middle/high school age students with the natural environment by using the wetlands to create hands-on learning experiences. The Busing Sponsorship will give low-income neighborhood schools/organizations, which are unable to afford busing, the opportunity to experience the Quest. The funding will be used towards planning and operating the Quest field trip program and busing scholarship program.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

The Quest will be budgeted in FY 2016/2017, under the External Affairs department cost center of 10200-113100-100000, with various general ledger (G/L) account assignments. As summarized in the table below, if approved and the grant is awarded, IEUA would be required to provide \$57,375 for match share for the program. The Inland Empire Regional Composting Authority (IERCA) and Association of Compost Producers (ACP) have committed a combined amount of \$10,125 towards the Program. The total combined project budget will be \$135,000.

CONTRIBUTING ENTITY	AMOUNT
DPR Grant Funding	\$ 67,500
IEUA Match Share Requirement	\$ 57,375
IERCA/ACP Contribution	\$ 10,125
Total	\$ 135,000

RESOLUTION NO. 2015-11-5

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
INLAND EMPIRE UTILITIES AGENCY* (IEUA), SAN
BERNARDINO COUNTY, CALIFORNIA, APPROVING
THE APPLICATION FOR GRANT FUNDS FROM THE
HABITAT CONSERVATION FUND PROGRAM**

WHEREAS, the people of the State of California have enacted the California Wildlife Protection Act of 1990, which provides funds to the State of California for grants to local agencies to acquire, enhance, restore or develop facilities for public recreation and fish and wildlife habitat protection purposes; and

WHEREAS, the State Department of Parks and Recreation has been delegated the responsibility for the administration of the HCF Program, setting up necessary procedures governing project application under the HCF Program; and

WHEREAS, said procedures established by the State Department of Parks and Recreation require the applicant to certify by resolution the approval of application(s) before submission of said application(s) to the State; and

WHEREAS, the applicant will enter into a contract with the State of California to complete the project(s);

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Inland Empire Utilities Agency hereby:

1. Approves the filing of an application for the Habitat Conservation Fund Program;
2. Certifies that said applicant has or will have available, prior to commencement of any work on the project included in this application, the required match and sufficient funds to complete the project;
3. Certifies that the applicant has or will have sufficient funds to operate and maintain the project(s);
4. Certifies that the applicant has reviewed, understands, and agrees to the provisions contained in the contract shown in the grant administration guide;
5. Delegates the authority to (designated position) to conduct all negotiations, execute and submit all documents, including, but not limited to applications, agreements, amendments, payment requests and so on, which may be necessary for the completion of the project; and
6. Agrees to comply with all applicable federal, state and local laws, ordinances, rules, regulations and guidelines.

APPROVED and **ADOPTED** this 18th day of November, 2015.

Terry Catlin, President of the Inland
Empire Utilities Agency* and of
the Board of Directors thereof

ATTEST:

Steven J. Elie, Secretary/Treasurer of the
Inland Empire Utilities Agency* and of the
Board of Directors thereof

STATE OF CALIFORNIA)
)SS
COUNTY OF SAN BERNARDINO)

I, Steven J. Elie, Secretary/Treasurer of the Inland Empire Utilities Agency*, DO
HEREBY CERTIFY that the foregoing Resolution being No. 2015-11-5 was adopted at a regular
Board Meeting on November 18, 2015, of said Agency by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Steven J. Elie
Secretary/Treasurer

(SEAL)

*A Municipal Water District

**CONSENT
CALENDAR
ITEM**

1H

Date: November 18, 2015

To: The Honorable Board of Directors

Through: Finance, Legal, and Administration Committee (11/11/15)

From: P. Joseph Grindstaff
General Manager

Submitted by: Chris Berch
Executive Manager of Engineering/Assistant General Manager

Jason Gu
Grants Officer

Subject: Adoption of Resolution Nos. 2015-11-8 through 10 for the Recycled Water Intertie Project

RECOMMENDATION

It is recommended that the Board of Directors:

1. Adopt Resolution No. 2015-11-8, authorizing the General Manager to sign and file application and agreement with the State Water Resources Control Board (SWRCB), for the design and construction of the City of Pomona (Pomona), Monte Vista Water District (MVWD), and Inland Empire Utilities Agency (IEUA) Recycled Water Intertie Project (Project);
2. Adopt Resolution No. 2015-11-9, dedicating net revenues for the repayment of State Revolving Fund (SRF) loan from the SWRCB for the Project;
3. Adopt Resolution No. 2015-11-10, establishing its intention to apply for and be reimbursed for expenditures related to the construction of the Project; and
4. Authorize the General Manager to negotiate an agreement with the Chino Basin Regional Financing Authority (CBRFA) that allows IEUA to become the lead agency to apply for the SRF Loan/Grant on behalf of the CBRFA for the Project, and authorizes IEUA to pay CBRFA its portion of the project's match share and debt that is incurred by CBRFA as the recipient of the SRF loan and grant.

BACKGROUND

In April 2015, the SWRCB announced the Proposition 1 (Prop 1) grant funding opportunity for Water Recycling projects, which will provide 35% in Prop 1 grant funds up to a maximum of \$15,000,000 for each project in addition to a 1% interest, 30 year SRF loan.

IEUA filed a pre-application for the Project in October 2015, on behalf of the CBRFA. The Project is a collaborative effort between the IEUA, Pomona, and MVWD. The application will include the construction of approximately 38,000 lineal feet (LF) of 12-inch pipeline, a booster station and a three million gallon per day (MGD) advanced treatment plant facility. The recycled water and groundwater will be transmitted from Pomona to the advanced water treatment facility. Treated water will be conveyed to IEUA's groundwater recharge basin to replenish the aquifer.

This Project will deliver 1,100 acre-feet per year (AFY) of recycled water to recharge groundwater basins, address land subsidence concerns, and provide a direct use irrigation source for industries in the region. This project demonstrates the integrated regional approach of recycled water supply optimization.

This Water Recycling Grant and SRF loan application for the Prop 1 funding is consistent with the Agency's Business Goal of increasing Water Supply Reliability by meeting the region's need to develop reliable, drought-proof and diverse local water resources in order to reduce dependence on imported water supplies.

PRIOR BOARD ACTION

On September 16, 2015, the Board adopted Resolution No. 2015-09-11 to sign and file a grant application to the State Water Resources Control Board for the development of a Feasibility Study of a Recycled Water Interconnection with MVWD and Pomona.

On July 15, 2015, the Board approved an MOU with Pomona and MVWD to develop a feasibility study to refine the project scope, initiate planning activities and determine the long term costs and benefits for the region in developing an intertie project with the City and potential for utilizing non-reclaimable system brine for injection into the MZ1.

IMPACT ON BUDGET

The Project has a total estimated cost of \$51,896,000. The application would request \$51,896,000 in Clean Water SRF and Prop 1 grant funding. The Project (EN16060) currently has a total budget of \$10,000,000 in IEUA's Ten-Year Capital Improvement Plan (TYCIP).

Pending an agreement with all parties, the total project costs will be shared according to the benefits among IEUA, the Pomona and MVWD at about \$17.3 million each. Upon approval, by

Adoption of Resolution Nos. 2015-11-8 Through 10 Recycled Water Intertie Project
November 18, 2015
Page 3 of 3

SWRCB, the TYCIP and annual appropriations will be revised to align with the new SRF loan and total project budget.

Attachments:

Resolution No. 2015-11-8
Resolution No. 2015-11-9
Resolution No. 2015-11-10
Agreement with the CBRFA

RESOLUTION NO. 2015-11-8

RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, AUTHORIZING THE GENERAL MANAGER TO SIGN AND FILE ON BEHALF OF THE AGENCY AND THE CHINO BASIN REGIONAL FINANCING AUTHORITY, FINANCIAL ASSISTANCE APPLICATIONS AND AGREEMENTS WITH THE STATE WATER RESOURCES CONTROL BOARD, FOR THE CONSTRUCTION OF PUBLIC FACILITIES AND IMPROVEMENTS RELATED TO THE CITY OF POMONA, MONTE VISTA WATER DISTRICT AND INLAND EMPIRE UTILITIES AGENCY RECYCLED WATER INTERTIE PROJECT

BE IT RESOLVED, by the Board of Directors of the Inland Empire Utilities Agency (IEUA) that the General Manager or in his absence, his designee is hereby authorized and directed to sign and file, on behalf of the Inland Empire Utilities Agency, a Financial Assistance Application for financing agreements from the State Water Resources Control Board for the planning, design and construction of all projects related to the City of Pomona, Monte Vista Water District and IEUA Recycled Water Intertie Project (the Project);

BE IT RESOLVED, that the Inland Empire Utilities Agency hereby agrees and further does authorize the General Manager or in his absence, his designees to provide the assurances, certifications and commitments required for the financial assistance applications, including executing a financial assistance agreement from the State Water Resources Control Board and any amendments or changes thereto; and

BE IT FURTHER RESOLVED, that the General Manager or in his absence his designees is authorized to represent the IEUA in carrying out the IEUA's responsibilities under the financing agreement, including certifying disbursement requests on behalf of the IEUA and compliance with applicable state and federal laws.

ADOPTED this 18th day of November, 2015.

Terry Catlin, President of the Inland Empire Utilities Agency* and of the Board of Directors thereof

ATTEST:

Steven J. Elie, Secretary/Treasurer of the Inland Empire Utilities Agency* and of the Board of Directors thereof

STATE OF CALIFORNIA)
)SS
COUNTY OF SAN BERNARDINO)

I, Steven J. Elie, Secretary/Treasurer of the Inland Empire Utilities Agency*, DO HEREBY CERTIFY that the foregoing Resolution No. 2015-11-8 was adopted at a regular meeting on November 18, 2015 of said Agency* by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Steven J. Elie
Secretary/Treasurer

(Seal)

*A Municipal Water District

RESOLUTION NO. 2015-11-9

RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO, CALIFORNIA, APPROVING A FINANCING AGREEMENT WITH THE CHINO BASIN REGIONAL FINANCING AUTHORITY AND DEDICATING CERTAIN REVENUES IN CONNECTION WITH A STATE REVOLVING FUND (SRF) FINANCING FROM THE STATE WATER RESOURCES CONTROL BOARD FOR THE CITY OF POMONA, MONTE VISTA WATER DISTRICT AND INLAND EMPIRE UTILITIES AGENCY RECYCLED WATER INTERTIE PROJECT

WHEREAS, The State Water Resources Control Board (SWRCB) offers funding to assist local agencies with the design and construction of the City of Pomona, Monte Vista Water District and Inland Empire Utilities Agency Recycled Water Intertie Project;

WHEREAS, the Chino Basin Regional Financing Authority (CBRFA) has applied for SRF loan and grant from SWRCB for the City of Pomona, Monte Vista Water District and Inland Empire Utilities Agency Recycled Water Intertie Project (Project); and

WHEREAS, The Board of Directors of the Inland Empire Utilities Agency has authorized the General Manager to execute a financing agreement with the Chino Basin Regional Financing Authority;

NOW THEREFORE, BE IT RESOLVED, by the Board of Directors, that the form of financing agreement attached hereto as 2015 Financing Agreement is hereby approved in substantial form and the General Manager is authorized to execute and deliver the financing agreement with such changes as may be approved by General Counsel. IEUA hereby dedicates and pledges the revenues described in Section 2.04 of the attached financing agreement to payments thereunder. IEUA commits to collecting such revenues and maintaining such funds(s) throughout the term of such financing and until the IEUA has satisfied its repayment obligation thereunder, unless modification or change is approved in writing by the CBRFA. So long as the financing agreement is outstanding, the IEUA's pledge hereunder shall constitute a lien in favor of the CBRFA on the foregoing fund(s) and revenue(s) without any further action necessary. So long as the financing agreement is outstanding, the IEUA commits to maintaining the funds and revenues at levels sufficient to meet its obligations under the financing agreements.

ADOPTED this 18th day of November, 2015.

Terry Catlin
President of the Inland Empire Utilities
Agency

ATTEST:

Steven J. Elie
Secretary/Treasurer of the Inland Empire Utilities Agency

STATE OF CALIFORNIA)
)SS
COUNTY OF SAN BERNARDINO)

I, Steven J. Elie, Secretary/Treasurer of the Inland Empire Utilities Agency, DO HEREBY CERTIFY that the foregoing Resolution No. 2015-11-9 was adopted at a regular meeting on November 18, 2015 of said Agency by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Steven J. Elie
Secretary/Treasurer

(Seal)

2015 FINANCING AGREEMENT
(Pomona Recycled Water Project)

by and between

INLAND EMPIRE UTILITIES AGENCY*

and

CHINO BASIN REGIONAL FINANCING AUTHORITY

Dated as of November 18, 2015

* *A Municipal Water District.*

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2015 FINANCING AGREEMENT
(Pomona Recycled Water Project)

This 2015 FINANCING AGREEMENT (Pomona Recycled Water Project) (the "Financing Agreement"), dated as of December 1, 2015, by and between the INLAND EMPIRE UTILITIES AGENCY, a municipal water district duly organized and existing under and by virtue of the laws of the State of California ("IEUA"), and CHINO BASIN REGIONAL FINANCING AUTHORITY, a joint powers authority duly organized and existing under and by virtue of the laws of the State of California (the "Issuer");

W I T N E S S E T H

WHEREAS, pursuant to Section 71722 of the Water Code of the State of California, IEUA desires to pay a portion of the costs of certain recycled water facilities as more particularly described in Exhibit A hereto (the "Project"); and

WHEREAS, the Issuer desires to assist IEUA in financing the cost of the acquisition and construction of the Project; and

WHEREAS, in order to provide the funds for the design, acquisition and construction of the Project, the Issuer currently expects to enter into a loan or similar agreement with the State Water Resources Control Board or other department or agency of the State of California secured in part by the payments to be made by IEUA to the Issuer under this Financing Agreement; and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and delivery of the Financing Agreement do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into the Financing Agreement;

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND OF THE MUTUAL AGREEMENTS AND COVENANTS CONTAINED HEREIN AND FOR OTHER VALUABLE CONSIDERATION, THE PARTIES HERETO DO HEREBY AGREE AS FOLLOWS:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. Capitalized terms used herein and not otherwise defined herein shall have the respective meanings ascribed to such terms in the Master Resolution. Unless the context otherwise requires, the terms defined in this Section shall for all purposes hereof and of any amendment hereof or supplement hereto and of any opinion or report or other document mentioned herein or therein have the meanings defined herein, the following definitions to be equally applicable to both the singular and plural forms of any of the terms defined herein:

Bond Resolution. The term "Bond Resolutions" means the resolution or resolutions providing for the issuance of Issuer Bonds and the terms thereof, and any indenture, trust agreement, or similar loan agreement related thereto.

Debt Service. The term “Debt Service” means, as of the date of calculation and with respect to Issuer Bonds, an amount equal to the sum of (i) interest payable during such Issuer Fiscal Year on Issuer Bonds, except to the extent that such interest is to be paid from capitalized interest, (ii) that portion of principal of Issuer Bonds payable during such Issuer Fiscal Year, (iii) amounts necessary to replenish any reserve fund created pursuant to a Bond Resolution, and (iv) all letters of credit, remarketing and other financing costs payable on a periodic basis. Such interest, principal and financing costs for Issuer Bonds shall be calculated on the assumption that no Issuer Bonds outstanding at the date of calculation will cease to be outstanding except by reason of the payment of principal on the due date thereof;

provided further that, as to any such Issuer Bonds bearing or comprising interest at other than a fixed rate, the rate of interest used to calculate Debt Service shall be one hundred ten percent (110%) of the greater of (a) the daily average interest rate on such Issuer Bonds during the twelve (12) calendar months preceding the date of calculation (or the portion of the then current Issuer Fiscal Year that such Issuer Bonds have borne interest) or (b) the most recent effective interest rate on such Issuer Bonds prior to the date of calculation; and

provided further that, as to any such Issuer Bonds or portions thereof bearing no interest but which are sold at a discount and which discount accretes with respect to such Issuer Bonds or portions thereof, such accreted discount shall be treated as interest in the calculation of Debt Service; and

provided further that the amount on deposit in a debt service reserve fund on any date of calculation of Debt Service shall be deducted from the amount of principal due at the final maturity of the Issuer Bonds for which such debt service reserve fund was established and in each preceding Issuer Fiscal Year until such amount is exhausted.

Fixed Project Costs. The term “Fixed Project Costs” means, subject to Section 2.04(e), all capital costs of the Project as set forth in Exhibit B hereto, including but not limited to (i) Debt Service, (ii) reserves for repair and replacement and improvement to the Project and (iii) reserves for payment of Debt Service.

Independent Certified Public Accountant. The term “Independent Certified Public Accountant” means any firm of certified public accountants appointed by IEUA, or the Issuer, as the case may be, and each of whom is independent pursuant to the Statement on Auditing Standards No. 1 of the American Institute of Certified Public Accountants.

Issuer. The term “Issuer” means the Chino Basin Regional Financing Authority, a joint powers authority duly organized and existing under and by virtue of the laws of the State of California.

Issuer Bonds. The term “Issuer Bonds” means bonds, notes or other evidences of indebtedness issued by or on behalf of the Issuer to finance or refinance the Project, including but not limited to loans or similar agreements from the State Water Resources Control Board or other department or agency of the State.

Issuer Fiscal Year. The term “Issuer Fiscal Year” means the twelve month period commencing on July 1 of each calendar year and ending on the following June 30 or such other twelve month period which may be designated by the Issuer as its fiscal year.

Joint Powers Agreement. The term “Joint Powers Agreement” means the Joint Exercise of Powers Agreement creating the Chino Basin Regional Financing Authority, as such agreement may be amended or supplemented from time to time.

Master Resolution. The term “Master Resolution” means the Resolution of the Board of Directors of the Chino Basin Municipal Water District Providing for the Allocation of Sewer System Revenues and Establishing Covenants to Secure the Payment of Obligations Payable from Sewer Revenues, adopted by the Board of Directors of IEUA on March 30, 1994, as it is from time to time modified, amended or supplemented.

Pledged Revenues. The term “Pledged Revenues” means ad valorem property taxes received by IEUA pursuant to Section 97 *et seq.* of the Revenue and Taxation Code of the State of California, water connection fees received by IEUA and all recycled water sales revenues received by IEUA.

Project. The term “Project” means certain recycled water facilities [a description of which is attached as Exhibit A hereto.] The Issuer and IEUA acknowledge that portions of the Project are currently being designed and that the definition of the Project may be revised from time-to-time without amendment to this Financing Agreement.

State. The term “State” means the State of California.

Trustee. The term “Trustee” means the entity or entities designated by the Issuer pursuant to any Bond Resolution to administer any funds or accounts required by such Bond Resolution or otherwise.

2002 Financing Agreement. The term “2002 Financing Agreement” means the 2002 Financing Agreement, dated as of June 1, 2002, by and between the Authority and IEUA as such 2002 Financing Agreement may be supplemental or amended from time-to-time as accordance therewith.

Terms Not Defined Herein. Unless the context otherwise requires, the terms not defined herein shall have the meanings set forth in Section 1.01 of the Master Resolution.

ARTICLE II

FINANCING OF THE PROJECT

Section 2.01. Purpose, Financing and Construction.

The purpose of this Financing Agreement is for the Authority to provide for the financing of the Fixed Project Costs of the Project. All other aspects of the Project, including the obtaining of all necessary authority and rights, consents and approvals, and the performance of all things necessary and convenient therefor, subject to compliance with all necessary federal and state laws, including but not limited to the California Environmental Quality Act (“CEQA”), and all other agreements relating thereto, shall be provided for by separate agreements.

Section 2.02. Recycled Water Facilities.

Pursuant to the terms of this Financing Agreement, the Authority shall provide to IEUA, and IEUA shall utilize, the Project for recycled water purposes of augmenting or offsetting potable water demands within the Chino Groundwater Basin. Subject to IEUA's payment obligations hereunder, the Authority agrees to use its best efforts to finance the Project pursuant to this Financing Agreement. IEUA shall be responsible for the operation of the components of the Project so designated in Exhibit B hereto, including the payment of all operation and maintenance costs with respect to such components of the Project, and the Authority shall have no responsibility to pay any operation and maintenance costs with respect to such components of the Project. Title to the Project shall be held by the Authority or IEUA.

Section 2.03. No Authority Responsibility for Recycled Water.

Neither the Authority nor any of its officers or agents shall be liable for the control, carriage, handling, use, disposal, or distribution of recycled water; nor for claim of damage of any nature whatsoever, including but not limited to property damage, personal injury or death, arising out of or connected with the control, carriage, handling, use, disposal or distribution of such recycled water and including attorneys fees and other costs of defense in connection therewith. IEUA shall indemnify and hold harmless the Authority and its officers, agents, and employees from any such damages or claims of damages.

Section 2.04. Charges to IEUA.

(a) Establishment of Charges. Subject to Section 2.04(e)(ii), the Issuer shall fix charges to IEUA under this Financing Agreement equal to the amounts anticipated to be needed by the Issuer to pay Fixed Project Costs.

(b) Insufficiency of Funds. IEUA acknowledges that Fixed Project Costs will vary from time-to-time and within any Issuer Fiscal Year. If Fixed Project Costs collected by the Issuer in any Issuer Fiscal Year are insufficient to pay Fixed Costs of the Project in such Issuer Fiscal Year, the Issuer shall promptly notify IEUA of such insufficiency and IEUA shall pay to the Issuer an amount equal to such insufficiency. The obligation of IEUA to pay Fixed Project Costs shall commence upon execution and delivery of this Financing Agreement.

(c) Source of Payments. All Pledged Revenues are hereby irrevocably pledged to the payment of Fixed Project Costs as provided herein and the Pledged Revenues shall not be used for any other purpose while any of the Fixed Project Costs remain unpaid; provided that out of the Pledged Revenues there may be apportioned such sums for such purposes as are expressly permitted herein. Payments by IEUA to the Issuer hereunder are obligations of IEUA payable from Pledged Revenues. Subject to Section 3.04 hereof, the obligation of IEUA to use Pledged Revenues to make payments hereunder from property taxes described in the definition of Pledged Revenues is subordinate to the obligation of IEUA to make payment of all other Contracts and Bonds and on a parity with the obligation to pay amounts under the 2002 Financing Agreement. IEUA shall make such payments in accordance with the provisions of this Financing Agreement and from the Subordinate Obligation Payment Fund under the Master Resolution, as the case may be. IEUA shall not make payment on Contracts or Bonds from amounts in the Subordinate Obligation Payment Fund if other amounts are available therefor. Nothing herein shall be construed as prohibiting IEUA from using any other funds and revenues for purposes of satisfying any provisions of this Financing Agreement.

(d) Obligation Is Not Subject To Reduction. IEUA shall make payments of Fixed Project Costs under this Financing Agreement whether or not the Project is completed, operable, operated or retired and notwithstanding the suspension, interruption, interference, reduction or curtailment of operation of the Project in whole or in part for any reason whatsoever. Such payments are not subject to any reduction, whether offset or otherwise, and are not conditioned upon performance by the Issuer under this Financing Agreement or any other agreement.

(e) Allocation of Costs and Expenses.

(i) Adjustments. The Issuer shall update the values and amounts of Fixed Project Costs on a quarterly basis, including year-to-date comparisons, in order that the costs and expenses to IEUA may accurately reflect increases or decreases from Issuer Fiscal Year to Issuer Fiscal Year in Fixed Project Costs. In addition, each such determination shall include an adjustment to be paid or received by IEUA for succeeding Issuer Fiscal Years which shall account for the differences, if any, between projections of Fixed Project Costs used by the Issuer in determining the amounts of said Fixed Project Costs for all preceding Issuer Fiscal Years and actual Fixed Project Costs incurred by the Issuer to IEUA during such Issuer Fiscal Years.

(ii) Credits. Interest earnings on all amounts paid by IEUA to the Issuer and all amounts paid by any other public agencies which may participate in the Project shall be credited to IEUA through the budgeting process.

(f) Time and Method of Payment.

(i) Fixed Project Costs. Subject to Section 2.04(e), for the Issuer Fiscal Year ending June 30, 2016, IEUA shall pay to the Authority within 15 days of receiving an invoice in an amount equal to the Fixed Project Costs as provided in the initial budget described in Section 2.02 hereof. Thereafter, subject to Section 2.04(e), IEUA shall pay to the Issuer, on or before July 15 of each Issuer Fiscal Year, 100% of the Fixed Project Costs for such Issuer Fiscal Year.

(ii) Statement of Charges. The Issuer shall furnish IEUA with a written statement of the estimated Fixed Project Costs for the next succeeding Issuer Fiscal Year on or prior to June 1 of the prior Issuer Fiscal Year. Such written statements shall take into account applicable credits received by the Issuer and estimated investment earnings on moneys related to the Project held by the Issuer.

(iii) Contest of Accuracy of Charges. If IEUA questions or disputes the correctness of any billing statement by the Issuer, it shall pay the Issuer the amount claimed when due and shall, within thirty (30) days of the completion and delivery of the Issuer's annual audit, request an explanation from the Issuer. If the bill is determined to be incorrect, the Issuer will adjust the bill to IEUA in the next Issuer Fiscal Year, including an adjustment equal to the interest actually earned by the Issuer on its general reserves during such period. If the Issuer and IEUA fail to agree on the correctness of a bill within thirty (30) days after IEUA has requested an explanation, the parties shall promptly submit the dispute to arbitration under Section 1280 et seq. of the Code of Civil Procedure.

Section 2.05. Annual Capital Budget and Billing Statement. The Issuer will prepare and approve a capital budget for the period from the date of this Financing Agreement through June 30, 2016 on or prior to execution and delivery of this Financing Agreement. Such initial capital budget shall include all Fixed Project Costs. Thereafter, the Issuer will prepare a preliminary annual capital

budget for each applicable Issuer Fiscal Year for credits, costs and expenses relating to the Project. The Issuer shall submit a draft of such budget to IEUA on or prior to each April 1 for review and comment. Issuer staff shall use its best efforts to resolve any questions or concerns of IEUA during such review. The Board of Directors of the Issuer will adopt a final annual capital budget for the applicable Issuer Fiscal Year on or before June 1 of each Issuer Fiscal Year. The Issuer shall supply a copy of said final annual capital budget to IEUA on or before June 15 of each Issuer Fiscal Year. Any amendment to the capital budget shall be submitted to IEUA for review and comment at least 30 days prior to action thereon by the Issuer Board of Directors.

Section 2.06. Obligation in the Event of Default.

(a) Written Demand. Upon failure of IEUA to (i) make any payment in full when due under this Financing Agreement or (ii) to perform any other obligation hereunder, the Issuer shall make written demand upon IEUA. If a failure described in clause (i) above is not remedied within thirty (30) days from the date of such demand or, if Issuer Bonds are outstanding, for such additional time as is reasonably required, in the sole discretion of the Trustee, to correct the same, such failure shall constitute a default at the expiration of such period. If a failure described in clause (ii) cannot be remedied within thirty (30) days from the date of such demand but IEUA commences remedial action within such thirty (30) day period, such failure shall not constitute a default hereunder. Notice of any such demand shall be provided to IEUA by the Issuer. Upon failure of the Issuer to perform any obligation of the Issuer hereunder, IEUA shall make written demand upon the Issuer, and if said failure is not remedied within thirty (30) days from the date of such demand or, if Issuer Bonds are outstanding, for such additional time as is reasonably required, in the sole discretion of the Trustee, to correct the same, such failure shall constitute a default at the expiration of such period. Notice of such demand shall be provided to IEUA.

In addition to any default resulting from breach by the Issuer or IEUA of any agreement, condition, covenant or term hereof, if the Issuer or IEUA shall file any petition or institute any proceedings under any act or acts, state or federal, dealing with or relating to the subject of bankruptcy or insolvency or under any amendment of such act or acts, either as a bankrupt or as an insolvent or as a debtor or in any similar capacity, wherein or whereby the Issuer or IEUA asks or seeks or prays to be adjudicated a bankrupt, or is to be discharged from any or all of its debts or obligations, or offers to its creditors to effect a composition or extension of time to pay its debts, or asks, seeks or prays for a reorganization or to effect a plan of reorganization or for a readjustment of its debts or for any other similar relief, or if the Issuer or IEUA shall make a general or any assignment for the benefit of its creditors, then in each and every such case the Issuer or IEUA, as the case may be, shall be deemed to be in default hereunder.

(b) Termination of Agreement; Continuing Obligations. Upon the failure of IEUA to make any payment which failure constitutes a default under this Financing Agreement and causes the Issuer to be in default under any Bond Resolution or related agreement, the Issuer may (in addition to the remedy provided by subsection (a) of this Section) give notice of termination of the provisions of this Financing Agreement insofar as the same entitle IEUA to use the Project which notice shall be effective within 30 days thereof unless such termination shall be enjoined, stayed or otherwise delayed by judicial action. Irrespective of such termination, IEUA shall remain liable to the Issuer to pay the full amount of costs hereunder.

(c) Enforcement of Remedies. In addition to the remedies set forth in this Section, upon the occurrence of an Event of Default as defined herein, the Issuer or IEUA, as the case may be,

shall be entitled to proceed to protect and enforce the rights vested in such party by this Financing Agreement by such appropriate judicial proceeding as such party shall deem most effectual, either by suit in equity or by action at law, whether for the specific performance of any covenant or agreement contained herein or to enforce any other legal or equitable right vested in such party by this Financing Agreement or by law. The provisions of this Financing Agreement and the duties of each party hereof, their respective boards, officers or employees shall be enforceable by the other party hereto by mandamus or other appropriate suit, action or proceeding in any court of competent jurisdiction, with the losing party paying all costs and attorney fees.

(d) Trustee is Third Party Beneficiary. Any Trustee for Issuer Bonds shall have the right, as a third party beneficiary, to initiate and maintain suit to enforce this Financing Agreement to the extent provided in any Bond Resolution.

ARTICLE III

COVENANTS OF IEUA

Section 3.01. Compliance with Financing Agreement. IEUA will punctually pay the Fixed Project Costs in strict conformity with the terms hereof, and will faithfully observe and perform all the agreements, conditions, covenants and terms contained herein required to be observed and performed by it, and will not terminate this Financing Agreement for any cause including, without limiting the generality of the foregoing, any acts or circumstances that may constitute failure of consideration, destruction of or damage to the Project, commercial frustration of purpose, any change in the tax or other laws of the United States of America or of the State of California or any political subdivision of either or any failure of the Issuer to observe or perform any agreement, condition, covenant or term contained herein required to be observed and performed by it, whether express or implied, or any duty, liability or obligation arising out of or connected herewith or the insolvency, or deemed insolvency, or bankruptcy or liquidation of the Issuer or any force majeure, including Acts of God, tempest, storm, earthquake, war, rebellion, riot, civil disorder, acts of public enemies, blockade or embargo, strikes, industrial disputes, lockouts, lack of transportation facilities, fire, explosion, or acts or regulations of governmental authorities.

Section 3.02. Protection of Security and Rights of the Issuer and the Trustee. IEUA will preserve and protect the security hereof and the rights of the Issuer and the Trustee to the payments hereunder and will warrant and defend such rights against all claims and demands of all persons.

Section 3.03. Further Assurances. IEUA will adopt, deliver, execute and make any and all further assurances, instruments and resolutions and provide legal opinions of IEUA general or special counsel as may be reasonably necessary or proper to carry out the intention or to facilitate the performance hereof and for the better assuring and confirming unto the Issuer of the rights and benefits provided to it herein.

Section 3.04. Amount of Rates and Charges. To the fullest extent permitted by law, IEUA shall fix, prescribe and collect rates and charges for recycled water service which, along with other Pledged Revenues, will be at least sufficient to yield during each Fiscal Year an amount equal to debt service on all Authority Bonds for such Fiscal Year. IEUA may make adjustments from time to time in such rates and charges and may make such classification thereof as it deems necessary, but shall not reduce the rates and charges then in effect unless the revenues resulting from such reduced rates and charges will at all times be sufficient to meet the requirements of this section.

Section 3.05. Additional Contracts and Bonds. IEUA may at any time issue or incur any Subordinate Obligation; provided the estimated Pledged Revenues available to pay Fixed Project Costs for the then current Fiscal Year and each subsequent Fiscal Year, as evidenced by a certificate of the General Manager of IEUA, shall equal a sum equal to at least the Fixed Project Costs due hereunder for such Fiscal Years.

Section 3.06. Maintenance of Tax Exempt Status of Authority Bonds. Notwithstanding any other provision of this Financing Agreement, IEUA shall not take any action or omit to take any action, directly or indirectly, in any manner, which would result in any of the Authority Bonds being treated as an obligation not described in Section 103(a) of the Internal Revenue Code of 1986, as amended, by reason of classification of such Authority Bond as a “private activity bond” within the meaning of Section 141 of said Code or for any other reason.

ARTICLE IV

COVENANTS OF THE ISSUER

Section 4.01. Accounting Records and Financial Statements.

(a) The Issuer will keep appropriate accounting records in which complete and correct entries shall be made of all Issuer transactions relating to the Project, which records shall be available for inspection, copying and audit by IEUA and its accountants, attorneys and agents at reasonable hours and under reasonable conditions.

(b) The Issuer will prepare annually within two hundred ten (210) days after the close of each Issuer Fiscal Year (commencing with the Issuer Fiscal Year ending June 30, 2016) financial statements of the Issuer for the preceding Issuer Fiscal Year prepared in accordance with generally accepted accounting principles, together with a report of an Independent Certified Public Accountant thereof. The Issuer will promptly furnish a copy of such report to IEUA and to the Trustee.

Section 4.02. Compliance with Law. The Issuer shall comply with all local, state and federal laws applicable to the Project.

Section 4.03. Use of Funds for Project. The Authority shall not allow the portion of the proceeds of Authority Bonds allocated to the Project to be used for any purpose other than to pay for costs associated with financing or refinancing the Project.

ARTICLE V

MISCELLANEOUS

Section 5.01. Liability of IEUA Limited to Pledged Revenues. Notwithstanding anything contained herein, IEUA shall not be required to advance any moneys derived from any source of income other than that portion of the Pledged Revenues for the payment of the Financing Payments or for the performance of any agreements or covenants required to be performed by it contained herein.

The obligation of IEUA to make the payments due hereunder is a special obligation of IEUA payable solely from that portion of the Pledged Revenues, and does not constitute a debt of IEUA or of

the State of California or of any political subdivision thereof in contravention of any constitutional or statutory debt limitation or restriction.

