

# **NOTICE OF MEETING**

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**OF THE  
BOARD OF DIRECTORS  
OF THE**



*Inland Empire Utilities Agency*  
**A MUNICIPAL WATER DISTRICT**

**WILL BE HELD ON**

**WEDNESDAY, JUNE 15, 2016**

**10:00 A.M.**

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



**AGENDA**

**MEETING OF THE  
INLAND EMPIRE UTILITIES AGENCY  
BOARD OF DIRECTORS**

**WEDNESDAY, JUNE 15, 2016  
10:00 A.M.**

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

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

**FLAG SALUTE**

**PUBLIC COMMENT**

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

**ADDITIONS TO THE AGENDA**

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

**1. NEW HIRE INTRODUCTIONS**

- Mr. Nelson Htoy, Deputy Manager of Maintenance, hired on 6/6/15 (Randy Lee)

**2. PUBLIC HEARING**

**A. PUBLIC HEARING AND ADOPTION OF ORDINANCE NO. 104**

It is recommended that the Board:

1. Hold a Public Hearing to receive public comments prior to the adoption of Ordinance No. 104; Classes of Water Services & Regulating the Sale and Delivery of Water; and
2. After closing the Public Hearing, by roll call vote, adopt Ordinance No. 104.

**B. PUBLIC HEARING AND ADOPTION OF RESOLUTION NO. 2016-6-16**

It is recommended that the Board:

1. Hold a Public Hearing to receive public comments prior to the adoption of Resolution No. 2016-6-16, establishing surcharge rates for recycled water use above entitlement;
2. After closing the Public Hearing, adopt Resolution No. 2016-6-16; and
3. Adopt Resolution No. 2016-6-17, establishing regulations for the purchase of recycled water above base entitlement for Contracting Agencies.

**C. PUBLIC HEARING AND ADOPTION OF RESOLUTION NO. 2016-6-14**

It is recommended that the Board:

1. Hold a Public Hearing to receive public comments prior to the adoption of Resolution No. 2016-6-14, adopting the 2015 Regional Urban Water Management Plan for the Inland Empire Utilities Agency (IEUA) and the Water Facilities Authority;
2. After closing the Public Hearing, adopt Resolution No. 2016-6-14; and
3. Authorize the General Manager to file the 2015 Regional Urban Water Management Plan electronically to the California Department of Water Resources, submit a CD or hardcopy to the California State Library, and submit an electronic copy, CD or hard copy to any city or county in which the suppliers provide water.

**3. 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 April 20, Board meeting, May 11, Special Board Workshop, and May 18, Board meeting.

**B. REPORT ON GENERAL DISBURSEMENTS**

It is recommended that the Board approve the total disbursements for the month of April 2016, in the amount of \$10,275,385.58.

**C. ADOPTION OF RESOLUTION NO. 2016-6-8, ESTABLISHING THE APPROPRIATION LIMITS FOR FISCAL YEAR 2016/17**

It is recommended that the Board adopt Resolution No. 2016-6-8, establishing the appropriation limits for Fiscal Year 2016/17.

**D. CONTRACT APPROVAL FOR COMPRESSED GAS, PROPANE, AND RELATED SUPPLIES**

It is recommended that the Board:

1. Approve a seven-year competitively-let contract (No. 4600002112) to Airgas USA, LLC of Ontario, California, through June 30, 2022, for Agency-wide compressed gases, propane, and related supplies; and
2. Authorize the General Manager to execute the contract.

**E. CBWM MASTER AGREEMENT SECOND AMENDMENT TO TASK ORDER NO. 1**

It is recommended that the Board:

1. Approve the second amendment to Task Order No. 1 of the Master Agreement with Chino Basin Watermaster as part of the Recharge Master Plan Update Yield Enhancement Projects, Project No. RW15003; and
2. Authorize the General Manager, subject to non-substantive changes, to execute the amendment.

**F. RP-2 MICROTURBINE PROPOSAL REJECTION**

It is recommended that the Board reject the November 17, 2015, proposal from Regatta Solutions to design and build a microturbine at Regional Plant No. 2.

**G. FY 2016/17 ANNUAL AUDIT PLAN**

It is recommended that the Board:

1. Approve the FY 2016/17 Annual Audit Plan; and
2. Direct the Manager of Internal Audit to finalize the FY 2016/17 Annual Audit Plan.



**H. REGIONAL WATER USE EFFICIENCY BUSINESS PLAN (2015-2020)**

It is recommended that the Board adopt the 2015 Regional Water Use Efficiency Business Plan.

**I. 2016 CHINO BASIN STORM WATER RESOURCES PLAN**

It is recommended that the Board adopt the 2016 Chino Basin Storm Water Resources Plan.

**J. PUMP EFFICIENCY IMPROVEMENTS PROPOSAL REJECTION**

It is recommended that the Board reject the April 12, 2016, proposals for the construction of the Agency-Wide Pump Efficiency Improvements, Project No. EN16070.

**K. PURCHASE OF DEWATERING POLYMER BLENDING UNITS**

It is recommended that the Board:

1. Authorize the single source procurement of new polymer blending units and start up services for Regional Water Recycling Plant No. 1 (RP-1) from Velocity Dynamics, LLC for a not-to-exceed amount of \$172,000 (including tax and delivery); and
2. Authorize the General Manager to execute the purchase.

**L. CONTRACT AWARD TO POLYDYNE INC. FOR FLOSPERSE 30S**

It is recommended that the Board:

1. Approve Contract No. 4600002106 to Polydyne Inc., establishing a two-year contract for the supply of Flosperser 30S with options for three additional one-year extensions, for a potential total contract term of five years; and
2. Authorize the General Manager to execute the contract with the three potential contract extensions.

**4. ACTION ITEMS**

**A. FILLING VACANT SEAT ON THE BOARD OF DIRECTORS**

It is recommended that the Board determine as follows:

1. Adopt Resolution No. 2016-6-20, determining that the vacancy on the Board of Directors shall be by appointment as opposed to special election;
2. Ratify notice to the County Election Official of the existence of a vacant seat on the Board of Directors of the Agency; and
3. Authorize staff to post a Notice of Vacancy on the IEUA Board of Directors in three (3) or more conspicuous places within Division 2.

**B. FY 2016/17 BUDGET AMENDMENT, RATES AND FEES, AND INTER-FUND LOANS**

It is recommended that the Board approve:

1. The amendments to the FY 2016/17 adopted budget for all Agency's funds;
2. The Non-Reclaimable Wastewater (NC) fund Rate Resolution Nos. 2016-6-1 through 2016-6-3;
3. The Regional Wastewater Operations & Maintenance (RO) fund Rate Resolution 2016-6-4;
4. The Water Resources (WW) fund Rate Resolution Nos. 2016-6-7 and 2016-6-15;
5. Rate Resolution No. 2016-6-5 for Laboratory Fees, 2016-6-6 for Equipment Rental, and 2016-6-9 for the Fontana Extra-Territorial Charge;
6. An inter-fund loan from the RO fund to the WW fund for a not-to-exceed amount of \$3.2 million in FY 2016/17 to support purchase of supplemental water supplies;
7. The forgiveness of the inter-fund loan from the Administrative Service (GG) fund to the WW fund in the amount of \$4.3 million in FY 2015/16; and
8. The allocation of property tax receipts in excess of \$13.7 million from the Regional RO, Recycled Water (WC), and GG funds to the WW fund beginning in FY 2016/17, and maintain allocation of 65% of property tax receipts to the Regional Wastewater Capital Improvement (RC) fund.

**C. ADOPTION OF RESOLUTIONS NOS. 2016-6-11 AND 2016-6-12, APPROVING THE AMENDMENTS TO THE SALARY SCHEDULES/MATRIXES**

It is recommended that the Board adopt Resolution Nos. 2016-6-11 and 2016-6-12 amending the salary schedules/matrixes for Unrepresented Employees, Executive Management Employees and Laboratory Unit, the General Unit, the Professional Unit, Operators' Association, and the Supervisors' Unit.

**D. ADOPTION OF RESOLUTIONS NO. 2016-6-13, AMENDING THE EMPLOYER PAID MEMBER CONTRIBUTIONS (EPMC)**

It is recommended that the Board adopt Resolution No. 2016-6-13, amending the EPMC to CalPERS for all classic employees.

**E. SANTA ANA RIVER CONSERVATION AND CONJUNCTIVE USE PROGRAM (SARCCUP)**

It is recommended that the Board:

1. Approve the June 2016 SARCCUP Memorandum of Understanding (MOU);
2. Approve Project Agreement 23 (PA23) between SAWPA and the five SAWPA member agencies for SARCCUP governance;
3. Approve the professional services contract award to Tom Dodson & Associates (TDA) to conduct a SARCCUP CEQA evaluation for the not-to-exceed amount of \$340,397;
4. Approve the CEQA Cost Sharing Agreement; and
5. Authorize the General Manager to execute the following documents:
  - a. June 2016 SARCCUP MOU
  - b. PA23
  - c. Professional Services Contract Award to TDA
  - d. CEQA Cost Sharing Agreement

**F. PROFESSIONAL SERVICES CONTRACT AWARD FOR SEWER FEE EVALUATION**

It is recommended that the Board:

1. Approve the professional services contract award for the Sewer Fee Evaluation to Carollo Engineers, Inc. for the not-to-exceed amount of \$376,586; and
2. Authorize the General Manager to execute the contract.

**G. 2015 INTEGRATED WATER RESOURCES PLAN**

It is recommended that the Board authorize development of a Programmatic Environmental Impact Report (PEIR) based on the core recommendations in the 2015 Integrated Water Resources Plan (IRP).

**5. INFORMATION ITEMS**

**A. ENGINEERING AND CONSTRUCTION MANAGEMENT PROJECT UPDATES (POWERPOINT)**

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

**RECEIVE AND FILE INFORMATION ITEMS**

- C. **TREASURER'S REPORT OF FINANCIAL AFFAIRS (WRITTEN/POWERPOINT)**
- D. **FY 2015/16 THIRD QUARTER BUDGET VARIANCE , PERFORMANCE GOALS UPDATES, AND BUDGET TRANSFERS (WRITTEN/POWERPOINT)**
- E. **PUBLIC OUTREACH AND COMMUNICATION (WRITTEN)**
- F. **LEGISLATIVE REPORT FROM INNOVATIVE FEDERAL STRATEGIES (WRITTEN)**
- G. **LEGISLATIVE REPORT FROM WEST COAST ADVISORS (WRITTEN)**
- H. **LEGISLATIVE REPORT FROM AGRICULTURAL RESOURCES (WRITTEN)**
- I. **CALIFORNIA STRATEGIES, LLC MONTHLY ACTIVITY REPORT (WRITTEN)**
- J. **FEDERAL LEGISLATIVE TRACKING MATRIX (WRITTEN)**
- K. **STATE LEGISLATIVE TRACKING MATRIX (WRITTEN)**
- L. **REPORT OF OPEN AUDIT RECOMMENDATIONS (WRITTEN)**
- M. **AUDIT PLANNING COMMUNICATION AS REQUIRED BY SAS 114 (WRITTEN)**
- N. **INTERNAL AUDIT DEPARTMENT STATUS REPORT FOR JUNE 2016 (WRITTEN)**
- O. **PREQUALIFICATION PROCESS REVIEW (WRITTEN)**

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.

**6. AGENCY REPRESENTATIVES' REPORTS**

- A. **SAWPA REPORT**  
(SAWPA COMMISSION MEETING SCHEDULED FOR JUNE 21, 2016)
- B. **MWD REPORT (WRITTEN)**
- C. **REGIONAL SEWERAGE PROGRAM POLICY COMMITTEE REPORT (WRITTEN)**

**D. CHINO BASIN WATERMASTER REPORT**

**7. GENERAL MANAGER'S REPORT (WRITTEN)**

**8. BOARD OF DIRECTORS' REQUESTED FUTURE AGENDA ITEMS**

**9. DIRECTORS' COMMENTS**

**A. 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.

**10. 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. Two (2) Cases

**11. ADJOURN**

\*A Municipal Water District

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

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

**Declaration of Posting**

I, April Woodruff, Board Secretary of the Inland Empire Utilities Agency\*, A Municipal Water District, hereby certify that a copy of this agenda has been posted by 5:30 p.m. at the Agency's main office, 6075 Kimball Avenue, Building A, Chino, CA on Thursday, June 9, 2016.

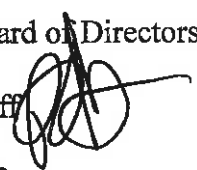
April Woodruff


# **PUBLIC HEARING**


# **2A**

Date: June 15, 2016

To: The Honorable Board of Directors

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: Water Ordinance No. 104

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### **RECOMMENDATION**

It is recommended that the Board of Directors:

1. Hold a Public Hearing to receive public comments prior to the adoption of Ordinance No. 104: Classes of Water Services & Regulating the Sale and Delivery of Water; and
2. After closing the Public Hearing, by roll call vote, adopt Ordinance No.104.

### **BACKGROUND**

In March 2015, the Agency completed the Cost of Service Study and on June 17, 2015, the Board adopted the water rates. Based on the Agency's commitment to our member agencies, the proposed water rates and methods identified in the Cost of Service Study were deferred to FY 2016/17 to allow for continued discussion. During the transition to the new water rate structure, Agency staff identified revisions needed to the current Ordinance No. 103 to ensure that the Agency adopts resolutions in compliance with the approved legislation pursuant to the authority contained in the Municipal Water District Law of 1911, California Water Code, §71616.

The Agency's General Counsel has also reviewed the proposed revisions to Ordinance No. 103. To account for these revisions and upon approval, Ordinance No. 104 has been developed and shall supersede Ordinance No. 103.

Key revisions are summarized below:

Part I, Division I, Section 107 – Definition of Terms

- Further defined Metropolitan Water District of Southern California (MWD) water fees and charges.
- Deleted Retail Meter Charge and replaced with Meter Equivalent Unit (MEU) Charge as the MEU Charge is the new method being adopted by the Agency.
- Updated Program Charge to include special projects (non-capital projects such as reports and studies) as part of the charge imposed by IEUA.
- Added “Reserve Account” to require each IEUA Local Agency to maintain an appropriate level of funds in their Reserves Account sufficient to cover up to 3 months of average rates and charges imposed by Metropolitan upon IEUA. Such reserves may be called upon by IEUA, as determined by the Board of Directors in the event of any IEUA Local Agency being delinquent in payment of bills for water rates and charges.

Part II, Division I, Section 202 – Connection Fees

- Added language which allows IEUA to determine if an existing customer requesting a modification to an existing connection will be subject to payment of the new water connection fees. This language was added to incentivize customers that perform recycled water conversions.

Part III, Division II, Section 301 – Other Charges: Deleted Retail Meter Charge and replaced with MEU Charge.

Part I, Division III, Section 105 – Water Requirements and Schedule of Deliveries:

- Added language to require a Local Agency to complete and return all data requests within 45 calendar days after the initial request.

Part I, Division III, Section 107 – Delinquent Payment:

- Further defined how IEUA will notify of intent to call upon the Local Agencies Reserve Account for the collection of additional funds. If approved by the Board of Directors, the amount requested will recover the full unpaid amount of the delinquent payment. The amount identified in IEUA’s notice of delinquency shall be equally shared among all Local Agencies which receive water service from IEUA.

The Connection Fee, Classes of Water Service and Regulating the Sale and Delivery of Water Ordinance No. 104 is consistent with the Agency’s Business Goal of *Fiscal Responsibility* by safeguarding the Agency’s fiscal health through transparent fiscal policies of the Agency.



**PRIOR BOARD ACTION**

On May 20, 2015, the Agency's Board of Directors approved the Classes of Water Service and Regulating the Sale and Delivery of Imported Water Ordinance No. 103 to supersede Ordinance No. 100.

**IMPACT ON BUDGET**

None.

**Attachment:** Ordinance No. 104: Classes of Water Services & Regulating the Sale and Delivery of Water.

# Water Ordinance No. 104



*Inland Empire Utilities Agency*

**A MUNICIPAL WATER DISTRICT**

**Jason Pivovarovff**

IEUA Board of Directors Meeting

June 2016

# Current Ordinance

- Cost of Service Study (COS) completed in March 2015
- Ordinance No. 103 adopted June 17, 2015
  - To include water connection fees and slight revisions to ensure compliance with California Water Code.
- Agency deferred proposed COS water rates to FY2016/17

# Updates to Ordinance No. 104

- Definition of Terms to further define MWD Full Service Rate
- Deleted the Retail Meter Charge and replaced with MEU Charge
  - Retail Meter Charge = recover based on per account basis
  - MEU Charge = recover based on users potential capacity on the system
- Added “Reserve Account” to call upon for the collection of funds for a delinquent payment

# Incentives for promoting Recycled Water

- Requires all new connections or upsize to pay a one water connection fee
- To promote RW use, should the Agency consider incentives such as waive fees for existing customers?
  - On a case by case basis
  - Supported by recycled water permit for use



# Case-By-Case Determination

- **Proposed language (added to Section 202):**

“An existing customer requesting a modification to an existing connection will be reviewed on a case-by-case basis to determine if customer is subject to payment of the water connection fee.”



# Recommendation

## Adopt Ordinance No. 104

The Connection Fee, Classes of Water Service and Regulating the Sale and Delivery of Water Ordinance No. 104 is consistent with the **Agency's Business Goal of Fiscal Responsibility** by safeguarding the Agency's fiscal health through transparent fiscal policies of the Agency.

**ORDINANCE NO. 104**

**AN ORDINANCE OF THE BOARD OF DIRECTORS OF INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING WATER CONNECTION FEES, CLASSES OF WATER SERVICE AND REGULATING THE SALE AND DELIVERY OF WATER WITHIN THE INLAND EMPIRE UTILITIES AGENCY\* SERVICE AREA**

**BE IT ORDAINED** by the Board of Directors of the Inland Empire Utilities Agency\* (“Agency”) as follows:

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## **DIVISION 1 – GENERAL**

### **PART I - ADMINISTRATION**

#### **SECTION 101 –AUTHORIZATION:**

This Ordinance is enacted pursuant to the authority contained in the Municipal Water District Law of 1911, California Water Code, §71616- et. seq., as amended, and California Government Code §66013 and §54999.

#### **SECTION 102 - PURPOSE AND OBJECTIVES:**

The purpose of this Ordinance is to establish classes of water service, rates, and charges for the delivery of imported and supplemental water within the Inland Empire Utilities Agency service area, to promote the conservation and reuse of water resources, and to provide procedures for complying with requirements placed upon the Inland Empire Utilities Agency by the Metropolitan Water District of Southern California.

Inland Empire Utilities Agency is a member agency of the Metropolitan Water District of Southern California.

The objectives of this Ordinance are:

- (A) To establish water connection fees to cover IEUA's cost of water infrastructure and supplies and other related expenses and financial requirements.
- (B) To adopt terms and conditions for the fixing of water connection fees from time to time by Resolution by the Board of Directors.
- (C) To define classifications of water service and establish water rates and charges for the sale of imported and supplemental water sufficient to cover IEUA's cost of water and other operating expenses and financial requirements.
- (D) To adopt terms and conditions for the provision of the various classes of water and to provide for the fixing of water rates and charges from time to time by Resolution of the Board of Directors.

- (E) To establish water connection fees from each new connection or upsized connection within IEUA's service area as a condition of receiving water deliveries from any source provided by IEUA.
- (F) To provide for the collection from each IEUA Local Agency, those charges imposed by Metropolitan on IEUA as a condition of receiving water deliveries from Metropolitan, including but not limited to, a Readiness-to-Serve Charge, a New Demand Charge, a Connection Maintenance Charge and Capacity Charge.
- (G) To encourage the use of recycled water to supplement existing surface and underground water supplies to assist in meeting the future water requirements within the service area. To encourage the efficient use of water and affect change in water-use habits to reduce water demand.
- (H) To establish provisions for obtaining funds for capital projects necessary to support supplemental water supply sources, development and implementation of conservation and water use efficiency programs to increase supply reliability and meet future water demands within the service area.

#### **SECTION 103 – SEVERABILITY:**

If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason found to be invalid or unconstitutional by any court of competent jurisdiction, such decision shall not affect the remaining portion of this Ordinance. The Inland Empire Utilities Agency Board of Directors declares that it would have approved this Ordinance by section, subsection, sentence, clause, or phrase irrespective of the fact that any one or more of the sections, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

#### **SECTION 104 - SERVICE AREA:**

This Ordinance pertains to Local Agencies within the boundaries of the IEUA service area unless otherwise stated.

#### **SECTION 105 – ADMINISTRATOR:**

Except as otherwise provided herein, the General Manager shall administer, implement, and enforce the provision of this Ordinance. The General Manager may, at his discretion, delegate any or all of these powers and duties.

#### **SECTION 106 - RIGHT OF REVISION:**

IEUA reserves the right to amend this Ordinance, as it deems appropriate.

## **SECTION 107 - DEFINITION OF TERMS:**

- (A) **AGRICULTURAL PURPOSES:** the growing or raising in conformity with recognized practices of husbandry, for the purposes of commerce, trade, or industry, or for use by public educational or correctional institutions, of agricultural, horticultural, or floricultural products, and produce (1) for human consumption or for the market, or (2) for the feeding of fowl or livestock produced for human consumption or for the market, or (3) for the feeding of fowl or livestock for the purpose of obtaining their products for human consumption or for the market, such products to be grown or raised on a parcel of land having an area of not less than one acre utilized exclusively therefor.
- (B) **BOARD OF DIRECTORS:** the Board of Directors of the Inland Empire Utilities Agency.
- (C) **CALENDAR YEAR:** the time period which commences January 1 of each calendar year and ends December 31 of the calendar year.
- (D) **CAPACITY CHARGE:** a pass-through charge of the monetary annual charge imposed by Metropolitan based on the maximum summer day demand placed on the Metropolitan system by IEUA between May 1 and September 30 in cubic foot per second during a rolling three-calendar year period.
- (E) **CONNECTED CAPACITY:** a measure of the size of the service connection to the Metropolitan System or to any water system within the Agency's service area, which will be used for purposes of determining the fixed capital, operation and maintenance charges among the Service Connections.
- (F) **CONNECTION FEE:** a one-time charge imposed on any new retail water connection or upsized connection, based upon the connected capacity, to any water system within IEUA's service area.
- (G) **CONSERVATION CHARGE:** the charge for regional conservation projects necessary to support water conservation program development within the service area.
- (H) **DOMESTIC AND MUNICIPAL PURPOSES:** the use of water for all domestic, municipal, commercial, industrial and recreational purposes commonly, but not exclusively, serviced by the water supply of a city, town, or other similar population group, but shall not include water use for agricultural purposes.
- (I) **DROUGHT CHARGE:** the charge for the programs needed to meet the reduced water supply made available to the region.
- (J) **FISCAL YEAR:** the time period which commences July 1 of each calendar year and ends June 30 of the following calendar year.

- (K) **FULL SERVICE WATER RATE:** service of Metropolitan water that does not meet the criteria for other classes of service or special programs. For purposes of agreements with Metropolitan, reference to the Full Service Water Rate shall be as defined by Metropolitan's Administrative Code.
- (L) **GENERAL MANAGER:** the General Manager or a duly Authorized Representative of the Inland Empire Utilities Agency.
- (M) **GROUNDWATER BASIN:** any groundwater basin located entirely, partially within or adjacent to the boundaries of Inland Empire Utilities Agency.
- (N) **GROUNDWATER REPLENISHMENT:** the act of spreading, injecting, or causing to be spread or injected, water for the purpose of replenishing natural groundwater basins, without regard to subsequent use of the water.
- (O) **IMPORTED WATER:** water which is acquired by IEUA from Metropolitan and other Agencies or Entities, can be treated or untreated water but excludes recycled water sources.
- (P) **IEUA:** Inland Empire Utilities Agency or its officers or representatives when in the exercise of their official business.
- (Q) **IN-LIEU GROUNDWATER REPLENISHMENT:** maintenance or replenishment of water supplies in groundwater basins by reduction or elimination of extraction therefrom through the substitution of deliveries of water to IEUA local agencies from surface distribution facilities in-lieu of such extraction.
- (R) **LONG-TERM SEASONAL STORAGE (LTSS):** delivery of imported water by IEUA to an IEUA Local Agency, for storage, by direct or in-lieu methods, beyond the 12-month Seasonal Storage Service program period. Local production is reduced over the winter period and IEUA deliveries are increased under this program. LTSS may be made available at other times based on terms and conditions established by the General Manager.
- (S) **LOCAL AGENCY:** any individual, partnership, association, corporation, governmental entity or agency, mutual water company, water company, or any other organization and users of water in such quantity as to merit being considered for an individual service connection from IEUA.
- (T) **METER EQUIVALENT UNIT (MEU):** the number of equivalent base meters served by an IEUA Local Agency. The number of MEU's is determined by multiplying the number of active water accounts of each water meter size by the MEU ratio associated with that meter size. The MEU ratio is established by the assigned base meter size of 5/8-inch.
- (U) **METER EQUIVALENT UNIT (MEU) CHARGE:** an annual basic charge imposed by the IEUA for each MEU served by an IEUA Local Agency which exists as of January 1 of

each year. The charge shall be established at a level which will yield revenues sufficient to recover the Program Charge, costs incurred for the Water Conservation Program, which also includes the Conservation and Drought Charges, and could include a portion of the Net RTS charge by Metropolitan.

- (V) **METROPOLITAN:** Metropolitan Water District of Southern California.
- (W) **METROPOLITAN CONNECTION MAINTENANCE CHARGE (CMC):** a pass-through charge of the monetary charge imposed by Metropolitan on IEUA to recover a portion of the cost associated with operating and maintaining service connections and other connection related costs.
- (X) **METROPOLITAN NEW DEMAND CHARGE:** a pass-through charge of the monetary charge imposed by Metropolitan based on water demand measured in acre-feet allocated by Metropolitan to IEUA as the basis for determining whether IEUA or an IEUA Local Agency will incur a charge and the amount of the charge under Metropolitan's New Demand Charge.
- (Y) **METROPOLITAN WATER DISTRICT FACILITIES:** those facilities of Metropolitan that can provide water service to IEUA.
- (Z) **PROGRAM CHARGE:** the charge imposed by the IEUA on deliveries for each class of water service to offset administration, operation, special projects, maintenance, depreciation expenses, and debt service incurred by the IEUA in association with the water resources program.
- (AA) **READINESS-TO-SERVE (RTS) CHARGE:** a pass-through charge of the total monetary RTS charge, as determined by the RTS Share, imposed by Metropolitan on IEUA to recover the costs of emergency system storage and the cost of system conveyance capacity for peak and standby use not recovered by property tax revenue.
- (BB) **READINESS-TO-SERVE (RTS) SHARE:** the annual percent share of the RTS Charge imposed on IEUA which is not collected as a Standby Charge on property within IEUA's service area.
- (CC) **RETAIL METER CHARGE:** an annual basic charge imposed by the IEUA for each active retail water meter served by an IEUA Local Agency which exists as of January 1 of each year. The charge shall be established at a level which will yield revenues sufficient to cover the Net RTS charge by Metropolitan, Program Charge and costs incurred for the Water Conservation Program, including the Conservation and Drought Charges.
- (DD) **RECYCLED WATER;** as defined in Title 22, Division 4, of the California Administrative Code, as amended from time to time, is water which as a result of treatment of wastewater, is suitable for direct beneficial use or a controlled use that otherwise would not occur.

- (EE) **RESERVE ACCOUNT:** As a condition of water service, each IEAU Local Agency shall maintain an appropriate level of funds in their Reserves Account sufficient to cover up to 3 months of average rates and charges imposed by Metropolitan upon IEUA. Such reserves may be called upon by IEUA, as determined by the Board of Directors in the event of any IEUA Local Agency being delinquent in payment of bills for water rates and charges.
- (FF) **RESERVOIR STORAGE:** the act of storing water in surface reservoirs or the maintenance of reservoir storage by reduction or elimination of reservoir withdrawals through substitution of surface deliveries of water to consumers from surface distribution facilities in lieu of such withdrawals.
- (GG) **RESOLUTION:** A legal document set by the Board of Directors in the form of a Resolution to establish said rates and fees.
- (HH) **SEASONAL STORAGE SERVICE:** additional summer production of local water supply sources by the IEUA Local Agency that is offset by equivalent IEUA imported winter water deliveries to the Local Agency within a 12-month period.
- (II) **SERVICE CONNECTION:** outlet pipe together with a shutoff valve and a meter to record the flow of water.
- (JJ) **SPECIAL PROJECTS:** non-capital projects that include planning and feasibility studies and reports, excludes conservation related programs and projects.
- (KK) **SEASONAL SHIFT STORAGE:** deliveries of water by IEUA to an IEUA local agency in the winter period for groundwater replenishment by spreading or injecting or in-lieu deliveries of water which would have otherwise been produced from local sources, and which replaces local storage depleted by increased pumping from local sources during the preceding summer period to reduce, by an equivalent amount, the water deliveries from IEUA which would otherwise have been taken by the IEUA local agency during the preceding summer period, as calculated in their seasonal storage service certification form. Local production and IEUA deliveries remain the same for the combined summer and winter periods under this program.
- (LL) **STANDBY CHARGE:** revenue collected by Metropolitan on parcels of land within the IEUA service area to offset all or a portion of the RTS Charge.
- (MM) **SUPPLEMENTAL WATER:** includes recycled water, captured and treated stormwater, and water imported by IEUA which does not represent a delivery from Metropolitan to IEUA.
- (NN) **WATER CONSERVATION PROGRAM:** cost for programs developed and implemented that are necessary to achieve efficient use of water resources within the service area.

**SECTION 108 - DUTY TO COMPLY:**

All Local Agencies shall comply with all conditions of this Ordinance. Any Local Agency that is not in compliance with any provision of this Ordinance constitutes a violation of this Ordinance and is grounds for enforcement action as provided for in Division I, Part II of this Ordinance.

**SECTION 109- RECYCLED WATER:**

All Local Agencies are encouraged to promote the reuse of recycled water supplies in their service areas wherever technically and economically reasonable, and in compliance with the IEUA's Regional Reclamation Ordinance No. 63, as amended from time to time. Recycled water is available for the following uses: agricultural, recharge, wildlife habitat, recreational impoundments and any additional use provided for under Title 22, Division 4, of the California Administrative Code, as amended from time to time. To support the development of recycled water projects, IEUA may implement, from time to time, financial incentive programs, and levy additional imported water administrative charges to fund these incentive programs.

**SECTION 110- WATER CONSERVATION:**

All Local Agencies are encouraged to promote urban water conservation to supplement existing surface and underground water supplies and to assist in meeting the future water requirements of the region. To support the implementation of water conservation programs, IEUA may implement, from time to time, financial incentive programs and levy additional imported water administrative charges to fund these programs.

**PART II – ENFORCEMENT**

**SECTION 201 -PROTECTION FROM DAMAGE:**

No person, organization, or Local Agency shall maliciously, willfully, or negligently break, damage, destroy, impair the usefulness, uncover, deface, or tamper with any structure, appurtenance, or equipment which is a part of IEUA's Water Distribution System.

**SECTION 202 - PENALTY FOR VIOLATION:**

The IEUA shall have the right to assess such penalties as may be permitted by law, call upon Local Agencies reserve account for the collection of additional funds to recover delinquent payments issued by IEUA, and/or discontinue the water service to the connection, up to and including seizure of the service connection, of any Local Agency for failure to comply with any rule or regulation of the IEUA.



A Local Agency not in compliance with any portion of this Ordinance will be notified of the IEUA's intention of enforcement, with an explanation of the violation or infraction committed. A Local Agency notified shall have thirty (30) calendar days to respond before any action will be taken by the IEUA. However, no such notice to afford an opportunity to comply need be given in those instances in which the non-compliance may cause conditions dangerous and detrimental to public health, safety and welfare, or are in violation of State law or applicable section of the California Penal Code. These violations include, but are not limited to trespass, assault, water theft, cross connection, and water system damage.

## **DIVISION II -SERVICE CLASSIFICATION, RATES AND CHARGES**

### **PART I – CLASSIFICATION**

#### **SECTION 101 -CLASSES OF SERVICE:**

The classes of service for water are as follows:

- (A) Full Service Untreated (for domestic and municipal purposes, including groundwater replenishment, injection and in-lieu groundwater replenishment and reservoir storage).
- (B) Full Service Treated (for domestic and municipal purposes).
- (C) Interim Agricultural Untreated (for agricultural purposes without incidental domestic use for dwellings).
- (D) Seasonal Storage (for Long Term Seasonal Shift-Untreated and Seasonal Shift Storage-Untreated).
- (E) Recycled Water (recycled water delivered by the IEUA to the Local Agencies for selected non-potable uses, without regard to subsequent use of the water).
- (F) Replenishment (untreated water for groundwater replenishment by spreading, injecting or in-lieu deliveries of water within the service area).
- (G) Supplemental Water (includes recycled water and water imported to the IEUA service area from outside the Chino Basin Watershed, other than imported water delivered from Metropolitan to IEUA, without regard to subsequent use of the water).

## **PART II- WATER RATES**

### **SECTION 201 –RATES:**

The water rate shall be established in an amount which in combination with revenues from other charges collected by IEUA will result in revenues sufficient for the purposes set forth in §71616 of the California Water Code, and shall include but not be limited to, components for:

- (A) the cost for the acquisition of water (e.g., for water acquired from Metropolitan, the cost of acquisition would be Metropolitan's water supply rate for each class, including any penalties and other applicable charges); and
- (B) the cost incurred for the Program Charge by IEUA.
- (C) the cost incurred for the Water Conservation Program, which includes the Conservation and Drought Charges.

The Board of Directors shall establish said rates by Resolution and shall adjust said rates from time to time by Resolution. Written notice of the proposed establishment of water rates or amendment of water rates shall be given to all local agencies not less than 15 days prior to the meeting at which such Resolution will be considered.

### **SECTION 202 – CONNECTION FEES:**

The water connection fees shall be established and collected by IEUA in order to proportionally recover the costs to create regional supplies that are available to meet the water demands of future development. Any customer requesting a new connection to a water distribution system within IEUA's service area, or requiring an additional connection as a result of any addition, improvement, or change in use of an existing connection to a water distribution system shall pay a water connection fee. An existing customer's request to modify an existing connection will be reviewed by IEUA's General Manager or his/her designee on a case by case basis to determine if the customer is subject to payment of the water connection fee. The connection fee may not be sold, traded, or conveyed in a manner to another site or customer. The connection does not convey or imply ownership in or of any facilities of IEUA's water system.

Customers subject to payment of the water connection fee shall pay 100% of the fee prior to issuance of the applicable permit to construct. Any plan changes may result in a revised connection fee payment. Assessment of the applicable connection fee will be based on the date that IEUA receives the final permit application and building plans. If full payment of all fees and charges is not received in accordance with the Resolution payment requirements, the new or additional water services will not be authorized.

The connection fees have been developed in accordance with California Government Code §66013 and California Water Code §71616 and shall include, but not be limited to, components for:

- (A) The cost for the construction of capture, treatment, transmission, distribution, and injection facilities;
- (B) The cost incurred for the Water Conservation Program which includes Conservation and Drought Charges;
- (C) Providing a reasonable reserve for improvements, extensions, and enlargements for system reliability and associated debt service costs;
- (D) The cost to administer the program incurred by IEUA; and
- (E) Any other costs that are deemed appropriate and comply with governing laws.

The Board of Directors shall establish said connection fees by Resolution and shall adjust said fees from time to time by Resolution. Written notice of the proposed establishment of water rates or amendment of water rates shall be given to all local agencies not less than 15 days prior to the meeting at which such Resolution will be considered.

#### **SECTION 203 – RIGHT TO INSPECT DOCUMENTS AND PROPERTY:**

IEUA retains the right, upon reasonable notice, to audit all public records and accounts of any local agency, to ensure ongoing compliance and enforcement of this ordinance. Additionally, pursuant to California Water Code § 71601, IEUA may enter upon the private property of any person to investigate possible violations of this ordinance, including, but not limited to the verification of meter connections previously issued by IEUA to verify that no unauthorized or non-permitted meter change has occurred.

#### **SECTION 204 – LIEN FOR CHARGES:**

Charges fixed by IEUA shall be a lien on all the property benefitted thereby as provided in California Water Code § 71637 and shall have the same force and effect as other liens for taxes and may be enforced by the same means as provided for the enforcement of liens for state and county taxes.

## **PART III - OTHER CHARGES**

### **SECTION 301 -OTHER CHARGES:**

In addition to the water rates provided in Division II, Part II, Section 201, this ordinance authorizes IEUA to levy on each IEUA Local Agency the following charges:

- (A) Readiness-to-Serve-Charge
- (B) New Demand Charge
- (C) Connection Maintenance Charge
- (D) Retail Meter Charge
- (E) Meter Equivalent Unit Charge
- (F) Capacity Charge
- (G) Any additional charges imposed on IEUA by Metropolitan shall be administered as a pass-through charge.

Water rates and charges shall be set by the Board of Directors of IEUA by Resolution and shall be established at a level which will yield revenues sufficient to cover the charges imposed by Metropolitan upon IEUA. IEUA may provide for collection in advance of expected invoice by Metropolitan and provide for a reasonable excess to cover variations in the amount of Metropolitan's charges which cannot be calculated in advance.

## **DIVISION III – REGULATIONS AS RELATED TO THE SALE OF IMPORTED WATER FROM METROPOLITAN**

### **PART I- WATER SERVICE REGULATIONS**

#### **SECTION 101- OBLIGATION TO PAY FOR WATER DELIVERED:**

All water delivered through any service connection to an IEUA Local Agency for use within the Local Agency shall be supplied in accordance with the provisions of the Metropolitan Water District Act and the rules and regulations of IEUA. IEUA shall bill the Local Agency for all water delivered through the service connection, and the Local Agency shall pay IEUA for all water so delivered at the rate or rates fixed by the Board of Directors by Resolution.

## **SECTION 102 - LIABILITY AND INDEMNIFICATION:**

All contracts for the delivery of water to others shall contain the following language: Neither IEUA nor any of its officers, agents, or employees shall be liable for the control, carriage, handling, use, disposal, or distribution of water supplied by IEUA to a Local Agency after such water has been delivered to such Local Agency; 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 water beyond the point of such delivery; and the Local Agency shall indemnify and hold harmless IEUA and its officers, agents, and employees from any such damages or claims of damages, and shall reimburse IEUA for costs of repair of IEUA's facilities and other damages resulting from the operations of the Local Agency. Neither the Local Agency nor any of its officers, agents, or employees shall be liable for the control, carriage, handling, use, disposal, or distribution of water prior to such water being delivered to the Local Agency; 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 water prior to its delivery to such Local Agency, excepting, however, claims by IEUA for costs of repair to IEUA's facilities and other damages resulting from the operations of the Local Agency; and IEUA shall indemnify and hold harmless the Local Agency and its officers, agents, and employees from any such damages or claim of damages, except claims by IEUA for costs of repair of IEUA's facilities and other damages resulting from the operations of the Local Agency.

## **SECTION 103 - SUSPENSION OF DELIVERIES:**

Whenever repairs or maintenance of Metropolitan's and/or IEUA's system shall require suspension of delivery of water at any point or points, such delivery may be suspended without liability on the part of the IEUA; provided, that except in cases of emergency, as determined by the General Manager, notice of such suspension of service shall be given to the affected Local Agency in advance of such suspension.

Each Local Agency should have a seven (7) day supply of water in case of an interruption in Metropolitan deliveries. Except in cases of emergency, IEUA will notice long term (over seven days) shutdowns at least one year in advance and produce a shutdown schedule in September of each year for shutdowns less than seven days.

Seasonal Storage Service certifications will be adjusted for the reduction of credits that are accrued due to shutdowns that are greater than seven days. No adjustments will be made for shutdowns seven days or less.

## **SECTION 104 - RATES OF FLOW:**

- (A) IEUA shall have the right to regulate and prescribe the maximum and minimum quantities of water that shall be discharged or delivered through any service connection so as to assure

equitable service to all Local Agencies, and maintain compliance with Metropolitan's rules and regulations as may be amended from time to time.

#### **SECTION 105 - WATER REQUIREMENTS AND SCHEDULE OF DELIVERIES:**

- (A) Before January 31 of each year or at such time as the General Manager may specify, each IEUA Local Agency shall furnish IEUA, on form provided by IEUA, the quantity of active water service accounts, an estimate of the amounts of water to be furnished to such IEUA Local Agency by IEUA, and an estimate of the quantity of water anticipated to be obtained from local sources to meet IEUA Local Agency needs. The estimate shall constitute the Local Agency's request for deliveries for the first of the five (5) years covered therein.
- (B) Requests made by IEUA to a Local Agency shall be complete and returned to IEUA no later than 45 calendar days after the initial request.
- (C) Each estimate furnished by a Local Agency shall contain, as a minimum, the following information:
  - (1) The quantity of untreated water to be delivered by IEUA to the IEUA Local Agency in full service for each month of the Fiscal Year.
  - (2) The quantity of water to be delivered by IEUA to the IEUA Local Agency in Agricultural Water Service for each month of the Fiscal Year.
  - (3) The quantity of water to be delivered by IEUA to the IEUA Local Agency in Replenishment Water Service for each month of the Fiscal Year.
  - (4) The quantity of water to be delivered by IEUA to IEUA Local Agency in Seasonal Storage Service for each month of the Fiscal Year.
  - (5) With regard to water estimated to be delivered in Seasonal Storage Service, the quantity of water to be used for:
    - (a) Domestic and municipal purposes, exclusive of groundwater replenishment by spreading or injecting;
    - (b) Groundwater replenishment by spreading or injecting;
    - (c) Direct Reservoir Storage.
  - (6) The quantity of active water service accounts itemized by customer class and meter size.

## **SECTION 106- METERING OF WATER:**

All water delivered by IEUA shall be metered. Meter readings shall be made on or about the last day of each calendar month for billing purposes. Any Local Agency may request that the meter through which its water is being furnished be examined and tested by IEUA for the purpose of checking its accuracy. Such requests shall be made in writing to the General Manager and shall be accompanied by a deposit of the estimated cost of such examination and test as determined by the General Manager. Such demands may not be made more often than once a year without evident cause.

Any Local Agency affected shall have the right to be represented by a qualified observer at and during any such tests. In the event that any such test shall disclose an error exceeding two (2) percent, an adjustment shall be made in charges made to the affected Local Agency, covering the known or estimated period of duration of such error, but in no event exceeding six months, and the deposit shall be refunded. In the event that any such test shall disclose an error below two (2) percent, the deposit shall be retained by IEUA and the water bill paid as rendered.

## **SECTION 107 - DELINQUENT PAYMENT:**

- (A) In the event any IEUA Local Agency is delinquent in payment of bills for water rates and charges, a penalty of ten (10) percent of the original unpaid invoice amount shall be added to any fee or charge that becomes delinquent. Interest at the maximum rate provided by California Government Code Section 926.10 as may be amended from time to time, shall accrue on the total of all delinquent fees or charges, commencing on the 25th calendar day after the postmark of the invoice, and shall be added to any fee or charge that becomes delinquent.

Invoices for delinquencies, including additional charges, shall be mailed within five (5) business days of delinquency. If IEUA does not receive payment within five (5) business days of the delinquency, all Local Agencies will be notified of IEUA's intent to call upon the Local Agencies Reserve Account for the collection of additional funds. If approved by the Board of Directors, the amount requested will recover the full unpaid amount of the delinquent payment. The amount identified in IEUA's notice of delinquency shall be equally shared among all Local Agencies which receive water service from IEUA.

In the event that any IEUA Local Agency which receives deliveries of water from IEUA shall be delinquent for more than 25 calendar days in the payment of billings for IEUA's charges, the Board of Directors, at its discretion and upon other conditions as it may prescribe, after giving the IEUA Local Agency a 20 calendar day notice in writing of such delinquency and of the right to request a hearing on the matter, and after such hearing, if requested, may call upon the Reserve Account for the collection of additional funds from all Local Agencies to recover the unpaid amount, and/or order the termination of water service to such agency until all delinquent payments, including additional charges, are made to IEUA, and may authorize such other action as may be appropriate.

Additional charges provided herein for delinquent payments may be waived by the Board of Directors upon written request by the IEUA Local Agency upon a finding that the delinquency was caused by excusable neglect or circumstances beyond the control of the IEUA Local Agency, provided that the delinquent Local Agency reimburses IEUA for all costs and penalties actually incurred by IEUA as a result of the delinquent payment.

In the event a mistake is discovered in a water sales record of IEUA, the General Manager shall initiate appropriate corrective action, except that no mistake made more than three (3) years prior to discovery shall be corrected. If an incorrect invoice has been issued to a Local Agency, the General Manager shall notify the affected Local Agency of any adjustment and the manner of making any required credit or charge, neither of which shall bear interest.

- (B) In the event that a retail water customer does not pay required connection fees in full, a penalty charge shall be imposed and must be paid in full prior to continued water service. The delinquent payment shall include any unpaid portion of the connection fee plus a penalty charge of ten (10) percent interest per annum beginning from the date of delinquency. All charges and penalties shall be assessed based on the connection fee that is in place at the time that full payment occurs.

#### **SECTION 108 – NOTICES:**

All notices and communications from Local Agencies to IEUA, relating to the service of water or the administration of these regulations by IEUA, shall be addressed to the General Manager, Post Office Box 697, Rancho Cucamonga, California 91729-0697, or such address as may be established by IEUA.

#### **SECTION 109 - WATER AVAILABILITY:**

All sales and deliveries of water at the rates established by Board of Directors Resolution shall be subject to the ability of IEUA to sell and deliver such water under operating conditions determined by the General Manager.

- (A) IEUA may restrict the use of available water during any emergency caused by drought or other threatened or existing water shortages and during such periods prohibit wastage of water or the use of available water for any purpose other than household uses or such other limited uses as may be determined by IEUA to be essential. IEUA shall prohibit use of water during such periods for specific uses which IEUA may deem to be nonessential.
- (B) IEUA shall have the right to turn off water from lines and pipes of the system in case of an emergency, without notice. However, when possible, advance notice will be given by IEUA whenever Metropolitan announces an impending temporary shut-down of service or if a need arises for IEUA to shut down temporarily for routine or emergency repairs.



## **SECTION 110 - ANNEXATIONS AND DETACHMENTS:**

IEUA makes available water to the people and land within its service area boundaries. A request for annexation of area to the IEUA shall be made in writing and executed on behalf of the Local Agency responsible for providing water service to the annexing area, the area which is or is proposed to be situated. Local Agency annexation proposals shall be evaluated according to the requirements set forth by IEUA, and in accordance with Metropolitan's Administrative Code, as amended from time to time.

## **PART II - SERVICE CONNECTIONS**

### **SECTION 201 - GENERAL AUTHORIZATION:**

The General Manager is authorized to construct, or have constructed, any service connection requested by a Local Agency, which, in the opinion of the General Manager, should be authorized and which is not specifically precluded by Resolution of the Board of Directors; subject to the terms and conditions deemed reasonable and proper, and which shall include the following:

- (A) The IEUA shall cause a service connection to be constructed pursuant to a written request by a Local Agency in accordance with plans and specifications approved by the General Manager and by an authorized representative of the Local Agency.
- (B) The service connection shall include the facilities for diversion of water from Metropolitan's system and for delivery of such water into the pipeline distribution system of IEUA or of IEUA's Local Agency. The service connection up to and including the fitting connecting with the pipeline through which IEUA will receive water delivered through the service connection, which shall include metering instruments and a cabinet therefor, shall be the property of Metropolitan and shall be operated, maintained and controlled by Metropolitan.
- (C) All service connections shall be installed at the sole expense of the Local Agency. IEUA shall furnish the Local Agency with an estimated cost of the service connection. The Local Agency shall deposit with IEUA the amount of such estimate prior to the start of construction. Any difference between the deposit and the actual cost shall be refunded to the Local Agency, if in excess of actual cost, or if the cost of the connection exceeds the estimate, the Local Agency shall be required to pay the difference.
- (D) Prior to the release of water by Metropolitan into the pipeline distribution system of IEUA or of IEUA's Local Agency, the Local Agency shall install its own flow control device or devices as a means of maintaining uniform flow. The flow control device shall be of a type approved by the General Manager and shall be accessible to and available for operation by

representatives of IEUA when necessary. Tampering of the Local Agency's flow control device to take water at times not agreed upon with IEUA is forbidden under penalty of disconnection.

- (E) The number, design, and location of all service connections, meters, and the charges to be made therefore shall be as established by the Board of Directors of IEUA. Before any service connection shall be installed, the Local Agency desiring such connection shall execute an application on the form provided by IEUA and file the same with IEUA together with any and all deposits required, in accordance with IEUA rules and regulations as may be amended from time to time.

### **SECTION 202 - DISCONTINUANCE OF SERVICE:**

- (A) A Local Agency's water service may be discontinued if a bill is not paid within twenty-five (25) days after the date of billing. The Board of Directors, in its discretion and upon such other conditions as it may prescribe after giving the Local Agency a reasonable opportunity to be heard, may order the termination of service to such Local Agency until all delinquent payments, including additional charges, are made to IEUA.
- (B) Whenever notice is given by IEUA to a Local Agency to discontinue service, the water may be shut off and the meter removed at the option of IEUA.
- (C) A Local Agency may have its water service discontinued by notifying IEUA thirty (30) days in advance of the date of discontinuance. The Local Agency shall be required to pay all water charges until the date of discontinuance.
- (D) If a Local Agency requests water service be restored, the meter shall be reinstalled at the sole expense of the Local Agency. If a Local Agency requests service be reinstated within a twenty-four (24) month period after discontinuance, the Local Agency shall be required to pay IEUA all outstanding charges up to the time of discontinuance.

### **SECTION 203 - INTERFERENCE BY LOCAL AGENCIES:**

No Local Agency shall take or draw water from any water line or pipe of IEUA without paying the established charges therefore. Any Local Agency interference constitutes a violation of the Ordinance and is grounds for discontinuance of service.

### **SECTION 204 – EFFECTIVE DATE:**

Upon the effective date of this Ordinance No. 104, Ordinance No. 103, including any amendments thereto, shall be repealed and superseded by this Ordinance. This Ordinance shall be in full force and effect immediately following its passage, approval, and publication, as provided by law.

**ADOPTED**, this 15<sup>th</sup> of June, 2016.

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

ATTEST:

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

\*A Municipal Water District

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 forgoing Ordinance being No. 104, was adopted at a regular meeting  
on June 15, 2016, of said Agency by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Steven J. Elie  
Secretary/Treasurer

(SEAL)

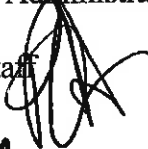
# **PUBLIC HEARING**


# **2B**


Date: June 15, 2016

To: The Honorable Board of Directors

Through: Public, Legislative Affairs, and Water Resources Committee (6/8/16)  
Finance, Legal & Administration Committee (6/8/16)

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: Recycled Water Resolutions

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### **RECOMMENDATION**

It is recommended that the Board of Directors:

1. Hold a Public Hearing to receive public comments prior to the adoption of Resolution No. 2016-6-16, establishing surcharge rates of recycled water use above entitlement;
2. After closing the Public Hearing, adopt Resolution No. 2016-6-16; and
3. Adopt Resolution No. 2016-6-17, establishing regulations for the purchase of recycled water above base entitlement for Contracting Agencies.

### **BACKGROUND**

The Inland Empire Utilities Agency (IEUA) and its Contracting Agencies have developed a successful regional Recycled Water Program for both direct use and groundwater recharge. In 2000, the region identified that recycled water use was a critical component in drought-proofing and maintaining its economic growth. With imported water rates increasing and long-term imported supply reliability in decline, the region committed to aggressively and proactively develop local water supplies to offset these impacts. This set the path for the development of a regional recycled water distribution system.

While the foundational commitment to beneficial reuse of recycled water has remained unchanged, some fundamental concepts have been questioned over the past few years, particularly since 2011.

This resulted in the region working together to develop Recycled Water (RW) Policy Principles to address the changes since the inception of the program.

The Recycled Water (RW) Policy Principles that were approved by the Regional Committees in January and March 2016, and as adopted by the Board in March 2016, were developed in response to inequities identified by several Contracting Agencies regarding the use of the recycled water in excess of their respective base entitlement. The Regional Contract was proposed to be amended through a public hearing with the IEUA Board on June 15, 2016 to address the RW Policy Principles. The proposed contract amendment language was developed over the last six months based on feedback from the Contracting Agencies. While meaningful discussion has taken place during workshops with the Regional Technical Committee members and IEUA, the Contracting Agencies are in fundamental disagreement on the contract amendment language. Contracting Agencies also have differing opinions on Section 30 of the Regional Contract that outlines the process for which the Board approves Regional Contract amendments. As a result, the public hearing scheduled for June 15, 2016 to amend the Regional Contract was cancelled.

In order to move forward as a region and for consideration for the implementation of core components of the RW Policy Principles, staff is recommending the Board adopt Resolution No. 2016-6-16 and Resolution No. 2016-6-17 which addresses the following:

- Provides the basis for the amount of recycled water use that the City of Chino will be grandfathered for the next several years
- Sets the definition for surcharge rate for use over base entitlement
- Establishes a surcharge rate for use in excess of entitlement

The proposed Resolutions are 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 March 16, 2016, the Board adopted the Recycled Water Policy Principles and directed staff to develop Regional Contract amendments.

### **IMPACT ON BUDGET**

None.

### **Attachments:**

1. Resolution No. 2016-6-16
2. Resolution No. 2016-6-17
3. Notice to Rescind Resolution No. 2016-4-4

**RESOLUTION NO. 2016-6-16**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING SURCHARGE RATES FOR RECYCLED WATER USE ABOVE ENTITLEMENT FOR FISCAL YEAR 2016/17**

**WHEREAS**, The Regional Advisory Committees have reviewed and recommended service rates for Fiscal Year 2016/17:

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

**Section 1.** That effective July 1, 2016, the surcharge rate for purchase of replacement water by IEUA will be set by the difference between the purchase and delivery cost of the replacement water and IEUA recycled water recharge rate for the fiscal year. Fiscal Year 2016/17 rates are as follows for the various categories:

1. Imported water from Metropolitan Water District rate per IEUA Rate Resolution 2016-6-7 and 2016-6-15 less recycled water groundwater recharge rate of \$470 per acre foot.
2. Chino Basin Groundwater purchase rate less recycled water recharge rate of \$470 per acre foot.
3. The rate of any other replacement water purchased by IEUA less the recycled water recharge rate of \$470 per acre foot.

ADOPTED this 15<sup>th</sup> day of June, 2016.

\_\_\_\_\_  
President of the Inland Empire Utilities Agency\* and of the Board of Directors thereof

ATTEST:

\_\_\_\_\_  
Secretary/Treasurer of the Inland Empire Utilities Agency\* and of the Board of Directors thereof

\* A Municipal Water District



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. 2016-6-16, was adopted at  
a regular meeting on June 15, 2016, of said Agency\* by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
Secretary/Treasurer

(SEAL)

\* A Municipal Water District

## RESOLUTION NO. 2016-6-17

### RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY\* (IEUA), SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING REGULATIONS FOR THE PURCHASE OF RECYCLED WATER ABOVE BASE ENTITLEMENT FOR CONTRACTING AGENCIES

**WHEREAS**, the IEUA Board of Directors has adopted Ordinance No. 69, regulating the availability and use of recycled water from the Regional Recycled Water Distribution System;

**WHEREAS**, Section 16 A. 2 of the Chino Basin Regional Sewage Service Contract establishes each Contracting Agency's Base Entitlement to recycled water;

**WHEREAS**, IEUA and the Contracting Agency's have determined that the purchase of recycled water in excess of a Contracting Agency's Base Entitlement, delivered through the IEUA regional recycled water system, requires the establishment of policies and principles to promote the equitable allocation of recycled water within the IEUA service area;

**WHEREAS**, in furtherance thereof, on January 28, 2016 and March 3, 2016 respectively, the Regional Technical and Policy Committees approved the Recycled Water Policy Principles, and on March 16, 2016 the IEUA Board of Directors adopted the Recycled Water Policy Principles; and

**WHEREAS**, the Recycled Water Policy Principles serve as a guideline to the establishment of these regulations governing the purchase of recycled water in excess of a Contracting Agency's Base Entitlement, delivered through the IEUA regional recycled water system.

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

#### **Section 1. Definitions**

**Base Entitlement** – Shall mean the total base supply of effluent which is subject to the right of first purchase from IEUA by the Contracting Agencies receiving sewerage service at any regional treatment plant, said portion being in the proportion that the quantity of sewage delivered into the regional sewerage system by the Contracting Agency bears to the total quantity of sewage delivered into the regional sewerage system by all Contracting Agencies, less normal processing losses resulting from the treatment of sewage.

**Contracting Agency** – Shall mean any sewage collection agency located, in whole or part, within the boundaries of IEUA which has entered into a service contract with IEUA.

**Section 2.**

That effective July 1, 2016, the use of recycled water above a Contracting Agency's Base Entitlement will require the Contracting Agency to provide replacement water.

1. Any Contracting Agency exceeding entitlement shall provide replacement water by one of the following means:
  - i. Stored water in the Chino Groundwater Basin,
  - ii. Acquisition of another contracting agency's unused entitlement, or
  - iii. Payment of a surcharge rate to IEUA per Section 3. below.
2. The annual amount of replacement water will be calculated as a reconciliation on the annual usage and the entitlement once a year, within 90 days following the end of the fiscal year.
3. Replacement water will be purchased by IEUA within 12 months following the Contracting Agency's payment of the surcharge rate.

**Section 3.**

Effective July 1, 2016, the surcharge rate for the purchase of replacement water by IEUA will be calculated by IEUA based on the difference between the IEUA recycled water rate for the fiscal year and the purchase and delivery cost of the replacement water as set forth in the rate resolution by the IEUA Board.

**Section 4.**

That effective July 1, 2016 through June 30, 2023, the City of Chino has temporary annual Base Entitlement based on Fiscal Year 2014/15 annual usage for its associated Fiscal Year 2014/15 customers of 8,324 acre-feet. The groundwater recharge allocation for Chino will be curtailed during the temporary period if the use of recycled water exceeds its base entitlement.

ADOPTED this 15<sup>th</sup> day of June, 2016.

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

Resolution No. 2016-6-17  
Page 3 of 4

ATTEST:

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Secretary/Treasurer of the Inland Empire  
Utilities Agency\* and of the Board  
of Directors thereof

\* A Municipal Water District

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. 2016-6-17, was adopted at  
a regular meeting on June 15, 2016, of said Agency\* by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
Secretary/Treasurer

(SEAL)

\* A Municipal Water District

Date: May 24, 2016  
To: Regional Policy Committee  
From: Inland Empire Utilities Agency  
Subject: Rescinding Notice of Intent to Amend Regional Contract

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On April 6, 2016, the Inland Empire Utilities Agency Board of Directors adopted Resolution No. 2016-4-4, declaring its intent to amend the Regional Contract, per Section 30B of the Regional Sewage Service Contract.

This memorandum shall serve as a notification that the prior notice of intent to amend the Regional Contract is being rescinded. The public hearing scheduled for June 15, 2016, at 10 a.m. in the Inland Empire Utilities Agency Board Room at 6075 Kimball Avenue, Building A, Chino, California has been cancelled.

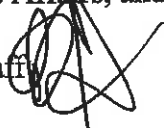
# **PUBLIC HEARING**

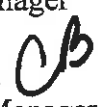
# **2C**


Date: June 15, 2016

To: The Honorable Board of Directors

Through: Public, Legislative Affairs, and Water Resources Committee (06/08/16)

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: 2015 Regional Urban Water Management Plan

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### **RECOMMENDATION**

It is recommended that the Board of Directors:

1. Hold a Public Hearing to receive public comments prior to the adoption of Resolution No. 2016-6-14, adopting the 2015 Regional Urban Water Management Plan for the Inland Empire Utilities Agency (IEUA) and the Water Facilities Authority;
2. After closing the Public Hearing, adopt Resolution No. 2016-6-14; and
3. Authorize the General Manager to file the 2015 Regional Urban Water Management Plan electronically to the California Department of Water Resources, submit a CD or hardcopy to the California State Library, and submit an electronic copy, CD or hardcopy to any city or county in which the suppliers provide water.

### **BACKGROUND**

The California Water Code (CWC) Section 10620 (a) requires an urban water supplier to prepare and adopt an urban water management plan (UWMP) consistent with CWC Section 10640. All urban water suppliers (including wholesalers), either publicly or privately owned, serving municipal water to greater than 3,000 customers or supplying more than 3,000 acre-feet annually are required to prepare and file its UWMP with the Department of Water Resources (DWR), the California State Library, and any city or county within the participating agency.



An UWMP is a planning tool that provides guidance to water management agencies for the development of reliable water supplies to meet the needs of their communities. An UWMP is required for an urban water supplier to be eligible for DWR state grants, loans, and drought assistance. The Regional UWMP requires a detailed assessment of a number of planning issues including:

- The water supplies necessary to meet annual demands over a 25-year period, under multi-year drought and average year conditions;
- The stages of actions to be taken to address up to a 50% reduction in water supplies;
- The actions to be taken to address a catastrophic interruption in water supplies; and,
- The opportunities to maximize conservation and use of recycled water, local groundwater supplies, and other water supplies to reduce demands for imported supplies.

In addition to the mandatory reporting requirements, the 2015 Regional UWMP captures other Agency planning efforts incorporating its regional visions. Specifically, the Agency's completed Phase I Integrated Resources Plan (IRP) and the Water Use Efficiency (WUE) Business Plan Update (2015-2020). Key elements of these documents have been incorporated into the UWMP to enhance the UWMP requirements as outlined in the 2015 UWMP Guidebook for Wholesale Water Suppliers. Examples include unique regional planning factors influencing water supply reliability, population growth, supply and demand projections, demand management measures, and the impacts of projected land use and future WUE standards on water demands. The UWMP also includes chapters on Climate Change Vulnerability Assessment and Voluntary Reporting of Energy Intensity.

Traditionally, the Agency and the Water Facilities Authority each completed individual UWMPs; however, based on duplication of efforts and discussion with DWR, a Regional UWMP was completed with the integration of content from both agencies.

In the 2015 UWMP, a Land-Use Based Model (Model) was developed from IEUA member agencies' General Plan land use data that incorporates existing and future development within the region. The Model provides member agencies with agency specific demands and projections while maintaining individual agency data at the retail level. The primary objective of the Model was to disaggregate regional data to the member agency level for IEUA's UWMP. The demand projections developed in the model will be used by the Agency and member agencies for any system or supply planning purposes that require detailed demand estimates and projections, such as conservation savings analyses.

As a requirement of the 2015 Regional UWMP, IEUA worked with the members as a Regional Alliance to recalculate 2010 regional urban water use demand baselines and re-calibrate the 2015 and 2020 gallons per capita day (GPCD) compliance targets. Based on the analysis, the new regional baseline was set at 227 GPCD and the 2015 target was re-calibrated at 218 GPCD. In calculating the 2015 regional compliance with SB X7-7, the region's actual 2015 GPCD is reported to be 160 GPCD bringing all member agencies into compliance with the statute through the Regional Alliance. While IEUA, as a wholesale agency is not required to comply with SB X7-7, SB X7-7 provides that an urban water retailer may meet its urban water use target individually or

through a regional water management group (Regional Alliance) by way of a mutual agreement. Once a Regional Alliance is filed with the DWR it is the responsibility of the wholesale agency to report to DWR on regional compliance. IEUA and its eight retail member agencies entered into a Memorandum of Understanding for establishing a Regional Alliance to comply with the Water Conservation Act of 2009 (SB X7-7) in May 2013.

