



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

**WEDNESDAY, APRIL 19, 2017  
10:00 A.M.**

**INLAND EMPIRE UTILITIES AGENCY\*  
AGENCY HEADQUARTERS  
6075 KIMBALL AVENUE, BUILDING B  
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. **PUBLIC HEARING**

A. **PUBLIC HEARING AND ADOPTION OF ORDINANCE NO. 105, BOARD COMPENSATION/BENEFITS**

It is recommended that the Board:

1. Hold a Public Hearing to receive public comments for the Board to adopt Ordinance No. 105, establishing compensation/benefits, and authorizing reimbursement of expenses for the Board of Directors and their appointed representative to the Metropolitan Water District of Southern California Board of Directors, and outside Committee members; and
2. After closing the Public Hearing, by roll call vote, adopt Ordinance No. 105.

10. **CLOSED SESSION (to be continued following Directors' Comments)**

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

*General Manager*

2. **CONSENT ITEMS**

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 March 1, 2017 Board Workshop meeting, and the May 15, 2017 Board meeting.

B. **APPROVAL OF SAWPA JPA AMENDMENT NO. 6**

It is recommended that the Board approve the Amendment No. 6 to the 1975 Joint Exercise of Power Agreement Creating the Santa Ana Watershed Project Authority.

C. **ADOPTION OF RESOLUTION NO. 2017-4-5, COMMENDING IEUA TEAM MEMBERS FOR THEIR OUTSTANDING LEADERSHIP**

It is recommended that the Board adopt Resolution No. 2017-4-5, commending the IEUA team members for their outstanding leadership in helping to develop a viable and innovative solution for the South Archibald Plume.

**D. ADOPTION OF RESOLUTION NO. 2017-4-6, HONORING THE 10<sup>TH</sup> ANNIVERSARY OF THE INLAND EMPIRE REGIONAL COMPOSTING FACILITY**

It is recommended that the Board adopt Resolution No. 2017-4-6, honoring the 10<sup>th</sup> anniversary of the Inland Empire Regional Composting Facility.

**E. ADOPTION OF RESOLUTION NO. 2017-4-7, PROCLAIMING INTERNATIONAL COMPOST AWARENESS WEEK**

It is recommended that the Board adopt Resolution No. 2017-4-7, proclaiming May 7, 2017 through May 13, 2017, as International Compost Awareness Week.

**F. REPORT ON GENERAL DISBURSEMENTS**

It is recommended that the Board approve the total disbursements for the month of February 2017, in the amount of \$11,521,274.26.

**G. ADOPTION OF RESOLUTION NO. 2017-4-1, APPROVING THE UPDATE OF THE AGENCY'S INVESTMENT POLICY**

It is recommended that the Board adopt Resolution No. 2017-4-1, approving the update of the Agency's Investment Policy for Fiscal Year 2017/18.

**H. MASTER SERVICES CONTRACT AMENDMENTS FOR CONDITION ASSESSMENT**

It is recommended that the Board:

1. Approve the master services contract amendments to perform corrosion and condition assessment services for the Agency's physical assets for a total aggregate not-to-exceed amount of \$300,000 over a three -year period to the following:
  - Contract No. 4600001614 to V&A Consulting Engineering Inc.
  - Contract No. 4600001616 to Lockwood, Andrews, & Newman, Inc.
  - Contract No. 4600001622 to HDR Engineering, Inc.; and
2. Authorize the General Manager to execute the contract amendments.

**I. ADOPTION OF A RESOLUTION FOR A USBR WATERSMART APPLICATION**

It is recommended that the Board:

1. Adopt Resolution No. 2017-4-2, authorizing IEUA to enter into a financial assistance agreement with the U.S. Department of Interior – Bureau of Reclamation (USBR) for the WaterSMART Grants: Water Marketing Strategy Grants for Fiscal Year 2017; and

2. Authorize the General Manager to execute the financial assistance agreement, any amendments, and any grant related documents thereto.