Section 5.02. Benefits of Financing Agreement Limited to Parties. Nothing contained herein, expressed or implied, is intended to give to any person other than the Issuer, IEUA or the Trustee any right, remedy or claim under or pursuant hereto, and any agreement or covenant required herein to be performed by or on behalf of the Issuer or IEUA or the Trustee shall be for the sole and exclusive benefit of the other parties.

Section 5.03. Successor Is Deemed Included in all References to Predecessor. Whenever either the Issuer or IEUA or the Trustee is named or referred to herein, such reference shall be deemed to include the successor to the powers, duties and functions that are presently vested in the Issuer or IEUA or the Trustee, and all agreements and covenants required hereby to be performed by or on behalf of the Issuer or IEUA or the Trustee shall bind and inure to the benefit of the respective successors thereof whether so expressed or not.

Section 5.04. Waiver of Personal Liability. No member of the Board of Directors, officer or employee of IEUA shall be individually or personally liable for the payment of the Financing Payments, but nothing contained herein shall relieve any member of the Board of Directors, officer or employee of IEUA from the performance of any official duty provided by any applicable provisions of law or hereby.

Section 5.05. Article and Section Headings, Gender and References. The headings or titles of the several articles and sections hereof and the table of contents appended hereto shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof, and words of any gender shall be deemed and construed to include all genders. All references herein to "Articles," "Sections," "Exhibits" and other subdivisions or clauses are to the corresponding articles, sections, exhibits, subdivisions or clauses hereof; and the words "hereby," "herein," "hereof" "hereto," "herewith" and other words of similar import refer to the Financing Agreement as a whole and not to any particular article, section, exhibit, subdivision or clause hereof.

Section 5.06. Partial Invalidity. If any one or more of the agreements or covenants or portions thereof required hereby to be performed by or on the part of the Issuer or IEUA shall be contrary to law, then such agreement or agreements, such covenant or covenants or such portions thereof shall be null and void and shall be deemed separable from the remaining agreements and covenants or portions thereof and shall in no way affect the validity hereof. The Issuer and IEUA hereby declare that they would have executed the Financing Agreement, and each and every other article, section, paragraph, subdivision, sentence, clause and phrase hereof irrespective of the fact that any one or more articles, sections, paragraphs, subdivisions, sentences, clauses or phrases hereof or the application thereof to any person or circumstance may be held to be unconstitutional, unenforceable or invalid.

Section 5.07. CALIFORNIA LAW. THIS FINANCING AGREEMENT SHALL BE CONSTRUED AND GOVERNED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA.

Section 5.08. Notices. All written notices to be given hereunder shall be given by mail, overnight courier or facsimile to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other party in writing from time to time, namely:

If to IEUA:

Inland Empire Utilities Agency
6075 Kimball Avenue
Chino, CA 91708
Attention: Chief Financial Officer
Facsimile: 909/993-1985

If to the Issuer:

Chino Basin Regional Financing Authority
6075 Kimball Avenue
Chino, CA 91708
Attention: Treasurer
Facsimile: 909/993-1985

Section 5.09. Effective Date. This Financing Agreement shall become effective upon its execution and delivery.

Section 5.10. Execution in Counterparts. This Financing Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

Section 5.11. Term. The term of this Financing Agreement shall continue until the later of December 31, 2040 or the final maturity of Authority Bonds. The parties hereto agree to negotiate in good faith to amend this Financing Agreement on or prior to such date to extend the term hereof and to include terms and conditions as are mutually agreeable to the parties.

Section 5.12. Amendment. This Financing Agreement may only be otherwise amended, modified, changed or rescinded in writing by each of the parties hereto. The parties acknowledge that the Authority currently expects to finance the Project from grants and a loan or other agreements from the State Water Resource Control Board or other department or agency of the State and will negotiate in good faith to amend this Financing Agreement to conform to the terms and conditions of such grants or loan. In the event that such grants and such loans or other agreements are not sufficient to fund all of the capital costs of the Project, the Authority shall use its best efforts to finance such remaining capital costs from the proceeds of Authority Bonds in a timely and cost-effective manner.

Section 5.13. Merger of Prior Agreements. This Financing Agreement and the exhibits hereto constitute the entire agreement between the parties and supersede all prior agreements and understandings between the parties relating to the subject matter hereof.

Section 5.14. Time of the Essence. Time is of the essence in the performance of this Financing Agreement.

Section 5.15. Appointment of Agent. In order to facilitate the administration of this Financing Agreement, the Authority may appoint IEUA to act as its agent in carrying out the Authority's obligations under this Financing Agreement.

Section 5.16. Additional Project Participants. The parties acknowledge that other public agencies may participate in the Project. The parties agree to negotiate in good faith to amend this Financing Agreement to reflect the participation of such other public agencies in the Project, consistent with the terms and conditions of any Authority Bonds the proceeds of which were used to finance the Project.

IN WITNESS WHEREOF, the parties hereto have executed and attested the Financing Agreement by their officers thereunto duly authorized as of the day and year first written above.

INLAND EMPIRE UTILITIES AGENCY

By: _____
General Manager

CHINO BASIN REGIONAL FINANCING
AUTHORITY

By: _____
President of the Commission

EXHIBIT A

CWSRF Project No. 8170-110

EXHIBIT B

CWSRF Project No. 8170-110

SWRCB Form 259 and 260

RESOLUTION NO. 2015-11-10

RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING ITS INTENTION TO BE REIMBURSED FOR EXPENDITURES RELATED TO THE CONSTRUCTION OF PUBLIC FACILITIES AND IMPROVEMENT RELATED TO THE CITY OF POMONA, MONTE VISTA WATER DISTRICT AND INLAND EMPIRE UTILITIES AGENCY RECYCLED WATER INTERTIE PROJECT

WHEREAS, the Inland Empire Utilities Agency (the "Agency") desires to finance the costs of constructing and/or reconstructing certain public facilities and improvements relating to its water and wastewater system, including certain treatment facilities, pipelines and other infrastructure (the "Project"); and

WHEREAS, the Agency intends to finance the construction and/or reconstruction of the Project or portions of the Project with moneys (Project Funds) provided by the State of California, acting by and through the State Water Resources Control Board (SWRCB); and

WHEREAS, the SWRCB may fund the Project Funds with proceeds from the sale of obligations the interest upon which is excluded from gross income for federal income tax purposes (the "Obligations");

WHEREAS, prior to either the issuance of the Obligations or the approval by the SWRCB of the Project Funds the Agency desires to incur certain capital expenditures (the "Expenditures") with respect to the Project from available monies of the Agency; and

WHEREAS, the Agency has determined that those moneys to be advanced on and after the date hereof to pay the Expenditures are available only for a temporary period and it is necessary to reimburse the Agency for the Expenditures from the proceeds of the Obligations.

NOW, THEREFORE, the Board of Directors of the Inland Empire Utilities Agency* does hereby **RESOLVE, ORDER AND DETERMINE AS FOLLOWS**:

SECTION 1. The Agency hereby states its intention and reasonably expects to reimburse Expenditures paid prior to the issuance of the Obligations or the approval by the SWRCB of the Project Funds.

SECTION 2. The reasonably expected maximum principal amount of the Project Funds is \$55,200,000.

SECTION 3. This resolution is being adopted no later than 60 days after the date on which the Agency will expend moneys for the construction portion of the Project costs to be reimbursed with Project Funds.

SECTION 4. Each Agency expenditure will be of a type properly chargeable to a capital account under general federal income tax principles.

SECTION 5. To the best of our knowledge, this Agency is not aware of the previous adoption of official intents by the Agency that have been made as a matter of course for the purpose of reimbursing expenditures and for which tax-exempt obligations have not been issued.

SECTION 6. This resolution is adopted as official intent of the Agency in order to comply with Treasury Regulation §1.150-2 and any other regulations of the Internal Revenue Service relating to the qualification for reimbursement of Project costs.

SECTION 7. All the recitals in this Resolution are true and correct and this Agency so finds, determines and represents.

ADOPTED this 18th day of November, 2015.

Terry Catlin, President of the Inland
Empire Utilities Agency* and of
the Board of Directors thereof

ATTEST:

Steven J. Elie, Secretary/Treasurer of the
Inland Empire Utilities Agency* and of the
Board of Directors thereof

STATE OF CALIFORNIA)
)SS
COUNTY OF SAN BERNARDINO)

I, Steven J. Elie, Secretary/Treasurer of the Inland Empire Utilities Agency*, DO
HEREBY CERTIFY that the foregoing Resolution No. 2015-11-10 was adopted at a regular
meeting on November 18, 2015 of said Agency* by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Steven J. Elie
Secretary/Treasurer

(Seal)

*A Municipal Water District


**CONSENT
CALENDAR
ITEM**


11


Date: November 18, 2015

To: The Honorable Board of Directors

Through: Engineering, Operations, and Biosolids Management Committee
(11/11/15)

From: P. Joseph Grindstaff 
General Manager

Submitted by: Chris Berch 
Executive Manager of Engineering/Assistant General Manager

Shaun Stone 
Manager of Engineering

Subject: Commissioning Contract Award - Water Quality Laboratory (Lab)

RECOMMENDATION

It is recommended that the Board of Directors:

1. Approve the commissioning contract award to Heery International, Inc. (Heery) for the Lab, Project No. EN15008, for the not-to-exceed amount of \$59,884; and
2. Authorize the General Manager to execute the contract.

BACKGROUND

On May 20, 2015, the Board awarded the consulting engineering contract to The Austin Company (Austin) to provide the necessary design and construction administrative services for the Lab and the expansion of the existing Central Chiller Plant (CP). The project design was kicked off on June 1, 2015, and Austin is currently preparing the 85 percent design package. The CP provides the chilled water and heating water needed for the Headquarters and Lab building air conditioning and heating system throughout the year.

The Lab building includes numerous mechanical and electrical systems that must operate efficiently and reliably in accordance with the design documents, while meeting all applicable codes and standards. The Lab building includes systems such as heating ventilation and air conditioning (HVAC), fume hoods, snorkels, deionized water, gas storage and delivery, process

compressed air, plumbing, vacuum refrigeration, etc. All of these systems must be commissioned to ensure performance, and safety and code compliance. Additionally, the Lab building is designed in accordance with the Leadership in Energy and Environmental Design (L.E.E.D) Silver Rating standards, which require specific commissioning in order to meet the required L.E.E.D standards.

As part of the overall project, Austin directly retained Heery to commission the CP in addition to L.E.E.D commissioning for the Lab building. For consistency in the overall project commissioning process, Austin recommended that the Agency hire Heery to provide the Lab whole building commissioning. Austin recommended Heery due to their extensive experience in buildings commissioning. Their experience includes government buildings, hospitals, laboratories, data centers, universities, airports, etc. in addition to their familiarity with the CP system and Lab L.E.E.D commissioning process and requirements.

As a result, the Agency requested as a single source for Heery to submit a proposal for the Lab whole building commissioning. Heery's proposal was carefully reviewed by the Agency staff and found to be thorough and comprehensive.

Major areas included in Heery's proposal:

- Lead commissioning process and assist in planning, scheduling, and coordination
- Prepare commissioning specification sections for inclusion in bid documents
- Prepare commissioning plan, system readiness checklist, functional performance tests, and integrated system tests
- Review and approve construction checklists for installation verification, checkout and pre-functional testing, which is normally done by the contractor
- Review of construction submittals as they relate to systems commissioning
- Develop commissioning equipment matrix, and actively track and update progression of commissioning status
- Conduct construction field observation and perform verification of construction checklists
- Validate startup of all significant equipment to ensure compliance with design documents and manufacturer recommendations.
- Review and verify Test and Balance of all HVAC systems
- Review, verify certification, and performance of all installed Lab equipment and systems

Heery estimated 389 hours of professional commissioning services for a fixed fee, inclusive of expenses of \$54,440, which was determined by the Agency staff as fair and equitable. For a project of this nature and to cover additional services associated with unforeseen schedule events, the Agency requested Heery to add 10 percent owner-controlled contingency of \$5,444 to the proposal price, which will bring the total proposal cost to \$59,884.

Agency staff believes that with the Board's approval of Heery's proposal and subsequent commissioning contract, this is the most efficient and cost effective approach that provides best value to the Agency.

The total projected costs are as follows:

PROJECT PHASE	PROJECTED COSTS
Original Project Expenditure (Consultant and IEUA Labor – 50% Design)	\$650,000
Consultant Engineering Services (Austin)	\$1,345,400
Commissioning Services	\$59,884
Design (IEUA Labor)	\$750,000
Technical Experts Panel/Support	\$200,000
Construction Services (IEUA Labor and Augmentation)	\$1,800,000
Estimated Construction Cost	\$14,026,100
Contingency (~10%)	\$2,068,616
Total	\$20,900,000
Current Project Budget	\$20,900,000

The Lab Project is part of the Agency's Wastewater Management Capacity Business Goal to maintain capacity within systems and facilities to meet essential service demands and to protect public health and environment.

PRIOR BOARD ACTION

On October 14, 2015, the Board awarded the consulting engineering services contract Amendment No. 1 to the Austin Company.

On May 20, 2015, the Board awarded the consulting engineering services contract to The Austin Company.

IMPACT ON BUDGET

If approved, Heery's whole building commissioning contract for Water Quality Laboratory Project No. EN15008, for the not-to-exceed amount of \$59,884 in the Regional Wastewater O&M (RO) fund is within the Fiscal Year 2015/16 budget of \$1,700,000 and the total project budget of \$20,900,000.

PJG:CB:SS:jz

Water Quality Laboratory Commissioning Contract Award

Project No. EN15008

November 2015

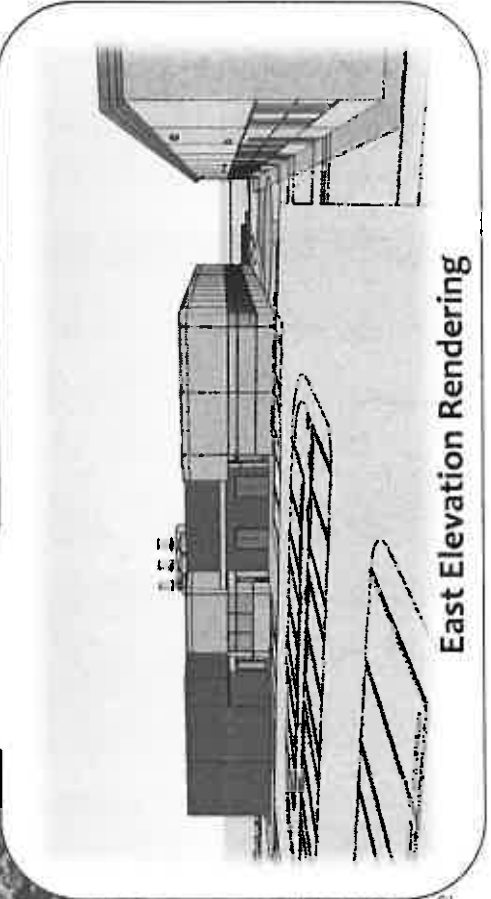
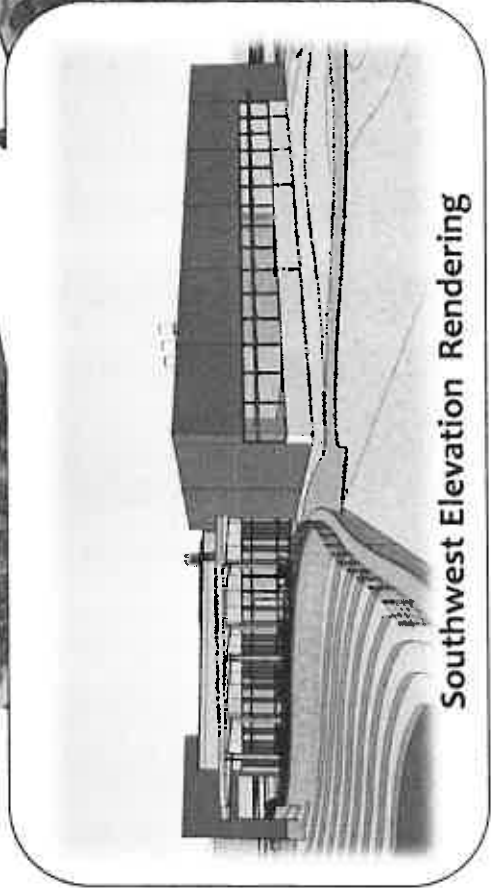


Inland Empire Utilities Agency
A MUNICIPAL WATER DISTRICT

Shaun Stone, P.E.
Manager of Engineering

Jamal Zughbi, P.E.
Project Manager

Headquarters Aerial View (Lab Location)



Project Request/Background

- Award commissioning contract to Heery International, Inc
- Commissioning is necessary to ensure performance, safety and code compliance
- Lab Building includes numerous mechanical and electrical systems which require specialized commissioning:
 - Heating, ventilation and air conditioning balancing (HVAC)
 - Process air, vacuum and gas systems
 - Emergency power control systems
 - Refrigeration, fume hoods, plumbing systems



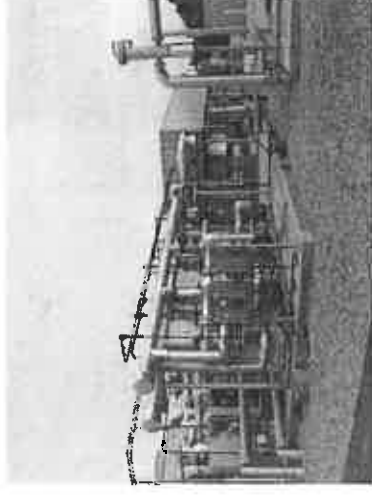
Existing Lab

Scope

- Heery submitted lab commissioning proposal on October 1, 2015; scope includes:
 - Preparation and execution of:
 - Commissioning plan and documentation
 - Conduct field observation and installation verification
 - Validate startup of equipment for compliance
 - Review/verify Test & Balance of all HVAC systems
- Heery's Proposal:
 - Proposed Commissioning fee: \$59,884
- Heery's proposal was reviewed by IEUA staff and is found to be thorough and comprehensive.



OCWD Laboratory



Central Chiller Plant

Project Cost Summary

Project Phase	Projected Cost
Original Project Expenditure (Consultant and IEUA Labor – 50% Design)	\$650,000
Consultant Engineering Services (Original Contract)	\$1,345,400
Commissioning Services	\$59,884
Design (IEUA Labor)	\$750,000
Technical Experts Panel/Support	\$200,000
Construction Services (IEUA Labor and Augmentation)	\$1,800,000
Estimated Construction Cost	\$14,026,100
Contingency (~10%)	\$2,068,616
Total	\$20,900,000
Total Project Budget (FY2015/16)	\$20,900,000

Project Schedule

Project Phase	Date
Consulting Engineering Services Contract Award	May 20, 2015
Design Kickoff	June 1, 2015
Design Completion	January 2016
Advertise Bid	February 2016
Construction Contract Award	May 2016
Project Completion	May 2019

Agency Recommendation

Staff recommends that the Board of Directors approve the whole building commissioning contract to Heery International, Inc. for the Water Quality Laboratory, Project No. EN15008, for the not-to-exceed amount of \$59,884 and authorize the General Manager to execute the contract.

The Project is part of the Agency's Wastewater Management Capacity Business Goal to maintain capacity within facilities to meet essential service demands and to protect public health and environment



CONTRACT NUMBER: 4600001994

FOR

WATER QUALITY LABORATORY

WHOLE BUILDING COMMISSIONING

THIS CONTRACT (the "Contract"), is made and entered into this ____ day of _____, 2015, by and between the Inland Empire Utilities Agency, a Municipal Water District, organized and existing in the County of San Bernardino under and by virtue of the laws of the State of California (hereinafter referred to interchangeably as "IEUA" and "Agency"), and Heery International, Incorporated with offices located in Atlanta, Georgia, Portland, Oregon, and Los Angeles, California (hereinafter referred to as "Consultant"), to provide whole building commissioning for the Water Quality Laboratory, Project EN15008.00.

NOW, THEREFORE, in consideration of the mutual promises and obligations set forth herein, the parties agree as follows:

1. **PROJECT MANAGER ASSIGNMENT:** All technical direction related to this Contract shall come from the designated Project Manager. Details of the Agency's assignment are listed below.

Project Manager: Jamal Zughbi, P.E., Senior Engineer
Address: 6075 Kimball Avenue, Building B
Chino, CA 91708
Telephone: (909) 993-1698
Email: jzughbi@ieua.org

2. **CONSULTANT ASSIGNMENT:** Special inquiries related to this Contract and the effects of this Contract shall be referred to the following:

Consultant's Project Manager: Richard Young, CCP, LEEP AP
Address: Two Centerpointe Drive, Suite 250
Lake Oswego, OR 97035
Telephone: (503) 431-6180 Office
(407) 473-3721 Mobile
Email: ryoung@heery.com

3. **ORDER OF PRECEDENCE:** The documents referenced below represent the Contract Documents. Where any conflicts exist between the General Terms and Conditions, or addenda attached, then the governing order of precedence shall be as follows:

1. Amendments to Contract number 4600001994;
2. Contract number 4600001994 General Terms and Conditions;

3. Project Manager's Request for Proposals and all germane Addenda and correspondence, incorporated herein and made a part hereof by this reference;
 4. Consultant's proposal dated October 01, 2015, incorporated herein and made a part hereof by this reference as **Exhibit A**.
4. **SCOPE OF WORK AND SERVICES:** Consultant services and responsibilities shall include and be in accordance with the Project Manager's Request for Proposal, which is incorporated herein and made a part hereof by this reference. Consultant shall ensure that the project design and construction shall be in accordance with the California State Water Resource Control Board, Clean Water State Revolving Fund requirements included in **Exhibit C**.
5. **TERM:** The term of this Contract shall extend from the date of the Notice to Proceed, and terminate upon acceptance of the design's construction by the Agency's Board of Directors, unless agreed to by both parties, reduced to writing, and amended to this Contract.
6. **PAYMENT, INVOICING AND COMPENSATION:** Agency shall pay Consultant's properly-executed once-monthly invoice approved by the Project Manager within thirty (30) days following receipt of the invoice. Payment will be withheld for any service which does not meet or exceed Agency requirements or have proven unacceptable until such service is revised, resubmitted, and accepted by the Project Manager. All invoices shall be submitted electronically with all required back-up to agroup@ieua.org.

Agency may at any time make changes to the Work including additions, reductions, and changes to any or all of the Work, as directed in writing by the Agency. Such changes shall be made by an Amendment to the Contract. The NOT-TO-EXCEED Amount and Work Schedule shall be equitably adjusted, if required, to account for such changes and shall be set forth in the Amendment.

In compensation for the work represented by this Contract, Agency shall pay Consultant a **NOT-TO-EXCEED maximum total of \$59,884.00** for all services provided in accordance with Consultant's Proposal, referenced herein, attached hereto, and made a part hereof as **Exhibit A**. Consultant's invoice must be submitted according to milestones achieved by Consultant and accepted by the Agency's Project Manager, and shall include a breakdown by items completed, referencing State Prevailing Wages, all associated labor categories provided, labor hours supplied and associated hourly rates, dates worked, the current monthly amount due, and the cumulative amount invoiced to-date against this Contract, using the Agency's standard Excel-based invoicing template **Exhibit B**. Invoice shall not be submitted in advance and shall not be dated earlier than the actual date of submittal.

7. **INSURANCE:** During the term of this Contract, the Consultant shall maintain at Consultant's sole expense, the following insurance.
- A. **Minimum Scope of Insurance:**
1. **General Liability:** \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage. Coverage shall be at least as broad as Insurance Services Office form number GL 0001-87 covering Comprehensive

General Liability. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location, or the general aggregate limit shall be twice the required occurrence limit.

2. Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury and property damage. Coverage shall be at least as broad as Insurance Services Office form number CA 00 01 87, covering Automobile Liability, including "any auto."
 3. Workers' Compensation and Employers Liability: Workers' compensation limits as required by the Labor Code of the State of California and employers Liability limits of \$1,000,000 per accident.
 4. Professional Liability insurance in the amount of \$1,000,000 per claim.
- B. Deductibles and Self-Insured Retention: Any deductibles or self-insured retention must be declared to and approved by the Agency. At the option of the Agency, either: the insurer shall reduce or eliminate such deductibles or self-insured retention (as respects the Agency), its officers, officials, employees, volunteers, property owners and engineers under contract to the Agency; or the Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.
- C. Other Insurance Provisions: The policies are to contain, or be endorsed to contain, the following provisions:
1. General Liability and Automobile Liability Coverage
 - a. The Agency, its officers, officials, employees, volunteers, property owners and any engineers under contract to the Agency are to be covered as insureds, endorsement CG2010 1185, as respects: liability arising out of activities performed by or on behalf of the Consultant, products and completed operations of the Consultant, premises owned, occupied or used by the Consultant, or automobiles owned, leased, hired or borrowed by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to the Agency, its officers, officials, employees, volunteers, property owners or engineers under contract to the Agency.
 - b. The Consultant's insurance coverage shall be primary insurance as respects the Agency, its officer, officials, employees, volunteers, property owners or engineers under contract to the Agency. Any insurance or self-insurance maintained by the Agency, its officers, officials, employees, volunteers, property owners or engineers under contract to the Agency shall be excess of the Consultant's insurance and shall not contribute with it.
 - c. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Agency, its officers, officials, employees, volunteers, property owners or engineers under contract to the Agency

- d. The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- e. The Consultant may satisfy the limit requirements in a single policy or multiple policies. Any Such additional policies written as excess insurance shall not provide any less coverage than that provided by the first or primary policy.

2. **Workers' Compensation and Employers Liability Coverage**

The insurer shall agree to waive all rights of subrogation against the Agency, its officers, officials, employees, volunteers, property owners or engineers under contract to the Agency for losses arising from work performed by the Consultant for the Agency.

3. **All Coverages**

Each insurance policy required by this contract shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the Agency.

D. Acceptability of Insurers: Insurance is to be placed with insurers with a Best's rating of no less than A:VII, and who are admitted insurers in the State of California.

E. Verification of Coverage: Consultant shall furnish the Agency with certificates of insurance and with original endorsements effecting coverage required by the Agency for themselves and all subConsultants prior to commencing work or allowing any subConsultant to commence work under any subcontract. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements are to be approved by the Agency before work commences. The Agency reserves the right to review the policies of all required insurance at Consultant's offices during regular business hours.

F. Submittal of Certificates: Consultant shall submit all required certificates and endorsements to the following:

Inland Empire Utilities Agency
Attn: Ms. Angela Witte, Risk Specialist
P.O. Box 9020
Chino Hills, California 91709-0902

8. CONTROL OF THE WORK: Consultant shall perform the Work in compliance with the Work Schedule. If performance of the Work falls behind schedule, the Consultant shall accelerate the performance of the Work to comply with the Work Schedule as directed by the Project Manager. If the nature of the Work is such that Consultant is unable to accelerate the Work, Consultant shall promptly notify the Project Manager of the delay, the causes of the delay, and submit a proposed revised Work Schedule.

9. LEGAL RELATIONS AND RESPONSIBILITIES

- A. Professional Responsibility: The Consultant shall be responsible, to the level of competency presently maintained by other practicing professionals performing the same or similar type of work.
- B. Status of Consultant: The Consultant is retained as an independent Consultant only, for the sole purpose of rendering the services described herein, and is not an employee of the Agency.
- C. Observing Laws and Ordinances: The Consultant shall keep itself fully informed of all existing and future state and federal laws and all county and city ordinances and regulations which in any manner affect the conduct of any services or tasks performed under this Contract, and of all such orders and decrees of bodies or tribunals having any jurisdiction or Agency over the same. The Consultant shall at all times observe and comply with all such existing and future laws, ordinances, regulations, orders and decrees, and shall protect and indemnify, as required herein, the Agency, its officers, employees and agents against any claim or liability arising from or based on the violation of any such law, ordinance, regulation, order or decree, whether by the Consultant or its employees.
- D. Grant-Funded Projects: This is a grant-funded (e.g., State Revolving Funds) project. The Consultant shall be responsible to comply with all grant requirements related to the project as outlined in **Exhibit C**, attached hereto and made a part hereof. These may include, but shall not be limited to: Davis-Bacon Act, Endangered Species Act, Executive Order 11246 (Affirmative Action Requirements), Equal Opportunity, Competitive Solicitation, Record Retention and Public Access to Records, and Compliance Review. Federal funding of any portion of this project will have separate, additional reporting accountability on the use of funds.
- E. Subcontract Services: Any subcontracts for the performance of any services under this Contract shall be subject to the written approval of the Project Manager.
- F. Hours of Labor: The Consultant shall comply with all applicable provisions of California Labor Code Sections 1810 to 1817 relating to working hours. The Consultant shall, as a penalty to the Agency, forfeit \$25.00 for each worker employed in the execution of the Contract by the Consultant or by any subConsultant for each calendar day during which such worker is required or permitted to work more than eight hours in any one calendar day and forty (40) hours in any one calendar week in violation of the provisions of the Labor Code.
- G. Travel and Subsistence Pay: The Consultant shall make payment to each worker for travel and subsistence payments which are needed to execute the work and/or service, as such travel and subsistence payments are defined in the applicable collective bargaining agreements with the worker.
- H. Liens: Consultant shall pay all sums of money that become due from any labor, services, materials or equipment furnished to Consultant on account of said services to be rendered or said materials to be furnished under this Contract and that may be secured by any lien against the Agency. Consultant shall fully discharge each such lien at the time performance of the obligation secured matures and becomes due, provided Consultant has been paid in full.
- I. Indemnification: Consultant shall indemnify the Agency, its directors, employees and assigns, and shall defend and hold them harmless from all liabilities, demands, actions,

claims, losses and expenses, including reasonable attorneys' fees, which arise out of or are related to the negligence, recklessness or willful misconduct of the Consultant, its directors, employees, agents and assigns, in the performance of work under this Contract, to the extent caused by Consultant's negligence or willful misconduct. Consultant shall not defend the Agency, but rather shall reimburse the Agency for its attorneys' fee and costs of defense in proportion to Consultant's percentage of fault as determined by the court or arbitrator.

- J. Conflict of Interest: No official of the Agency who is authorized in such capacity and on behalf of the Agency to negotiate, make, accept or approve, or to take part in negotiating, making, accepting or approving this Contract, or any subcontract relating to services or tasks to be performed pursuant to this Contract, shall become directly or indirectly personally interested in this Contract.
- K. Equal Opportunity: During the performance of this Contract, the Consultant shall not unlawfully discriminate against any employee or employment applicant because of race, color, religion, sex, age, marital status, ancestry, physical or mental disability, sexual orientation, veteran status or national origin.
- L. Disputes:
1. All disputes arising out of or in relation to this Contract shall be determined in accordance with this section. The Consultant shall pursue the work to completion in accordance with the instruction of the Agency's Project Manager notwithstanding the existence of dispute. By entering into this Contract, both parties are obligated, and hereby agree, to submit all disputes arising under or relating to the Contract which remain unresolved after the exhaustion of the procedures provided herein, to independent arbitration. Except as otherwise provided herein, arbitration shall be conducted under California Code of Civil Procedure Sections 1280, et. seq, or their successor.
 2. Any and all disputes during the pendency of the work shall be subject to resolution by the Agency Project Manager and the Consultant shall comply, pursuant to the Agency Project Manager instructions. If the Consultant is not satisfied with any such resolution by the Agency Project Manager, they may file a written protest with the Agency Project Manager within seven (7) calendar days after receiving written notice of the Agency's decision. Failure by Consultant to file a written protest within seven (7) calendar days shall constitute waiver of protest, and acceptance of the Agency Project Manager's resolution. The Agency's Project Manager shall submit the Consultant's written protests to the General Manager, together with a copy of the Agency Project Manager's written decision, for his or her consideration within seven (7) calendar days after receipt of said protest(s). The General Manager shall make his or her determination with respect to each protest filed with the Agency Project Manager within ten (10) calendar days after receipt of said protest(s). If Consultant is not satisfied with any such resolution by the General Manager, they may file a written request for arbitration with the Project Manager within seven (7) calendar days after receiving written notice of the General Manager's decision.

3. In the event of arbitration, the parties hereto agree that there shall be a single neutral Arbitrator who shall be selected in the following manner:
 - a. The Demand for Arbitration shall include a list of five names of persons acceptable to the Consultant to be appointed as Arbitrator. The Agency shall determine if any of the names submitted by Consultant are acceptable and, if so, such person will be designated as Arbitrator.
 - b. In the event that none of the names submitted by Consultant are acceptable to Agency, or if for any reason the Arbitrator selected in Step (a) is unable to serve, the Agency shall submit to Consultant a list of five names of persons acceptable to Agency for appointment as Arbitrator. The Consultant shall, in turn, have seven (7) calendar days in which to determine if one such person is acceptable.
 - c. If after Steps (a) and (b), the parties are unable to mutually agree upon a neutral Arbitrator, the matter of selection of an Arbitrator shall be submitted to the San Bernardino County Superior Court pursuant to Code of Civil Procedure Section 1281.6, or its successor. The costs of arbitration, including but not limited to reasonable attorneys' fees, shall be recoverable by the party prevailing in the arbitration. If this arbitration is appealed to a court pursuant to the procedure under California Code of Civil Procedure Section 1294, et. seq., or their successor, the costs of arbitration shall also include court costs associated with such appeals, including but not limited to reasonable attorneys' fees which shall be recoverable by the prevailing party.
4. Joinder in Mediation/Arbitration: The Agency may join the Consultant in mediation or arbitration commenced by a Consultant on the Project pursuant to Public Contracts Code Sections 20104 et seq. Such joinder shall be initiated by written notice from the Agency's representative to the Consultant.
- M. Workers' Legal Status: For performance against this Contract, Supplier shall only utilize employees and/or subConsultants that are authorized to work in the United States pursuant to the Immigration Reform and Control Act of 1986.
- N. Prevailing Wage Requirements: Pursuant to Section 1770 and following, of the California Labor Code, the Consultant shall not pay less than the general prevailing wage rates, as determined by the Director of the State of California Department of Industrial Relations for the locality in which the work is to be performed and for each craft or type of worker needed to execute the work contemplated under the Contract. The Consultant or any subConsultant performing part of said work shall strictly adhere to all provisions of the Labor Code, including, but not limited to, minimum wages, work days, nondiscrimination, apprentices, maintenance and availability of accurate payroll records and any other matters required under all Federal, State and local laws related to labor. All aspects of California SB854 apply to work deemed as public works.