The UWMP is consistent with the Agency's Business Goal of increasing *Water Reliability* by promoting water use efficiency and education to enhance water supplies within the region; and meeting the region's need to develop reliable and diverse local water resources in order to reduce dependence on imported water supplies.

### **PRIOR BOARD ACTION**

On June 2, 2011, the IEUA Board of Directors adopted the IEUA 2010 Regional Urban Water Management Plan.

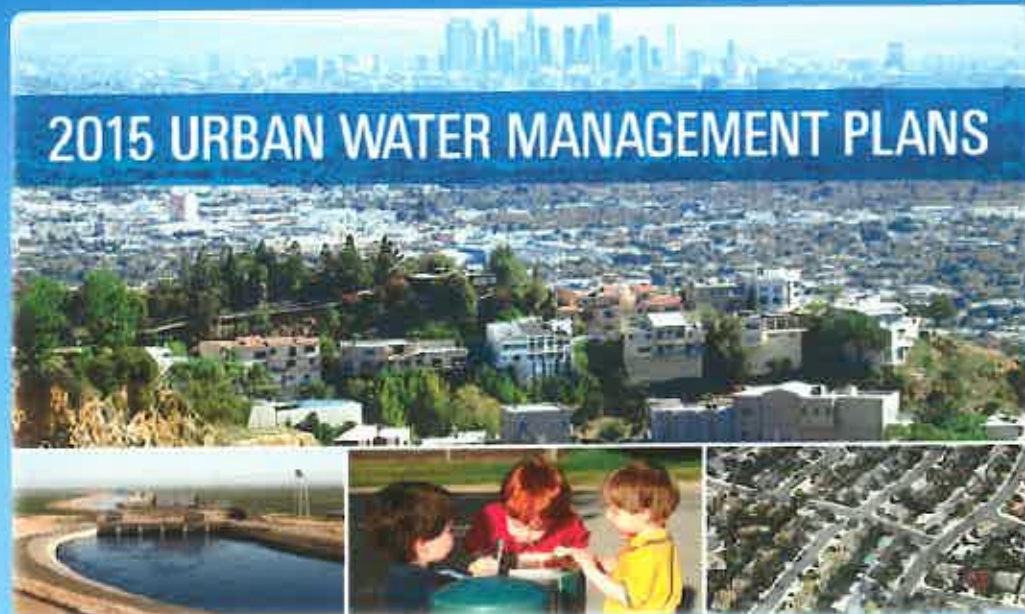
### **IMPACT ON BUDGET**

None.

#### Attachments:

- The Final 2015 Regional Urban Water Management Plan (2015-2020) can be viewed at the following link: <https://ieua.hostedftp.com/CnVg6zIcMACoKUGQqowmEL6Zs>
- Resolution 2016-6-14
- Public Hearing Notice

# 2015 Regional Urban Water Management Plan Update



**Lisa Morgan-Perales**



***Inland Empire Utilities Agency***

**A MUNICIPAL WATER DISTRICT**

IEUA Board of Directors Meeting  
June 2016

# Urban Water Management Planning Act

- The California Water Code requires an urban water supplier (including wholesalers), supplying more than 3,000 acre-feet annually or serving municipal water to 3,000 customers to prepare and adopt an urban water management plan (UWMP) and file with the Department of Water Resources (DWR) every five (5) years.
- The UWMP is required for an urban water supplier to be eligible for state grants, loans, and drought assistance.
- The UWMP must be adopted by the Board of Directors and submitted to DWR by July 1, 2016.

# Key UWMP Code Changes

- Mandatory Electronic Submittal – WUE data Online Submittal Tool
- Mandatory Use of Standardized Forms
- Demand Management Measures (DMMs) – Requires narratives describing DMMs past 5-years and future DMMS to achieve water use targets
- Mandatory Water Loss Reporting – Requires a plan to quantify and report on distribution system water loss
- Voluntary Reporting of Passive Savings – future water projections based on savings from codes, standards, ordinances, etc.
- Voluntary Reporting of Energy Intensity & Climate Vulnerabilities



# 2015 Regional UWMP Development

- Land-Use Based Model Development
- Water Facilities Authority Partnership
- Integrated Resources Plan Incorporation
- Water Use Efficiency Business Plan Update
- IEUA's 2015 Recycled Water Program Strategy
- IEUA's Energy Management Plan
- IEUA's Asset Management Plan



# Regional Alliance Compliance Retail Level Data

Agency	2015 Service Area Population	Baseline GPCD (10-15 year)	2015 Target GPCD	2015 Actual GPCD**	2020 Target GPCD	Selected Compliance Method (1 or 3)
Chino	73,683	237	213	157	189	1
Chino Hills	77,596	217	195	162	173	1
CVWD	200,466	291	262	180	233	1
Fontana	215,520	216	194	138	173	1
MVWD	54,128	205	184	99	164	1
Ontario	168,777	235	207	152	188	1
Upland	75,787	271	244	233	217	1
<b>IEUA REGION</b>	<b>866,027</b>	<b>243</b>	<b>218</b>	<b>160</b>	<b>194</b>	
Includes RW Credit				<b>21</b>	<b>35</b>	
Includes WUE Credit				<b>3</b>	<b>6-11</b>	

NOTE: Compliance Method 1 – sets an urban water supplier's 2020 target based on eighty percent of the water supplier's baseline per capita water use (20% reduction by 2020)

# Recommendation

1. Hold a public hearing to receive public comments
2. Adopt Resolution 2016-6-14, regarding the 2015 Regional Urban Water Management Plan.
3. Authorize the General Manager to file the Plan with the Department of Water Resources, the California State Library, and any city or county in which the suppliers provide water.

The plan is consistent with the **Agency's Business Goal of Water Reliability** by promoting water use efficiency and education to enhance water supplies within the region; and meeting the region's need to develop reliable and diverse local water resources in order to reduce dependence on imported water supplies.



**RESOLUTION NO. 2016-6-14**

**A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE INLAND EMPIRE UTILITIES AGENCY\*  
(IEUA), SAN BERNARDINO COUNTY,  
CALIFORNIA, ADOPTING THE 2015 REGIONAL  
URBAN WATER MANAGEMENT PLAN FOR THE  
INLAND EMPIRE UTILITIES AGENCY AND THE  
WATER FACILITIES AUTHORITY**

**WHEREAS**, the California Legislature enacted Assembly Bill 797, (Water Code Section 10610 et seq., known as the Urban Water Management Planning Act) during the 1983-1984 Regular Session, and as amended subsequently, which mandates that every urban water supplier providing water for municipal purposes either directly or indirectly to more than 3,000 customers or supplying more than 3,000 acre-feet of water annually, prepare an Urban Water Management Plan at least once every five years;

**WHEREAS**, the Inland Empire Utilities Agency\* is a wholesale supplier of water for 242-square miles in the western portion of San Bernardino County;

**WHEREAS**, the Water Facilities Authority\* is a wholesale supplier of water for 135-square miles in the west end of San Bernardino County; and

**WHEREAS**, pursuant to Section 10620 of the Urban Water Management Planning Act, the Inland Empire Utilities Agency and the Water Facilities Authority have participated together to prepare the 2015 Regional Urban Water Management Plan.

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

Section 1. The 2015 Regional Urban Water Management Plan is hereby adopted.

Section 2. The General Manager is hereby authorized to file an electronic copy of the 2015 Regional Urban Water Management Plan with the State Department of Water Resources within 30 days following its adoption and no later than July 1, 2016.

Section 3. The General Manager is hereby authorized to file a CD or hardcopy of the 2015 Regional Urban Water Management Plan with the California State Library no later than 30 days after its adoption.

Section 4. The General Manager is hereby authorized to submit an electronic copy or a CD or hardcopy of the adopted 2015 Regional Urban Water Management to any city or county in which the suppliers provide water no later than 30 days after its adoption.

Section 5. The General Manager is hereby authorized and directed to implement the adopted 2015 Regional Urban Water Management Plan, including recommendations to the Board of Directors regarding necessary procedures, rules, and regulations in an effort to carry out effective and equitable water programs.

Section 6. The Resolution shall take effect upon adoption.

ADOPTED this 15<sup>th</sup> day of June, 2016.

---

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

ATTEST:

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

(SEAL)

\* A Municipal Water District

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. 2016-6-14 was adopted at a Regular Board Meeting on June 15, 2016, of said Agency by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

---

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

(seal)

\* A Municipal Water District



**NOTICE OF PUBLIC HEARING  
BY THE BOARD OF DIRECTORS OF  
THE INLAND EMPIRE UTILITIES AGENCY TO ADOPT  
THE 2015 REGIONAL URBAN WATER MANAGEMENT PLAN  
SAN BERNARDINO COUNTY, STATE OF CALIFORNIA**

NOTICE IS HEREBY GIVEN that the Board of Directors of the Inland Empire Utilities Agency has scheduled a public hearing to adopt the 2015 Regional Urban Water Management Plan, San Bernardino County, State of California.

NOTICE IS FURTHER GIVEN that said public hearing will be held at the following time and place for the purpose of hearing any and all public testimony on the above-stated issue.

**DATE:** Wednesday, June 15, 2016 – 10:00 a.m.

**PLACE:** Inland Empire Utilities Agency Board Room  
6075 Kimball Avenue, Building A  
Chino, CA 91710

All interested persons are invited to attend the public hearing and provide comments regarding the 2015 Regional Urban Water Management Plan that includes information for the Inland Empire Utilities Agency and the Water Facilities Authority. Oral statements will be heard, but for the accuracy of the record all important testimony should be submitted in writing.

NOTICE IS FURTHER GIVEN that a copy of the Draft 2015 Regional Urban Water Management Plan can be found on the Agency's website at [http://www.ieua.org/news\\_reports/notices.html](http://www.ieua.org/news_reports/notices.html) or a hard copy is available at the IEUA Headquarters. Please direct comments and questions to the Planning & Environmental Compliance Department, Lisa Morgan-Perales at (909) 993-1520.



**CONSENT  
CALENDAR  
ITEM**

**3A**



**MINUTES OF THE REGULAR  
MEETING OF  
THE BOARD OF DIRECTORS  
OF  
THE INLAND EMPIRE UTILITIES AGENCY\*  
WEDNESDAY, APRIL 20, 2016  
10:00 A.M.**

**DIRECTORS PRESENT:**

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

**DIRECTORS ABSENT:**

Gene Koopman

**STAFF PRESENT:**

P. Joseph Grindstaff, General Manager  
Chris Berch, Executive Manager of Engineering/Assistant General Manager  
Christina Valencia, Chief Financial Officer/Assistant General Manager  
Ernest Yeboah, Executive Manager of Engineering/Assistant General Manager  
Blanca Arambula, Deputy Manager of Human Resources  
Sharmeen Bhojani, Manager of Human Resources  
Kathy Besser, Manager of External Affairs  
Josh Blesiada, Construction Project Manager  
Jerry Burke, Deputy Manager of Engineering  
Javier Chagoyen-Lazaro, Manager of Finance and Accounting  
Tina Cheng, Budget Officer  
Warren Green, Manager of Contracts and Facility Services  
Jason Gu, Grants Officer  
Randy Lee, Manager of Operations  
Sylvie Lee, Manager of Planning and Environmental Resources  
Alex Lopez, Senior Financial Analyst  
Dave Mendez, Acting Deputy Manager of Engineering  
Lisa Morgan-Perales, Senior Water Resources Analyst  
Jeff Noelte, Manager of Technical Services  
Craig Proctor, Pretreatment and Source Control Supervisor  
John Scherck, Acting Deputy Manager of Construction Management  
Shaun Stone, Manager of Engineering  
Stephanie Riley, Executive Assistant

**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 10:03 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. Director Camacho stated that he would like item 1I, Headquarters Permit Office Construction Contract Award pulled from the consent calendar, to be brought back to the Board at a later date.

**NEW HIRE INTRODUCTIONS**

Executive Manager of Operations Ernest Yeboah introduced, Mr. Jerry Jahn, Wastewater Treatment Plant Operator in Training, hired on 3/21/2016, Mr. Andrew Nieto, Wastewater Treatment Plant Operator in Training, hired on 1/31/2016, Mr. Michael Gallagher, Controls Systems Analyst, hired on 3/28/2016, and Mr. Jason Smith, Mechanic I, hired 4/11/2016.

General Manager P. Joseph Grindstaff introduced Ms. Sally Lee, Administrative Secretary, hired on 3/31/2016.

Chief Financial Officer Christina Valencia introduced Mr. Gary Te, GIS Specialist, hired on 3/27/2016, Ms. Shaneka Morris, Contracts Administrator II, hired on 4/4/2016, and Ms. Courtney Price, Records Management Coordinator, hired on 4/11/2016.

**1. CONSENT CALENDAR**

President Catlin asked if there were any Board members wishing to pull an item from the Consent Calendar for discussion.

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

**M2016-4-1**

**MOVED, to approve the Consent Calendar.**

- A. Approved the minutes from the March 16, Board Meeting.
- B. Approved the total disbursements for the month of February 2016, in the amount of \$10,070,905.37
- C. The Board:
  - 1. Approved the construction contract for the Groundwater Recharge and Recycled Water Supervisory Control and Data Acquisition (SCADA) System Upgrades, Project No. EN14047, to Trimax Systems, Inc. for \$250,989; and
  - 2. Authorized the General Manager to execute the contract.
- D. The Board:

*Continued...*

1. Adopted Resolution Nos. 2016-4-1, 2016-4-2, and 2016-4-3, authorizing the Agency to enter into financial assistance agreements with the U.S. Department of Interior – Bureau of Reclamation (USBR) for three grant applications submitted in April 2016: 1) Drought Contingency Planning Grant; 2) Drought Resiliency Implementation Grant; and 3) Agricultural Water Conservation Grant; and
2. Authorized the General Manager to execute the financial assistance agreement, any amendments, and any grant related documents thereto.

E. The Board:

1. Ratified the contract amendment No. 4600001970-001 with West Valley Mosquito and Vector Control District (WVMVCD) establishing a contract through June 30, 2016, for midge fly treatment services at Turner, San Sevaine, Victoria, and Ely Basins for a not-to-exceed amount of \$120,000; and
2. Authorized the General Manager to execute the contract amendment.

F. The Board:

1. Amended the reimbursement agreement with the Chino Basin Watermaster for the Prado Basin Habitat Sustainability Program to increase the total program cost from \$600,000 to \$934,500; and
2. Authorized the General Manager to execute the reimbursement agreement amendment.

G. The Board:

1. Approved the sale of one Brine Line capacity unit to the Eastside Water Treatment Plant; and
2. Authorized the General Manager to execute the Brine Line Capacity Right Agreement.

H. The Board:

1. Approved the professional services contract award for the Feasibility Study for Sewer Service in the IEUA Service Area, Project No. PL16015 to RMC Water and Environment for the not-to-exceed amount of \$286,813; and
2. Authorized the General Manager to execute the contract.

*Continued...*



**M2016-4-1, continued.**

**I. PULLED**

**J. The Board:**

1. Approved the Retainer Agreement for bond counsel and related legal services with Stradling Yocca Carlson & Rauth (SYCR), subject to the fees, terms and conditions set forth in Exhibit A;
2. Approved services previously approved and rendered for a not-to-exceed amount of \$30,000 related to the 2008B Variable Rate Demand Bond Letter of Credit substitution, and completion of financing agreements for regional projects to be financed through the Chino Basin Regional Financing Authority; and
3. Authorized the General Manager or designee to execute the Agreement.

**K. The Board:**

1. Adopted the California Environmental Quality Act (CEQA) Initial Study/Mitigated Negative Declaration and Mitigation, Monitoring, and Reporting Program for the Lower Day Basin Recharge Master Plan Update (RMPU) Improvements, Project No. RW15004; and
2. Authorized the General Manager to file the Notice of Determination (NOD) with the San Bernardino County Clerk of the Board.

**L. Approved Resolution No. 2016-4-5, amending the salary schedule/matrix for the Supervisors' Unit.**

**M. Approved Resolution No. 2016-4-6, amending the salary schedule/matrix for the Unrepresented, Executive Management, Laboratory Unit, Operators' Association, Professional Unit and General Unit.**

**N. Approved Resolution No. 2016-4-7, proclaiming May 1, 2016 through May 7, 2016, as International Compost Awareness Week.**

**O. The Board:**

1. Approved the Agency-wide memberships and affiliations for FY 2016/17, in the amount of \$238,250 (includes 5% contingency); and
2. Adopted Resolution No. 2016-4-8, authorizing Agency organizational memberships and affiliations.

## **2. ACTION ITEMS**

### **A. EAST DECLEZ PROPERTY ACQUISITION**

Executive Manager of Engineering/Assistant General Manager Chris Berch stated that the approval of this item was contingent upon the Chino Basin Watermaster Appropriative Pool Committees decision. The committee came to the decision to not pursue the project. Mr. Berch stated that IEUA would be taking no action at this time. He added that the purchase of the property will be cancelled.

### **B. ENTERPRISE CONTENT MANAGEMENT SYSTEM CONTRACT AWARD**

Manager of Contracts and Facilities Services Warren Green gave a PowerPoint presentation on the ECMS contract award. Mr. Green stated that the goal of the project is to replace the Agency's current records system, LibertyNet. LibertyNet was purchased in 1999 and has reached the end of its useful life. The program is no longer supported by the vendor and does not support the records management task of destruction of records. Mr. Green stated that the goal was to provide a web based system that was user friendly. The Agency is looking to manage records from the point of creation through to the destruction process, as well as implement the best management practices of the industry. Mr. Green stated that the new system will integrate with SAP and other current systems used within the Agency. Mr. Green gave an overview of the projects background. Mr. Green stated that ease of use was important criteria when choosing a system.

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

**M2016-4-2**

MOVED, to:

1. Approve Contract No. 4600002085, to American MicroImaging, Inc. (AMI) for the Enterprise Content Management System, Project No. IS15003, associated licensing agreement and the option for conversion of back file documents, for a not-to-exceed amount of \$670,920; and
2. Authorize the General Manager to execute the contract.

## **3. INFORMATION ITEMS**

### **A. MWD AND DROUGHT UPDATE**

Senior Engineer Jason Pivovarovoff gave a brief presentation updating the Board on MWD and the drought status. Mr. Pivovarovoff stated that in terms of water conditions and sales, March was an outstanding months for both state and federal systems. In terms of the State Water Project, the Department of Water announced an allocation increase of 45%, with a potential adjustment in April after the consideration of snowpack. Mr. Pivovarovoff stated that March had a total of sixteen inches of rainfall, bringing the total year's rainfall to 120%. Mr. Pivovarovoff stated that the reservoirs are in good condition, highlighting both Lake Shasta and Oroville, which are both currently at approximately 90% capacity. Mr. Pivovarovoff gave an update on the water supply allocation plan and the MWD budget and rates. Director Camacho stated that reservoirs are great for surface water storage, however that the drought is not over.

**B. PROPOSED WATER RATES UPDATE**

Chief Financial Officer/Assistant General Manager Christina Valencia gave a PowerPoint presentation on the proposed water rates update. Last year, the Board approved the deferral of the restructuring and the new water rate implementation one year. Ms. Valencia stated that staff has been in discussions with member agencies regarding the proposed water rates. The goal of the rate restructuring is to be equitable, fair, to provide cost of service over time and build reserves necessary to the fund. Ms. Valencia highlighted the water rate objectives, including the recovery of the MWD pass-through readiness to serve rates and IEUA program costs. Ms. Valencia stated that the changes include eliminating the current acre foot surcharge, changing from meter account to meter equivalent units, and recovery of the RTS based on MWD's ten year rolling average of water purchases. Ms. Valencia also provided an overview of what costs are covered with the proposed MEU rate and what costs are not covered. She highlighted that the SARCCUP and capital related investments are not covered. Ms. Valencia reviewed two draft rate scenarios, draft scenario 1 is the rates as provided in March. Scenario 2 are the updated draft rates. Ms. Valencia stated that through discussions with the member agencies, Cucamonga Valley Water District (CVWD) is asking the Board to consider deferring the effective date of the proposed rates by ninety days due to their previous adopt of rates. This is a minimal impact to the Agency. The member agencies have also requested that the recovery of the RTS based on MWD's ten year rolling average of water purchases be completed over a seven year period. This recommendation does require using property taxes to subsidize the program throughout the seven year implementation period. Upon reaching cost of service the property taxes will be used to fund SARCCUP, capital related investments, and other projects related to the program. Mr. Grindstaff stated that upon the rates being brought to the Board for adoption, the RTS TYRA would be phased in within four years by FY 2019/20, to align with other Agency rates. Ms. Valencia gave an overview of the current property tax allocation in comparison to future property tax allocations highlighting that in future projections all future growth of property taxes would be allocated to the WW fund. Mr. Grindstaff stated that the Agency has continuously subsidized programs by property taxes. Discussion ensued regarding the allocation of property taxes and the regional contract. General Counsel Jean Cihigoyenatche stated that the Board of Directors has complete discretion on the allocation of property taxes.

**C. 2015 INTEGRATED WATER RESOURCES PLAN**

Water Resource Planner Elizabeth Hurst gave a PowerPoint presentation on the 2015 Integrated Water Resources Plan (IRP). Ms. Hurst stated that the guiding goals of the IRP included resilience, water efficiency, sustainability, and cost effectiveness. The plan is broken down into two phases. Phase I includes the identification and vision of the IRP. Ms. Hurst highlighted the key findings and core recommendations of phase 1. In closing Ms. Hurst reviewed the next steps of the IRP, including adoption of the IRP Phase 1 Report and establishing the General Manager Water Forum.

**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 WEST COAST ADVISORS (WRITTEN)**

- H. LEGISLATIVE REPORT FROM AGRICULTURAL RESOURCES (WRITTEN)
- I. CALIFORNIA STRATEGIES, LLC MONTHLY ACTIVITY REPORT (WRITTEN)
- J. FEDERAL LEGISLATIVE TRACKING MATRIX (WRITTEN)
- K. STATE LEGISLATIVE TRACKING MATRIX (WRITTEN)
- L. REGIONAL WATER USE EFFICIENCY BUSINESS PLAN (2015-2020) (WRITTEN/POWERPOINT)
- M. THIRD QUARTER PLANNING AND ENVIRONMENTAL COMPLIANCE UPDATE (POWERPOINT)
- N. RP-1/RP-5 EXPANSION PRELIMINARY DESIGN REPORT UPDATE (WRITTEN/POWERPOINT)
- O. FY 2016/17 TEN YEAR CAPITAL IMPROVEMENT PLAN UPDATE (POWERPOINT)
- P. SUPPORT FOR FEDERAL AND STATE LEGISLATION (WRITTEN)

4. AGENCY REPRESENTATIVES' REPORTS

A. SAWPA REPORT

President Catlin stated that SAWPA stated that at the April 19, 2016 meeting a presentation was given regarding the IRP SARCUP and a resolution for the Brine Line was approved.

B. MWD REPORT

None.

C. REGIONAL SEWERAGE PROGRAM POLICY COMMITTEE REPORT

President Catlin reported that the April Policy meeting was cancelled.

D. CHINO BASIN WATERMASTER REPORT

Director Elie had stated that Watermaster is hiring a Senior Engineer position and that the safe yield hearing is scheduled for the first Friday in May.

5. GENERAL MANAGER'S REPORT

The General Manager's Report was received and filed by the Board.

General Manager Joseph Grindstaff stated that a meeting was held on April 15, 2016 with Santa Ana Watermaster, including several Board members of the member agencies, the meeting was useful. Director Elie stated that a presentations were given in reference to the past, present, and future of Santa Ana Watermaster. Discussion also ensured regarding SARCCUP. Mr. Grindstaff added that the Earth Day event is being held in the park today, with another event open to the general public being held tomorrow. The events brings over 3,500 school children.

**6. BOARD OF DIRECTORS' REQUESTED FUTURE AGENDA ITEMS**

The Directors had no requested future agenda items.

**7. BOARD OF DIRECTORS' COMMENTS**

Director Hall reported that he attended the Association of San Bernardino County Special Districts dinner hosted by IEUA on March 21, 2016, the Ontario State of the City event on March 23, 2016 and the San Bernardino County State of Address on April 6, 2016. Director Hall also reported that she attended the IEUA leadership breakfast. Director Hall also attended the San Bernardino County Special Districts dinner hosted by EMWD on April 18, 2016

Director Elie reported that she attended the Association of San Bernardino County Special Districts dinner hosted by IEUA on March 21, 2016 and the Ontario State of the City event on March 23, 2016. Director Elie also reported that he attended the IEUA leadership breakfast. Director Elie also reported that he attended the Santa Ana Watermaster meeting at the Agency on April 15, 2016.

**8. CLOSED SESSION**

The Board went into Closed Session at 11:18 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) 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; 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; E. PURSUANT TO GOVERNMENT CODE SECTION 54957 – PERSONNEL MATTERS – PUBLIC EMPLOYEE PERFORMANCE EVALUATION: (1) General Manager

The meeting resumed at 11:58 p.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:

Martin vs. IEUA, Case No. CIVRS 1000767

The Board took no reportable action.

Regarding Conference with Legal Counsel – Existing Litigation:

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

Mwembu vs. IEUA, Case No. CIVDS 1415762

The Board took no reportable action.

Regarding Conference with Real Property Negotiator:

Supplemental Water Transfer/Purchase

The Board took no reportable action.

Regarding Conference with Legal Counsel – Anticipated Litigation:

First (1) Case

The Board did not discuss.

Regarding Conference with Legal Counsel – Anticipated Litigation:

Second (1) Case

The Board took no reportable action.

Regarding Personnel Matters:

Various Positions – Compensation Study

Various Positions

The Board did not discuss.

Regarding Personnel Matters – Public Employee Performance Evaluation

General Manager

The Board conducted a review of the General Manager.

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

**M2016-4-4**

MOVED, to: Approve a performance bonus to the General Manager, P. Joseph Grindstaff, in the amount of \$20,000 based on the contract.

With no further business, President Catlin adjourned the meeting at 12:03 p.m.

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Steven J. Elie, Secretary/Treasurer

**APPROVED: JUNE 15, 2016**



**MINUTES OF THE  
SPECIAL  
WORKSHOP  
OF  
THE BOARD OF DIRECTORS  
OF  
THE INLAND EMPIRE UTILITIES AGENCY\*  
WEDNESDAY, MAY 11, 2016  
8:30 A.M.**

**DIRECTORS PRESENT:**

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

**DIRECTOR ABSENT:**

Gene Koopman

**STAFF PRESENT:**

P. Joseph Grindstaff, General Manager  
Chris Berch, Executive Manager of Engineering/Assistant General Manager  
Christina Valencia, Chief Financial Officer/Assistant General Manager  
Kathy Besser, Manager of External Affairs  
Jerry Burke, Deputy Manager of Engineering  
Andy Campbell, Deputy Manager  
Javier Chagoyen-Lazaro, Manager of Finance and Accounting  
Jason Gu, Grants Officer  
Liz Hurst, Environmental Resources Planner  
Sylvie Lee, Manager of Planning & Environmental Resources  
Jason Marseilles, Senior Engineer  
Matthew Melendrez, Deputy Manager of Operations  
Jeff Noelte, Deputy Manager of Technical Services  
Jason Pivovarovff, Senior Engineer  
Shaun Stone, Manager of Engineering  
April Woodruff, Board Secretary/Office Manager

**OTHERS PRESENT:**

Jean Cihigoyenetche, Cihigoyenetche, Grossberg, and Clouse  
Satish Kamath, Parsons

A 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 8:33 a.m., and he led 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/deletions to the agenda.

**1. RP-1/RP-5 EXPANSION PRELIMINARY DESIGN REPORT (PDR)**

Manager of Engineering Shaun Stone stated that the purpose of the workshop is to discuss the RP-1/RP-5 Expansion Preliminary Design Report (PDR). He stated that this is the first of a series of workshops to discuss the RP-1/RP-5 PDR stages and to keep the Board engaged in key decisions throughout the process. Mr. Stone noted that the objective of the workshop is to discuss facility capacities and the expansion sizing; RP-5 Secondary Treatment System Alternatives (conventional activated sludge process) vs. Membrane Bio-Reactors (newer technology); expansion phasing related to the three treatment plants (RP-1, Carbon Canyon, and RP-5); and impacts on the cost of budget. He reported that the workshop will focus on the following technical memorandum, facility flows and expansion phasing, decommissioning of CCWRF, and RP-5 Secondary Treatment alternatives.

Senior Engineer Jason Marseilles first discussed the facility flows and the expansion sizing. He stated that the purpose of the analysis is to provide the basis for the expansion phasing options that will later be discussed under the evaluation of the decommissioning of the Carbon Canyon and the RP-5 Secondary Treatment alternatives. Mr. Marseilles presented graphs that show future influent flows and treatment capacities of RP-1 and RP-5. He introduced Option 1 for the phased RP-5 expansion. He stated that Option 1 has a 7.5 MGD expansion in 2023, which will bring the capacity flows up to 22.5 MGD, and another expansion in 2035, which will bring the capacity flows up to 30 MGD. Mr. Marseilles presented Option 2, which will bring the capacity flows up to 30 MGD with an expansion in 2023. He further noted that in 2030, as it gets close to capacity, the Agency will have the ability to send flows to RP-1, as a redundancy.

*(Director Camacho entered the meeting room at 8:50 a.m.)*

Executive Manager of Engineering/AGM Chris Berch added that one of the things that the Agency has been really successful with the Regional Board is that they are considering our system as a whole versus individual facilities, which is unique. He stated that most times, they are looking at that 75% driving expansion at every plant. IEUA staff has said that at RP-4, for example, IEUA is planning on getting close to a 100%, but IEUA has the ability to bypass flows to RP-1. This buffer makes the Regional Board comfortable with a whole system approach. He stated that it is unique to IEUA's system, and it has allowed us to be flexible and reduce costs.

Senior Engineer Jason Marseilles provided a timeline of the Agency facility expansion phasing beginning with RP-1 in 2018, expansion of RP-5 in 2023, expansion of RP-1 in 2030, potential for RP-5 in 2035 and expansion of RP-4 in 2040.

Mr. Marseilles then addressed the evaluation of the decommissioning of CCWRF. He stated that the evaluation of the decommissioning was initiated due to the proximity of RP-5 and CCWRF, which is approximately 1.5 miles. He stated that the objective of the evaluation was to determine if the savings realized by the operating and maintaining of only one centralized facility, would offset the additional costs for the expansion of RP-5 and decommissioning of CCWRF. He reported that staff conducted a business case evaluation that reviewed three alternatives - Alternative 1 was to operate CCWRF indefinitely; Alternative 2 was to operate CCWRF until 2033; and Alternative 3 was to shutdown CCWRF after the expansion of RP-5 in 2023. He stated staff evaluated capital cost for the expansion of RP-5, R&R capital costs,



operations & maintenance costs, and any benefits that the Agency would gain from the sale of the CCWRF property and capital assets; as well as drawbacks from the loss of the facility. He reported that staff's recommendation is Alternative 1, to operate CCWRF indefinitely, due to the lowest capital costs and 30 year costs.

Director Elie commented that he is pleased that it ended up working out economically, because he is concerned about failure situations, or having separate capacity, and not putting all of our "eggs in one basket". He stated that the reality is, that the plant has been there for a very long time and with the site constraints at RP-5 and other potential uses for RP-5 that were discussed, such as food waste, he has concerns of putting everything on one site.

Mr. Marseilles moved to the next topic of discussion, which is the evaluation of the RP-5 secondary treatment alternatives. He stated that the first series of technical memos that were completed for the Preliminary Design Report had a very strong focus to the secondary treatment system. Mr. Marseilles said that the reason for this is because of the limited secondary system capacity at RP-1 and RP-5. In addition, it can account up to 50% of the total cost for a liquids treatment system, and is the reason this phase will be executed first. Mr. Marseilles reported that staff conducted a Business Case Evaluation (BCE) that reviewed three alternatives to expand the secondary treatment system - Alternative 1: Expand the existing Conventional Activated Sludge (CAS) System; Alternative 2: Convert the existing CAS System to a Membrane Bio-Reactor (MBR) System and expand the MBR to meet capacity requirements; Alternative 3: Maintain the existing CAS System and construct a new MBR train for expanded capacity. He stated staff evaluated the benefits versus the drawbacks of each of the three alternatives. He pointed out that in Alternative 2 and Alternative 3, which are the MBR System options, they have a higher quality effluent than a CAS System. He stated the reason is that it is pulled through a membrane or filter that provides a higher quality effluent. He further noted that Alternative 2 has the smallest footprint, and for Alternative 2 and 3, there are benefits with the higher quality effluent for UV disinfection, and if the Agency moves forward with advance water treatment. He reviewed the BCE total project costs for each of the alternatives. He noted that Alternative 2 (converting to MBR) would provide the Agency the lowest total capital cost and the 30-year total cost in both Option 1 (two phases) and 2 (one phase). He reported that staff's recommendation is Alternative 2, Option 2.

Director Catlin inquired on the utilization of the extra capacity with the implementation of the higher expansion, particularly if the flows are lower than projected. Staff responded the flows will be rotated through the equipment to ensure that the system is online. He stated that it will give us more redundancy, that we have more equipment that we could switch to.

General Manager Grindstaff stated that we would most likely divert flows from RP-1, so the basins would not be used and that would reduce odors. This will give the Agency more flexibility when it comes time to rehab RP-1, because more flows could be diverted to RP-5.

Mr. Berch stated that there might be opportunities to build tankage and not do the mechanical equipment in certain things, just to make sure that we phase things timely, and we could bring the membranes in as they are needed in the future.

Director Elie asked staff what are the next steps.

Mr. Berch responded that staff will continue to work towards the finalization of the Technical Memos. He noted that there will be an additional 4 or 5 workshops scheduled with the Board. Staff will be presenting different topics each time, noting key decision points. He stated staff will continue to take items through the Regional Sewage Technical Committee, so the Committee members are advised and are apprised of any major decisions. Mr. Berch stated that this is an ongoing process every couple months for the next year or so.

With no further business, President Catlin adjourned the meeting at 9:15 a.m.

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Steven J. Elie, Secretary/Treasurer

**APPROVED: May 18, 2016**



*Inland Empire Utilities Agency*

A MUNICIPAL WATER DISTRICT

**MINUTES OF THE REGULAR  
MEETING OF  
THE  
INLAND EMPIRE UTILITIES AGENCY  
BOARD OF DIRECTORS**

**WEDNESDAY, MAY 18, 2016**

**10:00 A.M.**

**DIRECTORS PRESENT:**

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

**DIRECTORS ABSENT:**

Gene Koopman

**STAFF PRESENT:**

P. Joseph Grindstaff, General Manager  
Chris Berch, Executive Manager of Engineering/Assistant General Manager  
Randy Lee, Executive Manager of Operations/Assistant General Manager  
Christina Valencia, Chief Financial Officer/Assistant General Manager  
Ernest Yeboah, Executive Manager of Operations/Assistant General Manager  
Adham Almasri, Senior Engineer  
Tom Ash, Senior Environmental Resources Planner  
Josh Biesiada, Construction Project Manager  
Mia Beltra, Contract Administration II  
Jerry Burke, Deputy Manager of Engineering  
Pietro Cambiaso, Environmental Compliance and Energy Supervisor  
Andy Campbell, Deputy Manager of Planning and Environmental Resources  
Steven Cano, Intern  
Tina Cheng, Budget Officer  
Warren Green, Manager of Contracts and Facility Services  
Nel Groenveld, Manager of Laboratories  
Jason Gu, Grants Officer  
Paula Hooven, Financial Analyst II  
Elizabeth Hurst, Environmental Resources Planner II  
Sylvie Lee, Manager of Planning and Environmental Resources  
Edward Makowski, Collection System Operator  
Lisa Morgan-Perales, Senior Water Resources Analyst  
Liza Munoz, Senior Engineer  
Cameron Nardini, Intern  
Jason Pivovaroff, Senior Engineer  
Courtney Price, Records Management Coordinator  
Michelle Reed, Intern  
John Scherck, Acting Deputy Manager of Engineering  
Lisa Snider, Administrative Assistant  
Christopher Stull, Compost Worker

Al VanBreukelen, Deputy Manager of Maintenance  
Jamal Zughbi, Senior Engineer  
April Woodruff, Board Secretary/Office Manager

**OTHERS PRESENT:**

Jean Cihigoyenetché, Cihigoyenetché, Grossberg, & Clouse  
Vivian Castro, Chino Basin Water Conservation District  
Robert Demmond, Austin Co.  
Brandon Felipe, GK & Associates  
Steve Nix, City of Chino Hills

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 10:00 a.m., and he dispensed 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/deletions to the agenda.

**1. NEW HIRE INTRODUCTIONS**

Executive Manager of Engineering/Assistant General Manager Chris Berch introduced Mr. Josh Biesiada, Construction Project Manager, hired on 2/16/16

Executive Manager of Operations/Assistant General Manager Randy Lee introduced the following new hires:

- Mr. Christopher Stull, Compost Worker, hired 3/15/16
- Mr. Richard Selio, Mechanic I, hired 4/25/16 (*Mr. Selio was unable to attend the Board meeting and will be introduced to the Board at the June 18, Board meeting.*)
- Mr. Edward Makowski, Collection System Operator, hired 4/25/16

Chief Financial Officer/Assistant General Manager Christina Valencia introduced the following new hires:

- Ms. Mia Beltran, Contracts Administration II, hired 5/2/16
- Ms. Courtney Price, Records Management Coordinator, hired 4/11/16

The Board of Directors welcomed Messrs. Christopher Stull, Edward Markowski, and Meses. Courtney Price, and Mia Beltran to the IEUA team.

**2. PUBLIC HEARING AND ADOPTION OF ORDINANCE NO. 102, ESTABLISHING FISCAL CONTROL**

President Catlin called the Public Hearing to order.

Chief Financial Officer/Assistant General Manager Christina Valencia stated the purpose of the Hearing, and introduced the Hearing panel members.

Ms. Valencia stated that the Fiscal Ordinance provided for a system of financial administration, accounting, fiscal, and budgetary control, which conforms to generally-accepted accounting principles and practices. She noted that the Ordinance was last updated in June, 2012. Ms. Valencia said the proposed changes to the Ordinance incorporated the Agency's transition to a biennial budget, as well as included the approval of a budget resolution. Although this has been the practice to date, it was not clearly identified in the Ordinance. More clarity was also added on

the budget summary reports to be made available for public review, a minimum of 10 days prior to the scheduled date of adoption. Additional context was also added to sections related to budget amendments, budgetary control, ongoing financial reporting, and roles and responsibilities. Glossary terms were expanded for more clarity throughout. Minor housekeeping in the overall structure was also done to better align with other Agency ordinances and policies.

Ms. Valencia reported that a notice of Public Hearing was posted in the Daily Bulletin On April 27, and May 9, 2016; and no public comments were received.

President Catlin opened the Public Hearing at 10:17 a.m., and receiving no comments, he closed the Public Hearing at 10:17 a.m.

Upon motion by Director Hall, seconded by Director Camacho, the motion carried (4-0):

**M2016-5-1**

MOVED, to adopt Ordinance No. 102, establishing fiscal control.

**ORDINANCE NO. 102**  
**ORDINANCE OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE**  
**UTILITIES AGENCY, SAN BERNARDINO COUNTY, CALIFORNIA,**  
**ESTABLISHING FISCAL CONTROL**  
*(for full text, see Ordinance Book)*

with the following roll call vote:

Ayes:	Hall, Elie, Camacho, Catlin
Noes:	None
Absent:	Koopman
Abstain:	None

**3. CONSENT CALENDAR**

President Catlin asked if there were any Board members wishing to pull an item from the Consent Calendar for discussion.

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

**M2016-5-2**

MOVED, to approve the Consent Calendar.

- A. Approved the minutes from the April 6, Board Workshop.
- B. Approved the total disbursements for the month of March 2016, in the amount of \$10,251,783.01.
- C. The Board:
  - 1. Adopted Resolution No. 2016-5-2, authorizing IEUA's General Manager to execute the Groundwater Grant Program application with the SWRCB for the Chino Basin Improvements and Groundwater Cleanup Project through the Chino Beason Regional Financing Authority (CBRFA);

*Continued...*

**RESOLUTION NO. 2016-5-2  
RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND  
EMPIRE UTILITIES AGENCY, SAN BERNARDINO COUNTY,  
CALIFORNIA, ESTABLISHING ITS INTENTION TO APPLY FOR A  
PROPOSITION 1 GROUNDWATER GRANT FOR THE CHINO  
BASIN IMPROVEMENTS AND GROUNDWATER CLEAN-UP  
PROJECT**

*(for full text, see Resolution Book)*

2. Adopted Resolution No. 2016-5-3, authorizing IEUA's General Manager to execute the Stormwater Grant Program application with the SWRCB for the RMPU Project referred to as the Wineville, Jurupa, and RP-3 Basin Improvements and Groundwater Cleanup Project through the CBRFA;

**RESOLUTION NO. 2016-5-3  
RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND  
EMPIRE UTILITIES AGENCY, SAN BERNARDINO COUNTY,  
CALIFORNIA, ESTABLISHING ITS INTENTION TO APPLY FOR A  
PROPOSITION 1 STORMWATER GRANT FOR THE WINEVILLE  
BASIN, JURUA BASIN, RP-3 BASIN IMPROVEMENTS AND  
PUMPING AND CONVEYANCE SYSTEM PROJECT *(for full text,  
see Resolution Book)***

3. Adopted Resolution No. 2016-5-4, authorizing IEUA's General Manager to execute the Clean Water State Revolving Fund (CWSRF) loan application with the SWRCB for the planning and design of the RMPU Project through the CBRFA;

**RESOLUTION NO. 2016-5-4  
RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND  
EMPIRE UTILITIES AGENCY, SAN BERNARDINO COUNTY,  
CALIFORNIA, ESTABLISHING ITS INTENTION TO APPLY FOR  
CLEAN WATER STATE REVOLVING FINANCIAL ASSISTANCE  
FUNDS FOR THE PRELIMINARY DESIGN PLANNING FOR THE  
RECHARGE MASTER PLAN UPDATE (RMPU) *(for full text, see  
Resolution Book)***

4. Adopted Resolution No. 2016-5-5, dedicating certain revenues for the repayment of the SRF loan for the Planning and Design of the RMPU Project;

**RESOLUTION NO. 2016-5-5  
RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND  
EMPIRE UTILITIES AGENCY, SAN BERNARDINO COUNTY,  
CALIFORNIA, DEDICATING CERTAIN REVENUE IN  
CONNECTION WITH PRELIMINARY DESIGN PLANNING FOR  
THE RECHARGE MASTER PLAN UPDATE (RMPU) AND  
ASSOCIATED STATE REVOLVING FUND (SRF) FINANCING  
FROM THE STATE WATER RESOURCES CONTROL BOARD  
(SWRCB) *(for full text, see Resolution Book)***

*Continued...*

**M2016-5-2, continued.**

5. Authorized IEUA's General Manager to approve the First Amendment to the Master Cost Sharing Agreement between CBWM and IEUA; and
6. Authorized the General Manager to approve the Master Recharge Facilities Financing Agreement between CBRFA, IEUA, and CBWM.

**D. The Board:**

1. Approved the amendment to the Master Service Contact No 4600000900 with EnerNOC, Inc. for provision of demand response services; including sub-metering data management; and
2. Authorized the General Manager to finalize and execute the contract amendment.

**E. The Board:**

1. Approved the electricity amendment with Shell Energy North America (SENA) US. L.P. through December 31, 2016, to purchase 1.5 megawatts (MW) of electricity per hour at a variable rate;
2. Approved the natural gas amendment with SENA US, L.P. through May 31, 2017, to purchase 200 MMBtu per day of natural gas at a variable rate; and
3. Authorized the General Manager to finalize and execute the amended agreements, and negotiate further amendments up to three additional years.

- F. The Board adopted Resolution No. 2016-5-1, approving the update of the Agency's Investment Policy for Fiscal Year 2016/17.**

**RESOLUTION NO. 2016-5-1  
RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND  
EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY,  
CALIFORNIA, APPROVING THE BIENNIAL UPDATE OF THE  
AGENCY'S\* INVESTMENT POLICY**

- G. The Board adopted the updated Reserve Policy governing all Agency funds.**

**4. ACTION ITEMS**

**A. APPROVAL OF SAN BERNARDINO COUNTY SUCCESSOR AGENCY  
COMPENSATION AGREEMENTS**

Chief Financial Officer Christina Valencia noted that the Agency is dealing with the Successor Agency to the County of San Bernardino on are three sites that are being recommended to transfer into the County. She reported that under the Health and Safety Code, the disposition of vacant land requires the execution of Compensation Agreements amongst all of the affected taxing entities. Ms. Valencia provided a brief description of

the three properties, copies of related pages from the Successors' Agency Long Range Property Management Plan, and IEUA's estimated proportional share of the estimated sales proceeds for two of the three properties (Speedway and Rosemary & Iris), of \$150,000-\$230,000 and \$77,000 respectively were also provided. She noted that the Fire Station site has no value as it was donated to the former RDA for future construction of a fire station and public safety office. Ms. Valencia reported that both Speedway and Rosemary & Iris properties are being transferred to the County for future development, and the County plans to sell these property as quickly as possible. She further noted that no payment is due to the Agency or other affected taxing entities until the property is sold. Should the County decide to retain the properties in the future, the compensation agreements call for payment to the taxing agencies based on higher of either current fair market value (FMV) or FMW as of year 2011. Ms. Valencia added the current FMW would be determined by an independent appraiser. Ms. Valencia closed her presentation by recognizing the Agency's special counsel, Mark Austin with Ruttan and Tucker, who worked closely with the County's legal counsel to ensure the interests of the Agency and other taxing entities were clearly identified.

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

**M2016-5-3**

MOVED, to:

1. Approve the Compensation Agreement between the San Bernardino County Successor Agency to the former Redevelopment Agency (Successor Agency), IEUA, and other affected taxing entities for the transfer to the County of San Bernardino (County) of the property commonly known as the "Speedway Property" for future development;
2. Approve the Compensation Agreement between the Successor Agency, IEUA, and other affected taxing entities for the transfer to the County of the property commonly known as the "Rosemary and Iris Property" for future development;
3. Approve the Compensation Agreement between the Successor Agency, IEUA, and other affected taxing entities for the transfer to the County of the property commonly known as the "Fire Station Property" to be retained for government use as it was designated for a fire station and public safety office; and
4. Authorize the General Manager to execute the Compensation Agreements.

**B. WATER QUALITY LABORATORY CONSTRUCTION CONTRACT AWARD**

Senior Engineer Jamal Zughbi gave a PowerPoint presentation on the Water Quality Laboratory construction contract award. He provided a project background noting that the design of the lab was put on hold in October 2010, and resumed in 2015. Mr. Zughbi described the new building highlights as 16,000 sq ft Silver/Gold LEED rated, with an enhanced safety and work flow layout, solar power system, and central chiller plant upgrades. He also reminded the Board that the Water Quality Laboratory project is funded through a State Revolving Fund (SRF) Loan at 2.1% rate and \$1,050,000 principal forgiveness. He reported that on May 1, 2016, a request for bid was advertised; five prequalified contractors and the lowest responsive bidder was Kemp Bros. Construction, Inc. with a bid of \$17,460,000, compared to an Engineer's Estimate of \$20,600,000. Mr.



Zughbi noted that this item was presented to the Regional Technical and Policy Committees and received unanimous support.

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

**M2016-5-4**

MOVED, to:

1. Approve the construction contract award for the Water Quality Laboratory, Project No. EN15008, to Kemp Bros. Construction, Inc., in the amount of \$17,460,000;
2. Approve a total project budget amendment in the amount of \$3,745,000, which will increase the total project budget from \$20,900,000 to \$24,645,000;
3. Authorize the Agency to request an increase to the current SRF Loan Agreement in the amount of \$7,545,000; and
4. Authorize the General Manager to execute the construction contract, budget amendment, and required loan documents.

**C. DEBT MANAGEMENT POLICY**

Chief Financial Officer/Assistant General Manager Christina Valencia stated that the purpose of the Debt Policy is to establish parameters for the use of debt and ensure there is an identified and reliable source of repayment, provide guidance to decision-makers for the selection of financing, ensure compliance with legal requirements in the issuance of debt and spending of debt proceeds. Ms. Valencia highlighted that no new debt will be issued without Board approval. Ms. Valencia stated that per this policy the debt coverage ratio must meet the Board's objectives, as well as, maintain good ongoing communications with bond rating agencies and monitor refinancing or early repayment opportunities to reduce costs.

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

**M2016-5-5**

MOVED, to adopt the proposed Debt Management Policy governing all Agency debt.

*(Director Camacho left the meeting room at 11:20 a.m.)*

*(Director Camacho returned to the meeting room at 11:25 a.m.)*

**D. FISCAL YEAR 2016/17 TEN-YEAR CAPITAL IMPROVEMENT PLAN**

Environmental Resources Planner II Elizabeth Hurst gave a PowerPoint presentation on the Fiscal Year (FY) 2016/17 – 2025/26 Ten-Year Capital Improvement Plan (TYCIP). Ms. Hurst stated that some of the key drivers long term of the TYCIP are member agency growth projections, as well as, multiple IEUA long term adopted plans. Ms. Hurst gave an overview of the 10-year equivalent dwelling unit (EDU) growth forecast and the member agency wastewater flow projections. In closing Ms. Hurst provided a breakdown of the TYCIP by fund and comparison to the FY 2015/16 adopted TYCIP.

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

**M2016-5-6**

**MOVED**, to approve the proposed Fiscal Year, 2016/17-2025/26 Ten-Year Capital Improvement Plan (TYCIP).

**5. INFORMATION ITEMS**

**A. FY 2016/17 PROPOSED AMENDED BUDGET**

Chief Financial Officer/Assistant General Manager Christina Valencia gave a PowerPoint presentation on the overview of FY 2016/17 Budget Amendments as proposed. Ms. Valencia reviewed the total revenue and other funding sources, and total expenses and other uses of funds as proposed for the FY 2016/17 budget. Ms. Valencia highlighted that future reductions in the total fund balance is due to the early repayment of the 2008A Bonds. She highlighted a key policy change in the future use of property taxes to support investment in regional water resource projects not supported by rates. Ms. Valencia stated that there is no anticipated change in the 65 percent of property taxes allocated to the RC Fund. As proposed all future growth for the remaining 35 percent will be assigned to the Water Resources (WW) Fund. Ms. Valencia highlighted the WW fund, including the proposed implementation for the Ready to Serve (RTS) and Meter Equivalent Unit (MEU) rate. In closing, Ms. Valencia provided an overview of the key changes in the proposed rates and the impact of the rates on the WW Fund reserves over the next 4 years.

**B. SANTA ANA RIVER WATERMASTER OVERVIEW**

Deputy Manager of Planning and Environmental Compliance Andy Campbell gave a PowerPoint Presentation on the Santa Ana River Watermaster (SARW). Mr. Campbell provided a background on SARW, including that multiple agencies obligations of flows to the Santa Ana River (SAR). Mr. Campbell stated that the flows in the river have declined in recent years and Orange County Water District is concerned about the sustainability of environmental habitat in Prado. The Judgement prohibits the lower watershed agencies from causing water to flow from the upper watershed, and the upper watershed agencies from causing water to flow from the lower watershed. In closing, Mr. Campbell reviewed potential issues, stating that the application of the Judgement needs to be refined to meet changing water supply needs on the river.

**C. MWD UPDATE AND DROUGHT UPDATE**

Senior Engineer Jason Pivovaroff gave a brief presentation updating the Board on MWD and the drought status. Mr. Pivovaroff stated that the state water allocation increased by 15 percent. He stated that the snow pack is currently measuring at 30 percent, a significant drop from the 95 percent investment in April. Mr. Pivovaroff gave an overview of MWD sales, comparing the past two Fiscal Years with the current FY 2015/16. The water supply allocation plan was lifted by the MWD Board on May 10, 2016. He stated that the water supply allocation plan reduced all contracting agencies allocations. The plan was lifted for the current year and will not be implemented for FY 2016/17. Mr. Pivovaroff gave an overview of the State Water Project (SWP) including the history, benefits, and the project today. This was the first of several presentations to follow on the history of the (SWP).

**D. WATER ORDINANCE NO. 104**

Manager of Planning and Environmental Compliance Sylvie Lee gave a PowerPoint presentation on the Water Ordinance No. 104. Ms. Lee reviewed the incentives for promoting recycled water. Ms. Lee provided an overview of the proposed language to be added to section 202 of the Ordinance. In closing, Ms. Lee stated that the next steps will

include holding a public hearing in June 2016, for the Boards consideration. Director Elie requested that the Board be provided with a copy of the new section 202 of the Ordinance.

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

- E. TREASURER'S REPORT OF FINANCIAL AFFAIRS (WRITTEN/POWERPOINT)**
- F. FY 2016/17 ADOPTED BUDGET FOR THE INLAND EMPIRE REGIONAL COMPOSTING AUTHORITY (WRITTEN/POWERPOINT)**
- G. PUBLIC OUTREACH AND COMMUNICATION (WRITTEN)**
- H. LEGISLATIVE REPORT FROM INNOVATIVE FEDERAL STRATEGIES (WRITTEN)**
- I. LEGISLATIVE REPORT FROM WEST COAST ADVISORS (WRITTEN)**
- J. LEGISLATIVE REPORT FROM AGRICULTURAL RESOURCES (WRITTEN)**
- K. CALIFORNIA STRATEGIES, LLC MONTHLY ACTIVITY REPORT (WRITTEN)**
- L. FEDERAL LEGISLATIVE TRACKING MATRIX (WRITTEN)**
- M. STATE LEGISLATIVE TRACKING MATRIX (WRITTEN)**
- N. 2015 REGIONAL URBAN MANAGEMENT PLAN (WRITTEN/POWERPOINT)**
- O. ENGINEERING AND CONSTRUCTION MANAGEMENT PROJECT UPDATES (POWERPOINT)**

**6. AGENCY REPRESENTATIVES' REPORTS**

**A. SAWPA REPORT**

President Catlin stated that SAWPA stated that he was unable to attend the May 17, Commission meeting, and Director Hall attended on his behalf.

Director Hall reported that the Commission meeting was fairly routine.

**B. MWD REPORT**

Director Camacho had nothing further to report.

**C. REGIONAL SEWERAGE PROGRAM POLICY COMMITTEE REPORT**

President Catlin reported that the he was unable to attend the May 5 Regional Policy Committee meeting. President Catlin reported that the Ten-Year Capital Improvement Plan was approved.

**D. CHINO BASIN WATERMASTER REPORT**

The April 28, Chino Basin Watermaster meeting was cancelled.

**7. GENERAL MANAGER'S REPORT**

The General Manager's Report was received and filed by the Board.

General Manager Joseph Grindstaff reported that he went to Sacramento on May 12, 2016, to attend a meeting at the Governor's Office to discuss long-term water efficiency plan and the support of the CalEPA bill.

**8. BOARD OF DIRECTORS' REQUESTED FUTURE AGENDA ITEMS**

The Directors had no requested future agenda items.

**9. BOARD OF DIRECTORS' COMMENTS**

Director Camacho attended the Solar Cup event on May 14, 2016. Two schools in the Agency's service area placed first and second. Director Camacho also attended the MWD Board retreat on April 26, 2016. On May 3<sup>rd</sup> through the 5<sup>th</sup>, Director Camacho attended the ACWA Spring Conference.

Director Elie reported that he also attended the ACWA Spring Conference. Director Elie stated that he had a good meeting with the City of Chino Hills on May 16, 2016.

Director Hall reported that she attended the ACWA Spring Conference, she stated that it was useful and timely information.

**10. CLOSED SESSION**

The Board went into Closed Session at 11:34 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) 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; 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; E. PURSUANT TO GOVERNMENT CODE SECTION 54957 – PERSONNEL MATTERS – PUBLIC EMPLOYEE PERFORMANCE EVALUATION: (1) General Manager

The meeting resumed at 12:20 p.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

The Board took no reportable action.

Regarding Conference with Legal Counsel – Existing Litigation:

Martin vs. IEUA, Case No. CIVRS 1000767

Mwembu vs. IEUA, Case No. CIVDS 1415762

The Board took no reportable action.

Regarding Conference with Real Property Negotiator:

Supplemental Water Transfer/Purchase

The Board took no reportable action.

Regarding Conference with Legal Counsel – Anticipated Litigation:

First (1) Case

The Board did not discuss.

Regarding Conference with Legal Counsel – Anticipated Litigation:

First (1) Case

The Board took no reportable action.

Regarding Personnel Matters – Public Employee Performance Evaluation

General Counsel

The Board took no reportable action.

4. **ACTION ITEM** - continued

E. **RETAINER AGREEMENT FOR LEGAL SERVICES**

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

**M2016-5-7**

**MOVED, to approve a Retainer Agreement for Legal Services with JC Law Firm.**

With no further business, President Catlin adjourned the meeting at 12:50 p.m.

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Steven J. Elie, Secretary/Treasurer

**APPROVED: JUNE 15, 2016**

**CONSENT  
CALENDAR  
ITEM**


**3B**





Date: June 15, 2016

To: The Honorable Board of Directors

Through: Finance, Legal, and Administration Committee (6/8/16)

From:  P. Joseph Grindstaff  
General Manager

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

 Javier Chagoyen-Lazaro  
Manager of Finance and Accounting

Subject: Report on General Disbursements

**RECOMMENDATION**

It is recommended that the Board of Directors approve the total disbursements for the month of April 2016, in the amount of \$10,275,385.58.

**BACKGROUND**

April disbursement activity includes vendor payments (check numbers 213461-213911) of \$3,123,752.33 and workers compensation payments (check numbers 04479-04500) of \$8,358.87. The total amount of ACH and wire transfer payments is \$7,141,466.89, which includes payroll taxes in the amount of \$768,290.10. The total employee pay was \$1,955,224.53. The total pay for the Board of Directors was \$3,304.28.