**J. CEQA ADDENDUM ADOPTION - FONTANA WATER COMPANY RECYCLED WATER IMPROVEMENT PROJECT**

It is recommended that the Board:

1. Adopt an Addendum to the California Environmental Quality Act (CEQA) Initial Study/Mitigated Negative Declaration for the Fontana Water Company Recycled Water Improvement Project; and
2. Authorize the General Manager to file the Notice of Determination (NOD) with the San Bernardino County Clerk of the Board.

**K. NRW AND COLLECTION SYSTEMS CONSTRUCTION CONTRACT AWARD**

It is recommended that the Board:

1. Award a construction contract for the Non-Reclaimable Wastewater Manhole Upgrades FY 2016/17 and Collection System Upgrades FY 2016/17, Project Nos. EN17014 and EN17015 respectively, to Ferreira Construction Co. Inc., in the amount of \$284,738; and
2. Authorize the General Manager to execute the construction contract.

**L. RP-5 CONSULTANT CONTRACT AWARD - OPERATIONS AND MAINTENANCE BUILDING**

It is recommended that the Board:

1. Award the consulting architectural services contract for the proposed RP-5 Operations and Maintenance Building, Project No. EN19001, to Gillis & Panichapan Architects, Inc., for the not-to-exceed amount of \$136,510; and
2. Authorize the General Manager to execute the contract.

**M. LABOR COUNSEL SERVICES CONTRACT AWARD**

It is recommended that the Board:

1. Ratify the Retainer Agreement for general labor counsel and related legal services with Dorgan Legal Services, LLC. (DLS), subject to the fees, terms and conditions set forth in Exhibit A; and
2. Authorize the General Manager to execute the Retainer Agreement.



**N. RP-1 DIGESTER CLEANING CONTRACT AWARD**

It is recommended that the Board:

1. Award a digester cleaning service contract for the RP-1 Digesters Nos. 1, 6, and 7, Project No. EN17042, to Synagro-WWT, Inc. in the amount of \$1,750,200; and
2. Authorize the General Manager to execute the contract.

**3. PRESENTATION OF COMMENDATION RESOLUTIONS TO STAFF**

**4. ACTION ITEMS**

**A. CCWRF CONSULTANT CONTRACT AWARD - 2017 ASSET MANAGEMENT PACKAGE 1**

It is recommended that the Board:

1. Award a consulting engineering services contract for the CCWRF Asset Management and Improvements Project No. EN17006, to CDM Smith, for the not-to-exceed amount of \$3,631,892; and
2. Authorize the General Manager to execute the consulting engineering services contract.

**B. ADOPTION OF RESOLUTIONS TO AMEND THE MEMORANDA OF UNDERSTANDING AND SALARY MATRICES/SCHEDULES FOR REORGANIZATION AND UNIT MODIFICATION**

It is recommended that the Board adopt Resolution Nos. 2017-4-3 and 2017-4-4, to amend the Supervisors' Unit, General Unit and the Professional Unit Memoranda of Understanding (MOUs) and the Personnel Manual and to amend salary matrices/schedules for all groups to reflect a reorganization and unit modifications.

**5. INFORMATION ITEMS**

**A. REVIEW OF PROPOSED BIENNIAL BUDGET FOR FISCAL YEARS 2017/18 AND 2018/19 FOR REGIONAL WASTEWATER, RECYCLED WATER, AND RECHARGE WATER FUNDS AND TEN YEAR CAPITAL IMPROVEMENT PLAN (WRITTEN/POWERPOINT)**

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

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

**RECEIVE AND FILE INFORMATION ITEMS**

- D. **TREASURER'S REPORT OF FINANCIAL AFFAIRS (WRITTEN/ POWERPOINT)**
- E. **PUBLIC OUTREACH AND COMMUNICATION (WRITTEN)**
- F. **LEGISLATIVE REPORT FROM INNOVATIVE FEDERAL STRATEGIES (WRITTEN)**
- G. **LEGISLATIVE REPORT FROM 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. **3<sup>RD</sup> QUARTER PLANNING & ENVIRONMENTAL RESOURCES UPDATE (POWERPOINT)**
- M. **RECYCLED WATER SEMI-ANNUAL UPDATE FY 2016/17 (POWERPOINT)**
- N. **SEPTIC TO SEWER FEASIBILITY STUDY UPDATE (POWERPOINT)**
- 6. **AGENCY REPRESENTATIVES' REPORTS**
  - A. **SAWPA REPORT**
  - 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 (Continued)**