10. FITNESS FOR DUTY:

A. Fitness: Consultant and its SubConsultant personnel on the Jobsite:

1. shall report for work in a manner fit to do their job;
2. shall not be under the influence of or in possession of any alcoholic beverages or of any controlled substance (except a controlled substance as prescribed by a physician so long as the performance or safety of the Work is not affected thereby); and
3. shall not have been convicted of any serious criminal offense which, by its nature, may have a discernible adverse impact on the business or reputation of the Agency.

B. Compliance: Consultant shall advise all Consultant and subConsultant personnel and associated third parties of the requirements of this Contract ("Fitness for Duty Requirements") before they enter on the Jobsite and shall immediately remove from the Jobsite any employee determined to be in violation of these requirements. Consultant shall impose these requirements on its SubConsultants. Agency may cancel the Contract if Consultant violates these Fitness for Duty Requirements.

11. OWNERSHIP OF MATERIALS AND DOCUMENTS/CONFIDENTIALITY: The Agency retains ownership of any and all partial or complete reports, drawings, plans, notes, computations, lists, and/or other materials, documents, information, or data prepared by the Consultant and/or the Consultant's subConsultant(s) pertaining to this Contract. Said materials and documents are confidential and shall be available to the Agency from the moment of their preparation, and the Consultant shall deliver same to the Agency whenever requested to do so by the Project Manager and/or Agency. The Consultant agrees that same shall not be made available to any individual or organization, private or public, without the prior written consent of the Agency. Agency shall indemnify, defend, and hold harmless Consultant for any Agency reuse of materials or documents for any purpose other than originally intended. Agency shall defend, indemnify, and hold harmless Consultant for any claims or actions resulting from changes to a reuse of such materials.

12. TITLE AND RISK OF LOSS:

Documentation: Title to the Documentation shall pass to Agency when prepared; however, a copy may be retained by Consultant for its records and internal use Consultant shall retain such Documentation in a controlled access file, and shall not reveal, display or disclose the contents of the Documentation to others without the prior written authorization of Agency or for the performance of Work related to the project.

Material: Title to all Material, field or research equipment, and laboratory models, procured or fabricated under the Contract shall pass to Agency when procured or fabricated, and such title shall be free and clear of any and all encumbrances. Consultant shall have risk of loss of any Material or Agency-owned equipment of which it has custody.

Disposition: Consultant shall dispose of items to which Agency has title as directed in writing by the Agreement Administrator and/or Agency.

13. PROPRIETARY RIGHTS:

A. Rights and Ownership: Agency's rights to inventions, discoveries, trade secrets, patents, copyrights, and other intellectual property, including the Information and Documentation, and revisions thereto (hereinafter collectively referred to as "Proprietary Rights"), used or developed by Consultant in the performance of the Work, shall be governed by the following provisions:

Proprietary Rights conceived, developed, or reduced to practice by Consultant in the performance of the Work shall be the property of Agency, and Consultant shall cooperate with all appropriate requests to assign and transfer same to Agency.

If Proprietary Rights conceived, developed, or reduced to practice by Consultant prior to the performance of the Work are used in and become integral with the Work or Documentation, or are necessary for Agency to have complete enjoyment of the Work or Documentation, Consultant shall grant to Agency a non-exclusive, irrevocable, royalty-free license, as may be required by Agency for the complete enjoyment of the Work and Documentation, including the right to reproduce, correct, repair, replace, maintain, translate, publish, use, modify, copy or dispose of any or all of the Work and Documentation and grant sublicenses to others with respect to the Work and Documentation.

If the Work or Documentation includes the Proprietary Rights of others, Consultant shall procure, at no additional cost to Agency, all necessary licenses regarding such Proprietary Rights so as to allow Agency the complete enjoyment of the Work and Documentation, including the right to reproduce, correct, repair, replace, maintain, translate, publish, use, modify, copy or dispose of any or all of the Work and Documentation and grant sublicenses to others with respect to the Work and Documentation. All such licenses shall be in writing and shall be irrevocable and royalty-free to Agency. Agency shall defend indemnify and hold harmless Consultant for any claims or actions resulting from changes to a reuse of such materials.

B. No Additional Compensation: Nothing Set forth in this Contract shall be deemed to require payment by Agency to Consultant of any compensation specifically for the assignments and assurances required hereby, other than the payment of expenses as may be actually incurred by Consultant in complying with this Contract.

14. INFRINGEMENT: Consultant represents and warrants that the Work and Documentation shall be free of any claim of trade secret, trade mark, trade name, copyright, or patent infringement or other violations of any Proprietary Rights of any person.

Consultant shall defend, indemnify and hold harmless, Agency, its officers, directors, agents, employees, successors, assigns, servants, and volunteers free and harmless from any and all liability, damages, losses, claims, demands, actions, causes of action, and costs including reasonable attorney's fees and expenses arising out of any claim that use of the Work or Documentation infringes upon any trade secret, trade mark, trade name, copyright, patent, or other Proprietary Rights. Consultant shall, at its expense and at Agency's option, refund any amount paid by Agency under the Contract, or exert its best efforts to procure for Agency the right to use the Work and Documentation, to replace or modify the Work and Documentation as approved by Agency so as to obviate any such claim of infringement, or to put up a satisfactory bond to permit Agency's continued use of the Work and Documentation.

15. **PUBLIC RECORDS POLICY:** Information made available to the Agency may be subject to the California Public Records Act (Government Code Section 6250 et seq.) The Agency's use and disclosure of its records are governed by this Act. The Agency shall use its best efforts to notify Consultant of any requests for disclosure of any documents pertaining to Consultant.

In the event of litigation concerning disclosure of information Consultant considers exempt from disclosure; (e.g., Trade Secret, Confidential, or Proprietary) Agency shall act as a stakeholder only, holding the information until otherwise ordered by a court or other legal process. If Agency is required to defend an action arising out of a Public Records Act request for any of the information Consultant has marked "Confidential," "Proprietary," or "Trade Secret," Consultant shall defend and indemnify Agency from all liability, damages, costs, and expenses, including attorneys' fees, in any action or proceeding arising under the Public Records Act.

16. **NON-CONFORMING WORK AND WARRANTY:** Consultant represents and warrants that the Work shall be in conformance with the specifications provided herein and shall serve the purposes described. For a period of not less than one (1) year after acceptance of the completed Work, Consultant shall, at no additional cost to Agency, correct any and all errors or shortcomings of the Work, regardless of whether any such errors or shortcomings is brought to the attention of the Consultant by Agency, or any other person or entity.
17. **NOTICES:** Any notice may be served upon either party by delivering it in person, or by depositing it in a United States Mail deposit box with the postage thereon fully prepaid, and addressed to the party at the address set forth below:

Agency: Attn: Mr. Warren T. Green
Manager of Contracts and Facilities Services
c/o Inland Empire Utilities Agency
P.O. Box 9020
Chino Hills, California 91709-0902

Consultant: Attn: Mr. Richard Young, CCP, LEEP AP
West Region Commissioning Director
c/o Heery International, Inc.
Two Centerpointe Drive, Suite 250
Lake Oswego, OR 97035

Any notice given hereunder shall be deemed effective in the case of personal delivery, upon receipt thereof, or, in the case of mailing, at the moment of deposit in the course of transmission with the United States Postal Service.

18. **SUCCESSORS AND ASSIGNS:** All of the terms, conditions and provisions of this Contract shall inure to the benefit of and be binding upon the Agency, the Consultant, and their respective successors and assigns. Notwithstanding the foregoing, no assignment of the duties or benefits of the Consultant under this Contract may be assigned, transferred or otherwise disposed of without the prior written consent of the Agency; and any such purported or attempted assignment, transfer or disposal without the prior written consent of the Agency shall be null, void and of no legal effect whatsoever.

19. **INTEGRATION:** The Contract Documents represent the entire Contract of the Agency and the Consultant as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered by the Contract Documents. This Contract may not be modified, altered or amended except by written mutual agreement by the Agency and the Consultant.
20. **GOVERNING LAW:** This Contract is to be governed by and constructed in accordance with the laws of the State of California.
21. **TERMINATION FOR CONVENIENCE:** The Agency reserves and has the right to immediately suspend, cancel or terminate this Contract at any time upon written notice to the Consultant. In the event of such termination, the Agency shall pay Consultant for all authorized Consultant services up to the date of such termination.
22. **RIGHT TO AUDIT:** The Agency reserves the right to review and/or audit all Consultants' records related to the Work. The option to review and/or audit may be exercised during the term of the Contract, upon termination, upon completion of the Contract, or at any time thereafter up to twelve (12) months after final payment has been made to Consultant. The Consultant shall make all records and related documentation available within three (3) working days after said records are requested by the Agency.
23. **FORCE MAJEURE:** Neither party shall hold the other responsible for the effects of acts occurring beyond their control, e.g., war, riots, strikes, natural disasters, et cetera.
24. **NOTICE TO PROCEED:** No services shall be performed or furnished under this Contract unless and until this document has been properly signed by all responsible parties and a Notice to Proceed order has been issued to the Consultant.

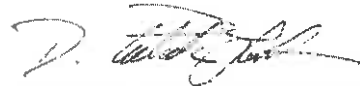
AS WITNESS HEREOF, the parties hereto have caused the Contract to be entered as of the day and year written above.

INLAND EMPIRE UTILITIES AGENCY:

HEERY INTERNATIONAL, INC:

P. Joseph Grindstaff
General Manager

(Date)



Dennis Lawler
Senior Vice President

10.23.15

(Date)

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Exhibit A



Architecture
Engineering
Interior Design
Program Management
Construction Management
Commissioning

October 01, 2015

Jamal Zughbi, PE
Senior Engineer / Project Manager
IEUA
6075 Kimball Avenue
Chino, CA 91708

jzughbi@ieua.org

IEUA EN15008-New Lab- Whole Building Commissioning Proposal

Dear Mr. Zughbi:

Heery International, Inc. is pleased to present our revised proposal to provide commissioning services for the above referenced project incorporating comments from our recent meeting with the Agency.

Scope

Commissioning services will be provided in accordance and as detailed on the attached scope and task by task work plan.

Generally the services include Commissioning of HVAC, Electrical and Laboratory systems associated with the new laboratory building.

Fee Proposal

To provide an estimated 389 hours of professional commissioning services, we propose a fixed fee, inclusive of expenses of \$54,440 (Fifty Four Thousand, Four Hundred Forty Dollars). Services would be billed monthly. This offer is open for acceptance for 60 days.

This fee acknowledges that design phase commissioning activities relating to the HVAC systems are previously contracted directly by the Austin Group under separate agreement. The attached work plan identifies these tasks.

For a project of this nature to cover additional services associated with unforeseen schedule events we would recommend including an Owner controlled contingency of 10% (\$5444.00). Prior to undertaking any additional work against the contingency sum written authorization would be required from IEUA. Additional work would be billed at the rates indicated on the attached work plan.

Heery International, Inc.

7000 Westpark Drive, Suite 200, Littleton, Colorado 80120
Telephone 303 417-8181 Fax 303 417-1007

OFFICES NATIONWIDE



Schedule:

Services will be provided from Notice to Proceed anticipated to be provided Q4 2015, through substantial completion March 2019.

General Assumptions

1. All work shall be performed by the Consultant from Heery International, Inc. offices in Los Angeles, CA and Portland, OR, and at, or local to, the Project site in Chino, CA.
2. Accurate construction documents, drawings, specifications and contractor submittals are to be provided to the Consultant by the Client at no charge to the Consultant.
3. Excessive test failures, re-tests and additional troubleshooting services requiring unplanned site visits additional to those indicated will be negotiated as additional service.
4. Access to all areas of the project is to be provided to the Consultant by the CM/GC.

We trust we have satisfied your immediate requirements; we will be happy to revise the proposed scope, if following your review, you require modifications. Please feel free to contact me at any time 407.473.3721 or ryoung@heery.com with any questions or clarifications.

Regards,

Heery International, Inc

A handwritten signature in black ink, appearing to read "Richard Young", written in a cursive style.

Richard Young, CCP, LEEP AP
West Region Commissioning Director

cc. Bob Demmond, The Austin Group



IEUA EN15008-New Lab Whole Building Commissioning Scope of Work

The Commissioning Agent (the "CxA") will be involved throughout the Project from design phase through completion of construction. The primary role of the CxA during the design phase is to develop detailed commissioning specifications and review the design to ensure that the design meets the Owner's objectives. During construction, the CxA will develop and coordinate the execution of a commissioning plan, which includes observing and documenting all building systems performance parameters to ensure that the building systems are functioning in accordance with the Owner's requirement for the Project and the contract documents. The CxA is not responsible for design or general construction scheduling, cost estimating, or construction management, but may assist with problem-solving or resolving non-conformance issues or deficiencies.

The Scope of Work for this procurement will be in general compliance with ASHRAE Guide 0-2013 and ASHRAE Guide 1-2007.

Reporting directly to the Owners representative the CxA's primary tasks will include the following:

1. Oversees and leads the commissioning process and assists in the planning, scheduling, coordination and documentation efforts.
2. Prepares commissioning specification sections for inclusion in the contract documents.
3. Prepares and updates the Cx Plan, System Readiness Checklists (SRCs), Functional Performance Tests (FPTs) and Integrated System Test (shakedown). Construction checklists for installation verification, checkout, and pre-functional will be completed by the contractors and reviewed and approved by the CxA prior to start up.
4. Conducts commissioning focused reviews of the OPR, BOD, and design documents, design review will be provided at Two defined phases 50% CD review. CxA will review the final bid set of construction documents to back check previous review stage commissioning comments have been incorporated when approved. Particular attention will be made to specified requirements relating to owners operator and occupant training and that the provision of operational maintenance documentation satisfies requirements defined in the OPR. CxA will meet with the Owner and design team to discuss review findings following each review stage.
5. Coordinates design phase End User review, buy in and approval of Controls logic and sequence of operations.
6. Conducts Construction Phase Commissioning Kick off Meeting.
7. Reviews construction submittals relative to systems being commissioned, review shall be concurrent with design team review.
8. Maintains, tracks and updates status of identified issues on a master Commissioning Issues List.
9. Leads the commissioning team meetings and prepares agendas and meeting minutes.



10. Reviews GC/CM master schedule to identify that all commissioning activities are incorporated and all task durations are adequate. Tracks schedule for progress of commissioning activities.
11. Develops commissioning equipment matrix. Actively tracks, maintains and updates progression of commissioning status of all systems and equipment to be commissioned.
12. Conducts construction field observations and performs verification of SRCs and Construction Checklists completed by the contractors.
13. Validate startup of all significant equipment is performed to satisfy the contract documents, vendor and manufacturer requirements, collect and collate all contractor / vendor provided start up documentation for inclusion in the project commissioning report.
14. Review and verify Test and Balance of HVAC and process systems.
15. Review and verify certification of lab process systems.
16. Review and verify performance of installed Lab Tools and equipment.
17. With contractor, installer and vendor support execute and document Functional Performance Testing.
18. With contractor, installer, vendor and owner support execute and perform Shakedown / Integrated Systems Testing of all systems through all modes of operation including; normal, alternative, maintenance bypass, emergency and failure.
19. Verify occupant and operator training and delivery of contractor provided O&M documentation is effective and satisfies the requirements of the OPR.
20. Completes the project Cx Report for delivery to the owner.

The CxA will commission the following systems, including all components and controls, as part of the Scope of Work in accordance with the process described below:

1. Central building automation systems, including linkages to remote monitoring and control sites (this includes any security and life safety-related control systems or interlocks)
2. All equipment of the heating, ventilating and air conditioning (HVAC) systems
3. Refrigeration systems
4. Life safety systems (fire alarm, fire protection, hazardous product monitoring and alarm)
5. Service water systems
6. Domestic hot water systems
7. Emergency power and uninterruptible power supply (UPS) systems and any emergency generators
8. Lighting and daylight control systems
9. Renewable energy systems
10. Process water systems including; DI Water Systems
11. Oil free air, plant air, instrument air
12. Lab Vacuum
13. Lab gas storage, delivery and reclamation

14. Process Cooling
15. Process Heat / Energy reclaim systems
16. Lab Waste systems,
17. Process Ventilation Systems Fume hoods and snorkels
18. Process control systems including PLC control SCADA and HMI interface systems
19. Environmental monitoring systems and alarm

CxA will validate specified certification of all Lab utility systems, including gas purity, water quality / conductivity and space particulate certification. CxA will collect, collate and include all system certification documentation in the project commissioning record and the systems manuals. System Certification and testing as specified will be performed by third party specialist testing firms engaged directly by others.

HEERY**PROJECT:****Inland Empire Utilities Agency New Main Laboratory
Whole Building Commissioning**

Start Date	PROJECT DESCRIPTION	LABOR CATEGORY					REIMBURSABLE EXPENSES		TASK COST TOTALS	
7/1/2018		Cx Dir	LEAD CxA PM	CxA Lab Specialist	CxA Support	Project Coord	Cost Per Trip	\$500	Labor + Expenses	
End Date	Whole Building Commissioning (3) AHU, (4) GEF, (3-1) Lab EF, (1) Energy Recovery System, (4) FCU, (4) AC, (6) VAV, (16) Supply Air Valves, (16) Fume Hood & Valves, (32) GE Valves, (9) Rooms with pressurization, (1) Compressor, (2) Vacuum Pumps, (2) DI Water Skids, Gases, Fire Sprinkler System, ATS and UPS	RY	MC	ML	JG	SM	Per Diem	\$230		Labor + Expenses
3/1/2019		Total SF	ADDITIONAL WORK - LABOR BILLING RATE					Misc Expenses	\$0	
17,100		\$166.00	\$140.00	\$128.00	\$118.00	\$75.00	TRAVEL		TASK COST	
							Trips	Nights	Cost	
A	1	PLAN & DESIGN REVIEW PHASE								
	Months	% time allocation for this phase								
	180	1%	1%	7%	10%	1%				
1	Project Setup & manage the development of Owners commissioning objectives and scope	2		1		1			\$0.0	\$570
2	Develop and Issue the Owners Project Requirements Document		1		16				\$0.0	\$1,380
3	Conduct Cx awareness session to obtain: Design Concept with sustainability, maintainability, design intent doc, operability, commissionability, constructability. For all project team members. Included in current Lab scope								\$0.0	\$0
5	Prepare draft commissioning plan and list of Cx deliverables Included in current Lab scope								\$0.0	\$0
6	Follow-up with Owner to complete defining objectives, intent and scope; issue commissioning objectives & draft Cx plan Included in current Lab scope								\$0.0	\$0
8	Prepare draft commissioning Specifications Included in current Lab scope								\$0.0	\$0
11	Design review of 50% CD Dwgs & Spec and issue report			4					\$0.0	\$500
12	Final review of CD back check of Dwgs & Spec and issue report			2					\$0.0	\$250
13	Prepare outline CxA documents & installation PFAT checklists			4					\$0.0	\$600
14	Prepare Training requirements Included in current Lab scope								\$0.0	\$0
15	Finalize Cx Spec & Cx Plan for inclusion into Bid Set Included in current Lab scope								\$0.0	\$0
B	36	CONSTRUCTION PHASE								
	Months	% time allocation for this phase								
	5760	0%	1%	1%	1%	0%				
2	Update construction phase commissioning plan with Contractors details and submit			1					\$0.0	\$140
3	Review, comment on and monitor MEP Commissioned equipment submittals			4		12			\$0.0	\$2,840
8	Undertake site visit inspections and issue SV reports (6 of visits)	1		20			2	1	\$1,230.0	\$6,715
8	Witness/Collate MEP static testing and safety trips (below 480V only)			4					\$0.0	\$580
7	Attend specific construction meetings, for Cx Coordination (2 of meetings)			6					\$0.0	\$840
9	Review and comment on TAB and DDC test methods and procedures			1					\$0.0	\$140
10	Finalize and submit draft functional acceptance test (FAT) procedures	1		2		20		2	\$0.0	\$4,915
11	Witness Vendor equipment pre start up checks and report			16		12		1	\$730.0	\$4,470
12	Collate system startup test results & reports, review for compliance with manufacturer and contract requirements					4			\$0.0	\$490
13	Review & comment on contractors training plans and confirm proposed schedule durations and O&M personnel attendance			2		1			\$0.0	\$405
14	Chair commissioning meetings (6 phone meetings)			12					\$0.0	\$1,680
15	Issue Monthly Cx Status Reports to the project team	2		8					\$0.0	\$1,435
16	Maintain log of commissioning observation issues log and track AR resolutions			6					\$0.0	\$840
C	1	FUNCTIONAL TESTING & ACCEPTANCE PHASE								
	Months	% time allocation for this phase								
	180	3%	54%	35%	16%	2%				
1	Review and comment on PFAT documentation, TAB reports, DDC pl by pt reports and initial controls logic program meets Seq of Ops			2		4			\$0.0	\$980
2	Chair weekly commissioning meetings & minutes (2 of meetings)			4					\$0.0	\$935
3	Direct / Verify / witness HVAC FAT's	2		58					\$0.0	\$8,210
4	Direct / Verify / witness Electrical FAT's			8					\$0.0	\$1,120
5	Direct / Verify / witness Lab System FAT's	2		40			2	4	\$1,920.0	\$7,290
7	Maintain log of commissioning issues and resolutions			4					\$0.0	\$1,620
8	Complete Cx data O&M review			4		8			\$0.0	\$1,420
9	Collate and review documentation for Final Cx Report			2		2			\$0.0	\$780
12	Provide MEP, TAB & DDC Trouble shooting assistance			4					\$0.0	\$580
12	Prepare and Issue Commissioning Final Report	1		2		4		2	\$0.0	\$2,495
Grand Totals		11	167	124	78	9	E	6	\$ 1,380	\$54,410.00
% time by position across the Cx duration		2.8%	42.9%	31.9%	20.1%	2.3%		7%	Expenses	
Tot Hrs	Tot %	Total Commissioning Hours		Labor Fee =	\$50,560	Expenses	\$ 3,880.00	\$54,440		(labor fee + expense)
389	100%	Prepared By		RY	Reviewed By		CM	\$ 59,884.00		PROPOSED Cx CONTRACT VALUE inc. contingency (10%)
39	9.97	Average hours per month		DL	Approved By					Rev 1 100115
6.8%		Full Time Equivalent, From Cx Start to Closeout								

Exhibit B



**INLAND EMPIRE UTILITIES AGENCY
CONSULTING SERVICES INVOICE**

Consultant: Address:	Pay Estimate No.:	Contract Date:	Invoice Date:
	Contract No.:	IEUA Project Manager:	This Period: From: To:
Contract Name:			Invoice No. / Consult Ref No.

ORIGINAL CONTRACT:

PO No.	SAP Line Item No.	WBS Element No.	Item Description	Original Contract Value		Total This Period From: To:		Total to Date From: To:		Progress to Date	Remaining Contract Value
				Amount (\$)	% Complete	Amount (\$)	% Complete	Amount (\$)	% Complete		
				\$0.00	0%	\$0.00	#DIV/0!	\$0.00	#DIV/0!	#DIV/0!	\$0.00
				\$0.00	0%	\$0.00	#DIV/0!	\$0.00	#DIV/0!	#DIV/0!	\$0.00
				\$0.00	0%	\$0.00	#DIV/0!	\$0.00	#DIV/0!	#DIV/0!	\$0.00
Subtotal Original Contract:				\$0.00		\$0.00		\$0.00			\$0.00

CONTRACT AMENDMENTS:

PO No.	SAP Line Item No.	WBS Element No.	Amendment Description	Amended Contract Value		Total This Period From: To:		Total to Date From: To:		Progress to Date	Remaining Contract Value
				Amount (\$)	% Complete	Amount (\$)	% Complete	Amount (\$)	% Complete		
						\$0.00		\$0.00	0%	0%	
						\$0.00		\$0.00	0%	0%	
						\$0.00		\$0.00	0%	0%	
						\$0.00		\$0.00	0%	0%	
Subtotal Contract Amendment:				\$0.00		\$0.00		\$0.00			\$0.00
Total Contract with Amendment:				\$0.00		\$0.00		\$0.00			\$0.00

PAYMENT SUMMARY FOR THIS PERIOD:

PRIOR PAYMENT SUMMARY:

	From:		From:
	To:		To:
Amount Earned Original Contract	\$0.00	Amount Earned Original Contract	\$0.00
Amount Earned Amendments	\$0.00	Amount Earned Amendments	\$0.00
Back Charges	\$0.00	Back Charges	\$0.00
Amount Due This Period	\$0.00	Prior Payments	\$0.00

TOTAL PAYMENT SUMMARY:

CONTRACT SCHEDULE SUMMARY:

	Total Contract	Contract Start Date:
Total Original Contract	\$0.00	Contract Duration:
Total Contract Amendments	\$0.00	Contract Completion Date: 1/0/1900
Total Adjusted Contract	\$0.00	Authorized Time Extension: 0
Total Payments to Date	\$0.00	Revised Completion Date: 1/0/1900
Back Charges	\$0.00	PROJECT COMPLETION SUMMARY:
Payment this period	\$0.00	Contract Time Expired: #DIV/0!
Balance of Contract	\$0.00	Contract Work Complete: #DIV/0!

Consultant Approval:

Title: _____ Signature: _____ Date: _____

Inland Empire Utilities Agency Approvals:

Project Engineer: _____ Date: _____ Project Manager of Eng/AGM: _____ Date: _____

Deputy Manager: _____ Date: _____ General Manager: _____ Date: _____

Department Manager: _____ Date: _____

Exhibit C

IEUA Regional Water Quality Laboratory Project Agreement Requirements

The IEUA Regional Water Quality Laboratory Project (Project) will be funded by a State Water Resources Control Board State Revolving Fund Loan (Agreement.)

The Agreement has regulatory requirements that the Inland Empire Utilities Agency is required to include in all contracts for work related to the performance of the Agreement. The consultants and contractors must assist IEUA in meeting the federal and state requirements that apply to the scope stated in their contracts. These requirements include, but are not limited to, the State Prevailing Wages, Federal Davis-Bacon requirements, Federal Disadvantaged Business Enterprise (DBE), Audit, and Record Retention and Review, etc. If a sub is hired, the Agreement requirement language must be included in the sub's contract in its entirety. The follow attachments provide more details about the specific requirements and must be included in all contracts for this Project:

- 1. Article V - Miscellaneous Provisions**
- 2. Exhibit E - Federal Conditions & Cross-Cutters**
- 3. Exhibit G - Davis-Bacon Labor Compliance Requirements**
- 4. DBE instructions/forms**
- 5. Signage on Construction Site**
- 6. Records**

ARTICLE V MISCELLANEOUS PROVISIONS

5.1 Covenants.

- (a) **Tax Covenant.** Notwithstanding any other provision hereof, the Recipient covenants and agrees that it will comply with the Tax Covenants set forth in Article IV attached hereto if any portion of the Project Funds is derived from proceeds of Bonds.
- (b) **Disclosure of Financial Information, Operating Data, and Other Information.** The Recipient covenants to furnish such financial, operating and other data pertaining to the Recipient as may be requested by the State Water Board to: (i) enable the State Water Board to cause the issuance of Bonds and provide for security therefor; or (ii) enable any underwriter of Bonds issued for the benefit of the State Water Board to comply with Rule 15c2-12(b)(5). The Recipient further covenants to provide the State Water Board with copies of all continuing disclosure reports and materials concerning the Recipient required by the terms of any financing other than this Agreement and to submit such reports to the State Water Board at the same time such reports are submitted to any dissemination agent, trustee, nationally recognized municipal securities information repository, the Municipal Securities Rulemaking Board's Electronic Municipal Market Access (EMMA) website or other person or entity.

5.2 Assignability.

The Recipient agrees and consents to any pledge, sale, or assignment to the Bank or a trustee for the benefit of the owners of the Bonds, if any, at any time of any portion of the State Water Board's estate, right, title, and interest and claim in, to and under this Agreement and the right to make all related waivers and agreements in the name and on behalf of the State Water Board, as agent and attorney-in-fact, and to perform all other related acts which are necessary and appropriate under this Agreement, if any, and the State Water Board's estate, right, title, and interest and claim in, to and under this Agreement to Installment Payments (but excluding the State Water Board's rights to Additional Payments and to notices, opinions and indemnification under each Obligation). This Agreement is not assignable by the Recipient, either in whole or in part, without the consent of the State Water Board in the form of a formal written amendment to this Agreement.

5.3 State Reviews and Indemnification.

The parties agree that review or approval of Project plans and specifications by the State Water Board is for administrative purposes only and does not relieve the Recipient of its responsibility to properly plan, design, construct, operate, and maintain the Project. To the extent permitted by law, the Recipient agrees to indemnify, defend, and hold harmless the State Water Board, the Bank, and any trustee, and their officers, employees, and agents for the Bonds, if any (collectively, "Indemnified Persons"), against any loss or liability arising out of any claim or action brought against any Indemnified Persons from and against any and all losses, claims, damages, liabilities, or expenses, of every conceivable kind, character, and nature whatsoever arising out of, resulting from, or in any way connected with (1) the System or the Project or the conditions, occupancy, use, possession, conduct, or management of, work done in or about, or the planning, design, acquisition, installation, or construction, of the System or the Project or any part thereof; (2) the carrying out of any of the transactions contemplated by this Agreement or any related document; (3) any violation of any applicable law, rule or regulation, any environmental law (including, without limitation, the Federal Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act, the California Hazardous Substance Account Act, the Federal Water Pollution Control Act, the Clean Air Act, the Toxic Substances Control Act, the Occupational Safety and Health Act, the Safe Drinking Water Act, the California Hazardous Waste Control Law, and California Water Code Section 13304, and any successors to said laws), rule or regulation or the release of any toxic substance on or near the System; or (4) any untrue statement or alleged untrue statement of any material fact or omission or alleged omission to state a material fact necessary to make the statements required to be stated therein, in light of the circumstances under which

they were made, not misleading with respect to any information provided by the Recipient for use in any disclosure document utilized in connection with any of the transactions contemplated by this Agreement. To the fullest extent permitted by law, the Recipient agrees to pay and discharge any judgment or award entered or made against Indemnified Persons with respect to any such claim or action, and any settlement, compromise or other voluntary resolution. The provisions of this section shall survive the discharge of the Recipient's Obligation hereunder.

5.4 Termination; Immediate Repayment; Interest.

- (a) This Agreement may be terminated by written notice during construction of the Project, or thereafter at any time prior to complete repayment by the Recipient, at the option of the State Water Board, upon violation by the Recipient of any material provision of this Agreement after such violation has been called to the attention of the Recipient and after failure of the Recipient to bring itself into compliance with the provisions of this Agreement within a reasonable time as established by the Division.
- (b) In the event of such termination, the Recipient agrees, upon demand, to immediately repay to the State Water Board an amount equal to Installment Payments due hereunder, including accrued interest, and all penalty assessments due. In the event of termination, interest shall accrue on all amounts due at the highest legal rate of interest from the date that notice of termination is mailed to the Recipient to the date of full repayment by the Recipient.
- (c) Where the Recipient is a private entity that has been determined to have violated an applicable prohibition in the Prohibition Statement below or has an employee who is determined by USEPA to have violated an applicable prohibition in the Prohibition Statement below that is either associated with performance under this aware or imputed to the Recipient using the standards and due process for imputing the conduct of an individual to an organization pursuant to 2 CFR Part 180, the Recipient acknowledges and agrees that this Obligation may become immediately due and payable and that penalties up to \$175 million may be due by the Recipient to the State Water Board, in addition to any other criminal or civil penalties that may become due. The Recipient, its employees, its contractors, and any subrecipients or subcontractors may not engage in trafficking in persons, procure a commercial sex act, or use forced labor.

5.5 Income Restrictions.

The Recipient agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Recipient under this Agreement shall be paid by the Recipient to the State, to the extent that they are properly allocable to costs for which the Recipient has been reimbursed by the State under this Agreement.

5.6 Prevailing Wages.

The Recipient agrees to be bound by all the provisions of State Labor Code Section 1771 regarding prevailing wages. The Recipient shall monitor all agreements subject to reimbursement from this Agreement to assure that the prevailing wage provisions of State Labor Code Section 1771 are being met.

5.7 Timeliness.

Time is of the essence in this Agreement.

5.8 Governing Law.

This contract is governed by and shall be interpreted in accordance with the laws of the State of California.

5.9 Amendment.

No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or agreement not incorporated in this Agreement is binding on any of the parties.

5.10 Bonding.

Where contractors are used, the Recipient shall not authorize construction to begin until each contractor has furnished a performance bond in favor of the Recipient in the following amounts: faithful performance (100%) of contract value; labor and materials (100%) of contract value. This requirement shall not apply to any contract for less than \$20,000.00.

5.11 Compliance with Law, Regulations, etc.

- (a) The Recipient agrees that it will, at all times, comply with and require its contractors and subcontractors to comply with all applicable federal and state laws, rules, guidelines, regulations, and requirements. Without limitation of the foregoing, the Recipient agrees that, to the extent applicable, the Recipient will:
- (1) Comply with the provisions of the adopted environmental mitigation plan for the term of this Agreement;
 - (2) Comply with the State Water Board's "Policy for Implementing the Clean Water State Revolving Fund," dated May 7, 2013;
 - (3) Comply with and require its contractors and subcontractors on the Project to comply with federal DBE requirements; and
 - (4) Comply with and require its contractors and subcontractors to comply with the list of federal laws attached as Exhibit E.

5.12 Conflict of Interest.

The Recipient certifies that it is in compliance with applicable state and/or federal conflict of interest laws.

5.13 Damages for Breach Affecting Tax Exempt Status or Federal Compliance

In the event that any breach of any of the provisions of this Agreement by the Recipient shall result in the loss of tax exempt status for any bonds of the State or any subdivision or agency thereof, including Bonds issued on behalf of the State Water Board, or if such breach shall result in an obligation on the part of the State or any subdivision or agency thereof to reimburse the federal government by reason of any arbitrage profits, the Recipient shall immediately reimburse the State or any subdivision or agency thereof in an amount equal to any damages paid by or loss incurred by the State or any subdivision or agency thereof due to such breach.

In the event that any breach of any of the provisions of this Agreement by the Recipient shall result in the failure of Project Funds to be used pursuant to the provisions of this Agreement, or if such breach shall result in an obligation on the part of the State or any subdivision or agency thereof to reimburse the federal government, the Recipient shall immediately reimburse the State or any subdivision or agency thereof in an amount equal to any damages paid by or loss incurred by the State or any subdivision or agency thereof due to such breach.