Payment Type		Transactions	Total Amount
Check	Vendors	448	3,123,752.33
	Workers-Comp	22	8,358.87
	Payroll-Directors'	3	1,807.49
	Payroll-Others	0	0.00
<b>Subtotal Check</b>		<b>473</b>	<b>\$3,133,918.69</b>
<b>ACH</b>		<b>151</b>	<b>\$2,940,909.37</b>
Wire Transfer	Payroll-Net Pay	3	1,955,224.53
	Payroll-Directors'	1	1,496.79
	Others	18	2,243,836.20
<b>Subtotal Wires</b>		<b>22</b>	<b>\$4,200,557.52</b>
<b>TOTAL</b>		<b>646</b>	<b>\$10,275,385.58</b>

Report on General Disbursements

June 15, 2016

Page 2

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

<b>Vendor</b>	<b>Amount</b>	<b>Description</b>
CDA	1,797,193.52	CDPH ChnIII Expnsn 6A,7A,8 Grant PassThru
PERS	763,419.89	P/R 7,8,9 Contributions; 4/16 Health Ins
MWD	662,114.52	February 2016 Water Purchase
IRS	641,741.84	P/R 7,8,9 Taxes

The report on general disbursements 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		CBB	CITIZENS BUSINESS BANK		ONTARIO CA 917610000	
Bank Key		122234149				
Acct number		CHECK	231167641			
Check						
Check number from to	Payment	Print date	Crcy	Amount paid (FC)	Recipient/void reason code	Spec /void
213461	2200073860	04/04/2016	USD	1,500.00	HANSON, MATTHEW CHINO HILLS CA	04/05/2016
213462	2200073937	04/07/2016	USD	96.40	ABATEX CORPORATION DALLAS TX	04/13/2016
213463	2200073954	04/07/2016			voided by PJACKSON - Check not needed	04/21/2016
213464	2200073893	04/07/2016	USD	844.83	AERGAS WEST INC PASADENA CA	04/20/2016
213465	2200073898	04/07/2016	USD	2,093.10	APPLKONE EMPLOYMENT SERVICES GLENDALE CA	04/12/2016
213466	2200073935	04/07/2016	USD	5,412.22	ASAP INDUSTRIAL SUPPLY FONTANA CA	04/12/2016
213467	2200073934	04/07/2016	USD	194.52	BAM GRAPHICS N LAS VEGAS NV	04/12/2016
213468	2200073975	04/07/2016	USD	437.94	ROUGHAN, ARIN CHINO HILLS CA	04/12/2016
213469	2200073928	04/07/2016	USD	975.00	BUILDING BLOCK ENTERTAINMENT WOODLAND HILLS CA	04/13/2016
213470	2200073883	04/07/2016	USD	1,420.18	CALLEROL INC LOS ANGELES CA	04/11/2016
213471	2200073964	04/07/2016	USD	324.00	CAMBIASO, PIETRO CHINO HILLS CA	04/11/2016
213472	2200073905	04/07/2016	USD	786.60	CARGILO ENGINEERS SACRAMENTO CA	04/15/2016
213473	2200073904	04/07/2016	USD	175.00	CEPA OPERATIONS INC ONTARIO CA	04/11/2016
213474	2200073900	04/07/2016	USD	335.00	CHINO BASIN WATER CONSERVATION MONTCLAIR CA	04/13/2016
213475	2200073926	04/07/2016	USD	6,451.82	CINTAS CORPORATION LOC#150 PHOENIX AZ	04/13/2016
213476	2200073956	04/07/2016	USD	2,511.81	CITY OF CHINO CHINO CA	04/13/2016
213477	2200073930	04/07/2016	USD	720.50	CPS HUMAN RESOURCE SERVICES SAN FRANCISCO CA	04/12/2016
213478	2200073929	04/07/2016	USD	2,839.10	DESIGNWORX PACKAGING LAKE FOREST CA	04/12/2016
213479	2200073940	04/07/2016	USD	1,787.88	ELECTRO-CHEMICAL DEVICES, INC ANAHEIM CA	04/12/2016
213480	2200073976	04/07/2016	USD	300.00	ESPINGSA, DAVID RANCHO CUCAMONGA CA	
213481	2200073939	04/07/2016	USD	350.00	EUROFINS EATON ANALYTICAL, INC GRAPEVINE TX	04/14/2016
213482	2200073909	04/07/2016	USD	461.94	EXPRESS PIPE & SUPPLY INC ANAHEIM CA	04/13/2016
213483	2200073944	04/07/2016	USD	7,306.10	FERRIIRA COASTAL CONSTRUCTION BRANCHBURG NJ	04/12/2016
213484	2200073886	04/07/2016	USD	1,836.06	FISHER SCIENTIFIC LOS ANGELES CA	04/25/2016
213485	2200073897	04/07/2016	USD	337.92	FONTANA HERALD NEWS FONTANA CA	04/14/2016
213486	2200073950	04/07/2016	USD	514.03	FONTANA WATER COMPANY FONTANA CA	04/18/2016
213487	2200073967	04/07/2016	USD	115.68	FRANCONE, LEO CHINO HILLS CA	04/18/2016
213488	2200073977	04/07/2016	USD	300.00	GERSTENBERGER, ROBERT CHINO CA	
213489	2200073895	04/07/2016	USD	2,026.07	GRAINGER PALATINE IL	04/18/2016
213490	2200073887	04/07/2016	USD	1,434.81	HARRINGTON INDUSTRIAL PLASTICS CHINO CA	04/12/2016
213491	2200073947	04/07/2016	USD	1,053.00	HD WORK GEAR LAKEWOOD CA	04/25/2016
213492	2200073888	04/07/2016	USD	614.80	HOME DEPOT CREDIT SERVICES DES MOINES IA	04/14/2016
213493	2200073972	04/07/2016	USD	190.44	HUNTER, BONNIE CHINO HILLS CA	04/14/2016
213494	2200073963	04/07/2016	USD	12.00	IBEW EMPLOYEES ASSOCIATION CHINO HILLS CA	
213495	2200073962	04/07/2016	USD	44,467.20	INLAND BIOENERGY LLC FONTANA CA	04/15/2016
213496	2200073889	04/07/2016	USD	3,426.30	J G TUCKER & SON INC COVINA CA	04/13/2016
213497	2200073931	04/07/2016	USD	6,000.00	LAMAR COMPANIES BATON ROUGE LA	04/12/2016
213498	2200073942	04/07/2016	USD	1,533.76	LAW OFFICE OF MICHAEL R NEBENZ CALABASAS CA	04/18/2016
213499	2200073941	04/07/2016	USD	60.00	LITTLE SISTER'S TRUCK WASH, INBONSALL CA	04/13/2016
213500	2200073970	04/07/2016	USD	41.64	LOPEZ, ALEX CHINO HILLS CA	04/12/2016
213501	2200073974	04/07/2016	USD	155.00	MCCORKELL, GREGORY CHINO HILLS CA	04/27/2016
213502	2200073945	04/07/2016	USD	124.07	MEDORA CORPORATION DICKINSON ND	04/12/2016
213503	2200073907	04/07/2016	USD	77.15	MIDPOINT BEARING ONTARIO CA	04/11/2016
213504	2200073893	04/07/2016	USD	19.44	MISSION REPROGRAPHICS RIVERSIDE CA	04/13/2016

Bank		CBB		CITIZENS BUSINESS BANK		ONTARIO CA 917610000	
Bank Key		122234149					
Acct number		CHECK		231167641			
Check:							
Check number from to	Payment	Print date	Crcy	Amount paid (PG)	Recipient/void reason code	Enca /void	
213505	2200073949	04/07/2016	USD	31,054.15	MOSS ADAMS LLP SEATTLE WA		04/11/2016
213506	2200073953	04/07/2016	USD	25,000.00	MIGUEL NIGUEL WATER DISTRICT LAGUNA NIGUEL CA		04/18/2016
213507	2200073915	04/07/2016	USD	200.00	NATIONAL BUSINESS INVESTIGATION MURRIETA CA		04/14/2016
213508	2200073973	04/07/2016	USD	1,077.83	NOH BRIAN CHINO HILLS CA		04/13/2016
213509	2200073971	04/07/2016	USD	69.65	O'BRIEN, MICHELLE CHINO HILLS CA		04/13/2016
213510	2200073988	04/07/2016	USD	562.99	OFFICE DEPOT LOS ANGELES CA		04/11/2016
213511	2200073957	04/07/2016	USD	298.00	ONTARIO MUNICIPAL UTILITIES COONTARIO CA		04/11/2016
213512	2200073950	04/07/2016	USD	3,920.48	PACIFIC COURIERS INC VILLERTON CA		04/12/2016
213513	2200073913	04/07/2016	USD	1,946.40	PALM AUTO DETAIL INC COLTON CA		04/19/2016
213514	2200073965	04/07/2016	USD	91.42	PANTAYATIRONG, KANES CHINO HILLS CA		04/14/2016
213515	2200073894	04/07/2016	USD	685.45	PETTY CASH EXPENDITURES CHINO CA		04/15/2016
213516	2200073948	04/07/2016	USD	35,575.00	PLANETBIDS INC WOODLAND HILLS CA		04/18/2016
213517	2200073919	04/07/2016	USD	3,477.00	PLUMBERS DEPOT INC HAWTHORNE CA		04/18/2016
213518	2200073985	04/07/2016	USD	155.00	PUBLIC SECTOR EXCELLENCE LONG BEACH CA		05/03/2016
213519	2200073936	04/07/2016	USD	2,423.13	RDO TRUST # 80-5800 LAKESIDE CA		04/12/2016
213520	2200073908	04/07/2016	USD	221.38	RED WING SHOE STORE PONTIACA CA		04/15/2016
213521	2200073968	04/07/2016	USD	515.16	ROBISON, JOHN CHINO HILLS CA		04/13/2016
213522	2200073890	04/07/2016	USD	359.12	ROYAL WHOLESALE ELECTRIC ORANGE CA		04/25/2016
213523	2200073932	04/07/2016	USD	4,403.50	RUTAN & TUCKER LLP COSTA MESA CA		04/12/2016
213524	2200073912	04/07/2016	USD	890.00	SAN BERNARDINO COUNTY SAN BERNARDINO CA		04/14/2016
213525	2200073938	04/07/2016	USD	2,687.50	SCHREVEL ENGINEERING LLC ANAHEIM CA		04/12/2016
213526	2200073969	04/07/2016	USD	152.19	SCHERCK, JOHN CHINO HILLS CA		04/21/2016
213527	2200073902	04/07/2016	USD	210.26	SHAPE PRODUCTS CO OAKLAND CA		04/13/2016
213528	2200073914	04/07/2016	USD	4,962.27	SIERRA INSTRUMENTS INC MONTEREY CA		04/13/2016
213529	2200073959	04/07/2016	USD	270.01	SO CALIF EDISON ROSEMEAD CA		04/12/2016
213530	2200073896	04/07/2016	USD	1,500.00	SOUTH COAST AQMD DIAMOND BAR CA		04/25/2016
213531	2200073923	04/07/2016	USD	8,402.15	STANTEC CONSULTING INC CHICAGO IL		04/11/2016
213532	2200073925	04/07/2016	USD	3,096.00	STARLIGHT EDUCATION INC NEWPORT BEACH CA		04/18/2016
213533	2200073899	04/07/2016	USD	440.00	STATE WATER RESOURCES CNTRL BOSACRAMENTO CA		04/15/2016
213534	2200073910	04/07/2016	USD	351.00	TELEDYNE INSTRUMENTS INC DALLAS TX		04/14/2016
213535	2200073903	04/07/2016	USD	7,998.94	THATCHER COMPANY OF CALIFORNIA SALT LAKE CITY UT		04/12/2016
213536	2200073946	04/07/2016	USD	20.00	THE SHREDDERS LOS ANGELES CA		04/18/2016
213537	2200073952	04/07/2016	USD	520.00	TKE ENGINEERING INC RIVERSIDE CA		04/13/2016
213538	2200073943	04/07/2016	USD	2,520.00	TRIPLETT SMITH AND ASSOCIATES IRVINE CA		04/19/2016
213539	2200073927	04/07/2016	USD	32,570.38	U S BANK ST LOUIS MO		04/14/2016
213540	2200073911	04/07/2016	USD	2,338.21	U S ROBE INC ONTARIO CA		04/13/2016
213541	2200073920	04/07/2016	USD	36.72	URIMAGE BLOOMINGTON CA		04/14/2016
213542	2200073933	04/07/2016	USD	7,830.33	US BANK VOYAGER FLEET SYSTEMS KANSAS CITY MO		04/12/2016
213543	2200073951	04/07/2016	USD	4,015.00	VANTAGE TECHNOLOGY CONSULTING EL SEGUNDO CA		04/14/2016
213544	2200073924	04/07/2016	USD	28,717.36	VAUGHAN'S INDUSTRIAL REPAIR COPARAMOUNT CA		04/12/2016
213545	2200073966	04/07/2016	USD	815.00	VELARDE, TERESA CHINO HILLS CA		04/15/2016
213546	2200073958	04/07/2016	USD	1,457.30	VERIZON CALIFORNIA DALLAS TX		04/18/2016
213547	2200073961	04/07/2016	USD	390.74	VERIZON COMMUNICATIONS DALLAS TX		04/18/2016
213548	2200073916	04/07/2016	USD	7,595.29	VIRAMONTAS EXPRESS CORONA CA		04/14/2016

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213550	2200073891	04/07/2016	USD	1,309.50	WAXIE SANITARY SUPPLY LOS ANGELES CA	04/12/2016
213551	2200073901	04/07/2016	USD	549.00	WESTERN ANALYTICAL LABORATORIECHINO CA	04/12/2016
213552	2200073905	04/07/2016	USD	1,500.00	WESTERN MUNICIPAL WATER DISTRICTIVERSIDE CA	04/26/2016
213553	2200073921	04/07/2016	USD	9,060.00	WILLDAN ENGINEERING ANAHEIM CA	04/13/2016
213554	2200073922	04/07/2016	USD	2,668.40	WINCHESTER SYSTEMS INC BILLERICA MA	04/12/2016
213555	2200073918	04/07/2016	USD	15,016.78	KYLEM DEWATERING SOLUTIONS INCATLANA GA	04/11/2016
213557	2200073882	04/07/2016	USD	1,361.15	BURRTEC WASTE INDUSTRIES INC FONTANA CA	04/12/2016
213558	2200073981	04/07/2016	USD	1,382.00	SO CALIF GAS MONTEREY PARK CA	04/15/2016
213559	2200073980	04/07/2016	USD	2,410.59	WORLDWIDE EXPRESS ALBANY NY	04/11/2016
213560	2200074000	04/13/2016	USD	86,062.20	JCE EQUIPMENT, INC. UPLAND CA	04/18/2016
213561	2200074001	04/13/2016	USD	500.00	WILD WONDERS BONSALL CA	04/21/2016
213562	2200074047	04/14/2016	USD	5,428.01	ACCURATE AIR ENGINEERING INC CERRITOS CA	04/20/2016
213563	2200074048	04/14/2016	USD	186.00	ACCUSTANDARD INC NEW HAVEN CT	04/20/2016
213564	2200074031	04/14/2016	USD	1,438.31	AIRGAS WEST INC PASADENA CA	04/22/2016
213565	2200074144	04/14/2016	USD	2,354.59	ALQUEBIRA, ROBERT CHINO HILLS CA	04/23/2016
213566	2200074108	04/14/2016	USD	4,200.00	ALS ENVIRONMENTAL DALLAS TX	04/20/2016
213567	2200074132	04/14/2016	USD	38.72	ALVARADO, ROSEMARY CHINO HILLS CA	04/18/2016
213568	2200074037	04/14/2016	USD	659.12	APPLEONE EMPLOYMENT SERVICES GLENDALE CA	04/20/2016
213569	2200074086	04/14/2016	USD	2,782.65	AQUA-AEROBIC SYSTEMS INC LOVES PARK IL	04/25/2016
213570	2200074143	04/14/2016	USD	150.00	ARAMBULA, BLANCA CHINO HILLS CA	04/25/2016
213571	2200074101	04/14/2016	USD	40,986.50	ARCADIS US INC CHICAGO IL	04/18/2016
213572	2200074133	04/14/2016	USD	1,529.99	ARGUELLES, ALEX CHINO HILLS CA	04/21/2016
213573	2200074046	04/14/2016	USD	60.00	ARMA RIVERSIDE CA	04/20/2016
213574	2200074088	04/14/2016	USD	137.87	ASAP INDUSTRIAL SUPPLY FONTANA CA	04/19/2016
213575	2200074053	04/14/2016	USD	534.73	ASBCEB HESPERIA CA	04/25/2016
213576	2200074148	04/14/2016	USD	672.56	ASH, THOMAS CHINO HILLS CA	04/27/2016
213577	2200074091	04/14/2016	USD	160.00	ASSOC OF WORKPLACE INVESTIGATOSACRAMENTO CA	05/03/2016
213578	2200074066	04/14/2016	USD	1,207.35	AUMA ACUATORS INC PITTSBURGH PA	04/21/2016
213579	2200074094	04/14/2016	USD	163.07	AUTOZONE INC ATLANTA GA	04/21/2016
213580	2200074018	04/14/2016	USD	612.38	BEAR STATE PUMP & EQUIPMENT COONTARIO CA	04/20/2016
213581	2200074045	04/14/2016	USD	428.07	BEN MEADOWS CO CHICAGO IL	04/22/2016
213582	2200074095	04/14/2016	USD	1,975.38	BERLIN PACKAGING LLC CHICAGO IL	04/21/2016
213583	2200074146	04/14/2016	USD	344.00	BHOJANI, SHARMEEN CHINO HILLS CA	04/21/2016
213584	2200074059	04/14/2016	USD	599.20	BOOT BARN INC IRVINE CA	04/21/2016
213585	2200074076	04/14/2016	USD	100.00	BOWMAN, JIM W ONTARIO CA	04/20/2016
213586	2200074113	04/14/2016	USD	5,025.98	BURRTEC WASTE INDUSTRIES INC FONTANA CA	04/21/2016
213587	2200074039	04/14/2016	USD	164.00	CALIF WATER ENVIRONMENT ASSOC OAKLAND CA	04/22/2016
213588	2200074082	04/14/2016	USD	6,000.00	CALIFORNIA STRATEGIES LLC SACRAMENTO CA	04/21/2016
213589	2200074097	04/14/2016	USD	9,257.32	CALIFORNIA WATER TECHNOLOGIES,PASADENA CA	04/20/2016
213590	2200074019	04/14/2015	USD	283.66	CALTROL INC LOS ANGELES CA	04/18/2016
213591	2200074043	04/14/2016	USD	1,430.00	CAFFO INC YUBA CITY CA	04/22/2016
213592	2200074130	04/14/2016	USD	98.42	CARL H TAYLOR III CRYSTAL RIVER FL	04/19/2016
213593	2200074050	04/14/2016	USD	10,977.45	CAROLLO ENGINEERS SACRAMENTO CA	04/22/2016

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213595	2200074141	04/14/2016	USD	350.00	CATALAN, MARIA CHINO HILLS CA	
213596	2200074020	04/14/2016	USD	13,229.40	CHARLES P CROWLEY CO IRWINDALE CA	04/25/2016
213597	2200074138	04/14/2016	USD	350.00	CHEN, TING CHINO HILLS CA	04/27/2016
213598	2200074040	04/14/2016	USD	1,400.00	CHINO BASIN WATER CONSERVATIONMONTCLAIR CA	04/21/2016
213599	2200074138	04/14/2016	USD	404.50	CITY EMPLOYERS ASSOCIATES LONG BEACH CA	04/19/2016
213600	2200074089	04/14/2016	USD	3,250.00	CIVIC PUBLICATIONS INC LA VERNE CA	04/26/2016
213601	2200074122	04/14/2016	USD	572.54	COLONIAL LIFE & ACCIDENT INSURCOLOMBIA SC	04/19/2016
213602	2200074090	04/14/2016	USD	49,202.64	CONSERV CONSTRUCTION INC MURRIETA CA	04/25/2016
213603	2200074083	04/14/2016	USD	2,040.05	CRH SECURITY SOLUTIONS WESTMINSTER CA	04/19/2016
213604	2200074069	04/14/2016	USD	5,045.55	CS-AMSCO HUNTINGTON BEACH CA	04/20/2016
213605	2200074034	04/14/2016	USD	100.00	CUCAMONGA VALLEY WATER DISTRICTRANCHO CUCAMONGA CA	04/22/2016
213606	2200074080	04/14/2016	USD	217.08	CUMMINS PACIFIC LLC LOS ANGELES CA	04/18/2016
213607	2200074137	04/14/2016	USD	1,279.91	CUNNINGHAM, RICHARD CHINO HILLS CA	04/27/2016
213608	2200074104	04/14/2016	USD	100.00	CURATALO JR., JAMES V. RANCHO CUCAMONGA CA	04/28/2016
213609	2200074063	04/14/2016	USD	3,664.32	CK, K.B. UNITED COFF HARBOR CITY CA	04/19/2016
213610	2200074021	04/14/2016	USD	633.36	DATALOK COMPANY, THE LOS ANGELES CA	04/20/2016
213611	2200074081	04/14/2016	USD	250.00	DAVE'S PLUMBING CHINO HILLS CA	04/20/2016
213612	2200074087	04/14/2016	USD	100.00	DAVID WHEELER'S PEST CONTROL, NORCO CA	04/26/2016
213613	2200074038	04/14/2016	USD	4,634.44	DELL MARKETING L.P. PASADENA CA	04/18/2016
213614	2200074051	04/14/2016	USD	16,393.39	DUDEK & ASSOCIATES INC ENCINITAS CA	04/20/2016
213615	2200074072	04/14/2016	USD	109.08	EATON, PAUL MONTCLAIR CA	04/23/2016
213616	2200074134	04/14/2016	USD	24.32	ECHAVARRIA, CAROLYN CHINO HILLS CA	04/20/2016
213617	2200074093	04/14/2016	USD	417.97	HERMING-CHEMICAL DEVICES, INC ANAHEIM CA	04/19/2016
213618	2200074071	04/14/2016	USD	100.00	ELROD, EARL CHINO CA	05/05/2016
213619	2200074035	04/14/2016	USD	1,908.00	ENDRESS & HAUSER INC DETROIT MI	04/19/2016
213620	2200074065	04/14/2016	USD	4,562.50	ENVIRONMENTAL ENGINEERING SANTA ANA CA	04/19/2016
213621	2200074106	04/14/2016	USD	555.87	ENVIRONMENTAL EXPRESS INC ATLANTA GA	04/18/2016
213622	2200074092	04/14/2016	USD	250.00	EUROFINS EATON ANALYTICAL, INCGRAPEVINE TX	04/19/2016
213623	2200074100	04/14/2016	USD	70.96	EVOQUA WATER TECHNOLOGIES LLC PITTSBURGH PA	04/21/2016
213624	2200074129	04/14/2016	USD	2,199.30	FIDELITY SECURITY LIFE INSURANCINCTNNATI OH	04/22/2016
213625	2200074023	04/14/2016	USD	2,060.12	FISHER SCIENTIFIC LOS ANGELES CA	04/18/2016
213626	2200074051	04/14/2016	USD	810.03	FLORENCE FILTER CORP COMPTON CA	04/25/2016
213627	2200074036	04/14/2016	USD	135.40	FONTANA HERALD NEWS FONTANA CA	04/20/2016
213628	2200074127	04/14/2016	USD	450.00	FRANCHISE TAX BOARD SACRAMENTO CA	05/09/2016
213629	2200074116	04/14/2016	USD	183.00	TEUA EMPLOYERS' ASSOCIATION CHINO HILLS CA	
213630	2200074119	04/14/2016	USD	66.00	INLAND EMPIRE UNITED WAY RANCHO CUCAMONGA CA	04/20/2016
213631	2200074149	04/14/2016	USD	300.00	JARVIS, LEANNE CHINO CA	04/21/2016
213632	2200074150	04/14/2016	USD	300.00	JUAREZ, JORGE CHINO CA	04/21/2016
213633	2200074136	04/14/2016	USD	83.77	LEK, SYLVIE CHINO HILLS CA	
213634	2200074114	04/14/2016	USD	996.62	LEVEL 3 COMMUNICATIONS LLC DENVER CO	04/26/2016
213635	2200074126	04/14/2016	USD	13,676.09	LIFE INSURANCE COMPANY OF PHILADELPHIA PA	04/20/2016
213636	2200074142	04/14/2016	USD	188.00	LOPEZ, ALEK CHINO HILLS CA	04/29/2016
213637	2200074131	04/14/2016	USD	192.00	MARIA FRESQUEZ LAS VEGAS NV	04/20/2016

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213641	2200074052	04/14/2016	USD	690.00	NATIONAL BUSINESS INVESTIGATION MURKETA CA	04/19/2016
213642	2200074147	04/14/2016	USD	350.00	OCELO, MARISSA CHINO HILLS CA	04/25/2016
213643	2200074022	04/14/2016	USD	106.90	OFFICE DEPOT LOS ANGELES CA	04/18/2016
213644	2200074109	04/14/2016	USD	5,536.66	ONTARIO MUNICIPAL UTILITIES COONTARIO CA	04/18/2016
213645	2200074197	04/14/2016	USD	4,217.03	PACIFIC COURIERS INC FULLERTON CA	04/19/2016
213646	2200074025	04/14/2016	USD	464.49	PATTON SALES CORP ONTARIO CA	04/20/2016
213647	2200074026	04/14/2016	USD	34,104.00	PERKINELMER HEALTH SCIENCES INCHICAGO IL	04/22/2016
213648	2200074125	04/14/2016	USD	70.98	PERS LONG TERM CARE PROGRAM PASADENA CA	04/20/2016
213649	2200074033	04/14/2016	USD	255.00	PETE'S ROAD SERVICE FULLERTON CA	04/19/2016
213650	2200074058	04/14/2016	USD	1,696.00	PLUMBERS DEPOT INC HAWTHORNE CA	04/19/2016
213651	2200074135	04/14/2016	USD	127.44	POMERLEAU, TOM CHINO HILLS CA	05/05/2016
213652	2200074102	04/14/2016	USD	55.26	PREMIUM PROMOTIONALS UPLAND CA	04/20/2016
213653	2200074027	04/14/2016	USD	1,337.26	RANONA TIRE & SERVICE CENTERS HEMET CA	04/22/2016
213654	2200074054	04/14/2016	USD	19,509.00	RITE-WAY ROOF CORPORATION FONTANA CA	04/20/2016
213655	2200074078	04/14/2016	USD	100.00	ROGERS, PETER J CHINO HILLS CA	
213656	2200074060	04/14/2016	USD	1,105.87	ROSEMOUNT INC CHICAGO IL	
213657	2200074074	04/14/2016	USD	953.78	RED LAKE FOREST CA	04/19/2016
213658	2200074054	04/14/2016	USD	76.00	SAN BERNARDINO COUNTY SAN BERNARDINO CA	04/26/2016
213659	2200074077	04/14/2016	USD	311.00	SAN BERNARDINO COUNTY SAN BERNARDINO CA	05/11/2016
213660	2200074055	04/14/2016	USD	1,315.00	SAN BERNARDINO COUNTY SAN BERNARDINO CA	04/29/2016
213661	2200074103	04/14/2016	USD	100.00	SANDOVAL, JESUS L FONTANA CA	04/26/2016
213662	2200074057	04/14/2016	USD	15,001.00	SCAP ENCINITAS CA	04/26/2016
213663	2200074115	04/14/2016	USD	326.42	SHERIFF'S COURT SERVICES SAN BERNARDINO CA	04/25/2016
213664	2200074110	04/14/2016	USD	9,744.66	SO CALIF EDISON ROSEMEAD CA	04/20/2016
213665	2200074111	04/14/2016	USD	1,156.16	SO CALIF GAS MONTEREY PARK CA	04/25/2016
213666	2200074073	04/14/2016	USD	3,981.00	STANTEC CONSULTING INC CHICAGO IL	04/18/2016
213667	2200074044	04/14/2016	USD	1,750.00	STATE WATER RESOURCES CNTRL BREACRAMENTO CA	04/21/2016
213668	2200074096	04/14/2016	USD	100.00	STONE, DEBRA KAYE UPLAND CA	
213669	2200074042	04/14/2016	USD	450.00	SUBWAY SANDWICHES & SALADS CHINO CA	04/22/2016
213670	2200074145	04/14/2016	USD	350.00	TE, GARY CHINO HILLS CA	04/19/2016
213671	2200074098	04/14/2016	USD	16,339.97	THERMC ELECTRON NORTH ANSLICA ATLANTA GA	04/19/2016
213672	2200074058	04/14/2016	USD	623.00	U S HEALTHWORKS MEDICAL GROUP LOS ANGELES CA	04/18/2016
213673	2200074070	04/14/2016	USD	250.00	UNION BANK OF CALIFORNIA MONTEREY PARK CA	04/19/2016
213674	2200074099	04/14/2016	USD	1,793.75	V3IT CONSULTING INC NAPERVILLE IL	04/20/2016
213675	2200074139	04/14/2016	USD	73.13	VELARDE, TERESA CHINO HILLS CA	04/25/2016
213676	2200074112	04/14/2016	USD	444.41	VERIZON BUSINESS ALBANY NY	04/21/2016
213677	2200074035	04/14/2016	USD	297.00	WATER ENVIRONMENT FEDERATION BOSTON MA	04/19/2016
213678	2200074030	04/14/2016	USD	2,936.55	WAXIE SANITARY SUPPLY LOS ANGELES CA	04/26/2016
213679	2200074043	04/14/2016	USD	216.00	WESTERN ANALYTICAL LABORATORIECHINO CA	04/19/2016
213680	2200074067	04/14/2016	USD	414.89	WORLDWIDE EXPRESS ALBANY NY	04/19/2016
213682	2200074160	04/14/2016	USD	4,156.31	WLS INDUSTRIES BAKERSFIELD CA	04/19/2016



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213684	2200074153	04/14/2016	USD	231.60	SHAPE PRODUCTS CO OAKLAND CA	04/19/2016
213685	2200074161	04/14/2016	USD	1,343.67	SO CALIF EDISON ROSEMEAD CA	04/19/2016
213686	2200074159	04/14/2016	USD	16,801.85	THE BRICKMAN GROUP LTD LLC CHICAGO IL	04/22/2016
213687	2200074154	04/14/2016	USD	120.93	ULTRA SCIENTIFIC NORTH KINGSTOWN RI	04/20/2016
213688	2200074157	04/14/2016	USD	8,402.16	UNIVERSAL PROTECTION SERVICE PASADENA CA	04/19/2016
213689	2200074158	04/14/2016	USD	8,828.33	UTILIQUEST LLC ATLANTA GA	04/18/2016
213690	2200074152	04/14/2016	USD	749.29	VNR INTERNATIONAL LLC PITTSBURGE PA	04/20/2016
213691	2200074155	04/14/2016	USD	4,504.69	WESTERN WATER WORKS SUPPLY CO CHINO HILLS CA	04/20/2016
213692	2200074265	04/21/2016	USD	989.85	AIMPRINT INC CHICAGO IL	04/28/2016
213693	2200074217	04/21/2016	USD	390.56	ACCUSTANDARD INC NEW HAVEN CT	
213694	2200074267	04/21/2016	USD	2,726.00	ACL CONSTRUCTION COMPANY INC ONTARIO CA	05/09/2016
213695	2200074205	04/21/2016	USD	133.77	AIRGAS WEST INC PASADENA CA	04/25/2016
213696	2200074232	04/21/2016	USD	825.40	ALBERT A WEBB ASSOCIATES RIVERSIDE CA	05/02/2016
213697	2200074254	04/21/2016	USD	42,531.97	ALLISON MECHANICAL, INC. REDLANDS CA	04/28/2016
213698	2200074264	04/21/2016	USD	2,100.00	ALS ENVIRONMENTAL DALLAS TX	04/27/2016
213699	2200074259	04/21/2016	USD	39.00	ALTA PACIFIC BANK TEMECULA CA	04/26/2016
213700	2200074213	04/21/2016	USD	399.23	AMERICAN COMPRESSOR CO SANTA FE SPRINGS CA	04/26/2016
213701	2200074241	04/21/2016	USD	8,935.00	AMP MECHANICAL INC COSTA MESA CA	04/28/2016
213702	2200074210	04/21/2016	USD	1,636.03	APPLONE EMPLOYMENT SERVICES GLENDALE CA	04/27/2016
213703	2200074246	04/21/2016	USD	1,674.94	ASAP INDUSTRIAL SUPPLY FONTANA CA	04/26/2016
213704	2200074224	04/21/2016	USD	66.00	ASSCSO HESPERIA CA	05/11/2016
213705	2200074248	04/21/2016	USD	1,101.54	AUTOZONE INC ATLANTA GA	04/26/2016
213706	2200074225	04/21/2016	USD	270.08	BABCOCK LABORATORIES, INC RIVERSIDE CA	04/26/2016
213707	2200074190	04/21/2016	USD	331.24	BEAR STATE PUMP & EQUIPMENT COONTARIO CA	04/26/2016
213708	2200074236	04/21/2016	USD	252.83	BLINDE ETC UPLAND CA	04/29/2016
213709	2200074191	04/21/2016	USD	978.79	BRITHINEE ELECTRIC COLTON CA	04/26/2016
213710	2200074258	04/21/2016	USD	19,628.12	BUSINESS CARD WILMINGTON DE	04/25/2016
213711	2200074251	04/21/2016	USD	12,538.20	CALIFORNIA WATER TECHNOLOGIES, PASADENA CA	04/25/2016
213712	2200074218	04/21/2016	USD	60.26	CALORIMPIC SAFETY CORONA CA	04/27/2016
213713	2200074273	04/21/2016	USD	58.32	CAMPOS, JESSE CHINO HILLS CA	04/28/2016
213714	2200074238	04/21/2016	USD	563.61	CENTAS CORPORATION LOC#156 PHOENIX AZ	04/29/2016
213715	2200074209	04/21/2016	USD	6,095.00	CITY OF CHINO CHINO CA	04/28/2016
213716	2200074193	04/21/2016	USD	11.66	CITY RENTALS INC ONTARIO CA	04/27/2016
213717	2200074194	04/21/2016	USD	380,269.46	COUNTY SANITATION DISTRICTS OFWHITTIER CA	05/03/2016
213718	2200074252	04/21/2016	USD	429.50	D & H WATER SYSTEMS INC OCEANSIDE CA	04/29/2016
213719	2200074245	04/21/2016	USD	691.64	DAVID WHEELER'S PEST CONTROL, NORCO CA	04/26/2016
213720	2200074211	04/21/2016	USD	1,837.77	DELL MARKETING L P PASADENA CA	04/25/2016
213721	2200074260	04/21/2016	USD	300.00	DOCUMENT DEMOLITION LLC CHINO CA	04/25/2016
213722	2200074215	04/21/2016	USD	190.29	EASTERN MUNICIPAL WATER DIST PERRIS CA	04/26/2016
213723	2200074208	04/21/2016	USD	284.65	EMEDCO INC BUFFALO NY	05/02/2016
213724	2200074249	04/21/2016	USD	509.85	ENVIRONMENTAL SCIENCE ASSOCIAT SAN FRANCISCO CA	04/28/2016
213725	2200074274	04/21/2016	USD	2,000.00	ESTRADA, ARTURO RANCHO CUCAMONGA CA	04/29/2016
213726	2200074247	04/21/2016	USD	65.00	EUREKINS EATON ANALYTICAL, INCGRAPESVINE TX	04/26/2016

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213728	2200074197	04/21/2016	USD	564.66	FISHER SCIENTIFIC LOS ANGELES CA	04/25/2016
213729	2200074198	04/21/2016	USD	2,893.18	FLO SYSTEMS INC ANAHEIM HILLS CA	04/27/2016
213730	2200074250	04/21/2016	USD	1,027.68	FOREMOST COMMUNITIES INC IRVINE CA	05/03/2016
213731	2200074270	04/21/2016	USD	780.45	FRONTIER COMMUNICATIONS CORP CINCINNATI OH	04/26/2016
213732	2200074229	04/21/2016	USD	48,682.59	HACE COMPANY CHICAGO IL	04/25/2016
213733	2200074272	04/21/2016	USD	1,439.29	HANSON, MATTHEW CHINO HILLS CA	04/25/2016
213734	2200074253	04/21/2016	USD	325.00	HAPPY DAYS ENTERTAINMENT GARDENA CA	04/28/2016
213735	2200074222	04/21/2016	USD	30.43	INDUSTRIAL SUPPLY COMPANY ONTARIO CA	04/26/2016
213736	2200074237	04/21/2016	USD	2,569.90	INTEGRATED DESIGN SERVICES INCLIRVINE CA	04/26/2016
213737	2200074207	04/21/2016	USD	8,245.34	INTERSTATE BATTERY SYSTEM ALTA LOMA CA	05/02/2016
213738	2200074216	04/21/2016	USD	75,096.63	J F SHEA CONSTRUCTION INC WALNUT CA	04/26/2016
213739	2200074199	04/21/2016	USD	1,904.58	J G TUCKER & SON INC COVINA CA	04/26/2016
213740	2200074200	04/21/2016	USD	66,415.61	J R FILANC CONSTRUCTION CO INCESCONDIDO CA	04/26/2016
213741	2200074214	04/21/2016	USD	2,705.40	KONICA MINOLTA PASADENA CA	04/25/2016
213742	2200074275	04/21/2016	USD	300.00	LOPEZ, FRANK UPLAND CA	05/11/2016
213743	2200074262	04/21/2016	USD	1,962.96	MANAGED MOBILE INC PLACENTIA CA	04/27/2016
213744	2200074219	04/21/2016	USD	1,052.02	MCMASTER-CARR SUPPLY CO CHICAGO IL	04/26/2016
213745	2200074261	04/21/2016	USD	6,238.37	MERTEC ENGINEERING UPLAND CA	04/26/2016
213746	2200074220	04/21/2016	USD	275.50	MIDPOINT BEARINGS ONTARIO CA	04/23/2016
213747	2200074231	04/21/2016	USD	17,150.22	MIKE BUBALO CONSTRUCTION CO INBALDWIN PARK CA	04/26/2016
213748	2200074276	04/21/2016	USD	300.00	MORALES, WILLIAM MONTCLAIR CA	04/28/2016
213749	2200074234	04/21/2016	USD	995.10	NATIONAL CONSTRUCTION RENTALS PACOIMA CA	04/26/2016
213750	2200074233	04/21/2016	USD	729.50	NESTER WATERS NORTH AMERICA LOUISVILLE KY	04/28/2016
213751	2200074196	04/21/2016	USD	1,093.97	OFFICE DEPOT CINCINNATI OH	04/27/2016
213752	2200074195	04/21/2016	USD	1,040.17	OFFICE DEPOT LOS ANGELES CA	04/25/2016
213753	2200074201	04/21/2016	USD	149.39	PATTON SALES CORP ONTARIO CA	04/26/2016
213754	2200074206	04/21/2016	USD	804.41	PETE'S ROAD SERVICE FULLERTON CA	04/26/2016
213755	2200074228	04/21/2016	USD	2,576.66	PONTON INDUSTRIES INC YORBA LINDA CA	05/02/2016
213756	2200074263	04/21/2016	USD	1,046.60	POSITIVE PROMOTIONS INC NEWARK NJ	04/27/2016
213757	2200074212	04/21/2016	USD	1,288.41	R F MACDONALD HAYWARD CA	04/26/2016
213758	2200074202	04/21/2016	USD	371.70	RAMONA TIRE & SERVICE CENTERS HEMET CA	05/02/2016
213759	2200074192	04/21/2016	USD	1,008.66	RBM LOCK & KEY ONTARIO CA	04/29/2016
213760	2200074256	04/21/2016	USD	7,273.53	RIS INDUSTRIES HARRERSFIELD CA	04/27/2016
213761	2200074230	04/21/2016	USD	6,147.53	RMC WATER AND ENVIRONMENT WALNUT CRBEK CA	04/26/2016
213762	2200074244	04/21/2016	USD	1,650.00	ROGERS ANDERSON MALODY & SCOTTISAN BERNARDINO CA	04/27/2016
213763	2200074203	04/21/2016	USD	3,974.15	ROYAL WHOLESALE ELECTRIC ORANGE CA	04/26/2016
213764	2200074243	04/21/2016	USD	944.48	RUSSELL SIGLER INC LOS ANGELES CA	04/25/2016
213765	2200074242	04/21/2016	USD	426.80	SAFE ENTRY TECHNICAL INC RANCHO CUCAMONGA CA	04/27/2016
213766	2200074204	04/21/2016	USD	229.96	SMART & FINAL LOS ANGELES CA	05/04/2016
213767	2200074268	04/21/2016	USD	3,084.80	SO CALIF EDISON ROSEMEAD CA	04/26/2016
213768	2200074269	04/21/2016	USD	289,609.87	SO CALIF EDISON ROSEMEAD CA	04/28/2016
213769	2200074257	04/21/2016	USD	54,306.14	TECHNICAL SYSTEMS INC LYNNWOOD WA	04/26/2016
213770	2200074233	04/21/2016	USD	181,900.00	THE AUSTIN COMPANY CLEVELAND OH	04/26/2016

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213773	2200074226	04/21/2016	USD	7,357.50	VIRAMONTES EXPRESS CORONA CA	04/27/2016
213774	2200074240	04/21/2016	USD	1,013.85	VULCAN FLARE & MECHANICAL SERV/DOWNEY CA	05/04/2016
213775	2200074227	04/21/2016	USD	63,347.00	W A RASIC CONSTRUCTION CO INC LONG BEACH CA	04/28/2016
213776	2200074235	04/21/2016	USD	214.58	WALKESHA-PEARCE INDUSTRIES INC/DALLAS TX	04/28/2016
213777	2200074266	04/21/2016	USD	1,700.00	WILD WONDERS BONSALL CA	04/26/2016
213778	2200074271	04/21/2016	USD	1,127.12	WIEGENBIN, JEFF CHINO HILLS CA	04/26/2016
213779	2200074285	04/21/2016	USD	414.34	OFFICE DEPOT LOS ANGELES CA	04/25/2016
213780	2200074309	04/21/2016	USD	965.38	PME ENGINEERING LEE DANBURY CT	04/26/2016
213781	2200074286	04/21/2016	USD	4,938.74	RAMONA TIRE & SERVICE CENTERS HEMET CA	05/02/2016
213782	2200074287	04/21/2016	USD	6,526.55	ROYAL WHOLESALE ELECTRIC ORANGE CA	04/26/2016
213783	2200074306	04/21/2016	USD	740.32	RSD LAKE FOREST CA	04/26/2016
213784	2200074292	04/21/2016	USD	284.00	SCUBA SCHOOLS OF AMERICA MONTCLAIR CA	04/28/2016
213785	2200074304	04/21/2016	USD	266.42	SKALAR INC BUFORD GA	
213786	2200074288	04/21/2016	USD	169.84	SMART & FINAL LOS ANGELES CA	05/04/2016
213787	2200074312	04/21/2016	USD	9,484.23	SO CALIF GAS MONTEREY PARK CA	05/02/2016
213788	2200074305	04/21/2016	USD	30,587.50	STANTEC CONSULTING INC CHICAGO IL	04/26/2016
213789	2200074307	04/21/2016	USD	4,100.00	SUNGARD AVAILABILITY SERVICES CHICAGO IL	04/26/2016
213790	2200074299	04/21/2016	USD	887.76	TELEDYNE INSTRUMENTS INC DALLAS TX	04/28/2016
213791	2200074291	04/21/2016	USD	510.30	TELL STEEL INC LONG BEACH CA	04/28/2016
213792	2200074293	04/21/2016	USD	66,650.27	TETRA TECH INC DENVER CO	04/26/2016
213793	2200074295	04/21/2016	USD	4,042.68	THATCHER COMPANY OF CALIFORNIA SALT LAKE CITY UT	04/26/2016
213794	2200074311	04/21/2016	USD	40,645.04	TONY PAINTING GARDEN GROVE CA	04/26/2016
213795	2200074310	04/21/2016	USD	350.00	TRIEPEI SMITH AND ASSOCIATES ITUSTIN CA	
213796	2200074301	04/21/2016	USD	605.08	U S HEALTHWORKS MEDICAL GROUP LOS ANGELES CA	04/25/2016
213797	2200074298	04/21/2016	USD	1,109.98	U S HOSE INC ONTARIO CA	04/26/2016
213798	2200074299	04/21/2016	USD	1,220.00	U S POSTAL SERVICE CHINO HILLS CA	04/29/2016
213799	2200074300	04/21/2016	USD	298.00	U S POSTAL SERVICE CHINO HILLS CA	04/27/2016
213800	2200074296	04/21/2016	USD	140.25	ULTRA SCIENTIFIC NORTH KINGSDOWN RI	04/27/2016
213801	2200074303	04/21/2016	USD	23,434.75	W A RASIC CONSTRUCTION CO INC LONG BEACH CA	04/28/2016
213802	2200074308	04/21/2016	USD	11,238.66	WATERMASTER TECH TRADERS FOUNTAIN VALLEY CA	05/03/2016
213803	2200074290	04/21/2016	USD	1,676.42	WAXIE SANITARY SUPPLY LOS ANGELES CA	04/27/2016
213804	2200074302	04/21/2016	USD	45.01	WESTERN WATER WORKS SUPPLY CO CHINO HILLS CA	04/26/2016
213805	2200074294	04/21/2016	USD	30.91	YALE CHASE EQUIPMENT AND SERVICES ANGELES CA	04/28/2016
213806	2200074455	04/28/2016	USD	6,214.12	ACCURATE AIR ENGINEERING INC CERRITOS CA	05/03/2016
213807	2200074490	04/28/2016	USD	490.00	ADVANCED CHEMICAL TECHNOLOGY IRANCHO CUCAMONGA CA	05/04/2016
213808	2200074442	04/28/2016	USD	825.52	AIRGAS WEST INC PASADENA CA	05/02/2016
213809	2200074512	04/28/2016	USD	1,575.00	ALS ENVIRONMENTAL DALLAS TX	05/04/2016
213810	2200074494	04/28/2016	USD	632.11	ALTA FOODCRAFT COFFEE ORANGE CA	05/03/2016
213811	2200074516	04/28/2016	USD	3,529.21	AMB PROPERTY LP DENVER CO	05/05/2016
213812	2200074453	04/28/2016	USD	133.73	AMERICAN COMPRESSOR CO SANTA FE SPRINGS CA	05/03/2016
213813	2200074528	04/28/2016	USD	239.14	AMERICAN HERITAGE LIFE INSURANCE DALLAS TX	05/09/2016
213814	2200074448	04/28/2016	USD	859.21	APPLIONS EMPLOYMENT SERVICES GLENDALE CA	05/06/2016



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213817	2200074524	04/28/2016	USD	172.23	BREIG, ANNA VICTORVILLE CA	05/09/2016
213818	2200074498	04/28/2016	USD	1,240.00	C BELOW INC CHINO CA	05/03/2016
213819	2200074451	04/28/2016	USD	164.00	CALIF WATER ENVIRONMENT ASSOC OAKLAND CA	
213820	2200074507	04/28/2016	USD	6,223.16	CALIFORNIA WATER TECHNOLOGIES PASADENA CA	05/03/2016
213821	2200074457	04/28/2016	USD	165.12	CALYMPIC SAFETY CORONA CA	05/04/2016
213822	2200074538	04/28/2016	USD	98.42	CARL H TAYLOR III CRYSTAL RIVER FL	05/04/2016
213823	2200074471	04/28/2016	USD	2,580.00	CASC ENGINEERING AND CONSULTING COLTON CA	05/03/2016
213824	2200074543	04/28/2016	USD		voided by SHEATH Incorrect lot inserted	05/04/2016
213825	2200074485	04/28/2016	USD	1,565.12	CINTAS CORPORATION LOC#150 PHOENIX AZ	05/04/2016
213826	2200074467	04/28/2016	USD	155.38	CINTAS FIRST AID & SAFETY LOCCINCINNATI OH	05/06/2016
213827	2200074537	04/28/2016	USD	10.50	CITY EMPLOYEES ASSOCIATES LONG BEACH CA	05/04/2016
213828	2200074431	04/28/2016	USD	31.87	CITY RENTALS INC ONTARIO CA	05/04/2016
213829	2200074432	04/28/2016	USD	253.37	COLE FARMER INSTRUMENT CO CHICAGO IL	05/02/2016
213830	2200074469	04/28/2016	USD	1,855.05	COX & B UNITED CORP HARBOR CITY CA	05/04/2016
213831	2200074487	04/28/2016	USD	500.00	DAVE'S PLUMBING CHINO HILLS CA	05/10/2016
213832	2200074509	04/28/2016	USD	3,670.60	DAVIS BARBER PRODUCTIONS INC FULLERTON CA	05/02/2016
213833	2200074511	04/28/2016	USD	4,800.00	DRH2O LLC IRVINE CA	05/05/2016
213834	2200074492	04/28/2016	USD	2,800.00	E NOR INNOVATIONS INC LONG BEACH CA	05/03/2016
213835	2200074515	04/28/2016	USD	63,498.00	ECOTECH SERVICES INC MONROVIA CA	05/03/2016
213836	2200074503	04/28/2016	USD	2,868.99	ELECTRO-CHEMICAL DEVICES INC ANAHEIM CA	05/04/2016
213837	2200074493	04/28/2016	USD	16,560.00	ENBRNOC INC BOSTON MA	05/03/2016
213838	2200074502	04/28/2016	USD	390.08	EUROFINS EATON ANALYTICAL INOGRAPEVINE TX	05/03/2016
213839	2200074508	04/28/2016	USD	99.29	FVOQUA WATER TECHNOLOGIES LLC PITTSBURGH PA	05/03/2016
213840	2200074461	04/28/2016	USD	810.03	FLORENCE KILTER CORP COMPTON CA	05/10/2016
213841	2200074447	04/28/2016	USD	414.01	FLW INC HUNTINGTON BEACH CA	05/04/2016
213842	2200074521	04/28/2016	USD	2,638.11	FOUNDATION HA ENERGY GENERATION SAN FRANCISCO CA	
213843	2200074534	04/28/2016	USD	450.00	FRANCHISE TAX BOARD SACRAMENTO CA	05/10/2016
213844	2200074523	04/28/2016	USD	4,891.78	FRONTIER COMMUNICATIONS CORP CINCINNATI OH	05/05/2016
213845	2200074475	04/28/2016	USD	578.00	GOLDEN STATE LABOR COMPLIANCE PALMDALE CA	
213846	2200074445	04/28/2016	USD	10,021.45	GRAINGER PALATINE IL	05/04/2016
213847	2200074474	04/28/2016	USD	1,491.44	HACH COMPANY CHICAGO IL	05/02/2016
213848	2200074434	04/28/2016	USD	4,755.28	HARRINGTON INDUSTRIAL PLASTICS CHINO CA	05/03/2016
213849	2200074527	04/28/2016	USD	469.46	HOBBS, DIANA APPLE VALLEY CA	05/04/2016
213850	2200074435	04/28/2016	USD	1,738.28	HOME DEPOT CREDIT SERVICES DES MOINES IA	05/05/2016
213851	2200074525	04/28/2016	USD	469.46	HORNE, WILLIAM YUCCA VALLEY CA	05/03/2016
213852	2200074522	04/28/2016	USD	41,383.10	INLAND BIOENERGY LLC FONTANA CA	05/10/2016
213853	2200074530	04/28/2016	USD	41.00	INLAND EMPIRE UNITED WAY RANCHO CUCAMONGA CA	05/03/2016
213854	2200074479	04/28/2016	USD	5,500.00	INNOVATIVE FEDERAL STRATEGIES WASHINGTON DC	05/06/2016
213855	2200074460	04/28/2016	USD	5,235.16	JSB ENGINEERING HUNTINGTON BEACH CA	05/03/2016
213856	2200074466	04/28/2016	USD	3,406.80	LEE & RO INC CITY OF INDUSTRY CA	05/03/2016
213857	2200074536	04/28/2016	USD	329.80	LEGALSHIELD ADA OK	05/05/2016
213858	2200074542	04/28/2016	USD	113.67	LETULLIE, CHANDER CHINO HILLS CA	05/04/2016

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213862	2200074501	04/28/2016	USD	1,251.98	MERCER RUBBER CO HAUPPAUGE NY	05/06/2016	
213863	2200074526	04/28/2016	USD	716.06	MILLER, ELMER L BLUE JAY CA	05/05/2016	
213864	2200074443	04/28/2016	USD	38.88	MISSION REPROGRAPHICS RIVERSIDE CA	05/08/2016	
213865	2200074449	04/28/2016	USD	7,500.00	MOODY'S INVESTORS SERVICE ATLANTA GA	05/04/2016	
213866	2200074493	04/28/2016	USD	2,853.06	NEW RESOURCES GROUP INC FAIRFIELD CT	05/03/2016	
213867	2200074473	04/28/2016	USD	6,800.00	NINYO & MOORE SAN DIEGO CA	05/03/2016	
213868	2200074433	04/28/2016	USD	246.39	OFFICE DEPOT LOS ANGELES CA	05/02/2016	
213869	2200074517	04/28/2016	USD	48.54	ONTARIO MUNICIPAL UTILITIES COONTARIO CA	05/02/2016	
213870	2200074477	04/28/2016	USD	656.06	OSTS INC CHINO CA	05/03/2016	
213871	2200074510	04/28/2016	USD	3,993.00	PENCO ENGINEERING INC IRVINE CA		
213872	2200074533	04/28/2016	USD	70.98	PERS LONG TERM CARE PROGRAM PASADENA CA	05/05/2016	
213873	2200074444	04/28/2016	USD	798.99	PETTY CASH EXPENDITURES CHINO CA	05/03/2016	
213874	2200074544	04/28/2016	USD	59.94	PIVONAROFF, JASON CHINO HILLS CA	05/03/2016	
213875	2200074514	04/28/2016	USD	14,525.00	PRIORITY BUILDING SERVICES LLCBREA CA	05/03/2016	
213876	2200074452	04/28/2016	USD	818.96	RED WING SHOE STORE UPLAND CA	05/06/2016	
213877	2200074480	04/28/2016	USD	118,090.67	RMC WATER AND ENVIRONMENT WALNUT CREEK CA	05/05/2016	
213878	2200074437	04/28/2016	USD	11,199.36	ROYAL WHOLESALE ELECTRIC ORANGE CA	05/04/2016	
213879	2200074529	04/28/2016	USD	355.60	SHERIFF'S COURT SERVICES SAN BERNARDINO CA	05/09/2016	
213880	2200074506	04/28/2016	USD	204.00	SIGNATURE SCUBA RANCHO CUCAMONGA CA	05/04/2016	
213881	2200074481	04/28/2016	USD	283.80	SKALAR INC BUFORD GA		
213882	2200074499	04/28/2016	USD	14,364.58	SNAP GRAPHICS & DESIGN RANCHO CUCAMONGA CA	05/03/2016	
213883	2200074518	04/28/2016	USD	266.43	SO CALIF EDISON ROSEMead CA	05/05/2016	
213884	2200074519	04/28/2016	USD	28,534.98	SO CALIF EDISON ROSEMead CA	05/03/2016	
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213888	2200074482	04/28/2016	USD	2,280.60	STRATEGIC CONSULTING INC CHICAGO IL	05/03/2016	
213889	2200074454	04/28/2016	USD	627.97	TELEDYNE INSTRUMENTS INC DALLAS TX	05/05/2016	
213890	2200074505	04/28/2016	USD	3,423.30	THE BRICKMAN GROUP LTD LLC CHICAGO IL	05/03/2016	
213891	2200074464	04/28/2016	USD	9,341.40	TOM DODSON & ASSOCIATES SAN BERNARDINO CA	05/03/2016	
213892	2200074489	04/28/2016	USD	3,000.00	TOTALFUNDS BY HASLER TAMPA FL	05/05/2016	
213893	2200074545	04/28/2016	USD	189.31	TULLIAU, KENNETH CHINO HILLS CA	05/10/2016	
213894	2200074468	04/28/2016	USD	498.00	U'S HEALTHWORKS MEDICAL GROUP LOS ANGELES CA	05/02/2016	
213895	2200074438	04/28/2016	USD	459.00	UNDERGROUND SERVICE ALERT/SC CORONA CA	05/05/2016	
213896	2200074540	04/28/2016	USD	27.00	VALENCIA, CHRISTINA CHINO HILLS CA	05/11/2016	
213897	2200074513	04/28/2016	USD	5,189.25	VANTAGE TECHNOLOGY CONSULTING EL SEGUNDO CA	05/06/2016	
213898	2200074465	04/28/2016	USD	9,145.60	VERIZON WIRELESS DALLAS TX	05/05/2016	
213899	2200074470	04/28/2016	USD	20,491.29	VIRAMONTES EXPRESS CORONA CA	05/05/2016	
213900	2200074440	04/28/2016	USD	955.53	VWR INTERNATIONAL LLC PITTSBURGH PA	05/04/2016	
213901	2200074472	04/28/2016	USD	73,348.51	W A RASIC CONSTRUCTION CO INC LONG BEACH CA	05/03/2016	
213902	2200074456	04/28/2016	USD	960.93	WASTE MANAGEMENT OF LOS ANGELES CA	05/04/2016	

Inland Empire Util. Agency  
 Chino, CA  
 Company code 1000

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213904	2200074452	04/28/2016	USD	306.00	WESTERN ANALYTICAL LABORATORIECHINO CA	05/03/2016	
213905	2200074531	04/28/2016	USD	2,769.40	WESTERN DENTAL PLAN ORANGE CA	05/11/2016	
213906	2200074491	04/28/2016	USD	3,732.00	WORKFORCE SAFETY MURRIETA CA	05/10/2016	
213907	2200074478	04/28/2016	USD	982.51	WORLDWIDE EXPRESS ALBANY NY	05/03/2016	
213908	2200074476	04/28/2016	USD	1,181.89	XYLEM Dewatering Solutions INC ATLANTA GA	05/02/2016	
213909	2200074488	04/28/2016	USD	347.56	YRC PASADENA CA	05/02/2016	
213910	2200074541	04/28/2016	USD	242.19	ELEGENBEIN, JEFF CHINO HILLS CA	05/03/2016	
* Payment method Check			USD	3,114,859.35			

Bank	CBB	CITIZENS BUSINESS BANK		ONTARIO CA 917610000		
Bank Key	122234149					
Acct number	CHECK	231167641				
Separate Check						
Check number from to	Payment	Pmnt date	Ccy	Amount paid (BC)	Recipient/void reason code	Back /void
213556	2200073884	04/07/2016	USD	6,677.98	COUNTY SANITATION DISTRICTS OF WHITTIER CA	04/12/2016
213681	2200074056	04/14/2016	USD	1,315.00	SAN BERNARDINO COUNTY SAN BERNARDINO CA	04/29/2016
213911	2200074463	04/28/2016	USD	900.00	RED WING SHOE STORE UPLAND CA	05/06/2016
* Payment method Separate Check			USD	8,892.98		

Check number From to	Payment	Pmt date	Crcy	Amount paid (FC)	Recipient/void reason code	Encé./void
**			USD	3,123,752.33		

Bank		CBB	CITIZENS BUSINESS BANK		ONTARIO CA 917610000	
Bank Key		122234149				
Acct number		WCOMP	231159290			
Checks created manually						
Check number from to	Payment	Print date	Crcy	Amount paid (FC)	Recipient/void reason code	Rec'd /void
04479	2200073995	04/06/2016	USD	128.40	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/06/2016
04480	2200073996	04/06/2016	USD	128.40	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/12/2016
04481	2200074004	04/13/2016	USD	89.64	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/13/2016
04482	2200074005	04/13/2016	USD	337.26	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/13/2016
04483	2200074006	04/13/2016	USD	139.57	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/14/2016
04484	2200074007	04/13/2016	USD	161.04	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/14/2016
04485	2200074008	04/13/2016	USD	346.80	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/14/2016
04486	2200074009	04/13/2016	USD	112.17	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/14/2016
04487	2200074010	04/13/2016	USD	230.60	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/18/2016
04488	2200074011	04/13/2016	USD	379.50	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/18/2016
04489	2200074012	04/13/2016	USD	65.14	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/19/2016
04490	2200074013	04/13/2016	USD	355.96	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/18/2016
04491	2200074014	04/13/2016	USD	214.75	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/18/2016
04492	2200074015	04/13/2016	USD	168.46	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/18/2016
04493	2200074016	04/13/2016	USD	18.63	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/18/2016
04494	2200074279	04/20/2016	USD	139.57	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/20/2016
04495	2200074280	04/20/2016	USD	112.17	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/21/2016
04496	2200074281	04/20/2016	USD	4,142.86	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/22/2016
04497	2200074282	04/20/2016	USD	110.16	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/22/2016
04498	2200074283	04/20/2016	USD	139.57	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/22/2016
04499	2200074284	04/20/2016	USD	439.32	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/22/2016
04500	2200074346	04/27/2016	USD	398.90	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	
* Payment method Checks created manually			USD	8,358.87		

Check number from to	Payment	Print date	Ctry	Amount paid (FC)	Recipient/vcid reason code	Enva./void
**			USD	8,358.87		

Check	Payee / Description		Amount
ACH	AQUA BEN CORPORATION RP1-16,100 Lbs Polymer 750A DAFT-4,600 Lbs Polymer 748E	34292 34291	21,401.15 4,992.84
	AQUA BEN CORPORATION	\$	26,393.99
ACH	LASER LINE IS15020-5 HP Color LJ 4025DN's ISS-2 HP Color LJ 4025DN's ISS-Svc HP 5000PS	28637 28636 28649	7,185.60 2,874.24 159.95
	LASER LINE	\$	10,219.79
ACH	SANTA ANA WATERSHED February 2016 Truck Discharge	8796	722.69
	SANTA ANA WATERSHED	\$	722.69
ACH	INLAND EMPIRE REGIONAL 3/16 Biosolids	90017868	294,958.26
	INLAND EMPIRE REGIONAL	\$	294,958.26
ACH	TRICO CORPORATION Oil Analysis Oil Analysis	P36325 P36306	592.00 37.00
	TRICO CORPORATION	\$	629.00
ACH	SHELL ENERGY NORTH AMERICA LP RP2/RPS-2/1-2/29 16400 El Prado Rd 11/1- 2044 2/16 CCWRP/TP/RWPS-2/1-2/29 14950 Tiphm 11/1- 2046 2/16 RP1-2/1-2/29 2450 Phila St 11/1-11/30 Ad 2042 2/16		541.11 19,606.05 62,731.91
	SHELL ENERGY NORTH AMERICA LP	\$	81,796.85
ACH	SOLAR STAR CALIFORNIA V LLC 1/16 Solar Energy	IEUA0087	32,235.17
	SOLAR STAR CALIFORNIA V LLC	\$	32,235.17
ACH	SHELL ENERGY NORTH AMERICA LP 2/16 Gas Comdty-Core, 12/15 Adj 2/16 Gas Commodity-Non Core	1100002880302 2754802	3,407.20 14,940.11
	SHELL ENERGY NORTH AMERICA LP	\$	18,347.31
ACH	CHINO BASIN DESALTER AUTHORITY CDPH-Chino III Expnasion Prjcts Inv#6A-G 249 CDPH-Chino III Expnasion Prjcts Inv#7A-G 250		509,760.53 1,274,633.02
	CHINO BASIN DESALTER AUTHORITY	\$	1,784,393.55
ACH	ICMA RETIREMENT TRUST 457 P/R B 4/15/16 Deferred Comp Ded	HR 0043400	13,878.68
	ICMA RETIREMENT TRUST 457	\$	13,878.68



Check	Payee / Description		Amount
ACH	LINCOLN NATIONAL LIFE INS CO P/R 8 4/15/16 Deferred Comp Ded	HR 0043400	24,514.82
	LINCOLN NATIONAL LIFE INS CO	\$	24,514.82
ACH	ICMA RETIREMENT TRUST 401 P/R 8 4/15/16 Exec Deferred Comp Ded	HR 0043400	9,994.65
	ICMA RETIREMENT TRUST 401	\$	9,994.65
ACH	AQUA BEN CORPORATION RP1-16,100 Lbs Polymer 750A RP2-18,400 Lbs Polymer 748E DAFT-4,600 Lbs Polymer 748E	34314 34359 34313	21,401.15 19,971.36 4,992.84
	AQUA BEN CORPORATION	\$	46,365.35
ACH	LASER LINE DCSlab-Svc HP 5550DN	28665	159.95
	LASER LINE	\$	159.95
ACH	SANTA ANA WATERSHED February 2016 Service	8802	121,768.79
	SANTA ANA WATERSHED	\$	121,768.79
ACH	UNIVAR USA INC RP1-13,193 Lbs Sodium Bisulfite RP1-13,203 Lbs Sodium Bisulfite CCWRP-13,245 Lbs Sodium Bisulfite RP1-13,219 Lbs Sodium Bisulfite	LA216506 LA215992 LA214375 LA214374	2,855.38 2,857.62 2,866.61 2,861.00
	UNIVAR USA INC	\$	11,440.61
ACH	WESTERN MUNICIPAL WATER DISTRI WR15001-2/1/16-2/29/16 25 Sprinkler Nozz IEUA-1014		90.00
	WESTERN MUNICIPAL WATER DISTRI	\$	90.00
ACH	OLIN CORP TP1-4,900 Gals Sodium Hypochlorite TP1-4,904 Gals Sodium Hypochlorite RP4-4,892 Gals Sodium Hypochlorite TP1-4,854 Gals Sodium Hypochlorite CCWRP-3,010 Gals Sodium Hypochlorite TP1-4,950 Gals Sodium Hypochlorite RP4-3,000 Gals Sodium Hypochlorite TP1-4,942 Gals Sodium Hypochlorite TP1-4,952 Gals Sodium Hypochlorite CCWRP-2,996 Gals Sodium Hypochlorite TP1-4,936 Gals Sodium Hypochlorite TP1-5,000 Gals Sodium Hypochlorite TP1-4,994 Gals Sodium Hypochlorite	2136237 2139318 2138776 2138432 2138431 2137931 2137448 2137447 2136876 2136875 2133972 2134516 2135739	2,685.20 2,687.39 2,680.82 2,659.99 1,649.48 2,712.60 1,644.00 2,708.22 2,713.70 1,641.81 2,704.93 2,740.00 2,736.71
	OLIN CORP	\$	31,964.85
ACH	RUBY CANYON ENGINEERING 2/5 Greenhouse Gas Inventory Verificatio RCE 16-033		3,900.00

Check	Payee / Description	Amount
	RUBY CANYON ENGINEERING	\$ 3,900.00
ACH	WEST COAST ADVISORS 3/16 Prof Svcs 10339	9,800.00
	WEST COAST ADVISORS	\$ 9,800.00
ACH	IEUA SUPERVISORS UNION ASSOCIA P/R 8 4/15/16 Empl yee Ded HR 0043400	420.00
	IEUA SUPERVISORS UNION ASSOCIAS	\$ 420.00
ACH	IEUA GENERAL EMPLOYEES ASSOCIA P/R 8 4/15/16 Empl yee Ded HR 0043400	1,106.60
	IEUA GENERAL EMPLOYEES ASSOCIAS	\$ 1,106.60
ACH	PREFERRED BENEFIT INSURANCE 4/16 Agency Dental Plan EIA17066	14,614.30
	PREFERRED BENEFIT INSURANCE	\$ 14,614.30
ACH	IEUA PROFESSIONAL EMPLOYEES AS P/R 8 4/15/16 Empl yee Ded HR 0043400	440.00
	IEUA PROFESSIONAL EMPLOYEES ASS	\$ 440.00
ACH	DISCOVERY BENEFITS INC P/R 8 4/15/16 Cafeteria Plan HR 0043400	2,957.58
	DISCOVERY BENEFITS INC	\$ 2,957.58
ACH	AQUA BEN CORPORATION RP1-16,100 Lbs Polymer 750A 34344 21,401.15 DAFT-2,300 Lbs Polymer 748E 34343 2,496.42	
	AQUA BEN CORPORATION	\$ 23,897.57
ACH	HASCO OIL COMPANY, INC. RP5-Mobil SHC 630,Mobil Grease XHP 222,M 0199948-IN 4,584.18 RP5-Mobil lith SHC 100,Mobil SHC RARUS 32 0200138-IN 2,089.33	
	HASCO OIL COMPANY, INC.	\$ 6,673.51
ACH	LASER LINE HQA-Svc HP LJ 600 M603 28677 109.95	
	LASER LINE	\$ 109.95
ACH	GENESIS CONSTRUCTION EN15045-3/16 Pay Est 6 PE 6-EN15045 741.00	
	GENESIS CONSTRUCTION	\$ 741.00
ACH	AGRICULTURAL RESOURCES 5/16 Wtr Quality Consult 5/16 WTR QLTV 6,000.00	
	AGRICULTURAL RESOURCES	\$ 6,000.00