B. **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
4. Spiniello vs. SAWPA, Case No. BC 616589

C. **PURSUANT TO GOVERNMENT CODE SECTION 54956.8 –  
CONFERENCE WITH REAL PROPERTY NEGOTIATOR**

Supplemental Water Transfer/Purchase  
Negotiating Party: General Manager P. Joseph Grindstaff  
Under Negotiation: Price and Terms of Purchase

D. **PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)(4)  
CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION;  
INITIATION OF LITIGATION**

Three (3) Cases

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

Various Positions

F. **PURSUANT TO GOVERNMENT CODE SECTION 54957 – PERSONNEL  
MATTERS – PUBLIC EMPLOYEE PERFORMANCE EVALUATION**

General Manager

11. **ADJOURN**

*\*A Municipal Water District*

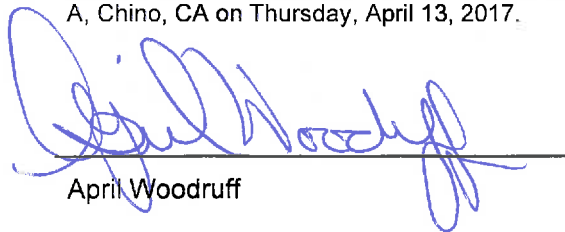
In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Board Secretary (909) 993-1736, 48 hours prior to the scheduled meeting so that the Agency can make reasonable arrangements.

Proofed by: 

### Declaration of Posting

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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, April 13, 2017.




April Woodruff


# PUBLIC HEARING

# 1A

Date: April 19, 2017

To: The Honorable Board of Directors

From:  P. Joseph Grindstaff  
General Manager

Submitted by:  Jean Cihigoyenetché  
General Counsel

Subject: Public Hearing and Adoption of Ordinance No. 105, Board  
Compensation/Benefits

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### **RECOMMENDATION**

It is recommended that the Board of Directors:

1. Hold a Public Hearing to receive public comments for the Board to adopt Ordinance No. 105, establishing compensation/benefits, and authorizing reimbursement of expenses for the Board of Directors and their appointed representative to the Metropolitan Water District of Southern California Board of Directors, and outside Committee members; and
2. After closing the Public Hearing, by roll call vote, adopt Ordinance No. 105.

### **BACKGROUND**

Pursuant to Section 5 of Ordinance No. 98, all compensation/benefits provided to members of the Board of Directors are to be reviewed within the first quarter of every year. If changes are approved by a majority vote of the Board, said changes shall become effective at the beginning of the next fiscal year. On February 15, 2017, the Board of Directors instructed staff to prepare a new Ordinance providing for an upward adjustment to Board Member compensation.

As provided in Section 20202 of the *California Water Code*, the Board of Directors may adjust the amount of the Directors' compensation, provided this compensation is for a total of no more than ten days in any calendar month and authorizes the Board to increase compensation up to five percent (5%) per each calendar year following the last adjustment. Board compensation was last adjusted in 2014. The current Director's compensation of Two Hundred Twenty-Five Dollars (\$225.00) per day's service has been in effect since July 1, 2014.

In addition to the per meeting compensation, each Board Member is eligible to receive health, dental, vision, and life insurance through the Agency, for themselves and their families at no cost to the Board Member.

In January 2017, staff conducted a survey of Board Compensation of comparable and nearby districts. The survey results are set forth in Appendix "A".

This proposed Ordinance would adjust Directors' compensation upward at the rate of five percent (5%) per annum from the date of last adjustment, which is July 1, 2014. Accordingly, the proposed compensation for a Director's day of service is Two Hundred Forty-Seven Dollars and Fifty Cents (\$247.50).