5.14 Disputes.

- (a) An applicant or recipient may appeal a staff decision within 30 days to the Deputy Director of the Division or designee, for a final Division decision. An applicant or recipient may appeal a final Division decision to the State Water Board within 30 days. The Office of the Chief Counsel of the State Water Board will prepare a summary of the dispute and make recommendations relative to its final resolution, which will be provided to the State Water Board's Executive Director and each State Water Board Member. Upon the motion of any State Water Board Member, the State Water Board will review and resolve the dispute in the manner determined by the State Water Board. Should the State Water Board determine not to review the final Division decision, this decision will represent a final agency action on the dispute.
- (b) This clause does not preclude consideration of legal questions, provided that nothing herein shall be construed to make final the decision of the State Water Board, or any official or representative thereof, on any question of law.
- (c) Recipient shall continue with the responsibilities under this Agreement during any dispute.

5.15 Independent Actor.

The Recipient, and its agents and employees, if any, in the performance of this Agreement, shall act in an independent capacity and not as officers, employees, or agents of the State Water Board.

5.16 Non-Discrimination Clause.

- (a) During the performance of this Agreement, Recipient and its contractors and subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, sexual orientation, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and denial of family care leave.
- (b) The Recipient, its contractors, and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment.
- (c) The Recipient, its contractors, and subcontractors shall comply with the provisions of the Fair Employment and Housing Act and the applicable regulations promulgated thereunder. (Gov. Code, §12990, subds. (a)-(f) et seq.; Cal. Code Regs., tit. 2, § 7285 et seq.) Such regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full.
- (d) The Recipient, its contractors, and subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.
- (e) The Recipient shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

5.17 No Third Party Rights.

The parties to this Agreement do not create rights in, or grant remedies to, any third party as a beneficiary of this Agreement, or of any duty, covenant, obligation, or undertaking established herein.

5.18 Operation and Maintenance; Insurance.

The Recipient agrees to sufficiently and properly staff, operate and maintain all portions of the Project during its useful life in accordance with all applicable state and federal laws, rules and regulations.

The Recipient will procure and maintain or cause to be maintained insurance on the System with responsible insurers, or as part of a reasonable system of self-insurance, in such amounts and against such risks (including damage to or destruction of the System) as are usually covered in connection with systems similar to the System. Such insurance may be maintained by the maintenance of a self-insurance plan so long as any such plan provides for (i) the establishment by the Recipient of a separate segregated self-insurance fund funded in an amount determined (initially and on at least an annual basis) by an independent insurance consultant experienced in the field of risk management employing accepted actuarial techniques and (ii) the establishment and maintenance of a claims processing and risk management program.

In the event of any damage to or destruction of the System caused by the perils covered by such insurance, the net proceeds thereof shall be applied to the reconstruction, repair or replacement of the damaged or destroyed portion of the System. The Recipient shall begin such reconstruction, repair or replacement as expeditiously as possible, and shall pay out of such net proceeds all costs and expenses in connection with such reconstruction, repair or replacement so that the same shall be completed and the System shall be free and clear of all claims and liens. If such net proceeds are insufficient to enable the Recipient to pay all remaining unpaid principal portions of the Installment Payments, the Recipient shall provide additional funds to restore or replace the damaged portions of the System.

5.19 Permits, Subcontracting, and Remedies.

The Recipient shall comply in all material respects with all applicable federal, state and local laws, rules and regulations. Recipient shall procure all permits, licenses and other authorizations necessary to accomplish the work contemplated in this Agreement, pay all charges and fees, and give all notices necessary and incidental to the due and lawful prosecution of the work. Signed copies of any such permits or licenses shall be submitted to the Division before construction begins.

5.20 Recipient's Responsibility for Work.

The Recipient shall be responsible for all work and for persons or entities engaged in work performed pursuant to this Agreement, including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The Recipient shall be responsible for any and all disputes arising out of its contracts for work on the Project. The State Water Board will not mediate disputes between the Recipient and any other entity concerning responsibility for performance of work.

5.21 Related Litigation.

Under no circumstances may a Recipient use funds from any disbursement under this Agreement to pay costs associated with any litigation the Recipient pursues against the State Water Board or any Regional Water Quality Control Board. Regardless of the outcome of any such litigation, and notwithstanding any conflicting language in this Agreement, the Recipient agrees to complete the Project funded by this Agreement or to repay all of the disbursed funds plus interest.

5.22 Rights in Data.

The Recipient agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes, and other written or graphic work produced in the performance of this Agreement are subject to the rights of the State as set forth in this section. The State shall have the right to reproduce, publish, and use all such work, or any part thereof, in any manner and for any purposes whatsoever and to authorize others to do so. If any such work is copyrightable, the Recipient may copyright the same, except that, as to any work which is copyrighted by the Recipient, the State reserves a royalty-free,

nonexclusive, and irrevocable license to reproduce, publish, and use such work, or any part thereof, and to authorize others to do so, and to receive electronic copies from the Recipient upon request. (40 CFR 31.34, 31.36)

5.23 State Water Board Action; Costs and Attorney Fees.

The Recipient agrees that any remedy provided in this Agreement is in addition to and not in derogation of any other legal or equitable remedy available to the State Water Board as a result of breach of this Agreement by the Recipient, whether such breach occurs before or after completion of the Project, and exercise of any remedy provided by this Agreement by the State Water Board shall not preclude the State Water Board from pursuing any legal remedy or right which would otherwise be available. In the event of litigation between the parties hereto arising from this Agreement, it is agreed that each party shall bear its own costs and attorney fees.

5.24 Unenforceable Provision.

In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

5.25 Useful Life.

The economic useful life of the Project, commencing at Project Completion, is at least equal to the term of this Agreement, as set forth in Exhibit B hereto.

5.26 Venue.

The State Water Board and the Recipient hereby agree that any action arising out of this Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California.

5.27 Waiver and Rights of the State Water Board.

Any waiver of rights by the State Water Board with respect to a default or other matter arising under the Agreement at any time shall not be considered a waiver of rights with respect to any other default or matter.

Any rights and remedies of the State Water Board provided for in this Agreement are in addition to any other rights and remedies provided by law.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

INLAND EMPIRE UTILITIES AGENCY:

By: _____

Name: P. Joseph Grindstaff

Title: General Manager

Date: _____

STATE WATER RESOURCES CONTROL BOARD:

By: _____

Name:

Title: Deputy Director

Division of Financial Assistance

Date: _____

EXHIBIT E — FEDERAL CONDITIONS & CROSS-CUTTERS

The Recipient agrees to comply with the following conditions required by USEPA:

1. No Recipient or subrecipient may receive funding under this Agreement unless it has provided its DUNS number to the State Water Board. (2011 Cap Grant)
2. Executive Compensation. Where the Recipient received 80 percent or more of its annual gross revenues from federal procurement contracts (and subcontracts) and \$25,000,000 or more in annual gross revenues from federal procurement contracts (and subcontracts), the Recipient agrees to notify the State Water Board. The Recipient agrees to provide information regarding executive compensation to the State Water Board upon request, in order for the State Water Board to comply with USEPA requirements.
3. Trafficking in Persons. The Recipient, its employees, contractors and subcontractors and their employees may not engage in severe forms of trafficking in persons during the term of this Agreement, procure a commercial sex act during the term of this Agreement, or use forced labor in the performance of this Agreement. The Recipient must include this provision in its contracts and subcontracts under this Agreement. The Recipient must inform the State Water Board immediately of any information regarding a violation of the foregoing. The Recipient understands that failure to comply with this provision may subject the State Water Board to loss of federal funds in the amount of \$101,065,000. The Recipient agrees to compensate the State Water Board for any such funds lost due to its failure to comply with this condition, or the failure of its contractors or subcontractors to comply with this condition. The State Water Board may unilaterally terminate this Agreement and full repayment will be due immediately, if a subrecipient that is a private entity is determined to have violated the foregoing. Trafficking Victims Protection Act of 2000.
4. Contractors, Subcontractors, Debarment and Suspension, Executive Order 12549; 2 CFR Part 180; 2 CFR Part 1532. The Recipient shall not subcontract with any party who is debarred or suspended or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549, "Debarment and Suspension". The Recipient shall not subcontract with any individual or organization on USEPA's List of Violating Facilities. (40 CFR, Part 31.35, Gov. Code 4477)

The Recipient certifies to the best of its knowledge and belief, that it and its principals:

- (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency;
- (b) Have not within a three (3) year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- (c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the offenses enumerated in paragraph (b) of this certification; and
- (d) Have not within a three (3) year period preceding this application/proposal had one or more public transactions (federal, state or local) terminated for cause or default.

EXHIBIT E — FEDERAL CONDITIONS & CROSS-CUTTERS

Suspension and debarment information can be accessed at <http://www.sam.gov>. The Recipient represents and warrants that it has or will include a term or conditions requiring compliance with this provision in all of its contracts and subcontracts under this Agreement. The Recipient acknowledges that failing to disclose the information as required at 2 CFR 180.335 may result in the termination, delay or negation of this Agreement, or pursuance of legal remedies, including suspension and debarment.

5. Anti-Lobbying Provisions (40 CFR Part 34) & Anti-Litigation Provisions (2 CFR 220, 225, or 230). The Recipient shall ensure that no funds under this Agreement are used to engage in lobbying of the federal government or in litigation against the United States unless authorized under existing law. The Recipient shall abide by 2 CFR 225 (OMB Circular A-87) (or, if not applicable, other parallel requirements), which prohibits the use of federal grant funds for litigation against the United States or for lobbying or other political activities. The Recipient agrees to comply with 40 CFR Part 24, New Restrictions on Lobbying. The Recipient agrees to submit certification and disclosure forms in accordance with these provisions. In accordance with the Byrd Anti-Lobbying Amendment, any Recipient who makes a prohibited expenditure under 40 CFR Part 34 or fails to file the required certification or lobbying forms shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure. The Recipient shall abide by its respective 2 CFR 200, 225, or 230, which prohibits the use of federal grant funds for litigation against the United States or for lobbying or other political activities.
6. Disadvantaged Business Enterprises. 40 CFR Part 33. The Recipient agrees to comply with the requirements of USEPA's Program for Utilization of Small, Minority and Women's Business Enterprises. The DBE rule can be accessed at www.epa.gov/osbp. The Recipient shall comply with, and agrees to require its prime contractors to comply with 40 CFR Section 33.301, and retain all records documenting compliance with the six good faith efforts.
7. The Recipient agrees to comply with the Davis-Bacon provisions attached as Exhibit G.

The Recipient agrees to comply with the following federal laws, as applicable to recipients of CWSRF funding:

Environmental Authorities

1. Archeological and Historical Preservation Act of 1974, Pub. L. 86-523, as amended, Pub. L. 93-291 16 USC § 469a-1.
2. Clean Air Act, Pub. L. 84-159, as amended.
3. Coastal Barrier Resources Act, Pub. L. 97-348, 96 Stat. 1653; 16 USC § 3501 et seq.
4. Coastal Zone Management Act, Pub. L. 92-583, as amended; 16 USC § 1451 et seq.
5. Endangered Species Act, Pub. L. 93-205, as amended; 16 USC § 1531 et seq..
6. Environmental Justice, Executive Order 12898.
7. Floodplain Management, Executive Order, 11988 as amended by Executive Order 12148.
8. Protection of Wetlands, Executive Order 11990, as amended by Executive Order No. 12608.

EXHIBIT E — FEDERAL CONDITIONS & CROSS-CUTTERS

9. Farmland Protection Policy Act, Pub. L. 97-98; 7 USC § 4201 et seq.
10. Fish and Wildlife Coordination Act, Pub. L. 85-624, as amended.
11. National Historic Preservation Act of 1966, Pub. L. 89-665, as amended, 80 Stat. 917 (1966) 16 USC § 470 et seq.
12. Safe Drinking Water Act, Pub. L. 93-523, as amended; 42 USC § 300f et seq.
13. Wild and Scenic Rivers Act, Pub. L. 90-542, as amended, 82 Stat. 913; 16 USC § 1271 et seq.
14. Essential Fish Habitat Consultation. Pub. L. 94-265, as amended, 16 USC § 1801 et seq.
15. Recycled Materials. Executive Order 13101; Section 6002 Resource Conservation and Recovery Act – 42 USC § 6962.

Economic and Miscellaneous Authorities

1. Demonstration Cities and Metropolitan Development Act of 1966, Pub. L. 89-754, as amended, Executive Order 12372/ 42 USC § 3331 et seq.
2. Procurement Prohibitions under Section 306 of the Clean Air Act and Section 508 of the Clean Water Act, including Executive Order 11738, Administration of the Clean Air Act and the Federal Water Pollution Control Act with Respect to Federal Contracts, Grants, or Loans; 42 USC § 7606; 33 USC § 1368; 40 CFR Part 31.
3. Uniform Relocation and Real Property Acquisition Policies Act, Pub. L. 91-646, as amended; 42 USC §§4601-4655
- 4.. Preservation of Open Competition and Government Neutrality Towards Government Contractors' Labor Relations on Federal and Federally Funded Construction Projects, EO 13202, as amended by EO 13208.
6. Hotel and Motel Fire Safety Act of 1990 (PL 101-391, as amended). All conference, meeting, convention, or training funded in whole or in part with federal funds shall comply with the protection and control guidelines of this act. Recipients may search <http://www.usfa.dhs.gov/applications/hotel/>.
7. Records and financial reporting requirements. 40 CFR Part 31.
8. Copyright requirements. 40 CFR Part 31.

Social Policy Authorities

1. Age Discrimination Act of 1975, Pub. L. 94-135; 42 USC § 6102.
2. Race Discrimination. Title VI of the Civil Rights Act of 1964, Pub. L. 88-352.1; 42 USC § 2000d; 40 CFR Part 7.
3. Sex Discrimination. Section 13 of the Federal Water Pollution Control Act Amendments of 1972, Pub. L. 92-500 (the Clean Water Act); 33 USC § 1251; 40 CFR Part 7.

Name of Recipient
Agreement No.: XX-XXX-550
Project No.: C-06-XXXX-XXX

EXHIBIT E — FEDERAL CONDITIONS & CROSS-CUTTERS

4. **Disability Discrimination.** Section 504 of the Rehabilitation Act of 1973, Pub. L. 93-112 (including Executive Orders 11914 and 11250); 29 USC § 794; 40 CFR Part 7.
5. **Equal Employment Opportunity,** Executive Order 11246.
6. **Section 129 of the Small Business Administration Reauthorization and Amendment Act of 1988,** Pub. L. 100-590.

EXHIBIT G – DAVIS BACON REQUIREMENTS

1. Contract and Subcontract provisions for Recipients

(a) The Recipient shall insert in full in any contract in excess of \$2,000 which is entered into for the actual construction, alteration and/or repair, including painting and decorating, of a treatment work under the CWSRF the following clauses:

(1) Minimum wages.

(i) All laborers and mechanics employed or working upon the site of the work will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics.

Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph (a)(1)(iv) of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in § 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under paragraph (a)(1)(ii) of this section) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

Subrecipients may obtain wage determinations from the U.S. Department of Labor's web site, www.dol.gov.

(ii)(A) The Recipient, on behalf of EPA, shall require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The State award official shall approve a request for an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

(1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and

EXHIBIT G – DAVIS BACON REQUIREMENTS

- (2) The classification is utilized in the area by the construction industry; and
 - (3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.
- (B) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the Recipient agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), documentation of the action taken and the request, including the local wage determination shall be sent by the Recipient to the State award official. The State award official will transmit the request, to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, DC 20210 and to the EPA DB Regional Coordinator concurrently. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification request within 30 days of receipt and so advise the State award official or will notify the State award official within the 30-day period that additional time is necessary.
- (C) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and Recipient do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the award official shall refer the request and the local wage determination, including the views of all interested parties and the recommendation of the State award official, to the Administrator for determination. The request shall be sent to the EPA DB Regional Coordinator concurrently. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt of the request and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.
- (D) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs (a)(1)(ii)(B) or (C) of this section, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.
- (iii) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.
 - (iv) If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

EXHIBIT G – DAVIS BACON REQUIREMENTS

- (2) **Withholding.** The Recipient, shall upon written request of the EPA Award Official or an authorized representative of the Department of Labor, withhold or cause to be withheld from the contractor under this contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of the work, all or part of the wages required by the contract, the (Agency) may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.
- (3) **Payrolls and basic records.**
- (i) **Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.**
- (ii)(A) **The contractor shall submit weekly, for each week in which any contract work is performed, a copy of all payrolls to the Recipient, that is, the entity that receives the sub-grant or loan from the State capitalization grant recipient. Such documentation shall be available on request of the State or EPA. As to each payroll copy received, the Recipient shall provide written confirmation in a form satisfactory to the State indicating whether or not the project is in compliance with the requirements of 29 CFR 5.5(a)(1) based on the most recent payroll copies for the specified week. The payrolls shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i), except that full social security numbers and home addresses shall not be included on the weekly payrolls. Instead the payrolls shall only need to include an individually identifying number for each employee (e.g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at <http://www.dol.gov/esa/whd/forms/wh347instr.htm> or its successor site. The prime**

EXHIBIT G – DAVIS BACON REQUIREMENTS

contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to the Recipient for transmission to the State Water Board or EPA if requested by EPA, the State Water Board, the contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this section for a prime contractor to require a subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to the Recipient.

- (B) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:
- (1) That the payroll for the payroll period contains the information required to be provided under § 5.5 (a)(3)(ii) of Regulations, 29 CFR part 5, the appropriate information is being maintained under § 5.5 (a)(3)(i) of Regulations, 29 CFR part 5, and that such information is correct and complete;
 - (2) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations, 29 CFR part 3;
 - (3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.
- (C) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph (a)(3)(ii)(B) of this section.
- (D) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under section 1001 of title 18 and section 231 of title 31 of the United States Code.
- (iii) The contractor or subcontractor shall make the records required under paragraph (a)(3)(i) of this section available for inspection, copying, or transcription by authorized representatives of the State, EPA or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, the Federal agency or State may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required

EXHIBIT G – DAVIS BACON REQUIREMENTS

records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

- (4) Apprentices and trainees.
- (i) **Apprentices.** Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.
- (ii) **Trainees.** Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe

EXHIBIT G – DAVIS BACON REQUIREMENTS

benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

- (iii) Equal employment opportunity. The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR part 30.
- (5) Compliance with Copeland Act requirements. The contractor shall comply with the requirements of 29 CFR part 3, which are incorporated by reference in this contract.
- (6) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses contained in 29 CFR 5.5(a)(1) through (10) and such other clauses as the EPA determines may be appropriate, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in 29 CFR 5.5.
- (7) Contract termination; debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.
- (8) Compliance with Davis-Bacon and Related Act requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract.
- (9) Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and Recipient, State, EPA, the U.S. Department of Labor, or the employees or their representatives.
- (10) Certification of eligibility.
 - (i) By entering into this contract, the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or

EXHIBIT G – DAVIS BACON REQUIREMENTS

firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

- (ii) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).
- (iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

2. Contract Provision for Contracts in Excess of \$100,000.

(a) **Contract Work Hours and Safety Standards Act.** The Recipient shall insert the following clauses set forth in paragraphs (a)(1), (2), (3), and (4) of this section in full in any contract in an amount in excess of \$100,000 and subject to the overtime provisions of the Contract Work Hours and Safety Standards Act. These clauses shall be inserted in addition to the clauses required by Section 1, above or 29 CFR 4.6. As used in this paragraph, the terms laborers and mechanics include watchmen and guards.

- (1) **Overtime requirements.** No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.
- (2) **Violation; liability for unpaid wages; liquidated damages.** In the event of any violation of the clause set forth in paragraph (a)(1) of this section the contractor and any subcontractor responsible therefore shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (a)(1) of this section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (a)(1) of this section.
- (3) **Withholding for unpaid wages and liquidated damages.** The Recipient, upon written request of the EPA Award Official or an authorized representative of the Department of Labor, shall withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (b)(2) of this section.
- (4) **Subcontracts.** The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (a)(1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The

EXHIBIT G – DAVIS BACON REQUIREMENTS

prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (a)(1) through (4) of this section.

- (b) In addition to the clauses contained in Section 1, above, in any contract subject only to the Contract Work Hours and Safety Standards Act and not to any of the other statutes cited in 29 CFR 5.1, the Recipient shall insert a clause requiring that the contractor or subcontractor shall maintain payrolls and basic payroll records during the course of the work and shall preserve them for a period of three years from the completion of the contract for all laborers and mechanics, including guards and watchmen, working on the contract. Such records shall contain the name and address of each such employee, social security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid. Further, the Recipient shall insert in any such contract a clause providing that the records to be maintained under this paragraph shall be made available by the contractor or subcontractor for inspection, copying, or transcription by authorized representatives of the United States Environmental Protection Agency, the Department of Labor, or the State Water Resources Control Board, and the contractor or subcontractor will permit such representatives to interview employees during working hours on the job.

3. Compliance Verification

- (a) The Recipient shall periodically interview a sufficient number of employees entitled to DB prevailing wages (covered employees) to verify that contractors or subcontractors are paying the appropriate wage rates. As provided in 29 CFR 5.6(a)(6), all interviews must be conducted in confidence. The subrecipient must use Standard Form 1445 (SF 1445) or equivalent documentation to memorialize the interviews. Copies of the SF 1445 are available from EPA on request.
- (b) The Recipient shall establish and follow an interview schedule based on its assessment of the risks of noncompliance with DB posed by contractors or subcontractors and the duration of the contract or subcontract. At a minimum, the Recipient should conduct interviews with a representative group of covered employees within two weeks of each contractor or subcontractor's submission of its initial weekly payroll data and two weeks prior to the estimated completion date for the contract or subcontract. The Recipient must conduct more frequent interviews if the initial interviews or other information indicates that there is a risk that the contractor or subcontractor is not complying with DB. The Recipient shall immediately conduct necessary interviews in response to an alleged violation of the prevailing wage requirements. All interviews shall be conducted in confidence.
- (c) The Recipient shall periodically conduct spot checks of a representative sample of weekly payroll data to verify that contractors or subcontractors are paying the appropriate wage rates. The Recipient shall establish and follow a spot check schedule based on its assessment of the risks of noncompliance with DB posed by contractors or subcontractors and the duration of the contract or subcontract. At a minimum, if practicable, the Recipient should spot check payroll data within two weeks of each contractor or subcontractor's submission of its initial payroll data and two weeks prior to the completion date the contract or subcontract. The Recipient must conduct more frequent spot checks if the initial spot check or other information indicates that there is a risk that the contractor or subcontractor is not complying with DB. In addition, during the examinations the Recipient shall verify evidence of fringe benefit plans and payments thereunder by contractors and subcontractors who claim credit for fringe benefit contributions.
- (d) The Recipient shall periodically review contractors and subcontractors use of apprentices and trainees to verify registration and certification with respect to apprenticeship and training programs approved by either the U.S Department of Labor or a state, as appropriate, and that

EXHIBIT G – DAVIS BACON REQUIREMENTS

contractors and subcontractors are not using disproportionate numbers of, laborers, trainees and apprentices. These reviews shall be conducted in accordance with the schedules for spot checks and interviews described in Item 5(b) and (c) above.

- (e) The Recipient must immediately report potential violations of the DB prevailing wage requirements to the EPA DB contact listed above and to the appropriate DOL Wage and Hour District Office listed at <http://www.dol.gov/esa/contacts/whd/america2.htm>.

California State Water Resources Control Board
Division of Financial Assistance (Division)
1001 I Street • Sacramento, California 95814 • (916) 341-5700 FAX (916) 341-5707
Mailing Address: P. O. Box 944212 • Sacramento, California • 94244-2120
Internet Address: <http://www.waterboards.ca.gov>

Guidelines for Meeting the California State Revolving Fund (CASRF) Programs
(Clean Water and Drinking Water SRF)
Disadvantaged Business Enterprise (DBE) Requirements
(Revised April 24, 2015)

The DBE Program is an outreach, education, and objectives program designed to increase the participation of DBEs in the CWSRF Programs.

How to Achieve the Purpose of the Program

Recipients of CASRF financing that are subject to the DBE requirements (recipients) are required to seek, and are encouraged to use, DBEs for their procurement needs. Recipients should award a "fair share" of sub-agreements to DBEs. This applies to all sub-agreements for equipment, supplies, construction, and services.

The key functional components of the DBE Program are as follows.

- Fair Share Objectives
- DBE Certification
- Six Good Faith Efforts
- Contract Administration Requirements
- DBE Reporting

Disadvantaged Business Enterprise's are:

- entities owned and/or controlled by socially and economically disadvantaged individuals as described by Title X of the Clean Air Act Amendments of 1990 (42 U.S.C. 7601 note) (10% statute), and Public Law 102-389 (42 U.S.C. 4370d) (8% statute), respectively;
- a Minority Business Enterprise (MBE) are entities that are at least 51% owned and/or controlled by a socially and economically disadvantaged individual as described by Title X of the Clean Air Act Amendments of 1990 (42 U.S.C. 7601 note), and Public Law 102-389 (42 U.S.C. 4370d), respectively.
- a Women Business Enterprise (WBE) are entities that are at least 51% owned and/or controlled by women.
- a Small Business Enterprise (SBE);
- a Small Business in a Rural Area (SBRA);
- a Labor Surplus Area Firm (LSAF); or
- an Historically Underutilized Business (HUB) Zone Small Business Concern or a concern under a successor program.

Certifying DBE Firms:

Under the DBE Program, entities can no longer self-certify and contractors and sub-contractors must be certified at bid opening. Contractors and sub-contractors must provide to the CASRF recipient proof of DBE certification. Certifications will be accepted from the following:

- The US Environmental Protection Agency (USEPA)
- The Small Business Administration(SBA);
- The Department of Transportation's State implemented DBE Certification Program (with U.S. citizenship);
- Tribal, State and Local governments;
- Independent private organization certifications.

If an entity holds one of these certifications, it is considered acceptable for establishing status under the DBE Program.

Six Good Faith Efforts (GFE)

All CWSRF financing recipients are required to complete and ensure that the prime contractor complies with the GFE below to ensure that DBEs have the opportunity to compete for financial assistance dollars.

1. Ensure DBEs are made aware of contracting opportunities to the fullest extent practical through outreach and recruitment activities. For Tribal, State and Local Government Recipients, this will include placing DBEs on solicitation lists and soliciting them whenever they are potential sources.
2. Make information on forthcoming opportunities available to DBEs. Posting solicitations for bids or proposals for a minimum of 30 calendar days before the bid opening date.
3. Consider in the contracting process whether firms competing for large contracts could subcontract with DBEs.
4. Encourage contracting with a group of DBEs when a contract is too large for one firm to handle individually.
5. Use the services and assistance of the SBA and/or Minority Business Development Agency (MBDA) of the US Department of Commerce.
6. If the prime contractor awards subcontracts, require the prime contractor to take the above steps.

The forms listed in the table below and attached to these guidelines; must be completed and submitted with the GFE:

FORM NUMBER	FORM NAME	REQUIREMENT	PROVIDED BY	COMPLETED BY	SUBMITTED TO
EPA 6100-2	DBE Sub-Contractor Participation Form	As Needed to Report Issues	Recipient	Sub-Contractor	EPA DBE Coordinator
EPA 6100-3	DBE Sub-Contractor Performance Form	Include with Bid or Proposal Package	Prime Contractor	Sub-Contractor	SWRCB by Recipient
EPA 6100-4	DBE Sub-Contractor Utilization Form	Include with Bid or Proposal Package	Recipient	Prime Contractor	SWRCB by Recipient

The completed forms must be submitted with each Bid or Proposal. The recipient shall review the bidder's documents closely to determine that the GFE was performed **prior** to bid or proposal opening date. Failure to complete the GFE and to substantiate completion of the GFE before the bid opening date could jeopardize CWSRF financing for the project. The following situations and circumstances require action as indicated:

1. If the apparent successful low bidder was rejected, a complete explanation must be provided;
2. Failure of the apparent low bidder to **perform** the GFE **prior** to bid opening constitutes a non-responsive bid. The construction contract may then be awarded to the next low, responsive, and responsible bidder that meets the requirements or the Recipient may re-advertise the project.
3. If there is a bid dispute, all disputes shall be settled **prior** to submission of the Final Budget Approval Form.

Administration Requirements

- A recipient of CWSRF financing must require entities receiving funds to create and maintain a Bidders List if the recipient of the financing agreement is subject to, or chooses to follow, competitive bidding requirements;
- The Bidders list must include all firms that bid or quote on prime contracts, or bid or quote on subcontracts, including both DBEs and non-DBEs.

- Information retained on the Bidder's List must include the following:
 1. Entity's name with point of contact;
 2. Entity's mailing address and telephone number;
 3. The project description on which the entity bid or quoted and when;
 4. Amount of bid/quote; and
 5. Entity's status as a DBE or non-DBE.
- The Bidders List must be kept until the recipient is no longer receiving funding under the agreement.
- The recipient shall include Bidders List as part of the Final Budget Approval Form.
- A recipient must require its prime contractor to pay its subcontractor for satisfactory performance no more than 30 days from the prime contractor's receipt of payment from the Recipient.
- A recipient must be notified in writing by its prime contractor prior to any termination of a DBE subcontractor by the prime contractor.
- If a DBE subcontractor fails to complete work under the subcontract for any reason, the recipient must require the prime contractor to employ the six GFEs if soliciting a replacement subcontractor.
- A recipient must require its prime contractor to employ the six GFEs even if the prime contractor has achieved its fair share objectives.

Reporting Requirements

For the duration of the construction contract(s), the recipient is required to submit to the State Water Resources Control Board DBE reports annually by October 10 of each fiscal year on the attached Utilization Report form (UR-334). Failure to provide this information as stipulated in the financial agreement language may be cause for withholding disbursements.

CONTACT FOR MORE INFORMATION

SWRCB – CASRF Barbara August (916) 341-6952 barbara.august@waterboards.ca.gov
 US-EPA Region 9 – Joe Ochab (415) 972-3761 ochab.joe@epa.gov.

**Disadvantaged Business Enterprise (DBE) Program
 DBE Subcontractor Participation Form**

An EPA Financial Assistance Agreement Recipient must require its prime contractors to provide this form to its DBE subcontractors. This form gives a DBE subcontractor² the opportunity to describe work received and/or report any concerns regarding the EPA-funded project (e.g., in areas such as termination by prime contractor, late payments, etc.). The DBE subcontractor can, as an option, complete and submit this form to the EPA DBE Coordinator at any time during the project period of performance.

Subcontractor Name		Project Name	
Bid/ Proposal No.	Assistance Agreement ID No. (if known)	Point of Contact	
Address			
Telephone No.		Email Address	
Prime Contractor Name		Issuing/Funding Entity:	

Contract Item Number	Description of Work Received from the Prime Contractor Involving Construction, Services, Equipment or Supplies	Amount Received by Prime Contractor

¹ A DBE is a Disadvantaged, Minority, or Woman Business Enterprise that has been certified by an entity from which EPA accepts certifications as described in 40 CFR 33.204-33.205 or certified by EPA. EPA accepts certifications from entities that meet or exceed EPA certification standards as described in 40 CFR 33.202.

² Subcontractor is defined as a company, firm, joint venture, or individual who enters into an agreement with a contractor to provide services pursuant to an EPA award of financial assistance.



United States

OMB Control No: 2090-0030

Environmental Protection Agency

Approved: 8/13/2013
Approval Expires: 8/31/2015

Disadvantaged Business Enterprise (DBE) Program DBE Subcontractor Participation Form

Please use the space below to report any concerns regarding the above EPA-funded project:

Subcontractor Signature	Print Name
Title	Date

The public reporting and recordkeeping burden for this collection of information is estimated to average three (3) hours per response. Send comments on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, including through the use of automated collection techniques to the Director, Collection Strategies Division, U.S. Environmental Protection Agency (2822T), 1200 Pennsylvania Ave., NW, Washington, D.C. 20460. Include the OMB control number in any correspondence. Do not send the completed form to this address.

**Disadvantaged Business Enterprise (DBE) Program
 DBE Subcontractor Performance Form**

This form is intended to capture the DBE¹ subcontractor's² description of work to be performed and the price of the work submitted to the prime contractor. An EPA Financial Assistance Agreement Recipient must require its prime contractor to have its DBE subcontractors complete this form and include all completed forms in the prime contractor's bid or proposal package.

Subcontractor Name		Project Name	
Bid/ Proposal No.	Assistance Agreement ID No. (if known)	Point of Contact	
Address			
Telephone No.		Email Address	
Prime Contractor Name		Issuing/Funding Entity:	

Contract Item Number	Description of Work Submitted to the Prime Contractor Involving Construction, Services, Equipment or Supplies	Price of Work Submitted to the Prime Contractor

DBE Certified By: <u> </u> DOT <u> </u> SBA <u> </u> Other: _____	Meets/ exceeds EPA certification standards? <input type="checkbox"/> YES <input type="checkbox"/> No <input type="checkbox"/> Unknown
---	--

¹ A DBE is a Disadvantaged, Minority, or Woman Business Enterprise that has been certified by an entity from which EPA accepts certifications as described in 40 CFR 33.204-33.205 or certified by EPA. EPA accepts certifications from entities that meet or exceed EPA certification standards as described in 40 CFR 33.202.

² subcontractor is defined as a company, firm, joint venture, or individual who enters into an agreement with a contractor to provide services pursuant to an EPA award of financial assistance.



United States
Environmental Protection
Agency

OMB Control No: 2090-0030
Approved: 8/13/2013
Approval Expires: 8/31/2015

**Disadvantaged Business Enterprise (DBE) Program
DBE Subcontractor Performance Form**

I certify under penalty of perjury that the forgoing statements are true and correct. Signing this form does not signify a commitment to utilize the subcontractors above. I am aware of that in the event of a replacement of a subcontractor, I will adhere to the replacement requirements set forth in 40 CFR Part 33 Section 33.302 (c).

Prime Contractor Signature	Print Name
Title	Date

Subcontractor Signature	Print Name
Title	Date

The public reporting and record keeping burden for this collection of information is estimated to average three (3) hours per response. Send comments on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, including through the use of automated collection techniques to the Director, Collection Strategies Division, U.S. Environmental Protection Agency (2822T), 1200 Pennsylvania Ave., NW, Washington, D.C. 20460. Include the OMB control number in any correspondence. Do not send the completed form to this address.



OMB Control No: 2090-0030
 Approved: 8/13/2013
 Approval Expires: 8/31/2015

**Disadvantaged Business Enterprise (DBE) Program
 DBE Subcontractor Utilization Form**

This form is intended to capture the prime contractor's actual and/or anticipated use of identified certified DBE¹ subcontractors² and the estimated dollar amount of each subcontract. An EPA Financial Assistance Agreement Recipient must require its prime contractors to complete this form and include it in the bid or proposal package. Prime contractors should also maintain a copy of this form on file.