Check	Payee / Description	Amount
ACH	CHINO BASIN DESALTER AUTHORITY CDPH-Chino III Expnasion Prjcts Inv#8-Gr 253	12,799.97
	CHINO BASIN DESALTER AUTHORITY\$	12,799.97
ACH	INVENSYS SYSTEMS INC DCS-Vac Expansion IO 93312653	1,640.41
	INVENSYS SYSTEMS INC \$	1,640.41
ACH	OLIN CORP	
	TP1-4,980 Gals Sodium Hypochlorite 2144288	2,729.04
	RP4-2,492 Gals Sodium Hypochlorite 2140489	1,365.62
	TP1-4,938 Gals Sodium Hypochlorite 2141012	2,706.02
	TP1-4,884 Gals Sodium Hypochlorite 2144000	2,676.43
	CCWRP-2,994 Gals Sodium Hypochlorite 2141493	1,640.71
	RP5-4,996 Gals Sodium Hypochlorite 2143466	2,737.81
	TP1-4,888 Gals Sodium Hypochlorite 2141494	2,678.62
	TP1-4,940 Gals Sodium Hypochlorite 2141741	2,707.12
	TP1-4,994 Gals Sodium Hypochlorite 2141849	2,736.71
	TP1-4,966 Gals Sodium Hypochlorite 2142250	2,721.37
	TP1-4,936 Gals Sodium Hypochlorite 2142860	2,704.93
	RP4-2,490 Gals Sodium Hypochlorite 2142251	1,364.52
	TP1-4,928 Gals Sodium Hypochlorite 2139914	2,700.54
	CCWRP-4,944 Gals Sodium Hypochlorite 2139915	2,709.31
	RP1-3,010 Gals Sodium Hypochlorite 2146350	1,649.48
	RP5-4,918 Gals Sodium Hypochlorite 2144289	2,695.06
	CCWRP-3,002 Gals Sodium Hypochlorite 2144287	1,645.10
	RP5-4,936 Gals Sodium Hypochlorite 2140488	2,704.93
	OLIN CORP \$	42,873.32
ACH	GK & ASSOCIATES INC	
	46-1141-2/16 Prof Svcs 16-010	19,000.00
	46-1141-2/16 Prof Svcs 16-014	10,560.00
	46-1141-2/16 Prof Svcs 16-013	22,638.00
	46-1141-2/16 Prof Svcs 16-015	14,400.00
	46-1141-2/16 Prof Svcs 16-012	13,320.00
	46-1141-2/16 Prof Svcs 16-011	20,000.00
	GK & ASSOCIATES INC \$	99,918.00
ACH	TRICO CORPORATION	
	Oil Analysis P36579	777.00
	Oil Analysis P36569	442.00
	TRICO CORPORATION \$	1,219.00
ACH	SOLAR STAR CALIFORNIA V LLC	
	2/16 Solar Energy TEUA0088	55,474.87
	SOLAR STAR CALIFORNIA V LLC \$	55,474.87
ACH	UNIVAR USA INC	
	RP1-12,835 Lbs Sodium Bisulfite LA218709	2,777.88
	UNIVAR USA INC \$	2,777.88

Check	Payee / Description	Amount
ACH	ESTRADA, JIMMIE J Reim Monthly Health Prem	HEALTH PREM 469.46
	ESTRADA, JIMMIE J	\$ 469.46
ACH	LICHTI, ALICE Reim Monthly Health Prem	HEALTH PREM 172.23
	LICHTI, ALICE	\$ 172.23
ACH	MORASSE, EDNA Reim Monthly Health Prem	HEALTH PREM 172.23
	MORASSE, EDNA	\$ 172.23
ACH	NOWAK, THEO T Reim Monthly Health Prem	HEALTH PREM 469.46
	NOWAK, THEO T	\$ 469.46
ACH	SONNENBURG, ILSE Reim Monthly Health Prem	HEALTH PREM 172.23
	SONNENBURG, ILSE	\$ 172.23
ACH	DYKSTRA, BETTY Reim Monthly Health Prem	HEALTH PREM 172.23
	DYKSTRA, BETTY	\$ 172.23
ACH	TORRES, ROBERT G Reim Monthly Health Prem	HEALTH PREM 469.46
	TORRES, ROBERT G	\$ 469.46
ACH	MUELLER, CAROLYN Reim Monthly Health Prem	HEALTH PREM 172.23
	MUELLER, CAROLYN	\$ 172.23
ACH	GRIFFIN, GEORGE Reim Monthly Health Prem	HEALTH PREM 172.23
	GRIFFIN, GEORGE	\$ 172.23
ACH	CANADA, ANGELA Reim Monthly Health Prem	HEALTH PREM 172.23
	CANADA, ANGELA	\$ 172.23
ACH	CUPERSMITH, LEIZAR Reim Monthly Health Prem	HEALTH PREM 172.23
	CUPERSMITH, LEIZAR	\$ 172.23
ACH	DELGADO-ORAMAS JR, JOSE Reim Monthly Health Prem	HEALTH PREM 297.23
	DELGADO-ORAMAS JR, JOSE	\$ 297.23

Check	Payee / Description	Amount
ACH	GRANGER, BRANDON Reim Monthly Health Prem	HEALTH PREM 148.62
	GRANGER, BRANDON	\$ 148.62
ACH	GADDY, CHARLES L Reim Monthly Health Prem	HEALTH PREM 148.62
	GADDY, CHARLES L	\$ 148.62
ACH	BAKER, CHRIS Reim Monthly Health Prem	HEALTH PREM 23.62
	BAKER, CHRIS	\$ 23.62
ACH	WEBB, DANNY C Reim Monthly Health Prem	HEALTH PREM 125.00
	WEBB, DANNY C	\$ 125.00
ACH	HUMPHREYS, DEBORAH E Reim Monthly Health Prem	HEALTH PREM 148.62
	HUMPHREYS, DEBORAH E	\$ 148.62
ACH	MOUAT, FREDERICK W Reim Monthly Health Prem	HEALTH PREM 148.62
	MOUAT, FREDERICK W	\$ 148.62
ACH	MORGAN, GARTH W Reim Monthly Health Prem	HEALTH PREM 125.00
	MORGAN, GARTH W	\$ 125.00
ACH	ALLINGHAM, JACK Reim Monthly Health Prem	HEALTH PREM 23.62
	ALLINGHAM, JACK	\$ 23.62
ACH	MAZUR, JOHN Reim Monthly Health Prem	HEALTH PREM 451.14
	MAZUR, JOHN	\$ 451.14
ACH	RUDDER, LARRY Reim Monthly Health Prem	HEALTH PREM 23.62
	RUDDER, LARRY	\$ 23.62
ACH	INTERLICCHIA, RANDY Reim Monthly Health Prem	HEALTH PREM 125.00
	INTERLICCHIA, RANDY	\$ 125.00
ACH	HAMILTON, MARIA Reim Monthly Health Prem	HEALTH PREM 125.00

Check	Payee / Description	Amount
	HAMILTON, MARIA	\$ 125.00
ACH	PICENO, TONY Reim Monthly Health Prem	HEALTH PREM 172.23
	PICENO, TONY	\$ 172.23
ACH	RAMOS, CAROL Reim Monthly Health Prem	HEALTH PREM 23.62
	RAMOS, CAROL	\$ 23.62
ACH	FISHER, JAY Reim Monthly Health Prem	HEALTH PREM 125.00
	FISHER, JAY	\$ 125.00
ACH	KING, PATRICK Reim Monthly Health Prem	HEALTH PREM 23.62
	KING, PATRICK	\$ 23.62
ACH	HOWARD, ROBERT JAMES Reim Monthly Health Prem	HEALTH PREM 23.62
	HOWARD, ROBERT JAMES	\$ 23.62
ACH	DIETZ, JUDY Reim Monthly Health Prem	HEALTH PREM 125.00
	DIETZ, JUDY	\$ 125.00
ACH	DAVIS, GEORGE Reim Monthly Health Prem	HEALTH PREM 148.62
	DAVIS, GEORGE	\$ 148.62
ACH	MONZAVI, TAGHI Reim Monthly Health Prem	HEALTH PREM 23.62
	MONZAVI, TAGHI	\$ 23.62
ACH	PETERSEN, KENNETH Reim Monthly Health Prem	HEALTH PREM 172.23
	PETERSEN, KENNETH	\$ 172.23
ACH	TRAUTERMAN, HELEN Reim Monthly Health Prem	HEALTH PREM 172.23
	TRAUTERMAN, HELEN	\$ 172.23
ACH	TIEGS, KATHLEEN Reim Monthly Health Prem	HEALTH PREM 1,087.66
	TIEGS, KATHLEEN	\$ 1,087.66
ACH	DIGGS, GEORGE Reim Monthly Health Prem	HEALTH PREM 777.28



Check	Payee / Description	Amount
	DIGGS, GEORGE	\$ 777.28
ACH	HAYES, KENNETH Reim Monthly Health Prem HEALTH PREM	469.46
	HAYES, KENNETH	\$ 469.46
ACH	HUNTON, STEVE Reim Monthly Health Prem HEALTH PREM	148.62
	HUNTON, STEVE	\$ 148.62
ACH	RODRIGUEZ, LOUIS Reim Monthly Health Prem HEALTH PREM	148.62
	RODRIGUEZ, LOUIS	\$ 148.62
ACH	VARBEL, VAN Reim Monthly Health Prem HEALTH PREM	543.83
	VARBEL, VAN	\$ 543.83
ACH	CLIFTON, NEIL Reim Monthly Health Prem HEALTH PREM	418.83
	CLIFTON, NEIL	\$ 418.83
ACH	DELGADO, FRANCOIS Reim Monthly Health Prem HEALTH PREM	125.00
	DELGADO, FRANCOIS	\$ 125.00
ACH	WELLMAN, JOHN THOMAS Reim Monthly Health Prem HEALTH PREM	543.83
	WELLMAN, JOHN THOMAS	\$ 543.83
ACH	SPEARS, SUSAN Reim Monthly Health Prem HEALTH PREM	23.62
	SPEARS, SUSAN	\$ 23.62
ACH	TROXEL, WYATT Reim Monthly Health Prem HEALTH PREM	172.23
	TROXEL, WYATT	\$ 172.23
ACH	CORLEY, WILLIAM Reim Monthly Health Prem HEALTH PREM	451.14
	CORLEY, WILLIAM	\$ 451.14
ACH	CALLAHAN, CHARLES Reim Monthly Health Prem HEALTH PREM	340.15
	CALLAHAN, CHARLES	\$ 340.15
ACH	LESNIAKOWSKI, NORBERT	

Check	Payee / Description	Amount
	Reim Monthly Health Prem	HEALTH PREM 172.23
	LESNIAKOWSKI, NORBERT	\$ 172.23
ACH	VER STEEG, ALLEN J Reim Monthly Health Prem	HEALTH PREM 465.15
	VER STEEG, ALLEN J	\$ 465.15
ACH	HACKNEY, GARY Reim Monthly Health Prem	HEALTH PREM 420.53
	HACKNEY, GARY	\$ 420.53
ACH	CAREL, LARRY Reim Monthly Health Prem	HEALTH PREM 23.62
	CAREL, LARRY	\$ 23.62
ACH	TOL, HAROLD Reim Monthly Health Prem	HEALTH PREM 326.14
	TOL, HAROLD	\$ 326.14
ACH	BANKSTON, GARY Reim Monthly Health Prem	HEALTH PREM 480.05
	BANKSTON, GARY	\$ 480.05
ACH	ATWATER, RICHARD Reim Monthly Health Prem	HEALTH PREM 125.00
	ATWATER, RICHARD	\$ 125.00
ACH	FIESTA, PATRICIA Reim Monthly Health Prem	HEALTH PREM 451.14
	FIESTA, PATRICIA	\$ 451.14
ACH	DIGGS, JANET Reim Monthly Health Prem	HEALTH PREM 902.28
	DIGGS, JANET	\$ 902.28
ACH	CARAZA, TERESA Reim Monthly Health Prem	HEALTH PREM 146.92
	CARAZA, TERESA	\$ 146.92
ACH	ANDERSON, JOHN Reim Monthly Health Prem	HEALTH PREM 469.46
	ANDERSON, JOHN	\$ 469.46
ACH	SANTA CRUZ, JACQUELYN Reim Monthly Health Prem	HEALTH PREM 706.98
	SANTA CRUZ, JACQUELYN	\$ 706.98



Check	Payee / Description	Amount
ACH	HECK, ROSELYN Reim Monthly Health Prem	HEALTH PREM 23.62
	HECK, ROSELYN	\$ 23.62
ACH	SOPICKI, LEO Reim Monthly Health Prem	HEALTH PREM 297.23
	SOPICKI, LEO	\$ 297.23
ACH	HERNANDEZ, BENJAMIN Reim Monthly Health Prem	HEALTH PREM 480.05
	HERNANDEZ, BENJAMIN	\$ 480.05
ACH	GOSE, ROSEMARY Reim Monthly Health Prem	HEALTH PREM 125.00
	GOSE, ROSEMARY	\$ 125.00
ACH	KEHL, BARRETT Reim Monthly Health Prem	HEALTH PREM 125.00
	KEHL, BARRETT	\$ 125.00
ACH	RITCHIE, JANN Reim Monthly Health Prem	HEALTH PREM 125.00
	RITCHIE, JANN	\$ 125.00
ACH	LONG, ROCKWELL DEE Reim Monthly Health Prem	HEALTH PREM 418.83
	LONG, ROCKWELL DEE	\$ 418.83
ACH	FATTAHI, MIR Reim Monthly Health Prem	HEALTH PREM 125.00
	FATTAHI, MIR	\$ 125.00
ACH	VERGARA, FLORENTINO Reim Monthly Health Prem	HEALTH PREM 297.23
	VERGARA, FLORENTINO	\$ 297.23
ACH	WARMAN, RALPH Reim Monthly Health Prem	HEALTH PREM 172.23
	WARMAN, RALPH	\$ 172.23
ACH	ROGERS, SHIRLEY Reim Monthly Health Prem	HEALTH PREM 172.23
	ROGERS, SHIRLEY	\$ 172.23
ACH	WALL, DAVID Reim Monthly Health Prem	HEALTH PREM 271.92
	WALL, DAVID	\$ 271.92

Check	Payee / Description	Amount
ACH	CHUNG, MICHAEL Reim Monthly Health Prem	HEALTH PREM 148.62
	CHUNG, MICHAEL	\$ 148.62
ACH	ADAMS, PAMELA Reim Monthly Health Prem	HEALTH PREM 172.23
	ADAMS, PAMELA	\$ 172.23
ACH	BLASINGAME, MARY Reim Monthly Health Prem	HEALTH PREM 962.66
	BLASINGAME, MARY	\$ 962.66
ACH	ANDERSON, KENNETH Reim Monthly Health Prem	HEALTH PREM 23.62
	ANDERSON, KENNETH	\$ 23.62
ACH	MOE, JAMES Reim Monthly Health Prem	HEALTH PREM 23.62
	MOE, JAMES	\$ 23.62
ACH	POLACEK, KEVIN Reim Monthly Health Prem	HEALTH PREM 706.98
	POLACEK, KEVIN	\$ 706.98
ACH	ELROD, SONDRRA Reim Monthly Health Prem	HEALTH PREM 271.92
	ELROD, SONDRRA	\$ 271.92
ACH	FRAZIER, JACK Reim Monthly Health Prem	HEALTH PREM 177.53
	FRAZIER, JACK	\$ 177.53
ACH	HOAK, JAMES Reim Monthly Health Prem	HEALTH PREM 125.00
	HOAK, JAMES	\$ 125.00
ACH	DEZHAM, PARTVASH Reim Monthly Health Prem	HEALTH PREM 146.92
	DEZHAM, PARTVASH	\$ 146.92
ACH	FOLEY III, DANIEL J. Reim Monthly Health Prem	HEALTH PREM 146.92
	FOLEY III, DANIEL J.	\$ 146.92
ACH	CLEVELAND, JAMES Reim Monthly Health Prem	HEALTH PREM 125.00

Check	Payee / Description	Amount
	CLEVELAND, JAMES	\$ 125.00
ACH	LANGNER, CAMERON Reim Monthly Health Prem	HEALTH PREM 845.41
	LANGNER, CAMERON	\$ 845.41
ACH	HAMILTON, LEANNE Reim Monthly Health Prem	HEALTH PREM 146.92
	HAMILTON, LEANNE	\$ 146.92
ACH	HOOSHMAND, RAY Reim Monthly Health Prem	HEALTH PREM 125.00
	HOOSHMAND, RAY	\$ 125.00
ACH	SCHLAPKOHL, JACK Reim Monthly Health Prem	HEALTH PREM 125.00
	SCHLAPKOHL, JACK	\$ 125.00
ACH	POOLE, PHILLIP Reim Monthly Health Prem	HEALTH PREM 177.53
	POOLE, PHILLIP	\$ 177.53
ACH	ADAMS, BARBARA Reim Monthly Health Prem	HEALTH PREM 148.62
	ADAMS, BARBARA	\$ 148.62
ACH	RUESCH, GENECE Reim Monthly Health Prem	HEALTH PREM 458.68
	RUESCH, GENECE	\$ 458.68
ACH	VANDERPOOL, LARRY Reim Monthly Health Prem	HEALTH PREM 416.27
	VANDERPOOL, LARRY	\$ 416.27
ACH	DECOITE, JOANN Reim Monthly Health Prem	HEALTH PREM 125.00
	DECOITE, JOANN	\$ 125.00
ACH	AMBROSE, JEFFREY Reim Monthly Health Prem	HEALTH PREM 543.83
	AMBROSE, JEFFREY	\$ 543.83
ACH	MERRILL, DIANE Reim Monthly Health Prem	HEALTH PREM 271.92
	MERRILL, DIANE	\$ 271.92
ACH	HOUSER, ROD Reim Monthly Health Prem	HEALTH PREM 613.76

Check	Payee / Description	Amount
	HOUSER, ROD	\$ 613.76
ACH	RUSSO, VICKI Reim Monthly Health Prem	HEALTH PREM 146.92
	RUSSO, VICKI	\$ 146.92
ACH	HUSS, KERRY Reim Monthly Health Prem	HEALTH PREM 418.83
	HUSS, KERRY	\$ 418.83
ACH	BINGHAM, GREGG Reim Monthly Health Prem	HEALTH PREM 581.98
	BINGHAM, GREGG	\$ 581.98
ACH	CHARLES, DAVID Reim Monthly Health Prem	HEALTH PREM 125.00
	CHARLES, DAVID	\$ 125.00
ACH	YEBOAH, ERNEST Reim Monthly Health Prem	HEALTH PREM 125.00
	YEBOAH, ERNEST	\$ 125.00
ACH	ICMA RETIREMENT TRUST 457 P/R 9 4/29 Deferred Comp Ded	HR 0043500 13,838.63
	ICMA RETIREMENT TRUST 457	\$ 13,838.63
ACH	LINCOLN NATIONAL LIFE INS CO P/R 9 4/29 Deferred Comp Ded	HR 0043500 24,408.36
	LINCOLN NATIONAL LIFE INS CO	\$ 24,408.36
ACH	ICMA RETIREMENT TRUST 401 P/R 9 4/29 Exec Deferred Comp	HR 0043500 9,509.86
	ICMA RETIREMENT TRUST 401	\$ 9,509.86
ACH	AQUA BEN CORPORATION RP1-16,100 Lbs Polymer 750A	34380 21,401.15
	DAFT-9,200 Lbs Polymer 748E	34379 9,985.68
	AQUA BEN CORPORATION	\$ 31,386.83
ACH	NAPA GENUINE PARTS COMPANY Fuse Holders	753251 11.10
	Coolant Reservoir—See CM 756561	756413 58.81
	Return Coolant Reservoir—See Inv 756413	756561 58.81
	1 Napa Battery, Core Deposit	187155 147.96
	Windshield Washer Reservoir	756567 51.32
	Latitude Blade, Wheel Cover, Light Bulbs	756407 74.47
	Universal Lift Support	187160 146.84
	Napa Battery, Core Deposit	187152 147.96
	2 Napa Batteries, Core Deposits	187154 560.76

Check	Payee / Description	Amount
	NAPA GENUINE PARTS COMPANY \$	1,140.41
ACH	UNIVAR USA INC RP1-12,650 Lbs Sodium Bisulfite LA222717 CCWRP-12,771 Lbs Sodium Bisulfite LA221513 RP5-12,716 Lbs Sodium Bisulfite LA221080	2,737.83 2,764.14 2,752.07
	UNIVAR USA INC \$	8,254.04
ACH	STANDARD & POOR'S 08B Bnds-4/16-3/17 Analytical Svcs Stand 11306164	5,000.00
	STANDARD & POOR'S \$	5,000.00
ACH	PEST OPTIONS INC February 2016 GWR Weed Abatement Service 255707	5,916.00
	PEST OPTIONS INC \$	5,916.00
ACH	OLIN CORP CCWRP-2,992 Gals Sodium Hypochlorite 2142859 TP1-4,960 Gals Sodium Hypochlorite 2145034	1,639.62 2,718.08
	OLIN CORP \$	4,357.70
ACH	DANRAE, INC EN13016-3/2016 Professional Services 141291	962.50
	DANRAE, INC \$	962.50
ACH	YORK RISK SERVICES GROUP INC 4/16-6/16 W/C Adm Fee - 2016 500013955	4,488.75
	YORK RISK SERVICES GROUP INC \$	4,488.75
ACH	TRICO CORPORATION Oil Analysis P36781	37.00
	TRICO CORPORATION \$	37.00
ACH	DISCOVERY BENEFITS INC P/R 5 & 6 Admin Fees 0000636837-IN	161.50
	DISCOVERY BENEFITS INC \$	161.50
ACH	ORRICK HERRINGTON & SUTCLIFFE 08B Bank Counsel LOC Remarketing Fees 1571033	7,500.00
	ORRICK HERRINGTON & SUTCLIFFE \$	7,500.00

Grand Total Payment Amount: \$ 2,940,909.37

Check	Payee / Description	Amount
Wire	EMPLOYMENT DEVELOPMENT DEPARTM P/R 107 3/31/16 Taxes Vacation Buy Back HR 0043100	2,594.01
	P/R 107 3/31/16 Taxes Vacation Buy Back HR 0043100	15,133.80
	EMPLOYMENT DEVELOPMENT DEPARTM\$	17,727.81
Wire	INTERNAL REVENUE SERVICE P/R 107 3/31/16 Taxes Vacation Buy Back HR 0043100	82,574.51
	INTERNAL REVENUE SERVICE \$	82,574.51
Wire	EMPLOYMENT DEVELOPMENT DEPARTM P/R 7 4/1/16 Taxes HR 0043200	9,306.10
	P/R 7 4/1/16 Taxes HR 0043200	45,815.17
	EMPLOYMENT DEVELOPMENT DEPARTM\$	55,121.27
Wire	INTERNAL REVENUE SERVICE P/R 7 4/1/16 Taxes HR 0043200	280,589.31
	INTERNAL REVENUE SERVICE \$	280,589.31
Wire	BANK OF AMERICA NT&SA P/R 7 4/1/16 EFT Direct Deposit 040116	656,690.34
	BANK OF AMERICA NT&SA \$	656,690.34
Wire	EMPLOYMENT DEVELOPMENT DEPARTM P/R DIR 004 4/8/16 Taxes HR 0043300	336.19
	EMPLOYMENT DEVELOPMENT DEPARTM\$	336.19
Wire	INTERNAL REVENUE SERVICE P/R DIR 004 4/8/16 Taxes HR 0043300	1,842.41
	INTERNAL REVENUE SERVICE \$	1,842.41
Wire	BANK OF AMERICA NT&SA P/R 4 DIR 4/8/16 EFT Direct Deposit 040816 DIR	1,496.79
	BANK OF AMERICA NT&SA \$	1,496.79
Wire	EMPLOYMENT DEVELOPMENT DEPARTM P/R 8 4/15/16 Taxes HR 0043400	44,141.76
	P/R 8 4/15/16 Taxes HR 0043400	9,221.23
	EMPLOYMENT DEVELOPMENT DEPARTM\$	53,362.99
Wire	INTERNAL REVENUE SERVICE P/R 8 4/15/16 Taxes HR 0043400	276,735.61
	INTERNAL REVENUE SERVICE \$	276,735.61
Wire	BANK OF AMERICA NT&SA P/R 8 4/15/16 EFT Direct Deposit 041516	652,289.32
	BANK OF AMERICA NT&SA \$	652,289.32



Check	Payee / Description	Amount
Wire	BANK OF AMERICA NT&SA P/R 9 4/29/16 EFT Direct Deposit 042916	646,244.87
	BANK OF AMERICA NT&SA \$	646,244.87
Wire	PUBLIC EMPLOYEE'S RETIREMENT S P/R 7 4/1/16 Deferred Comp Ded HR 0043200	15,143.17
	PUBLIC EMPLOYEE'S RETIREMENT S\$	15,143.17
Wire	PUBLIC EMPLOYEES RETIREMENT SY P/R 7 4/1 Emp (er)/Empr Special Cont P/R 7 CREDIT 92.57 P/R 7 4/1/16 PERS HR 0043200 247,191.76	247,099.19
	PUBLIC EMPLOYEES RETIREMENT SY\$	247,099.19
Wire	PUBLIC EMPLOYEES' RETIREMENT S 4/16 Health Ins-Retirees,Board,Employees 1983 4/16	239,521.21
	PUBLIC EMPLOYEES' RETIREMENT S\$	239,521.21
Wire	PUBLIC EMPLOYEE'S RETIREMENT S P/R 8 4/15/16 Deferred Comp Ded HR 0043400	15,013.06
	PUBLIC EMPLOYEE'S RETIREMENT S\$	15,013.06
Wire	STATE DISBURSEMENT UNIT P/R 7, P/R 107 Adjustment 041516B 294.33- P/R 7 4/1/16 HR 0043200 558.78 P/R 107 3/31/16 Vacation Buy Back HR 0043100 988.95	1,253.40
	STATE DISBURSEMENT UNIT \$	1,253.40
Wire	STATE DISBURSEMENT UNIT P/R 8 4/15/16 HR 0043400	1,135.25
	STATE DISBURSEMENT UNIT \$	1,135.25
Wire	SUMITOMO MITSUI BANKING CORP 08B 1/15/16-3/31/16 LOC Fees NY-091282 030	38,903.04
	SUMITOMO MITSUI BANKING CORP \$	38,903.04
Wire	STATE BOARD OF EQUALIZATION 3/16 Sales Tax Deposit 23784561 3/16	8,720.00
	STATE BOARD OF EQUALIZATION \$	8,720.00
Wire	METROPOLITAN WATER DISTRICT February 2016 Water Purchase 8614	662,114.52
	METROPOLITAN WATER DISTRICT \$	662,114.52
Wire	PUBLIC EMPLOYEES RETIREMENT SY P/R 8 4/15 Adj Request by PERS PP 2016-8-ADJ 11.03- P/R 8 4/15/16 PERS HR 0043400 246,654.29	246,643.26
	PUBLIC EMPLOYEES RETIREMENT SY\$	246,643.26

Report: ZFIR TREASURER Inland Empire Utilities Agency  
For 04/01/2016 ~ 04/30/2016 Treasurer Report

Page 3  
Date 05/12/2016

Check	Payee / Description	Amount
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Grand Total Payment Amount: \$ 4,200,557.52



# INLAND EMPIRE UTILITIES AGENCY

**PAYROLL FOR APRIL 1, 2016**

**PRESENTED AT BOARD MEETING ON JUNE 15, 2016**

GROSS PAYROLL COSTS			\$1,161,754.05
DEDUCTIONS			(\$505,063.71)
NET PAYROLL			<u>\$656,690.34</u>
<b>NET PAYROLL BREAKDOWN</b>	<b>CHECKS</b>	<b>EFT</b>	<b>TOTAL</b>
CHECKS USED	-		
TRANSACTION PROCESSED	0	340	340
AMOUNT	\$0.00	\$656,690.34	<u>\$656,690.34</u>

# INLAND EMPIRE UTILITIES AGENCY

**PAYROLL FOR APRIL 15, 2016**

**PRESENTED AT BOARD MEETING ON JUNE 15, 2016**

GROSS PAYROLL COSTS			\$1,153,836.79
DEDUCTIONS			(\$501,547.47)
NET PAYROLL			<u>\$652,289.32</u>
<b>NET PAYROLL BREAKDOWN</b>	<b>CHECKS</b>	<b>EFT</b>	<b>TOTAL</b>
CHECKS USED	-		
TRANSACTION PROCESSED	0	345	345
AMOUNT	\$0.00	\$652,289.32	<u>\$652,289.32</u>

# INLAND EMPIRE UTILITIES AGENCY

**PAYROLL FOR APRIL 29, 2016**

**PRESENTED AT BOARD MEETING ON JUNE 15, 2016**

GROSS PAYROLL COSTS			\$1,015,439.83
DEDUCTIONS			(\$369,194.96)
NET PAYROLL			<u>\$646,244.87</u>
<b>NET PAYROLL BREAKDOWN</b>	<b>CHECKS</b>	<b>EFT</b>	<b>TOTAL</b>
CHECKS USED	-		
TRANSACTION PROCESSED	0	346	346
AMOUNT	\$0.00	\$646,244.87	<u>\$646,244.87</u>

# INLAND EMPIRE UTILITIES AGENCY

## RATIFICATION OF BOARD OF DIRECTORS

PAYROLL FOR APRIL 8, 2016  
PRESENTED AT BOARD MEETING ON JUNE 15, 2016

DIRECTOR NAME	GROSS PAYROLL	NET PAYROLL
MICHAEL CAMACHO	\$3,178.39	\$748.51
TERRY L. CATLIN	\$2,865.25	\$793.56
STEVEN J. ELIE	\$2,740.25	\$265.42
JASMIN HALL	\$2,449.22	\$1,496.79
GENE T. KOOPMAN	\$1,302.99	\$0.00
<b>TOTALS</b>	<b>\$12,536.10</b>	<b>\$3,304.28</b>

TOTAL EFTS PROCESSED	1
BEGINNING CHECK NO.	105735
ENDING CHECK NO.	105737
TOTAL CHECKS PROCESSED	3

**IEUA DIRECTOR PAYSHEET**

**MICHAEL CAMACHO**

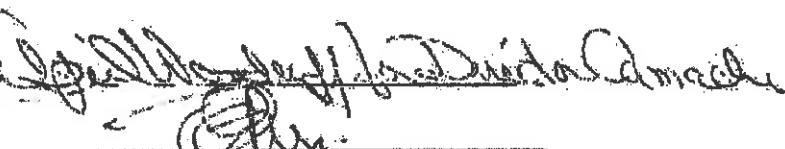
**EMPLOYEE NO. 1140**

**ACCOUNT NO. 10200 110100 100000 501010**

**MARCH 2016**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
03-02-16	IEUA Board Workshop	Cancelled	\$-0-
03-03-16	Southern Coalition/Inland Caucus meeting	Yes	\$225.00
03-04-16	Meeting w/O. Gonzalez/CVWD to discuss Agency business	Yes	\$225.00
03-09-16	Public, Legislative Affairs, & Water Resources Committee Meeting	Yes	\$225.00
03-09-16	Engineering & Operations Committee	Yes (same day)	\$-0-
03-16-16	IEUA Board Meeting	No	\$-0-
03-23-16	Telecon meeting w/O. Gonzalez/CVWD to discuss ACWA appointment & Agency business	Yes	\$225.00
<b>TOTAL REIMBURSEMENT</b> (Up to 10 days of service per month per Ordinance No. 83, including MWD meetings)			<b>\$900.00</b>
Total No. of Meetings Attended			4
Total No. of Meetings Paid			4

**DIRECTOR SIGNATURE**



Approved by:

Terry Cathin, President, Board of Directors

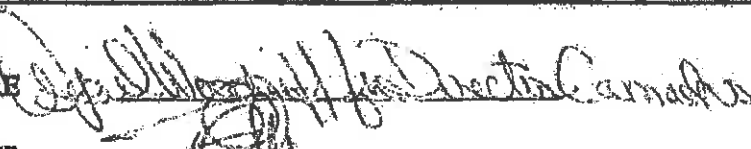
**DIRECTOR PAYSHEET FOR IEUA REPRESENTATIVE  
ON MWD BOARD**

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

**MARCH 2016**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
03-01-16	OP & T Committee Telecon update	Yes	\$225.00
03-08-16	MWD Standing Committee and Board Meetings	Yes	\$225.00
03-22-16	MWD other Committee Meetings	Yes	\$225.00
<b>TOTAL REIMBURSEMENT</b> (Up to 10 days of service per month per Ordinance No. 83)			<b>\$675.00</b>
Total No. of Meetings Attended			3
Total No. of Meetings Paid			3

**DIRECTOR  
SIGNATURE**



**Approved by:**

\_\_\_\_\_  
**Terry Caffin**  
**President, Board of Directors**

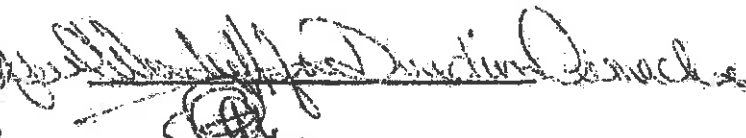
**DIRECTOR PAYSHEET FOR IEUA REPRESENTATIVE  
ON REGIONAL POLICY COMMITTEE (ALTERNATE)**

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

**MARCH 2016**

<b>DATE</b>	<b>TYPE OF MEETING</b>	<b>ATTENDANCE</b>	<b>TOTAL COMPENSATION</b>
03-03-16	Regional Policy Committee Mtg.	No	\$-0-
<b>TOTAL REIMBURSEMENT</b>			\$-0-
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			
Total No. of Meetings Attended			0
Total No. of Meetings Paid			0

**DIRECTOR  
SIGNATURE**



**Approved by:**

\_\_\_\_\_  
Terry Catlin  
President, Board of Directors

**IEUA DIRECTOR PAYSHEET**

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

**MARCH 2016**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
03-02-16	IEUA Board Workshop	Cancelled	\$-0-
03-09-16	Audit Committee	Yes	\$225.00
03-09-16	Engineering & Operations Committee	Yes (same day)	\$-0-
03-09-16	Finance, Legal & Administration Committee (Alternate)	Yes (same day)	\$-0-
03-09-16	Montclair RDA Oversight	Yes (same day)	\$-0-
03-16-16	Board Meeting	Yes	\$225.00
03-29-16	City of Upland Meeting w/ Director Catlin, GM Grindstaff, Upland City Manager Rod Butler, Public Works Director Rosemary Hoerning	Yes (Decline Pymt.)	\$-0-
<b>TOTAL REIMBURSEMENT</b> (Up to 10 days of service per month per Ordinance No. 83)			\$450.00
Total No. of Meetings Attended			6
Total No. of Meetings Paid			2

**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**

**MARCH 2016**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
03-01-16	SAWPA Commission Workshop	Yes	\$225.00
03-15-16	SAWPA Commission Meeting	Yes	\$225.00
<b>TOTAL REIMBURSEMENT</b>			<b>\$450.00</b>
Up to 10 days of service per month per Ordinance No. 83, Section 1 (d) including Agency meetings* (SAWPA \$197.82 (eff. 2/16/16))			
Total No. of SAWPA Meetings Attended			2
Total No. of SAWPA Meetings Paid			2

DIRECTOR SIGNATURE 

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

\*SAWPA will pay \$197.82 (eff. 2/16/16) per meeting directly to the Agency.

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

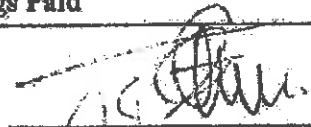
TERRY CATLIN  
EMPLOYEE NO. 615  
ACCOUNT NO. 10200 110100 100000 501010

**MARCH 2016**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
03-03-16	Regional Policy Committee Mtg.	Yes	\$125.00

<b>TOTAL REIMBURSEMENT</b> 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	\$125.00
Total No. of Meetings Attended	1
Total No. of Meetings Paid	1

**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 100006 501010

**MARCH 2016**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
03-17-16	CBWM Advisory Cmte. Meeting	No	\$-0-
03-24-15	CBWM Board Meeting	Yes (decline pymt)	\$-0-
<b>TOTAL REIMBURSEMENT</b>			\$-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

\*Decline IEUA payment portion.

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

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

**MARCH 2016**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
03-03-16	CDA Board Meeting	Cancelled	\$-0-
<b>TOTAL REIMBURSEMENT</b>			\$-0-
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			0
Total No. of CDA Meetings Paid			\$-0-

DIRECTOR  
SIGNATURE \_\_\_\_\_

Approved by: \_\_\_\_\_

  
Steven J. Elie  
Secretary/Treasurer, Board of Directors

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

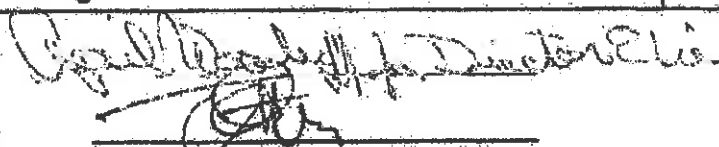
**IEUA DIRECTOR PAYSHEET**

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

**MARCH 2016**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
03-02-16	IEUA Board Workshop	Cancelled	\$-0-
03-08-16	Water Agencies of the Inland Empire Legislative Reception	Yes	\$225.00
03-09-16	Public, Legislative Affairs and Water Resources Committee	Yes	\$225.00
03-09-16	Finance, Legal & Administration Committee	Yes (same day)	\$-0-
03-16-16	IEUA Board Meeting	Yes	\$225.00
03-21-16	IEUA hosted Association of SB Special Districts Meeting	Yes	\$225.00
03-24-16	Telecon Meeting w/G Newmark, Special Counsel	Yes (decline pymt.)	\$-0-
<b>TOTAL REIMBURSEMENT</b> (Up to 10 days of service per month per Ordinance No. 83)			\$900.00
Total No. of Meetings Attended			6
Total No. of Meetings Paid			4

**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**

**MARCH 2016**

<b>DATE</b>	<b>TYPE OF MEETING</b>	<b>ATTENDANCE</b>	<b>TOTAL COMPENSATION</b>
03-02-16	IEUA Board Workshop	Cancelled	\$-0-
03-05-16	10 <sup>th</sup> Annual the State of the Women Address – City of Rialto	Yes	\$225.00
03-08-16	Rialto City Council Meeting	Yes	\$225.00
03-09-16	Engineering, Operations & Biosolids Management Committee	Yes (Alternate)	\$225.00
03-16-16	IEUA Board Meeting	Yes	\$225.00
03-21-16	Business Activity Update with City of Fontana/Councilmember Sandoval and Chuck Hays	Yes	\$225.00
03-21-16	IEUA hosted Association of Special Districts Dinner Meeting	Yes (same day)	\$-0-
03-22-16	Live Streaming - Water Day (Dr. Kelly A. Krye, Sr. Policy Analyst Energy, Water & Ocean Sciences)	Yes (same day)	\$-0-
03-22-16	Rialto City Council Meeting	Yes (same day)	\$-0-
03-22-16	Fontana City Council Meeting	Yes	\$225.00
03-23-16	Ontario State of the City Address	Yes	\$225.00
03-30-16	CASA Utility Leadership Committee Meeting (call-in)	Yes	\$225.00
<b>TOTAL REIMBURSEMENT</b> (Up to 10 days of service per month per Ordinance No. 83)			<b>\$1,800.00</b>
<b>Total No. of Meetings Attended</b>			<b>11</b>
<b>Total No. of Meetings Paid</b>			<b>8</b>

**DIRECTOR SIGNATURE**

*Jasmin A. Hall*

**Approved by:**

*Terry Catlin*  
**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**

**MARCH 2016**

<b>DATE</b>	<b>TYPE OF MEETING</b>	<b>ATTENDANCE</b>	<b>TOTAL COMPENSATION</b>
03-01-16	SAWPA Commission Workshop	Yes	\$27.18
03-15-16	SAWPA Commission Meeting	Yes	\$27.18
<b>TOTAL REIMBURSEMENT</b>			<b>\$54.36</b>
Up to 10 days of services per month per Ordinance No. 83, Section 1 (d) (i.e., \$27.18 – difference between SAWPA (\$197.82 (eff. 2/16/16) and Agency meetings \$225.00 including Agency meetings			
Total No. of SAWPA Meetings Attended			2
Total No. of SAWPA Meetings Paid			2

**DIRECTOR  
SIGNATURE**

*Jasmin A. Hall for Director Hall*

**Approved by:**

*Terry Catlin*  
**Terry Catlin  
President, Board of Directors**



**DIRECTOR PAYSHEET FOR IEUA REPRESENTATIVE  
ON CHINO DESALTER AUTHORITY (ALTERNATE)**

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

**MARCH 2016**

<b>DATE</b>	<b>TYPE OF MEETING</b>	<b>ATTENDANCE</b>	<b>TOTAL COMPENSATION</b>
03-03-16	CDA Board Meeting	Cancelled	\$-0-
<b>TOTAL REIMBURSEMENT</b>			<b>\$-0-</b>
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 excludes alternate) including Agency meetings			
Total No. of CDA Meetings Attended			0
Total No. of CDA Meetings Paid			0

**DIRECTOR  
SIGNATURE**

*Jasmin A. Hall*

**Approved by:**

*Terry Catlin*  
**Terry Catlin  
President, Board of Directors**


**CONSENT  
CALENDAR  
ITEM**


**3C**


Date: June 15, 2016

To: The Honorable Board of Directors

Through: Finance, Legal and Administration Committee (06/08/16)

From:  Joseph Grindstaff  
General Manager

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

 Javier Chagoyen-Lazaro  
Manager of Finance and Accounting

Subject: Adoption of Resolution No. 2016-6-8, Establishing the Appropriation Limits for Fiscal Year 2016/17

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### RECOMMENDATION

It is recommended that the Board of Directors adopt Resolution No. 2016-6-8, establishing the appropriation limits for Fiscal Year (FY) 2016/17.

### BACKGROUND

A year after the adoption of Proposition 13 (People's Initiative to Limit Property Taxation), the State Legislation adopted Proposition 4 (Gann Limit Initiative) in November 1979 to limit the amount of property taxes that local governmental agencies can receive and appropriate each FY, and require any excess property taxes be returned to taxpayers within two years.

Pursuant to Proposition 4, an agency's annual appropriations limit is based on the amount of property taxes that were authorized to be spent in FY 1978/79 (base year) modified each subsequent year for changes in one of two factors; inflation, population, or per capita personal income tax (PIT) index. The Agency applies the population and PIT factors to its annual appropriations limit calculation. Both of these factors changed as follows: the San Bernardino County population changed from 1.09% to 0.93%, and the State of California PIT index changed from 3.82% to 5.37%, an increase of 1.55%.

Based on the change in population and PIT index, the Agency's total appropriation limit increased to \$169.7 million for FY 2016/17; an increase of \$10.1 million compared to \$159.6 million for the

Adoption of Resolution No. 2016-6-8, Establishing  
the Appropriation Limits for FY 2016/17  
June 15, 2016  
Page 2 of 2

current FY. The Agency's FY 2016/17 budget subject to the limit is \$44.7 million, equal to the projected amount of revenues related to property tax receipts for FY 2016/17, which is well below the \$169.7 million appropriation limit. The calculation of the FY 2016/17 appropriation limit has been affirmed by the external auditors. Additional information on the statute and appropriation limit by Agency fund is provided under Exhibits I – VI.

Prior to June 15, 2016, the required notice of the Board's intention to adopt the Agency's appropriation limits was published in the Inland Valley Daily Bulletin, and documentation of staff's determinations has been available for public review since that date. The required minimum 15-day notice has now been met.

Establishing the appropriation limits for FY 2016/17 is consistent with the Agency's business goals of Fiscal Responsibility in funding and appropriation.

#### **PRIOR BOARD ACTION**

On June 17, 2015, the Board of Directors adopted Resolution No. 2015-6-10, establishing the Appropriation Limits for FY 2015/16.

#### **IMPACT ON BUDGET**

The appropriation limits will not affect the Agency's proposed spending level or reserves, as the proposed expenditures are projected to be supported primarily by non-ad valorem tax revenue sources, such as user fees and rates. Expenses that will utilize tax revenue are expected to be well below the FY 2016/17 Appropriation Limit.

Attachment:  
Resolution No. 2016-6-8

**RESOLUTION NO. 2016-6-8**

**RESOLUTION OF THE BOARD OF DIRECTORS OF INLAND  
EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY,  
CALIFORNIA, ESTABLISHING APPROPRIATION LIMITS FOR  
FISCAL YEAR 2016/17**

**WHEREAS**, on November 6, 1979, Proposition 4 on the ballot for the Special Election added Article XIII B to the Constitution, effective July 1, 1980, placing various limits on the fiscal powers of state and local governments;

**WHEREAS**, implementing legislation, Chapter 1205 Statutes of 1980 (SB 1352) became effective January 1, 1981, wherein the appropriation may increase each year by an amount equal to the percentage change in population from January to January each year and the lower of two price changes, i.e., either the U.S. March to March Consumer Price Index (CPI), or the fourth quarter per Capita Personal Income Index;

**WHEREAS**, Article XIII B and its implementing legislation were modified by Proposition 111 and SB88 (Chapter 60/90) to establish new annual adjustment factors beginning with the 1990/91 Appropriation Limits;

**WHEREAS**, Inland Empire Utilities Agency\*, as a local government, is required under Article XIII B to annually establish an appropriation limit for the following fiscal year;

**WHEREAS**, Resolution No. 81-6-7 was adopted on June 24, 1981, setting forth definitions, declarations, findings, and determinations concerning the applicability of Article XIII B to the individual funds of the Agency;

**WHEREAS**, those definitions, declarations, findings, and determinations are modified as specifically provided herein;

**WHEREAS**, it is Inland Empire Utilities Agency's\* intent to establish this year's Appropriation Limits, following the California League of Cities Uniform Guidelines dated March, 1991; and

**WHEREAS**, except for data on non-residential assessed valuation due to new construction (since 1986/87), data concerning per capita personal income and population changes necessary for determining the Fiscal Year 2016/17 Appropriation Limits are now available.

**NOW, THEREFORE,** the Inland Empire Utilities Agency\* does hereby RESOLVE and DETERMINE as follows:

Section 1. The Board of Directors has determined to select the State of California Per Capita Personal Income as its inflation adjustment factor, in the absence of up-to-date data on non-residential assessed valuation. The Board reserves the right to change its selection of the inflation adjustment factor once the assessment data are available.

Section 2. The Board has determined to select the San Bernardino County's population growth (since 1986/87) as its population adjustment factor.

Section 3. Appropriation Limits. That pursuant to Section 7910 of the Government Code and Exhibits I through IV attached hereto and made a part hereof, the Board of Directors does hereby establish the following Appropriation Limits for Fiscal Year 2016/17:

<u>EXHIBIT</u>	<u>FUND</u>	<u>APPROPRIATION LIMITS</u>
I	Administrative Service Fund	\$19,757,849
II	Regional Wastewater Capital Improvement Fund	\$116,436,860
III	Regional Wastewater Operations and Maintenance Fund	\$26,974,802
IV	Recycled Water Fund	\$4,483,015
V	Water Resources Fund	\$2,050,785
	Total	<u>\$169,703,311</u>

Section 4. Publication. Pursuant to Government Code Section 37200 the Appropriation Limits and the Total Appropriation Subject to Limitation will be published in the annual budget.

Section 5. Filing. That after a 45-day period to allow for public review and comment, the Board Secretary is hereby authorized and directed to file a certified copy of this Resolution with the State Auditor Controller.

Section 6. That upon adoption of this Resolution, Resolution No. 2015-6-10 is hereby rescinded in its entirety.

Adopted this 15<sup>th</sup> day of June, 2016

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

ATTEST:

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

(SEAL)

\*A Municipal Water District

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. 2016-6-8, was adopted at a regular meeting on June 15, 2016, of said Agency by the following vote:

- AYES:       Hall, Elie, Camacho, Koopman, Catlin
- NOES:       None
- ABSTAIN:   None
- ABSENT:    None

\_\_\_\_\_  
Steven J. Elie  
Secretary/Treasurer

(SEAL)

\* A Municipal Water District



APPROPRIATION LIMITS UNDER  
CALIFORNIA CONSTITUTION AMENDMENT XIII B  
General Fund

	1978-79 Base Year	
	<u>Proceeds of Tax</u>	<u>Non-Proceeds of Tax</u>
Appropriation Revenues	\$ 475,362	\$1,964,160 ( 342,172)
Appropriation Subject to Limitation		<u>\$1,621,988*</u>

APPROPRIATION LIMITS

<u>Fiscal Year</u>	<u>At Beginning of Year</u>	<u>Factor #1</u>	<u>Factor #2</u>	<u>At End of Year</u>
1979-80	1,621,988	10.17%	5.97%	1,893,625
1980-81	1,893,625	12.11%	5.56%	2,240,979
1981-82	2,240,979	9.12%	5.50%	2,579,851
1982-83	2,579,851	6.79%	3.85%	2,861,055
1983-84	2,861,055	2.35%	3.17%	3,020,988
1984-85	3,020,988	4.74%	3.08%	3,261,640
1985-86	3,261,640	3.74%	3.66%	3,507,466
1986-87	3,507,466	2.30%	4.94%	3,765,392
1987-88	3,765,392	3.04%	5.19%	4,081,225
1988-89	4,081,225	3.93%	5.58%	4,478,299
1989-90	4,478,299	4.98%	6.18%	4,991,860
1990-91	4,991,860	4.21%	6.70%	5,550,552
1991-92	5,550,552	4.14%	5.46%	6,095,952
1992-93	6,095,952	<.64%>	3.92%	6,294,370
1993-94	6,294,370	2.72%	3.20%	6,672,475
1994-95	6,672,475	.71%	1.56%	6,824,679
1995-96	6,824,679	4.72%	1.62%	7,262,585
1996-97	7,262,585	5.21%	1.02%	7,718,904
1997-98	7,718,904	4.67%	.09%	8,086,648
1998-99	8,086,648	4.15%	.98%	8,504,782
1999-2000	8,504,782	4.53%	1.37%	9,011,740
2000-2001	9,011,740	4.91%	1.82%	9,626,414
2001-2002	9,626,414	7.82%	1.95%	10,581,194
2002-2003	10,581,194	<1.27%>	2.72%	10,730,595
2003-2004	10,730,595	2.31%	2.59%	11,262,814
2004-2005	11,262,814	3.28%	2.52%	11,925,225
2005-2006	11,925,225	5.26%	2.49%	12,864,859
2006-2007	12,864,859	3.96%	2.10%	13,655,168
2007-2008	13,655,168	4.42%	1.86%	14,523,939
2008-2009	14,523,939	4.29%	1.45%	15,366,648
2009-2010	15,366,648	0.62%	0.79%	15,584,070
2010-2011	15,584,070	<2.54%>	0.85%	15,317,335
2011-2012	15,317,335	2.51%	1.05%	15,866,669
2012-2013	15,866,669	3.77%	0.86%	16,606,373
2013-2014	16,606,373	5.12%	0.85%	17,605,080
2014-2015	17,605,080	<0.23%>	0.78%	17,701,556
2015-2016	17,701,556	3.82%	1.09%	18,578,137
2016-2017	18,578,137	5.37%	0.93%	19,757,849

Factor #1 – The change in the California Per Capita Personal Income Index.

Factor #2 – Percent of Increase in San Bernardino County population.

All factors provided by State Department of Finance, May 2016.

\* Details for Base Year 1978-79 data are available as attachments to Resolution No. 81-6-7.

**APPROPRIATION LIMITS UNDER  
CALIFORNIA CONSTITUTION AMENDMENT XIII B  
Regional Wastewater Capital Improvement Fund (Improvement District C)**

	1978-79 Base Year	
	<u>Proceeds of Tax</u>	<u>Non-Proceeds of Tax</u>
Appropriation Revenues	\$ 2,578,964	\$17,954,195 ( 8,395,597)
Appropriation Subject to Limitation		<u>\$ 9,558,698*</u>

**APPROPRIATION LIMITS**

<u>Fiscal Year</u>	<u>At Beginning of Year</u>	<u>Factor #1</u>	<u>Factor #2</u>	<u>At End of Year</u>
1979-80	9,558,698	10.17%	5.97%	11,159,507
1980-81	11,159,507	12.11%	5.56%	13,206,531
1981-82	13,206,531	9.12%	5.50%	15,203,570
1982-83	15,203,570	6.79%	3.85%	16,860,759
1983-84	16,860,759	2.35%	3.17%	17,803,275
1984-85	17,803,275	4.74%	3.08%	19,221,482
1985-86	19,221,482	3.74%	3.66%	20,670,183
1986-87	20,670,183	2.30%	4.94%	22,190,190
1987-88	22,190,190	3.04%	5.19%	24,051,453
1988-89	24,051,453	3.93%	5.58%	26,391,490
1989-90	26,391,490	4.98%	6.18%	29,418,004
1990-91	29,418,004	4.21%	6.70%	32,710,488
1991-92	32,710,488	4.14%	5.46%	35,924,635
1992-93	35,924,635	<.64%>	3.92%	37,093,950
1993-94	37,093,950	2.72%	3.20%	39,322,198
1994-95	39,322,198	.71%	1.56%	40,219,167
1995-96	40,219,167	4.72%	1.62%	42,799,830
1996-97	42,799,830	5.21%	1.02%	45,489,004
1997-98	45,489,004	4.67%	.09%	47,656,192
1998-99	47,656,192	4.15%	.98%	50,120,336
1999-2000	50,120,336	4.53%	1.37%	53,107,938
2000-2001	53,107,938	4.91%	1.82%	56,730,335
2001-2002	56,730,335	7.82%	1.95%	62,357,043
2002-2003	62,357,043	<1.27%>	2.72%	63,237,491
2003-2004	63,237,491	2.31%	2.59%	66,373,962
2004-2005	66,373,962	3.28%	2.52%	70,277,680
2005-2006	70,277,680	5.26%	2.49%	75,815,128
2006-2007	75,815,128	3.96%	2.10%	80,472,573
2007-2008	80,472,573	4.42%	1.86%	85,592,409
2008-2009	85,592,409	4.29%	1.45%	90,558,656
2009-2010	90,558,656	0.62%	0.79%	91,839,969
2010-2011	91,839,969	<2.54%>	0.85%	90,268,045
2011-2012	90,268,045	2.51%	1.05%	93,505,378
2012-2013	93,505,378	3.77%	0.86%	97,864,598
2013-2014	97,864,598	5.12%	0.85%	103,750,175
2014-2015	103,750,175	<0.23%>	0.78%	104,318,726
2015-2016	104,318,726	3.82%	1.09%	109,484,589
<b>2016-2017</b>	<b>109,484,589</b>	<b>5.37%</b>	<b>0.93%</b>	<b>116,436,860</b>

Factor #1 – The change in the California Per Capita Personal Income Index.  
Factor #2 – Percent of increase in San Bernardino County population.  
All factors provided by State Department of Finance, May 2016.  
\* Details for Base Year 1978-79 data are available as attachments to Resolution No. 81-6-7.

**APPROPRIATION LIMITS UNDER  
CALIFORNIA CONSTITUTION AMENDMENT XIII B  
Regional Wastewater Operations & Maintenance Fund**

	1978-79 Base Year	
	<u>Proceeds of Tax</u>	<u>Non-Proceeds of Tax</u>
Appropriation Revenues	\$ 935,780	\$2,260,247 ( 45,794)
Appropriation Subject to Limitation		<u>\$2,214,453*</u>

**APPROPRIATION LIMITS**

<u>Fiscal Year</u>	<u>At Beginning of Year</u>	<u>Factor #1</u>	<u>Factor #2</u>	<u>At End of Year</u>
1979-80	2,214,453	10.17%	5.97%	2,585,311
1980-81	2,585,311	12.11%	5.56%	3,059,543
1981-82	3,059,543	9.12%	5.50%	3,522,195
1982-83	3,522,195	6.79%	3.85%	3,906,114
1983-84	3,906,114	2.35%	3.17%	4,124,466
1984-85	4,124,466	4.74%	3.08%	4,453,020
1985-86	4,453,020	3.74%	3.66%	4,788,639
1986-87	4,788,639	2.30%	4.94%	5,140,777
1987-88	5,140,777	3.04%	5.19%	5,571,974
1988-89	5,571,974	3.93%	5.58%	6,114,008
1989-90	6,114,088	4.98%	6.18%	6,815,237
1990-91	6,815,237	4.21%	6.70%	7,578,003
1991-92	7,578,003	4.14%	5.46%	8,322,621
1992-93	8,322,621	<.64% >	3.92%	8,593,515
1993-94	8,593,515	2.72%	3.20%	9,109,731
1994-95	9,109,731	.71%	1.56%	9,317,531
1995-96	9,317,531	4.72%	1.62%	9,915,390
1996-97	9,915,390	5.21%	1.02%	10,538,388
1997-98	10,538,388	4.67%	.09%	11,040,458
1998-99	11,040,458	4.15%	.98%	11,611,324
1999-2000	11,611,324	4.53%	1.37%	12,303,459
2000-2001	12,303,459	4.91%	1.82%	13,142,656
2001-2002	13,142,656	7.82%	1.95%	14,446,189
2002-2003	14,446,189	<1.27%>	2.72%	14,650,161
2003-2004	14,650,161	2.31%	2.59%	15,376,784
2004-2005	15,376,784	3.28%	2.52%	16,281,154
2005-2006	16,281,154	5.26%	2.49%	17,564,009
2006-2007	17,564,009	3.96%	2.10%	18,642,994
2007-2008	18,642,994	4.42%	1.86%	19,829,101
2008-2009	19,829,101	4.29%	1.45%	20,979,626
2009-2010	20,979,626	0.62%	0.79%	21,276,466
2010-2011	21,276,466	<2.54%>	0.85%	20,912,301
2011-2012	20,912,301	2.51%	1.05%	21,662,290
2012-2013	21,662,290	3.77%	0.86%	22,672,186
2013-2014	22,672,186	5.12%	0.85%	24,035,691
2014-2015	24,035,691	<0.23%>	0.78%	24,167,407
2015-2016	24,167,407	3.82%	1.09%	25,364,177
2016-2017	25,364,177	5.37%	0.93%	26,974,802

Factor #1 - The change in the California Per Capita Personal Income Index.  
Factor #2 - Percent of Increase in San Bernardino County population.  
All factors provided by State Department of Finance, May 2016.  
\* Details for Base Year 1978-79 data are available as attachments to Resolution No. 81-6-7.

**APPROPRIATION LIMITS UNDER  
CALIFORNIA CONSTITUTION AMENDMENT XIII B  
Recycled Water Fund**

2008-09 Base Year

	<u>Proceeds of Tax</u>	<u>Non-Proceeds of Tax</u>
Appropriation		\$8,824,659
Revenues	\$ 0	<u>(5,337,998)</u>
Appropriation Subject to Limitation		<u>\$3,486,661*</u>

**APPROPRIATION LIMITS**

<u>Fiscal Year</u>	<u>At Beginning of Year</u>	<u>Factor #1</u>	<u>Factor #2</u>	<u>At End of Year</u>
2009-2010	3,486,661	0.62%	0.79%	3,535,994
2010-2011	3,535,994	<2.54%>	0.85%	3,475,472
2011-2012	3,475,475	2.51%	1.05%	3,600,115
2012-2013	3,600,115	3.77%	0.86%	3,767,952
2013-2014	3,767,952	5.12%	0.85%	3,994,557
2014-2015	3,994,557	<0.23%>	0.78%	4,016,447
2015-2016	4,016,447	3.82%	1.09%	4,215,341
<b>2016-2017</b>	<b>4,215,341</b>	<b>5.37%</b>	<b>0.93%</b>	<b>4,483,015</b>

Factor #1 - The change in the California Per Capita Personal Income Index.  
Factor #2 - Percent of Increase in San Bernardino County population.  
All factors provided by State Department of Finance, May 2016.  
\* Details for Base Year 2008/09 data are available in FY 2008/09 Adopted Budget.

**APPROPRIATION LIMITS UNDER  
 CALIFORNIA CONSTITUTION AMENDMENT XIII B  
 Water Resources Fund**

2014-15 Base Year

	<u>Proceeds of Tax</u>	<u>Non-Proceeds of Tax</u>
Appropriation		\$48,488,679
Revenues	\$1,500,000	<u>(46,651,329)</u>
Appropriation Subject to Limitation		<u>\$ 1,837,350*</u>

**APPROPRIATION LIMITS**

<u>Fiscal Year</u>	<u>At Beginning of Year</u>	<u>Factor #1</u>	<u>Factor #2</u>	<u>At End of Year</u>
2015-2016	1,837,350	3.82%	1.09%	1,928,336
2016-2017	1,928,336	5.37%	0.93%	2,050,785

Factor #1 - The change in the California Per Capita Personal Income Index.  
 Factor #2 - Percent of increase in San Bernardino County population.  
 All factors provided by State Department of Finance, May 2016.  
 \* Details for Base Year 2014/15 data are available in FY 2014/15 Adopted Budget.

### APPROPRIATION LIMIT

Article XIII B of the California State Constitution, more commonly referred to as the GANN Initiative or GANN Limit, was adopted by California voters in 1980 and placed limits on the amount of taxes that state and local governmental agencies can receive and appropriate (authorize to spend) each year.

The limit is different for each agency and changes each year. The annual limit is based on the amount of tax proceeds that were authorized to be spent in Fiscal Year (FY) 1978-1979 in each agency, modified for changes in inflation and population in each subsequent year. Proposition 111 was passed by the State's voters in June 1990. This legislation made changes to the manner in which the Appropriation Limit is to be calculated.

The annual adjustment factors for inflation and population have been changed. Instead of using the lesser of the State of California per capita income or U.S. CPI, each agency may choose either the growth in the State of California per capita income or the growth in assessed valuation due to new non-residential construction within the agency service area. For population, each agency may choose to use the population growth within its county instead of using only the population growth of an agency's service area. These are both annual elections.

An agency which exceeds the limit in any one year may choose to not give a tax refund if they fall below the limit in the next fiscal year. They then have two more years to refund any remaining excess or to obtain a successful override vote. In certain situation, proceeds of taxes may be spent on emergencies without having to reduce the limit in the future years. Each agency must now conduct a review of its Appropriation Limit during its annual financial audits.

The legislation also requires a governing body to annually adopt, by resolution, an appropriations limit for the following year, along with a recorded vote regarding which of the annual adjustment factors have been selected. The Inland Empire Utility Agency's appropriation limit and annual adjustment factors are adopted at the same meeting as the budget. The two factors used for the Fiscal Year 2016/17 are the change in the State of California per capita personal income and the change in the San Bernardino County population.