### **PRIOR BOARD ACTION**

On May 21, 2014, the Directors adopted Ordinance 98 following a public hearing, establishing compensation/benefits, and authorizing reimbursement of expenses for the Board of Directors and their appointed representative to the Metropolitan Water District of Southern California Board of Directors and outside Committee members.

On May 15, 2013, the Board of Directors adopted Ordinance No. 93, following a public hearing, establishing compensation/benefits, and authorizing reimbursement of expenses for the Board of Directors and their appointed representative to the Metropolitan Water District of Southern California Board of Directors and outside Committee members.

On January 16, 2013, the Board of Directors adopted Ordinance No. 92, establishing compensation/benefits, and authorizing reimbursement of expenses for the Board of Directors and their appointed representatives to the Metropolitan Water District of Southern California Board of Directors and outside Committee members.

On May 4, 2011, the Board of Directors adopted Resolution No. 2011-5-1 reducing compensation for members of the Board of Directors by 10.46%, from \$217.77 to \$195.00 per days of service, effective April 1, 2011, and on March 16, 2011, the Board received the annual summary of compensation and benefits received by each Board Member for calendar year 2010.

On July 21, 2010, the Board of Directors approved no increase to the compensation for one year and received the annual summary of compensation and benefits received by each Board Member for calendar year 2009.

On February 18, 2009, the Board of Directors approved no increase to the compensation for one year and received the annual summary of compensation and benefits received by each Board Member for calendar year 2008.

On May 2, 2007, the Board of Directors adopted Ordinance No. 84 establishing compensation for members of the Board of Directors and on February 7, 2007, the Board received the annual summary of compensation and benefits received by each Board Member for calendar year 2006.

**IMPACT ON BUDGET**

If approved, Ordinance No. 105 would increase the compensation for a Director's day of service from Two Hundred Twenty-Five Dollars (\$225.00) to Two Hundred Forty-Seven Dollars and Fifty Cents (\$247.50).



## APPENDIX "A"

**BOD Compensation Survey Summary**

Completed: 1/31/2017

**California Water Code**

20202. In any ordinance adopted pursuant to this chapter to increase the amount of compensation which may be received by members of the governing board of a water district above the amount of one hundred dollars (\$100) per day, the increase may not exceed an amount equal to 5 percent, for each calendar year following the operative date of the last adjustment, of the compensation which is received when the ordinance is adopted.

No ordinance adopted pursuant to this chapter shall authorize compensation for more than a total of 10 days in any calendar month.

Agency	Compensation	Limit Per Month	Maximum Per Month	Adopted
San Bernardino Valley Municipal Water District	\$299.00	10 days	\$2,990.00	Sep-16
Irvine Ranch Water District	\$273.00	10 Meetings	\$2,730.00	Jan-17
Orange County Water District	\$250.00	10 days	\$2,500.00	Sep-15
Western Municipal Water District	\$240.67	10 days	\$2,406.70	Jan-04
Monte Vista Water District	\$240.48	10 days	\$2,404.80	Jul-16
Inland Empire Utilities Agency	\$225.00	10 days	\$2,250.00	May-14
Orange County Sanitation District	\$212.50	6 Meetings / 10 Meetings for Chair	\$1,275/\$2,125	Jan-08
Cucamonga Valley Water District	\$210.00	10 days	\$2,100.00	2005
Sanitation Districts of Los Angeles County	\$125.00	6 days	\$750.00	Feb-01
Metropolitan Water District of Southern CA	NA	NA	NA	NA