Prime Contractor Name		Project Name	
Bid/ Proposal No.	Assistance Agreement ID No. (if known)	Point of Contact	
Address			
Telephone No.		Email Address	
Issuing/Funding Entity:			

I have identified potential DBE certified subcontractors	<input type="checkbox"/> YES	<input type="checkbox"/> NO
--	------------------------------	-----------------------------

If yes, please complete the table below. If no, please explain:

Subcontractor Name/ Company Name	Company Address/ Phone/ Email	Est. Dollar Amt	Currently DBE Certified?

Continue on back if needed

¹ A DBE is a Disadvantaged, Minority, or Woman Business Enterprise that has been certified by an entity from which EPA accepts certifications as described in 40 CFR 33.204-33.205 or certified by EPA. EPA accepts certifications from entities that meet or exceed EPA certification standards as described in 40 CFR 33.202.

² Subcontractor is defined as a company, firm, joint venture, or individual who enters into an agreement with a contractor to provide services pursuant to an EPA award of financial assistance.



OMB Control No: 2090-0030
Approved: 8/13/2013
Approval Expires: 8/31/2015

**Disadvantaged Business Enterprise (DBE) Program
DBE Subcontractor Utilization Form**

I certify under penalty of perjury that the forgoing statements are true and correct. Signing this form does not signify a commitment to utilize the subcontractors above. I am aware of that in the event of a replacement of a subcontractor, I will adhere to the replacement requirements set forth in 40 CFR Part 33 Section 33.302 (c).

Prime Contractor Signature	Print Name
Title	Date

The public reporting and recordkeeping burden for this collection of information is estimated to average three (3) hours per response. Send comments on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, including through the use of automated collection techniques to the Director, Collection Strategies Division, U.S. Environmental Protection Agency (2822T), 1200 Pennsylvania Ave., NW, Washington, D.C. 20460. Include the OMB control number in any correspondence. Do not send the completed form to this address.



OMB Control No: 2090-0030
Approved: 8/13/2013
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**Disadvantaged Business Enterprise (DBE) Program
DBE Subcontractor Utilization Form**

I certify under penalty of perjury that the forgoing statements are true and correct. Signing this form does not signify a commitment to utilize the subcontractors above. I am aware of that in the event of a replacement of a subcontractor, I will adhere to the replacement requirements set forth in 40 CFR Part 33 Section 33.302 (c).

Prime Contractor Signature	Print Name
Title	Date

The public reporting and record keeping burden for this collection of information is estimated to average three (3) hours per response. Send comments on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, including through the use of automated collection techniques to the Director, Collection Strategies Division, U.S. Environmental Protection Agency (2822T), 1200 Pennsylvania Ave., NW, Washington, D.C. 20460. Include the OMB control number in any correspondence. Do not send the completed form to this address.

**STATE WATER RESOURCES CONTROL BOARD – DIVISION OF FINANCIAL ASSISTANCE
DISADVANTAGED BUSINESS ENTERPRISE (DBE) UTILIZATION
CALIFORNIA STATE REVOLVING FUNDS (CASRF)
FORM UR-334**

1. Grant/Finance Agreement Number:	2. Annual Reporting Period 10/1/ through 09/30/	3. Purchase Period of Financing Agreement:			
4. Total Payments Paid to Prime Contractor or Sub-Contractors During Current Reporting Period: \$					
5. Recipients Name and Address:		6. Recipient's Contact Person and Phone Number:			
7. List All DBE Payments Paid by Recipient or Prime Contractor During Current Reporting Period:					
Payment or Purchase Paid by Recipient or Prime Contractor	Amount Paid to Any DBE Contractor or Sub-Contractor For Service Provided to Recipient		Date of Payment (MM/DD/YY)	Procurement Type Code** (see below)	Name and Address of DBE Contractor of Sub-Contractor or Vendor
	MBE	WBE			
8. Initial here if no DBE contractors or sub-contractors paid during current reporting period:					
9. Initial here if all procurements for this contract are completed:					
10. Comments:					
11. Signature and Title of Recipient's Authorized Representative				12. Date	

Return to:
Barbara August
Division of Financial Assistance
SWRCB
PO Box 944212
Sacramento, CA 94244-2120

Barbara.August@waterboards.ca.gov
Phone: (916) 341-6952
Fax: (916) 327-7469

Procurement Type:

1. Construction
2. Supplies
3. Services (includes business services; professional services; repair services and personnel services)
4. Equipment

**STATE WATER RESOURCES CONTROL BOARD - DIVISION OF FINANCIAL ASSISTANCE
DISADVANTAGED BUSINESS ENTERPRISE (DBE) UTILIZATION
CALIFORNIA STATE REVOLVING FUNDS
INSTRUCTIONS FOR COMPLETING FORM UR-334**

- Box 1** Grant or Financing Agreement Number.
- Box 2** Annual reporting period.
- Box 3** Enter the dates between which you made procurements under this financing agreement or grant.
- Box 4** Enter the total amount of payments paid to the contractor or sub-contractors during this reporting period.
- Box 5** Enter Recipient's Name and Address.
- Box 6** Enter Recipient's Contact Name and Phone Number.
- Box 7** Enter details for the **DBE purchases only** and be sure to limit them to the current period. 1) Use either an "R" or a "C" to represent "Recipient" or "Contractor." 2) Enter a dollar total for DBE and total the two columns at the bottom of the section. 3) Provide the payment date. 4) Enter a product type choice from those at the bottom of the page. 5) List the vendor name and address in the right-hand column
- Box 8** Initial here if no DBE contractors or sub-contractors were paid during this reporting period.
- Box 9** Initial this box only if all purchases under this financing agreement or grant have been completed during this reporting period or a previous period. If you initial this box, we will no longer send you a survey.
- Box 10** This box is for explanatory information or questions.
- Box 11** Provide an authorized representative signature.
- Box 12** Enter the date form completed.

2.20 Signage.

The Recipient shall place a sign at least four feet tall by eight feet wide made of ¾ inch thick exterior grade plywood or other approved material in a prominent location on the Project site and shall maintain the sign in good condition for the duration of the construction period. The sign shall include the following color logos (available from the Division) and the following disclosure statement:



“Funding for this project has been provided in full or in part by the Clean Water State Revolving Fund through an agreement with the State Water Resources Control Board. California’s Clean Water State Revolving Fund is capitalized through a variety of funding sources, including grants from the United States Environmental Protection Agency and state bond proceeds.”

The Project sign may include another agency’s required promotional information so long as the above logos and disclosure statement are equally prominent on the sign. The sign shall be prepared in a professional manner.

The Recipient shall include the following disclosure statement in any document, written report, or brochure prepared in whole or in part pursuant to this Agreement:

“Funding for this project has been provided in full or in part through an agreement with the State Water Resources Control Board. The contents of this document do not necessarily reflect the views and policies of the State Water Resources Control Board, nor does mention of trade names or commercial products constitute endorsement or recommendation for use. (Gov. Code § 7550, 40 CFR § 31.20.)”

The Recipient shall be required to maintain separate books, records and other material relative to the Project. The Recipient shall also be required to retain such books, records, and other material for itself and for each contractor or subcontractor who performed work on this project for a minimum of thirty-six (36) years after Project Completion. The Recipient shall require that such books, records, and other material be subject at all reasonable times (at a minimum during normal business hours) to inspection, copying, and audit by the State Water Board, the Bureau of State Audits, the United States Environmental Protection Agency (USEPA), the Office of Inspector General, the Internal Revenue Service, the Governor, or any authorized representatives of the aforementioned, and shall allow interviews during normal business hours of any employees who might reasonably have information related to such records. The Recipient agrees to include a similar right regarding audit, interviews, and records retention in any subcontract related to the performance of this Agreement. The provisions of this section shall survive the discharge of the Recipient's Obligation hereunder and shall survive the term of this Agreement.


**CONSENT
CALENDAR
ITEM**


1J


Date: November 18, 2015

To: The Honorable Board of Directors

Through: Public, Legislative Affairs, and Water Resources Committee (11/11/15)

From: P. Joseph Grindstaff
General Manager 

Submitted by: Martha Davis 
Executive Manager of Policy Development/Assistant General Manager

Sylvie Lee 
Manager of Planning and Environmental Resources

Subject: Memorandum of Understanding (MOU) with the Local Government
Commission (LGC) for a Sponsored CivicSpark Fellow

RECOMMENDATION

It is recommended that the Board of Directors:

1. Approve an MOU for Sponsored CivicSpark Fellow with the LGC; and
2. Authorize the General Manager to execute said MOU.

BACKGROUND

The LGC is a nonprofit organization fostering innovation in environmental sustainability and economic prosperity since 1980, helping to transform communities through inspiration, practical assistance and a network of visionary local elected officials and other community leaders. LGC assists local governments in developing and implementing programs and projects nurturing key elements of livable communities for a healthier human and natural environment, a more sustainable economy, and an actively engaged populace.

CivicSpark, a program of the LGC, works with a range of local and regional project partners, assisting in implementing greenhouse gas and water conservation projects. IEUA has been selected by the LGC as a recipient of a CivicSpark Fellow. The Fellow will be shared with Santa Ana Watershed Project Authority (SAWPA) and will be available for a period of eleven months starting in November 2015, at no cost to either agency.

MOU for Sponsored CivicSpark Fellow

November 18, 2015

Page 2 of 2

Availability of this CivicSpark Fellow is timely as IEUA has been selected to participate in the California Foundation Water Agency Leadership pilot project and will need assistance in preparing the water use and management data for the Foundation's review this winter. In addition, the Fellow will assist staff with preparation of the Regional Urban Water Management Plan that is due to be adopted in June 2016.

This MOU is consistent with the *Agency's Business Goal* of increasing *Water Reliability* by meeting the region's need to develop reliable, drought-proof and diverse local water resources in order to reduce dependence on imported water supplies.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

None.

Attachment: MOU for Sponsored CivicSpark Fellow with the LCG

MEMORANDUM OF UNDERSTANDING FOR SPONSORED CIVICSPARK FELLOW

THIS MEMORANDUM OF UNDERSTANDING is made and entered into as of November 9, 2015 by and between the Inland Empire Utilities Agency ("Partner") and the Local Government Commission ("LGC"), a non-profit organization.

RECITALS

- LGC is administering the *CivicSpark* program, as part of the federal AmeriCorps program, to assist local governments in California with climate change response activities.
- The Partner desires to engage LGC to provide certain services through the *CivicSpark* program and LGC desires to provide those services. Compensation for these services is being provided through third party funding. This document is to establish the basic guidelines and expectations between The Partner and LGC.
- The Partner and LGC enter into this Agreement in order to memorialize the terms of LGC's performance of the services and the Partner's obligations with respect thereto.

AGREEMENT

I. CivicSpark Scope of Services

LGC has contracted with the Corporation of National and Community Service to implement CivicSpark as an AmeriCorps program. Fellows can only work on service outlined in performance measures approved by the Corporation for National and Community Service. These performance measures define how CivicSpark will provide service to local governments by conducting assessments, implementing planning or action projects, engaging volunteers, and transferring knowledge to local government staff. The project scope below must align with the measures below:

- 1) Capacity Building for Local Governments – Fellow's direct service hours should be spent building capacity for local government beneficiaries to address their need around climate change response, assisting them to develop projects that they would otherwise not be able to complete. Capacity building for Fellows will be delivered in 4 stages including gap assessments, research, action, and implementation service projects, volunteer engagement, and knowledge transition.
- 2) Volunteer Engagement – All Fellows should have the opportunity to build further capacity for local governments by engaging, recruiting, and supporting volunteers. Volunteers may be engaged only one-time, (e.g. – volunteers to assist for a specific event such as Earth Day or service activities), or on-going, such as interns..
- 3) Training and Professional Development for Fellows – Fellows can spend up to 20% of their 1700-hour service year on training. Training includes the 2-week intensive orientation at the start of the service year, continued monthly trainings, and professional development and networking opportunities. Training hours ensure that Fellows have the training and tools they need to succeed in their sustainability work.

The majority of direct service portion of the work provided by CivicSpark to local governments only involves the first two measures. The third measure is realized principally through training and professional development activities provided by LGC to Fellows. Some activities that occur while working with local governments may be considered training and professional development such as

networking events and trainings that might be hosted by the local government.

In addition to only working on contracted performance measure service activities, per federal guidelines, while charging time to the AmeriCorps program, accumulating service or training hours, or otherwise performing activities supported by the AmeriCorps program or the Corporation for National and Community Service, LGC, Supervisors or Fellows may not engage in the following activities (see 45 CFR § 2520.65):

- 1) Attempting to influence legislation;
- 2) Organizing or engaging in protests, petitions, boycotts, or strikes;
- 3) Assisting, promoting, or deterring union organizing;
- 4) Impairing existing contracts for services or collective bargaining agreements;
- 5) Engaging in partisan political activities, or other activities designed to influence the outcome of an election to any public office;
- 6) Participating in, or endorsing, events or activities that are likely to include advocacy for or against political parties, political platforms, political candidates, proposed legislation, or elected officials;
- 7) Engaging in religious instruction, conducting worship services, providing instruction as part of a program that includes mandatory religious instruction or worship, constructing or operating facilities devoted to religious instruction or worship, maintaining facilities primarily or inherently devoted to religious instruction or worship, or engaging in any form of religious proselytization;
- 8) Providing a direct benefit to—
 - a) A business organized for profit;
 - b) A labor union;
 - c) A partisan political organization;
 - d) A nonprofit organization that fails to comply with the restrictions contained in section 501(c)(3) of the Internal Revenue Code of 1986 related to engaging in political activities or substantial amount of lobbying except that nothing in these provisions shall be construed to prevent participants from engaging in advocacy activities undertaken at their own initiative; and
 - e) An organization engaged in the religious activities described above, unless CNCS assistance is not used to support those religious activities;
- 9) Conducting a voter registration drive or using CNCS funds to conduct a voter registration drive;
- 10) Providing abortion services or referrals for receipt of such services; and
- 11) Such other activities as CNCS may prohibit.

Fellows, like other private citizens, may participate in the above listed activities on their own time, at their own expense, and on their own initiative. However, the AmeriCorps logo must not be worn while doing so.

LGC will perform the following services:

- 1) General Program Responsibilities
 - a) Provide clear guidelines to Fellow regarding AmeriCorps regulations and expectations
 - b) Recruit and train a Regional Coordinator (1000 hours over 13 months) to work with Fellows and Participating local governments

- c) Recruit and train Fellows to provide capacity building services for the region
- d) Work to provide support and guidance for Fellows, addressing any concerns that might develop during service year, and striving towards 90% retention of fellows
- e) Manage local government service contracts
- f) Share outcomes from service with Partner

2) Fellow Responsibilities

- a) Pass a state and national and NSOPR background check before starting their service year.
- b) Participate in a 1-week program orientation and complete 250 hours of training through dedicated fellow training and development and service days.
- c) Serve an average of 37 hours per week for 11 months, serving a minimum of 1700 hours overall.
- d) Comply with guidelines for performance measures and abide by regulations on prohibited activities described in above.
- e) Complete accurate reporting in a timely manner for as required by the National Corporation for Service for projects, including assessments, implementation, hours served, volunteers recruited and supported, and transition of knowledge to local governments
- f) Avoid participation in prohibited activities.
- g) Identify as a Fellow and wear AmeriCorps lapel pins or gear during service hours.
- h) Participate in days of national service including, but not limited to, Martin Luther King Jr. Day of Service, 9/11 Day of Remembrance, and AmeriCorps week Service Day.

3) Project Specific Scope of Work

- a) Civic Spark Fellow will assist the Department of Planning and Environmental Resources with two water resources planning projects.
- b) The first project is the California Water Foundation Water Agency Leadership pilot project to develop a Sustainable Water Profile tool that will advance long-term water supply resilience and water resource stewardship at a regional scale. The Foundation is creating a standardized assessment tool for water agencies that analyses four themes to identify the biggest water challenges facing a region, evaluate an agency's response, and develop a composite "ranking" score for how well the agency is prepared to meet future challenges. The Fellow will assist Agency staff in working with the California Water Foundation to provide the key information to pilot the use of the Sustainable Water Profile tool.
- c) The second project is to assist with the development of an updated 2015 Regional Urban Water Management. This update will be completed by June 2016. There will be opportunities to work on focused research projects including assessment of potential storm water infiltration assessment using Low Impact Development.
- d) **IEUA Supervisor:** Sylvie Lee, Manager of Planning and Environmental Resources

II. Partner Responsibilities

1) Support Responsibilities

- a) Identify one local government staff fellow to act as a point person, familiarizing *CivicSpark* Fellows to resources and project, and setting aside 1 hour/week for assistance for each approved project.
- b) Develop defined project scopes and identify goals to be completed in agreed timeframe
- c) Support implementation of project consistent with scope above and in line with CivicSpark program goals (including supporting volunteer engagement activities and participating in transitional event)
- d) Keep Regional Coordinators apprised of development of projects and challenges, working to redefine scopes and goals as necessary.
- e) Assist with site visits to Partner as necessary by AmeriCorps Project Manager or Program Director

2) Reporting Responsibilities

- a) Complete applications for *CivicSpark* projects identifying;
 - i) Total hours desired for service work
 - ii) One or more local government beneficiaries for each 650 hours of service being contracted for. Beneficiaries can be individual departments within a single local government or even individual staff fellows within the same department,
 - iii) Eligibility of projects as defined as an absence of some of the following resources: A dedicated sustainability staff, an adopted climate action plan, or specific mechanisms to track adopted climate change actions
 - iv) High need level of beneficiaries, defined by 2 or more of the following indicators:
 - (1) Community unemployment above the state average for current recorded year
 - (2) Community-wide energy use higher than the previous recorded year.
 - (3) Local government employment lower than 2007 levels
 - (4) CalEnviroScreen rating in the top 1/3 (score of 23 or greater)
- b) Have local government staff involved with the project complete pre-assessment surveys to define goals for this project and baseline outlook on climate change issues and responses.
- c) Have local government staff involved in the project participate in a project interview early on as part of the CivicSpark gap assessment in which
- d) Complete necessary project reporting defined including having local government staff who completed the pre-assessment complete a post-assessment survey at project completion.
- e) Allow *CivicSpark* to share results for required grant reporting.

Reimbursable Expenses

LGC will cover up to \$400 for CivicSpark team transportation expenses related to implementation of this project. No other project related expenses are the responsibility of LGC.

Timeline

All tasks enumerated in this MOU are to start on November 9, 2015 and should be completed by September 16, 2016.

DATED:

P. Joseph Grindstaff
General Manager

DATED:

Linda Cloud, Managing Director
LOCAL GOVERNMENT COMMISSION

**CONSENT
CALENDAR
ITEM**

1K

Date: November 18, 2015

To: The Honorable Board of Directors

Through: Public, Legislative Affairs, and Water Resources Committee (11/11/15)
Engineering, Operations, and Biosolids Mgmt. Committee (11/11/15)
Finance, Legal, and Administration Committee (11/11/15)

From: P. Joseph Grindstaff
General Manager

Submitted by: Chris Berch
Executive Manager of Engineering/Assistant General Manager

Sylvie Lee
Manager of Planning and Environmental Resources

Subject: East Declez Purchase and Sale Agreement

RECOMMENDATION

It is recommended that the Board of Directors:

1. Approve the Purchase and Sale Agreement with SLPR, LLC for the East Declez property; and
2. Authorize the General Manager to execute the agreement.

BACKGROUND

As part of the ongoing recharge improvement discussions, the East Declez Basin was identified as a new project for the Chino Basin Watermaster (CBWM) and Inland Empire Utilities Agency (IEUA) parties' consideration. Following a preliminary evaluation from CBWM/IEUA, it was determined that the project had significant recharge potential for recycled water, and storm water, in Management Zone 3 (MZ-3). In addition, this project was identified as a good "substitute" for the lower San Sevaine Basin, since that site was no longer available and had to be removed from the Recharge Master Plan Update (RMPU) approved list of projects. Declez Basin is located east of Mulberry Avenue and Philadelphia Road in Riverside County. The basin currently is operated as a stormwater capture basin, and is scheduled to receive recycled water in Fall 2015, with the completion of the Wineville Extension Recycled Water Pipeline Project. East Declez property is

located directly adjacent to the existing Declez Basin and consists of 85 acres of land. The location of the property is shown below in Figure 1.

Staff is currently in the process of working with CBWM in developing the initial feasibility study to evaluate if the site is a viable site for groundwater recharge. Borings and cone penetration technology will provide hydrological data for the use of the site. Results are expected to be reached by March 2016, which will provide a determination on the feasibility of the use of the site for groundwater recharge. In the event that it is determined to be a viable groundwater recharge site, IEUA would purchase the property.

Figure 1 – East Declez Property Location



IEUA has been in direct communication with the agent representing the property owner of this property. We concurred to enter into an agreement that would enable IEUA/CBWM time to determine the feasibility of the proposed project and set a cap for the purchase price of the land should IEUA pursue purchase.

Terms to enter into a Purchase and Sale Agreement were previously developed as the Letter of Intent to Purchase Property and presented to the IEUA Board on June 17, 2015.

The Purchase and Sale Agreement includes the following terms:

- The property owner will hold the property for 180 days from the opening of escrow, with a refundable deposit of \$50,000.
- For time extensions beyond 180 days, \$10,000 per month of the deposit will be released to the property owner.
- Either party can terminate the intent to purchase at any time during the 180 days or the following five months.
- If IEUA and CBWM are willing to purchase the property based on the results of the feasibility study, IEUA will pay the fair market assessed value, not-to-exceed \$3 Million.
- 180 days from the opening of escrow will be May 2016; allowing time for IEUA and CBWM to make decisions on the purchase of the property beyond the current projected completion of the feasibility study.

Staff has been updating CBWM on a regular basis at the monthly project meetings.

The purchase of East Declez property is budgeted in the RMPU Project No. RW15003. At the completion of the project evaluation in Spring 2016, staff working with CBWM will determine if the project makes financial sense. If so, the cost share of the land acquisition between IEUA, CBWM, and other potential partners will be negotiated at an estimated not-to-exceed \$3 million. If the site is deemed appropriate for both storm water and recycled water recharge, the total costs not covered by other potential partners would be shared equally by CBWM and IEUA. However, if it is to be used for only storm water recharge, it will be fully funded by CBWM. The impact to the IEUA budget will be presented to the IEUA Board of Directors prior to the final land acquisition.

Securing the potential purchase of the East Declez property for groundwater recharge is consistent with the IEUA business goal of *Water Reliability*, namely development of groundwater recharge.

PRIOR BOARD ACTION

On June 17, 2015 the IEUA Board of Directors approved the Letter of Intent to Purchase the East Declez property.

IMPACT ON BUDGET

If it is determined that the Agency and CBWM will share the cost of the land acquisition, a budget amendment to the Recharge Water fund FY 2015/16 appropriation will be required to support the Agency's cost share.

Attachment: Purchase and Sale Agreement: Declez Property

**AGREEMENT OF PURCHASE AND SALE
AND JOINT ESCROW INSTRUCTIONS**

(Riverside 85 Acres)

TO: Chicago Title Company
560 E. Hospitality Lane
San Bernardino, CA 92408

Escrow No.: _____
Escrow Officer: Sandy Olson
Phone: (909) 381-6722
Fax: (909) 384-7858
Email: Sandra.olson@ctt.com

THIS AGREEMENT OF PURCHASE AND SALE AND JOINT ESCROW INSTRUCTIONS (this "**Agreement**"), is made and entered into as of the ___ day of October, 2015 (the "**Effective Date**"), by and between SLPR, LLC, an Arizona limited liability company ("**Seller**"), and Inland Empire Utilities Agency, a California Municipal Water District ("**Buyer**") with respect to the following facts:

RECITALS:

A. Seller owns a single parcel of unimproved land located in the City of Jurupa Valley, County of Riverside (the "**County**"), State of California, consisting of approximately 85 acres and identified as Assessor Parcel Numbers 173-020-020, 173-020-021, 173-020-022, and 173-020-023, such real property being more particularly described in **Exhibit "A"** attached hereto. Said real property, together with all appurtenant easements, rights of way, licenses and hereditaments, any and all improvements, facilities and the like located on the land, and any and all general intangibles and the like, shall collectively be referred to herein as the "**Property**".

B. Seller wishes to sell and convey the Property to Buyer, and Buyer wishes to purchase the Property from Seller, on the terms and conditions set forth below.

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer hereby agree that the terms and conditions of this Agreement and the instructions to Chicago Title Company ("**Escrow Holder**") with regard to the escrow ("**Escrow**") created pursuant hereto are as follows:

AGREEMENT:

1. **Purchase and Sale.** Seller agrees to sell the Property to Buyer, and Buyer agrees to purchase the Property from Seller, upon the terms and conditions set forth herein.

2. **Purchase Price.** The purchase price (the "**Purchase Price**") for the Property shall be Three Million and No/100 Dollars (\$3,000,000.00), based on the value in the current appraisal in Buyer's possession (a copy of which shall be delivered to Seller upon opening of the Escrow). Notwithstanding the preceding sentence, in the event Buyer elects to update the appraisal or obtain a new appraisal during the "Feasibility Period" (as defined in Section 5), and the updated appraised value is less than \$3,000,000.00, then Seller may elect to terminate this Agreement, unless Buyer elects to proceed with the purchase of the Property at the full Purchase Price listed above. The Purchase Price will be payable as follows:

a. Within three (3) business days of the "Opening of Escrow" (as defined in Section 3), Buyer shall cause to be deposited with Escrow Holder by confirmed wire transfer of funds the sum of Fifty Thousand and no/100 Dollars (\$50,000.00) (the "**Deposit**"). The Deposit shall be invested by Escrow Holder in an interest-bearing account. Should Buyer elect not to proceed with

the purchase of the Property pursuant to the provisions of this Agreement on or before the expiration of the Feasibility Period, the Deposit plus any accrued interest thereon less Buyer's portion of any escrow charges shall be immediately returned by Escrow Holder to Buyer, this Agreement and the Escrow created pursuant hereto shall be deemed terminated and neither party shall have any further rights or obligations hereunder, other than any obligations expressly provided in this Agreement to continue after termination hereof. If Buyer fails to timely terminate this Agreement as provided in Section 5.a below, the Deposit shall become non-refundable to Buyer, unless this Agreement terminates due to a material breach by Seller of its obligations under this Agreement or following the non-satisfaction of express conditions precedent to Buyer's obligations to purchase the Property, as provided in Section 9 of this Agreement.

b. The Deposit and all interest accrued thereon, if any, shall be credited toward the Purchase Price upon the successful Close of Escrow or otherwise shall be disbursed to the party entitled to the Deposit pursuant to the terms of this Agreement.

c. On or before the date of the Close of Escrow, Buyer shall cause to be deposited with Escrow Holder, by confirmed wire transfer of immediately available funds, the balance of the Purchase Price plus such additional funds, if any, as may be required to pay Buyer's share of prorations and closing costs, as set forth herein.

d. Notwithstanding anything to contrary set forth herein, the Deposit being delivered by Buyer includes the amount of One Hundred and No/100 Dollars (\$100.00) as independent consideration for Seller's performance under this Agreement (the "**Independent Consideration**"), which shall be retained by Seller in all instances. If the Close of Escrow occurs or if this Agreement is terminated for any reason, the Escrow Holder shall first disburse to Seller from the Deposit the Independent Consideration. The Independent Consideration shall be nonrefundable under all circumstances but shall be applied to the Purchase Price at the Close of Escrow. Buyer and Seller expressly acknowledge and agree that (a) the Independent Consideration plus Buyer's agreement to pay the costs provided in this Agreement, including, without limitation, the costs of any survey, and Buyer's agreement to deliver the "Buyer's Work Product" (as defined in Section 5.c) to Seller, has been bargained for as consideration for Seller's execution and delivery of this Agreement and for Buyer's review, inspection and termination rights during the Inspection Period, and (b) such consideration is adequate for all purposes under any applicable law or judicial decision.

3. Escrow.

a. **Opening of Escrow.** For purposes of this Agreement, the Escrow shall be deemed opened (the "**Opening of Escrow**") on the date Escrow Holder shall have received fully executed counterparts of this Agreement from both Buyer and Seller. Immediately upon the Opening of Escrow, Escrow Holder shall notify Buyer and Seller, in writing, of the date Escrow is opened.

b. **Close of Escrow.** For purposes of this Agreement, the "**Close of Escrow**" shall be defined as the date (the "**Closing Date**") that the Grant Deed, substantially in the form attached hereto as Exhibit "B" (the "**Grant Deed**"), conveying the Property to Buyer, is recorded in the Official Records of Riverside County, California (the "**Official Records**"). The Grant Deed shall provide that the documentary transfer tax shall not be of record. Close of Escrow shall occur no later than the first business day which is sixty (60) days from the date of expiration of the Feasibility Period.

(i) **Closing Extension.** Notwithstanding the foregoing, Buyer may extend the Close of Escrow for up to thirty (30) days (the "**Extension Period**"), by delivering a

written notice of its election to extend the Close of Escrow to Seller on or before the date that is ten (10) days prior to the scheduled Closing Date and by simultaneously delivering Twenty-Five Thousand Dollars (\$25,000.00) as an extension payment (the “**Extension Payment**”) for the Extension Period to the Escrow Holder, which amount will be immediately non-refundable and released to Seller, and not applicable to the Purchase Price at Closing.

c. **Closing Statement.** Prior to the Close of Escrow, Escrow Holder shall prepare and deliver to Seller and Buyer an estimated closing statement setting forth all estimated payments, adjustments, prorations, closing costs and expenses attributable to Seller or Buyer, as applicable, as of the scheduled Closing Date, and upon receipt thereof, the parties shall correct (if necessary) and approve their respective closing statements (the “**Closing Statement**”) and execute all documents required herein to be delivered by the Close of Escrow, and shall attend to such other matters as are incident to closing this transaction.

4. **Condition of Title.** It shall be a condition to Buyer’s obligations hereunder that Chicago Title Company (the “**Title Company**”) be prepared and committed to issue an ALTA Extended Owner’s 2006 Form Policy of Title Insurance (the “**Title Policy**”). Buyer may, at its expense, obtain any endorsements requested by Buyer, provided, however, that the ability to obtain said endorsements will not be a condition to Close of Escrow. The Title Policy shall be issued in the amount of the Purchase Price, showing fee title to the Property vested in Buyer and subject only to the following (the “**Condition of Title**”):

a. Non-delinquent liens to secure payment of real property taxes;

b. Matters affecting the Condition of Title created by or with the written consent of Buyer; and

c. Exceptions disclosed by a current extended coverage ALTA title commitment (the “**Commitment**”) with respect to the Property issued by the Title Company and which are approved by Buyer in accordance with this section. Seller, at its sole cost and expense, shall provide Buyer with the Commitment, together with legible copies (to the extent that the same are available from the Title Company) of the instruments underlying any exceptions referred to in the Commitment (the “**Exceptions**”) within **fifteen (15) days** following the Opening of Escrow. Seller shall be absolutely obligated to remove all monetary exceptions to title other than non-delinquent real property taxes and assessments at or prior to the Close of Escrow. If, on or before **seventy-five (75) days** following the Opening of Escrow, Buyer, in its sole and absolute discretion, disapproves any non-monetary items described in the Commitment or the Exceptions, Seller shall thereafter have the right, but not the obligation, to attempt to eliminate or ameliorate to Buyer’s satisfaction such matters as Buyer shall have so disapproved on or before **ten (10) days** following receipt of Buyer’s disapproval notice. Seller may give written notice to Buyer within such 10-day period whether Seller is unable or unwilling to ameliorate or eliminate such disapproved matters. If Seller so notifies Buyer (or fails to notify Buyer) that it is unable or unwilling to eliminate or ameliorate any such disapproved matters, Buyer shall have the right, exercisable by written notice delivered to Seller and Escrow Holder on or before the expiration of the Feasibility Period, to (i) waive its prior disapprovals of those matters which Seller is unable to eliminate or ameliorate, in which event such disapproved matters shall be deemed approved; or (ii) terminate the Escrow, in which event the Deposit plus all accrued and unpaid interest thereon less Buyer’s share of escrow costs shall be returned to Buyer and thereafter the Escrow, this Agreement and the rights and obligations of the parties hereunder shall terminate, other than any obligations expressly provided in this Agreement to continue after termination hereof. Prior to the Close of Escrow, Seller shall not cause or permit

title to the Property to differ from the Condition of Title approved by Buyer pursuant to the foregoing.

5. **Conditions to Buyer's Obligations.**

a. For a period (the "***Feasibility Period***") beginning on the Opening of Escrow and continuing until 6:00 PM (Pacific Time) on that date which is **one hundred twenty (120) days** following the Opening of Escrow, Buyer shall have the right to investigate and review all matters relating to the Property and its condition, and Buyer's obligations hereunder shall be conditioned upon Buyer's satisfaction with or waiver of such matters, which satisfaction or waiver shall be in Buyer's sole and absolute discretion. If Buyer, at any time on or before the expiration of the Feasibility Period, fails to expressly disapprove, in a writing delivered to Seller and Escrow Holder, any of such matters, such matters shall be deemed approved. In the event Buyer delivers timely written notice of its disapproval of any matters related to the Property and its election to terminate this Agreement, the Deposit and all accrued and unpaid interest thereon less Buyer's share of escrow costs shall immediately be refunded by Escrow Holder to Buyer and thereafter this Agreement and the Escrow created pursuant hereto shall be deemed cancelled and neither party shall have any further rights or obligations hereunder, other than any obligations expressly provided in this Agreement to continue after termination hereof.

b. Within **fifteen (15) days** of the Opening of Escrow, Seller shall make available to Buyer to the extent in the possession of Seller or reasonably available to Seller, true and complete copies of any and all existing studies, reports, maps, ALTA surveys, plans, records, contracts, permits, schedules and other documents relating to the Property in Seller's possession or reasonably accessible to Seller. All documents and materials that may be delivered to Buyer will be delivered without any warranty, express or implied, as to the accuracy or reliability of the contents of said documents and materials, and Buyer acknowledges and agrees that to the extent Buyer, after receiving said documents and materials, relies on them for any purpose, Buyer will do so at its sole risk. Additionally, within **fifteen (15) days** of the Opening of Escrow, Seller shall obtain and deliver to Buyer a Natural Hazard Disclosure Statement in the form identified in California Civil Code Section 1103.2 which shall be prepared by an expert in natural hazard discovery. Seller shall be solely responsible for the costs of preparing copies of such documents, studies, reports and schedules. Buyer shall be solely responsible for any costs incurred in connection with its review and/or investigation of such items and the matters set forth in this Section.

c. In the event that this Agreement shall terminate for any reason, then within **ten (10) days** following such termination, Buyer shall return to Seller all the documents and materials made available or delivered to Buyer under Section 5.b above, and shall also deliver to Seller all documents and materials concerning or relating to inspections, surveys and tests of the Property originating from or done on behalf of Buyer (the "***Buyer's Work Product***"). Notwithstanding the foregoing, Buyer will not be obligated to deliver or disclose and may withhold from Buyer's Work Product any and all documents and materials: (i) that are proprietary and confidential as to Buyer's business generally; (ii) that discuss potential tenants, buyers, or users at the Property; (iii) that set forth project development costs, proformas, profit projections, operational budgets, or any other financial or economic data related to Buyer's intended development, use, and/or operation of the Property (unless such items are already available to the general public); (iv) that include architectural plans, renderings and designs related to proposed vertical improvements on the Property (unless such items are already available to the general public); and (v) that are protected from disclosure by any applicable attorney/client or attorney work product privilege. All documents and materials that may be delivered to Seller will be delivered without any warranty, express or implied, as to the accuracy or reliability of the contents of said documents and materials,

and Seller acknowledges and agrees that to the extent Seller, after receiving said documents and materials, relies on them for any purpose, Seller will do so at its sole risk.