The following table shows the annual appropriations limit and the proceeds from taxes for the last five years and for FY 2016/17. The increase in the limit is based upon population change of 0.93% within the county and a per capita personal income change of 5.37%, as provided by the State Department of Finance.

Fiscal Year	Annual Appropriations Limit	Proceeds of Taxes (Appropriations)
2011/12	\$134,634,452	\$ 32,965,008
2012/13	\$140,911,109	\$ 32,607,254
2013/14	\$149,385,503	\$ 33,351,677
2014/15	\$150,204,136	\$ 40,203,474
2015/16	\$159,570,580	\$ 41,156,629
<b>2016/17</b>	<b>\$169,703,311</b>	<b>\$ 44,704,800</b>

Since the implementation of this legislation (effective 1981 then modified in 1990), Inland Empire Utilities Agency has annually established and adopted an appropriation limit and has been in compliance.

**INLAND EMPIRE UTILITIES AGENCY  
AMENDED BUDGET FISCAL YEAR 2016/17  
SCHEDULE OF APPROPRIATIONS**

	ADMINISTRATIVE SERVICES	REGIONAL WASTEWATER	NON-RECLAIMABLE WASTEWATER	RECHARGE WATER	RECYCLED WATER	WATER RESOURCES	AGENCY TOTAL
TOTAL EXPENSES	\$3,837,874	\$75,561,751	\$9,533,660	\$1,762,315	\$12,519,311	\$45,139,652	\$148,354,563
NET CHANGES IN-CAPITAL OUTLAY	2,854,812	39,284,920	1,728,963	4,619,800	11,899,063	0	60,387,558
DEBT SERVICE	21,000	16,913,628	583,787	944,608	6,722,403	16,000	25,201,426
NET OTHER (SOURCE)/USES OF FUNDS	(854,812)	3,343,638	(49,839)	(1,531,400)	1,360,927	(2,268,514)	0
SUBTOTAL OF APPROPRIATIONS	\$5,858,874	\$135,103,937	\$11,796,571	\$5,795,323	\$32,501,704	\$42,887,138	\$233,943,547
INCREASE (DECREASE) IN WORKING CAPITAL RESERVES	(2,312,119)	(4,212,434)	(545,071)	(211,266)	4,648,673	(2,279,592)	(4,911,809)
TOTAL APPROPRIATION	\$3,546,755	\$130,891,503	\$11,251,500	\$5,584,057	\$37,150,377	\$40,607,546	\$229,031,738
LESS: NON-TAX PROCEEDS	(1,574,555)	(92,284,804)	(11,251,500)	(5,584,057)	(34,980,277)	(38,651,745)	(184,326,938)
APPROPRIATION SUBJECT TO LIMITATION	\$1,972,200	\$38,606,699	\$0	\$0	\$2,170,100	\$1,955,801	\$44,704,800
APPROPRIATION LIMIT	\$19,757,849	\$143,411,662	EXEMPT	EXEMPT	\$4,483,015	\$2,050,785	\$169,703,311

☆ By resolution, the Appropriation Limit for Regional Program Funds is established as follows:

Regional Wastewater Capital Improvement	\$116,436,860
Regional Wastewater Operations and Maintenance	<u>26,974,802</u>
Combined Regional Wastewater Appropriations Limit	\$143,411,662

**CONSENT  
CALENDAR  
ITEM**

**3D**



Date: June 15, 2016

To: The Honorable Board of Directors

Through: Finance, Legal, and Administration Committee (06/08/16)

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

Subject: Contract Approval for Compressed Gas, Propane and Related Supplies

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### **RECOMMENDATION**

It is recommended that the Board of Directors:

1. Approve a seven-year competitively-let contract (No. 4600002112) to Airgas USA, LLC of Ontario, California, through June 30, 2022, for Agency-wide compressed gases, propane and related supplies; and
2. Authorize the General Manager to execute the contract.

### **BACKGROUND**

Compressed gases and related supplies are used throughout the Agency for various testing and analysis, calibration of equipment, and welding. Propane is primarily used at RP-1 for the flare. The Agency's current competitively-let contract with Airgas is due to expire on June 30, 2016. Proposals for a seven-year contract were sent to 500 registered contractors through the Planet Bids Solicitation system. Eleven contractors viewed the solicitation document and two contractors, Airgas USA, LLC (Airgas) and Air Liquide, submitted a proposal.

While both bidders submitted low pricing on certain items, the overall lowest bidder was Airgas by approximately \$1,709 annually for compressed gas. Air Liquide opted not to submit a bid on the propane requirements. Both Airgas and Air Liquide submitted the following exception/comment to the Agency Solicitation on Cylinder Rentals. *See chart below.*

Compressed Gas, Propane and Related Supplies

June 15, 2016

Page 2

<i>Airgas West USA, LLC</i>	<i>Air Liquide</i>
<ul style="list-style-type: none"><li>• Cylinder fee: \$0.15 per day</li><li>• Liquid containers Fee: \$1.20 per day</li></ul>	<ul style="list-style-type: none"><li>• Single High Pressure Cylinder fee: \$0.22 per daily rental per cylinder</li><li>• 6 Pack High Pressure Cylinder Rental fee: \$1.78 per daily rental per pack</li><li>• Rental of LIQ Cylinders Fee: \$2.05 per daily rental for 160 or 180 Liter, and \$2.15 daily for the 230 Liter</li><li>• Hazmat Fee: \$12.00 per trip</li></ul>

Pricing is firm-fixed for the first two years and adjusts with consumer price index (CPI) for the remaining years. The current spend to date in FY 2015/16 is \$112,596, which includes \$64,000 in equipment purchases. The average annual spend on consumables is around \$50,000. As with most product and service contracts, the proposed contract affords the Agency the right to terminate the contract at any time for convenience or cause.

During the past seven years, Airgas has provided the Agency with above average service, and has worked with staff in providing the specialty gases required to perform critical testing of the Continuous Emission Monitoring System equipment.

The utilization of a competitively-let contract with Airgas is consistent with the Agency's Business Goal of *Fiscal Responsibility* to sustainable cost containment.

**PRIOR BOARD ACTION**

On April 16, 2008, the Board approved a five-year competitively-let contract with Airgas.

**IMPACT ON BUDGET**

Procurement of compressed gases, propane and related supplies are budgeted by each department under Industrial Gases 512440 account and primarily in the Administrative Services (GG) 10200 and Regional Operations and Maintenance (RO) 10800 funds.



**CONTRACT NUMBER: 4600002112  
FOR  
COMPRESSED GASES, PROPANE AND RELATED SUPPLIES**

THIS CONTRACT (Contract), is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2016, 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 Airgas USA, LLC, of Ontario, California (hereinafter referred to as Supplier), for the supply of compressed gases, propane and related supplies.

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: Torres Waters-Leiva  
Procurement Specialist 1  
Address: 6075 Kimball Avenue, Building A  
Chino, California 91708  
Telephone: (909) 993-1600, Extension 1777  
Facsimile: (909) 993-1987  
Email: tleiva@ieua.org

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

Supplier Representative: Bob Strasser  
Outside Sales: Ontario, Chino  
Address: 1936 Grove Avenue  
Ontario, CA 91761  
Telephone: 951-830-6521  
Facsimile: 909-923-8060  
Email: bob.strasser@airgas.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 4600002112
2. Contract Number 4600002112 General Terms and Conditions.
3. Agency's Request for Proposal No. RFP-TWL-16-001
4. Supplier's Proposal, dated March 30, 2016

4. **SCOPE OF WORK AND SERVICES:** Supplier's services and responsibilities shall be in accordance with Agency's Request for Proposal No. RFP-TWL-16-001 and Supplier's Proposal dated March 30, 2016, and supplemental price list which are incorporated herein and made a part hereof by this reference.
5. **TERM:** The initial term of this Contract shall be two years with firm-fixed pricing. The successful Bidder shall agree to allow the Agency, at the Agency's sole discretion, to extend this Contract, in twelve (12) month increments, for an additional period not-to-exceed 60 months, for a total Contract term of seven (7) years. In the event the Agency desires to exercise any or all of the Contract extension options provided for in this Section, the Agency shall provide at least 30 calendar day's written notice to the Supplier, prior to the expiration of the original Contract term or any extension thereof.
6. **PRICE ADJUSTMENTS:** In the event the Agency exercises any of the Contract extensions provided for in Section 5 above, pricing for said extension shall be calculated as follows:

Commencing on July 1, 2018 and continuing on each July 1st thereafter, those prices provided for in Attachment A of this Contract shall be adjusted plus or minus by a sum equal to the percentage change in the Consumer Price Index (CPI) for All Urban Consumers, in the Los Angeles-Anaheim-Riverside, California index area as provided for in this Section. The bases for computing the adjustment to those prices provided for in Attachment A of this Contract shall be the percentage change for the twelve month period from March to March, starting with the period of March 2017 to March 2018, and continuing every twelve months thereafter. Despite any changes in the CPI for any given twelve month adjustment period, adjustments to those prices as provided for in Attachment A of this Contract shall not increase or decrease more than 5 percent during any single twelve month adjustment period.

In the event the CPI is changed so that the base period differs from 1967=100, then the index applied as provided for above shall be corrected in accordance with the conversion factor published by the United States Department of Labor, Bureau of Labor Statistics, or their successor. If the CPI is discontinued or revised, such other governmental index or computation with which it is replaced shall be used in order to obtain substantially the same result as would have been obtained if the CPI had not been discontinued or revised.

7. **PAYMENT, INVOICING AND COMPENSATION:** The Agency shall pay Supplier's properly executed invoice(s) within thirty (30) days following receipt of the invoice. Payment will be withheld for any product or service which does not meet Agency requirements, until such product or service is replaced or revised, the invoice resubmitted and accepted by the Project Manager.

All invoices shall be formulated consistent with the prices proposed within the Supplier's accepted proposal, dated March 30, 2016. Supplier's invoices shall be submitted as follows:

Inland Empire Utilities Agency  
Attention: Accounts Payable Department  
P.O. Box 9020  
Chino Hills, CA 91709

Or invoices may be submitted electronically to: [APGroup@ieua.org](mailto:APGroup@ieua.org)

8. **INSURANCE**: During the term of this Contract, the Supplier shall maintain at its 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 00 01 10 01 covering Commercial 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.
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 10 01, 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.

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 Supplier 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 CG2010 1185 as respects: liability arising out of activities performed by or on behalf of the Supplier, products and completed operations of the Supplier, premises owned, occupied or used by the Supplier, or automobiles owned, leased, hired or borrowed by the Supplier. The coverage shall contain no special limitations on the scope of protection afforded to the Agency, its officers, officials, employees or volunteers. If Form CG 2010 10 93 or CG 2010 03 97 are issued in place of the CG 2010 11 85 form, then it is necessary to issue Form CG 2037 10 01 in addition to the 10 93 or 03 97 Forms.
- b. The Supplier'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 Supplier'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 Supplier'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 Supplier 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 Supplier 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:** 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:** Supplier 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:** Supplier shall submit all required certificates and endorsements to the following:

Risk Specialist  
Inland Empire Utilities Agency  
P.O. Box 9020  
Chino Hills, California 91709

## 9. **LEGAL RELATIONS AND RESPONSIBILITIES**

- A. **Status of Supplier:** The Supplier is retained as an Independent Supplier only, for the sole purpose of supplying required product and is not an employee of the Agency.
- B. **Observing Laws and Ordinances:** The Supplier or any Subcontractor shall keep itself fully informed of all existing and/or pending state and federal laws and all county and city ordinances and regulations which in any manner affect the supply of any product, conduct of any services or tasks performed under this Contract, and of all such orders and

decrees of bodies and tribunals having any jurisdiction or authority over the same. The Supplier or any Subcontractor shall at all times observe and comply with all such existing 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 Supplier or its employees.

- C. Subcontract Services: Any subcontracts for the performance of any services under this Contract shall be subject to the written approval of the Agency Contract Administrator.
  
- D. Equal Opportunity and Unlawful Discrimination: During the performance of this Contract, the Supplier 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 will be thoroughly investigated by the Agency.
  
- E. 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 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.
  
- F. Disputes:
  - 1. All disputes arising out of or in relation to this Contract shall be determined in accordance with this section. The Supplier 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 Supplier shall comply, pursuant to the Agency Project Manager instructions. If the Supplier 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 Supplier 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 Supplier'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 Supplier 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 Supplier to be appointed as Arbitrator. The Agency shall determine if any of the names submitted by Supplier are acceptable and, if so, such person will be designated as Arbitrator.
  - b. In the event that none of the names submitted by Supplier are acceptable to Agency, or if for any reason the Arbitrator selected in Step (a) is unable to serve, the Agency shall submit to Supplier a list of five names of persons acceptable to Agency for appointment as Arbitrator. The Supplier 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.
  - d. Joinder in Mediation/Arbitration: The Agency may join the Supplier in mediation or arbitration commenced by a Supplier 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 Supplier.
10. **INDEMNIFICATION:** Supplier 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 Supplier, its directors, employees, agents and assigns, in the performance of work under this contract.
11. **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 & Facilities Services  
Inland Empire Utilities Agency  
P.O. Box 9020  
Chino Hills, California 91709

Supplier: Robert Strasser, Sales Representative  
Airgas USA LLC  
1936 Grove Avenue  
Ontario, CA 91761

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.

12. **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 Supplier, and their respective successors and assigns. Notwithstanding the foregoing, no assignment of the duties or benefits of the Supplier 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.
13. **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 Supplier of any requests for disclosure of any documents pertaining to this work.

In the event of litigation concerning disclosure of information Supplier 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 Supplier has marked "Confidential," "Proprietary," or "Trade Secret," Supplier 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.

14. **RIGHT TO AUDIT:** The Agency reserves the right to review and/or audit all Suppliers' 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 termination of the Contract. The Supplier shall make all records and related documentation available within three (3) working days after said records are requested by the Agency.
15. **INTEGRATION:** The Contract Documents represent the entire Contract of the Agency and the Supplier 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 Supplier.



**CONSENT  
CALENDAR  
ITEM**



**3E**





Date: June 15, 2016

To: The Honorable Board of Directors

Through: Public, Legislative Affairs, and Water Resources Committee (06/08/16)  
Finance, Legal, and Administration Committee (06/08/16)

From:  P. Joseph Grindstaff  
General Manager 

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

Shaun J. Stone   
Manager of Engineering

Subject: CBWM Master Agreement Second Amendment to Task Order No. 1

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### **RECOMMENDATION**

It is recommended that the Board of Directors:

1. Approve the second amendment to Task Order No. 1 of the Master Agreement with Chino Basin Watermaster as part of the Recharge Master Plan Update Yield Enhancement Projects, Project No. RW15003; and
2. Authorize the General Manager, subject to non-substantive changes, to execute the amendment.

### **BACKGROUND**

In 2013, an amendment to the 2010 Recharge Master Plan Update (RMPU) was approved by Inland Empire Utilities Agency (IEUA) and Chino Basin Watermaster (CBWM). This 2013 amended RMPU listed potential projects that would increase stormwater and recycled water recharge to the Chino Basin Groundwater System. In August 2014, a Master Agreement was executed to define the roles and responsibilities in managing and funding the implementation of the RMPU yield enhancement projects. This was followed by the approval of Task Order No. 1 (TO1) under the Master Agreement to implement and budget the design of nine (9) RMPU projects. In April 2015, IEUA and CBWM approved an amendment to TO1 primarily to authorize the budget and scope for the inclusion of a new recharge project called East Declez Basin on an

adjacent parcel to the Declez Basin. The new project proposed the purchase of 85 acres to develop a new recharge basin with the potential stormwater benefit of 913 acre-feet per year (AFY) for groundwater recharge. The proposed new amendment to TO1 is to remove the East Declez project from the design scope and budget.

In February 2016, the East Declez feasibility report was completed. The report found the site to have a limited subsurface storage and a recharge. On April 14, CBWM's Appropriative Pool determined to cancel the East Declez project.

This second amendment to Task Order No.1 shall exclude all scope and budget that is associated with the East Declez project with the exception of all expenses associated with the feasibility study and preliminary environmental review.

IEUA and CBWM's individual total share on the amended total budget is \$250,250 and \$3,689,250, respectively.

The CBWM Master Agreement Second Amendment to Task Order No. 1 is consistent with the IEUA business goal of *Water Reliability* by promoting a reliable and efficient groundwater recharge system.

#### **PRIOR BOARD ACTION**

On April 15, 2015, the Board of Directors approved the first Amendment to the Recharge Master Plan Task Order No. 1 with Watermaster.

On August 20, 2014, the Board of Directors approved the Task Order No. 1 under the 2014 Master Agreement between Inland Empire Utilities Agency and Chino Basin Watermaster.

On July 16, 2014, the Board of Directors approved the Master Cost Sharing Agreement (Master Agreement) between Inland Empire Utilities Agency and Chino Basin Watermaster.

#### **IMPACT ON BUDGET**

This amendment will reduce the projected budget within the approved Ten Year Capital Improvement Projects by \$3.6 million for the design/planning efforts (soft cost) and \$19.8 million for construction (hard cost) for Project Nos. RW15003 and EN18007, respectively, which are budgeted under the Recharge Water (RW) Fund.

Attachments:

1. CBWM Master Agreement Second Amendment to Task Order No. 1

PJG:CB:SJS:JS:ji

IEUA/CBWM Master Agreement  
2<sup>nd</sup> Amendment to Task Order No. 1  
Project No. RW15003.01  
June 2016



Joel Ignacio, P.E.  
Senior Engineer



*Inland Empire Utilities Agency*  
A MUNICIPAL WATER DISTRICT



# Project Request

- Amend Task Order No. 1 under the Master Agreement with Chino Basin Watermaster to reflect Watermaster's recent decisions on the East Declez Project



85 acres of new property east of Declez Basin



# Project Background

**Jan. 2015**

**CBWM &  
IEUA**

Identified  
85-acres  
east of  
Declez  
Basin as a  
potential  
new  
recharge  
basin

**Apr. 2015**

**CBWM &  
IEUA**

Executed  
amendment  
to Task  
Order 1 to  
allow further  
evaluation  
on East  
Declez

**Jun. 2015**

**IEUA**

Establish a  
letter of  
intent with  
the property  
owner to  
begin  
discussions  
on  
purchasing  
the site

**Jul. 2015**

**IEUA**

Contracted  
consulting  
services with  
Thomas  
Harder & Co.  
to prepare  
the feasibility  
study and  
report

**Nov. 2015**

**IEUA**

Entered into  
agreement to  
establish the  
terms  
purchasing  
the property  
  
\$50K  
refundable  
deposit

**Feb. 2016**

**IEUA**

Completed the  
East Declez  
Feasibility  
Study and  
Report

- Presented Feasibility Report
  - Recharge Investigation and Projects Committee - February 18, 2016
  - Watermaster's Pool Members - March 10, 2016
  - IEUA's Board of Director's committees - April 13, 2016



# Amendment Overview

- On April 7, 2016, CBWM decided to cancel the East Declez Project
- Remove East Declez Scope and Budget
- Include all cost on Feasibility and Preliminary Environmental Review
- Concurrently, CBWM is processing the same amendment for approval in June
  - \$250,250 is IEUA's total share
  - \$3,689,250 CBWM's total share



Aerial of Declez Basin (Facing South East)



# Recommendation

Approve the second Amendment to Task Order No. 1 of the Master Agreement with Chino Basin Watermaster as part of the Recharge Master Plan Update Yield Enhancement Projects, Project No. RW15003 and authorize the General Manager to execute the amendment.

The CBWM Master Agreement 2<sup>nd</sup> Amendment to Task Order No. 1 is consistent with *IEUA's Business Goal of Water Reliability* by promoting a reliable and efficient groundwater recharge system.

**SECOND AMENDMENT**  
to  
**TASK ORDER NO. 1**  
**2013 RMPU AMENDMENT YIELD ENHANCEMENT PROJECTS**  
**PLANNING, PERMITTING AND DESIGN**  
under the  
**MASTER AGREEMENT REGARDING THE**  
**MANAGEMENT OF COLLABORATIVE RECHARGE PROJECTS**  
between  
**INLAND EMPIRE UTILITIES AGENCY**  
and  
**CHINO BASIN WATERMASTER**

This Second Amendment to Task Order No. 1 is made and entered into as of the \_\_\_\_ day of June, 2016 by and between the Inland Empire Utilities Agency (IEUA) and the Chino Basin Watermaster (Watermaster) (each a "Party" and collectively, the "Parties").

**RECITALS**

A. Task Order No. 1 for the 2013 RMPU Amendment Yield Enhancement Projects Planning, Permitting and Design (the "Task Order") was approved by IEUA on August 20, 2014, and by Watermaster on August 28, 2014.

B. The First Amendment to Task Order No. 1 was approved by IEUA and Watermaster on April 1, 2015. Task Order No. 1 was amended to reflect the inclusion of a new project, the East Declez Project, within the Recharge Master Plan list of projects and the removal of Sierra Basin and Lower San Sevaine which are no longer viable RMPU project. The Sierra Basin was no longer an option due to the City of Fontana's desire to use the land for other purposes, while Lower San Sevaine is no longer an option due to the land where the project was to be located was sold to a home developer.

C. Following a review of the feasibility study for the East Declez project, at the April 14, 2016 Appropriative Pool Meeting, it was decided that the East Declez project would not be further developed. A total of \$114,000 of funds from Task Order No. 1 was used for the development of the feasibility study.

D. IEUA and Watermaster wish to amend Task Order No. 1 to reflect these changes on the listed RMPU projects which are considered for design, decrease the total projected design cost, and to adjust the reimbursement schedule under which Watermaster provides its share of the costs to IEUA.

**NOW THEREFORE IT IS AGREED TO AMEND THE TASK ORDER AS FOLLOWS:**

1. Section 2 of the Task Order titled SCOPE shall be amended to read:

The activities to be undertaken pursuant to this Task Order include preliminary design, proof-of-concept analyses, completion of the CEQA process, permitting, and final design for the following 2013 RMPU Amendment Yield Enhancement Projects, as those projects are further described in the 2013 RMPU Amendment:

ID	Basin Projects
18a	CSI Storm Water Basin
23a	2013 RMPU Proposed Wineville PS to Jurupa, Expanded Jurupa PS to RP3 Basin, and 2013 Proposed RP3 Improvements
27 <sup>1</sup>	Declez Basin
-	East Declez Basin - <i>Feasibility Study only</i>
11	Victoria Basin
14	Turner Basin
15a	Ely Basin
2	Montclair Basins

<sup>1</sup> Declez Basin project (ID 27) was incorrectly omitted in the first Amendment to Task Order #1. There is no impact to overall cost

Under this task order the following is an estimated scheduled and projected cost break down for each phase of work:

Phases	Start	Finish	Projected Cost
Project Development	07/01/14	04/15/15	\$27,000
Preliminary Design	04/16/15	08/26/16	\$838,000
Environmental	02/19/15	11/16/16	\$336,00
Design	08/29/16	12/29/17	\$2,638,500
Permits	08/29/16	12/29/17	\$100,000
		<b>Total</b>	<b>\$3,939,500</b>

2. Section 5 of the Task Order titled BUDGET AND COST ALLOCATION shall be amended to read:

The budget for the activities to be undertaken pursuant to this Task Order is three million nine hundred thirty-nine thousand five hundred dollars (\$3,939,500) unless the scope of work is changed and an increase is authorized by the Parties ("Budget"). The Parties agree that these costs are shared consistent with the methodology described in Peace II Agreement Section 8.1(b), and that IEUA's share of the costs is based on a 50% allocation of the

1

costs of those portions of the project for which there is a recycled water component. The Budget includes IEUA capital, administrative, and overhead expenses associated with IEUA's provision of the services described in Section 3, above. The fiscal year budget allocation is as follows:

Design - RMPU YE Design	Fiscal Year 2014/15	Fiscal Year 2015/16	Fiscal Year 2016/17	Fiscal Year 2017/18	Total
Watermaster		\$619,750	\$2,000,000	\$1,069,500	\$3,689,250
IEUA	\$14,183	\$236,067	-	-	\$250,250
<b>Total</b>	<b>14,183</b>	<b>\$855,817</b>	<b>\$2,000,000</b>	<b>\$1,069,500</b>	<b>\$3,939,500</b>

3. Section 6 of the Task Order titled TOTAL BUDGETED COST shall be amended to read:

The Parties agree to pay their respective portion of the total costs, and the parties shall not be required to pay more than \$3,939,500 ("Total Budgeted Cost").

4. Section 7 of the Task Order titled MAXIMUM COSTS TO WATERMASTER shall be amended to read:

The costs to be required of Watermaster under this Agreement shall not exceed its share of the Total Budgeted Cost, as shown in Section 5 above, or \$3,689,250.

**ALL OTHER PROVISIONS SHALL REMAIN UNCHANGED.**

IN WITNESS WHEREOF, the parties hereby have caused this Amendment to be entered into as of the day and year written above.

INLAND EMPIRE UTILITIES AGENCY:

\_\_\_\_\_  
Joseph Grindstaff  
General Manager

CHINO BASIN WATERMASTER:

\_\_\_\_\_  
Peter Kavounas  
General Manager

**CONSENT  
CALENDAR  
ITEM**

**3F**



Date: June 15, 2016

To: The Honorable Board of Directors

Through: Engineering, Operations, & Biosolids Management Committee (06/08/16)  
Finance, Legal & Administration Committee (06/08/16)

From: *for* P. Joseph Grindstaff *JP*  
General Manager

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

Shaun J. Stone *SJS*  
Manager of Engineering

Subject: RP-2 Microturbine Proposal Rejection

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### RECOMMENDATION

It is recommended that the Board of Directors reject the November 17, 2015, proposal from Regatta Solutions to design and build a microturbine at Regional Plant No. 2.

### BACKGROUND

Since 1990, the Inland Empire Utilities Agency (IEUA) has produced renewable energy at Regional Plant No. 2 (RP-2) by fueling a cogeneration engine with digester gas. Due to forthcoming emissions limits imposed by South Coast Air Quality Management District (SCAQMD) Rule 1110.2, the engine will not be able to operate in compliance beyond December 2017. In anticipation of the engine shutdown, IEUA evaluated alternative technologies that could comply with environmental regulations while beneficially and cost effectively utilizing the digester gas produced on site.

The impact of RP-2's future decommissioning was heavily considered when evaluating the various alternatives. Initial analysis indicated that replacing the engine with a digester gas-fueled microturbine was the most cost effective option. Research on the microturbine and initial engineering estimates indicated that the technology could achieve a return on investment (ROI) within the remaining life of RP-2. On October 20, 2015, IEUA issued RFP-RW-15-083 for the Installation of a Microturbine Power Plant at RP-2. Regatta Solutions was the only vendor to respond to the RFP, with a proposed installation cost of \$3,112,450.

**RP-2 Microturbine Proposal Rejection**

June 15, 2016

Page 2 of 2

The November 2015 proposal from Regatta included equipment purchase and installation costs that were approximately 20 percent higher than the engineering estimate and O&M costs that were approximately 30 percent higher than the engineering estimate. The main source of the increases were additional design considerations to improve portability following RP-2 decommissioning and added assurances in the digester gas cleaning system. With these increased costs, the microturbine installation no longer appeared capable of achieving an ROI within the remaining life of the facility. Staff entered into negotiations with Regatta Solutions to determine if the costs could be reduced.

In April 2016, Regatta Solutions presented a new project assessment with revised costs and incentives. Staff conducted further economic analyses using the updated cost information and determined that the microturbine was still not the best option for digester gas utilization at RP-2.

Staff is requesting the Board of Directors to reject the proposal received in response to RFP-RW-15-083 for Consulting Engineering Services for the Installation of a Microturbine Power Plant at Regional Plant No. 2. The rejection of the proposal for the design-build of a microturbine at Regional Plant No. 2 is consistent with the *Agency's Business Goal of Business Practices* by applying ethical, fiscally responsible, and environmentally sustainable principles to all aspects of business and organizational conduct.

**PRIOR BOARD ACTION**

None.

**IMPACT ON BUDGET**

None.

PJG:CB:SS:jp



**CONSENT  
CALENDAR  
ITEM**

**3G**



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Date: June 15, 2016  
To: The Honorable Board of Directors  
Through: Audit Committee (06/08/16)  
From: Teresa V. Velarde  
Manager of Internal Audit  
Subject: FY 2016/17 Annual Audit Plan

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### **RECOMMENDATION**

It is recommended that the Board of Directors:

1. Approve the FY 2016/17 IA Annual Audit Plan; and
2. Direct the Manager of Internal Audit to finalize the FY 2016/17 Annual Audit Plan.

### **BACKGROUND**

The Agency's Board approved Audit Committee Charter, authorizes the Audit Committee to:

- Approve a flexible Annual Audit Plan using an appropriate risk-based methodology, and submit that plan, as well as any periodic updates, to the Audit Committee for review and approval.
- Implement the approved Annual Audit Plan, including any special tasks or projects requested by Management, the Audit Committee or the Board.

The Audit Plan and Risk Assessment are based on Section 2010 Planning and 2010.A1 of the Institute of Internal Auditors (IIA) *International Standards for the Professional Practices of Internal Auditing (Standards)* which requires:

- The chief audit executive must establish risk-based plans to determine the priorities of the internal audit activity, consistent with the organization's goals.
- The internal audit activity's plan of engagements must be based on a risk assessment, undertaken at least annually. The input of Agency management and the Board must be considered in this process.

The IIA *Standards* define Risk and Residual Risk as follows:

- **Risk** – As the possibility of an event occurring that will have an **impact on the achievement of objectives**. Risk is measured in terms of impact and likelihood and:
- **Residual Risks** – As the risk remaining **after management takes action to reduce the impact and likelihood** of an adverse event, including control activities in responding to a risk.

FY 2016/17 Annual Audit Plan

In addition to several on-going projects, the major audit projects scheduled for FY 2016/17 are the following, details of which are included in the attached Annual Audit Plan:

- Master and Rotating Contracts Audit
- IT Equipment Audit Follow-up
- Water Conservation Programs
- Wire Transfers and Electronic Disbursements

The Annual Audit Plan also identifies additional audit areas. If the risk in any of the identified auditable areas increases, or the need to reprioritize audit projects arises, IA will perform an audit from the following list:

- Payroll and Time System
- Accounts Payable – Credit Cards and P-Cards
- Telephone Expense
- Contractual Actions
- Recycled Water Program & Revenue
- Inter-Fund Transfers and Reserve Requirements
- Capital Projects
- Agency Contracts/Agreements & Special Agreements
- Duplicate Payments/Late Payments/Fees and Penalties
- Bid and Selection Process for Construction Contracts
- Special Agreements
- Asset Management
- Operations

Additionally, the IA Charter requires follow-up audit work be performed on previous audit observations and recommendations to ensure that effective corrective action was implemented or alternate controls have been incorporated to mitigate the risks identified. Follow-up audit work includes detailed testing and verification by Internal Audit staff. Currently, IA staff is evaluating the implementation progress of 28 recommendations. A separate report will be issued once a status is determined. There are 39 additional outstanding audit recommendations that relate to 9 different audits, requiring follow-up verification. These will be planned according to the Annual Audit Plan. Internal Audit continues to work with Agency staff and review the recommendations and will report on the results through the status reports. A list of the outstanding recommendations

was submitted in June. The attached Audit Plan provides a current list by the name of the audit, the number of outstanding recommendations.

The FY 2016/17 Annual Audit Plan was developed using a general assessment, best practice recommendations, best auditor judgment, feedback from Agency management and the Audit Committee, as well as accounting for the impact on the Agency's operations if the targeted units fail to function in the most effective and efficient manner or neglect to comply with required policies and procedures.

In planning for the FY 2016/17 Annual Audit Plan and Internal Audit Department (IA) projects, the following were considered:

- The IA Charter
- The Audit Committee Charter
- Communications with the Audit Committee and the Board of Directors
- Communications with Executive Management and key Agency personnel
- Communications with the External Financial Auditors
- Communications with the Audit Committee Independent Advisor
- Prior audit findings and recommendations
- Assessed risks in operations
- Agency's goals and objectives, including activities, developments and changes
- Agency policies & procedures
- Key areas that affect revenue and expenses
- Identified opportunities to improve operations and add value to services
- IA resources
- New audit requirements and best practices

This Annual Audit Plan is a *flexible plan* with the goal of targeting significant Agency auditable areas and business units at some point or another, depending on priorities, risks and/or requests by the Board, Audit Committee and/or management. The plan will be used as a *guide* in selecting the audits. The Audit Plan is not a concrete plan. The IIA *Standards* recommend that periodic risk assessments be performed to ensure information captured is relevant, timely, and aligned with the Agency's changing environment, objectives, and direction. For this reason IA prepares an Annual Audit Plan and submits amendments when required.

The Annual Audit Plan is consistent with the Agency's Business Goals of Fiscal Responsibility, Workplace Environment and Business Practices by providing a plan for the independent evaluations of Agency financial and operational activities and suggesting recommendations for improvements.

### **PRIOR BOARD ACTION**

On December 16, 2015, the Board of Directors reconfirmed the approved Audit Committee and the Internal Audit Charter.

**IMPACT ON BUDGET**

When and if additional outside auditing or consulting services are required to provide assistance to IA or fulfill the responsibilities of the Audit Committee, a proposal with proposed fees will be submitted through the Audit Committee for appropriate action.



*Inland Empire Utilities Agency*  
A MUNICIPAL WATER DISTRICT

***Fiscal Year  
2016-2017***

***Internal Audit Department  
Annual Audit Plan***

Submitted by:  
Teresa V. Velarde  
Manager of Internal Audit Department  
June 2016

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### *Purpose of the Internal Audit Department*

As stated in the Board approved Charter, the purpose of the Internal Audit Department (Internal Audit) is to assist the Board of Directors and the Audit Committee in fulfilling their oversight responsibilities for reporting, internal controls, and compliance with legal and regulatory requirements applicable to Agency operations, and to provide objective assurance about the Agency's operations.

The purpose of the Internal Audit Department is also to provide consulting services, analyses, recommendations and information concerning the operations of the Agency as a service to management and as a way of adding value to improve the operations of the Agency. Internal Audit assists management and staff in achieving organizational goals and objectives by providing recommendations and advisory services based on results of analysis of the Agency's processes, procedures, governance, internal controls, financial reporting, and compliance with applicable laws and regulations.

The Internal Audit Department follows the guidance of the globally accepted *International Standards for the Professional Practice of Internal Auditing (Standards)* as documented in the International Professional Practices Framework (IPPF) and the Code of Ethics issued by the Institute of Internal Auditors (IIA). This guidance is documented in the Internal Audit Department Charter.

The Internal Audit Department reports directly to the Board of Directors through the Audit Committee. The Internal Audit Department has a dotted line reporting relationship to the General Manager and works in cooperation with the Executive Management Team but, as described in the Charter and according to the IIA *Standards* and best practices, is an independent function from Agency management, to provide objective analysis and recommendations. Independence is essential to the effectiveness of internal auditing and is emphasized by the Institute of Internal Auditors (IIA). The authority and responsibilities of the Internal Audit Department are specifically defined in the Internal Audit Department Charter approved by the Board of Directors.



### Mission Statement

*The Internal Audit Department seeks to improve the operations of the Agency by providing unbiased and objective assessments to ensure Agency resources are efficiently and effectively managed in order to achieve Agency goals and objectives. The Internal Audit Department will help the Agency achieve accountability and integrity, improve operations and instill confidence among its employees and the citizens it serves by:*

- *Promoting a sound control environment.*
- *Providing independent, objective assurance and consulting services.*
- *Improving Agency risk management, control and governance.*
- *Promoting the Agency's vision and mission with a high degree of professionalism.*

### *Internal Audit Department Values*

*The Internal Audit Department has adopted the following value statements that form the foundation for the Internal Audit Department:*

#### Independence

*As documented in the Charter the Internal Audit Department is an independent function of the Agency for the purpose of providing independent, objective, unbiased opinions.*

#### Integrity

*The Internal Audit Department staff is required to maintain the highest degree of integrity in conducting its audit work.*

#### Professionalism

*The Internal Audit Department will perform its work with professionalism at all times.*

#### Collaboration

*The Internal Audit Department will foster collaboration with all Agency personnel to promote teamwork within the various business units.*

### *Purpose of the Annual Audit Plan*

The Annual Audit Plan (Audit Plan) has been prepared in accordance with recommendations and best practices provided by the Institute of Internal Auditors (IIA). The Audit Plan allows the Manager of Internal Audit to carry out the responsibilities of the Internal Audit Department by prioritizing projects and allocating necessary resources where audit efforts are deemed appropriate and necessary. The Audit Plan is created to assist management and the Board in achieving organization goals and objectives.

The Audit Plan is a flexible plan of internal audit activities and was developed using an appropriate risk-based methodology, including any risks or control concerns identified or communicated by Management, the Internal Audit Department, External Auditors, the Audit Committee or Board. The overall objective is to develop a plan consistent with the Agency's goals and objectives, to address the highest risk areas within the Agency and to evaluate and contribute to the improvement of risk management, control and governance processes, additionally to add value by recommending opportunities for improvements to increase effectiveness and efficiency of operations.

In order to provide practical guidance and an authoritative framework for the development of the Annual Audit Plan, the Internal Audit Department recognizes the following items: Achieving one hundred percent audit coverage each year is not practical or achievable. It should be noted that audit resources are limited; therefore, a system for prioritizing audits has been employed. The Annual Audit Plan must be a flexible plan and should be amended periodically as deemed necessary to reprioritize areas that require attention. In preparing the Annual Audit Plan, consideration is given to the work performed by other auditors, regulatory authorities, established rules, laws and ordinances and the Agency's system of controls. Auditable areas are ranked by knowledge of known or perceived areas of risk and understanding of the systems of internal controls. It should be noted that there are inherent risks, residual risks and limitations with any methodology applied when prioritizing risks and ranking audit projects, risk factors exist with any system of controls.

As stated in the Internal Audit Department Charter, the Manager of Internal Audit will set audit frequencies, select the subjects and set objectives, determine the scope of work and apply the techniques required to accomplish the audit objectives. The Manager of Internal Audit has the authority to deviate from the approved annual Audit Plan, when necessary, and if warranted by unforeseen issues that require immediate attention. The Manager of Internal Audit will use professional discretion and judgment in response to such unforeseen issues and resolve handle them according to the requirements of the Charter. Significant changes to or deviations from the approved Annual Audit Plan shall be reported to the Audit Committee and to the Board at the next regularly scheduled Audit Committee meeting.

Both the IAD Charter and the IIA's Code of Ethics have strict standards of ethical conduct for internal auditors. The auditors have a responsibility to maintain independence, ensure integrity, objectivity, confidentiality and competency in work performed.

## *Annual Audit Plan Methodology*

In planning for the Internal Audit projects the following were also considered:

- The Internal Audit Department Charter
- The Audit Committee Charter
- Communications with the Audit Committee and the Board of Directors
- Communications with Executive Management and key Agency personnel
- Communications with the External Financial Auditors
- Communications with the Audit Committee Independent Advisor
- Prior audit findings and recommendations
- Assessed risks in business practices and operations
- Agency's goals and objectives, including activities, developments and changes
- Agency policies & procedures
- Key areas that affect revenue and expenses
- Identified opportunities to improve operations and add value to services
- New audit requirements, audit trends and leading practices
- Audit Department resources

For the Fiscal Year 2016/17 Audit Plan, the audits were selected based on the previous year's risk assessment and results of audits previously scheduled and deferred due to other priority projects. Significant deviations and changes to the Audit Plan will be communicated to the Audit Committee through an Amended Audit Plan and progress information is provided through quarterly Status Reports.

*FY 2016/17 Annual Audit Plan:*

*Complete the following audits during FY 2016/17:*

**Master Service Contracts Audit – Analysis of Task Orders**

The Agency has several master contracts for various services such as engineering services or construction services. An audit of this area would review procedures for updating the lists, opportunities for new companies to be considered for a master or rotating contract, and would review compliance with applicable laws and regulations. Additionally, the audit would evaluate the process to award contracts and projects to pre-qualified contractors and ensure processes conform to legal and Board-approved guidelines. Audit areas include:

- Evaluate the pre-qualification process
- Determine what procedures are in place to use the contractors on the master list
- Evaluate the manner in which task orders are issued
- Evaluate controls in place to administer the contracts
- Evaluate response time, and customer satisfaction of work completed

**Information Technology Equipment Audit Follow-Up Review**

The follow-up review focuses on the implementation progress of the 7 outstanding recommendations that are the primary responsibility of the Finance and Accounting Department. The recommendations related to IT equipment accountability, recording, and capitalization.

*Schedule and begin the following audits during FY 2016/17:*

**Water Conservation Programs**

Due to the Governor's Drought declaration, a key measure was included directing the California Department of Water Resources and the State board to accelerate funding for projects that enhance water supplies. Such funding is mostly in the form of grants; some received by IEUA. IEUA is the intermediary between state/Federal and Metropolitan Water District programs and member agencies. In partnership with other water agencies, IEUA has been at the forefront of various conservation projects working with member agencies to increase awareness about the drought and the need for conservation. Projects administered by IEUA must be carried out in accordance with the requirements of the grants, etc. This evaluation will review internal controls with contract administration/execution and proper distribution of funding.

**Wire Transfers and Electronic Disbursements**

To evaluate that adequate segregation of duties exists for electronic disbursements to ensure not one person has the ability to initiate, approve, and process electronic transfers, also to ensure payees are authorized, approved Agency payees and sufficient oversight exists to prevent unauthorized electronic disbursements or payments.

### *On-Going Projects for FY 2016/17*

- ❖ Internal Audit Department Quality Assurance and Improvement Program
- ❖ Assist with annual CAFR Review and Filing
- ❖ Review and update IA Department and Committee Charters
- ❖ Continue to assist with SAP internal control inquiries
- ❖ Provide needed support related to audit topics, internal controls, Agency policy, procedure and compliance items
- ❖ Further utilize capabilities of SAP to enhance IA functions
- ❖ On-going required administrative reporting, such as, budget, goals/objectives, staff appraisals, and other administrative items.
- ❖ Conduct special requests and/or unforeseen projects
- ❖ Provide recommendations to strengthen/streamline policies and procedures
- ❖ Update IA Annual Audit Plan and corresponding Risk Assessment
- ❖ Continue to work with auditees to resolve outstanding recommendations
- ❖ Assist with requests for internal controls questions, discussions and evaluations
- ❖ Continue to review, update and document IA Policies and Procedures
- ❖ Continuous Professional Development of all auditors
- ❖ Plan, prepare and coordinate Audit Committee Meetings
- ❖ Utilize the IA site on PIPES as an Agency-wide communication tool
- ❖ Unannounced Petty Cash Audits
- ❖ Provide "audit approach" presentations to requesting departments and/or for/within professional associations as a guest speaker



### *Long Range Audit Planning - Additional / Possible Audit Areas*

Internal Audit has identified additional audit areas. This list has been compiled as a preliminary list of future potential audits and as a list of additional, important audit areas where audit resources and efforts could be utilized. This is not a comprehensive/complete list. These audit areas have been selected based on identified risks at the time of completing this Audit Plan. If the risk/priority in any of the identified auditable areas increases, IA would perform the required audit/evaluation.

#### **Payroll and Time System**

To evaluate adequate internal controls and authorizations are in place in the new Payroll and Time System (myPT). With the implementation of the new Payroll and Time system (which is replacing the existing IFAS system) to streamline the current time, payroll and leave processes, there will be a need for auditors to check that adequate internal controls and authorizations are in place and working effectively and identify any areas for improvement. The departments that will be primarily involved are the Finance and Accounting, the Human Resources and the Business Information Systems departments.

#### **Accounts Payable Audit – Review of Credit Cards and P-Cards**

Select a specific vendor or types of payments, for example credit cards and p-cards to ensure the transactions do not bypass the required procurement processes.

- Review financial transactions and supporting documents
- Evaluate internal controls
- Compliance with policies and procedures

The Finance and Accounting Department will be the primarily point of review.

#### **Contractual Actions**

For the purpose of selecting several significant construction contracts and to perform tests from before contract award through final payment and close-out, including evaluating the process to award contracts and projects to pre-qualified contractors/vendors. Audit procedures will include: a review of internal controls; compliance with laws and regulations; compliance with Agency policies and procedures; and the effectiveness and efficiency of operations. Audit areas to include are: bidding process, contract award, invoicing, change orders, bonds, and warranties. The departments with the primary responsibility are the Construction Management, Contracts and Facilities Management and Finance and Accounting.

#### **Recycled Water Program – Revenue**

Recycled water revenue in FY 2011/12 is almost \$10 million. An audit of this area would determine the accuracy of revenues and identify any additional revenue due the Agency. The Finance and Accounting and the Planning departments will be the primary contact departments.

#### **Duplicate Payments/Late Payments/Fees and Penalties**

This area was covered during the Accounts Payable audit. The goal for this audit is to make this a recurring evaluation to check for the three types of payments (duplicates, late payments or preventable fees and penalties). This audit would cover a greater sample and would implement an audit program to periodically check for these types of payments.

**Inter-Fund Transfers and Reserve Requirements**

An audit of this area would determine if the Agency complies with all legal and regulatory requirements on maintaining reserves and on inter-fund transfers.

**Capital Projects**

The external financial auditors noted deficiencies with the process for closing completed capital projects. Projects were left open long after the project had been completed, therefore, impacting the accounting value of capital assets. This audit would focus on evaluating when open capital projects have been completed and examining when the construction in progress balances are closed to capital assets. The departments primarily engaged are the Finance and Accounting and the Engineering departments.

**Telephone Expense**

The Agency pays over \$85,000 annually for telephone service. Service is provided for landline phones, smartphones, and for data connections. Audit areas include the following:

- Determine efficiencies that could be achieved through consolidating billings
- Identify ways to streamline billing processes
- Comparison of charges on different bills to ensure consistency and accuracy
- Identify opportunities for savings
- Evaluating if phones issued to employees are used for the intended purpose according to Agency policies

**Bid and Selection Process for Construction Contracts**

To review the bid and selection process to ensure all legal and regulatory requirements are considered in the process, including grant requirements, where applicable, and that all contracts include required language. Additionally, to evaluate the process to award contracts and projects to pre-qualified contractors/vendors and ensure processes conform to legal and Board-approved requirements and are documented in formal operating procedures.

**Special Agreements**

The Agency has some "special agreements" with other agencies that may or may not be formalized under an official contract. This audit would also evaluate whether the special agreements provide preferential treatment or significant discounts/credits when compared to similar agencies for similar services.

**Asset Management**

The Agency currently has \$1.1 billion in total assets. An audit of this area would evaluate the accountability and controls to ensure assets are properly recorded in the Agency's financial records. Additionally, to determine if periodic inventories or other valuation processes are performed to validate the amount of assets reported in accounting records.

**Operations**

Facility Operations, Groundwater Recharge and Organics Management are programs under Operations Administration. The audit scope of any of these areas would focus on required permit compliance requirements, preventive maintenance of plants, staff training and staff certifications to operate plants/facilities, chemical and equipment use, and customer service to the service area, where applicable.

### *Outstanding Recommendations*

The Internal Audit Department Charter requires follow-up action be taken to ensure that management has effectively implemented recommendations or alternate controls have been incorporated to mitigate the risks identified. Follow-up audit work includes detailed testing and verification by Internal Audit staff.

During FY 2015/16, IA reviewed and verified the implementation status of 13 open recommendations related to 4 different audits. This list reports there are 73 open recommendations, the majority or 31 of the recommendations relate to the Regional Contract Review which was the primary objective of IA's projects during FY 2015/16 where 10 audit reports were issued in less than 18 months. Because all audit resources were utilized primary for this effort, follow-up activities were temporarily on hold. Audit guidelines suggest that an adequate amount of time be granted in order to provide auditees with sufficient time to implement corrective action plans. Follow-up audit work will be incorporated and completed along with the proposed projects for some of the open recommendations. Required follow-up audit work will include a desk review of supporting documentation, follow-up discussions with the auditee, and/or the application of testing procedures to verify implementation.

Area Audited	Report Issued Date	Follow-up review in progress by IA	No. of Recs. Remaining to be Verified by IA	Planned Follow-Up
Payroll Audit	August 24, 2010		1	FY2017
Intercompany Receivables - Watermaster	August 30, 2011		1	FY2017
Human Resources Follow-Up	June 20, 2012		1	FY2017
IT Equipment	August 21, 2012	6	1	FY 2018
Contracts and Procurement Follow-Up	August 29, 2012		2	FY2017
IT Equipment Follow-Up	November 14, 2012	1	1	FY 2018
2013 Petty Cash	May 31, 2013		5	FY2017
SCE Utility Payments	August 28, 2013		3	FY2017
Accounts Payable Follow-Up	August 29, 2013		9	FY2018
Automobile Insurance Requirements	March 3, 2014		2	FY2018
Vehicle Security Procedures	March 3, 2014		3	FY2018
Vehicle Inventory Procedures	March 12, 2014		13	FY2018
Regional Contract Review – Final Audit Report	December 16, 2015		31	Pending – Renegotiation of the Regional Contract
<b>Total</b>		<b>7</b>	<b>73</b>	

\*See the Report of Open Recommendations under separate cover submitted June 2016.



In addition to the outstanding recommendations from the various audits noted above, to-date, IA has completed nine different audit reports related to the Regional Contract Review and provided 31 recommendations for IEUA to consider in moving forward with renegotiating the Regional Contract.

### *Risk Assessment Strategy*

The IIA IPPFS standard 2120 states that Internal Audit must evaluate the effectiveness and contribute to the improvement of risk management processes.

The risk assessment is a general assessment performed using best practice guidance, professional judgment and consideration for the impact on the Agency's operations if the targeted units fail to function in the most effective and efficient manner or neglect to comply with required policies. In performing the Risk Assessment for this FY 2013/14 Annual Audit Plan, the following were considered:

- Agency Policies and Procedures
- Communication with the External Auditors
- Communication with the Audit Committee and Board
- Communications with key Agency personnel
- Assessing risks and exposures that may affect the organization
- New Agency activities, developments and major changes
- Key areas that affect revenue and expenses
- Observations resulting from previous audits and reviews
- New audit requirements and trends
- Opportunities to improve operations

The IIA PPF defines Risk as follows:

- **Risk** – The possibility of an event occurring that will have an **impact on the achievement of objectives**. Risk is measured in terms of impact and likelihood and;
- **Residual Risks** – As the risk remaining after management takes action to reduce the **impact and likelihood** of an adverse event, including control activities in response to a risk.

### *Audit Universe*

The IIA PPF defines Universe as all possible auditable areas. For the purposes of this Annual Audit Plan, the universe includes all Agency Departments, operations, contracts, transactions, processes, and activities.

*Internal Audit Department  
Quality Assurance and Improvement Program*

The Institute of Internal Auditing (IIA), International Professional Practices Framework (IPPF) defines a Quality Assurance and Improvement Program: “A quality assurance and improvement Program is designed to enable an evaluation of internal audit activity’s conformance with the Definition of Internal Auditing and the *Standards* and an evaluation of whether internal auditors apply the Code of Ethics. The program also assesses the efficiency and effectiveness of the internal audit activity and identifies opportunities for improvement.”

Standard 1311 of the IPPF requires that internal assessments include ongoing monitoring of the performance of internal audit activity; and periodic reviews performed through self-assessments.

Standard 1312 of the IPPF requires that external assessments be conducted at least once every five years by a qualified, independent reviewer or review team from outside the organization.

As part of IA’s commitment for continued quality audit services, beginning FY 2016/17, IAD will perform internal assessments of the IAD. An external assessment by an independent reviewer is planned for FY 2017/18. Results will be presented and discussed at the regularly scheduled Audit Committee meetings.

**CONSENT  
CALENDAR  
ITEM**

**3H**

Date: June 15, 2016

To: The Honorable Board of Directors

Through: Public, Legislative Affairs, and Water Resources Committee (06/08/16)

From: *for* P. Joseph Grindstaff *WJG*  
General Manager

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

Sylvie Lee *SL*  
Manager of Planning and Environmental Resources

Subject: Regional Water Use Efficiency Business Plan (2015-2020)

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### **RECOMMENDATION**

It is recommended that the Board of Directors adopt the 2015 Regional Water Use Efficiency Business Plan.

### **BACKGROUND**

As the regional wholesale supplier of water for the area, IEUA has the role of coordinating the region's activities and programs to reduce water demands. IEUA has worked closely with its member agencies to facilitate the application of thousands of water saving activities throughout the region. IEUA member agencies, whose direct contact with retail customers is crucial to the implementation of water use efficiency measures, have co-funded these efforts with IEUA and have taken a proactive approach in educating and working with their customers to conserve water.

In September 2009, the Agency completed an interim Regional Water Use Efficiency Business Plan (Plan) developed in-house by staff and the member agencies to provide a limited assessment of existing conditions and to establish an agreed upon work plan for implementing short-term initiatives. The first long-term Plan (2010-2015) was completed in September 2010, and was fundamental in providing more expertise and in-depth technical analysis. That Plan delivered needed guidance for developing new cost-effective water use efficiency (WUE) programs that focused limited financial and program resources on those activities yielding the highest water savings return. The 2010 Plan provided a blueprint that assisted IEUA and its member agencies in comprehensively planning for and implementing WUE activities and programs over the last five years. The 2010 Plan served as a working document and, as such, must be modified and updated

as programs continue and needs change. Changes and/or reviews of the Plan occur every five years to align with the Urban Water Management Planning Act reporting cycle.

The 2015 Plan was completed in January 2016 and was presented for review and comment to member agencies in February 2016. The 2015 Plan provides more in-depth research and technical analysis on past, present and potential future programming. It includes detailed sector analyses based on economics, end-use data, saturation based on implemented WUE programs, identification of active and passive water savings within the region, cost-benefit analyses for existing and potential WUE programs, and potential water savings opportunities.

The Plan is intended to assist member agencies with voluntary and regulatory compliance strategies over the next five years and to provide a pathway by which IEUA and its member agencies can ensure state grants and loans eligibility. The Plan includes a topic on Sustainable Communities Strategy, which addresses watershed-wide project planning that considers regional collaboration and multi-beneficial objectives such as a water-energy nexus, stormwater capture and retention, and low impact development. The Sustainable Communities Strategy will allow IEUA to maintain eligibility for and to access the highest level of grant and/or loan opportunities. The following table provides an overview of the 2015 Plan:

Plan Overview		
	With Budget-Based Rates	Without Budget-Based Rates
<b>Regional IEUA Cost per Acre-foot</b>	\$52 per acre-foot	\$208 per acre-foot
<b>Five-Year Water Savings (<i>active programs</i>)</b>	33,554 acre-feet	16,095 acre-feet
<b>Lifetime Water Savings (<i>active programs</i>)</b>	147,836 acre-feet	31,446 acre-feet
<b>Avoided Costs (NPV)</b>	\$152.7 Million	\$28.9 Million
<b>Five-Year Total Budget*</b>	\$7.5 Million	\$7.5 Million

\*Budget includes IEUA regional program costs exclusive of outside funding.

\*Budget includes \$300,000 per year for education and outreach programs.

Lastly, the 2015 Plan provides a detailed pathway that directly links to the core recommendations outlined in the Agency’s 2015 Phase I - Integrated Resources Plan (IRP). The IRP establishes a goal of reducing current urban water use by at least 10% by 2040 through the implementation of water use efficiency actions. Phase II of the IRP Process will expand the regional focus of supply to the specifics of implementation and projects recommended in the Plan, which will be evaluated and incorporated into the IRP Phase II Project List.

The Plan is consistent with the Agency’s Business Goal of increasing *Water Reliability* by promoting water use efficiency and education to enhance water supplies within the region; and meeting the region’s need to develop reliable and diverse local water resources in order to reduce dependence on imported water supplies.

**PRIOR BOARD ACTION**

On November 19, 2014, the IEUA Board of Directors awarded a services contract to A&N Technical Services, Inc. for the Regional Water Use Efficiency Business Plan update revised scope of work (2010-2015).

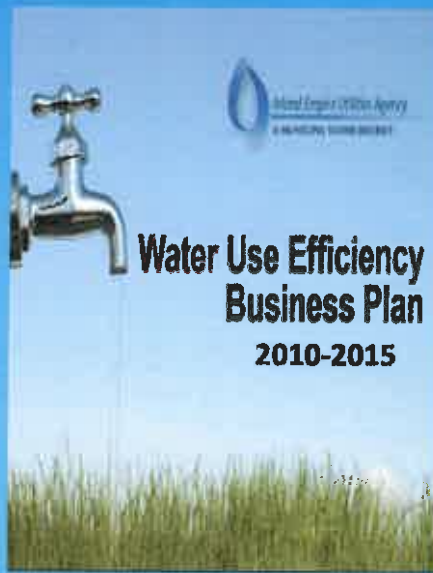
**IMPACT ON BUDGET**

Programs that are identified in the WUE Business Plan for regional implementation are included or will be included as part of the water conservation budget in the Water Resources (WW) Fund for FY 2016/17 and subsequent years. Several programs are also eligible for partial reimbursement to IEUA under MWD's Conservation Credits Program and the Department of Water Resources.

Attachment: Regional Water Use Efficiency Business Plan (2015-2020), available at this link:  
<https://ieua.hostedftp.com/J0p4vHbDLAZdfgrQjTCM8vOFd>



# Regional Water Use Efficiency Business Plan Update



Lisa Morgan-Perales



***Inland Empire Utilities Agency***  
**A MUNICIPAL WATER DISTRICT**

IEUA Board of Directors Meeting  
June 2016

# IEUA Regional Water Use Efficiency Business Plan - Historical Timeline

- September 2009 – Interim Water Use Efficiency Business Plan
  - 1 – Year (Establish Goals & Objectives–implement short-term initiatives)
- September 2010 – Long-Term Water Use Efficiency Business Plan
  - 5-Year Plan – 2010 - 2015 – Blueprint for implementing WUE Programs
- April 2016 – Regional Water Use Efficiency Business Plan
  - 5-Year Plan – 2015-2020 – synergized with IRP Process





# Conservation Past, Present, Future



*Water Use Efficiency remains  
the **LEAST EXPENSIVE** means  
of finding “new” water*

*It is estimated that 2 million acre feet of water  
could be saved at costs below what it would be  
to tap new sources.*

*(Waste Not, Want Not: pg. 18)*



# 2015 Regional Business Plan New Strategy

- Target inefficient water users, not just any customer
- Utilize new technologies: data analytics, budget-based water rate structures and technology-based information systems
- Re-think traditional programming and implement new approaches
- Include programming scalability to meet changing water supply conditions
- Water Resource Strategy: Treat water use efficiency and conservation as a component of the regional water supply portfolio



# 2010 Regional WUE Business Plan Program Performance

## IEUA Performance

Total Water Savings: FY 10 - 14

**200% of Goal**

**1,174**  
Acre-feet

Original Plan

**2,339**  
Acre-feet

Actual

**585**  
Acre-feet

Avg./Year

## IEUA Performance

Total Expenditures: FY 10 - 14

**50% Saved**

**\$1.47**  
Million

Original Plan

**\$790**  
Hundred  
Thousand

Actual

**\$683**  
Hundred  
Thousand

Savings

*\*Savings are attributed to obtaining external funding (MWD, DWR, USBR).*



# 5-Year Plan Overview

Plan Overview		
	With Budget-Based Rates	Without Budget-Based Rates
<b>Regional IEUA Cost per Acre-foot</b>	\$52 per acre-foot	\$208 per acre-foot
<b>Five-Year Water Savings (<i>active programs</i>)</b>	33,554 acre-feet	16,095 acre-feet
<b>Lifetime Water Savings (<i>active programs</i>)</b>	147,836 acre-feet	31,446 acre-feet
<b>Avoided Costs (NPV)</b>	\$152.7 Million	\$28.9 Million
<b>Five-Year Total Budget*</b>	\$7.5 Million	\$7.5 Million

*\*Budget includes IEUA regional program costs exclusive of outside funding.*

*\*Budget includes \$300,000 per year for education and outreach programs.*





# Recommendation

Staff recommends the Board adopt the 2015 Regional Water Use Efficiency Business Plan.

The plan is consistent with the **Agency's Business Goal of Water Reliability** by promoting water use efficiency and education to enhance water supplies within the region; and meeting the region's need to develop reliable and diverse local water resources in order to reduce dependence on imported water supplies.

**CONSENT  
CALENDAR  
ITEM**

**31**



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Date: June 15, 2016

To: The Honorable Board of Directors

Through: Public, Legislative Affairs, and Water Resources Committee (06/08/16)

From: P. Joseph Grindstaff *CB*  
General Manager

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

Sylvie Lee *SL*  
Manager of Planning and Environmental Resources

Subject: 2016 Chino Basin Storm Water Resources Plan

---

### **RECOMMENDATION**

It is recommended that the Board of Directors adopt the 2016 Chino Basin Storm Water Resources Plan.

### **BACKGROUND**

Inland Empire Utilities Agency prepared the 2016 Chino Basin Storm Water Resources Plan (Chino Basin SWRP) functional equivalency document to be in compliance with grant application requirements for Proposition 1 Storm Water grant funding. IEUA staff worked closely with Chino Basin Watermaster and Wildermuth Environmental to complete an accurate and thorough document. Water Code section 10563 requires public agencies to develop a SWRP as a condition of receiving grant funds from a bond for storm water and dry weather runoff capture projects. The Chino Basin SWRP was prepared according to State published guidelines for an equivalency document, and demonstrates that the aggregation of Chino Basin existing storm water and dry weather flow management programs along with their implementation agreements are functionally equivalent to a SWRP. The Chino Basin SWRP is scheduled for adoption by Santa Ana Watershed Project Authority (SAWPA) into the Santa Ana River Watershed's Integrated Regional Water Resources Management Plan One Water One Watershed 2.0 (OWOW) at the May 26, 2016 OWOW Steering Committee and with subsequent recommendation for adoption at the June 21, 2016 SAWPA Commission meeting. Completing the Chino Basin SWRP at this time allows the Agency to apply for project implementation funds from a Proposition 1 Storm Water Grant during Round 1 (deadline July 8, 2016) as opposed to later completion for round 2 qualification (anticipated in 2018).

The Chino Basin SWRP summarizes the past 16 years of planning and implementation of storm water recharge in the Chino Basin. It draws heavily on the region's 1999 Optimum Basin Management Plan (OBMP), 2001 Recharge Master Plan, 2013 Recharge Master Plan Update, Four-Party Agreement for Operation and Maintenance of the Recharge Facilities, OWOW 2.0, and IEUA's 2015 Integrated Resources Plan. The plan acknowledges that storm water planning is a continuous process and future planning documents can be added to the SWRP as they are prepared. For example, IEUA's forthcoming Phase 2 IRP and Low Impact Development Storm Water Plan can be used to update the Chino Basin SWRP when completed.

The Chino Basin SWRP is organized into two main narratives: 1) Storm Water Resource Planning in the Chino Basin and 2) Storm Water Resource Plan Checklist and Self-Certification. IEUA has established a SWRP webpage ([www.ieua.org/stormwater-resources plan/](http://www.ieua.org/stormwater-resources-plan/)) that contains a portable document file (PDF) of the plan and links to the plan's references. As requested in the Guidelines, relevant GIS shape files used to construct the plans map are also accessible from the IEUA SWRP webpage.