**Other Agencies**

Municipal Water of Orange County	\$282.85	10 Meetings	\$2,828.50	Jan-17
Mesa Water District	\$240.00	10 Meetings	\$2,400.00	Apr-15
Elsinore Valley Municipal Water District	\$221.47	10 Meetings	\$2,214.70	Apr-06
Moulton Niguel Water District	\$220.00	10 Meetings	\$2,200.00	Sep-16
Eastern Municipal Water District	\$216.00	10 Meetings	\$2,160.00	Jan-17
Santa Margarita Water District	\$210.00	10 Meetings	\$2,100.00	Feb-09
El Toro Water District	\$198.00	10 Meetings	\$1,980.00	Dec-07
South Coast Water District	\$190.00	10 Meetings	\$1,900.00	Jan-06
Walnut Valley Water District	\$150.00	7 Meetings	\$1,050.00	Apr-06
Yorba Linda Water District	\$150.00	10 Meetings	\$1,500.00	Jan-03

## ORDINANCE NO. 105

### ORDINANCE OF THE INLAND EMPIRE UTILITIES AGENCY, A MUNICIPAL WATER DISTRICT, SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING COMPENSATION/BENEFITS, AND AUTHORIZING REIMBURSEMENT OF EXPENSES FOR THE BOARD OF DIRECTORS AND THEIR APPOINTED REPRESENTATIVES TO THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA BOARD OF DIRECTORS AND OUTSIDE COMMITTEE MEMBERS

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

WHEREAS, it is recognized that each member of the Board of Directors expends a considerable amount of time and effort serving on committees and attending meetings including, but not limited to meetings of the Board of Directors;

WHEREAS, in consideration for the expenditure of time and effort, it is appropriate to provide reasonable compensation and to authorize reimbursement of expenses for the Board of Directors, pursuant to Section 71255 of the Water Code; and

WHEREAS, California Water Code Section 20202 provides that the Board of Directors may adopt an ordinance authorizing compensation for the Directors for a total of not more than ten (10) days in any calendar month and in an amount in excess of \$100 per day, as may be adjusted each year.

NOW, THEREFORE, **BE IT ORDAINED** by the Board of Directors of the Inland Empire Utilities Agency\* as follows:

**Section 1.** Compensation. Subject to the limitation of Section 2 of this Ordinance each member of the Board of Directors shall be compensated for attending:

(a) Regular, special, emergency and adjourned meeting of the Board of Directors.

(b) Regular, special, emergency and adjourned meeting of a committee of the Board of Directors, provided that attendance is as a member of that committee.

(c) Regular special, emergency and adjourned meeting of a commission, Board, Joint Powers Authority, or committee, provided that membership on/in such body has been authorized by the Board of Directors. However, if such member receives compensation from the body, then the Agency shall compensate the member only the difference between the current Agency compensation rate and the compensation paid by the respective body.

(d) A conference related to Agency business provided that such compensation shall not exceed three days.

(e) Regular, special, emergency and adjourned meetings of a Board or Committee of the Metropolitan Water District of Southern California provided that attendance is as a member of that committee.

(f) At City Council meetings, other water agency meetings and other community meetings where the member is requested to attend by the Board President or General Manager or is making a presentation on the Agency's behalf.

(g) Meetings with local, state or federal elected officials or staff members that are related to Agency business.

(h) Court hearings or other legal proceedings related to Agency business.

(i) Attendance at any meeting provided for under Sections 1.b, c, e, and f, shall also include payment to both the primary representative and the alternate representative to said body if they both attend said meeting.

(j) Training sessions mandated by law including, but not limited to, ethics training and harassment training.

(k) Attendance at Agency sponsored events, which are not considered Board Meetings or committee meetings such as service awards luncheons, leadership breakfasts, and similar events.

(l) The Board of Directors may retroactively approve payment for attendance at any meeting/event attended by a member of the Board, the Agency representative to the Metropolitan Water District of Southern California, or a committee member appointed from outside of the Agency by the Board to an Agency committee.

**Section 2.** Compensation for attendance at a meeting and/or conference as specified in Section 1, shall not exceed, on a per day basis, that amount of compensation as established by the Board, regardless of the number of meetings and/or conferences that are attended on the same day; provided that the total compensable days in a calendar month shall not to exceed ten days. Attendance shall mean that the Director is present during not less than seventy five percent (75%) of the duration of the meeting or conference presentations.