6. **Buyer's Inspection Rights During Escrow.**

a. **Right of Entry; Indemnification.** During the term of the Escrow, Buyer, its agents, contractors and subcontractors shall have the right to enter upon the Property at reasonable times upon prior notice to Seller, to make any and all physical inspections and tests as may be necessary or desirable in Buyer's sole judgment and discretion, including, without limitation, geotechnical, soils, environmental (except that a so-called Phase II Environmental Site Assessment may not be conducted without Seller's prior written consent, which consent may be withheld in Seller's sole and absolute discretion), hydrology, engineering, seismic, utility and structural studies of the Property, review of zoning ordinances, building codes and other laws affecting the Property, review of all plans and engineering and/or soils reports in Seller possession or control, if any, and review of the "Habitat Clearance" (as defined in Section 6.c). Buyer's obligations to purchase the Property shall be subject to its satisfaction with the apparent physical condition of the Property, which will be determined by Buyer during the Feasibility Period. Buyer shall use care and consideration in connection with any of its inspections. Buyer shall indemnify and hold Seller harmless of and from any and all claims, losses, liabilities, costs, expenses, mechanic's and materialmen's liens, and demands of any nature arising from or related to such entry and/or activities upon the Property by Buyer, its agents, contractors and subcontractors (said indemnity obligation will survive Close of Escrow or termination of this Agreement) and this indemnification shall not be limited to the insurance required in Section 6.b below. If Buyer, at any time on or before the expiration of the Feasibility Period, fails to disapprove, in a writing delivered to Seller and Escrow Holder, the apparent physical condition of the Property, such condition shall be deemed approved. In the event Buyer delivers timely written notice of its disapproval of the apparent physical condition of the Property and its election to terminate this Agreement, the Deposit plus all accrued interest thereon shall immediately be refunded by Escrow Holder to Buyer (Buyer to return any feasibility items provided by Seller), and thereafter this Agreement and the Escrow created pursuant hereto shall be deemed canceled and neither party shall have any further rights or obligations hereunder, other than any obligations expressly provided in this Agreement to continue after termination hereof.

b. **Insurance Requirement.** Prior to entry on the Property during the term of this Agreement by Buyer, its representatives, employees, agents, contractors and subcontractors, Buyer shall deliver to Seller a certificate or certificates showing that Buyer has in force a policy of comprehensive public liability insurance (with minimum coverage of \$1,000,000 per occurrence), and an excess umbrella liability policy of bodily injury and property damage (with minimum coverage of \$5,000,000), insuring Seller as an additional insured.

c. **Habitat Clearance.** Seller hired RBF Consulting, a Michael Baker International Company, to conduct and prepare the Habitat Assessment and MSHCP Consistency Analysis dated March 2015 (the "*Habitat Clearance*") for the Property. Buyer hereby acknowledges that a copy of the Habitat Clearance was delivered to Buyer's representative, Sylvie Lee, via electronic delivery on August 21, 2015.

7. **Closing Deposits by Seller.** At least **one (1) business day** prior to the Close of Escrow, Seller shall execute, acknowledge (where appropriate) and deliver into Escrow the following documents and instruments:

a. One (1) executed and notarized original *Grant Deed*, substantially in the form attached hereto as **Exhibit "B"**;

b. One (1) executed original of a *Certification re Withholding*, substantially in the form attached hereto as **Exhibit "C"**, and a California Form 593-C or 593-W, as appropriate (collectively, the "**Certifications**");

c. The Closing Statement executed by Seller; and

d. Any other instruments and documents which Seller is obligated to execute and deliver into Escrow under this Agreement.

8. **Closing Deposits by Buyer.** Buyer shall cause to be deposited with Escrow Holder the funds which are to be applied towards the payment of the Purchase Price in the amounts and at the times designated in Sections 2 and 3 above, subject to adjustments resulting from the prorations conducted pursuant hereto. In addition, at least **one (1) business day** prior to the Close of Escrow, Buyer shall execute, acknowledge (where appropriate) and deliver into Escrow the following documents and instruments:

a. The Closing Statement executed by Buyer; and

b. Any other instruments and documents which Buyer is obligated to execute and deliver into Escrow under this Agreement.

9. **Buyer's Conditions of Closing.** In addition to the other terms and provisions of this Agreement which give Buyer the right to terminate this Agreement and the Escrow created hereto, Buyer's obligation to purchase the Property from Seller shall be subject to the occurrence and/or satisfaction of the following conditions (or Buyer's written waiver thereof, it being agreed that Buyer may waive any or all of such conditions):

a. The Title Company is irrevocably prepared and committed to issue the Title Policy insuring title to the Property vested in Buyer or its nominee, subject only to the approved Condition of Title;

b. As of the Close of Escrow, Seller shall have deposited into Escrow the documents and instruments specified in Section 7 above and performed all of the obligations required to be performed by Seller under this Agreement;

c. All representations and warranties made by Seller to Buyer in this Agreement shall be true and correct as of the Close of Escrow;

d. The Property is in substantially the same general physical condition as existing as of the date of this Agreement; and

e. Seller shall not otherwise be in material default in the performance of any of its material obligations under this Agreement.

If any of the foregoing are not satisfied or waived by Buyer, Buyer may exercise its remedies as set forth in Section 36 below.

10. **Seller's Conditions of Closing.** In addition to the other terms and provisions of this Agreement which give Seller the right to terminate this Agreement and the Escrow created hereto, Seller's obligation to sell the Property to Buyer shall be subject to the occurrence and/or satisfaction of the following conditions (or Seller's written waiver thereof, it being agreed that Seller may waive any or all of such conditions):

a. As of the Close of Escrow, Buyer shall have deposited into Escrow the funds, documents and instruments specified in Section 8 above and performed all of the obligations required to be performed by Buyer under this Agreement;

b. All representations and warranties made by Buyer to Seller in this Agreement shall be true and correct as of the Close of Escrow; and

c. Buyer shall not otherwise be in material default in the performance of any of its material obligations under this Agreement.

If any of the foregoing are not satisfied or waived by Seller, Seller may exercise its remedies as set forth in Section 35 below.

11. **Costs and Expenses.** The portion of the Title Policy premium attributable to standard coverage and the County documentary transfer tax and recording fees shall be paid by Seller. Buyer shall pay the portion of the Title Policy premium attributable to ALTA extended coverage and the cost of any title insurance endorsements it may require. Except as otherwise specifically provided herein, the Escrow fee of Escrow Holder shall be shared equally by Seller and Buyer; provided, however, that if the Close of Escrow has not occurred by the Closing Date by reason of a default hereunder, the defaulting party shall bear all Escrow cancellation and Title Company charges. All other costs shall be allocated between Buyer and Seller in accordance with customary practice in the County. The provisions of this Section shall survive the Close of Escrow or a termination of this Agreement.

12. **Prorations.** Real property taxes with respect to the Property based upon the latest available tax information shall be prorated such that Seller shall be responsible for all such taxes levied against the Property to and including the day prior to the Close of Escrow (including, without limitation, any supplemental taxes and assessments levied against the Property and assessed after the Close of Escrow for any periods prior to the Close of Escrow) and Buyer shall be responsible for all taxes and assessments levied against the Property from and after the Close of Escrow. Any and all income or rents derived from operations on the Property shall be prorated such that Seller shall be entitled to all such income due for the period through and including the day prior to the Close of Escrow, and Buyer shall be entitled to all such income accruing from and after the Close of Escrow. Buyer shall receive a credit in Escrow for any monies collected by Seller attributable to the period from and after the Close of Escrow. There shall be no proration of any pre-paid rents (rents paid to Seller prior to close of escrow and applicable to the period prior to the Close of Escrow).

13. **Disbursements and Other Actions by Escrow Holder.** Upon the Close of Escrow, Escrow Holder shall promptly undertake all of the following in the manner indicated:

a. Cause the Grant Deed to be recorded in the Official Records;

b. Disburse all funds deposited into Escrow as follows:

i. Deduct all items chargeable to the account of Seller pursuant hereto;

ii. Disburse to Seller the Purchase Price, less items deducted pursuant to this Section 13 and any amounts previously released or disbursed to Seller that are applicable to the Purchase Price;

iii. Deduct and disburse all items chargeable to the account of Buyer pursuant hereto; and

iv. Disburse the balance, if any, to Buyer.

c. Upon confirmation of recordation of the Grant Deed, the Escrow Holder shall: (i) deliver the Certifications executed by Seller and the Closing Statement executed in counterpart by Seller to Buyer; (ii) deliver all original documents listed in Section 7 to Buyer; and (iii) deliver to both Buyer and Seller copies of all documents delivered to either party hereto or recorded pursuant to this Agreement; and

d. Deliver (or direct the Title Company to issue and deliver) the Title Policy to Buyer.

14. Operations During Escrow.

a. Seller shall continue normal operations of the Property, and not sell, convey, grant, assign or otherwise transfer (on or off record) the Property or any interest therein which would survive the Close of Escrow and which would materially and adversely affect the use of the Property, without the prior written consent of Buyer, which consent may be granted or withheld in Buyer's reasonable discretion;

b. Seller shall not alter the physical condition of the Property in a way which would materially and adversely affect the use of the Property; and

c. Seller shall deliver to Buyer all material notices or communications Seller receives from any governmental body pertaining to the Property within **three (3) business days** after Seller's receipt of same.

15. Seller's Representations and Warranties. In consideration of Buyer entering into this Agreement and as an inducement to Buyer to purchase the Property, Seller makes the following representations and warranties, based on the actual personal knowledge of Mr. Patrick E. Sovereign, with no duty to investigate further, each of which is material and is being relied upon by Buyer (the continued truth and accuracy of which shall constitute a condition precedent to Buyer's obligations hereunder and shall be true as of the Close of Escrow):

a. This Agreement has been duly and validly authorized, executed and delivered by Seller and no other action is requisite to the valid and binding execution, delivery and performance of this Agreement by Seller. The party or parties executing this Agreement on behalf of Seller are the current authorized officers and agents of the Seller with full power and authority to act on behalf of and bind the Seller, and they shall deliver any and all required documentation to Title Company in order to validate their authority. Other than as disclosed in this Agreement, no consents or waivers of or by any third party are necessary to permit the consummation by Seller of the transactions contemplated pursuant to this Agreement.

b. Seller is the sole owner of the Property, and Seller holds title free and clear of all unrecorded liens, claims, encumbrances, easements, encroachments on the Property from adjacent properties, or rights of way.

c. There are no actions, suits or proceedings pending against Seller relating to the Property or its use or condition, at law or in equity.

d. There are no agreements (whether oral or written) affecting or relating to the right of any party with respect to possession, operation or ownership of the Property, or any portion thereof.

e. Seller has received no written notice or written communication regarding, and to the actual knowledge of Seller there is no dangerous, illegal conditions on, under, about or within the Property requiring corrective action, including, without limitation, from any insurance carrier of the Property.

f. Seller is not a "foreign person" within the meaning of Section 1445 *et seq.* of the *Internal Revenue Code of 1986*, as amended, and Sections 18662 and 18668 of the *California Revenue and Taxation Code*;

g. Seller has not participated in or approved, and, to Seller's actual knowledge, and except as may otherwise be disclosed in the various environmental reports identified by and the results of which are summarized in that certain Phase I Environmental Site Assessment dated March 14, 2007, prepared by Soils Southwest, Inc., there has not occurred, any release or disposal upon the Property or contamination of the Property by any hazardous or toxic waste, substance or material (including, but not limited to, PCB's) as defined under any federal, state or local law, statute, ordinance or regulation and, to Seller's actual knowledge, there is no violation of any federal, state or local law, rule, regulation, statute or ordinance relating to the presence or existence of any hazardous or toxic waste, substance or material upon the Property. To Seller's actual knowledge, no toxic or hazardous waste, substance or material (including, but not limited to, PCB's) exists on, under, about or within the Property or any ground water thereunder, and no asbestos or asbestos-containing materials were used in any construction of improvements on the Property, and there are not presently upon or within any such improvements any materials containing asbestos.

h. Seller shall immediately notify Buyer of any change in any condition with respect to the Property or any event or circumstance which would render any representation, covenant or warranty of Seller under this Agreement untrue, misleading or incapable or less likely of being performed. Upon such notice, so long as the changed condition is not the result of Seller's intentional acts, Buyer's sole and exclusive remedy shall be to terminate the transaction in the same manner as if the facts disclosed by Seller had been discovered during the Feasibility Period.

Except as expressly herein otherwise provided, the representations and warranties of Seller set forth in this Agreement shall be true, correct and accurate on and as of the Close of Escrow as if those representations and warranties were made on and as of such time and shall survive the Close of Escrow and the recording of the Grant Deed for a period of twelve (12) months following the Close of Escrow.

16. Buyer's Representations and Warranties. In consideration of Seller entering into this Agreement and as an inducement to Seller to sell the Property, Buyer makes the following representations and warranties, based on the actual personal knowledge of Mr. P. Joseph Grindstaff, with no duty to investigate further, each of which is material and is being relied upon by Seller (the continued truth and accuracy of which shall constitute a condition precedent to Seller's obligations hereunder and shall be true as of the Close of Escrow):

a. This Agreement has been duly and validly authorized, executed and delivered by Buyer and no other action is requisite to the valid and binding execution, delivery and performance of this Agreement by Buyer. The party or parties executing this Agreement on behalf of Buyer are the current authorized officers and agents of the Buyer with full power and authority to act on

behalf of and bind the Buyer, and they shall deliver any and all required documentation to Title Company in order to validate their authority. Other than as disclosed in this Agreement, no consents or waivers of or by any third party are necessary to permit the consummation by Buyer of the transactions contemplated pursuant to this Agreement.

b. Buyer acknowledges that except as set forth in this Agreement and in Seller's closing documents (i) neither Seller, nor any principal, agent, attorney, employee, broker, or other representative of Seller, has made any representation or warranty of any kind whatsoever, either express or implied, with respect to the Property or any matter related thereto, and (ii) other than Seller's express representations and warranties in Section 15 of this Agreement, Buyer is not relying on any warranty, representation, or covenant, express or implied, with respect to the condition of the Property including, without limitation, any matters related to environmental conditions or compliance with any federal, State or local environmental laws, zoning ordinances, protected habitat regulations, or other development codes or rules, and that Buyer is acquiring the Property in its current "as-is, where-is" condition with all faults.

Except as expressly herein otherwise provided, the representations and warranties of Buyer set forth in this Agreement shall be true, correct and accurate on and as of the Close of Escrow as if those representations and warranties were made on and as of such time and shall survive the Close of Escrow and the recording of the Grant Deed for a period of twelve (12) months following the Close of Escrow.

17. **Partial Invalidity.** If any portion of this Agreement shall be declared by any court of competent jurisdiction to be invalid, illegal or unenforceable, such portion shall be deemed severed from this Agreement and the remaining parts hereof shall remain in full force and effect as fully as though such invalid, illegal or unenforceable portion had never been part of this Agreement.

18. **Attorneys' Fees.** In the event of the bringing of any action or suit by a party hereto against another party hereto by reason of any breach of any of the covenants or agreements or any inaccuracies in any of the representations and warranties on the part of the other party arising out of this Agreement, then, in that event, the prevailing party in such action or dispute, whether by final judgment or out-of-court settlement, shall be entitled to have and recover of and from the other party all costs and expenses of suit, including actual attorneys' fees and costs.

19. **Notices.** All notices, requests, demands, reports or other communications required or permitted hereunder shall be in writing and shall be personally delivered, sent by registered or certified mail (postage prepaid, return receipt requested), sent by facsimile or email or delivered via overnight courier and shall be deemed received upon the earlier of (a) if personally delivered or via overnight courier, the date of delivery to the address of the person to receive such notice; (b) if mailed, upon the date of receipt as disclosed on the return receipt; or (c) if sent by facsimile or email, when sent. All notices, requests, demands, reports or other communications shall be addressed to the addressee as follows:

To Buyer: Inland Empire Utilities Agency
6075 Kimball Avenue
Chino Hills, CA 91708
Attn: P. Joseph Grindstaff
Telephone: (909) 993-1730
Facsimile: (909) 993-1985
Email: jgrindstaff@ieua.org

With a copy to: Inland Empire Utilities Agency
Attn: Warren T. Green
Telephone: (909) 993-1709
Email: wgreen@ieua.org

To Seller: SLPR, LLC
c/o Patrick E. Sovereign
701 N. 44th St
Phoenix, AZ 85008
Telephone: (480) 429-3000
Facsimile: (480) 429-3100
E-mail: psovereign@beusgilbert.com

With a Copy to Beus Gilbert PLLC
701 N. 44th Street
Phoenix, AZ 85008
Attn: Leo R. Beus
Telephone: (480) 429-3001
Facsimile: (480) 429-3111
E-mail: lbeus@beusgilbert.com

To Escrow Holder: As provided on Page 1 of this Agreement

Notice of change of address shall be given by written notice in the manner detailed in this Section. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to constitute receipt of the notice, demand, request or communication sent.

20. **Brokers.** Seller and Buyer each acknowledge that Manuel Mancha of Mancha Real Estate Advisors represents Seller and Buyer in this transaction. Seller hereby agrees to pay a real estate brokerage commission and/or a finder's fee with respect to this transaction to Manuel Mancha pursuant the terms of a separate agreement. Except as disclosed in this Section, Seller represents and warrants to Buyer, and Buyer represents and warrants to Seller, that no other broker or finder has been engaged by it, respectively, in connection with any of the transactions contemplated by this Agreement or, to its knowledge, is in any way connected with any of such transactions. In the event of any such additional claims for brokers' or finders' fees for the consummation of this Agreement, then Buyer shall indemnify, save harmless and defend Seller from and against such claims if they shall be based upon any statement or representation or agreement by Buyer, and Seller shall indemnify, save harmless and defend Buyer if such claims shall be based upon any statement, representation or agreement made by Seller. The foregoing indemnities shall survive the Close of Escrow or any termination of this Agreement.

21. **Time of Essence.** Time is of the essence of each and every term, condition, obligation and provision hereof.

22. **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument.

23. **Captions.** Any captions to, or headings of, the sections, paragraphs or subparagraphs of this Agreement are solely for the convenience of the parties hereto, are not a part of this Agreement, and shall not be used for the interpretation or determination of the validity of this Agreement or any provision hereof.

24. **No Obligations to Third Parties.** The execution and delivery of this Agreement shall not be deemed to confer any rights upon, nor obligate any of the parties thereto, to any person or entity other than the parties hereto. There are no intended third party beneficiaries under this Agreement.

25. **Exhibits.** The exhibits attached hereto are hereby incorporated herein by this reference.

26. **Amendment to this Agreement.** The terms of this Agreement may not be modified or amended except by an instrument in writing executed by each of the parties hereto.

27. **Waiver.** The waiver or failure to enforce any provision of this Agreement shall not operate as a waiver of any future breach of any such provision or any other provision hereof.

28. **Applicable Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of California.

29. **Fees and Other Expenses.** Except as otherwise provided herein, each of the parties shall pay its own fees and expenses in connection with this Agreement.

30. **Entire Agreement.** This Agreement supersedes any prior agreements, negotiations and communications, oral or written, and contains the entire agreement between Buyer and Seller as to the subject matter hereof. No subsequent agreement, representation or promise made by either party hereto, or by or to an employee, officer, agent or representative of either party, shall be of any effect unless it is in writing and executed by an authorized representative or officer of the party to be bound thereby.

31. **Successors and Assigns.** This Agreement and all of the terms, conditions and provisions hereof shall inure to the benefit of and be binding upon the respective successors and assigns of the parties hereto. This Agreement may not be assigned by either party without the prior written consent of the other party.

32. **Computation of Periods.** All periods of time referred to in this Agreement shall include all Saturdays, Sundays and California or national holidays, unless the period of time specifies business days; provided that, if the date or last date to perform any act or give a notice with respect to this Agreement shall fall on a Saturday, Sunday or a California or national holiday, such act or notice may be timely performed or given on the next succeeding day which is not a Saturday, Sunday or a California or national holiday. All prorations shall be made on an "actual days" basis, based on a 365-day year.

33. **Confidentiality.** Both Seller and Buyer agree to maintain confidentiality regarding the terms and conditions of this Agreement and any negotiations thereof, including any financial information of the other party; provided, however, Buyer may disclose the terms and conditions hereof to its attorneys,

accountants, prospective lenders and finance partners and to entities for which it acts as asset manager, in connection with the purchase of the Property.

34. **1031 Exchange.** Buyer and Seller (for purposes of this Section, the “Cooperating Party”) hereby agree that, if requested by the other party (for purposes of this Section, the “Exchanging Party”), such Cooperating Party shall cooperate with the Exchanging Party (at no cost or expense to the Cooperating Party) in effectuating a tax deferred exchange of the Property (the “1031 Exchange”) by the Exchanging Party (or any individual or entity constituting the Exchanging Party); provided, however, that notwithstanding such an assignment, the Exchanging Party’s liability to the Cooperating Party for a breach of any of the Exchanging Party’s representations, warranties and covenants, and the Exchanging Party’s indemnity obligations to the Cooperating Party shall remain unmodified and in full force and effect as if the Exchanging Party had not assigned its interest to a third-party accommodator, and further provided that such 1031 Exchange shall not delay the Closing Date.

35. **DEFAULT BY BUYER.** FOLLOWING EXPIRATION OF THE FEASIBILITY PERIOD AND BUYER’S WRITTEN OR DEEMED APPROVAL AND ACCEPTANCE OF THE MATTERS SET FORTH HEREIN, IF BUYER COMMITS A DEFAULT UNDER ANY OF THE TERMS OR PROVISIONS OF THIS AGREEMENT AND FAILS TO PURCHASE THE PROPERTY, THEN, IN ANY SUCH EVENT, ESCROW HOLDER MAY BE INSTRUCTED TO CANCEL THE ESCROW AND SELLER SHALL THEREUPON BE RELEASED FROM ITS OBLIGATIONS HEREUNDER. BUYER AND SELLER AGREE THAT IT WOULD BE IMPRACTICAL OR EXTREMELY DIFFICULT TO FIX ACTUAL DAMAGES IN THE CASE OF BUYER’S DEFAULT AND FAILURE TO PURCHASE THE PROPERTY, THAT ALL DEPOSITS MADE BY BUYER IS A REASONABLE ESTIMATE OF SELLER’S DAMAGES IN SUCH EVENT (“LIQUIDATED DAMAGES”), AND THAT IN THE EVENT OF A BREACH BY BUYER AS DESCRIBED ABOVE, PROVIDED SELLER IS NOT ALSO THEN IN DEFAULT HEREUNDER, THE ESCROW HOLDER, UPON INSTRUCTIONS TO DO SO, SHALL DISBURSE THE DEPOSIT TO SELLER AND SHALL CANCEL THE ESCROW CREATED PURSUANT HERETO, IN WHICH EVENT SELLER AND BUYER SHALL BE RELIEVED FROM ALL LIABILITY HEREUNDER, OTHER THAN ANY OBLIGATIONS EXPRESSLY PROVIDED IN THIS AGREEMENT TO CONTINUE AFTER TERMINATION HEREOF. EXCEPT AS OTHERWISE PROVIDED HEREIN, RECEIPT OF SUCH LIQUIDATED DAMAGES SHALL BE SELLER’S SOLE AND EXCLUSIVE REMEDY IN THE EVENT OF A BREACH BY BUYER AS DESCRIBED ABOVE. ESCROW HOLDER IS HEREBY RELEASED FROM ANY AND ALL LIABILITY WITH REGARD THERETO. NOTWITHSTANDING THE FOREGOING, SELLER SHALL HAVE ALL RIGHTS AND REMEDIES AT LAW OR IN EQUITY FOR ANY BREACH BY BUYER OF ANY PROVISION OF THIS AGREEMENT THAT SURVIVES THE CLOSE OF ESCROW. SELLER AND BUYER ACKNOWLEDGE THAT THEY HAVE READ AND UNDERSTAND THE PROVISIONS OF THIS SECTION AND BY THEIR INITIALS IMMEDIATELY BELOW AGREE TO BE BOUND BY ITS TERMS.

Seller’s Initials

Buyer’s Initials

36. **DEFAULT BY SELLER.** IF SELLER DEFAULTS IN ITS OBLIGATION TO CONSUMMATE THIS AGREEMENT, BUYER’S SOLE AND EXCLUSIVE REMEDY SHALL BE TO EITHER: (I) TERMINATE THIS AGREEMENT AND HAVE THE DEPOSIT RETURNED; (II) ENFORCE SPECIFIC PERFORMANCE OF THE TERMS AND PROVISIONS OF THIS AGREEMENT, WHICH SPECIFIC PERFORMANCE REMEDY SHALL BE EXERCISED, IF AT ALL, BY INSTITUTING LITIGATION PROCEEDINGS WITHIN THIRTY (30) DAYS OF THE SCHEDULED CLOSING DATE. IN NO EVENT WILL SELLER BE HELD LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL OR PUNITIVE DAMAGES. SELLER AND BUYER

ACKNOWLEDGE THAT THEY HAVE READ AND UNDERSTAND THE PROVISIONS OF THIS SECTION AND BY THEIR INITIALS IMMEDIATELY BELOW AGREE TO BE BOUND BY ITS TERMS.

Seller's Initials

Buyer's Initials

37. **Condemnation Prior to the Closing Date.** Seller shall notify Buyer within three (3) business days after Seller receives notice of any pending or threatened condemnation proceeding relating to the Property or any portion thereof arising after the date of the Agreement and prior to the Close of Escrow. If any such proceeding relates to or may result in the loss of any significant portion of the Property or materially and adversely affects access to or the development of the Project, Buyer may, at its option, elect to either: (a) terminate this Agreement, in which event all funds deposited into Escrow by Buyer or released by Escrow Holder to Seller, plus any accrued and unpaid interest thereon, shall be immediately returned to Buyer and thereafter neither party shall have any further rights or obligations hereunder, other than any obligations expressly provided in this Agreement to continue after termination hereof; or (b) continue this Agreement in effect, in which event Buyer shall thereafter be entitled to any compensation, awards, or other payments or relief resulting from such casualty or condemnation proceeding.

[Signatures on Following Page]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first set forth above.

SELLER:

SLPR, LLC, an Arizona limited liability company

By: Paxton, Inc., an Arizona corporation, its
Manager

By: _____
Patrick E. Sovereign, Vice President

BUYER:

INLAND EMPIRE UTILITIES AGENCY, a
Municipal Water District

By: _____

Name: _____

Its: _____

LIST OF EXHIBITS

Exhibit A

Exhibit A-1 Legal Description

Exhibit A-2 Graphic Depiction of Property

Exhibit B Form of Grant Deed

Exhibit C FIRPTA Certificate

EXHIBIT "A"

Legal Description of the Property

[To be provided based on Legal Description found in the Commitment (as defined in the Agreement)]

EXHIBIT "A"
Legal Description

For APN/Parcel ID(s): 173-020-020, 173-020-021, 173-020-022 and 173-020-023

Parcels 1, 2, 3 And 4, Together With Lots A, B, C, D And E As Shown By Parcel Map 12289, in the City of Jurupa Valley, County of Riverside, State of California On File In Book 66, Page 80 Of Parcel Maps, Records Of Riverside County, California.

Exhibit A-2 Graphic Depiction of Property

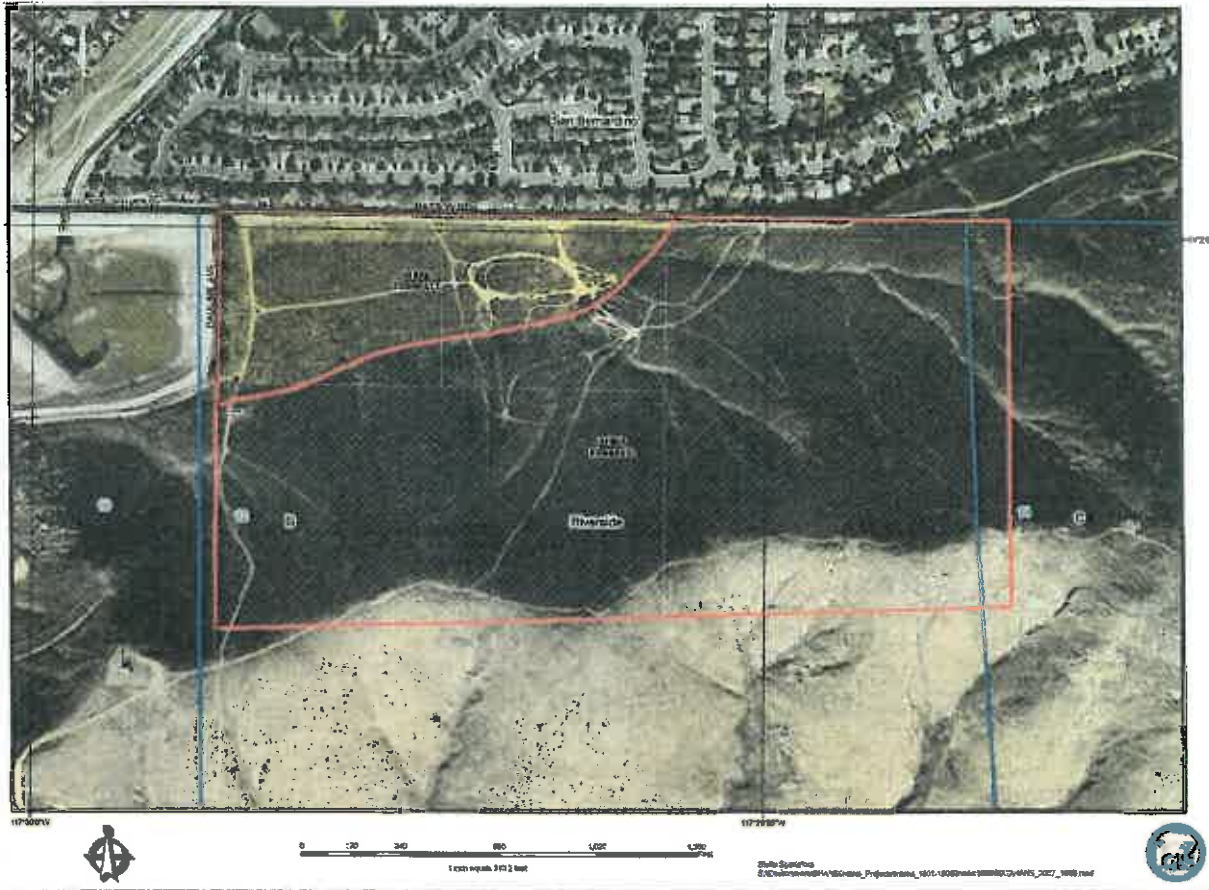


EXHIBIT "B"

Form of Grant Deed

RECORDING REQUESTED BY:

WHEN RECORDED, MAIL TO:

Attn: _____
Phone: () _____
E-mail: _____

(Space Above Is For Recorder's Use Only)

THE UNDERSIGNED GRANTOR DECLARES:

THE DOCUMENTARY TRANSFER TAX IS NOT FOR PUBLIC RECORD PURSUANT TO REVENUE & TAXATION CODE 11932

GRANT DEED

FOR VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, SLPR, LLC, an Arizona limited liability company ("**Grantor**"), hereby grants to _____, a ("**Grantee**"), all that certain real property situated in the County of Riverside, State of California, described on **Exhibit "1"** attached hereto and incorporated herein by reference, together with any and all improvements, easements, privileges and rights appurtenant thereto, but EXCEPTING THEREFROM all oil, gas and other subsurface mineral rights appurtenant to said real property, which rights Grantor retains.

IN WITNESS WHEREOF, Grantor has executed this Grant Deed as of _____, 201__.

GRANTOR:

SLPR, LLC, an Arizona limited liability company

By: Paxton, Inc., an Arizona corporation, its
Manager

By: _____

Patrick E. Sovereign, Vice President

ACKNOWLEDGMENT

STATE OF ARIZONA }
 } ss.
COUNTY OF MARICOPA }

On _____, 201__, before me, _____, personally appeared PATRICK E. SOVEREIGN, the Vice President of Paxton, Inc., an Arizona corporation, as the Manager of SLPR, LLC, an Arizona limited liability company, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Signature

EXHIBIT "1"

LEGAL DESCRIPTION OF THE PROPERTY

[To be provided based on Legal Description found in the Commitment (as defined in the Agreement)]

EXHIBIT "A"
Legal Description

For APN/Parcel ID(s): 173-020-020, 173-020-021, 173-020-022 and 173-020-023

Parcels 1, 2, 3 And 4, Together With Lots A, B, C, D And E As Shown By Parcel Map 12289, in the City of Jurupa Valley, County of Riverside, State of California On File In Book 66, Page 80 Of Parcel Maps, Records Of Riverside County, California.

Exhibit A-2 Graphic Depiction of Property



DO NOT RECORD

**SEPARATE STATEMENT OF
DOCUMENTARY TRANSFER TAX**

County Recorder
Orange County
Santa Ana, California

Ladies/Gentlemen:

In accordance with Revenue and Taxation Code Section 11932, it is requested that this statement of documentary transfer tax due not be recorded with the attached Grant Deed, but affixed to the Grant Deed after recordation and before return as directed on the Grant Deed.