The 2016 Chino Basin SWRP is a synthesis document of existing planning documents which, have been environmentally evaluated or are in the process of being evaluated. The plan has no legally binding authorization and is statutorily exempt from CEQA.

The development of the Storm Water Resources Plan 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.



# Chino Basin Storm Water Resources Plan



*Inland Empire Utilities Agency*

A MUNICIPAL WATER DISTRICT

**Andy Campbell**

IEUA Board of Directors Meeting  
June 2016

# Chino Basin Storm Water Resources Plan

- Water Code section 10563 requires public agencies to develop a Storm Water Resource Plan
- Condition of receiving grant funds from a bond for storm water and dry weather runoff capture projects



# SWRP Guidelines

- Water Code section 10565 requires the State Water Board to establish guidance for SWRPs.
  - Watershed Collaboration
  - Quantitative Prioritization
  - Implementation Strategy and Schedule
  - Public Outreach and Participation
  - Checklist and Self-Certification
  - All functional equivalency plans
- IEUA prepared an equivalency SWRP

## Storm Water Resource Plan Guidelines



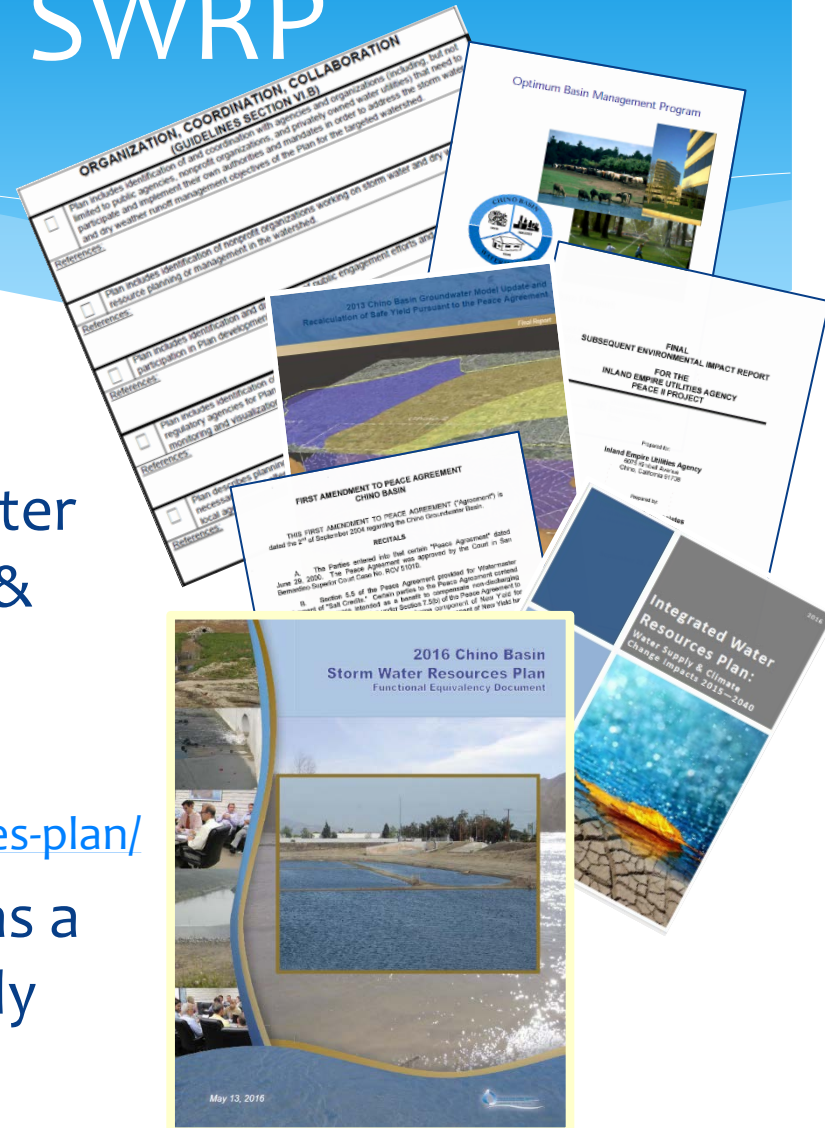
December 15, 2015

**STATE WATER RESOURCES CONTROL BOARD**  
CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY



# Chino Basin SWRP

- Follows self-certification outline
- Summarizes Optimum Basin Management Plan, Recharge Master Plans, Integrated Resources Plan & others regional planning docs
- Provides references, as required
  - <http://www.ieua.org/stormwater-resources-plan/>
- Is statutorily exempt from CEQA as a synthesis document with no legally binding authorization





# Why Include Chino Basin SWRP in OWOW 2.0

## ■ SWRP Guidelines

- Approach on a Watershed scale yielding multiple benefits
- Participate in a Regional Integrated Resources Management Plan
- Coordinate with agencies that exercise their own authorities and mandates to address storm water and dry weather runoff management
- Plan, coordinate, support, and collaborate among two or more lead local agencies responsible for Plan implementation



# Next Steps

- \* SAWPA OWOW Steering Committee, May 26, 2016
- \* SAWPA Commission, June 21, 2016



# Recommendations

It is recommended that the Board of Directors

- Adopt the 2016 Chino Basin Stormwater Resources Plan and
- Find that the plan is statutorily exempt from CEQA as a synthesis document with no legally binding authorization

The plan is consistent with the **Agency's Business Goal of Water Reliability** by promoting water use efficiency and education to enhance water supplies within the region; and meeting the region's need to develop reliable and diverse local water resources in order to reduce dependence on imported water supplies.

**CONSENT  
CALENDAR  
ITEM**

**3J**





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**Date:** June 15, 2016

**To:** The Honorable Board of Directors

**Through:** Engineering, Operations, and Biosolids Management Committee (6/08/16)  
Finance, Legal, and Administration Committee (6/08/16)

**From:** P. Joseph Grindstaff *WJG*  
General Manager

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

Shaun J. Stone *SJS*  
Manager of Engineering

**Subject:** Pump Efficiency Improvements Proposal Rejection

---

### **RECOMMENDATION**

It is recommended that the Board of Directors reject the April 12, 2016, proposals for the construction of the Agency-Wide Pump Efficiency Improvements, Project No. EN16070.

### **BACKGROUND**

As part of the Agency-Wide Energy Efficiency Study Project, IEUA staff has been working with The Energy Network (TEN) and the Water Infrastructure and System Efficiency (WISE) Program to identify opportunities to reduce total electricity usage and costs. Pumping facilities are one of the main elements that consume a substantial amount of power during operations. Agency staff worked with Southern California Edison (SCE) to conduct several pump performance tests at all sites. The tests found that a total of eleven (11) pumps; three (3) wastewater and eight (8) recycled water are in need of repairs or replacement.

On March 22, 2016, the Agency solicited cost proposals (RFP-RW-16-006) from five (5) pre-qualified contractors to provide overhaul services and/or replacement of the above-referenced pumps. On April 12, 2016, the Agency received two (2) cost proposals; one of which was deemed non-responsive for failure to complete the bid forms and the other was slightly higher than the Engineer's Estimate. Due to the limited number of responses and the elevated price, staff recommends the rejection of the proposals received.

The following is the anticipated schedule moving forward:

<b>Project Milestone</b>	<b>Date</b>
Rejection of Proposals	June 15, 2016
Construction Contract Award (based on re-advertising)	August 17, 2016
Construction Completion	April 2017

The rejection of the proposals for the Agency-Wide Pump Efficiency Improvements Project is consistent with the *Agency's Business Goal of Business Practices* by applying ethical, fiscally responsible, and environmentally sustainable principles to all aspects of business and organizational conduct.

**PRIOR BOARD ACTION**

None.

**IMPACT ON BUDGET**

None.

PJG:CB:SS:aa


**CONSENT  
CALENDAR  
ITEM**


**3K**


Date: June 15, 2016

To: The Honorable Board of Directors

Through: Engineering, Operations, and Biosolids Management Committee (6/8/16)  
Finance, Legal, and Administration Committee (6/8/16)

From:  P. Joseph Grindstaff  
General Manager

Submitted by: Randy Lee   
Executive Manager of Operations/Assistant General Manager

Matthew Melendrez   
Deputy Manager of Operations

Subject: Purchase of Dewatering Polymer Blending Units

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### RECOMMENDATION

It is recommended that the Board of Directors:

1. Authorize the single source procurement of new polymer blending units and start up services for Regional Water Recycling Plant No. 1 (RP-1) from Velocity Dynamics, LLC for a not-to-exceed amount of \$172,000 (including tax and delivery); and
2. Authorize the General Manager to execute the purchase.

### BACKGROUND

The RP-1 Dewatering Facility Expansion project was commissioned in 2013. The goal of the project was to replace the aging belt presses, produce dryer biosolids, and provide dewatering capacity, flexibility, and redundancy for the ultimate build-out. The contractor for the project installed four Siemens M-Series polymer blending units as required by the project specifications. These polymer blending units are designed to work with the dewatering centrifuges to produce dewatered biosolids and clear centrate. During startup, several issues related to the neat and diluted polymer solution pipe sizing and pressure losses were identified and fixed to meet the original design intent. The Siemens units worked effectively after the pressure loss issues were addressed and the project was accepted by the Board on September 18, 2013.

During continued operation, all four Siemens polymer blending units experienced mechanical failures of the three-way water flow regulating valve, prohibiting the ability to automatically control the polymer blending system.

After contacting the local representative for Siemens, IEUA staff became aware that Siemens had sold its assets, inventory, and associated trademarks of the M-Series polymer blending units to Underground Solutions, Inc. (UGSI). After contacting UGSI, it became apparent that UGSI was not prepared to support the Siemens units installed at RP-1 and instead proposed the replacement of all four units with other UGSI products. The failure of the three-way valves became an unsupported manufacturer defect that reduced process efficiencies and had limited to no maintainability.

Agency staff performed industry-wide research and determined that three manufacturers could meet the original design requirements and physical footprint of the polymer blending units, which included Velocity Dynamics, UGSI, and Prominent. After performing site visits to other facilities and obtaining information from each manufacturer, it was determined that the Velocity Dynamics' Velodyne unit was the best choice for this application for the following reasons:

- 1) The unit is designed with a unique neat polymer check valve which allows for easy maintenance.
- 2) The polymer mixing chamber can continue to function even if the mixer motor fails.
- 3) Velocity Dynamics is an established manufacturer of polymer blending systems with readily available support and spare parts.
- 4) Velocity Dynamics units have a proven performance history with other wastewater agencies.

One unit was purchased from Velocity Dynamics and installed for testing purposes. The testing was successful in meeting the requirements of the dewatering process. Therefore, the Agency would like to standardize upon this unit for future purchases.

On April 13, 2016, the Agency requested pricing from JBI Water (the local representative for Velocity Dynamics) and received a quote of \$51,185 per unit and manufacturer onsite support/assistance during startup for \$5,030. The replacement of the remaining three units and startup is expected not-to-exceed \$172,000 (including tax and delivery). Of the total cost, the Agency will pay for one unit and startup services using funds available in Fiscal Year (FY) 2015/16. The remaining two units will be funded using budget in FY 2016/17, upon receipt of all project deliverables.

Replacing the failed polymer blending units is in line with the IEUA Business Goal of Wastewater Management to maintain capacity within systems and facilities to meet essential service demands.

Purchase of Dewatering Polymer Blending Units  
June 15, 2016  
Page 3

**PRIOR BOARD ACTION**

On September 18, 2013, the Board of Directors accepted the work performed by SSC Construction, Inc. under the construction contract for the RP-1 Dewatering Facility Expansion, Project No. EN06015.

**IMPACT ON BUDGET**

The cost of the RP-1 Polymer Blending Units, for the not-to-exceed amount of \$172,000 is within the Regional Wastewater Operations and Maintenance Fund, with \$60,686 budgeted under Project EP16002 for FY 2015/16 and \$111,314 budgeted under EP17002 for FY 2016/17.

# Purchase of Dewatering Polymer Blending Units

June 2016

Matthew Melendrez  
Deputy Manager of Operations

Randy Lee  
Executive Manager of Operations/AGM



# Background

- \* Originally installed Siemens M-Series Polymer Blending Units (PBU)
- \* Proprietary 3-way valves failed
- \* Siemens no longer supports M-Series
  - \* Sold all rights to Underground Solutions, Inc. (UGSI)
- \* UGSI was unable to propose solution to repair PBUs





# Alternatives

- \* Temporary field modifications
- \* Complete PBU replacement
  - \* Market research indicated three manufacturers met PBU required capacity
- \* Velodyne unit selected
  - \* Best value to the Agency
  - \* Successful field testing



# Recommendation

Approve the purchase of three Velodyne polymer blending units and startup services from Velocity Dynamics, LLC for the not-to-exceed amount of \$172,000 over FY 2015/16 and FY 2016/17.

*Supports the Agency's business goal of Wastewater Management to maintain capacity within systems and facilities to meet essential service demands.*



Inland Empire Utilities Agency

A MUNICIPAL WATER DISTRICT

Questions?

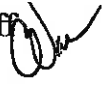
**CONSENT  
CALENDAR  
ITEM**

**3L**

Date: June 15, 2016

To: The Honorable Board of Directors

Through: Engineering, Operations, and Biosolids Management Committee (6/08/16)  
Finance, Legal, and Administration Committee (6/08/16)

From: *for* P. Joseph Grindstaff   
General Manager

Submitted by: Randy Lee *RL*  
Executive Manager of Operations/Assistant General Manager

Matthew Melendrez *RL for RL MM*  
Deputy Manager of Operations

Subject: Contract Award to Polydyne Inc. for Flosperse 30S

---

### **RECOMMENDATION**

It is recommended that the Board of Directors:

1. Approve Contract No. 4600002106 to Polydyne Inc., establishing a two-year contract for the supply of Flosperse 30S with options for three additional one-year extensions, for a potential total contract term of five years; and
2. Authorize the General Manager to execute the contract with the three potential contract extensions.

### **BACKGROUND**

Sewage treatment generally involves solids and liquid treatments processes. At the Agency's water recycling plants, liquid stream goes through biological, filtration, and disinfection treatments to achieve the required Title 22 standard before it is distributed for beneficial reuse. Solids stream goes through thickening, digestion, dewatering, and finally transported to the Inland Empire Regional Composting Facility (IERCF) for composting. During the sludge dewatering process, a very hard mineral called struvite can form and coat the inside of sludge lines and dewatering equipment, reducing equipment capacity and causing failures. This is a common problem encountered in the wastewater industry. Struvite formation is a complex chemical reaction dependent on pH, temperature, pressure, and constituents such as magnesium, ammonium, and phosphate which are abundant in sludge. This issue is found at Regional Water Recycling Plant

No. 1 (RP-1), but not at Regional Water Recycling Plant No. 2 (RP-2). Without treatment, RP-1 experiences substantial struvite build-up. Agency Operations and Maintenance staff have been challenged by struvite formation on sludge dewatering equipment for many years. In 2010, RP-1 started experimenting with the addition of an anti-struvite chemical, which has provided significant benefits in the form of reduced struvite deposits in the dewatering process equipment, fewer disruptions to dewatering operations, and the need for less frequent equipment cleaning.

The current anti-struvite chemical supply contract with Polydyne Inc. will expire on June 30, 2016. On March 28, 2016, a formal Request for Proposal was issued through the PlanetBids online solicitation system to 19 potential bidders. Suppliers were asked to sample RP-1 centrate to perform jar tests and then provide a recommended chemical dose with their proposed price. The bid closed on April 11, 2016 and four suppliers provided proposals:

Supplier	Cost per Year
Univar	\$30,378
Jayne Products	\$44,602
Polydyne Inc.	\$65,456
Thatcher Company	\$105,714

Staff from the Technical Services Department then performed in-house jar tests using the Supplier's recommended dose to determine the best performing product. The results were based on the testing of three constituents; magnesium, phosphorous and total solids. The table below summarizes the results of the testing. Higher numbers indicate better performance.

Supplier	Product	Retained Magnesium	Inhibited Total Solids	Retained Phosphorus
Polydyne Inc.	Flosperse 30S	63%	24%	100%
Thatcher Company	Compliance STR	31%	11%	84%
Univar USA	Carus Struvout	3%	4%	62%
Jayne Products	Struvite Dispersant JS 9310	4%	5%	25%

The results of the jar testing indicated that the product Flosperse 30S, provided by Polydyne Inc., was the superior performer with respect to all three constituents tested. The other three products produced unacceptable results during the jar testing. Polydyne Inc. has been the supplier of anti-struvite chemical for IEUA since 2010 and the performance of their chemical has been acceptable.

Therefore, staff recommends that the Board approve the issuance of a two-year contract to Polydyne Inc. with options for three additional one-year extensions, for a potential total contract

Contract Award to Polydyne Inc. for Flosperse 30S

June 15, 2016

Page 3 of 3

term of five years. Currently, IEUA is paying \$0.919 per pound to Polydyne Inc. for the same Flosperse 30S product. The proposed price of \$0.875 represents a 5% decrease.

Awarding the contract to Polydyne Inc. for Flosperse 30S is in line with the IEUA Business Goal of Wastewater Management to maintain capacity within systems and facilities to meet essential service demands.

### **PRIOR BOARD ACTION**

On June 16, 2010, the Board of Directors awarded a five-year contract to Polydyne, Inc.

On May 20, 2015, the Board of Directors approved an amendment extending the contract for a one-year term.

### **IMPACT ON BUDGET**

If approved, the anticipated chemical expenditures will be funded from the Fiscal Year 2016/17 Regional Wastewater Operations and Maintenance (RO) Flosperse budget.



# Contract Award to Polydyne Inc. for Flosperse 30S June 2016

Matthew Melendrez  
Deputy Manager of Operations

Randy Lee  
Executive Manager of Operations/AGM



# Struvite

- \* Struvite is a phosphate mineral containing several constituents commonly found in wastewater.



# Struvite Formation

- \* Struvite deposits restrict and plug flow in pipelines, valves, pumps, etc.



**Pump Impeller**



# Struvite Control With Flosperse 30S

- \* Flosperse 30S is used at RP-1 to control struvite deposits in dewatering processes
- \* Flosperse greatly mitigates struvite deposits
- \* There have been no struvite related failures since dosing Flosperse





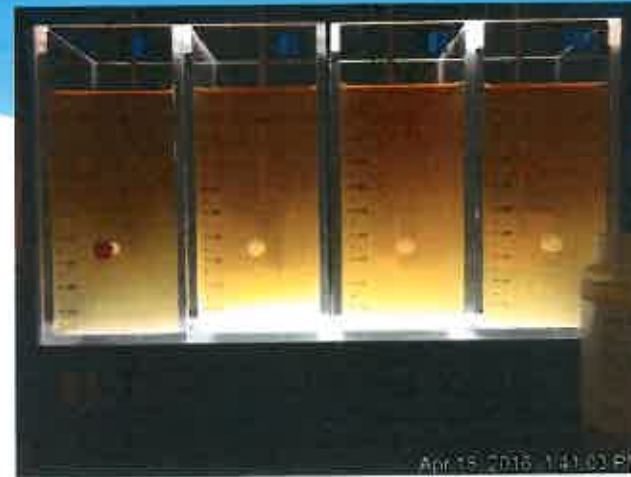
# Chemical Trial RFP

- \* Staff issued an RFP for Anti-Struvite Chemical and received four proposals

Supplier	Cost per Year
Univar	\$30,378
Jayne Products	\$44,602
Polydyne Inc.	\$65,456
Thatcher Company	\$105,714

# Jar Testing

- \* Technical Services staff performed jar testing to determine effectiveness of proposed chemicals



Supplier	Product	Retained Magnesium	Inhibited Total Solids	Retained Phosphorus
Polydyne Inc.	Flospere 30S	63%	24%	100%
Thatcher Company	Compliance STR	31%	11%	84%
Univar USA	Carus Struvout	3%	4%	62%
Jayne Products	Struvite Dispersant JS 9310	4%	5%	25%

\* Higher number indicates more favorable result

# Recommendation

- \* Staff recommends Board approval of a new two-year contract with options for three additional years with Polydyne, Inc. for Flosperse 30S
  - \* \$0.875/pound including tax and delivery
  - \* Approximately 5% decrease from current price of \$0.919/pound



*Supports the Agency's business goal of Wastewater Management to maintain capacity within systems and facilities to meet essential service demands.*



**CONTRACT NUMBER: 4600002106  
FOR  
SUPPLY OF FLOSPERSE 30S**

This CONTRACT (Contract), is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2016, 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 Polydyne Inc. of Riceboro, Georgia (hereinafter referred to as Supplier) for supply and delivery of Flosperse 30S anti-struvite chemical.

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

- A. **CONTRACT ADMINISTRATOR:** All general direction related to this Contract shall come from the designated Contract Administrator. Details of the Agency's assignment are as follows:

Contract Administrator: Roger Hughbanks  
Location: 6075 Kimball Ave., Building A  
Chino, CA 91710  
Telephone: (909) 993-1679  
Email: [rhughbanks@ieua.org](mailto:rhughbanks@ieua.org)

- B. **SUPPLIER ASSIGNMENT:** Special inquiries related to this Contract and the effects of this Contract shall be referred to the below-listed Supplier Representative:

Supplier Representative: Brent Swanson  
Address: 1 Chemical Plant Road  
Riceboro, GA 31323  
Telephone: (661) 803-2466  
E-mail: [PolyBidDpt@snfhc.com](mailto:PolyBidDpt@snfhc.com)

- C. **ORDER OF PRECEDENCE:** The documents referenced below represent the Contract Documents. Where any conflicts exist between the general terms and conditions, addenda, attachment(s), or other contractual documents, the governing order of precedence shall be as follows:

1. Amendment(s) to Contract No. 4600002106
2. Contract No. 4600002106
3. Agency's Request for Proposal No. RFP-RH-16-030
4. Supplier's Proposal dated April 7, 2016

- D. **SCOPE OF WORK:** Supplier product, services, and responsibilities shall include and be in accordance with the following:

**PRODUCT REQUIREMENTS:** The anti-struvite chemical supplied in conjunction with this Contract will be used by the Inland Empire Utilities Agency (IEUA) within its' dewatering facility centrate discharge system located at the Agency's Regional Water Recycling Plants in Chino and Ontario, California.

The anti-struvite chemical delivered by the Supplier must not contain solidified masses and must be in 100 percent solution when mixed. Anti-struvite chemical not meeting this requirement can cause clogging of the Agency's anti-struvite chemical feed system and will be rejected back to the Supplier at the Supplier's expense.

The selected Supplier shall provide detailed instructions as to the proper procedures for feeding the anti-struvite chemical for use in the Agency's dewatering facility centrate discharge system process and shall also provide any necessary assistance, including conveyance of theory and control philosophy, for setting up the feeding systems. In addition, the Supplier shall provide any specialized equipment necessary to feed the anti-struvite chemical into the dewatering facility centrate discharge system process; such equipment will not include the mixing/feeding units.

Throughout the entire Contract term, the Supplier shall provide anti-struvite chemical identical to the product supplied during performance testing conducted by the Agency. The anti-struvite chemical will be routinely monitored for the following:

1. Density (lbs/gal)
2. Percent Total Solids
3. Percent Volatile Solids
4. Percent Active Solids

The supplied anti-struvite chemical shall be utilized to inhibit the formation of struvite within the dewatering facility centrate discharge system. The chemical shall be applied at the Supplier's recommended dosage into the dewatering facility centrate sump and into the individual centrifuge centrate discharge points. Agency staff will monitor parameters related to struvite formation as described below:

1. The raw centrate and chemically treated centrate (i.e., centrate dosed with anti-struvite chemical and/or NaOH) will be analyzed for magnesium, phosphorous, and total solids to determine whether the components of struvite are remaining in solution (i.e., not removed from the centrate through struvite formation).
2. pH, TSS, and COD may be measured periodically.
3. Centrate pumping performance, as compared to original pump curves
4. Discharge centrate header performance, by historical flow meter and pressure trends

A reduction of the centrate pump and/or the discharge piping is prohibited at any time during the application of the supplier's anti-struvite chemical. In addition, concentrations of magnesium and/or phosphorous in the treated centrate must stay in solution within the entire length of discharge piping and not precipitate in the form of struvite at any time during the application of the supplier's anti-struvite chemical.

Solution of anti-struvite chemical shall be delivered in 275 gallon tote bins. The Supplier shall supply and install any specialized fittings and equipment necessary to transfer the anti-struvite chemical from the bins to the mixing/feeding units.

Should the Supplier be unable to deliver the requested quantity of anti-struvite chemical consistent with the requirements specified herein, the Agency may purchase anti-struvite chemical on the open market. If the cost of the anti-struvite chemical purchased to replace the successful bidder's product results in increased operating costs, the successful bidder shall be responsible for the Agency's added costs.

The Agency will pay for the actual number of pounds delivered in the tote bins. Packing Slips shall convey the loaded gross weight, empty tare weight and net anti-struvite chemical weight delivered. Pounds invoiced will be the net pounds of anti-struvite chemical delivered (i.e., loaded gross weight minus the empty tare weight). The total weight of the anti-struvite chemical delivered shown on the packing slip shall be identical to the amount invoiced.



A certified laboratory analysis indicating the percent of total solids, percent of volatile solids and percent of active solids must be provided by the Supplier with each delivery. The laboratory analysis must accompany the delivery notice (packing slip). The laboratory analysis must indicate any product that is delivered containing less percent of dry solids than has been specified. Periodic quality control tests will be performed by the Agency on the delivered product to ensure that Contract specifications are maintained and reported quality is accurate. Continued discrepancies of delivered product will result in back charges to the Supplier for all resultant extra costs incurred by the Agency and may result in contract termination.

All anti-struvite chemical delivered in conjunction with this contract shall comply in all respects with federal, state, and local regulations in effect at the time of delivery.

**ESTIMATED QUANTITIES:** It is envisioned that the selected Supplier shall provide all anti-struvite chemical to be used by the Agency's Regional Water Recycling Plants No. 1 and No. 2 dewatering facility centrate discharge systems during the term of the Contract. The Agency's annual anti-struvite chemical usage will be based on historical data and Supplier's chemical information as detailed below:

1. Anti-Struvite chemical will be applied at the Supplier's recommended dosage.
2. RP-1's average daily centrate flow of 330,000 gallons per day (calendar year 2015).
3. Percent Active Solids of anti-struvite chemical as provided by the Supplier
4. Density of anti-struvite chemical as provided by the Supplier

However, the Agency shall not be obligated to purchase any specific minimum nor maximum quantities and reserves the right to purchase either more or less product, based on the facility's Solids Loading Rate and the effectiveness/efficiency of the selected anti-struvite chemical product, at the agreed upon firm-fixed unit price established by the Contract.

**SHIPPING INSTRUCTIONS:** Shipments shall be made within three calendar days subsequent to the Supplier's receipt of either a verbal or written shipping order from the Agency. Orders will be placed on an as-needed basis to suit the Agency's requirements throughout the Contract period. Deliveries shall be made between the hours of 7:00 a.m. and 1:00 p.m., Monday through Friday only.

**DELIVERY LOCATIONS:** Anti-struvite chemical shall be delivered to the following locations, as designated at the time of order placement:

Inland Empire Utilities Agency  
Regional Plant No. 1  
2662 E. Walnut Avenue  
Ontario, CA 91761

Inland Empire Utilities Agency  
Regional Plant No. 2  
16400 El Prado Road  
Chino, CA 91708

The Agency reserves the right to add any additional delivery destinations, within its' designated service area, as may subsequently be required. Any added location(s) shall receive the same product, service, pricing, etc. as required by the Contract.

**LOADING AND UNLOADING:** Upon arrival, the delivery person will report to the Agency facility's clerk; upon notification, an Agency operator will observe and approve all loading and unloading of shipments. The Supplier shall allow a reasonable period of time (up to one hour) between notification

to the clerk and approval by Agency operators to unload shipment. Procedures for loading and unloading of all shipments shall comply with Cal-OSHA and AWWA Standards. Loading and unloading of all shipments will not commence without an Agency Operator present. The Supplier's delivery equipment must be fully compatible with Agency facilities and equipment. Deliveries shall be executed without any spillage of material. Any spilled material, however minor, shall immediately be contained and properly removed by the Supplier. Any damage or disfigurement to Agency property caused by a spill, or the loading process, shall be corrected by the Supplier immediately, at the Supplier's expense.

The Supplier shall be responsible for the pick-up of "empty" totes at the request of the Agency; the collection of totes will be at no additional expense to the Agency. "Empty" totes may contain a residual amount of anti-struvite chemical; the Agency shall not be held accountable for completely cleaning and emptying the anti-struvite chemical totes prior to Supplier pick-up. The Agency shall not be responsible for damage to totes sustained during delivery or pick-up process.

**PRODUCT SAMPLE:** The Agency may require, on an as needed basis, that a sample of the product delivered be collected by Agency personnel prior to unloading. The amount of sample required will be approximately half a pint. Supplier's tote must accommodate the collection of the sample without causing spilling or splashing of product.

**TERMINATION:** The Agency may reject delivery or terminate the Contract, if: the quality of the delivered anti-struvite chemical does not meet Contract specifications; the quality of the delivered product deteriorates; the delivered product is different from the product that was tested during the trial testing period; or the performance of the delivered product is significantly different from the performance of the product during the trial testing period. In the event delivered product is rejected for failure to meet Contract specifications, it shall be the sole responsibility of the Supplier to immediately remove said product and provide acceptable replacement product at the sole expense of the Supplier. In that event, the Supplier shall, at the Supplier's expense, support the Agency's operation through provision of temporary facilities. Temporary facilities shall include installed anti-struvite chemical storage tanks, pumps, piping, and miscellaneous appurtenances. Further, all costs for removal, replacement, and temporary facilities for such replacement product shall be the responsibility of the Supplier. The Agency may terminate the Contract should two or more deliveries be rejected in a one year period.

**EMERGENCY TELEPHONE NUMBER:** The Supplier shall provide a telephone number(s) where a representative of the Supplier may be contacted 24 hours a day, seven days a week in the event of an emergency.

**SAFETY DATA SHEETS:** The Supplier shall provide two copies of the selected product's Safety Data Sheet (SDS) to the Agency's Contract Administrator upon execution of any Contract entered into, and upon any update or revision to the SDS document. Also, the SDS shall be made available for the Agency to copy at the time of each delivery.

**SAFETY TRAINING:** The successful bidder shall provide training in the safe and proper handling procedures of their product and emergency kits, if so requested by the Agency. If requested, training shall be provided up to twice per calendar year. This training shall be provided at the Agency's Regional Plants, as required. The training shall be provided at no additional expense to the Agency.

- E. TERM OF CONTRACT AND OPTIONS:** The term of this Contract shall run from the date of its bilateral execution through June 30, 2018 or as mutually agreed to between the Supplier and Agency in any written extension to the Contract. Additionally, the Supplier shall agree to allow the Agency, at the Agency's sole discretion, to extend this Contract, in twelve month increments, for an additional period not-to-exceed 36 months; resulting in the potential for a total Contract term of five years. In the event the Agency desires to exercise any or all of the Contract extension options provided for in this Section, the Agency shall provide written notice to the Supplier, prior to the expiration of the original Contract term or any extension thereof.

F. **PRICE ADJUSTMENTS:** In the event the Agency exercises any of the Contract extensions provided for in Section E above, pricing for said extension shall be calculated as follows:

Commencing on July 1, 2018 and continuing on each July 1st thereafter, those prices provided for in Section G of this Contract shall be adjusted plus or minus by a sum equal to the percentage change in the Consumer Price Index (CPI) for All Urban Consumers, in the Los Angeles-Riverside-Orange County(s), California index area as provided for in this section. The basis for computing the adjustment to those prices provided for in Section G of this Contract shall be the percentage change for the twelve month period from March to March, starting with the period of March 2017 to March 2018, and continuing every twelve months thereafter.

In the event the CPI is changed so that the base period differs from 1967=100, then the index applied as provided for above shall be corrected in accordance with the conversion factor published by the United States Department of Labor, Bureau of Labor Statistics, or their successor. If the CPI is discontinued or revised, such other governmental index or computation with which it is replaced shall be used in order to obtain substantially the same result as would have been obtained if the CPI had not been discontinued or revised.

G. **PAYMENT, COMPENSATION and INVOICING:** The Agency shall pay Supplier's properly executed invoice(s) within thirty (30) calendar days following receipt of the invoice. Payment will be withheld for any product which does not meet or the requirements of this Contract until such product is replaced and accepted by the Agency.

As compensation for all satisfactory product provided under this Contract, the Agency shall pay the Supplier, on a fixed unit price basis, in accordance with the price schedule shown below.

<b>PRODUCT PRICE/POUND (delivered)</b>	<b>\$ 0.810</b>
<b>SALES TAX @ 8.00</b>	<b>\$ 0.065</b>
<b>TOTAL NET PRICE/POUND (delivered)</b>	<b>\$ 0.875</b>

Contractor's invoices shall be submitted as follows:

Inland Empire Utilities Agency  
Attention: Accounts Payable Department  
P.O. Box 9020  
Chino Hills, CA 91709

OR invoices may be submitted electronically via:

APGroup@ieua.org

H. **FITNESS FOR DUTY:**

1. **Fitness:** Supplier and its Subcontract personnel on Agency property:
  - a. shall report for work in a manner fit to do their job;
  - b. 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
  - c. 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.
2. **Inspection:** Searches by Agency authorized personnel may be made of lockers, storage areas, vehicles, persons or personal effects on Agency-owned, or leased property at various times without prior announcement. Such facility inspections may be conducted using

detection dog teams to search work areas and other common areas in order to detect evidence of unlawful drug use or the presence of pyrotechnics, explosives, firearms, weapons, or facsimiles thereof, alcoholic beverages and illegal drugs ("Prohibited Items"). Prohibited Items must not be brought onto, or kept on, Agency property.

3. **Compliance:** Supplier shall advise all supplier and subcontractor personnel and associated third parties of the requirements of the Contract ("Fitness for Duty Requirements") before they enter on Agency property and shall immediately remove from Agency property any employee determined to be in violation of these requirements. Supplier shall impose these requirements on its Subcontractors. The Agency may cancel the Contract if Supplier violates these Fitness for Duty Requirements.

i. **REQUIRED INSURANCE:** During the term of this Contract, the Supplier shall maintain at the Supplier's sole expense, the following insurance.

1. **Minimum Scope of Insurance**

- a. **General Liability:** \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage, with a \$2,000,000 general aggregate. Coverage shall be at least as broad as Insurance Services Office form number CG 00 01 10 01 covering Comprehensive General Liability.
- b. **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 10 01 covering Automobile Liability, including "any auto".
- c. **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.

2. **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 Supplier shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

3. **Other Insurance Provisions:** The policies are to contain, or be endorsed to contain, the following provisions:

- a. **General Liability and Automobile Liability:**

- (1) The Agency, its officers, officials, employees and volunteers are to be covered as insureds, endorsement GL 20 11 07 66, CG 20 10 11 85, and/or CA 20 01 (Ed. 01 78) as respects: liability arising out of activities performed by or on behalf of the Supplier, products and completed operations of the Supplier, premises owned, occupied or used by the Supplier, or automobiles owned, leased, hired or borrowed by the Supplier. The coverage shall contain no special limitations on the scope of protection afforded to the Agency, its officers, officials, employees or volunteers.
- (2) The Supplier'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 Supplier's insurance and shall not contribute with it.

- (3) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Agency, its officers, officials, employees or volunteers.
- (4) The Supplier'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.
- (5) The Supplier 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.

b. **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 Supplier for the Agency.

c. **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 30 days or ten days in the event of nonpayment, prior written notice has been given to the Agency.

4. **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.
5. **Verification of Coverage:** The Supplier shall furnish the Agency with certificates of insurance and with original endorsements effecting coverage required by the Agency for themselves and all Subcontractor(s) 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 insurance 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.
6. **Submission of Certificates:** The Supplier shall submit all required insurance certificates and endorsements to the following:

Roger Hughbanks ( or via e-mail to: rhughbanks@ieua.org)  
Inland Empire Utilities Agency  
P.O. Box 9020  
Chino Hills, California 91709

J. **LEGAL RELATIONS AND RESPONSIBILITIES:**

1. **Status Of Supplier:** The Supplier is retained as an independent Supplier only, for the sole purpose of providing product as described herein, and not an employee of the Agency.
2. **Observing Laws And Ordinances:** The Supplier or any Subcontractor 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 supply of any product, 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 Supplier or any Subcontractor 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 Supplier or its employees.

3. **Subcontract Services:** Any subcontracts for the performance of any services under this Contract shall be subject to the written approval of the Project Manager.
4. **Indemnification:** Contractor 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:
  - A. The negligence, recklessness or willful misconduct of the Contractor, its directors, employees, agents and assigns, in the performance of work under this contract.
  - B. Any and all actions, proceedings, damages, costs, expenses, penalties or liabilities, in law or equity, or every kind or nature whatsoever, arising out of, resulting from, or on account of the violation of any governmental law or regulation, compliance with which is the responsibility of the Consultant;
  - C. Any and all losses, expenses, damages (including damages to the work itself), attorneys' fees, and other costs, including all costs of defense, which any of them may incur with respects to the failure, neglect, or refusal of Consultant to faithfully perform the work and all of the Consultant's obligations under the agreement. Such costs, expenses, and damages shall include all costs, including attorneys' fees, incurred by the indemnified parties in any lawsuit to which they are a party.
5. **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.
6. **Equal Opportunity:** During the performance of this contract the Agency, the Supplier and any Subcontractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, marital status, national origin, or physical handicap.
7. **Disputes:**
  - a. All disputes arising out of or in relation to this Contract shall be determined in accordance with this section. The Supplier 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.
  - b. Any and all disputes during the pendency of the work shall be subject to resolution by the Agency Project Manager and the Supplier shall comply, pursuant to the Agency Project Manager instructions. If the Supplier 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 Supplier 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 Supplier's written protests to the Chief Executive Officer/General Manager (CEO/GM), 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 CEO/GM 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 Supplier is not satisfied with any such resolution by the CEO/GM, they may file a written request for arbitration with the Project Manager within seven (7) calendar days after receiving written notice of the CEO/GM's decision.

c. 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:

- (1) The Demand for Arbitration shall include a list of five names of persons acceptable to the Supplier to be appointed as Arbitrator. The Agency shall determine if any of the names submitted by Supplier are acceptable and, if so, such person will be designated as Arbitrator.
- (2) In the event that none of the names submitted by Supplier are acceptable to the Agency, or if for any reason the Arbitrator selected in Step (a) is unable to serve, the Agency shall submit to Supplier a list of five names of persons acceptable to the Agency for appointment as Arbitrator. The Supplier shall, in turn, have seven (7) calendar days in which to determine if one such person is acceptable.
- (3) 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.

d. **Joinder in Mediation/Arbitration:** The Agency may join the Supplier in mediation or arbitration commenced by a Supplier 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 Supplier.

8. **Workers' Legal Status:** For Performance under this Contract, Supplier shall only utilize employees that are authorized to work in the United States pursuant to the Immigration Reform and Control Act of 1986.

K. **INFRINGEMENT:** Supplier represents and warrants that Work and Documentation shall be free of any claim of trade secret, trade mark, trade name, copyright, or patent infringement or other violation of any Proprietary Rights of any person.

Supplier 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 attorneys' fees and expenses arising out of any claim that use of the Work or Documentation, to replace or modify the Work and Documentation infringes upon any trade secret, trade mark, trade name, copyright, patent, or other Proprietary Rights.

Supplier 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.

- L. **TAXES, FEES, AND CHARGES:** The Supplier, and any of its Subcontractors, shall pay all sales, consumer, use and other similar taxes, and pay all charges and fees required to be paid by the Supplier, or any of its Subcontractors, in accordance with state, county, and local laws and ordinances.
- M. **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 Green  
Manager of Contracts/Procurement & Facilities Services  
Inland Empire Utilities Agency  
P.O. Box 9020  
Chino Hills, California 91709

Supplier: Boyd Stanley  
Business Director  
Polydyne Inc.  
P.O. Box 279  
Riceboro, GA 31323

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.

- N. **INTEGRATION:** The Contract Documents represent the entire agreement between the Agency and the Supplier 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 Supplier. (Government Code Section 4154)
- O. **GOVERNING LAW:** This Contract is to be governed by and constructed in accordance with the laws of the State of California.
- P. **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 Supplier, and their respective successors and assigns. Notwithstanding the foregoing, no assignment of the duties or benefits of the Supplier under this Contract may be assigned, transferred or otherwise disposed of without the prior written consent of the Contract Administrator and/or Agency; and any such purported or attempted assignment, transfer, or disposal without the prior written consent of the Contract Administrator and/or Agency shall be null, void, and of no legal effect whatsoever.
- R. **FORCE MAJEURE:** Neither party shall hold the other responsible for the effects of acts occurring beyond their control; e.g., war, riots, strikes, acts of nature, etc.
- S. **TERMINATION:** The Agency reserves the right to suspend, cancel, or terminate this Contract at any time upon ten calendar days written notice to the Supplier. In the event of such termination, the Agency shall pay Supplier for all authorized and Supplier-invoiced product, approved by the Contract Administrator, up to the date of such termination. (Government Code Section 4154)
- T. **CHANGES:** The Agency may, at any time, make changes to this Contract's Scope of Work; including additions, reductions and other alterations to any or all of the work. However, such changes shall only be made via written amendment to this Contract. The Contract Price and Work Schedule shall be equitably adjusted, if required, to account for such changes and shall be set forth within the Contract Amendment.



U. **NOTICE TO PROCEED**: No services shall be performed or furnished under this Contract unless and until a fully executed Contract has been completed by all responsible parties and a Notice to Proceed has been issued by the Agency.

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

**INLAND EMPIRE UTILITIES AGENCY,  
A Municipal Water District:**

**POLYDYNE Inc.:**

\_\_\_\_\_  
P. Joseph Grindstaff  
General Manager

\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Mark Schlag  
Vice President


\_\_\_\_\_  
5/12/16  
Date

**ACTION  
ITEM**

**4A**

**Cihigoyenette, Grossberg & Clouse**  
**8038 Haven Avenue, Suite E**  
**Rancho Cucamonga, CA 91730**  
**(909) 483-1850**

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Date: June 15, 2016  
To: The Honorable Board of Directors  
From:  Jean Cihigoyenette, General Counsel  
Subject: Filling Vacant Seat on the Board of Directors

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**RECOMMENDATION**

It is recommended that the Board of Directors determine as follows:

1. Adopt Resolution No. 2016-6-20, determining that the vacancy on the Board of Directors shall be by appointment as opposed to special election;
2. Ratify notice to the County Election Official of the existence of a vacant seat on the Board of Directors of the Agency; and
3. Authorize staff to post a Notice of Vacancy on the IEUA Board of Directors in three (3) or more conspicuous places within Division 2.

**BACKGROUND**

On May 31, 2016, Director Gene Koopman passed away thereby creating a vacancy on the Board of Directors.

Pursuant to *California Water Code* § 71254, whenever a vacancy occurs in the office of Director, it shall be filled pursuant to Section 1780 of the *Government Code*. The vacancy shall be filled by a qualified person who shall be a resident of the Division in which the vacancy has occurred.

*California Government Code* § 1780 provides that the Board of Directors of the Agency, in this instance, may decide whether to appoint an individual to fill the vacancy created on the Board of Directors, or request that the Election Official of the County of San Bernardino conduct a special election to fill the vacancy. Should the Board of Directors elect to follow the appointment procedure, the person appointed to fill the vacancy will serve for the remaining duration of the term for Division 2. The cost associated with a special election would be paid by either the taxpayers or from the Agency's funds. It is General Counsel's opinion that the appointment process would be the most efficient and less costly manner of filling the vacancy in question. If the appointment process is to be pursued, the Agency must notify the County Election Official within fifteen (15) days of notice of vacancy, in this instance by June 15, 2016, that there is a vacancy on the Board of Directors, and that it will be filled by appointment. Staff must post a

*Memo to the Honorable Board of Directors  
Re: Filling of Vacant Seat in District 2  
June 15, 2016  
Page 2 of 2*

Notice of Vacancy in three or more conspicuous places within the District. This posted Notice must occur no later than fifteen (15) days prior to the actual appointment. Finally, the appointment process must be completed by the Board of Directors on or before August 8, 2016. The County Election Official must be advised within fifteen (15) days of the appointment of the identity of the individual selected to fill the vacant position.

Based upon legal research we have conducted, it appears that the entire application, interview, and selection process must be done in open session. Of course, the Board of Directors is entitled to establish the method by which the appointment process will proceed.

**PRIOR BOARD ACTION**

None.

**IMPACT ON BUDGET**

The only impact to the budget foreseen at this point in time is the cost of publication of the Notice of Vacancy, as well as the administrative costs associated with conducting the appointment process.

JC/dlr

**RESOLUTION NO. 2016-6-20**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY, A MUNICIPAL WATER DISTRICT, SAN BERNARDINO COUNTY, CALIFORNIA, RESOLVING TO FILL THE VACANCY ON THE BOARD OF DIRECTORS OF SAID AGENCY BY APPOINTMENT**

**WHEREAS**, on May 31, 2016, the Agency learned that Director Gene Koopman had passed away, leaving a vacancy on the Board of Directors of the Inland Empire Utilities Agency\*, Division 2;

**WHEREAS**, pursuant to *California Water Code* § 71254 and *California Government Code* § 1780, the Board of Directors may elect to fill the vacancy on the Board of Directors by either appointment or special election; and

**WHEREAS**, the Board of Directors has determined that appointment is the most expeditious and less costly method of filling said vacancy;

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors that:

1. The vacancy on the Board of Directors of Inland Empire Utilities Agency\* created by the death of Director Gene Koopman shall be filled by appointment as provided by *Government Code* § 1780.
2. The President is hereby authorized to give notice to the San Bernardino County Election Official of the vacancy and intent to fill said vacancy by appointment.

3. Staff is directed to post Notice of Vacancy in at least three (3) conspicuous places within the District and to accept applications for consideration by the Board of Directors to fill the vacancy.
4. The appointment process shall be completed by the Board of Directors on or before August 13, 2016.

**ADOPTED** this 15<sup>th</sup> day of June, 2016,

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

ATTEST:

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

(SEAL)

STATE OF CALIFORNIA            )  
  )  
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. 2016-6-20, was  
adopted at a regular meeting on June 15, 2016, of said Agency by the following vote:

AYES:

NOYES:

ABSTAIN:

ABSENT:

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Steven J. Elie  
Secretary/Treasurer

(SEAL)

\*A Municipal Water District

**ACTION  
ITEM**


**4B**





Date: June 15, 2016

To: The Honorable Board of Directors

Through: Finance, Legal, and Administration Committee (06/08/16)

From:  P. Joseph Grindstaff  
General Manager

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

 Javier Chagoyen-Lazaro  
Manager of Finance and Accounting

Subject: FY 2016/17 Budget Amendment, Rates and Fees, and Inter-fund Loans

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### RECOMMENDATION

It is recommended that the Board of Directors approve:

1. The amendments to the FY 2016/17 adopted budget for all Agency's funds;
2. The Non-Reclaimable Wastewater (NC) fund Rate Resolution Nos. 2016-6-1 through 2016-6-3;
3. The Regional Wastewater Operations & Maintenance (RO) fund Rate Resolution 2016-6-4;
4. The Water Resources (WW) fund Rate Resolution Nos. 2016-6-7 and 2016-6-15;
5. Rate Resolution No. 2016-6-5 for Laboratory Fees, 2016-6-6 for Equipment Rental, and 2016-6-9 for the Fontana Extra-Territorial Charge;
6. An inter-fund loan from the RO fund to the WW fund for a not-to-exceed amount of \$3.2 million in FY 2016/17 to support purchase of supplemental water supplies;
7. The forgiveness of the inter-fund loan from the Administrative Service (GG) fund to the WW fund in the amount of \$4.3 million in FY 2015/16; and
8. The allocation of property tax receipts in excess of \$13.7 million from the Regional RO, Recycled Water (WC), and GG funds to the WW fund beginning in FY 2016/17, and

maintain allocation of 65% of property tax receipts to the Regional Wastewater Capital Improvement (RC) fund.

## BACKGROUND

On May 18, 2016, a review of the budget amendments to the FY 2016/17 adopted budget, along with the proposed potable water rates were presented to the IEUA Board of Directors (Board). Not included in the overview was the NC fund due to pending updates on the pass-through rates for FY 2016/17. The amendments to FY 2016/17 adopted budget for the RC, RO, WC, and Recharge Water (RW) funds were also presented to the Regional Technical and Policy Committees (Regional Committees) on May 26, 2016 and June 2, 2016, respectively. The proposed Ten Year Capital Improvement Plan (TYCIP) for fiscal years (FYs) 2016/17 – 2025/26 were also presented to the Board on April 20, the Regional Committees on April 28 and May 5, respectively.

Following is a summary of the proposed changes (amendments) to the FY 2016/17 O&M adopted budget, including the proposed rates and amendments for the NC Fund and the proposed multi-year rates for the WW fund. Also included is an overview of the FYs 2016/17 – 2025/26 TYCIP recommended for approval by the Regional Committees and adopted by the Board on May 18, 2016.

### FY 2016/17 Amended Budget (All Funds)

Total revenue and other sources of funds of \$257.9 million adopted for FY 2016/17 is being reduced to \$229 million. A summary of the adjustments that account for the \$28.9 million reduction is provided in Table 1.

**Table 1: FY 2016/17 Changes to Total Revenues (\$Millions)**

Revenues	Adopted FY 2016/17	Amended FY 2016/17	Increase/ (Decrease)	Key Assumptions
MWD Water Sales (pass-through)	\$42.1	\$28.7	(\$13.4)	Deliveries reduced from 60,000 AF to 45,000 AF (5,000AF IEUA storage)
Connection Fees	30.6	20.0	(10.6)	New wastewater connections cut from 4,580 to 3,000 units. New water connection units cut from 4,167 to 2,730 units
User Charges	76.7	71.9	(4.8)	Lower water revenues from proposed new water rates partially offset by an increase in volumetric EDU charges
Grants/Loans	31.3	28.0	(3.3)	Decrease due to changes in related project timeline execution
Interest Revenue	1.3	0.6	(0.7)	Lower interest rate projection
Property taxes	42.4	44.7	2.3	Higher growth in FY 2015/16
Inter-Fund Loan	2.0	3.2	1.2	From RO Fund to WW Fund to support purchase of supplemental water
Other Revenues	13.7	14.1	0.4	Contract reimbursements
Recycled Water Sales	17.8	17.8	0.0	No change

<b>Total</b>	<b>\$257.9</b>	<b>\$229.0</b>	<b>(\$28.9)</b>
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The total expenses and other uses of funds adopted for FY 2016/17 were \$227.7 million. The amended FY 2016/17 budget reflects an increase of \$6.3 million to \$234.0 million. The primary driver is an increase in Capital Improvement Plan (CIP) and special O&M expenditures due to changes in project schedules, which is offset by lower imported MWD water purchases, as shown in Table 2.

**Table 2: FY 2016/17 Changes to Total Expenses (\$Millions)**

Expenses	Adopted FY 2016/17	Amended FY 2016/17	Increase/ (Decrease)	Change in Key Assumptions
Capital Projects	\$52.5	\$60.4	\$7.9	Change in project scope and schedule
Operating Expenses	65.7	73.2	7.5	Increase in special O&M project costs
Inter-Fund Loans	2.0	3.2	1.2	Higher amount to support purchase of supplemental water
Employment Cost	42.7	43.3	0.6	Reduction in vacancy factor from 3% to 2% to support succession planning
MWD Water Purchases	42.1	31.9	(10.2)	Deliveries reduced from 60,000 AF to 45,000 AF (5,000 AF IEUA storage)
Debt Service Costs	22.7	22.0	(0.7)	Change in the Wineville SRF loan repayment to FY 2017/18
<b>Total</b>	<b>\$227.7</b>	<b>\$234.0</b>	<b>\$6.3</b>	

## TYCIP

The FYs 2016/17 – 2025/26 TYCIP was adopted by the Board in May 2016. Since then, projects and respective budget realignments have resulted in an increase of \$13.5 million to the adopted TYCIP, from \$732.6 million to \$746.1 million. The increase is primarily due to the inclusion of additional projects anticipated to be fully funded by grants and contributions. These additional projects include; conservation program carry forward projects of \$11.2 million, Chino Creek Wetlands and Educational Park Upgrades project of \$1.9 million, and construction of a recycled water lateral north of California Institute of Men (CIM) of \$0.4 million.

Table 3 provides a comparison by fund of the FYs 2016-2025 and adopted FYs 2017-2026 TYCIP. The increase of \$54.1 million is primarily due to adjustments in project execution timeline, changes in scope of work, and increase in project costs. One example is the increase in total project budget from \$20 million to \$25 million for construction of the water quality laboratory.

**Table 3: FY 2015/16 and FY 2016/16 TYCIP by Fund (\$ Millions)**

Fund	FYs 2016-2025 TYCIP	FYs 2017-2026 TYCIP	Increase (Decrease)
Regional Wastewater Capital Improvement (RC)	\$348.9	\$386.4	\$37.5
Recycled Water (WC)	75.2	85.5	10.3
Regional Wastewater O&M (RO)	131.0	139.7	8.7
Recharge Water (RW)	49.3	53.2	3.9

Fund	FYs 2016-2025 TYCIP	FYs 2017-2026 TYCIP	Increase (Decrease)
Administrative Services (GG)	9.5	13.1	3.6
Non-Reclaimable Wastewater (NC)	17.2	11.1	(6.1)
Water Resources (WW)	60.9	57.1	(3.8)
<b>TOTAL</b>	<b>\$ 692.0</b>	<b>\$ 746.1</b>	<b>54.1</b>

The CIP for FY 2016/17 reflects a net increase of \$7.9 million, from \$52.5 million to \$60.4 million (Table 4). The increase is primarily in the Regional Wastewater Program (RC and RO funds) for projects such as: Agency wide pump efficiencies and lighting improvements, RP-4 safety improvements, and RP-5 solids treatment facility. The higher CIP for the Regional Wastewater program is partially offset by a decrease in the WC fund regional recycled water intertie projects with the City of Pomona and Jurupa Community Services District (JCSD).

**Table 4: FY 2016/17 Changes to Capital Improvement Plan (\$Millions)**

Fund	Adopted FY 2016/17	Amended FY 2016/17	Increase (Decrease)
RO fund	\$11.8	\$19.3	\$7.5
RC fund	15.4	20.0	4.6
GG fund	0.9	2.9	2.0
NC fund	1.1	1.7	0.6
WC fund	18.6	11.9	(6.7)
RW fund	4.7	4.6	(0.1)
<b>Total</b>	<b>\$52.5</b>	<b>\$60.4</b>	<b>\$7.9</b>

**Debt service**

Total amended debt service in FY 2016/17 is \$25.2 million; slightly higher than the \$24.7 million projected in the adopted budget (Table 5).

**Table 5: FY 2016/17 Changes to Debt Service (\$Millions)**

	Adopted FY 2016/17	Amended FY 2016/17	Increase (Decrease)
Principal	\$12.5	\$12.0	(\$0.5)
Interest	9.8	9.6	(\$0.2)
Financial Expenses	0.4	0.4	0.0
<b>Subtotal</b>	<b>\$22.7</b>	<b>\$22.0</b>	<b>(\$0.70)</b>
Inter-fund Loan	2.0	3.2	1.2
<b>Total</b>	<b>\$24.7</b>	<b>\$25.2</b>	<b>\$0.05</b>

The amended FY 2016/17 budget includes a \$3.2 million inter-fund loan from the RO fund to the WW fund to support the purchase of supplemental water. A summary of the inter-fund loans and repayment schedule is provided in Table 6.



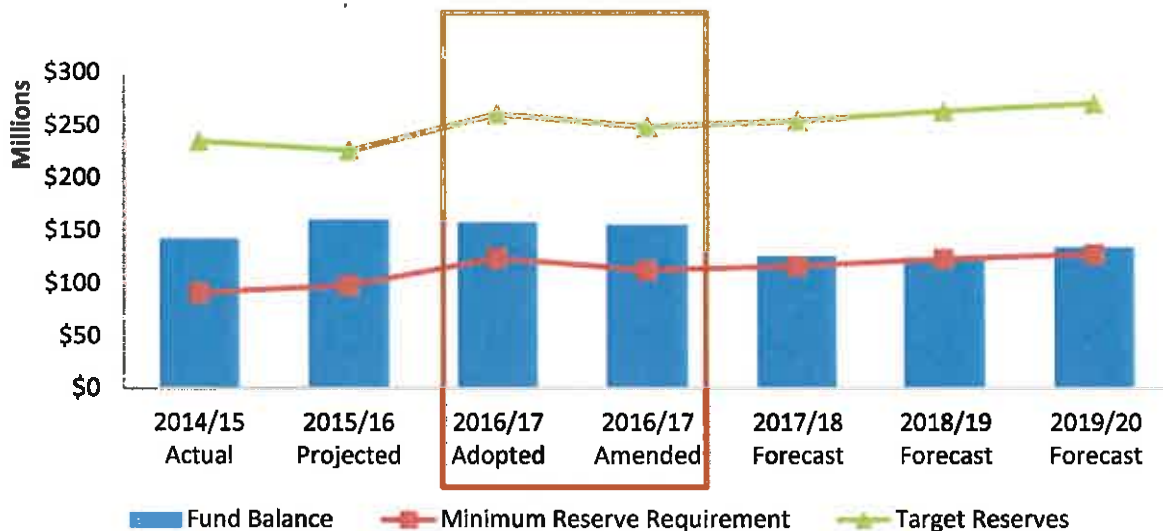
**Table 6: Repayment Schedule of Inter-Fund Loans (\$Millions)**

Inter Fund Loan Issued	From	To	Loan Amount	Proposed Repayment Amount FY 2016/17	Repayment Schedule
2007/08	NC fund	WC fund	\$9.0	\$0	2019/20 \$2.0 2020/21 \$2.0 2021/22 \$2.0 2022/23 \$2.0 2023/24 \$1.0 <b>Total \$9.0</b>
	RC fund	WC fund	\$3.0	\$0	2022/23 \$1.0 2023/24 \$1.0 2024/25 \$1.0 <b>Total \$3.0</b>
2009/10	NC fund	WC fund	\$6.0	\$0	2023/24 \$1.0 2024/25 \$2.0 2025/26 \$3.0 <b>Total \$6.0</b>
	RC fund	WC fund	\$10.5	\$0	2022/23 \$1.0 2023/24 \$5.0 2024/25 \$4.5 <b>Total \$10.5</b>
2014/15	GG fund	WW fund	\$4.3	\$0	<b>Board to approve request from member agencies to forgive loan</b>
2016/17	RO fund	WW fund	\$3.2	\$0	2024/25 \$0.5 2025/26 \$0.5 2026/27 \$0.5 2027/28 \$0.5 2028/29 \$0.5 2029/30 \$0.5 2030/31 \$0.2 <b>Total \$3.2</b>
	<b>Grand Total</b>		<b>\$36.0</b>	<b>\$0</b>	<b>\$36.0</b>

**Consolidated Fund Balance**

Based on net changes to total revenues and expenses, the consolidated fund balance is projected to be \$2.5 million lower; decreased from \$157.8 million to \$155.3 million at the end of FY 2016/17 as shown in Figure 1.

**Figure 1: Consolidated Fund Balance (\$Millions)**



Offsetting the proposed reduction in total revenues and other funding sources and proposed increase in total expenses and other uses of funds is a higher projected ending fund balance for FY 2015/16. The projected ending fund balance for the current fiscal year is projected be approximately \$30 million higher than estimated in the FY 2015/16 adopted budget. The primary driver for the projected higher ending fund balance is lower capital project costs and higher than anticipated property tax receipts.

***Non Reclaimable Wastewater (NC) Fund***

The NC fund records the transactions for the acquisition, construction, expansion, replacement, and operation of the Agency’s non-reclaimable wastewater sewer lines, interceptors, and appurtenant facilities. The primary funding source for the NC fund are the pass-through rates from the Sanitation District of Los Angeles County (SDLAC) for the north system and the Santa Ana Watershed Project Authority (SAWPA) for the south system. As a result, the north and south systems have different rate structures and rates.

On average, the amended rates for FY 2016/17 for the north system are decreasing by 9% and the south system rates are increasing by 3%. A key change for the north system is the reduction in total capacity units (CU) allocated to the industries from 13,611 to 13,505 CUs. In accordance with the agreement, total CUs are adjusted annually based on the prior fiscal year’s actual flow and strength data.

On May 19, 2016 Agency staff facilitated a workshop for the NRW industries to provide an overview of the proposed rates for FY 2016/17. Listed in Table 7 are the pass-through rates for FYs 2015/16 and 2016/17 for the north and south systems.

**Table 7: NRW North and South System Pass-Through Rates**

Rate Description	Current FY 2015/16	Amended FY 2016/17
<b>North System</b>	<b>13,611 CU</b>	<b>13,505 CU</b>
Flow/mg	\$948	<b>\$915</b>
COD/klb	\$210	<b>\$180</b>
TSS/klb	\$433	<b>\$436</b>
Peak/mg	\$360	<b>\$348</b>
CU Purchase	\$5,150	<b>\$4,172</b>
CU Lease	\$257.50/CU/Yr.	<b>\$208.60/CU/Yr.</b>
<b>South System</b>		
Capacity/CU	\$351.17	<b>\$368.76</b>
Flow/mg	\$817.00	<b>\$858.00</b>
BOD/klb	\$301.00	<b>\$307.00</b>
TSS/klb	\$420.00	<b>\$429.00</b>

In addition to the pass-through rates which fully recover operating and capital costs from SDLAC and SAWPA, the Agency collects a capacity charge from the NRW industries in the north system. A 50% operating surcharge on the volumetric, capacity and strength charges for non-recycled water users is collected from NRW industries in the south system. The Agency's capacity charge and operating surcharge support the Agency's program costs. For FY 2016/17, the north system capacity charge is \$26.54 per CU.

The NC fund FY 2016/17 amended revenue and other funding sources are estimated at \$11.4 million, a decrease of 3.1 million compared to the adopted budget of \$14.5 million. The decrease is primarily due to a decrease in user charges due to reduced pass-through excess strength charges from SDLAC and the deferral for repayment of the inter fund loan due from the WC fund to FY 2019/20 . Table 8 highlights the changes in major revenue and other funding sources.

**Table 8: NC Fund Major Revenues and Other Funding Sources**

\$Millions	Major Funding Sources	Adopted FY2016/17	Amended FY 2016/17	Increase (Decrease)	Key Assumptions
Non-Reclaimable (NC) fund	Other Revenues	\$2.4	\$0.3	(\$2.1)	Deferral of \$2 million inter-fund loan repayment from WC fund to FY 2019/20
	Excess User Fees (SS)	4.8	3.7	(1.1)	Fees for wastewater strength composition*
	Agency Program Charges	4.7	4.8	0.1	Administrative, operational, and capacity surcharges, which includes a portion of the Agency capital costs.
	Volumetric Fees	2.0	2.0	0.0	Monthly fee based on adopted fees and metered wastewater flows.