**Section 3.** Members of the Board of Directors are eligible to enroll in Agency sponsored group insurance plans available to eligible employees for health, dental, vision, and life insurance. The benefits allowed to the members of the Board of Directors shall not be greater than the most generous schedule of benefits being received by any category of Agency employees.

**Section 4.** Representatives to the Metropolitan Water District of Southern California Board of Directors and committee members appointed from outside of the Agency by the Board to an Agency committee or to MWD shall be paid the current Agency compensation rate under the same terms and conditions as a Board member.

**Section 5.** All compensation/benefits provided to members of the Board of Directors shall be reviewed at a regular meeting of the Board of Directors within the first quarter of every year and if changes are approved by a majority vote of the Board said changes shall become effective at the beginning of the next fiscal year. Currently the rate of compensation for members of the Board of Directors of the Agency shall be \$247.50 per day's service.

**Section 6.** Reimbursement of Expenses. Each member of the Board of Directors, Metropolitan Water District representatives and committee members appointed from outside of the Agency shall be reimbursed for reasonable out-of-pocket expenses incurred by such member in performing services rendered pursuant to Section 1, or in performing services otherwise authorized or ratified by the Board of Directors. Reimbursement for lodging, conferences and travel expenses shall be in accordance with Agency Policy A-37 and A-77 as may be amended from time to time.

**Section 7.** The Directors, Metropolitan Water District representatives and outside committee members shall be paid based upon a duly executed pay sheet/expense voucher submitted monthly by the Directors, Metropolitan Water District representatives and outside committee members to be approved by the President of the Board of Directors. Said documents shall then be submitted to the Agency's Executive Manager of Finance and Administration for review on a monthly basis. In order to receive payment, each director/representative must submit monthly pay sheets/expense vouchers within 30 calendar days of the end of the month payment is requested.

**Section 8.** Repeal of Prior Ordinances and Resolutions. Ordinance 98 is repealed as of the effective date of this ordinance and this ordinance shall supersede any and all other prior ordinances or resolutions in conflict with the provisions hereof.

**Section 9.** Effective Date: This ordinance shall become effective upon adoption.

**ADOPTED**, the 19<sup>th</sup> day of April, 2017.

ATTEST:

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Jasmin A. Hall  
Secretary/Treasurer of the Inland Empire  
Utilities Agency\* and the Board of Directors  
thereof

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

\*A Municipal Water District

STATE OF CALIFORNIA                    )  
COUNTY OF                                )SS  
SAN BERNARDINO                         )

I, Jasmin A. Hall, Secretary/Treasurer of the Inland Empire Utilities Agency\*, DO  
HEREBY CERTIFY that the forgoing Ordinance being No. 105, was adopted at a regular  
meeting on April 19, 2017, of said Agency by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
Jasmin A. Hall  
Secretary/Treasurer of the  
Inland Empire Utilities Agency\* and on  
behalf of the Board of Directors thereof

(SEAL)

**CONSENT  
CALENDAR  
ITEM**

**2A**



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

**WEDNESDAY, MARCH 1, 2017  
10:00 A.M.**

**DIRECTORS PRESENT:**

Steven J. Elie, President  
Michael Camacho, Vice President  
Paul Hofer  
Kati Parker

**DIRECTORS ABSENT:**

Jasmin A. Hall, Secretary/Treasurer

**STAFF PRESENT:**

P. Joseph Grindstaff, General Manager  
Javier Chagoyen-Lazaro, Manager of Accounting and Fiscal Management  
Tina Cheng, Budget Officer  
Warren Green, Manager of Contracts and Facilities Services  
Jason Gu, Grants Officer  
Randy Lee, Executive Manager of Operations/AGM  
Sally Lee, Acting Executive Assistant  
Sylvie Lee, Manager of Planning & Environmental Resources  
Chander Letulle, Manager of Operations and Maintenance  
Alex Lopez, Senior Financial Analyst  
Jessica Sarmiento, Financial Analyst II  
Jeannette Smith, Financial Analyst I  
Shaun Stone, Manager of Engineering  
Christina Valencia, Chief Financial Officer/AGM  
Teresa Velarde, Manager of Internal Audit  
April Woodruff, Board Secretary/Office Manager

**OTHERS PRESENT:**

Jean Cihigoyenette, JC Law Firm  
Martin Cihigoyenette, JC Law Firm  
Joanna Valenzuela, Assemblymember Freddie Rodriguez

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 Elie called the meeting to order at 10:03 a.m. and led the pledge of allegiance to the flag. A quorum was present.