The Grant Deed names SLPR, LLC, an Arizona limited liability company, as Grantor, and _____, a _____, as Grantee. The property being transferred is located in the County of Riverside, State of California.

The amount of documentary transfer tax due on the attached deed is _____ (\$_____) computed on the full value of the property (less the value of any liens and encumbrances remaining on the property at the time of sale).

I declare under penalty of perjury that the foregoing is true and correct.

DECLARANT:

SLPR, LLC, an Arizona limited liability company

By: Paxton, Inc., an Arizona corporation, its Manager

By: _____
Patrick E. Sovereign, Vice President

EXHIBIT "C"

Form of Certification re Withholding

[See Attached]

Certification re Withholding

1. **Federal Certification of Non-Foreign Status.** Section 1445 of the Internal Revenue Code of 1986, as amended, provides that a transferee of a U.S. real property interest must withhold tax if the transferor is a foreign person.

SLPR, LLC, an Arizona limited liability company, as "Transferor" hereby certifies to _____, a _____, as "Transferee" that withholding of tax is not required upon the transfer of a U.S. real property interest by Transferor to Transferee.

- a. Transferor is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations);
- b. Transferor is not a disregarded entity as defined in Section 1.1445-2(b)(2)(iii);
- c. Transferor's U.S. employer identification/social security number is _____; and
- d. Transferor's office/residence address is:

2. **General Provisions.** Transferor understands that any transferee of its interest in real property is relying on this Certification in determining whether withholding is required upon said transfer.

Transferor understands that this Certification may be disclosed to the Internal Revenue Service and that any false statement contained herein could be punished by fine, imprisonment or both.

Transferor hereby agrees to protect, indemnify, defend and hold Transferee harmless from and against any and all obligations, liabilities, claims, losses, actions, causes of action, rights, demands, damages, costs and expenses of every kind, nature or character whatsoever (including, without limitation, actual attorneys' fees and court costs), incurred by Transferee as a result of (a) Transferor's failure to pay U.S. Federal income tax which it is required to pay under applicable U.S. law; or (b) any false or misleading statement contained herein.

Under penalty of perjury the undersigned declares that he has examined this Certification and, to the best of his knowledge and belief, it is true, correct and complete, and the undersigned further declares that he has authority to sign this document on behalf of Transferor.

Date: _____, 201__

DECLARANT:

SLPR, LLC, an Arizona limited liability company

By: Paxton, Inc., an Arizona corporation, its Manager

By: _____

Patrick E. Sovereign, Vice President

Exhibit "C"

Page 2 of 2

**CONSENT
CALENDAR
ITEM**

1L



Date: November 18, 2015

To: The Honorable Board of Directors

Through: Public, Legislative Affairs, and Water Resources Committee (11/11/15)
Engineering and Operations Committee (11/11/15)
Finance, Legal and Administration Committee (11/11/15)

From: P. Joseph Grindstaff
General Manager

Submitted by: Chris Berch
Executive Manager of Engineering/Assistant General Manager

Sylvie Lee
Manager of Planning and Environmental Resources

Subject: Term Sheet for Recycled Water (RW) Interconnection with Jurupa
Community Services District (JCSD)

RECOMMENDATION

It is recommended that the Board of Directors:

1. Approve the Term Sheet between Inland Empire Utilities Agency (IEUA) and JCSD for the development of a RW Interconnection; and
2. Authorize the General Manager to make non-substantive changes and execute the final Term Sheet.

BACKGROUND

In August 2013, IEUA began working on two of its long term planning initiatives; the Integrated Resources Plan (IRP) and Recycled Water Program Strategy (RWPS). Several conceptual projects have been identified in the IRP, including RW interties to supplement RW for the IEUA service area. As the RW system is being planned for growth and demand management, interties with neighboring agencies are being considered to maximize the beneficial use of RW.

One project that is being considered for the RW intertie is the recycled water from Western Riverside County Regional Wastewater Authority (WRCRWA). JCSD and Western Municipal Water District (WMWD) provide their sewage to WRCRWA for treatment, and the WRCRWA produces tertiary treated recycled water. This project would include a new connection between the existing IEUA recycled water system and the proposed WRCRWA RW system.

Over the past eighteen months, IEUA has been working with JCSD on a potential recycled water interconnection opportunity. In August 2014, a Memorandum of Understanding (MOU) was developed to initiate the planning process of creating alternative approaches in determining the long term water supply options for IEUA and the expansion of the recycled water system. Based on the results of the initial feasibility study and hydraulic modeling, 4,000 Acre Feet per Year (AFY) would be made available for the RW Interconnection Project.

Since then, staff has been working on developing a Term Sheet for the RW Interconnection, with a particular focus to submit a State Revolving Fund Loan Application utilizing the Proposition 1 funding opportunity by December 2, 2015. Key terms included in the Term Sheet are provided below:

- JCSD will develop 800 AFY of direct use.
- JCSD will deliver 4,000 AFY ultimately to the IEUA RW system, of which JCSD will receive 50% as recharge water credit in the Chino Basin.
- Capital costs for facilities will be paid based on the project benefit.
- Pending completion of this project, the previous MZ-3 agreement with JCSD (benefit of 950 AFY) will be modified to have a sliding scale benefit through the end of its term based on the total volume that is recharged in MZ-3.
- JCSD will pay for the groundwater recharge (GWR) maintenance charge (as adopted by the IEUA Board) currently at \$60/AF of RW recharged.
- For the first 10-years, the O&M costs associated with additional RW pumping from RP-1 to GWR (approximately \$50/AF) will not be charged to JCSD. Following this time period, JCSD will fund the pro-rata portion of recycled water pumped from RP-1 to the 1158 pressure zone. The time period may be modified as part of the formal Agreement based on the expected pumping costs determined in the predesign report.
- IEUA and JCSD will be mutually responsible for any WRCRWA administrative or operational charges at the WRCRWA facility, on a pro-rata basis.

The current estimated total project cost for the project is \$52.46 million. IEUA's portion of the project cost is estimated to be \$13 million, and JCSD's share of the project costs is \$39 million. With Proposition 1 funding, the project is also eligible for a maximum principal forgiveness in the amount \$15 million. This project demonstrates the integrated regional approach of RW supply optimization.

This Term Sheet is consistent with the *Agency's Business Goal* of increasing *Water Reliability* by meeting the region's need to develop reliable, drought-proof and diverse local water resources in order to reduce dependence on imported water supplies.

PRIOR BOARD ACTION

On August 20, 2014, the Board approved the MOU with JCSD and WMWD for the RW Interconnection project.

IMPACT ON BUDGET

The Joint IEUA - JCSD Regional Water Recycling Program currently has a total project budget of \$10,000,000 in IEUA's Ten-Year Capital Improvement Plan (TYCIP). IEUA's total project share will be \$13,000,000, less approximately \$4,000,000 in principle forgiveness. The application would request \$52,460,000 in CWSRF funding.

Of the total project costs of \$52,460,000, JCSD's cost for this project is approximately \$39 million, less approximately \$11,000,000 in principle forgiveness.

	Anticipated Project Cost*		Anticipated Principle Forgiveness*		Net Project Cost*		Project Budget*	
IEUA	\$	13 M	\$	4 M	\$	9 M	\$	10 M
JCSD	\$	39 M	\$	11 M	\$	28 M		N/A
	\$	52 M	\$	15 M	\$	37 M		N/A

*Numbers are rounded

Attachment: Term Sheet with JCSD

JOINT IEUA – JCSD REGIONAL WATER RECYCLING PROGRAM PROJECT

INTERCONNECTION CONSTRUCTION AND OPERATING TERM SHEET BETWEEN INLAND EMPIRE UTILITIES AGENCY AND JURUPA COMMUNITY SERVICES DISTRICT

The Inland Empire Utilities Agency (Agency) and Jurupa Community Services District (District) (Collectively referred to as the Parties) agree to an “unbalanced exchange” regarding the conveyance of the District’s proportionate share of the Western Riverside County Regional Wastewater Authority (WRCRWA) treated wastewater effluent to the Agency for direct irrigation use by the Agency, as supply for the Agency’s Groundwater Recharge (GWR) program and corresponding District storage credits in Chino Basin. The recycled water will be conveyed through a series of pumping systems and pipelines (the Project) within the District and Agency service areas.

Section 1. Recycled Water Supply Projections

- A. It is understood that the following is the projected District proportionate share of WRCRWA treated wastewater:

Current Entitlement		Expansion Entitlement	
<u>Flow (mgd)</u>	<u>Volume/YR (AFY)</u>	<u>Flow (mgd)</u>	<u>Volume/YR (AFY)</u>
3.25	2600-3600	6.00	4800-6000

- B. It is acknowledged that this project is based on work to date regarding the current WRCRWA Petition for Change of Use (Discharge Permit) regarding releases to the Santa Ana River. This application is filed and well underway regarding required releases to the Santa Ana River. The final status or outcome is not known at present.
- C. District and Agency project available supply, at full development, estimated as follows:

District (Direct use)	800 AF/Year (16.6%)
Agency Deliveries	4000 AF/Year for use as:
1. Direct Use	2000 AF (41.7%); Use by Agency
2. Recharge	2000 AF (41.7%); District to receive recharge credits

- D. Both parties acknowledge that there are seasonal use aspects associated with recycled water deliveries for both direct use and recharge applications. Higher demands exist in the peak summer months while lower demands exist in the winter months. Both parties desire steady state daily flow availability (+/- 15%) because there is no reservoir storage contemplated in this project.
- E. In the event that the District identifies an opportunity to expand direct use in excess of the volume identified in Section 1C, the Agency and the District commit to meet and negotiate

reallocation/expansion terms in good faith consistent with this Term Sheet or the subsequent Agreement. Example: A connection between Ontario’s future recycled water system and the District’s Area B Development.

- F. Both parties acknowledge that Agency may request that Santa Ana River (SAR) discharges may be made in lieu of the Agency introducing reclaimed water into the Agency system as part of seasonal beneficial use. This is acceptable if coordinated with Section 2C, Beneficial Use, and Recharge Plan. District shall receive Recharge Credit as outlined in Section 1C.

Section 2. Beneficial Use

- A. District will construct and convey recycled water for direct use by its large users within its retail water system.
- B. Agency will construct and convey recycled water for direct use, primarily within its lower 930 pressure zone.
- C. Agency will utilize existing infrastructure or construct necessary facilities for the introduction of this recycled water for recharge in the Chino Basin.
- D. Agency and District shall cooperatively develop, coincidental with the project design and commitments, a mutually-agreed upon plan through a Project Committee to maximize recharge primarily within the Chino Basin Management Zone 3. It is understood that this recharge plan may be phased in nature due to the concurrent planning and construction of recharge basins within the 2013 Chino Basin Recharge Master Plan Update.
- E. Agency and District acknowledge that , pending completion of item D above, recharge capacity and other constraints may exist between this project and the provisions of the January 28, 2013 Management Zone 3 Recycled Water Groundwater Recharge Agreement (2013 Agreement). In consideration for the additional recharge associated with the Project, the maximum amount of groundwater recharge available through the 2013 Agreement will be amended as follows for the fiscal year immediately subsequent to the startup of the Project.

MZ-3 Recycled Water Recharge* (AF/Yr)	Maximum Eligible for RW Purchase Through 2013 Agreement (AF/Yr)
<4000	950
5000	850
6000	750
7000	650
8000	550
9000	450
10000	350

*from prior year

Section 3. Environmental, Pre- Design and Design

- A. Parties acknowledge and agree to the current project description as contained in the Joint IEUA-JCSD Regional Water Recycling Program Project State Revolving Fund Loan/grant application. This is detailed as Alternative 4 table and map (Attachment A).
- B. Parties have mutually-funded and initiated the Preliminary Design Report under separate agreement. District has engaged the consultant in this work.
- C. District has completed required California Environmental Quality Act (CEQA Plus) documentation with Board of Directors acceptance on September 26, 2015. Agency and District shall coordinate funding at 50% each following the execution of this Term Sheet.
- D. District shall coordinate appropriate land at its existing American Heroes Park in support of this project during the design phase at no cost to the Parties. The design and construction of the pump station at the Park shall be completed with appropriate water conservation measures.
- E. The Agency shall lead the design effort for the Project. The selection of consultants shall be through a competitive solicitation process and led by the Agency with participation/input by the District.
- F. Parties agree to mutually fund project design in a pro-rata allocation as describe in Section 4 Construction and Ownership.
- G. Project management costs directly associated with the Project (project management, construction management, grants management, etc.) shall be included as actual project costs and as such, shall be subject to pro-rata funding as outlined in Section 4D.
- H. Design of Agency facilities shall be in conformance with Agency standards.
- I. Design of District facilities shall be in conformance with District standards.
- J. The Agency shall engage participation from the District throughout the design processes through the Project Committee.

Section 4. Construction and Ownership

- A. Parties acknowledge and agree that commitment to design and construction are subject to the successful obtainment of the Joint IEUA-JCSD Regional Water Recycling Program Project State Revolving Fund Loan/grant.
- B. It is contemplated, subject to further discussion, that the Project design will be conducted under one project award and subject to the same cost allocation as describe in Section 4D.
- C. Both parties agree that the final construction approach shall be performed with a mutual goal of efficient design and process in order to meet the commitments made through the Joint funding application. Determination of the number of bid packages and construction management leadership will be determined by the Agency and District concurrent with the design process, but prior to the finalization of the design.
- D. Capital Costs and ownership (Based on pro-rata volume methodology in Section 1C):

Facilities	District Share	Agency Share
WRCRWA Pump Station	58.3%	41.7%
Transmission Pipeline (WRCRWA-AHP)	58.3%	41.7%
Agency Booster Pump and Pipeline (AHP-930 PZ)	50.0%	50.0%
District Booster Pump and Pipeline (AHP-JCSD)	100.0%	0.0%

- E. District shall operate and maintain the WRCRWA Pump Station, Transmission Pipeline (WRCRWA-American Heroes Park) and the District Pump Station and Pipeline to the retail area
- F. Agency shall operate and maintain the Agency Pump and Pipeline from American Heroes Park to the 930 pressure zone connection point.
- G. Agency and District coordination throughout the construction of the Project will be effectively communicated through the Project Committee.

Section 5. Operations and Maintenance Expenditures

- A. Parties acknowledge and agree that the allocation and payment of annual operations and maintenance expenses shall on a pro-rata basis, consistent with that defined in Section 1C applied to actual expenditures.
- B. District recognizes and agrees that there is a groundwater recharge maintenance charge (as adopted by the IEUA Board) currently at \$60/AF of recycled water recharged, that will be applied to the Project recharge.
- C. Agency agrees that for the first 10-years, the O&M costs associated with additional recycled water pumping from RP-1 to GWR (approximately \$50/AF) shall not be charged to the District. Following this time period, the District will fund the pro-rata portion of recycled water pumped from RP-1 to the 1158 pressure zone. This time period (10-years) may be modified as part of the formal Agreement based on the expected pumping costs determined in the predesign report.
- D. District shall coordinate electrical service for WRCRWA Pump Station and District distribution pumps at American Heroes Park.
- E. Agency shall coordinate electrical service for the Agency Pump Station at American Heroe’s Park.
- F. Parties shall be mutually responsible (pro-rata Section 1C) for any WRCRWA administrative or operational charges at the WRCRWA facility.
- G. Parties shall stay current on all operational billings and shall coordinate program reconciliations between the partnering agencies on a quarterly basis. Monthly reports shall include project expenditures, recycled water deliveries, and recharge credits.
- H. Annual budgets and billings shall be reviewed by the Project Committee.

Section 6. Service Disruptions

- A. District and Agency acknowledge that the provision of recycled water to this program is interruptible in nature. The supply is contingent on many factors including WRCRWA facility operations, and electrical service provision, which are provided by others.
- B. It is acknowledged that the current project does not include back-up power generation at any facilities.
- C. In the event of planned or unplanned supply disruptions, District shall make every reasonable effort to resume recycled water delivery as soon as possible and shall keep Agency informed as to the status of service.

Section 7. Water Quality and Water Metering

- A. District and Agency acknowledge that the water quality of the District wastewater shall comply with WRCRWA's Regional Water Quality Control Board Water reclamation requirements and Title 22 permits. Measurement shall be at the point of compliance at the WRCRWA facility.
- B. Water quality reports from WRCRWA shall be made available on an appropriate schedule.
- C. Agency is responsible to ensure that their direct use wholesale customers comply with all necessary regulatory and permit requirements for the application of the recycled water.
- D. Water deliveries shall be measured at the WRCRWA metering points within the facility and at American Heroe's Park.
- E. Water quality and quantities shall be subject to review and validation by the Project Committee.

Section 8. Financing

- A. District hereby agrees to allow Agency to apply on District's behalf to the California State Revolving Fund Loan/grant program.
- B. Agency has negotiated an agreement with the Chino Basin Regional Financing Authority (CBRFA) that allows Agency to become the lead agency to apply for the above grant and CBRFA to administer the grant, if received.
- C. District shall dedicate annually appropriate net revenues funds for the repayment of the State Revolving Fund (SRF) Loan/Grant, if received.
- D. The District and the Agency may elect to pursue additional or alternate funding sources as otherwise agreed upon.

Section 9. Term and Termination

- A. It is contemplated that the SRF grant or Loan will have a repayment period of 30 years.
- B. This construction and operating agreement shall be for a period of 45 years, with automatic 10-year renewals unless either Party objects in writing.

- C. Each party shall have the right to terminate the agreement with a 3-year notice unless a shorter notice is mutually agreed upon in writing.
- D. The terminating party is responsible for repayment of the affected party's proportionate share of the project commitments that is outstanding at the time of termination.

Section 10. Project Committee

Consistent with the roles as defined within this Term Sheet, a Project Committee shall be established to ensure effective coordination between the Agency and District throughout the planning, design, construction and operation of the Project. The Project Committee shall be comprised of at least one leadership representative from each party. The Committee shall meet no less than twice per year to review Project design, construction, budgets, costs and operational coordination.

Section 11. Preparation of an Agreement

Both Parties agree to give best faith efforts to execute a formal Construction and Operations Agreement based on the terms identified herein within 180 calendar days, but no later than the award of a consultant design contract.

Section 12. Contingent on Grant Funding and Change of Use Petition

The obligations set forth in the formal Agreement shall not become effective, as to either party, unless and until the CBRFA executes a Grant Funding Agreement with the State of California which commits the delivery of grant funds to be applied to the Project as provided herein. In addition, project commitments shall be based on the successful issuance of a Change in Use permit regarding residual releases to the Santa Ana River.

Section 13. Approval of Terms

INLAND EMPIRE UTILITIES AGENCY

General Manager

Dated: _____

JURUPA COMMUNITY SERVICES DISTRICT

General Manager

Dated: _____

EXHIBIT A

Alternative 4- INSERT GRAPHIC, PROJECT DESCRIPTION and COST ESTIMATE

**EASTVALE RECYCLED WATER SYSTEM
IEUA ALTERNATIVE 4 - OPTION 1
(NO IEUA RESERVOIR PROJECT - LOCAL & 800 PZ CONNECTION)**

<u>Phase</u>	<u>Facility</u>		<u>Estimated Construction Cost</u>	<u>Estimated Project Cost</u> ¹
I	Booster Station: from WRCRWA Plant to 800 PZ POC on Pine Ave. (Approx. 750 HP) ²		\$6,130,000	\$8,580,000
	24" Dia. Transmission Pipeline from WRCRWA SS to 800 PZ POC on Pine Ave. (Approx. 10,500 LF)		\$5,540,000	\$8,320,000
	Sub-Total Phase I		\$12,070,000	\$16,900,000
II	24" Dia. Transmission Pipeline from Ickman Ave./Pine Ave. Intersection to SW Corner American Heroes Park (Approx. 2,200 LF)		\$700,000	\$1,110,000
	18" Dia. Degr. Distribution Pipeline System (Approx. 18,000 LF)	\$10,140,000	\$14,250,000	
	12" Dia. Degr. Distribution Pipeline System (Approx. 9,000 LF)	\$3,190,000	\$4,470,000	
	Individual On-Site Irrigation Boosters (Approx. 15 SA)	\$400,000	\$600,000	
	Sub-Total Phase II	\$14,730,000	\$20,400,000	\$20,400,000
III	Booster Station from SW Corner American Heroes Park to 800 PZ POC (Approx. 750 HP) ²	\$6,170,000	\$6,610,000	\$2,200,000
	24" Dia. Transmission Pipeline from SW Corner American Heroes Park to 800 PZ POC (Approx. 12,500 LF)	\$4,600,000	\$6,480,000	\$1,880,000
	Sub-Total Phase III	\$10,770,000	\$13,090,000	\$4,080,000
TOTALS		\$17,480,000	\$50,400,000	\$39,064,000 74.50% \$15,770,000 25.50%

¹ Project cost is 1.4 times construction cost. Project cost includes: construction costs; construction contingencies; design engineering including plans and specifications; design and construction surveying and mapping; geotechnical evaluation and report; engineering contract administration; field inspection and environmental documentation. Costs are based on Engineering News-Record (ENR) Construction Cost Index Los Angeles, (ENR = 10,981 - June, 2015). Escalation, financing, interest during construction, legal, and R-O-W costs are not included.

² Assumes QMAX = 300 gpm and 80 psi connection pressure at 800 PZ POC. Also assumes \$100,000 of upgrades required for proposed booster station that will be constructed with WRCRWA plant expansion.

³ Assumes Design = 300 gpm and 80 psi connection pressure at 800 PZ POC. Also assumes \$100,000 of upgrades required for proposed booster station that will be constructed with IEUA plant expansion.




**CONSENT
CALENDAR
ITEM**


1M


Date: November 18, 2015

To: The Honorable Board of Directors

Through: Engineering, Operations, and Biosolids Management Committee (11/11/15)
Finance, Legal, and Administration Committee (11/11/15)

From: P. Joseph Grindstaff 
General Manager

Submitted by: Chris Berch 
Executive Manager of Engineering/Assistant General Manager

Shaun J. Stone 
Manager of Engineering

Subject: Contract Award for the Mixed Liquor Return Pumps, Project No. EN16024

RECOMMENDATION

It is recommended that the Board of Directors:

1. Approve the consulting engineering services contract award for the design efforts for the Regional Water Reclamation Plant Number 1 (RP-1) Mixed Liquor Return Pumps, Project No. EN16024, to RMC Water and Environment, for the not-to-exceed amount of \$424,198; and
2. Authorize the General Manager to execute the contract.

BACKGROUND

In 1948, RP-1 was commissioned to treat sewage from the City of Ontario. Subsequent treatment plant expansions in 1977, 1982 and 1985 and several improvement projects including a transition from mechanical aeration to diffused aeration in 1997, resulted in the current secondary system in place today.

The regulatory permits in place after the construction of activated sludge facilities were less stringent than the current permit limitations, including those regulating groundwater recharge, specifically the Total Inorganic Nitrogen (TIN) effluent limits. The additional demands and

RP-1 Mixed Liquor Return Pumps Engineering Contract Award

November 18, 2015

Page 2 of 3

more strenuous Total Nitrogen (TN) levels required by the ground water recharge permit have resulted in need for RP-1 to improve nitrogen removal through the activated sludge system.

Facilities Master Planning efforts have indicated several projects to improve secondary system capacity which include operational adjustments, large scale construction of system expansions, and smaller scale improvements to the current secondary system. The long lead time related to facility expansions and high capital costs have resulted in the Agency wanting to pursue the system improvement approach of adding mixed liquor return functionality.

The Mixed Liquor Return functionality has been visited several times; however, the projects never progressed beyond the design phase for a variety of timing and budgetary reasons.

As such, staff advertised for consultant engineering services for the project on October 5, 2015, and received the proposals on November 2, 2015. A Technical Review Committee reviewed and evaluated each of the proposals through the consultants' understanding of the scope of work, project team qualifications and experience, and ability to meet the project schedule. The staff requests approval to award the consulting contract to RMC Water and Environment in the not-to-exceed amount of \$424,198.

The following is the project schedule for both design and construction:

PROJECT PHASE	DATE
Consulting Engineering Services Contract Award	November 2015
Design Completion	June 2016
Construction Award	August 2016
Project Completion	June 2017

The following is the projected project cost:

PROJECT PHASE	TOTAL COST FOR EN16024
Design Staff	\$166,000
Consultant Design Services	\$424,198
Consultant Construction Support	\$125,870
Construction	\$2,430,000
Construction Management	\$486,000
Contingency (15%)	\$364,500
Total Project Cost	\$4,000,000
TYCIP Budget	\$4,000,000

RP-1 Mixed Liquor Return Pumps Engineering Contract Award

November 18, 2015

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The project's current cost estimate is based on the cost estimate completed by the Consultant in 2006 for a construction completion date of 2008 when a previous evaluation/design was performed for the addition of MLR Pumps. The cost estimate and scope of work will be re-evaluated based on a construction completion date of 2017, at the Pre-Design level. Following completion of the Pre-Design, we will have more accurate information about the budget of this project and will provide the updates accordingly.

Project is part of the Agency's Wastewater Management Capacity Business Goal to maintain capacity within facilities to meet essential service demands and to protect public health and environment.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

The award for the engineering consulting services for the RP-1 Mixed Liquor Return Pumps, Project No. EN16024, at the not-to-exceed amount of \$424,128, is included in the Regional Wastewater Capital (RC) Fund, Fiscal Year 2015/16 budget of \$1,000,000, and current total project budget of \$4,000,000.

PJG:CB:SS:nm

RP-1 Mixed Liquor Return Pumps Consulting Engineering Services Contract Award

Project No. EN16024
November 2015



Inland Empire Utilities Agency
A MUNICIPAL WATER DISTRICT

Shaun J. Stone, P.E.,
Manager of Engineering

Nasrin Maleki, P.E.
Project Manager

Project Request/Background RP-1 Aeration Basins

- Transition from mechanical to diffused aeration, 1997
- Stringent current permit limitations:
 1. Ground Water Recharge (GWR) Permit: 5 mg/L Total Nitrogen (TN) at lysimeters
 2. NPDES Permit: Agency wide 12 month average for Total Inorganic Nitrogen (TIN) 8 mg/L
- Facilities Master Planning 2015:

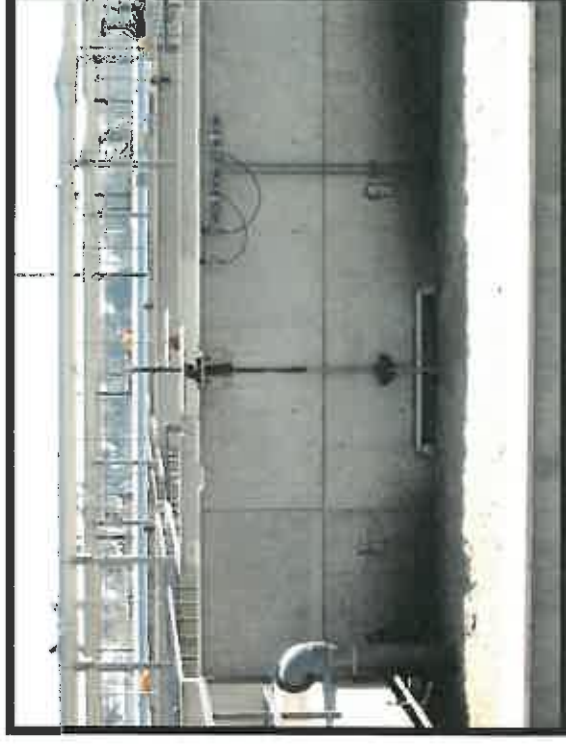
RP-1 is near capacity at current flows to meet the TIN and TN requirements

Project Location



Project Scope

- Add Mixed Liquor Return functionality to all 6 trains
- Due to NPDES and GWR permit requirements, project will be fast tracked



Aeration Basins



Project Phase	Date
Consulting Engineering Proposal due	Nov. 2, 2015
Consulting Engineering Services Contract Award	Nov. 18, 2015
Design Completion	June 30, 2016
Construction Contract Award	August 17, 2016
Project Completion	June 30, 2017

Project Budget

Project Phase	Total Cost
Design Staff	\$166,000
Consultant Design Services	\$424,198
Consultant Construction Support	\$125,870
Construction*	\$2,430,000
Construction Management	\$486,000
Contingency (%15)	\$364,500
Total Project Cost	\$4,000,000

*Construction Cost is Based off 2006 MLR Pumps Project Cost Estimate.

*Cost Estimate & Scope of Work will be updated at the Pre-Design level based on Construction Completion in 2017.

Agency Goal/Recommendation

Staff recommends that the Board of Directors approve the consulting engineering services contract award to RMC Water and Environment for the RP-1 Mixed Liquor Return Pumps, Project No. EN16024, for the not-to-exceed amount of \$424,198.

Project is part of the Agency's Wastewater Management Capacity Business Goal to maintain capacity within facilities to meet essential service demands and to protect public health and environment



CONTRACT NUMBER: 4600002012
FOR
MIXED LIQUOR RETURN PUMPS, PROJECT NO. EN16024

THIS CONTRACT (the "Contract"), is made and entered into this _____ day of _____, 2015, by and between the Inland Empire Utilities Agency, a Municipal Water District, organized and existing in the County of San Bernardino under and by virtue of the laws of the State of California (hereinafter referred to as "Agency") and RMC Water and Environment, Inc. with offices located in Irvine, California (hereinafter referred to as "Consultant"), to provide professional engineering services in support of Project EN16024.

NOW, THEREFORE, in consideration of the mutual promises and obligations set forth herein, the parties agree as follows:

1. **PROJECT MANAGER ASSIGNMENT:** All technical direction related to this Contract shall come from the designated Project Manager. Details of the Agency's assignment are listed below.

Project Manager: Ms. Nasrin Maleki, P.E., Sr. Engineer
Address: 6075 Kimball Avenue, Building B
Chino, California 91708
Telephone: (909) 993-1696
Email: nmaleki@ieua.org
Facsimile: (909) 993-1982
2. **CONSULTANT ASSIGNMENT:** Special inquiries related to this Contract and the effects of this Contract shall be referred to the following:

Consultant: Mr. Jon Ganz, P.E., BCEE, Project Manager
Address: 15510-C Rockfield Blvd., Suite 200
Irvine, CA 92618
Telephone: (949) 420-5300
Email: jganz@rmcwater.com
Facsimile: (949) 420-5301
3. **ORDER OF PRECEDENCE:** The documents referenced below represent the Contract Documents. Where any conflicts exist between the General Terms and Conditions, or addenda attached, then the governing order of precedence shall be as follows:
 - A. Amendments to Contract 4600002012.

- B. Contract Number 4600002012, General Terms and Conditions.
 - C. Consultant's Proposal dated November 9, 2015 (**Exhibit A**).
 - D. Agency's Request for Proposals ("RFP") RFP-RW-15-080 and all germane addenda.
4. **SCOPE OF WORK AND SERVICES:** Consultant services and responsibilities shall include, and be in accordance with tasks identified in Consultant's proposal, which is attached hereto, incorporated herein and made a part hereof by this reference as **Exhibit A**. All referenced services and responsibilities shall be in accordance with the schedule of the RFP.
5. **TERM:** The term of this Contract shall extend from the date of the Notice to Proceed and terminate upon one year of completed construction, unless agreed to by both parties, reduced to writing, and amended to this Contract.
6. **COMPENSATION:** Consultant's invoice must be submitted according to milestones achieved by Consultant and accepted by the Agency's Project Manager, and shall include a breakdown by items completed, referencing State Prevailing Wages, all associated labor categories provided, labor hours supplied and associated hourly rates, dates worked, the current monthly amount due, and the cumulative amount invoiced to-date against this Contract. Invoicing shall be submitted electronically to apgroup@ieua.org, using the Agency's standard Excel-based invoicing template (**Exhibit C**). Invoicing shall not be submitted in advance of, or shall not be dated earlier than, the actual date of submittal.

Agency may at any time make changes to the Work including additions, reductions, and changes to any or all of the Work, as directed in writing by the Agency. Such changes shall be made by an Amendment to the Contract. The NOT-TO-EXCEED Amount and Work Schedule of the RFP shall be equitably adjusted, if required, to account for such changes and shall be set forth in the Amendment.

In compensation for the work represented by this Contract, Agency shall pay Consultant a **NOT-TO-EXCEED maximum total of \$424,198.00** for all services provided in accordance with Consultant's Fee Proposal, attached hereto, made a part hereof, and referenced herein as **Exhibit B**. Payment shall be made according to milestones achieved by Consultant and accepted by the Agency's Project Manager.

7. **CONTROL OF THE WORK:** Consultant shall perform the Work in compliance with the Work Schedule of the RFP. If performance of the Work falls behind schedule, the Consultant shall accelerate the performance of the Work to comply with the Work Schedule as directed by the Project Manager. If the nature of the Work is such that Consultant is unable to accelerate the Work, Consultant shall promptly notify the Project Manager of the delay, the causes of the delay, and submit a proposed revised Work Schedule.
8. **FITNESS FOR DUTY:**
- A. **Fitness:** Consultant and its Subcontractor personnel on the Jobsite:
- 1. Shall report for work in a manner fit to do their job;
 - 2. Shall not be under the influence of or in possession of any alcoholic beverages or of any controlled substance (except a controlled substance as prescribed by a

physician so long as the performance or safety of the Work is not affected thereby);
and

3. Shall not have been convicted of any serious criminal offense which, by its nature, may have a discernible adverse impact on the business or reputation of Agency.

A. Compliance: Consultant shall advise all Consultant and subcontractor personnel and associated third parties of the requirements of this Contract ("Fitness for Duty Requirements") before they enter on the Jobsite and shall immediately remove from the Jobsite any employee determined to be in violation of these requirements. Consultant shall impose these requirements on its Subcontractors. Agency may cancel the Contract if Consultant violates these Fitness for Duty Requirements.

9. INSURANCE: During the term of this Contract, the Consultant shall maintain at Consultant's sole expense, the following insurance.

A. Minimum Scope of Insurance:

1. General Liability: \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage. Coverage shall be at least as broad as Insurance Services Office form number GL 0001-87 covering Comprehensive General Liability. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location, or the general aggregate limit shall be twice the required single occurrence limit.
2. Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury and property damage. Coverage shall be at least as broad as Insurance Services Office form number CA 00 01 87, covering Automobile Liability, including "any auto."
3. Workers' Compensation and Employers Liability: Workers' compensation limits as required by the Labor Code of the State of California and employers Liability limits of \$1,000,000 per accident.
4. Professional Liability Insurance in the amount of \$1,000,000 per occurrence.