\$Millions	Major Funding Sources	Adopted FY 2016/17	Amended FY 2016/17	Increase (Decrease)	Key Assumptions
	Capacity Fees	0.6	0.6	0.0	Monthly fee charged to the holders of capacity rights in the South system to cover capital.
	<b>Total</b>	<b>\$14.5</b>	<b>\$11.4</b>	<b>(\$3.1)</b>	

\*Strength charges are calculated on Total Suspended Solids (TSS), Chemical Oxygen Demand (COD), and Biochemical Oxygen Demand (BOD).

The amended NC fund FY 2016/17 total expenses and other uses of funds are estimated at \$11.9 million; approximately \$0.4 million lower than the adopted budget of \$12.3 million (Table 9). The decrease is mainly due to lower excess strength pass-through charges from SDLAC; partially offset by an increase in SAWPA capital expenditures.

**Table 9: NC Fund Major Expenses & Other Uses of Funds**

\$Millions	Major Uses of Funds	Adopted FY 2016/17	Amended FY 2016/17	Increase (Decrease)	Key Assumptions
Non-Reclaimable (NC) fund	Operating Fees	\$7.2	\$6.1	(\$1.1)	SDLAC and SAWPA pass through fees
	Capital Expenditures	1.1	1.7	0.6	Includes \$0.7M SDLAC capital charges (4R's) funded through the SRF loan and capital project costs.
	Other Expenses	0.1	0.2	0.1	Capital transfer to support agency-wide asset acquisition.
	Administration & Operations	3.4	3.4	0.0	Agency employment, chemicals, materials & supplies, professional fees, utilities, and other operating costs. Also includes Regional Brine Management pipe cleaning, and meter maintenance costs to support the Agency's NRW system.
	Debt Service	0.5	0.5	0.0	2008A Bond and Inland Empire Brine Line loan principal and interest payments.
	<b>Total</b>	<b>\$12.3</b>	<b>\$11.9</b>	<b>(\$0.4)</b>	

Capital expenditures are also increasing from the adopted budget at \$1.1 million to \$1.7 million. A list of major capital projects is provided in Table 10.



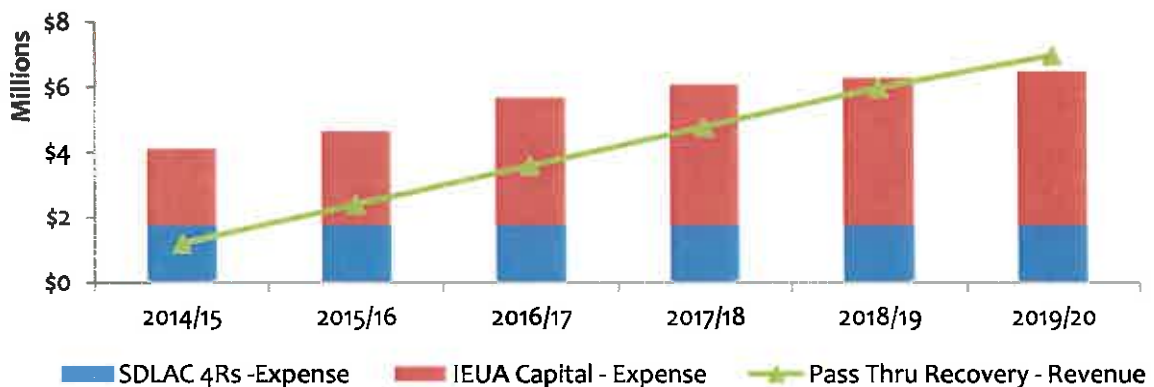
**Table 10: NC Fund Changes in Major Capital Projects**

\$Millions	Project	Adopted FY 2016/17	Amended FY 2016/17
NC Fund Capital Projects	NRW Manhole Upgrade	\$0.35	\$0.35
	SBCFCD NRW Easement	0.0	0.52
	NRW East End Flowmeter Replacement	0.0	0.18
	<b>Sub-total</b>	<b>\$0.35</b>	<b>\$1.05</b>
	SDLAC Capital Replacement 4Rs SRF Installment	0.74	0.69
	<b>Total Capital Projects</b>	<b>\$1.09</b>	<b>\$1.74</b>

For the past years, recovery of the Agency capital expenditures has been deferred until the outstanding SDLAC relocation, reconstruction, repair, and replacement (4Rs) capital costs were fully paid in FY 2015/16. Deferring recovery of the Agency’s capital costs and the Board’s agreement to use NC fund reserves to support the repayment of SDLAC SRF loan significantly helped to mitigate the fiscal impact to the north system NRW customers resulting from the negotiation of the new agreement with SCLAC in 2014.

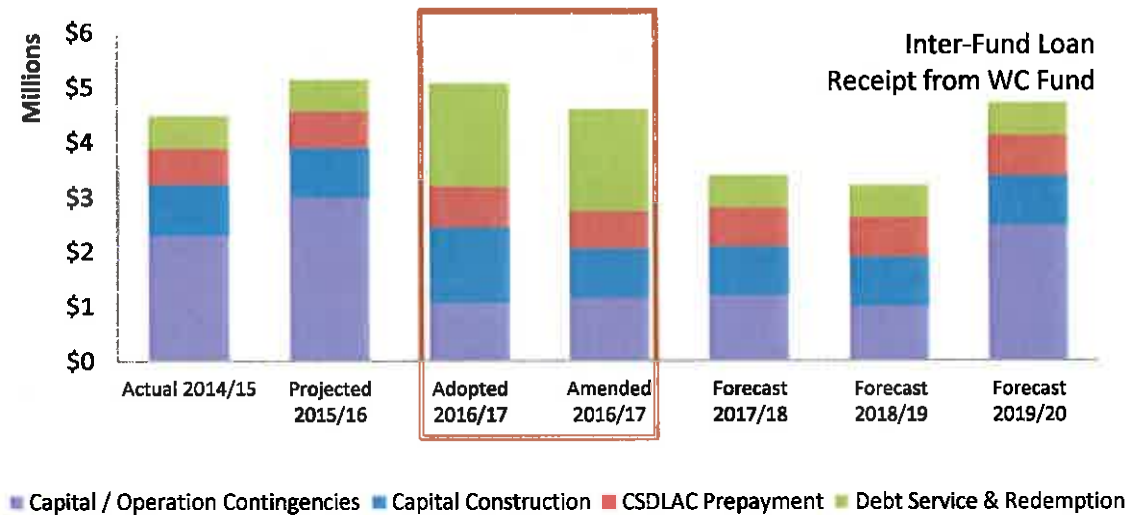
Starting in FY 2016/17, the Agency’s capital expenditures will be recovered through the collection of \$1.2 million from the north NRW users. Full recovery of the Agency’s capital cost is projected to be reached in FY 2019/20 (Figure 2).

**Figure 2: Recovery of Capital Expenditures**



The FY 2016/17 ending fund balance is projected to be \$4.6 million, approximately \$0.5 million lower than the adopted budget’s fund balance of \$5.1 million. Future receipt of the inter-fund loan repayment from the WC fund is projected to improve the ending fund balance beginning in FY 2019/20 (Figure 3).

**Figure 3: NC Fund Reserve by Type**



**Water Resources (WW) Fund**

**Proposed Water Rates**

In 2014 the Agency engaged Carollo Engineering to perform a rate study analysis of the potable water rates. The study identified some structural deficiencies in the existing rate structure. The final report issued in March 2015 (IEUA 2015 Water Rate Study) recommended restructuring of the rates to better align the collection and incurrence of program costs. Given the potential fiscal impact to ratepayers, water member agencies requested, and the Board agreed, to defer implementation of the proposed rate re-structuring to FY 2016/17. As a result, the water rates remained unchanged in FY 2015/16.

**AF Surcharge**

The AF surcharge, currently at \$15 per acre foot (AF), applied to MWD imported water deliveries will be eliminated on September 30, 2016. Under the proposed water rates, program costs partially supported by the AF surcharge will be supported by the meter equivalent unit (MEU) rate effective October 1, 2016.

**Readiness to Serve (RTS) Pass-Through Fees**

Currently IEUA collects the MWD RTS pass-through fees through the monthly meter charge. The meter charge is based on an account or fixed basis regardless of the meter size. MWD bills RTS based on water use over a ten year rolling average (TYRA). Under the proposed restructuring, the Agency will pass through RTS using MWD’s TYRA methodology. This change has a significant impact to water agencies that purchase a greater portion of the MWD water deliveries. Member agencies requested an extended phase-in period of seven (7) years in alignment with the implementation of the proposed recycled water surcharge for use over entitlement (Resolution No. 2016-6-17).

### **Monthly Meter Charge/MEU Rate**

Under the proposed rates, the monthly meter charge rate will be restructured from an account based to a MEUs, effective October 1, 2016. One MEU will be equivalent to a 5/8" or 3/4" meter. A higher MEU will be applied to larger size meters. For example, a 1" meter will be equivalent 2.5 MEUs. The revenue generated from MEUs will support the water resource program costs, a portion of which was previously supported by the acre foot (AF) surcharge rate.

The use of the MEU rate to support a primarily "fixed" program cost will provide more stable funding for the management of regional water resource initiatives, including the Agency's regional conservation and water use efficiency programs.

### **Proposed Water Rates**

Since January 2016, numerous review sessions with the water member agencies were held to analyze the program costs to be supported by the proposed water rates. Throughout this review period, significant changes were made to refine the program costs to be supported by the proposed rates and the implementation period. Some of the significant changes include;

- Removal of direct costs associated with the Santa Ana River Conservation and Conjunctive Use Program (SARCCUP), Integrated Water Resources Plan (IRP) Phase II projects, and purchases of supplemental water supplies from program costs to be supported by the MEU rate,
- Seven year phased implementation of the MWD RTS Ten Year Rolling Average (TYRA) direct charge to member agencies,
- Use of property taxes to cover the RTS fees not recovered through the TYRA direct charge during the seven year implementation period,
- Reduction in the minimum fund balance reserves from \$6 million to \$1.6 million (Operating Contingency only). The significant reduction is due to the elimination of the reserve to support payment to MWD in the event of default by a water agency. The recommendation from the member agencies is for the Agency to rely on reserves already maintained by each of the water agencies. The Agency's Water Ordinance 104 was updated to reflect this, and
- Forgiveness of the \$4.3 million inter-fund loans due to the GG fund by the WW fund, as formally requested the member agencies on May 11, 2016.

All of these significant changes, including the forgiveness of the inter-fund loans, are reflected in the proposed rates as summarized in Table 11.

**Table 11: Proposed Multi-Year Water Rates**

	FY 2015/16 Current	FY 2016/17 Amended	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23
AF Surcharge	\$15.0	*\$15.00	n/a	n/a	n/a	n/a	n/a	n/a
RTS Ten Year Rolling Average	n/a	15% ~\$7.82	30% ~\$16.02	45%	60%	75%	90%	100%
Water Meter Rate/Account	\$2.105	*\$2.105	n/a	n/a	n/a	n/a	n/a	n/a
MEU	n/a	\$0.90	\$0.95	\$0.99	\$1.04	Adjustments based on CPI		

\*Only effective through September 30, 2016.

**Other Funding Sources**

Beginning in FY 2014/15, the Board approved the reallocation of \$1.5 million annually of property taxes from the GG fund to the WW fund to support program costs not covered by existing rates and charges. In addition to the \$3 million of property tax reallocated to date (\$1.5 million in FY 2014/15 and \$1.5 million in FY 2016/17), additional transfers will be needed to support the seven year phased implementation of the RTS TYRA, as well as regional water resources initiatives not supported by the proposed rates, such as SARCCUP, IRP Phase II drought resiliency projects, and supplemental water purchases and storage.

To appropriately support these regional water resource initiatives not supported by the proposed rates, the property tax allocation to the WW fund will need to be increased. In order to mitigate the impact to the other funds receiving property taxes and sustain the current level of funding, the future property tax receipts in excess of \$13.7 million, (\$9.5 million to RO, \$2.2 million to WC and \$2.0 million to GG) will be reallocated to the WW fund. The sum allocation to the RO, WC, GG and WW funds of \$13.7 million represents approximately 35% of the Agency’s total property tax receipts. No change is proposed for the remaining 65% allocated to the RC fund. Consistent with past practice, the RC fund will continue to be allocated approximately 65% of total property tax receipts, including related future growth. Table 12 provides a summary of projected property taxes to be reallocated to the WW fund.

**Table 12: Reallocation of Property Taxes to WW Fund**

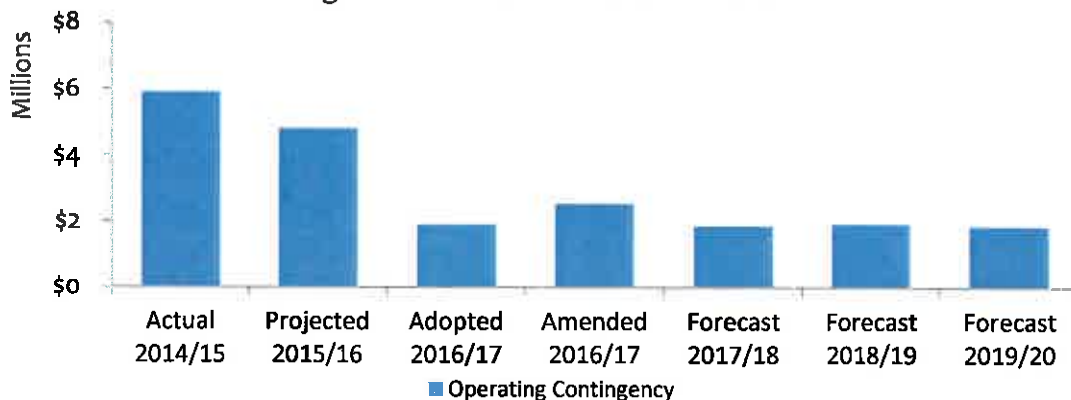
\$ Millions	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2020/22	Total
Property Taxes (RTS Deficit)	\$2.7	\$2.3	\$1.8	\$1.4	\$0.9	\$0.4	\$9.5
Other property tax support	\$1.2	\$0.1	\$2.3	\$2.8	\$2.7	\$3.5	\$12.6
<b>Total Property Tax Allocation</b>	<b>\$3.9</b>	<b>\$2.4</b>	<b>\$4.1</b>	<b>\$4.2</b>	<b>\$3.6</b>	<b>\$3.9</b>	<b>\$22.1</b>

In addition to the property tax allocations, inter-fund loans have also been needed to support program costs in prior years. At the end of FY 2014/15 a total of \$4.3 million in inter-fund loans

was issued to support both operating costs (\$1.3 million) and expansion of the turf removal program (\$3 million) in response to the drought crisis. Reflected in the proposed water rates is Board approval to forgive repayment of this inter-fund loan in FY 2015/16. Another \$3.2 million loan from the RO fund is proposed in FY 2016/17 to support the purchase of supplemental water supplies.

The WW fund estimated ending fund balance for FY 2016/17 of \$2.5 million is slightly higher than the \$1.9 million reported in the adopted budget. As shown in Figure 4 below, the fund balance is projected to slightly decline over the ensuing three fiscal years. The primary drivers are higher project expenditures such as the SARCCUP and other regional water resources initiatives beginning in FY 2017/18.

**Figure 4: WW Fund Reserve Balance**



**Adopted Multi-Year Rates**

In May 2015, the Board adopted multi-year rates for the wastewater connection fee, EDU volumetric rate, new water connection fee, and recycled water rates. To lessen the impact on the development community, the increase to the connection fees as recommended by the rate study were phased in over multiple years. No change is proposed for the adopted multi-year rates for the Regional Wastewater and Recycled Water programs.

***New Connection Fees***

The new connection fees for FY 2016/17 will include different rates for the first and second half of the fiscal year; \$5,415 per unit, from July 1, 2016 to December 31, 2016, and \$6,009 per unit starting January 1, 2017 through June 30, 2017 (Table 13).

**Table 13: Adopted Wastewater Connection Fee Rates**

	FY 2015/16		FY 2016/17		FY 2017/18	FY 2018/19	FY 2019/20
<b>Effective Date</b>	7/01/15	1/01/16	7/01/16	01/01/17	7/01/17	7/01/18	7/01/19
<b>Wastewater Connection Fee</b>	\$5,107	\$5,415	\$5,415	\$6,009	\$6,309	\$6,624	\$6,955



**EDU Volumetric Rate**

To achieve full cost of service, or recovery of O&M, replacement and rehabilitation (R&R), and debt service costs, the Board adopted the rates for FYs 2015/16 to 2019/20, as shown in Table 14. Effective July 1, 2016, the monthly EDU volumetric rate will be \$17.14 per EDU.

**Table 14: Adopted EDU Volumetric Rates**

Rate Description	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20
EDU Volumetric Rate	\$14.39	\$15.89	\$17.14	\$18.39	\$19.59	\$20.00
Effective Date		10/01/15	07/01/16	07/01/17	07/01/18	07/01/19

**Water Connection Fee**

The new water connection fee was initially set at \$693 per MEU per residential unit (based on 5/8” and 3/4” meter sizes) with an effective date of January 1, 2016, as reported on Table 15. This represents 50 percent of the proposed rate in 2015 Water Connection Fee Update Final Report (April 16, 2015). Additionally, to lessen the impact on new development, the implementation of the proposed fees is phased in over a period of 18 months with annual adjustment of 5 percent beginning January 1, 2017.

**Table 15: Adopted Water Connection Fee**

	FY 2015/16	FY 2016/17		FY 2017/18	FY 2018/19	FY 2019/20
Effective Date	1/01/16	7/01/16	01/01/17	7/01/17	7/01/18	7/01/19
Water Connection Fee /MEU	\$693	\$693	\$1,455	\$1,527	\$1,604	\$1,684

**Recycled Water Rates**

As recommended by the Board in May 2015, the adopted five (5) year recycled water rates as indicated in Table 16, achieve full cost of service over three years, and comply with the threshold established by the Board to keep recycled water rates at 70 percent of the MWD Untreated Tier 1 rate. The “70 percent” threshold ensures that rates remain affordable and recycled water continues to be a good value for the region.

**Table 16: Recycled Water Program Proposed Multi-Year Rates**

	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20
<i>Effective Date</i>	10/01/15	7/01/16	7/01/17	7/01/18	7/01/19
Direct Delivery/AF	\$350	\$410	\$470	\$480	\$490
Groundwater Recharge/AF	\$410	\$470	\$530	\$540	\$550

**Conclusion**

The Agency is committed to adopt rates and fees that fully recover the cost of providing the services. Adoption of multi-year rates has allowed the Agency to implement incremental annual adjustments that help to mitigate the fiscal impact to its member agencies and their ratepayers. Achieving full cost of service funding for the Agency’s essential programs is crucial in maintaining a high quality level of service and in safeguarding the Agency’s financial position (funding and appropriation commitment under the Fiscal Responsibility Business goal). The rates adopted in 2015 for the five-year period support this commitment, as well as the proposed new water rates for FYs 2016/17 – 2019/20.

Member water agencies and other stakeholders collaborated closely with Agency staff in reviewing and evaluating the proposed changes to existing water rate structure and the proposed implementation period. The proposed changes to the water rate structure will more equitably collect costs and provide more stable revenue to support program costs. Providing reliable and sustainable water supplies is essential to ensuring the region can continue to prosper from future economic development.

The proposed amended budget for the Agency’s programs is consistent with the IEUA Business Goals of *Fiscal Responsibility, Water Reliability, Wastewater Management, Environmental Stewardship and Business Practices*.

**PRIOR BOARD ACTION**

On June 20, 2015, the Board adopted the biennial FYs 2015/16 and 2016/17 Operating Budget and FY’s 2015/16 through 2024/25 TYCIP.

**IMPACT ON BUDGET**

None.

**Attachments:**

Appendix A – The Sources and Uses of Fund reports for All Funds (Consolidated), NC, WW, RC, RO, WC, RW, and GG funds

**Appendix A**  
**INLAND EMPIRE UTILITIES AGENCY**  
**FISCAL YEAR 2016/17 BUDGET UPDATE**  
**ALL FUNDS - SOURCES AND USES OF FUNDS (In Thousands)**

	2014/2015	2015/2016	2015/2016	2016/2017	2016/2017
	ACTUAL	AMENDED BUDGET	PROJECTED ACTUAL	ADOPTED BUDGET	AMENDED BUDGET
<b>REVENUES</b>					
User Charges	\$63,557	\$67,041	\$67,582	\$76,665	\$71,875
Property Tax - O&M	1,828	1,793	1,972	1,891	1,972
Cost Reimbursement from JPA	5,256	5,483	5,117	5,738	5,913
Contract Cost reimbursement	752	2,453	2,398	1,593	1,618
Interest Revenue	436	1,036	634	1,321	609
Recycled Water Sales	12,047	14,022	14,022	17,814	17,814
Water Sales	34,147	34,659	26,514	42,062	28,671
<b>TOTAL REVENUES</b>	<b>\$118,023</b>	<b>\$126,486</b>	<b>\$118,239</b>	<b>\$147,085</b>	<b>\$128,473</b>
<b>OTHER FINANCING SOURCES</b>					
Property Tax - Debt , Capital, Reserves	\$39,118	\$39,364	\$44,184	\$40,500	\$42,733
Connection Fees	16,074	23,329	23,281	30,636	20,068
State Loans	22,714	15,202	5,002	23,641	17,293
Grants	5,918	8,942	4,686	7,710	10,716
Capital Contract Reimbursement	714	2,931	1,634	5,419	5,675
Other Revenues	1,330	895	1,389	913	875
Sale of Capacity	0	0	215	0	0
Loan Transfer from Internal Fund	14,808	2,000	0	2,000	3,200
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>\$99,675</b>	<b>\$92,664</b>	<b>\$80,371</b>	<b>\$110,819</b>	<b>\$100,559</b>
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<b>\$217,698</b>	<b>\$219,150</b>	<b>\$198,610</b>	<b>\$257,904</b>	<b>\$229,032</b>
<b>EXPENSES</b>					
Employment Expense	\$36,510	\$41,183	\$40,178	\$42,737	\$43,326
Contract Work/Special Projects	5,045	28,235	10,326	16,117	23,709
Utilities	9,064	11,100	9,700	11,617	11,608
Operating Fees	12,599	13,334	12,329	13,651	11,791
Chemicals	4,192	4,641	4,498	4,524	4,674
Professional Fees and Services	7,133	9,874	9,267	8,539	9,794
Office and Administrative Expense	1,614	1,852	1,662	2,465	2,608
Biosolids Recycling	3,800	4,359	4,335	4,300	4,469
Materials & Supplies	2,273	2,912	2,990	2,883	2,867
MWD Water Purchases	34,147	34,659	29,460	42,062	31,856
Other Expenses	1,454	1,697	1,424	1,596	1,652
<b>TOTAL EXPENSES</b>	<b>\$117,832</b>	<b>\$153,844</b>	<b>\$126,168</b>	<b>\$150,492</b>	<b>\$148,355</b>
<b>CAPITAL PROGRAM</b>					
CSDLAC 4Rs	\$658	\$738	\$673	\$738	\$689
IERCA investment	0	0	0	500	500
Capital Construction & Expansion	53,161	51,306	32,558	51,292	59,199
<b>TOTAL CAPITAL PROGRAM</b>	<b>\$53,819</b>	<b>\$52,043</b>	<b>\$33,231</b>	<b>\$52,530</b>	<b>\$60,388</b>
<b>DEBT SERVICE</b>					
Financial Expenses	\$3,752	\$549	\$240	\$349	\$349
Interest	9,616	9,601	9,285	9,810	9,638
Principal	26,655	11,281	11,827	12,528	11,999
Short Term Inter-Fund Loan	14,808	2,032	0	2,032	3,216
<b>TOTAL DEBT SERVICE</b>	<b>\$54,831</b>	<b>\$23,463</b>	<b>\$21,351</b>	<b>\$24,718</b>	<b>\$25,201</b>
<b>TRANSFERS IN (OUT)</b>					
<b>TOTAL INTERFUND TRANSFERS IN (OUT)</b>					
<b>FUND BALANCE</b>					
Net Increase (Decrease)	(\$8,784)	(\$10,199)	\$17,859	\$30,165	(\$4,912)
Beginning Fund Balance July 01	\$151,132	\$142,348	\$142,348	\$127,671	\$160,207
<b>ENDING BALANCE AT JUNE 30</b>	<b>\$142,348</b>	<b>\$132,148</b>	<b>\$160,207</b>	<b>\$157,836</b>	<b>\$155,296</b>
<b>RESERVE BALANCE SUMMARY</b>					
Operating Contingency	\$31,618	\$27,937	\$32,099	\$27,997	\$30,011
Capital Construction	6,687	2,589	18,292	6,364	23,652
CCRA Capital Construction	41,023	43,824	40,472	45,913	32,608
Water Connection	0	0	0	0	1,088
Rehabilitation/Replacement (R&R)	26,495	17,912	30,210	26,830	8,677
CSDLAC Prepayment	658	738	673	738	689
Debt Service	20,169	22,107	22,145	29,370	25,758
Self-Insurance Program	6,000	6,000	6,000	6,000	6,000
Employee Retirement Benefit	9,697	11,043	10,316	14,625	8,024
Sinking Fund	0	0	0	0	18,788
<b>ENDING BALANCE AT JUNE 30</b>	<b>\$142,348</b>	<b>\$132,148</b>	<b>\$160,207</b>	<b>\$157,836</b>	<b>\$155,296</b>



**INLAND EMPIRE UTILITIES AGENCY  
 FISCAL YEAR 2016/17 BUDGET UPDATE  
 GG FUND - SOURCES AND USES OF FUNDS (In Thousands)**

	2014/2015	2015/2016	2015/2016	2016/2017	2016/2017
	ACTUAL	AMENDED BUDGET	PROJECTED ACTUAL	ADOPTED BUDGET	AMENDED BUDGET
<b>REVENUES</b>					
Property Tax	\$1,828	\$1,793	\$1,972	\$1,891	\$1,972
Cost Reimbursement from JPA	1,238	1,391	1,391	1,439	1,473
Contract Cost reimbursement	-	-	-	-	-
Interest Revenue	87	215	215	279	100
<b>TOTAL REVENUES</b>	<b>\$3,153</b>	<b>\$3,398</b>	<b>\$3,578</b>	<b>\$3,610</b>	<b>\$3,545</b>
<b>OTHER FINANCING SOURCES</b>					
Other Revenues	\$157	\$34	\$34	\$34	\$2
Sale of Capacity	0	0	0	0	0
Loan Transfer from Internal Fund	0	0	0	0	0
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>\$157</b>	<b>\$34</b>	<b>\$34</b>	<b>\$34</b>	<b>\$2</b>
<b>EXPENSES</b>					
Employment Expenses	\$1,319	\$2,030	\$1,964	\$2,137	\$1,472
Contract Work/Special Projects	387	1,425	1,513	450	1,793
Utilities	438	699	678	723	703
Operating Fees	7	6	6	6	10
Professional Fees and Services	2,651	4,254	4,243	3,967	4,883
Office and Administrative expenses	1,537	1,370	1,380	1,983	2,126
Biosolids Recycling	33	25	25	25	25
Materials & Supplies	418	438	514	505	488
Other Expenses	(1,103)	(7,921)	(6,445)	(7,202)	(7,662)
<b>TOTAL EXPENSES</b>	<b>\$5,686</b>	<b>\$2,327</b>	<b>\$3,879</b>	<b>\$2,594</b>	<b>\$3,838</b>
<b>CAPITAL PROGRAM</b>					
Capital Expansion & Construction	\$1,098	\$1,770	\$2,058	\$938	\$2,855
Rehab & Replacement	0	0	0	0	0
<b>TOTAL CAPITAL PROGRAM</b>	<b>\$1,098</b>	<b>\$1,770</b>	<b>\$2,058</b>	<b>\$938</b>	<b>\$2,855</b>
<b>DEBT SERVICE</b>					
Financial Expenses	\$3,503	\$18	\$18	\$18	\$21
Interest	0	0	0	0	0
Principal	0	0	0	0	0
<b>TOTAL DEBT SERVICE</b>	<b>\$7,811</b>	<b>\$2,018</b>	<b>\$18</b>	<b>\$18</b>	<b>\$21</b>
<b>TRANSFERS IN (OUT)</b>					
Capital Contribution	\$1,098	\$1,638	\$1,630	\$571	\$2,487
Capital - Connection Fees Allocation	-	684	401	355	355
One Water	-	27	27	13	13
Property Tax Transfer	-	-	-	-	(2,000)
<b>TOTAL INTERFUND TRANSFERS IN (OUT)</b>	<b>\$1,098</b>	<b>\$2,349</b>	<b>\$2,058</b>	<b>\$938</b>	<b>\$855</b>
<b>FUND BALANCE</b>					
Net Income (Loss)	(\$10,188)	(\$334)	(\$285)	\$1,031	(\$2,312)
Beginning Fund Balance July 01	\$28,528	\$18,340	\$18,340	\$20,691	\$18,055
<b>ENDING FUND BALANCE AT JUNE 30</b>	<b>\$18,340</b>	<b>\$18,006</b>	<b>\$18,055</b>	<b>\$21,722</b>	<b>\$15,743</b>
<b>RESERVE BALANCE SUMMARY</b>					
Operating Contingency	\$2,643	\$963	\$1,739	\$1,097	\$1,719
Self-Insurance Program	6,000	6,000	6,000	6,000	6,000
Employee Retirement Benefit	9,697	11,043	10,316	14,625	8,024
<b>ENDING BALANCE AT JUNE 30</b>	<b>\$18,340</b>	<b>\$18,006</b>	<b>\$18,055</b>	<b>\$21,722</b>	<b>\$15,743</b>

**INLAND EMPIRE UTILITIES AGENCY  
 FISCAL YEAR 2016/17 BUDGET UPDATE  
 NC FUND - SOURCES AND USES OF FUNDS (In Thousands)**

	2014/2015	2015/2016	2015/2016	2016/2017	2016/2017
	ACTUAL	AMENDED BUDGET	PROJECTED ACTUAL	ADOPTED BUDGET	AMENDED BUDGET
<b>REVENUES</b>					
User Charges	\$10,902	\$11,725	\$11,041	\$12,144	\$11,052
Interest Revenue	35	85	35	90	90
<b>TOTAL REVENUES</b>	<b>\$10,938</b>	<b>\$11,810</b>	<b>\$11,076</b>	<b>\$12,234</b>	<b>\$11,142</b>
<b>OTHER FINANCING SOURCES</b>					
Other Revenues	\$355	\$117	\$569	\$117	\$110
Loan Transfer from Internal Fund	0	0	0	2,000	0
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>\$355</b>	<b>\$117</b>	<b>\$784</b>	<b>\$2,117</b>	<b>\$110</b>
<b>EXPENSES</b>					
Employment Expenses	\$2,195	\$2,030	\$1,964	\$2,137	\$2,121
Contract Work/Special Projects	55	226	16	210	210
Utilities	83	72	74	75	86
Operating Fees	6,662	7,020	6,451	7,231	6,074
Chemicals	101	170	170	175	175
Professional Fees and Services	33	150	144	148	173
Biosolids Recycling	12	25	25	25	25
Materials & Supplies	53	108	109	107	107
Other Expenses	93	598	488	530	562
<b>TOTAL EXPENSES</b>	<b>\$9,288</b>	<b>\$10,401</b>	<b>\$9,441</b>	<b>\$10,639</b>	<b>\$9,534</b>
<b>CAPITAL PROGRAM</b>					
CSDLAC 4Rs SRF Loan	\$658	\$738	\$673	\$738	\$689
Capital Expansion/Construction	2,356	1,218	551	350	1,040
<b>TOTAL CAPITAL PROGRAM</b>	<b>\$3,015</b>	<b>\$1,956</b>	<b>\$1,224</b>	<b>\$1,088</b>	<b>\$1,729</b>
<b>DEBT SERVICE</b>					
Financial Expenses	(\$8)	\$2	\$2	\$2	\$1
Interest	473	385	449	376	425
Principal	150	159	159	168	159
<b>TOTAL DEBT SERVICE</b>	<b>\$615</b>	<b>\$545</b>	<b>\$609</b>	<b>\$546</b>	<b>\$584</b>
<b>TRANSFERS IN (OUT)</b>					
Capital Contribution	(\$37)	(\$56)	(\$55)	(\$19)	(\$85)
Property Tax Transfer	0	194	130	134	134
<b>TOTAL INTERFUND TRANSFERS IN (OUT)</b>	<b>(\$37)</b>	<b>\$139</b>	<b>\$75</b>	<b>\$115</b>	<b>\$50</b>
<b>FUND BALANCE</b>					
Net Income (Loss)	(\$1,662)	(\$836)	\$661	\$2,194	(\$545)
Beginning Fund Balance July 01	\$6,163	\$4,502	\$4,502	\$2,900	\$5,162
<b>ENDING FUND BALANCE AT JUNE 30</b>	<b>\$4,502</b>	<b>\$3,666</b>	<b>\$5,162</b>	<b>\$5,094</b>	<b>\$4,617</b>
<b>RESERVE BALANCE SUMMARY</b>					
Operating Contingency	\$2,295	\$1,547	\$3,001	\$1,066	\$1,153
Capital Construction	939	835	904	1,388	904
CSDLAC Prepayment	658	738	673	738	689
Debt Service	609	546	584	1,902	1,871
<b>ENDING BALANCE AT JUNE 30</b>	<b>\$4,502</b>	<b>\$3,666</b>	<b>\$5,162</b>	<b>\$5,094</b>	<b>\$4,617</b>

**INLAND EMPIRE UTILITIES AGENCY**  
**FISCAL YEAR 2016/17 BUDGET UPDATE**  
**RC FUND - SOURCES AND USES OF FUNDS (In Thousands)**

	2014/15	2015/2016	2015/2016	2016/2017	2016/2017
	ACTUAL	AMENDED BUDGET	PROJECTED ACTUAL	ADOPTED BUDGET	AMENDED BUDGET
<b>REVENUES</b>					
Contract Cost reimbursement	\$12	\$0	\$0	\$0	\$0
Interest Revenue	94	365	128	545	135
<b>TOTAL REVENUES</b>	<b>\$105</b>	<b>\$365</b>	<b>\$128</b>	<b>\$545</b>	<b>\$135</b>
<b>OTHER FINANCING SOURCES</b>					
Property Tax - Debt and Capital	\$26,414	\$26,752	\$28,212	\$27,554	\$29,058
Regional System Connection Fees	15,074	22,647	22,647	26,161	17,136
State Loans	0	2,888	0	0	2,888
Grants	50	0	0	0	0
Other Revenues	0	6	1	6	6
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>\$41,538</b>	<b>\$52,292</b>	<b>\$50,860</b>	<b>\$53,721</b>	<b>\$49,088</b>
<b>EXPENSES</b>					
Employment Expenses	\$3,230	\$3,535	\$3,437	\$3,171	\$4,021
Contract Work/Special Projects	1,007	908	307	750	2,950
Operating Fees	233	240	240	247	247
Professional Fees and Services	312	321	345	299	399
Other Expenses	1,457	1,605	1,310	1,790	1,899
<b>TOTAL EXPENSES</b>	<b>\$6,239</b>	<b>\$6,609</b>	<b>\$5,638</b>	<b>\$6,258</b>	<b>\$9,516</b>
<b>CAPITAL PROGRAM</b>					
IERCA investment	\$0	\$0	\$0	\$500	\$500
Work In Progress	4,318	14,015	9,580	14,845	19,504
<b>TOTAL CAPITAL PROGRAM</b>	<b>\$4,318</b>	<b>\$14,015</b>	<b>\$9,580</b>	<b>\$15,345</b>	<b>\$20,004</b>
<b>DEBT SERVICE</b>					
Financial Expenses	\$207	\$381	\$45	\$248	\$233
Interest	6,204	6,043	5,775	6,125	5,991
Principal	23,083	7,078	7,074	7,279	7,274
Short Term Inter-Fund Loan	10,500	0	0	0	0
<b>TOTAL DEBT SERVICE</b>	<b>\$39,994</b>	<b>\$13,502</b>	<b>\$12,894</b>	<b>\$13,652</b>	<b>\$13,499</b>
<b>TRANSFERS IN (OUT)</b>					
Capital Contribution	(\$1,023)	(\$1,608)	(\$1,520)	\$1,014	(\$1,943)
Debt Service	(350)	(1,925)	(1,925)	(1,964)	(1,937)
Operation support	0	(6,000)	0	0	0
Capital - Connection Fees Allocation	0	(4,318)	(4,780)	(4,600)	(4,600)
<b>TOTAL INTERFUND TRANSFERS IN (OUT)</b>	<b>(1,373)</b>	<b>(13,852)</b>	<b>(8,224)</b>	<b>(5,550)</b>	<b>(8,480)</b>
<b>FUND BALANCE</b>					
Net Income (Loss)	(\$10,282)	\$4,680	\$14,652	\$13,461	(\$2,276)
Beginning Fund Balance July 01	65,455	55,174	55,174	53,321	69,825
<b>ENDING FUND BALANCE AT JUNE 30</b>	<b>\$55,174</b>	<b>\$59,853</b>	<b>\$69,825</b>	<b>\$66,782</b>	<b>\$67,549</b>
<b>RESERVE BALANCE SUMMARY</b>					
Capital Construction	\$32	\$441	\$13,765	\$1,724	\$16,667
CCRA Capital Construction	41,023	43,824	40,472	45,913	32,608
Debt Service	0	15,588	15,588	16,144	15,273
Sinking Fund	0	0	0	0	3,000
<b>ENDING BALANCE AT JUNE 30</b>	<b>\$55,174</b>	<b>\$59,853</b>	<b>\$69,825</b>	<b>\$66,782</b>	<b>\$67,549</b>

**INLAND EMPIRE UTILITIES AGENCY  
 FISCAL YEAR 2016/17 BUDGET UPDATE  
 RO FUND - SOURCES AND USES OF FUNDS (In Thousands)**

	<b>2014/2015</b>	<b>2015/16</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2016/17</b>
	<b>ACTUAL</b>	<b>AMENDED BUDGET</b>	<b>PROJECTED ACTUAL</b>	<b>ADOPTED BUDGET</b>	<b>AMENDED BUDGET</b>
<b>REVENUES</b>					
User Charges	\$46,965	\$49,696	\$50,921	\$55,023	\$56,381
Cost Reimbursement JPA	3,423	3,350	3,240	3,526	3,526
Contract Cost Reimbursement	123	531	531	93	93
Interest Revenue	195	154	154	150	182
<b>TOTAL REVENUES</b>	<b>\$50,706</b>	<b>\$53,731</b>	<b>\$54,846</b>	<b>\$58,792</b>	<b>\$60,182</b>
<b>OTHER FINANCING SOURCES</b>					
Property Tax Revenues	\$9,140	\$9,054	\$9,549	\$9,326	\$9,549
State Loans	0	948	0	7,657	7,657
Grants	332	3,525	525	3,525	3,525
Other Revenues	763	738	738	757	757
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>\$10,235</b>	<b>\$14,265</b>	<b>\$10,812</b>	<b>\$21,264</b>	<b>\$21,487</b>
<b>EXPENSES</b>					
Employment Expenses	\$24,338	\$27,887	\$26,973	\$29,348	\$29,552
Contract Work/Special Projects	1,053	12,065	3,354	4,110	7,640
Utilities	6,398	7,331	6,595	7,687	7,690
Operating Fees	1,819	2,283	1,847	2,339	1,915
Chemicals	4,092	4,471	4,328	4,349	4,499
Professional Fees and Services	2,979	3,640	2,922	2,721	2,812
Office and Administrative expenses	20	406	206	406	406
Biosolids Recycling	3,755	4,233	4,223	4,188	4,354
Materials & Supplies	1,621	2,096	2,113	2,020	2,028
Other Expenses	741	5,652	4,623	4,857	5,149
<b>TOTAL EXPENSES</b>	<b>\$46,815</b>	<b>\$70,064</b>	<b>\$57,183</b>	<b>\$62,025</b>	<b>\$66,046</b>
<b>CAPITAL PROGRAM</b>					
Capital Construction & Expansion (WIP)	9,336	\$12,588	\$8,899	\$11,794	\$19,281
<b>TOTAL CAPITAL PROGRAM</b>	<b>\$9,336</b>	<b>\$12,588</b>	<b>\$8,899</b>	<b>\$11,794</b>	<b>\$19,281</b>
<b>DEBT SERVICE</b>					
Financial Expenses	(\$5)	\$2	\$0	\$2	\$0
Interest	159	214	214	214	214
Short Term Inter-Fund Loan	0	0	0	0	3,200
<b>TOTAL DEBT SERVICE</b>	<b>\$154</b>	<b>\$216</b>	<b>\$214</b>	<b>\$216</b>	<b>\$3,415</b>
<b>TRANSFERS IN (OUT)</b>					
Capital Contribution	\$1,274	\$82	\$1,727	(\$1,545)	\$1,025
Operation support	0	6,000	0	0	0
Capital - Connection Fees Allocation	0	3,440	4,249	4,111	4,111
<b>TOTAL INTERFUND TRANSFERS IN (OUT)</b>	<b>\$1,274</b>	<b>\$9,522</b>	<b>\$5,976</b>	<b>\$2,566</b>	<b>\$5,136</b>
<b>FUND BALANCE</b>					
Net Income (Loss)	\$5,909	(\$5,350)	\$5,337	\$8,589	(\$1,936)
Beginning Fund Balance July 01	\$36,306	\$42,215	\$42,215	\$32,053	\$47,553
<b>ENDING FUND BALANCE AT JUNE 30</b>	<b>\$42,215</b>	<b>\$36,865</b>	<b>\$47,553</b>	<b>\$40,642</b>	<b>\$45,617</b>
<b>RESERVE BALANCE SUMMARY</b>					
Operating Contingency	\$15,605	\$19,238	\$17,628	\$18,500	\$19,840
Rehabilitation/Replacement (R&R)	26,395	17,412	29,710	20,830	8,677
Debt Service	216	216	216	1,312	1,312
Sinking Fund	0	0	0	0	15,788
<b>ENDING BALANCE AT JUNE 30</b>	<b>\$42,215</b>	<b>\$36,865</b>	<b>\$47,553</b>	<b>\$40,642</b>	<b>\$45,617</b>

**INLAND EMPIRE UTILITIES AGENCY  
 FISCAL YEAR 2016/17 BUDGET UPDATE  
 RWFUND - SOURCES AND USES OF FUNDS (In Thousands)**

	2014/2015 ACTUAL	2015/16 AMENDED BUDGET	2015/16 PROJECTED ACTUAL	2016/17 ADOPTED BUDGET	2016/17 AMENDED BUDGET
<b>REVENUES</b>					
User Charges					
Property Tax - O&M					
Cost Reimbursement from JPA	\$595	\$742	\$486	\$773	\$915
Contract Cost reimbursement	0	50	0	0	60
Interest Revenue	13	10	10	10	10
<b>TOTAL REVENUES</b>	<b>\$608</b>	<b>\$802</b>	<b>\$496</b>	<b>\$783</b>	<b>\$985</b>
<b>OTHER FINANCING SOURCES</b>					
Capital Contract Reimbursement	\$604	\$1,487	\$1,506	\$4,701	\$4,539
Other Revenues	23	0	34	0	0
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>\$697</b>	<b>\$1,487</b>	<b>\$1,540</b>	<b>\$4,761</b>	<b>\$4,599</b>
<b>EXPENSES</b>					
Employment Expenses	\$398	\$650	\$628	\$684	\$679
Contract Work/Special Projects	0	140	0	0	120
Utilities	112	122	122	122	104
Operating Fees	4	7	7	5	7
Professional Fees and Services	183	647	643	593	687
Office and Administrative expenses	8	16	16	16	16
Expense Allocation	0	76	62	61	65
Materials & Supplies	67	86	86	83	86
<b>TOTAL EXPENSES</b>	<b>\$772</b>	<b>\$1,742</b>	<b>\$1,563</b>	<b>\$1,564</b>	<b>\$1,762</b>
<b>CAPITAL PROGRAM</b>					
CSDLAC 4Rs	\$0	\$0	\$0	\$0	\$0
Capital Expansion/Construction	\$758	\$1,816	\$1,521	\$4,735	\$4,620
<b>TOTAL CAPITAL PROGRAM</b>	<b>\$758</b>	<b>\$1,816</b>	<b>\$1,521</b>	<b>\$4,735</b>	<b>\$4,620</b>
<b>DEBT SERVICE</b>					
Financial Expenses	\$86	\$145	\$212	\$78	\$92
Interest	7	143	30	273	205
Principal	607	632	632	647	647
<b>TOTAL DEBT SERVICE</b>	<b>\$700</b>	<b>\$920</b>	<b>\$874</b>	<b>\$999</b>	<b>\$945</b>
<b>TRANSFERS IN (OUT)</b>					
Capital Contribution	\$338	\$315	\$251	\$440	\$457
Debt Service	350	460	460	499	472
Operation support	400	466	466	791	506
Property Tax Transfer	0	62	62	96	96
<b>TOTAL INTERFUND TRANSFERS IN (OU</b>	<b>\$1,088</b>	<b>\$1,302</b>	<b>\$1,239</b>	<b>\$1,826</b>	<b>\$1,531</b>
<b>FUND BALANCE</b>					
Net Income (Loss)	\$162	(\$887)	(\$684)	\$73	(\$211)
Beginning Fund Balance July 01	\$3,413	\$3,575	\$3,575	\$2,743	\$2,890
<b>ENDING FUND BALANCE AT JUNE 30</b>	<b>\$3,575</b>	<b>\$2,687</b>	<b>\$2,890</b>	<b>\$2,816</b>	<b>\$2,679</b>
<b>RESERVE BALANCE SUMMARY</b>					
Operating Contingency	\$2,614	\$1,688	\$1,891	\$1,798	\$587
Capital Construction	500	500	500	500	1,056
Debt Service	460	499	499	518	1,036
<b>ENDING BALANCE AT JUNE 30</b>	<b>\$3,575</b>	<b>\$2,687</b>	<b>\$2,890</b>	<b>\$2,816</b>	<b>\$2,679</b>

INLAND EMPIRE UTILITIES AGENCY  
 FISCAL YEAR 2016/17 BUDGET UPDATE  
 WC FUND - SOURCES AND USES OF FUNDS (In Thousands)

	2014/2015	2015/2016	2015/2016	2016/2017	2016/2017
	ACTUAL	AMENDED BUDGET	PROJECTED ACTUAL	ADOPTED BUDGET	AMENDED BUDGET
<b>REVENUES</b>					
Contract Cost reimbursement	\$480	\$5	\$0	\$0	\$0
Interest Revenue	0	192	77	216	84
Water Sales	12,047	14,022	14,022	17,814	17,814
<b>TOTAL REVENUES</b>	<b>\$12,527</b>	<b>\$14,219</b>	<b>\$14,099</b>	<b>\$18,030</b>	<b>\$17,898</b>
<b>OTHER FINANCING SOURCES</b>					
Property Tax - Debt/Capital	\$2,064	\$2,058	\$2,170	\$2,120	\$2,170
Connection Fees	0	683	614	4,475	2,932
State Loans	22,714	11,367	5,002	15,985	6,749
Grants	4,901	4,417	4,161	2,125	6,285
Capital Contract Reimbursement	110	1,444	127	718	1,136
Other Revenues	32	0	14	0	0
Loan Transfer from Internal Fund	10,500	0	0	0	0
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>\$40,321</b>	<b>\$19,969</b>	<b>\$12,089</b>	<b>\$25,422</b>	<b>\$19,252</b>
<b>EXPENSES</b>					
Employment Expenses	\$4,080	\$3,300	\$3,462	\$3,419	\$3,653
Contract Work/Special Projects	343	2,332	1,178	2,225	3,289
Utilities	2,033	2,877	2,231	3,010	3,026
Operating Fees	159	216	215	152	352
Professional Fees and Services	737	704	692	654	683
Materials & Supplies	114	183	168	169	159
Other Expenses	197	1,356	1,119	1,283	1,357
<b>TOTAL EXPENSES</b>	<b>\$7,862</b>	<b>\$10,968</b>	<b>\$9,065</b>	<b>\$10,911</b>	<b>\$12,519</b>
<b>CAPITAL PROGRAM</b>					
Work In Progress	\$35,295	\$19,898	\$9,949	\$16,630	\$11,899
<b>TOTAL CAPITAL PROGRAM</b>	<b>\$35,295</b>	<b>\$19,898</b>	<b>\$9,949</b>	<b>\$16,630</b>	<b>\$11,899</b>
<b>DEBT SERVICE</b>					
Financial Expenses	(\$31)	\$2	(\$36)	\$2	\$1
Interest	2,773	2,816	2,816	2,822	2,803
Principal	2,815	3,412	3,962	4,433	3,919
Short Term Inter-Fund Loan	0	0	0	2,000	0
<b>TOTAL DEBT SERVICE</b>	<b>\$5,557</b>	<b>\$6,230</b>	<b>\$6,742</b>	<b>\$9,257</b>	<b>\$6,722</b>
<b>TRANSFERS IN (OUT)</b>					
Capital Contribution	(\$1,649)	(\$370)	(\$2,034)	(\$459)	(\$1,941)
Debt Service	0	1,465	1,465	1,465	1,465
Operation support	(400)	(466)	(466)	(791)	(506)
One Water	0	(130)	(130)	(378)	(378)
<b>TOTAL INTERFUND TRANSFERS IN (OUT)</b>	<b>(\$2,049)</b>	<b>\$499</b>	<b>(\$1,165)</b>	<b>(\$164)</b>	<b>(\$1,361)</b>
<b>FUND BALANCE</b>					
Net Income (Loss)	\$2,285	(\$2,409)	(\$733)	\$4,490	\$4,649
Beginning Fund Balance July 01	10,351	12,636	12,636	14,391	11,963
<b>ENDING BALANCE AT JUNE 30</b>	<b>\$12,636</b>	<b>\$10,227</b>	<b>\$11,903</b>	<b>\$18,881</b>	<b>\$16,552</b>
<b>RESERVE BALANCE SUMMARY</b>					
Operating Contingency	\$2,554	\$3,656	\$3,022	\$3,637	\$4,173
Water Connection	0	0	0	0	1,088
Capital Construction	5,217	813	3,123	2,751	5,025
Rehabilitation/Replacement (R&R)	100	500	500	3,000	0
Debt Service	4,765	5,258	5,258	9,493	6,266
<b>ENDING BALANCE AT JUNE 30</b>	<b>\$12,636</b>	<b>\$10,227</b>	<b>\$11,903</b>	<b>\$18,881</b>	<b>\$16,552</b>

**INLAND EMPIRE UTILITIES AGENCY  
 FISCAL YEAR 2016/17 BUDGET UPDATE  
 WW FUND - SOURCES AND USES OF FUNDS (In Thousands)**

	2014/15 ACTUAL	2015/2016 AMENDED BUDGET	2015/2016 PROJECTED ACTUAL	2016/2017 ADOPTED BUDGET	2016/2017 AMENDED BUDGET
<b>REVENUES</b>					
User Charges	\$5,690	\$5,620	\$5,620	\$9,498	\$4,443
Contract Cost reimbursement	138	1,867	1,867	1,500	1,465
Interest Revenue	12	14	14	31	8
Water Sales	34,147	34,659	26,514	42,062	28,671
<b>TOTAL REVENUES</b>	<b>\$39,987</b>	<b>\$42,160</b>	<b>\$34,015</b>	<b>\$53,091</b>	<b>\$34,587</b>
<b>OTHER FINANCING SOURCES</b>					
Property Tax - Debt and Capital	\$1,500	\$1,500	\$4,253	\$1,500	\$1,956
Grants	\$565	\$1,000	\$0	\$2,000	\$865
Loan Transfer from Internal Fund	4,308	2,000	0	0	3,200
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>\$6,373</b>	<b>\$4,500</b>	<b>\$4,253</b>	<b>\$3,500</b>	<b>\$6,021</b>
<b>EXPENSES</b>					
Employment Expenses	\$949	\$1,750	\$1,750	\$1,842	\$1,828
Contract Work/Special Projects	2,200	11,138	3,959	8,372	7,707
Operating Fees	3,715	3,562	3,562	3,669	3,185
Professional Fees and Services	239	157	278	157	157
Office and Administrative expenses	50	60	60	60	60
MWD Water Purchases	34,147	34,659	29,460	42,062	31,856
Other Expenses	69	406	329	338	347
<b>TOTAL EXPENSES</b>	<b>\$41,369</b>	<b>\$51,733</b>	<b>\$39,397</b>	<b>\$56,501</b>	<b>\$45,140</b>
<b>DEBT SERVICE</b>					
Inter-Fund Loan	\$0	\$32	\$0	\$32	\$16
<b>TOTAL DEBT SERVICE</b>	<b>\$0</b>	<b>\$32</b>	<b>\$0</b>	<b>\$32</b>	<b>\$16</b>
<b>TRANSFERS IN (OUT)</b>					
One Water	\$0	\$41	\$41	\$269	\$269
Property Tax Transfer	0	0	0	0	2,000
<b>TOTAL INTERFUND TRANSFERS IN (OUT)</b>	<b>\$0</b>	<b>\$41</b>	<b>\$41</b>	<b>\$269</b>	<b>\$2,269</b>
<b>FUND BALANCE</b>					
Net Income (Loss)	\$4,991	(\$5,063)	(\$1,088)	\$328	(\$2,280)
Beginning Fund Balance July 01	\$916	\$5,906	\$5,906	\$1,572	\$4,818
<b>ENDING FUND BALANCE AT JUNE 30</b>	<b>\$5,906</b>	<b>\$844</b>	<b>\$4,818</b>	<b>\$1,899</b>	<b>\$2,539</b>
<b>RESERVE BALANCE SUMMARY</b>					
Operating Contingency	\$5,906	\$844	\$4,818	\$1,899	\$2,539
<b>ENDING BALANCE AT JUNE 30</b>	<b>\$5,906</b>	<b>\$844</b>	<b>\$4,818</b>	<b>\$1,899</b>	<b>\$2,539</b>





*Inland Empire Utilities Agency*

A MUNICIPAL WATER DISTRICT

# **FY 2016/17 Budget Amendments**



**June 2016  
Board Meeting**

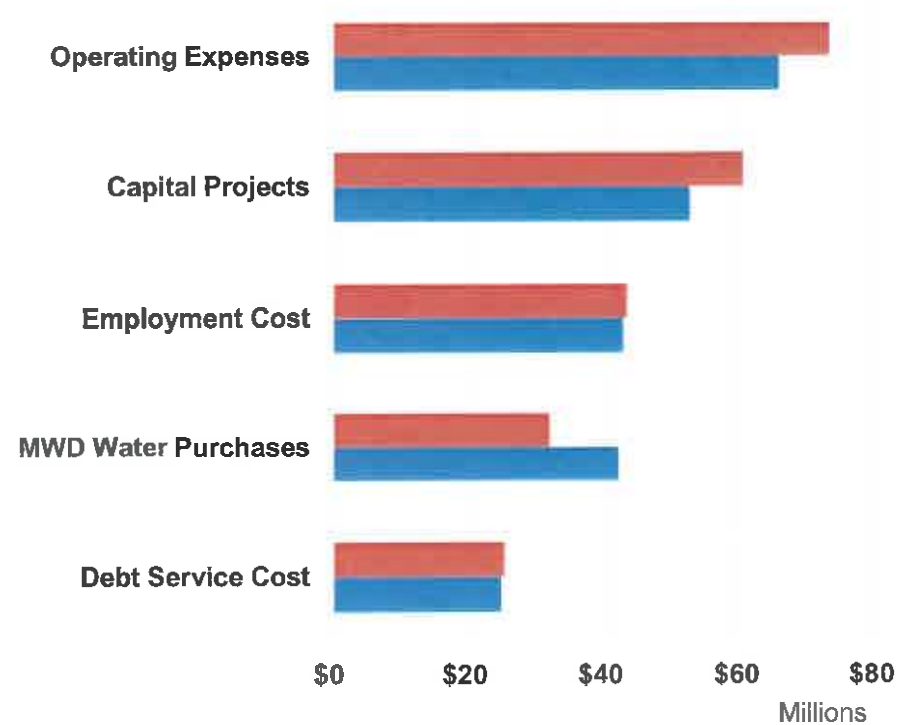
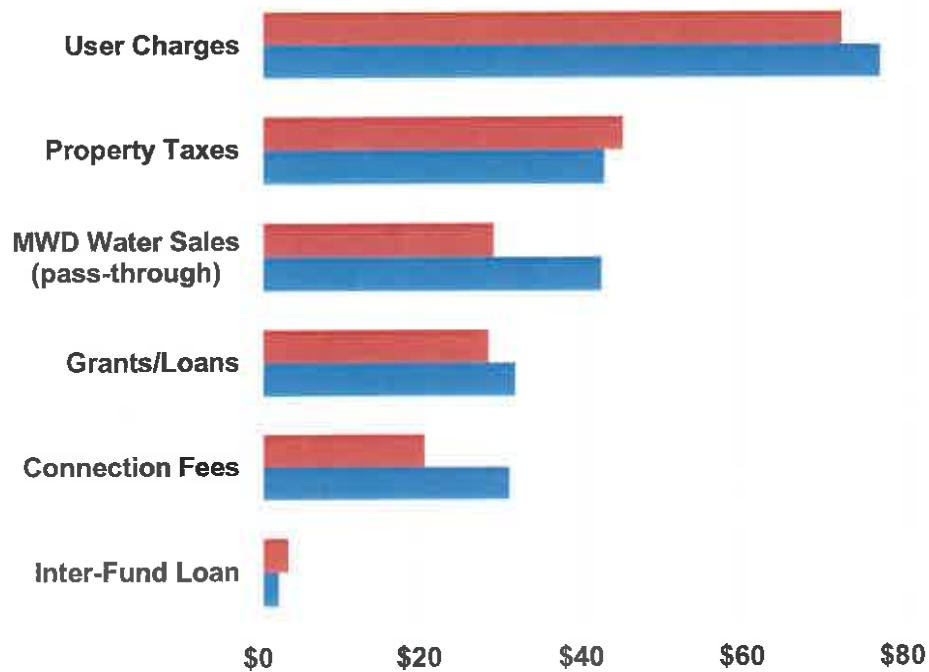


# Proposed Amendments to FY 2016/17 Budget



❖ **\$28.9M reduction in total revenues and other funding sources**

❖ **\$6.3M increase in total expenses and other uses of funds**

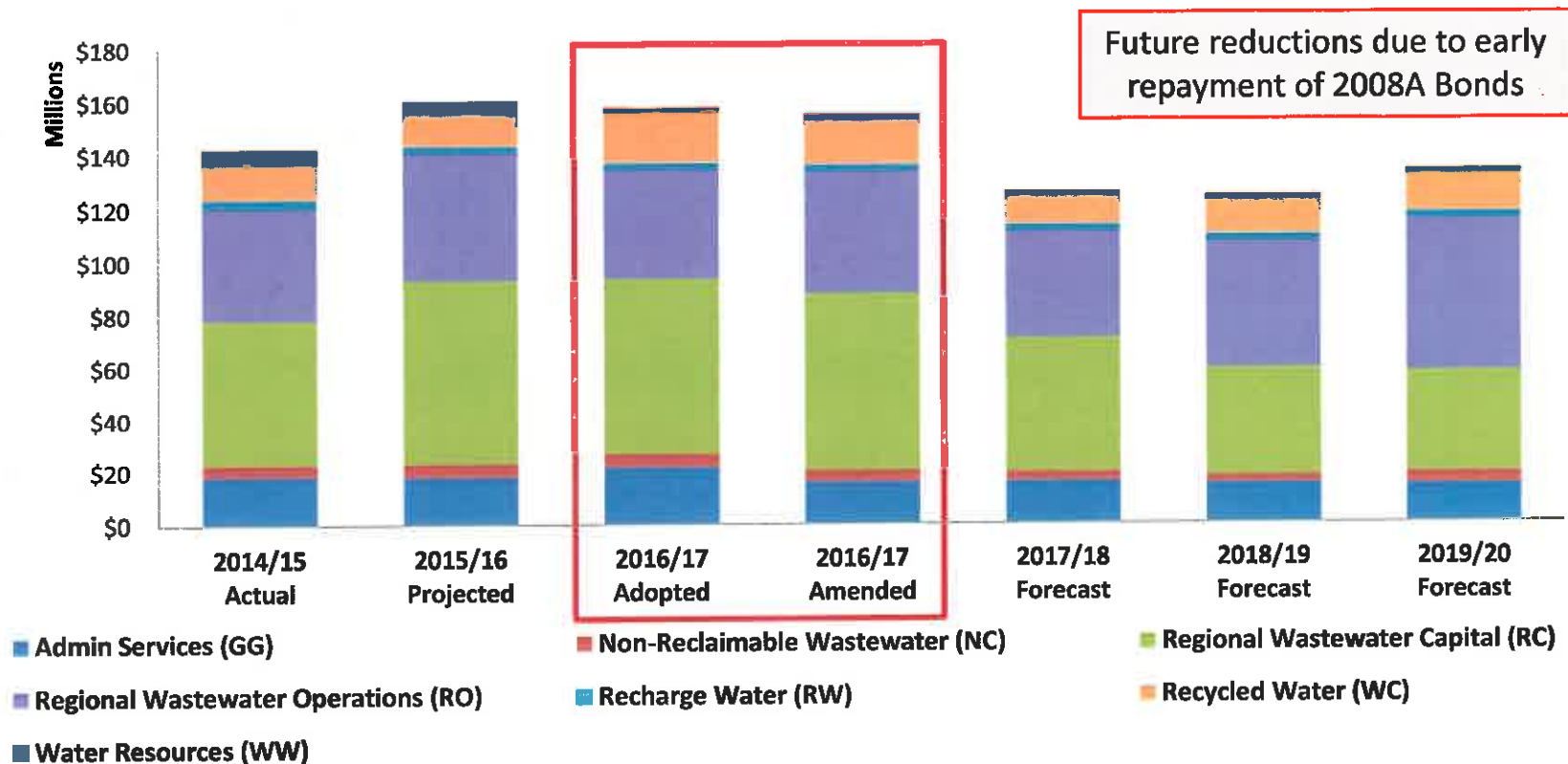


■ Amended    ■ Adopted

# Total Fund Balance - Amended (All Funds)



- ❖ \$2.5 million decrease in FY 2016/17 to \$155 million
- ❖ 2008A Bonds callable in November 2017



# Non-Reclaimable Wastewater (NC) Fund Proposed “Pass-Through” Rates



North System <sup>1</sup>			
	FY 2015/16 Adopted	FY 2016/17 Proposed	% Change
Flow/mg	\$948.00	\$915.00	(4%)
COD/klb	\$210.00	\$180.00	(15%)
TSS/klb	\$433.00	\$436.00	1%
Peak/mg	\$360.00	\$348.00	(4%)
CU Purchase	\$5,150	\$4,172	(19%)
CU Lease	\$257.50	\$208.60	(19%)

South System <sup>2</sup>			
	FY 2015/16 Adopted	FY 2016/17 Proposed	% Change
Capacity/cu	\$351.17	\$368.76	5%
Flow/mg	\$817.00	\$858.00	5%
BOD/klb	\$301.00	\$307.00	2%
TSS/klb	\$420.00	\$429.00	3%