B. Deductibles and Self-Insured Retention: Any deductibles or self-insured retention must be declared to and approved by the Agency. At the option of the Agency, either: the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the Agency, its officers, officials, employees and volunteers; or the Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

C. Other Insurance Provisions: The policies are to contain, or be endorsed to contain, the following provisions:

1. General Liability and Automobile Liability Coverage

- a. The Agency, its officers, officials, employees, volunteers, property owners and any engineers under contract to the Agency are to be covered as insureds, endorsements GL 20 11 07 66, CG2010 1185 and/or CA 20 01 (Ed. 0178), as respects: liability arising out of activities performed by or on behalf of the Consultant, products and completed operations of the Consultant, premises owned, occupied or used by the Consultant, or automobiles owned, leased, hired or borrowed by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to the Agency, its officers, officials, employees or volunteers.
- b. The Consultant's insurance coverage shall be primary insurance as respects the Agency, its officer, officials, employees and volunteers. Any insurance or self-insurance maintained by the Agency, its officers, officials, employees, or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.
- c. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Agency, its officers, officials, employees or volunteers.
- d. The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- e. The Consultant may satisfy the limit requirements in a single policy or multiple policies. Any Such additional policies written as excess insurance shall not provide any less coverage than that provided by the first or primary policy.

2. Workers' Compensation and Employers Liability Coverage

The insurer shall agree to waive all rights of subrogation against the Agency, its officers, officials, employees and volunteers for losses arising from work performed by the Consultant for the Agency.

3. All Coverages

Each insurance policy required by this contract shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the Agency.

- D. Acceptability of Insurers: All insurance is to be placed with insurers with a Best's rating of no less than A:VII, and who are admitted insurers in the State of California.
- E. Verification of Coverage: Consultant shall furnish the Agency with certificates of insurance and with original endorsements effecting coverage required by the Agency for themselves and all subcontractors prior to commencing work or allowing any subcontractor to

commence work under any subcontract. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements are to be approved by the Agency before work commences. The Agency reserves the right to require complete, certified copies of all required insurance policies, at any time.

- F. Submittal of Certificates: Consultant shall submit all required certificates and endorsements to the following:

Attn. Ms. Angela Witte, Risk Specialist
c/o Inland Empire Utilities Agency
P.O. Box 9020
Chino Hills, California 91709-0902

10. LEGAL RELATIONS AND RESPONSIBILITIES

- A. Professional Responsibility: The Consultant shall be responsible, to the level of competency presently maintained by other practicing professionals performing the same or similar type of work.
- B. Status of Consultant: The Consultant is retained as an independent Consultant only, for the sole purpose of rendering the services described herein, and is not an employee of the Agency.
- A. Observing Laws and Ordinances: The Consultant shall keep itself fully informed of all existing and future state and federal laws and all county and city ordinances and regulations which in any manner affect the conduct of any services or tasks performed under this Contract, and of all such orders and decrees of bodies or tribunals having any jurisdiction or authority over the same. The Consultant shall at all times observe and comply with all such existing and future laws, ordinances, regulations, orders and decrees, and shall protect and indemnify, as required herein, the Agency, its officers, employees and agents against any claim or liability arising from or based on the violation of any such law, ordinance, regulation, order or decree, whether by the Consultant or its employees.
- B. Subcontract Services: Any subcontracts for the performance of any services under this Contract shall be subject to the written approval of the Project Manager.
- C. Hours of Labor: The Consultant shall comply with all applicable provisions of California Labor Code Sections 1810 to 1817 relating to working hours. The Consultant shall, as a penalty to the Agency, forfeit \$25.00 for each worker employed in the execution of the Contract by the Consultant or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one (1) calendar day and forty (40) hours in any one (1) calendar week in violation of the provisions of the Labor Code.

- D. Travel and Subsistence Pay: The Consultant shall make payment to each worker for travel and subsistence payments which are needed to execute the work and/or service, as such travel and subsistence payments are defined in the applicable collective bargaining agreements with the worker.
- E. Liens: Consultant shall pay all sums of money that become due from any labor, services, materials or equipment furnished to Consultant on account of said services to be rendered or said materials to be furnished under this Contract and that may be secured by any lien against the Agency. Consultant shall fully discharge each such lien at the time performance of the obligation secured matures and becomes due.
- F. Conflict of Interest: No official of the Agency who is authorized in such capacity and on behalf of the Agency to negotiate, make, accept or approve, or to take part in negotiating, making, accepting or approving this Contract, or any subcontract relating to services or tasks to be performed pursuant to this Contract, shall become directly or indirectly personally interested in this Contract.
- G. Equal Opportunity and Unlawful Discrimination: During the performance of this Contract, the Consultant shall not unlawfully discriminate against any employee or employment applicant because of race, color, religion, sex, age, marital status, ancestry, physical or mental disability, sexual orientation, veteran status or national origin. The Agency is committed to creating and maintaining an environment free from harassment and discrimination. To accomplish these goals the Agency has established procedures regarding the implementation and enforcement of the Agency's Harassment Prohibition and Equal Employment Opportunity commitments. Please refer to Agency Policies A-29 (Equal Employment Opportunity) and A-30 Harassment Prohibition for detailed information or contact the Agency's Human Resources Administrator. A copy of either of these Policies can be obtained by contacting the Project Manager for your respective Contract. Please advise any of your staff that believes they might have been harassed or discriminated against while on Agency property, to report said possible incident to either the Project Manager, or the Agency's Human Resources Administrator. Please be assured that any possible infraction shall be thoroughly investigated by the Agency.
- H. Non-Conforming Work and Warranty: Consultant represents and warrants that the Work and Documentation shall be adequate to serve the purposes described in the Contract. For a period of not less than one (1) year after acceptance of the completed Work, Consultant shall, at no additional cost to Agency, correct any and all errors in and shortcomings of the Work or Documentation, regardless of whether any such errors or shortcoming is brought to the attention of Consultant by Agency, or any other person or entity. Consultant shall within three (3) calendar days, correct any error or shortcoming that renders the Work or Documentation dysfunctional or unusable and shall correct other errors within thirty (30) calendar days after Consultant's receipt of notice of the error. Upon request of Agency, Consultant shall correct any such error deemed important by Agency in its sole discretion to

Agency's continued use of the Work or Documentation within seven (7) calendar days after Consultant's receipt of notice of the error. If the Project Manager rejects all or any part of the Work or Documentation as unacceptable and agreement to correct such Work or Documentation cannot be reached without modification to the Contract, Consultant shall notify the Project Manager, in writing, detailing the dispute and reason for the Consultant's position. Any dispute that cannot be resolved between the Project Manager and Consultant shall be resolved in accordance with the provisions of this Contract.

I. Disputes:

1. All disputes arising out of or in relation to this Contract shall be determined in accordance with this section. The Consultant shall pursue the work to completion in accordance with the instruction of the Agency's Project Manager notwithstanding the existence of dispute. By entering into this Contract, both parties are obligated, and hereby agree, to submit all disputes arising under or relating to the Contract, which remain unresolved after the exhaustion of the procedures provided herein, to independent arbitration. Except as otherwise provided herein, arbitration shall be conducted under California Code of Civil Procedure Sections 1280, et. seq, or their successor.
2. Any and all disputes during the pendency of the work shall be subject to resolution by the Agency Project Manager and the Consultant shall comply, pursuant to the Agency Project Manager instructions. If the Consultant is not satisfied with any such resolution by the Agency Project Manager, they may file a written protest with the Agency Project Manager within seven (7) calendar days after receiving written notice of the Agency's decision. Failure by Consultant to file a written protest within seven (7) calendar days shall constitute waiver of protest, and acceptance of the Agency Project Manager's resolution. The Agency's Project Manager shall submit the Consultant's written protests to the General Manager, together with a copy of the Agency Project Manager's written decision, for his or her consideration within seven (7) calendar days after receipt of said protest(s). The General Manager shall make his or her determination with respect to each protest filed with the Agency Project Manager within ten (10) calendar days after receipt of said protest(s). If Consultant is not satisfied with any such resolution by the General Manager, they may file a written request for arbitration with the Project Manager within seven (7) calendar days after receiving written notice of the General Manager's decision.
3. In the event of arbitration, the parties hereto agree that there shall be a single neutral Arbitrator who shall be selected in the following manner:
 - a. The Demand for Arbitration shall include a list of five names of persons acceptable to the Consultant to be appointed as Arbitrator. The Agency shall

determine if any of the names submitted by Consultant are acceptable and, if so, such person shall be designated as Arbitrator.

- b. In the event that none of the names submitted by Consultant are acceptable to Agency, or if for any reason the Arbitrator selected in Step (a) is unable to serve, the Agency shall submit to Consultant a list of five names of persons acceptable to Agency for appointment as Arbitrator. The Consultant shall, in turn, have seven (7) calendar days in which to determine if one such person is acceptable.
- c. If after Steps (a) and (b), the parties are unable to mutually agree upon a neutral Arbitrator, the matter of selection of an Arbitrator shall be submitted to the San Bernardino County Superior Court pursuant to Code of Civil Procedure Section 1281.6, or its successor. The costs of arbitration, including but not limited to reasonable attorneys' fees, shall be recoverable by the party prevailing in the arbitration. If this arbitration is appealed to a court pursuant to the procedure under California Code of Civil Procedure Section 1294, et. seq., or their successor, the costs of arbitration shall also include court costs associated with such appeals, including but not limited to reasonable attorneys' fees which shall be recoverable by the prevailing party.

- 4. Joinder in Mediation/Arbitration: The Agency may join the Consultant in mediation or arbitration commenced by a contractor on the Project pursuant to Public Contracts Code Sections 20104 et seq. Such joinder shall be initiated by written notice from the Agency's representative to the Consultant.

- 11. **INDEMNIFICATION:** Consultant shall indemnify the Agency, its directors, employees and assigns, and shall hold them harmless from all liabilities, demands, actions, claims, losses and expenses, including reasonable attorneys' fees, which arise out of or are related to the negligence, recklessness or willful misconduct of the Consultant, its directors, employees, agents and assigns, in the performance of work under this contract. Notwithstanding the foregoing, to the extent that this Contract includes design professional services under Civil Code Section 2782.8, as my be amended from time to time, such duties of Consultant to defend and to indemnify Agency shall only be to the full extent permitted by Civil Code Section 2782.8.

Consultant shall have no duty to defend Agency, but Consultant shall pay as damages to Agency all reasonable attorney's fees and costs incurred by Agency to the extent incurred by Agency arising out of Consultant's actual or alleged negligent acts, errors, or omissions. Further, Consultant shall assume sole responsibility for the investigation, analysis, and defense of any and all issues alleged against Agency or Consultant to the extent alleged, based on, or arising out of Consultant's scope of work, or Consultant's actual or alleged negligent acts, errors, or omissions.

12. **OWNERSHIP OF MATERIALS AND DOCUMENTS/CONFIDENTIALITY:** The Agency retains ownership of any and all partial or complete reports, drawings, plans, notes, computations, lists, and/or other materials, documents, information, or data prepared by the Consultant and/or the Consultant's subcontractor(s) pertaining to this Contract. Said materials and documents are confidential and shall be available to the Agency from the moment of their preparation, and the Consultant shall deliver same to the Agency whenever requested to do so by the Project Manager and/or Agency. The Consultant agrees that same shall not be made available to any individual or organization, private or public, without the prior written consent of the Agency.

13. **TITLE AND RISK OF LOSS:**

A. **Documentation:** Title to the Documentation shall pass to Agency when prepared; however, a copy may be retained by Consultant for its records and internal use. Consultant shall retain such Documentation in a controlled access file, and shall not reveal, display or disclose the contents of the Documentation to others without the prior written authorization of Agency or for the performance of Work related to the project.

B. **Material:** Title to all Material, field or research equipment, and laboratory models, procured or fabricated under the Contract shall pass to Agency when procured or fabricated, and such title shall be free and clear of any and all encumbrances. Consultant shall have risk of loss of any Material or Agency-owned equipment of which it has custody.

C. **Disposition:** Consultant shall dispose of items to which Agency has title as directed in writing by the Agreement Administrator and/or Agency.

14. **PROPRIETARY RIGHTS:**

A. **Rights and Ownership:** Agency's rights to inventions, discoveries, trade secrets, patents, copyrights, and other intellectual property, including the Information and Documentation, and revisions thereto (hereinafter collectively referred to as "Proprietary Rights"), used or developed by Consultant in the performance of the Work, shall be governed by the following provisions:

Proprietary Rights conceived, developed, or reduced to practice by Consultant in the performance of the Work shall be the property of Agency, and Consultant shall cooperate with all appropriate requests to assign and transfer same to Agency.

If Proprietary Rights conceived, developed, or reduced to practice by Consultant prior to the performance of the Work are used in and become integral with the Work or Documentation, or are necessary for Agency to have complete enjoyment of the Work or Documentation, Consultant shall grant to Agency a non-exclusive, irrevocable, royalty-free license, as may be required by Agency for the complete enjoyment of the Work and Documentation, including the right to reproduce, correct, repair, replace, maintain, translate, publish, use, modify, copy or dispose of any or all of the Work and Documentation and grant sublicenses to others with respect to the Work and Documentation.

If the Work or Documentation includes the Proprietary Rights of others, Consultant shall procure, at no additional cost to Agency, all necessary licenses regarding such Proprietary Rights so as to

allow Agency the complete enjoyment of the Work and Documentation, including the right to reproduce, correct, repair, replace, maintain, translate, publish, use, modify, copy or dispose of any or all of the Work and Documentation and grant sublicenses to others with respect to the Work and Documentation. All such licenses shall be in writing and shall be irrevocable and royalty-free to Agency.

B. No Additional Compensation: Nothing Set forth in this Contract shall be deemed to require payment by Agency to Consultant of any compensation specifically for the assignments and assurances required hereby, other than the payment of expenses as may be actually incurred by Consultant in complying with this Contract.

15. INFRINGEMENT: Consultant represents and warrants that the Work and Documentation shall be free of any claim of trade secret, trade mark, trade name, copyright, or patent infringement or other violations of any Proprietary Rights of any person.

Consultant shall defend, indemnify and hold harmless, Agency, its officers, directors, agents, employees, successors, assigns, servants, and volunteers free and harmless from any and all liability, damages, losses, claims, demands, actions, causes of action, and costs including reasonable attorney's fees and expenses arising out of any claim that use of the Work or Documentation infringes upon any trade secret, trade mark, trade name, copyright, patent, or other Proprietary Rights.

Consultant shall, at its expense and at Agency's option, refund any amount paid by Agency under the Contract, or exert its best efforts to procure for Agency the right to use the Work and Documentation, to replace or modify the Work and Documentation as approved by Agency so as to obviate any such claim of infringement, or to put up a satisfactory bond to permit Agency's continued use of the Work and Documentation.

16. NOTICES: Any notice may be served upon either party by delivering it in person, or by depositing it in a United States Mail deposit box with the postage thereon fully prepaid, and addressed to the party at the address set forth below:

Agency: Warren T. Green
Manager of Contracts and Facilities Services
Inland Empire Utilities Agency
P.O. Box 9020
Chino Hills, California 91709

Consultant: Scott Goldman, P.E., BCEE
Principal, Senior Environmental Engineer
RMC Water and Environment, Inc.
15510-C Rockfield Blvd., Suite 200
Irvine, CA 92618

Any notice given hereunder shall be deemed effective in the case of personal delivery, upon receipt thereof, or, in the case of mailing, at the moment of deposit in the course of transmission with the United States Postal Service.

17. **SUCCESSORS AND ASSIGNS:** All of the terms, conditions and provisions of this Contract shall inure to the benefit of and be binding upon the Agency, the Consultant, and their respective successors and assigns. Notwithstanding the foregoing, no assignment of the duties or benefits of the Consultant under this Contract may be assigned, transferred or otherwise disposed of without the prior written consent of the Agency; and any such purported or attempted assignment, transfer or disposal without the prior written consent of the Agency shall be null, void and of no legal effect whatsoever.
18. **PUBLIC RECORDS POLICY:** Information made available to the Agency may be subject to the California Public Records Act (Government Code Section 6250 et seq.) The Agency's use and disclosure of its records are governed by this Act. The Agency shall use its best efforts to notify Consultant of any requests for disclosure of any documents pertaining to Consultant.
- In the event of litigation concerning disclosure of information Consultant considers exempt from disclosure; (e.g., Trade Secret, Confidential, or Proprietary) Agency shall act as a stakeholder only, holding the information until otherwise ordered by a court or other legal process. If Agency is required to defend an action arising out of a Public Records Act request for any of the information Consultant has marked "Confidential," "Proprietary," or "Trade Secret," Consultant shall defend and indemnify Agency from all liability, damages, costs, and expenses, including attorneys' fees, in any action or proceeding arising under the Public Records Act.
19. **RIGHT TO AUDIT:** The Agency reserves the right to review and/or audit all Consultant's records related to the Work. The option to review and/or audit may be exercised during the term of the Contract, upon termination, upon completion of the Contract, or at any time thereafter up to twelve (12) months after final payment has been made to Consultant. The Consultant shall make all records and related documentation available within three (3) working days after said records are requested by the Agency.
20. **INTEGRATION:** The Contract Documents represent the entire Contract of the Agency and the Consultant as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered by the Contract Documents. This Contract may not be modified, altered or amended except by written mutual agreement by the Agency and the Consultant.
21. **GOVERNING LAW:** This Contract is to be governed by and constructed in accordance with the laws of the State of California.
22. **TERMINATION FOR CONVENIENCE:** The Agency reserves and has the right to immediately suspend, cancel or terminate this Contract at any time upon written notice to the Consultant. In the event of such termination, the Agency shall pay Consultant for all authorized and Consultant-invoiced services up to the date of such termination.
23. **FORCE MAJEURE:** Neither party shall hold the other responsible for the effects of acts occurring beyond their control; e.g., war, riots, strikes, natural disasters, etcetera.

24. NOTICE TO PROCEED: No services shall be performed or furnished under this Contract unless and until this document has been properly signed by all responsible parties and a Notice to Proceed order has been issued to the Consultant.

IN WITNESS WHEREOF, the parties hereto have caused the Contract to be entered as of the day and year written above.

INLAND EMPIRE UTILITIES AGENCY:

RMC WATER AND ENVIRONMENT, INC.:

P. Joseph Grindstaff
General Manager

(Date)

Scott Goldman
Principal-in-Charge

(Date)

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Exhibit A

Section 4 – Detailed Scope of Work

Task 1 – Preliminary Design

1.1 *Review Existing Information*

RMC will prepare a data request list for IEUA that will include, but not be limited to, existing facility information (record drawings, utility mapping, etc.), previous engineering reports and operational procedures manuals for facilities related to the project, and available geotechnical reports within the vicinity of the project. RMC will maintain and update the data request list as additional needs are identified and data are received. Data received will be reviewed and assumptions developed for key data gaps. This task also includes one site visit.

1.2 *Alternatives Analysis*

RMC will evaluate up to three alternatives acceptable to meet the design intent. Each alternative will include the projected reduction in total inorganic nitrogen, a hydraulic analysis, and budgetary estimates for both capital and operating costs. It is anticipated that the alternatives analysis will focus on updating work documented in Technical Memorandum No. 5, Process Modifications – Baffles and ML Pumping for Reclamation Plant – 1 (Job No. EN05007), dated July 2006 and prepared by Water 3 Engineering, Inc. and RMC.

The alternatives analysis will also include an evaluation of piping or process configurations to limit Dissolved Oxygen (DO) addition to anoxic basins from the proposed Mixed Liquor Return (MLR) system. If DO addition is a concern, proposed alternative configurations could include relocating the MLR Pump suction piping away from diffused aeration panels, deactivating aeration panels in the vicinity of MLR Pump suction piping, or relocating the MLR discharge to a point upstream of the first anoxic zone.

RMC will prepare for and attend a meeting with IEUA to summarize its findings and make a recommendation.

1.3 *Preliminary Design*

The PDR will include:

- Description and scope of the recommended project
 - MLR pump design criteria; evaluation of available pumps for the established design criteria, including Flygt ultra-low head submersible pumps (used in IEUA's RP-4); and recommendation for MLR pumps, including type, size, location and configuration
 - Final selection of pipe sizes, materials, and corrosion protection
 - Evaluation and recommended location for variable frequency drives (VFDs) and tie-in points for associated electrical gear and controls, based on site conditions and future plans at RP-1, including results of utility research and locating
 - Plan view and cross sections showing the conceptual layout for the proposed project
 - Catalogue cuts for major equipment
 - Supporting calculations
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- Preliminary estimate of probable construction cost
 - Preliminary construction schedule

A summary of the Alternatives Analysis will be included as an appendix to the PDR.

This task includes incorporation of one round of IEUA review comments for the PDR.

1.4 Utility Research

RMC will use utility locating equipment and techniques, including electronic locating and ground penetrating radar (GPR), to field confirm existing substructures shown on record drawings and identify other potential substructures in the project area. Based on the information provided by IEUA in Task 1.1 and the field utility locating, RMC will map existing substructures along the proposed alignments between the aeration tanks and the potential electrical and controls tie-in points. Utility potholing, as detailed in Task 1.6, will be used to further confirm the locations of existing and potential substructures.

Task 1.5 Survey (Design Survey)

Design survey shall include location of surface topography and features, a benchmark circuit that will establish a benchmark or temporary benchmark for the project, location of aeration basins and key elements within the basins, location of electrical and controls tie-in point, and survey of utility pothole locations. In addition, laser scanning will be used at the proposed electrical and controls tie-in point (whether inside an existing structure or outside) to identify existing aboveground facilities and facilitate 3D modeling within this area.

Task 1.6 Utility Potholing

RMC's utility locating subconsultant will use exploratory excavation to accurately locate existing substructures. As detailed in Task 1.4, field utility locating will be performed to allow a more focused approach to potholing. RMC will pothole identified utilities crossing proposed conduits and parallel utilities that could be within the proposed trench excavation. This scope of work and fee assumes potholing at up to 20 locations. If fewer than 20 potholes are required, our fee structure allows a reduction for this item.

Potholing will be conducted after the location of proposed conduits is solidified, which is anticipated to be after IEUA's acceptance of the PDR and prior to completion of 50% design.

Task 1.7 Coordination with SCADA Enterprise Consultant

IEUA has retained a separate consultant to manage the design and implementation of a new SCADA Enterprise System. There are Control Panels and Remote I/O Panels that provide monitoring and control of the treatment process. Each panel is unique and may have Foxboro IA DCS components, Rockwell Automation controllers, and other miscellaneous related equipment. For panels associated with the upgrades included in the selected MLR Pumps project, RMC will identify the components within each panel and coordinate with IEUA and its SCADA Enterprise Project consultant to ensure that the proposed design includes the necessary specifications to integrate with the future SCADA Enterprise System. It is

assumed that the SCADA Enterprise Project consultant will identify the specific PLC platform (new or existing) to be used for control of the MLR Pumps system. Details of programming methods and any developed SCADA standards to be followed shall be provided to RMC by IEUA at the 50% Design Workshop. The SCADA Enterprise Project consultant shall specify the I/O cabinet location(s) for termination of new MLR Pumps system I/O for monitoring and control of equipment provided as part of the MLR Pumps system design.

Task 1 Assumptions:

- *IEUA will timely provide requested data or make requested data available*
- *IEUA will provide information in electronic format when available*
- *RMC will not be responsible for upgrading any components, controllers or miscellaneous equipment outside of the scope of the selected MLR Pumps project*
- *Based on the limited scope of underground work required for this project and anticipated shallow trench depth for electrical and controls conduit, a formal geotechnical investigation is not considered necessary and is therefore not included in this scope of work.*

Task 1 Deliverables

- *Draft and Final PDR (Electronic PDF files delivered via email or FTP; up to 15 hard copies)*

Task 2 – Design Plans and Specifications

RMC will incorporate the pre-selection and assigning of major equipment with long lead times into the design phase. It is anticipated that the major equipment with long lead times will include 1) Mixed Liquor Return Pumps, 2) Variable Frequency Drives for Mixed Liquor Return Pumps, and 3) Pre-Fabricated Walk-In Electrical Enclosure (if applicable). The process of pre-selecting and assigning major equipment includes working with suppliers to either sole source or submit competitive proposals for equipment, review and approve submittals prior to bidding, and assigning equipment to the Contractor in the bid form at a price agreed upon with the equipment vendor. The activities associated with this approach are identified in Section 2.1 of this Proposal.

At all stages of the design (50%, 85% and 100%), RMC will use AutoCAD 3D to prepare 3D CAD models for the proposed project. The 3D CAD model will reflect only the portions of the RP-1 facility necessary to communicate the proposed scope of work to IEUA staff and contractors, including the portions of each Aeration Basin tank (walls and floor) and associated facilities where proposed pumps and associated piping will be routed, the subsurface alignment for electrical and control conduits, and either the portion of existing electrical building or the entire stand-alone walk-in electrical enclosure at the tie-in locations for electrical and control conduits. Due to the low level of complexity, the 3D CAD model will depict an appropriate level of detail to communicate the design to IEUA staff without the need for developing renderings.

2.1 Pre-Selection and Assignment of Major Equipment

After acceptance of the PDR by IEUA, RMC will prepare and issue RFPs for the following major equipment:

-
- **Mixed Liquor Return Pumps**
 - **Variable Frequency Drives for Mixed Liquor Pumps**
 - **Pre-Fabricated Walk-In Electrical Enclosure (if applicable)**

The RFPs will require that interested vendors provide equipment submittals along with cost information as part of their proposals. RMC will review the submitted proposals and make a recommendation to IEUA regarding each item of major equipment. With IEUA's approval, RMC will then work with each selected vendor to finalize the equipment cost and, if necessary, submittal package for incorporation into the final design.

2.2 50% Design

The 50% Design milestone will include a 50% Design Workshop where the 3D model(s) will be presented to IEUA staff. Production prints of the Plans and draft copies of the Process Control Narrative and Operation Procedures Manual will be provided at the Workshop for review and discussion.

At the workshop, RMC will submit the following:

- **Production Prints and Supporting Documents**
 - Detailed Equipment Schedules
 - Plans and Profiles
 - Structural Plans and Elevations
 - Yard Piping
 - Catalogue Sheets for Major Equipment
 - Supporting calculations
- **Draft Process Control Narrative – The Process Control Narrative will be limited to those controls installed or modified as part of the proposed design and will be consistent with the template provided in Attachment K of the RFP.**
- **Draft Operations Procedure Manual – Per Section 3.2 of this Proposal.**

2.3 85% Design

RMC will submit a review package upon 85% completion of design that reflects or responds to 50% design review comments received from IEUA at the 50% Design Workshop and will include the following:

- **Design Plans (including updated Equipment Schedules, etc.)**
 - **Specifications**
 - **Proposed edits to IEUA's Standard Specifications**
 - **Updated estimate of probable construction cost**
 - **Updated supporting calculations**
 - **Updated Process Control Narrative**
 - **Control System Subcontractor Pre-Qualification Package**
-

2.4 100% Design

RMC will submit a review package upon 100% completion of design that reflects or responds to 85% design review comments received from IEUA and will include the following:

- Design Plans (including updated Equipment Schedules, etc.)
- Specifications
- Standard Specifications incorporating edits accepted by IEUA
- Final Engineer's Estimate
- Final supporting calculations
- Final Process Control Narrative
- Asset List
- Shop Drawing Submittal List
- Arc-Flash Locations List

2.5 Final Plans and Specifications

RMC will update the 100% Design package to reflect final comments received from IEUA. Upon IEUA's acceptance of the Plans and Specifications, RMC will submit the following:

- Final Plans – Mylar sheets and electronic PDF format
- Final Specifications – Hard copy (unbound) and electronic PDF format
- Final supporting calculations
- Final Engineer's Estimate

Task 2 Assumptions:

- *IEUA will provide complete review of each design deliverable and provide consolidated comments within 14 calendar days of receiving each design deliverable*
- *IEUA will provide review comments in electronic format*
- *IEUA or its SCADA Enterprise Project consultant will identify the specific PLC platform (new or existing) to be used for control of the MLR Pumps system, provide details of programming methods and SCADA standards by the 50% Design Workshop, and specify I/O termination locations for proposed scope of work*

Task 2 Deliverables

- *RFPs and Recommendations for Major Equipment (Electronic PDF files delivered via email or FTP; up to 15 hard copies)*
 - *50% Design Production Prints and Supporting Documents (up to 15 11 x 17 half size hard copies, and up to 15 Draft Operations Manuals and Draft Process Control Narrative documents)*
 - *85% Design (Electronic PDF files delivered via email or FTP; up to 15 hard copies each of Plans and Specifications and 3 copies of all other documents)*
 - *100% Design (Electronic PDF files delivered via email or FTP; up to 15 hard copies each of Plans and Specifications and 3 copies of all other documents)*
 - *Final Plans and Specifications (Electronic PDF files delivered on two CDs; one copy each of wet-signed full-size Plans, Specifications, and Calculations and one copy each of half-size Plans and all other documents)*
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- *Final Plans, AutoCAD files (Electronic files delivered on CD)*

Task 3 – Construction Administration Assistance

Task 3.1 Pre-Bid Support

During the advertising period, RMC will respond to questions from Bidders, will attend a pre-bid meeting and will assist in preparation of up to two addenda. This task assumes all questions can be answered with written responses and no revisions will be required to the drawings.

Task 3.2 Operation Procedures Manual

RMC will prepare an Operation Procedures Manual consistent with the template to be provided by IEUA. The manual will be limited to the operational modifications made to the existing process for the MLR Pumps system and is not intended to serve as a manual for the entire Activated Sludge process.

Task 3 Assumptions:

- *None*

Task 3 Deliverables

- *Addenda (as required)*
- *Operation Procedures Manual (Electronic PDF files delivered via CD and two hard copies)*

Task 4 – Project Management

4.1 Project Meetings/Workshops

RMC will prepare for and attend up to seven project meetings/workshops with IEUA at key points throughout design of the project. The meetings are anticipated to include the following:

- **Kickoff Meeting**
- **PDR Review Meeting**
- **50% Design Workshop**
- **85% Design Review Meeting**
- **100% Design Review Meeting**
- **Process Controls Narrative Meeting**
- **One additional meeting (TBD)**

RMC will prepare an agenda and meeting notes for each meeting/workshop identified above and distribute to the IEUA Project Manager. At a minimum, RMC's Project Manager will attend each meeting. It is assumed that other project coordination and meetings can occur through conference calls, which may also include web-based presentations.

4.2 *Project Tracking and Communication*

RMC will prepare and submit progress reports and an updated the project schedule with the monthly project invoice. RMC will provide regular project coordination, communication and updates to IEUA and track the project scope, budget and schedule.

4.3 *Quality Assurance and Quality Control*

RMC will implement its Quality Assurance Program requirements for the project, which will include a senior level technical review of major project deliverables.

Task 4 Assumptions

- *Project duration is approximately 10 months*

Task 4 Deliverables

- *Meeting Agendas (PDF or Microsoft Word files by email)*
 - *Meeting Minutes (PDF or Microsoft Word files by email)*
 - *Monthly Project Schedule (hard copy with invoice)*
 - *Monthly Progress Report (hard copy with invoice)*
-

Exhibit B

Exhibit C



**INLAND EMPIRE UTILITIES AGENCY
CONSULTING SERVICES INVOICE**

Company: ABC Company	Pay Est. No.:	Contract Date:	Invoice Date: #####
Address:	Contract No.: 46-xxxx	IEUA Project Manager: Jamal Zughbi	This Period: From: 9/1/2015 To: 9/30/2015
Phone No.:	Proj. Name & No: RP-1 Improvements Project, EN15xxx		Invoice No. /Consult Ref: XXXXXX

ORIGINAL CONTRACT:

PO No.	SAP Line Item No.	WBS Element No.	Item Description	Original Contr. Value	Total This Period	Total to Date	Progress to	Remaining Contract
				Amount (\$)	% Complete	Amount (\$)	% Complete	Amount (\$)
45-xxxx	1	EN15xxx.00.F.DN50	50% Design Services	\$0.00	#DIV/0!	\$0.00	#DIV/0!	\$0.00
	2	EN15xxx.00.F.DN85	85% Design Services	\$0.00	#DIV/0!	\$0.00	#DIV/0!	\$0.00
	3	EN15xxx.00.F.DFLP	Final Design	\$0.00	#DIV/0!	\$0.00	#DIV/0!	\$0.00
	4	EN15xxx.00.G.CNSW.00	Constr Support Services		#DIV/0!	\$0.00	#DIV/0!	\$0.00
Subtotal Original Contra				\$0.00		\$0.00		\$0.00

CONTRACT AMENDMENTS:

PO No.	SAP Line Item No.	WBS Element No.	Amendment Description	Amended Contract Value	Total This Period	Total to Date	Progress to	Remaining Contract
				Amount (\$)	% Complete	Amount (\$)	% Complete	Amount (\$)
						\$0.00	0%	0%
						\$0.00	0%	0%
						\$0.00	0%	0%
Subtotal Contr. Amendm				\$0.00		\$0.00		\$0.00
Total Cont. with Amendr				\$0.00		\$0.00		\$0.00

PAYMENT SUMMARY FOR THIS PERIOD:

PRIOR PAYMENT SUMMARY:

	From: 9/1/2015	From:	
	To: 9/30/2015	To:	
Amount Earned Original Contract	\$0.00	Amount Earned Orig Contract	\$0.00
Amount Earned Amendments	\$0.00	Amount Earned Amendments	\$0.00
Back Charges	\$0.00	Back Charges	\$0.00
Amount Due This Period	\$0.00	Prior Payments	\$0.00

TOTAL PAYMENT SUMMARY:

CONTRACT SCHEDULE SUMMARY:

Total Contract		Contract Start Date:	10/9/2014
Total Original Contract	\$0.00	Contract Duration:	365
Total Contract Amendments	\$0.00	Contract Completion Date:	10/9/2015
Total Payments to Date	\$0.00	Authorized Time Extension:	0
Back Charges	\$0.00	Revised Completion Date:	10/9/2015
Payment this period	\$0.00	PROJECT COMPLETION SUMMARY:	
Balance of Contract	\$0.00	Contract Time Expired:	102%
		Contract Work Complete:	#DIV/0!

Consultant Approval:

Title: _____ Signature: _____ Date: _____

Inland Empire Utilities Agency Approvals:

Proj. Engineer: _____ Date: _____ Exec Mgr. / Assistant GM: _____ Date: _____
 Deputy Manager: _____ Date: _____ General Manager: _____ Date: _____
 Dept. Manager: _____ Date: _____