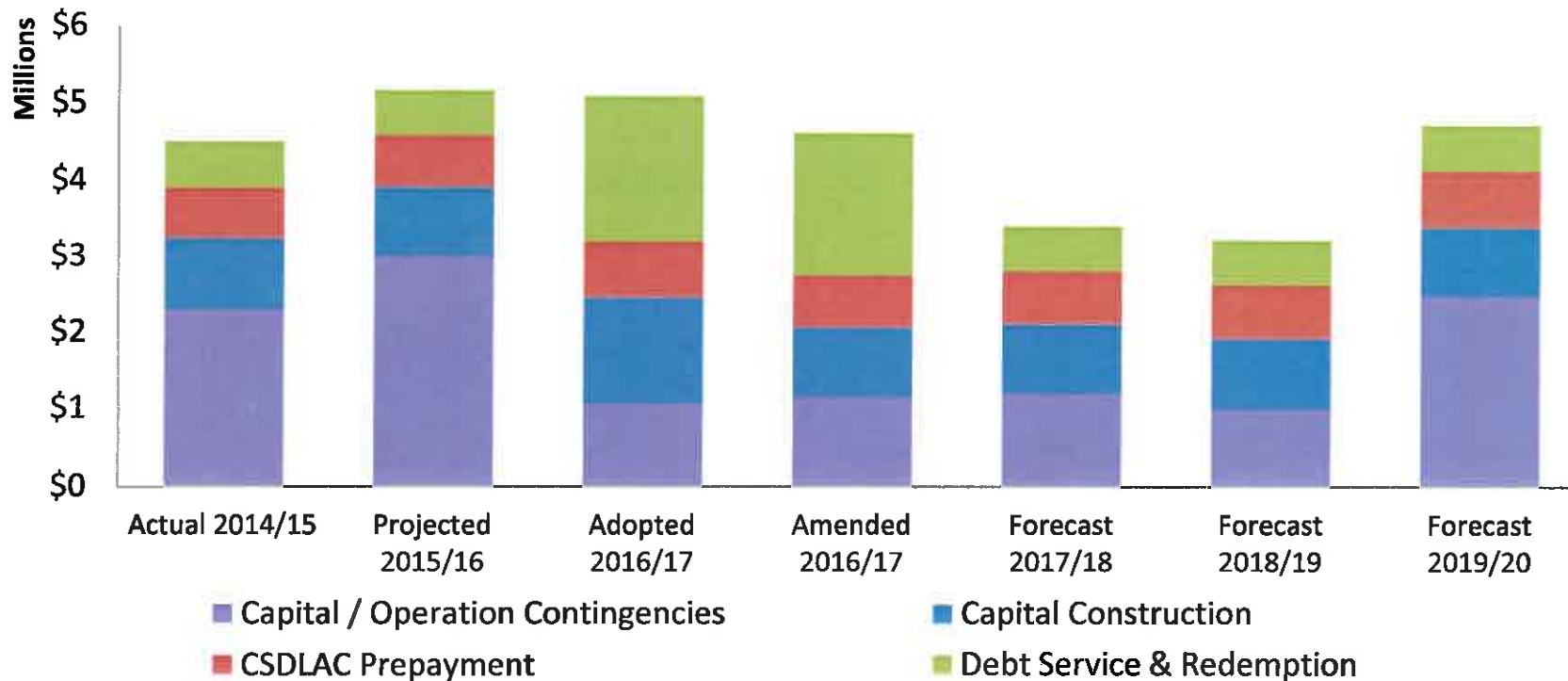
Notes 1: Cost recovery through capacity charges, \$26.54 per capacity units for FY 2016/17

2: Cost recovery through a 50% surcharge on volumetric/capacity/strength charges for non-recycled water users

# NC Fund Sources & Uses of Funds and Fund Balance



❖ Deferral of inter-fund loan repayment from Recycled Water fund from 2016/17 to 2019/20



# Water Resources (WW) Fund Proposed Water Rates



- ❖ Use property taxes to support RTS fees shortfall during the 7 year implementation, and regional water resources initiatives not supported with proposed water rates.
- ❖ Forgive the \$4.3M loan due to GG fund
- ❖ Effective date of October 1, 2016 to accommodate water agencies Proposition 218

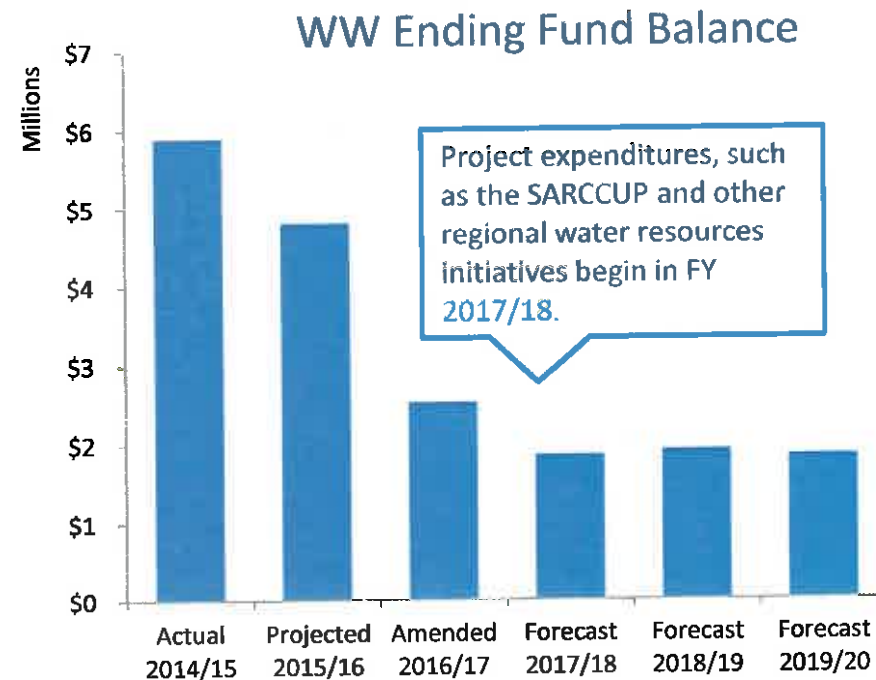
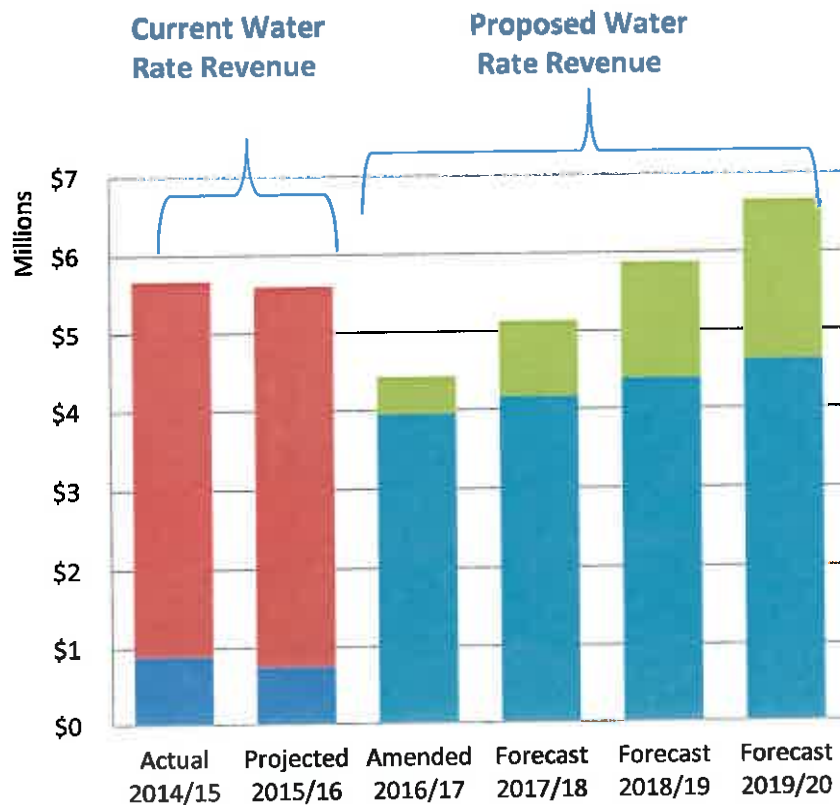
	FY 2015/16 Current	FY 2016/17 Amended	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23
AF Surcharge	\$15.0	*\$15.00	n/a	n/a	n/a	n/a	n/a	n/a
RTS Ten Year Rolling Average	n/a	15% ~\$7.82	30% ~\$16.02	45%	60%	75%	90%	100%
Water Meter Rate/Account	\$2.105	*\$2.105	n/a	n/a	n/a	n/a	n/a	n/a
MEU	n/a	\$0.90	\$0.95	\$0.99	\$1.04	Adjustments based on CPI		

*\*Only effective through September 30, 2016.*

# Reduced Revenues & Fund Balance (WW Fund) from Proposed Water Rates



- ❖ Total revenue cut by \$2 million over the next fiscal years



- RTS Recovery
- Water Meter Equivalent Unit (MEU)
- Operating Contingency
- Water Meter Revenue
- AF Surcharge

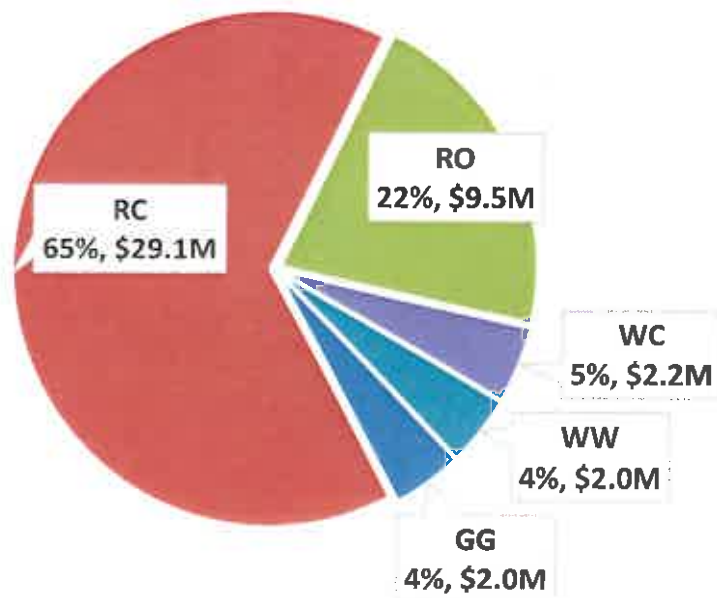


# Continue Investment of Property Taxes

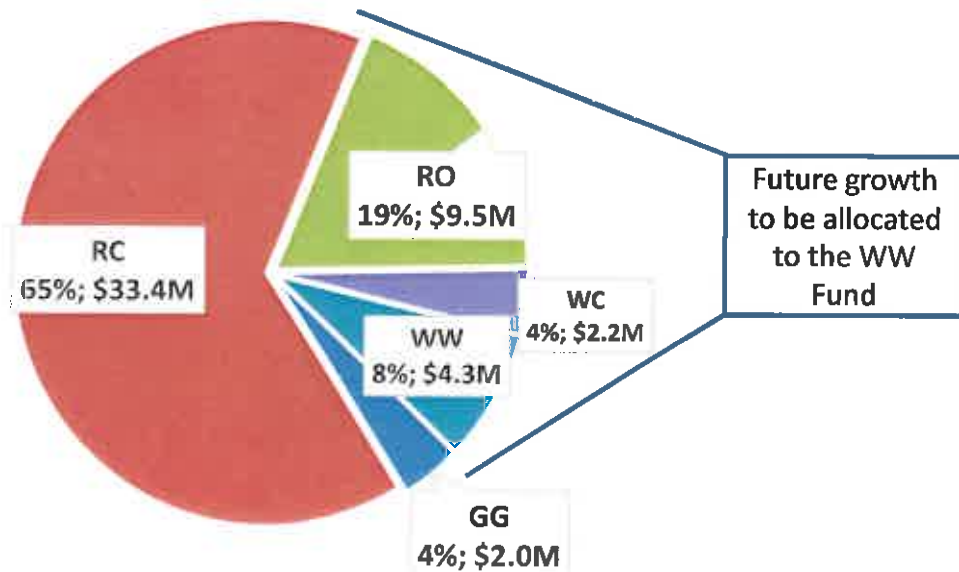


- ❖ No change in the 65% allocated to the RC fund.
- ❖ Future growth for the 35% will be assigned to the WW:
  - ✓ Support regional projects not supported by the proposed rates.

**FY 2016/17 Property Tax Allocation**  
**\$44.7 Million**



**FY 2022/23 Property Tax Allocation**  
**\$51.4 Million**



# Recommendations



- ❖ Approve the amendments to the FY 2016/17 adopted budget for all Agency's funds;
- ❖ Approve the NC fund Rate Resolution Nos. 2016-6-1 to 2016-6-3;
- ❖ Approve the RO fund Rate Resolution No. 2016-6-4
- ❖ Approve the WW fund Rate Resolution Nos. 2016-6-7 and 2016-6-15;
- ❖ Approve Rate Resolution No. 2016-6-5 for Laboratory Fees, 2016-6-6 for Equipment Rental, and 2016-6-9 for the Fontana Extra-Territorial Charge;
- ❖ Approve an inter-fund loan from the RO fund to the WW fund for a not-to-exceed amount of \$3.2 million in FY 2016/17 to support purchase of supplemental water supplies;
- ❖ Approve the forgiveness of the inter-fund loan from the GG fund to the WW fund in the amount of \$4.3 million in FY 2015/16; and
- ❖ Approve the allocation of property tax receipts in excess of \$13.7 million from the Regional RO, WC, and GG funds to the WW fund beginning in FY 2016/17, and maintain allocation of 65% of property tax receipts to the RC fund.



**RESOLUTION NO. 2016-6-1**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING INITIAL AND MONTHLY CAPACITY CHARGES, VOLUMETRIC CHARGES, EXCESS STRENGTH CHARGES, CAPITAL IMPROVEMENT PROJECT (CIP) CHARGES, IEUA ADMINISTRATIVE CHARGES, APPLICATION AND WASTEWATER DISCHARGE PERMIT APPLICATION FEES FOR THE INLAND EMPIRE BRINE LINE (BRINE LINE) FOR FISCAL YEAR 2016/17.**

**WHEREAS**, it is necessary to establish initial and monthly capacity charges, volumetric flow charges, CIP charges, trucked wastewater delivery charges and excessive strength charges;

**WHEREAS**, it is necessary to establish application fees for processing applications for Capacity Right Agreements and Wastewater Discharge Permits for the use of the Inland Empire Utilities Agency (Agency)'s Brine Line;

**WHEREAS**, one Agency Capacity Unit (CU) is defined as an equalized discharge at the flow rate of 15 gallons per minute (GPM);

**WHEREAS**, under Section 13550, et seq., of the California Water Code, a Public Agency may require industries to use recycled water for certain purposes, where it is available and at reasonable cost;

**WHEREAS**, the Board of Directors of the Agency, pursuant to Ordinance No. 96, may establish said fees and charges by Resolution;

**NOW, THEREFORE**, the Board of Directors hereby RESOLVES, DETERMINES, AND ORDERS the following to be effective July 1, 2016:

**Section 1** That the Initial Capacity Charge for the purchase of Agency Capacity Rights shall be set at \$215,000.00 per CU.

**Section 2** That the monthly charges for discharge to the Brine Line are as follows:

**(A) CAPACITY CHARGES:**

For discharge to the Brine Line, which reaches jurisdiction of the Santa Ana Watershed Project Authority (SAWPA), the monthly Capacity Charge is \$368.76 per CU.

The monthly Capital Improvements Program (CIP) charge for Brine Line is \$90.00 per CU per month.

**(B) VOLUMETRIC CHARGES**

For discharge to the Brine Line, the monthly Volumetric Charge is \$858.00 per million gallons of discharge. The minimum Volumetric Charge for discharge of 100,000 gallons or less per CU per month is \$85.80 per CU per month.

**(C) STRENGTH CHARGES**

That Strength Charges are applicable to all discharges to the Brine Line, via pipeline or hauled by truck, for excessive Biochemical Oxygen Demand (BOD), and Total Suspended Solids (TSS). The rates are as follows:

<u>QUANTITY</u>	<u>RATE</u>
BOD	\$307.00 per 1,000 pounds (dry weight)
TSS	\$429.00 per 1,000 pounds (dry weight)

Strength Charges for the Brine Line discharges are calculated from the average of all the samples collected during the calendar month and invoiced on a monthly basis. If there is no sample data for a given month, strength charges for that month shall be determined by using the average of all available data within the billing quarter.

**(D) AGENCY ADMINISTRATIVE CHARGES**

Agency Administrative Charges of 50% shall be added to the charges of Section 2(A), 2(B), and 2(C).

**(E) RECYCLED WATER USAGE CREDIT FOR BRINE LINE**

This program is for recycled water (RW) users and shall end when funding is exhausted or not later than June 30, 2024, whichever comes first. New Users who qualify for this program shall be given the RW credit in effect at the time of connection to the RW system.

Recycled Water Users, including contracting agencies, shall be given a monetary credit based on the actual amount of RW used. The RW credit shall start at 50% of the IEUA's FY 2015/16 RW direct sale rate, and shall decline at 5% intervals per year through FY 2023/24.

For Fiscal Year 2016/17, the RW Usage Credit is \$356.02 per million gallons of RW used.

**(F) Other Charges**

IEUA will pass on any other charges from SAWPA invoiced to the Agency to dischargers to the Brine Line, such as, but not limited to, flow and strength

imbalance charges, permit, inspection, analytical fees, etc.

**Section 3** For trucked discharges to the Brine Line, the wastewater discharge rate shall be based on the applicable tiered schedule as established by the higher concentration value for BOD or TSS. The Brine Line Tiered Rate Schedule for Trucks is shown in Table 1.

Table 1 – Brine Line Tiered Rate Schedule for Trucks

Tiered Schedule	BOD or TSS Concentration	Total Volumetric Charge Up to 5,000 gallon	Incremental Charge above 5,000 gallons, \$ per one (1) gallon	BOD Charges	TSS Charges
Brine	Less than 100 mg/L	\$259.46	\$0.011		
Tier 1 (Non-Brine)	100 to 999 mg/L	\$284.46	\$0.016		
Tier 2 (Non-Brine)	1,000 to 2,499 mg/L	\$369.46	\$0.033		
Tier 3 (Non-Brine)	2,500 mg/L and higher	\$217.96	\$0.0027	\$0.695 per pound of BOD	\$0.662 per pound of TSS
	<i>Tier 3 minimum charge shall be no less than the charge calculated using Tier 2 rate</i>				

**Section 4** That Application fees for a Capacity Right Agreement shall be: \$ 200.00

**Section 5** That Initial Wastewater Discharge Permit Application, Ownership Change with Process Changes, and Permit Renewal fees for wastewater generators who discharge directly through pipeline connection to the Brine Line shall be:

**Initial Wastewater Discharge Permit Application Fees (Ownership Change with Process Changes included):**

Categorical Industrial User	\$3,780.00
with Combined Waste Stream Formula, add	\$918.00
with Production Based Standards, add	\$486.00
with Multiple Categories, add	\$1,836.00
Non-Categorical, Significant Industrial User	\$2,754.00
Non-Categorical, Non-Significant Industrial User	\$2,268.00

**Permit Renewal Fees:**

Categorical Industrial User	\$2,808.00
with Combined Waste Stream Formula, add	\$486.00
with Production Based Standards, add	\$270.00
with Multiple Categories, add	\$918.00
Non-Categorical, Significant Industrial User	\$702.00
Non-Categorical, Non-Significant Industrial User	\$486.00

**Section 6** That Initial Wastewater Discharge Permit Application, Ownership Change with Process Changes, and Permit Renewal fees for wastewater generators whose wastewater is hauled away, i.e., by a wastewater trucking company, and discharged into the Brine Line shall be:

**Initial Wastewater Discharge Permit Application Fees:**

Categorical Industrial User	\$2,376.00
with Combined Waste Stream Formula, add	\$918.00
with Production Based Standards, add	\$486.00
with Multiple Categories, add	\$1,836.00
Non-Categorical, Significant Industrial User	\$1,404.00
Non-Categorical, Non-Significant Industrial User	\$918.00

**Permit Renewal Fees:**

Categorical Industrial User	\$1,944.00
with Combined Waste Stream Formula, add	\$486.00
with Production Based Standards, add	\$270.00
with Multiple Categories, add	\$918.00
Non-Categorical, Significant Industrial User	\$702.00
Non-Categorical, Non-Significant Industrial User	\$486.00

**Section 7** That initial Wastewater Hauler Permit application and Permit Renewal fees for the Brine Line shall be:

Initial Permit Application for Wastewater Hauler	\$216.00
Permit Renewal for Wastewater Hauler	\$108.00

Brine Line Liquid Waste Hauler Permit Application and Permit Renewal are processed and administered by Santa Ana Watershed Project Authority (SAWPA).

**Section 8** That Permit Revision or Facility Expansion fees shall be: **\$1,404.00**

Permit Revisions shall be required if the modification affects the quantity/quality of the wastewater discharge to deviate from the conditions in the current permit by more than 25%. Such additions or modifications include, but are not limited to, the following: maintenance, monitoring, change of discharge limits, addition of control equipment, etc.

**Section 9** That Permit Addendum fees shall be: **\$702.00**

That for change of business name with no process changes shall be: \$216.00

Permit Addendum shall be required if the addition or modification does not affect the existing wastewater quantity/quality by more than 25%. Such additions or modifications include, but are not limited to, the following: Maintenance, Monitoring, Change of Discharge Limits, Addition of Control Equipment, Ownership Change without Process Changes, etc.

**Section 10** Toxic Organic Management Plan (TOMP) Processing No Charge

**Section 11** Miscellaneous processing fees that do not fall under any of the above sections shall be charged based on time and material of staff(s) evaluating such process using adopted labor rates for the current fiscal year.

**Section 12** That all provisions of the Brine Line Ordinance and any amendments thereto are hereby applicable and will remain in full force and effect.

**Section 13** That upon the effective date of this Resolution, the Resolution No. 2015-6-4 pertaining to the South NRWS is hereby rescinded in its entirety.

ADOPTED this 15<sup>th</sup> day of June, 2016.

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

ATTEST:

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

\*A Municipal Water District



**RESOLUTION NO. 2016-6-2**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING CAPACITY CHARGES, VOLUMETRIC CHARGES, STRENGTH CHARGES, AGENCY PROGRAM CHARGES, AND APPLICATION FEES FOR THE NON-RECLAIMABLE WASTEWATER SYSTEM (NRWS) FOR FISCAL YEAR 2016/17**

**WHEREAS**, NRWS *Wastewater Disposal Agreement No. 4830* (Agreement) has been adopted between County Sanitation Districts of Los Angeles County (CSDLAC) and Inland Empire Utilities Agency (Agency);

**WHEREAS**, it is necessary to establish a rate structure for the collection of costs associated for the sewerage service under this Agreement;

**WHEREAS**, it is necessary to allocate User with Non Reclaimable Wastewater System Capacity Unit (NRWSCU), in order to collect such charges;

**WHEREAS**, it is necessary to allocate individual Users their fractional contribution of the Solids Discrepancy at East End (*SD<sub>EE</sub>*) monitoring facility determined by the *Fractional Solids Discrepancy (FSD<sub>i</sub>)* formula;

**WHEREAS**, it is necessary to establish application fees for processing applications for NRWSCU Allocations and Wastewater Discharge Permits for the use of the Inland Empire Utilities Agency (Agency)'s NRWS;

**WHEREAS**, under Section 13550, et seq., of the California Water Code, a Public Agency may require industries to use recycled water for certain purposes, where it is available and at reasonable cost;

**WHEREAS**, the Board of Directors of the Agency, pursuant to Ordinance No. 99, may establish said fees and charges by Resolution;

**NOW, THEREFORE**, the Board of Directors hereby RESOLVES, DETERMINES, AND ORDERS the following to be effective July 1, 2016



**Section 1** That the acquisition of wastewater discharge right shall be as follows:

**(A) NRWSCU ACQUISITION RATES**

1. A NRWSCU for the NRWS is determined by the following formula:

$$NRWSCU = \left( 0.6513 \times \frac{Flow_{gpd}}{260} \right) + \left( 0.1325 \times \frac{COD_{ppd}}{1.22} \right) + \left( 0.2162 \times \frac{TSS_{ppd}}{0.59} \right)$$

**Where:**

*gpd* = gallons per day

*ppd* = pounds per day

2. The minimum number of NRWSCU shall be 25 NRWSCU.
3. The **purchase rate** for the right to discharge one (1) NRWSCU shall be as established by CSDLAC or \$4,172.00 per NRWSCU.
4. The optional **annual lease rate** for the right to discharge one (1) NRWSCU shall be 5% per year of the purchase rate, i.e. \$208.60 per NRWSCU per each year.

The above charges shall be paid in full upon the execution of the NRWSCU purchase or lease.

**Section 2** That the monthly charges for discharge to the NRWS are:

**(A) VOLUMETRIC CHARGES**

For discharge to the NRWS, the monthly volumetric charge is \$915.00 per million gallons of discharge.

**(B) PEAK FLOW CHARGES**

For discharge to the NRWS, the monthly Peak Flow (PF) Charge shall be \$348.00 per million gallons of volumetric discharge.

**(C) STRENGTH CHARGES**

That Strength Charges are for excessive Chemical Oxygen Demand (COD) and Total Suspended Solids (TSS) and are applicable to all discharges to the NRWS. The rates are as follows:

<u>PARAMETER</u>	<u>RATE</u>
COD	\$180.00 per 1,000 pounds (dry weight)
TSS	\$436.00 per 1,000 pounds (dry weight)

Strength charges for the NRWS discharges are calculated from the average of all the samples collected during the calendar month and invoiced on a quarterly basis. If there is no sample data for a given month, strength charges for that month shall be determined by using the average of all available data within the billing quarter.

(D) Solids DISCREPANCY Charge for NRWS

Solids Discrepancy Charge for an industry ( $SDC_i$ ) shall be calculated on a monthly basis and invoiced on a quarterly basis. The charge shall be calculated by multiplying the individual industry's *Fractional Solids Discrepancy* ( $FSD_i$ ) by the Total Solids Discrepancy at East End monitoring facility ( $TSD_{EE}$ ) and by TSS rate:

$$SDC_i = (FSD_i) \times (TSD_{EE}) \times (TSS \text{ rate})$$

Individual industry's  $FSD_i$  for the NRWS is determined by the  $FSD_i$  formula to allocate the individual industry's solids contribution to the total solids discrepancy, based on their contribution to the overall loading of Alkalinity, Biological Oxygen Demand (BOD), Dissolved Calcium, and Flow.

$$FSD_i = 0.144 \times \left[ \frac{Alk_i}{Alk_T} \right] + 0.519 \times \left[ \frac{BOD_i}{BOD_T} \right] + 0.096 \times \left[ \frac{Ca_i}{Ca_T} \right] + 0.241 \times \left[ \frac{Flow_i}{Flow_T} \right]$$

**Where:**

- $FSD_i$  = Fractional Solids Discrepancy for individual discharger ( $i$ )
- $Alk_i$  = Individual dissolved alkalinity loading to the NRWS for discharger ( $i$ )
- $Alk_T$  = Combined dissolved alkalinity loading from all dischargers to the NRWS
- $BOD_i$  = Individual  $BOD_5$  loading to the NRWS for discharger ( $i$ )
- $BOD_T$  = Combined  $BOD_5$  loading from all dischargers to the NRWS
- $Ca_i$  = Individual dissolved calcium loading to the NRWS for discharger ( $i$ )
- $Ca_T$  = Combine dissolved calcium loading from all dischargers to the NRWS
- $Flow_i$  = Individual flow contribution to the NRWS from discharger ( $i$ )
- $Flow_T$  = Combined flow from all dischargers to the NRWS

(E) AGENCY O&M Charge

The Agency's O&M charge shall be \$19.13 per NRWSCU per month.

(F) AGENCY CIP CHARGE

The Agency's capital improvement program charge shall be \$7.41 per NRWSCU per month.

(G) RECYCLED WATER USAGE CREDIT

This program is for recycled water (RW) Users and shall end when funding

is exhausted or not later than June 30, 2024, whichever comes first. New Users who qualify for this program shall be given the recycled water credit in effect at the time of connection to the RW system.

For Fiscal Year 2016/17, the Recycled Water Usage Credit is \$356.02 per million gallons of recycled water used.

**Section 3 OTHER CHARGES**

IEUA will pass on any other charges from CSDLAC invoiced to the Agency to dischargers to the NRWS, such as, but not limited to, capacity, flow and strength imbalance charges, permit, inspection, analytical fees, etc.

**Section 4 That Application fee for a NRWS Capacity Unit Purchase or Annual Lease shall be: \$ 200.00**

**Section 5 That Initial Wastewater Discharge Permit Application, Ownership Change with Process Changes, and Permit Renewal fees for wastewater generators who discharge directly through pipeline connection to the NRWS sewer system shall be:**

**Initial Wastewater Discharge Permit Application Fees (Ownership Change with Process Changes included):**

Categorical Industrial User	\$3,780.00
with Combined Waste Stream Formula, add	\$918.00
with Production Based Standards, add	\$486.00
with Multiple Categories, add	\$1,836.00
Non-Categorical, Significant Industrial User	\$2,754.00
Non-Categorical, Non-Significant Industrial User	\$2,268.00

**Permit Renewal Fees:**

Categorical Industrial User	\$2,808.00
with Combined Waste Stream Formula, add	\$486.00
with Production Based Standards, add	\$270.00
with Multiple Categories, add	\$918.00
Non-Categorical, Significant Industrial User	\$702.00
Non-Categorical, Non-Significant Industrial User	\$486.00

**Section 6 That Permit Revision or Facility Expansion fees shall be: \$1,404.00**

Permit Revisions shall be required if the modification affects the quantity/quality of the wastewater discharge to deviate from the conditions in the current permit by more than 25%. Such additions or modifications include, but are not limited to, the following: maintenance, monitoring, Change of Discharge Limits, Addition of Control Equipment, Process Changes, etc.

**Section 7** That Permit Addendum fees shall be: \$702.00

That for change of business name with no process changes shall be: \$216.00

Permit Addendum shall be required if the addition or modification does not affect the existing wastewater quantity/quality by more than 25%. Such additions or modifications include, but are not limited to, the following: Maintenance, Monitoring, Change of Discharge Limits, Addition of Control Equipment, Ownership Change without Process Changes, etc.

**Section 8** Toxic Organic Management Plan (TOMP) Processing No Charge

**Section 9** Miscellaneous processing fees that do not fall under any of the above sections shall be charged based on time and material of staff(s) evaluating such process using adopted labor rates for the current fiscal year.

**Section 10** That all provisions of the Non-Reclaimable Wastewater Ordinance and any amendments thereto are hereby applicable and will remain in full force and effect.

**Section 11** That upon the effective date of this Resolution, the Resolution No. 2015-6-6 pertaining to the NRWS is hereby rescinded in its entirety.

ADOPTED this 15<sup>th</sup> day of June, 2016

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

ATTEST:

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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                    )  
  ) 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. 2016-6-2 as adopted at  
a regular Board meeting on June 15, 2016, of said Agency\* by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Steven J. Elie  
Secretary/Treasurer

(SEAL)

\* A Municipal Water District

**RESOLUTION NO. 2016-6-3**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING CAPACITY CHARGES, VOLUMETRIC CHARGES, STRENGTH CHARGES, CAPITAL IMPROVEMENT PROJECT (CIP) CHARGES, IEUA ADMINISTRATIVE CHARGES, APPLICATION AND WASTEWATER DISCHARGE PERMIT APPLICATION FEES FOR THE ETIWANDA WASTEWATER LINE (EWL) FOR FISCAL YEAR 2016/17**

**WHEREAS**, *Etiwanda Wastewater Line Disposal Agreement* (Agreement) was entered between County Sanitation Districts of Los Angeles County (CSDLAC) and Inland Empire Utilities Agency (Agency);

**WHEREAS**, it is necessary to establish a rate structure for the collection of costs associated for the sewerage service under this Agreement;

**WHEREAS**, it is necessary to allocate industries with Etiwanda Wastewater Line Capacity Unit (EWLCU), in order to collect such charges;

**WHEREAS**, one EWLCU for the EWL is defined as an equalized discharge not to exceed a flow rate of 15 gallons per minute;

**WHEREAS**, it is necessary to establish application fees for processing applications for Capacity Right Agreements and Wastewater Discharge Permits for the use of the Agency's EWL;

**WHEREAS**, under Section 13550, et seq., of the California Water Code, a Public Agency may require industries to use recycled water for certain purposes, where it is available and at reasonable cost;

**WHEREAS**, the Board of Directors of the Agency, pursuant to Ordinance No. 99, may establish said fees and charges by Resolution;

**NOW, THEREFORE**, the Board of Directors hereby RESOLVES, DETERMINES, AND ORDERS the following to be effective July 1, 2016

**Section 1** That the acquisition of capacity rights shall be as follows:

(A) CAPACITY RIGHT ACQUISITION RATE

That the purchase rate for the right to discharge one (1) EWLCU for the EWL shall be \$215,000.00 per an equalized flow rate not to exceed 15 gallons per minute. This charge shall be paid in full upon the execution of the Capacity Right Agreement.

**Section 2** That the monthly charges for discharge to the EWL are as follows:

**(A) CAPACITY CHARGES**

For discharge to the EWL, which reaches the jurisdiction of the CSDLAC, the monthly Capacity Charge is \$0.00 per EWLCU.

The monthly Capital Improvements Program (CIP) charge for EWL is \$90.00 per month per EWLCU.

**(B) VOLUMETRIC CHARGES**

The Volumetric Charge for EWL is \$1,068.46 per Million Gallons. The minimum Volumetric Charge for discharge of 100,000 gallons or less is \$106.85 per EWLCU per month.

**(C) STRENGTH CHARGES**

That Strength Charges are for excessive Chemical Oxygen Demand (COD) and Total Suspended Solids (TSS) and are applicable to all discharges to the EWL. The rates are as follows:

<u>PARAMETER</u>	<u>RATE</u>
COD	\$180.00 per 1,000 pounds (dry weight)
TSS	\$436.00 per 1,000 pounds (dry weight)

Strength charges for the EWL discharges are calculated from the average of all the samples collected during the calendar month and invoiced on a quarterly basis. If there is no sample data for a given month, strength charges for that month shall be determined by using the average of all available data within the billing quarter.

**(D) AGENCY CIP AND O&M CHARGES**

Agency CIP and O&M Charges of 50% shall be added to the charges of Section 2(A), 2(B), and 2(C).

**(E) RECYCLED WATER USAGE CREDIT**

This program is for recycled water (RW) Users and shall end when funding is exhausted or not later than June 30, 2024, whichever comes first. New Users who qualify for this program shall be given the recycled water credit in effect at the time of connection to the RW system.

For Fiscal Year 2016/17, the Recycled Water Usage Credit is \$356.02 per million gallons of recycled water used.



**Section 3 OTHER CHARGES**

IEUA will pass on any other charges from CSDLAC invoiced to the Agency to dischargers to the EWL, such as, but not limited to, flow and strength imbalance charges, permit, inspection, analytical fees, etc.

**Section 4** That Application fees for a EWL Capacity Right Agreement shall be: \$ 200.00

**Section 5** That Initial Wastewater Discharge Permit Application, Ownership Change with Process Changes, and Permit Renewal fees for wastewater generators who discharge directly through pipeline connection to the EWL sewer system shall be:

**Initial Wastewater Discharge Permit Application Fees  
(Ownership Change with Process Changes included):**

Categorical Industrial User	\$3,780.00
with Combined Waste Stream Formula, add	\$918.00
with Production Based Standards, add	\$486.00
with Multiple Categories, add	\$1,836.00
Non-Categorical, Significant Industrial User	\$2,754.00
Non-Categorical, Non-Significant Industrial User	\$2,268.00

**Permit Renewal Fees:**

Categorical Industrial User	\$2,808.00
with Combined Waste Stream Formula, add	\$486.00
with Production Based Standards, add	\$270.00
with Multiple Categories, add	\$918.00
Non-Categorical, Significant Industrial User	\$702.00
Non-Categorical, Non-Significant Industrial User	\$486.00

**Section 6** That Permit Revision or Facility Expansion fees shall be: \$1,404.00

Permit Revisions shall be required if the modification affects the quantity/quality of the wastewater discharge to deviate from the conditions in the current permit by more than 25%. Such additions or modifications include, but are not limited to, the following: Maintenance, Monitoring, Change of Discharge Limits, Addition of Control Equipment, Process Changes, etc.

**Section 7** That Permit Addendum fees shall be: \$702.00

That for change of business name with no process changes shall be: \$216.00

Permit Addendum shall be required if the addition or modification does not affect the existing wastewater quantity/quality by more than 25%. Such additions or modifications include, but are not limited to, the following: Maintenance, Monitoring, Change of Discharge Limits, Addition of Control Equipment, Ownership Change without Process Changes, etc.

**Section 8** Toxic Organic Management Plan (TOMP) Processing No Charge

**Section 9** Miscellaneous processing fees that do not fall under any of the above sections shall be charged based on time and material of staff(s) evaluating such process using adopted labor rates for the current fiscal year.

**Section 10** That all provisions of the Etiwanda Wastewater Line Ordinance and any amendments thereto are hereby applicable and will remain in full force and effect.

**Section 11** That upon the effective date of this Resolution, the Resolution No. 2015-6-7 pertaining to the EWL is hereby rescinded in its entirety.

\* \* \*

Resolution No. 2016-6-3  
EWL Rates  
Page 5 of 6

ADOPTED this 15<sup>th</sup> day of June, 2016

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

ATTEST:

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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                    )  
  ) 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. 2016-6-3 as adopted at  
a regular Board meeting on June 15, 2016, of said Agency\* by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Steven J. Elie  
Secretary/Treasurer

(SEAL)

\* A Municipal Water District

**RESOLUTION NO. 2016-6-4**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING SERVICE RATES FOR WASTEWATER DISCHARGERS TO THE REGIONAL WASTEWATER SYSTEM FOR SEPTAGE, COMMERCIAL OR INDUSTRIAL WASTEWATERS, AND EXCESSIVE STRENGTH CHARGES FOR FISCAL YEAR 2016/2017.**

**WHEREAS**, it is necessary to establish service rates for processing and issuing permits to domestic, commercial, or industrial wastewater dischargers and wastewater haulers permitted by IEUA, and service rates for processing and treatment of sanitary, commercial or industrial wastewater deliveries to the Inland Empire Utilities Agency (Agency)'s Regional Wastewater System;

**WHEREAS**, it is necessary to establish application fees for processing and issuing of wastewater discharge permits to industrial wastewater generators who discharge directly through pipeline connections to the Regional Sewer System;

**WHEREAS**, the Board of Directors of the Inland Empire Utilities Agency\*, pursuant to Ordinance No. 97, may establish said service rates by resolution.

NOW, THEREFORE, the Board of Directors hereby RESOLVES, DETERMINES, AND ORDERS the following to be effective July 1, 2016:

**Section 1** That Wastewater Permit Application for Domestic Wastewater Hauler fees is as follow:

Initial Permit Application Fee	\$216.00
Permit Renewal Fee	\$108.00

**Section 2** That wastewater volumetric fee for domestic and industrial wastewater hauler is as follow:

For each load up to 2,000 gallons	\$ 69.45
Loads in excess of 2,000 gallons	\$ 0.035 per one (1) gallon

**Section 3** That a rate schedule effective July 1, 2016, for delivery of domestic and industrial wastewater to regional plants with excessive biochemical oxygen demand and suspended solids is hereby established as follows:

<u>Quantity</u>	<u>Rate</u>
Biochemical Oxygen Demand (BOD) in excess of 379 mg/L	\$ 324.61 per 1,000 lb (dry weight)
Suspended Solids (SS) in excess of 365 mg/L	\$ 348.45 per 1,000 lb (dry weight)

**Section 4** A Non-Compliance fee of \$100.00 will be assessed to reinstate elapsed or expired insurance requirements.

**Section 5** That Initial Wastewater Discharge Permit Application and Permit Renewal fees for wastewater generators who discharge directly through pipeline connection to the Regional Sewer System shall be:

**Initial Wastewater Discharge Permit Application Fees  
(Ownership Change with Process Changes included):**

Categorical Industrial User	\$3,780.00
with Combined Waste Stream Formula, add	\$918.00
with Production Based Standards, add	\$486.00
with Multiple Categories, add	\$1,836.00
Non-Categorical, Significant Industrial User	\$2,754.00
Non-Categorical, Non-Significant Industrial User	\$2,268.00

**Permit Renewal Fees:**

Categorical Industrial User	\$2,808.00
with Combined Waste Stream Formula, add	\$486.00
with Production Based Standards, add	\$270.00
with Multiple Categories, add	\$918.00
Non-Categorical, Significant Industrial User	\$702.00
Non-Categorical, Non-Significant Industrial User	\$486.00

**Section 6** That Initial Wastewater Discharge Permit Application, Ownership Change with Process Changes, and Permit Renewal fees for wastewater generators whose wastewater is hauled away, i.e., by a wastewater trucking company, and discharged into the NRWS sewer system shall be:

**Initial Wastewater Discharge Permit Application Fees:**

Categorical Industrial User	\$2,376.00
with Combined Waste Stream Formula, add	\$918.00
with Production Based Standards, add	\$486.00
with Multiple Categories, add	\$1,836.00
Non-Categorical, Significant Industrial User	\$1,404.00
Non-Categorical, Non-Significant Industrial User	\$918.00

**Permit Renewal Fees:**

Categorical Industrial User	\$1,944.00
with Combined Waste Stream Formula, add	\$486.00

with Production Based Standards, add	\$270.00
with Multiple Categories, add	\$918.00
Non-Categorical, Significant Industrial User	\$702.00
Non-Categorical, Non-Significant Industrial User	\$486.00

**Section 7** That Permit Revision or Facility Expansion fees shall be: \$1,404.00

Permit Revisions shall be required if the modification affects the quantity/quality of the wastewater discharge to deviate from the conditions in the current permit by more than 25%. Such additions or modifications include, but are not limited to, the following: Maintenance, Monitoring, Change of Discharge Limits, Addition of Control Equipment, Process Changes, etc.

**Section 8** That Permit Addendum fees shall be: \$702.00

That for change of business name or ownership only with no process changes shall be: \$216.00

Permit Addendum shall be required if the addition or modification does not affect the existing wastewater quantity/quality by more than 25%. Such additions or modifications include, but are not limited to, the following: Maintenance, Monitoring, Change of Discharge Limits, Addition of Control Equipment, Ownership Change without Process Changes, etc.

**Section 9** That IEUA will pass on to wastewater permit holder any other charges, such as, but not limited to, excessive strength, laboratory analysis, inspection activities, etc.

**Section 11** Miscellaneous processing fees that do not fall under any of the above sections shall be charged based on time and material of staff(s) evaluating such process using adopted labor rates for the current fiscal year.

**Section 12** That all provisions of the Regional Wastewater Ordinance and any amendments thereto are hereby applicable and will remain in full force and effect.

**Section 13** That upon the effective date of this Resolution, Resolution No. 2015-6-5 is hereby rescinded in its entirety.

ADOPTED this 15th day of June, 2016.

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

ATTEST:

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

(SEAL)

\* A Municipal Water District



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. 2016-6-4, was adopted at a Board  
Meeting on June 15, 2016, of said Agency\* by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Steven J. Elie  
Secretary/Treasurer

(SEAL)

\* A Municipal Water District

**RESOLUTION NO. 2016-6-5**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND  
EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY,  
CALIFORNIA, ESTABLISHING CHARGES FOR LABORATORY  
ANALYSES FOR FISCAL YEAR 2016/17**

**WHEREAS**, The Agency occasionally enters into agreements with other local governmental agencies to perform laboratory analyses; and

**WHEREAS**, the most efficient and practical method of charging for this work is through the establishment of a price for each analysis.

**NOW, THEREFORE**, the Board of Directors hereby **RESOLVES, DETERMINES AND ORDERS**, that, effective July 1, 2016, the single item prices for laboratory analyses are as shown on Exhibit 1 attached hereto.

Upon the effective date of this Resolution, Resolution No. 2015-5-11 is hereby rescinded in its entirety.

Resolution No. 2016-6-5  
Laboratory Fees  
Page 2 of 4

ADOPTED this 15<sup>th</sup> day of June, 2016.

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

ATTEST:

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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                    )  
  )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. 2016-6-5, was adopted at  
a regular meeting on June 15, 2016, of said Agency\* by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Steven J. Elie  
Secretary/Treasurer

(SEAL)

\* A Municipal Water District

Exhibit 1

**INLAND EMPIRE UTILITIES AGENCY  
 LABORATORY PRICES - FY 2016/17**

Inorganic Chemistry		
Test	Method	Price
Alkalinity, Total	SM 2320B	\$14.80
Ammonia as Nitrogen	EPA 350.1	\$14.80
Anion Sum	SM 1050	\$2.20
BOD, Soluble	SM 5210	\$43.70
BOD, Total	SM 5210	\$38.30
Bromide	EPA 300.0	\$11.00
Cation Sum	SM 1050	\$2.20
Chloride	EPA 300.0	\$9.00
Chlorine Residual	SM 4500-Cl G	\$16.40
COD	SM 5220D	\$32.80
Color	SM 2120B	\$5.00
Conductivity	SM 2510	\$8.80
Corrosivity	SM 2330B	\$40.50
<i>If Alkalinity, Ca, EC, or pH are requested on the sample, Corrosivity cost is reduced by their respective prices.</i>		
Cyanide, Total	ASTM D7284	\$29.50
Cyanide, Free	ASTM D7237	\$27.40
Dissolved Organic Carbon	SM 5310B	\$39.30
Dissolved Organic Carbon	SM 5310C	\$32.80
Dissolved Oxygen	EPA 360.1	\$12.10
Fluoride	EPA 300.0	\$9.30
Fluoride	SM 4500-F C	\$16.40
Hardness, Total (Calculation)	EPA 200.7	\$21.20
<i>Calculation is reduced by their respective prices.</i>		
Hardness, Total	SM 2340C	\$18.10
Mercury	EPA 245.2	\$39.30
Metals Digestion (liquid)		\$16.40
Metals Digestion (solid)		\$43.60
Metals by ICP	EPA 200.7	\$9.80
Metals by ICP/MS	EPA 200.8	\$9.80
Nitrate as Nitrogen	EPA 300.0	\$9.00
Nitrite as Nitrogen	EPA 300.0	\$9.00
Nitrogen, Organic	Various	\$71.00
Oil & Grease, Polar (FOG)	EPA1664B	\$62.30
Oil & Grease, Non-polar	EPA1664B	\$32.80
Oil & Grease, Total	EPA1664B	\$29.50
pH	SM 4500-H+ B	\$5.00
Phosphorus, Ortho	EPA 300.0	\$9.00
Phosphorus, Total	EPA 200.7	\$10.00

Inorganic Chemistry		
Test	Method	Price
Silica	EPA 200.7	\$9.90
Sulfate	EPA 300.0	\$9.00
Sulfide, Dissolved	SM 4500-S D	\$21.90
Sulfide, Total	SM 4500-S D	\$18.10
Surfactants (MBAS)	SM 5540C	\$49.00
TDS	SM 2540C	\$14.80
TDS, Fixed/Volatile	SM 2540E	\$21.90
TKN	EPA 351.2	\$59.00
TOC	SM 5310B	\$32.80
TOC	SM 5310C	\$24.60
Total Solids	SM 2540B	\$11.00
TSS	SM 2540D	\$14.80
Turbidity	EPA 180.1	\$8.80
Uranium pCi/L	EPA 200.8	\$27.30
Volatile Solids	SM 2540E	\$16.40
Volatile Suspended Solids	SM 2540E	\$21.90

Bioassay/Microbiology		
Test	Method	Price
Bioassay, C.Dubia, Chronic	EPA 1002	\$1,081.50
Coliform, Fecal	SM 9221E	\$24.60
Coliform, Total (10 Tube)	SM 9221B	\$21.90
Coliform, Total (15 Tube)	SM 9221B	\$24.60
Heterotrophic Plate Count	SM 9215B	\$19.70

Organic Chemistry		
Test	Method	Price
Acrolein & Acrylonitrile	EPA 624	\$147.40
MTBE	EPA 524.2	\$122.80
Pesticides	EPA 608	\$240.20
Pesticides w/ PCBs	EPA 608	\$305.70
PCBs	EPA 608	\$240.20
Semi-Volatiles (Short list DW)	EPA 525	\$322.10
Semi-Volatiles (Acid Extractables)	EPA 625	\$245.70
Semi-Volatiles (Base/Neutrals)	EPA 625	\$245.70
Semi-Volatiles (BNA)	EPA 625	\$354.90
Tert-Butyl Alcohol (TBA)	EPA 524.2 MOD	\$147.40
Thiobencarb	EPA 525	\$294.70
Volatiles, DW	EPA 524.2	\$147.40
Volatiles, WW	EPA 624	\$163.80

**RESOLUTION NO. 2016-6-6**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND  
EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY,  
CALIFORNIA, ESTABLISHING EQUIPMENT RENTAL RATES FOR  
FISCAL YEAR 2016/2017.**

**WHEREAS**, the Board of Directors of Inland Empire Utilities Agency\* is required by Agency Ordinance No. 28, Section 3, to establish, from time to time, rates for rental of maintenance and construction equipment.

**NOW, THEREFORE**, the Board of Directors hereby **RESOLVES, DETERMINES AND ORDERS**, pursuant to Ordinance No. 28, that the rates for equipment rental are as shown in Exhibit 1 attached hereto and are effective July 1, 2016.

Upon the effective date of this Resolution, Resolution No. 2015-5-12 is hereby rescinded in its entirety.

Resolution No. 2016-6-6  
Equipment Rental  
Page 2 of 4

ADOPTED this 15<sup>th</sup> day of June, 2016.

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

ATTEST:

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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                    )  
  )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. 2016-6-6 was adopted at a regular  
meeting on June 15, 2016, of said Agency\* by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Steven J. Elie  
Secretary/Treasurer

(SEAL)

\* A Municipal Water District



**EXHIBIT 1**

**INLAND EMPIRE UTILITIES AGENCY\*  
MAINTENANCE EQUIPMENT RENTAL RATES  
FISCAL YEAR 2016/17**

**GOVERNMENTAL AGENCIES WITHIN IEUA SERVICE BOUNDARIES**

		<b>RATE IN FORCE</b>
<b>CCTV Camera Equipment Truck</b>		
With one operator	per hour portal-to-portal	88.21
With two operators	per hour portal-to-portal	150.82
<b>Jetter Vactor</b>		
With one operator	per hour portal-to-portal	80.78
With two operators	per hour portal-to-portal	143.38
<b>Camera Van</b>		
With one operator	per hour portal-to-portal	68.09
With two operators	per hour portal-to-portal	130.70
<b>Gap Vactor Truck</b>		
With one operator	per hour portal-to-portal	97.39
With two operators	per hour portal-to-portal	160.00
<b>Safety Van</b>		
With one operator	per hour portal-to-portal	66.88
With two operators	per hour portal-to-portal	126.56
<b>Water Truck</b>		
With one operator	per hour portal-to-portal	71.13
With two operators	per hour portal-to-portal	133.74

**RESOLUTION NO. 2016-6-7**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY (IEUA), SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING METER EQUIVALENT UNIT (MEU) AND THE READINESS-TO-SERVE (RTS) TEN YEAR ROLLING AVERAGE (TYRA) RATES**

**WHEREAS**, pursuant to Division II, Part II, Section 201 of Ordinance No. 104, the Board of Directors of Inland Empire Utilities Agency (IEUA) establishes, from time to time, rates to support the readiness-to-serve charges from Metropolitan Water District (MWD), program costs incurred for the water conservation program, drought resiliency projects, and water resource development and planning activities.

**WHEREAS**, the Board of Directors of IEUA shall establish an annual Readiness to serve (RTS) charge, based on a Ten Year Rolling Average (TYRA) methodology, that the Agency will pass through to Local Agency (Cucamonga Valley Water District, Water Facilities Authority and Fontana Water Company) a rate to yield revenues sufficient to support the RTS charges imposed by MWD.

**WHEREAS**, the Board of Directors shall establish an annual Meter Equivalent Unit (MEU) charge rate to yield revenues sufficient to recover the program charge, water conservation programs, and water resource development and planning activities.

**WHEREAS**, IEUA shall bill the Local Agency for all water delivered through the service connection, and the Local Agency shall pay IEUA for all water delivered at the rate or rates as established by resolution.

**WHEREAS**, modification of this policy may be included in future rate resolutions.

**NOW, THEREFORE**, the Board of Directors hereby RESOLVES, DETERMINES AND ORDERS that the following to be effective on:

**Section 1.** That a Readiness-to-Serve Ten Year Rolling Average (RTS TYRA), an extended phase-in period of a seven (7) year rate shall be charged to the Local Agency with a 15% of total RTS charge imposed by MWD, effective October 1, 2016, and an incremental increase of 15% in following fiscal years until 100% of MWD RTS charge is reached.

- a. October 1, 2016 through June 30, 2017 of Fiscal Year 2016/17, the RTS TYRA charge shall be 15% of the MWD RTS charge
- b. July 1, 2017 for Fiscal Year 2017/18, the RTS TYRA charge shall be 30% of the MWD RTS charge.
- c. July 1, 2018 for Fiscal Year 2018/19 the RTS TYRA charge shall be 45% of the MWD RTS charge.
- d. July 1, 2019, for Fiscal Year 2019/20 the RTS TYRA charge shall be 60% of the MWD RTS charge.
- e. July 1, 2020 for Fiscal Year 2020/21 the RTS TYRA charge shall be 75% of the MWD RTS charge.
- f. July 1, 2021, for Fiscal Year 2021/22 the RTS TYRA charge shall be 90% of the MWD RTS charge.
- g. July 1, 2022, for Fiscal Year 2022/23 the RTS TYRA charge shall be 100% of the MWD RTS charge.

**Section 2.** That the Meter Equivalent Unit (MEU), an extended phase-in period of a four (4) year rate shall be charged to the Local Agency effective October 1, 2016:

- a. July 1, 2016 for the first three months, July through September, of Fiscal Year 2016/17, that the rate for each active retail water meter shall be \$2.105 per meter per month.
- b. October 1, 2016 for Fiscal Year 2016/17, that the rate for each active retail water meter shall be \$0.90 per MEU per month.
- b. July 1, 2017 for Fiscal Year 2017/18, that the rate for each active retail water meter shall be \$0.95 per MEU per month.
- c. July 1, 2018 for Fiscal Year 2018/19, that the rate for each active retail water meter shall be \$0.99 per MEU per month.

- d. July 1, 2019 for Fiscal Year 2019/20, that the rate for each active retail water meter shall be \$1.04 per meter equivalent unit per month.

**Section 3.** That upon the effective date of this Resolution, Resolution No. 2015-6-8 and Resolution No. 2015-6-9 are hereby rescinded in its entirety.

**ADOPTED** this 15<sup>th</sup> day of June, 2016.

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

ATTEST:

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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                    )  
  )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. 2016-6-7, was adopted at a regular  
meeting on June 15, 2016, of said Agency\* by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Steven J. Elie  
Secretary/Treasurer

(SEAL)

\* A Municipal Water District

**RESOLUTION NO. 2016-6-9**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING EXTRA-TERRITORIAL SEWER SERVICE CHARGE FOR SYSTEM USERS OUTSIDE THE AGENCY'S BOUNDARIES FOR FISCAL YEAR 2016/17**

**WHEREAS**, it is necessary to establish an extra-territorial monthly sewer service charge for system user whose property served is located outside the boundaries of Improvement District "C" of the Inland Empire Utilities Agency (the Agency); and

**WHEREAS**, the charge shall be "A" dollars per equivalent dwelling unit (EDU) per month. "A" shall be determined annually by the Agency before July 1 and will be set at the amount of certain sewer taxes per EDU being received from the taxable area within Improvement District "C"; and

**WHEREAS**, these taxes are to be the Improvement District "C" portion of taxes plus the portion of the Agency's General Taxes applied each year to the Regional Wastewater Systems and the General Administrative expenditures for the Regional Wastewater Systems; and

**WHEREAS**, modification to this resolution may be included in future rate resolutions.

**NOW, THEREFORE**, the Board of Directors hereby **RESOLVES, DETERMINES, AND ORDERS** the following to be effective July 1, 2016:

**Section 1.** That the monthly sewer service rate be determined based on the Agency-wide assessed valuation for FY 2015/16 as reported by the San Bernardino County Auditors Property Tax Division and the estimated number of billed EDU's listed in the Agency's FY 2015/16 Regional Wastewater Operations and Maintenance fund budget, as shown in Exhibit 1; and

**Section 2.** That the monthly sewer service charge should be set at a rate of \$14.25 per month per Equivalent Dwelling Unit (EDU).

**Section 3.** That upon the effective date of this Resolution, Resolution No. 2015-5-7 is hereby rescinded in its entirety.

Resolution No. 2016-6-9  
FY 2016/17 Extra Territorial Sewer Service Charge  
Page 2 of 4

ADOPTED this 15<sup>th</sup> day of June, 2016.

---

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                    )  
  )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. 2016-6-9 was adopted at a Board  
Meeting on June 15, 2016, of said Agency by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

---

Steven J. Elie  
Secretary/Treasurer

(SEAL)

\* A Municipal Water District



**AVERAGE VALUE OF AN EDU FOR FISCAL YEAR 2016/17  
CITY OF FONTANA MONTHLY EXTRA-TERRITORIAL USER SURCHARGE**

The information utilized includes the EDU projections identified in the Regional Wastewater Operations and Maintenance (RO) Fund budget and the San Bernardino County Auditors' report which lists the Agency's assessed valuation for FY 2015/16. Based on this information the estimated average value of an EDU within the Agency is as follows:

FY 2015/16 Agency Assessed Value -	= \$	93,452,923,694
FY 2015/16 Projected number of EDU's within Agency =		272,790 EDU per month
<i>\$93,452,923,694 divided by 272,790</i>	= \$	342,582

Annual tax obligation is calculated by:

<i>\$342,582 multiply by 0.000499</i>	= \$	<b>170.95 per year</b>
<i>(adjusted Agency tax rate)</i>	= \$	<b>14.25 per month</b>

**RESOLUTION NO. 2016-6-15**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING IMPORTED WATER RATES.**

**WHEREAS**, pursuant to Division II, Part II, Section 201 of Ordinance No. 104, the Board of Directors of Inland Empire Utilities Agency\* (Agency) establishes, from time to time, rates for water sold or delivered by direct connections to Metropolitan Water District facilities;

**WHEREAS**, the Board of Directors of the Agency establishes rates for delivery of imported water supplies; and

**WHEREAS**, the Board of Directors has determined that the levy of a per acre-foot surcharge that is required to maintain sufficient appropriated reserves and to provide for the program support and operational costs associated with the delivery of imported water supplies and water resource development and planning activities; and

**WHEREAS**, the Board of Directors has also determined that the Agency, by written request, could levy a supplemental per acre foot surcharge for delivered imported water to fund the cost for the Water Conservation Program which includes the Conservation and Drought Charges; and

**WHEREAS**, modification of this policy may be included in future rate resolutions.

**NOW, THEREFORE**, the Board of Directors hereby **RESOLVES, DETERMINES AND ORDERS** the following to be effective July 1, 2016, and January 1, 2017:

**Section 1.** That the rates of sales of imported water shall consist of the base rate charged by Metropolitan for each class of water plus a surcharge of fifteen dollars (\$15) per acre foot, of which ten dollars (\$10) is used by the IEUA on imported water deliveries to offset program support, operation, maintenance, incentive, depreciation expenses, and debt service incurred by the IEUA, four dollars (\$4) is used to support a regional water conservation program, and one dollar (\$1) for drought programs needed to meet the reduced water supply made available to the region. The surcharge of \$15.00 per acre foot applies to different classes of water will be effective July 1, 2016 through September 30, 2016, for the first three months of Fiscal Year 2016/17. The rates, by class of water, including the surcharge, are as follows:

(a) **FOR TIER 1 FULL SERVICE UNTREATED WATER** – i.e., domestic and municipal purposes:

07/1/2016 – 09/30/2016 (\$594 + \$15)	\$609.00 per acre foot
10/1/2016 – 12/31/2016 (\$594)	\$594.00 per acre foot
01/1/2017 – 12/31/2017 (\$666)	\$666.00 per acre foot

(b) FOR TIER 2 FULL SERVICE UNTREATED WATER – i.e., domestic and municipal purposes:

07/1/2016 – 09/30/2016 (\$728 + \$15)	\$743.00 per acre foot
10/1/2016 – 12/31/2016 (\$728)	\$728.00 per acre foot
01/1/2017 – 12/31/2017 (\$760)	\$760.00 per acre foot

(c) FOR GROUND WATER STORAGE PROGRAM

REPLENISHMENT WATER UNTREATED – This rate is available contingent upon the requirements of Metropolitan's Administrative Code, and includes water delivered for groundwater replenishment and storage, by direct or in-lieu methods.

7/1/2016 – 12/31/2016 (NO RATE AVAILABLE)  
1/1/2017 – 12/31/2017 (NO RATE AVAILABLE)

(d) METROPOLITAN WATER SUPPLY ALLOCATION PLAN (WSAP) PENALTY RATES – Reduced imported water allocations caused by the adoption of a WSAP will reduce a member agencies Tier 1 allocation pursuant to Resolution 2014-12-1. Penalty rates will be applied in accordance to Metropolitan's WSAP to IEUA and its member agencies if IEUA exceeds its imported water allocation from MWD and is invoiced by MWD for WSAP penalty rates, during FY 2016/17. Any such penalty rates shall be “passed through” to the appropriate agency that caused the imposition of a penalty rate by MWD.

**Section 2.** That IEUA will impose any Metropolitan rates and charges, applicable to each service connection, if invoiced by Metropolitan to IEUA during FY 2016/17.

**Section 3.** That additional charges will also be levied during FY 2016/17 in the form of a capacity meter charge of \$5.00 per diameter inch of meter per month through 09/30/2016.

**Section 4.** That the Metropolitan levied Capacity Charge (\$/cfs) shall be as follows:

07/1/2016 – 12/31/2016	\$10,900 per cubic foot per second (cfs)
01/1/2017 – 12/31/2017	\$ 8,000 per cubic foot per second (cfs)

**Section 5.** That a minimum charge of \$1,000 per month will be collected from any active Metropolitan full service industrial connection beginning 7/1/2016 through 6/30/2017.

**Section 6.** That upon the effective date of this Resolution, Resolution No. 2015-5-8 is hereby rescinded in its entirety.

**ADOPTED** this 15<sup>th</sup> day of June, 2016.

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

**ATTEST:**

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**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                    )  
  )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. 2016-6-15, was adopted at a regular  
meeting on June 15, 2016, of said Agency\* by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
Steven J. Elie  
Secretary/Treasurer

(SEAL)

\* A Municipal Water District