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



President Elie asked if there were any changes/additions/deletions to the agenda. General Counsel Jean Cihigoyenetché stated there were two closed session items that came to the Agency's attention after the posting of the agenda. The first one being the recent ruling of the Chino Basin Municipal Water District vs. City of Chino. The second item is Dean Martin vs. IEUA. General Counsel Cihigoyenetché stated that we will need a motion and a unanimous vote.

Upon motion by Director Camacho, seconded by Director Hofer, and unanimously carried (4-0).

**M2017-3-1**

MOVED, to

1. Add Chino Basin Municipal Water District vs. City of Chino onto the Closed Session section of today's Agenda.
2. Add Dean Martin vs. IEUA onto the Closed Session section of today's Agenda.

**WORKSHOPS**

**BUDGET WORKSHOP**

Chief Financial Officer Christina Valencia gave a presentation on the fund overview that was covered in the Finance & Administrative Committee and included as a receive and file item for the Board in February. Ms. Valencia started her presentation with staff's recommendation to expand the Agency's small business outreach to fulfill one of the requirements from the Environmental Protection Agency (EPA). Because our Agency receives large amounts of federal and state funding, the Agency wants to ensure that it meets these requirements. She stated that the Agency does not have a formal program in place but has been doing outreach to small and local business since 2008. The Contracts and Procurement department staff leads these efforts by holding trainings and workshops for vendors. Staff recommends the Agency formally adopt a program and expand those efforts to non-federal and state solicitations as well. Ms. Valencia stated that the Agency is modeling their program after MWD's program. Ms. Valencia asked for the Board's feedback and discussion ensued about IEUA's current process and suggestions were made by the Board.

Ms. Valencia stated that she will be presenting the Agency's budget and funds with the goal to show how the Agency is performing with respect to the Agency's five-year projections when the five-year rates were adopted in 2015. She explained that the purpose of continuing to keep track of the five-year forecasts is to see how the Agency performs compared to the forecasts. The forecasts are updated every year based on the Agency's priorities, estimated connection fees, capital improvement plan (CIP), debt proceeds and grants expectations. She provided an overview of the Agency's major revenue and funding sources and explained some differences in revenues through the years and expectations of revenues in the future. General Manager Joe Grindstaff gave an overview of history of the imported water rates. Ms. Valencia went on to go over a consolidated overview of the Agency's expenditures on Operations & Maintenance, capital projects, debt service cost, and the fluctuations over the years. She explained the impact fluctuations has on the fund and the need to maintain an appropriate level of reserves to support the Agency's programs.

President Elie asked if the Agency included grants that have been applied for but not yet received in the future projections. Ms. Valencia answered by saying, yes, the Agency does factor in expected grant funding from applications but those projections are very conservative. The Agency has had a very successful history is receiving grant funding. General Manager Joe Grindstaff agreed that the Agency has been very successful in receiving grants but at times grant funding has taken longer than expected. If funding is delayed, the Agency will delay in starting certain

projects which will change our budget. Mr. Grindstaff further stated that the budget assumes financing will be available and aims to maintain a long term and strong financial position. The Agency's goal is to best prepare for the future financially so that rate increases may be minimized and the cost can be kept down.

**CLOSED SESSION**

The Board went into Closed Session at 11:15 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

The meeting resumed at 12:10 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

Martin vs. IEUA, Case No. CIVRS 1000767

The Board took no reportable action.

With no further business, President Elie adjourned the meeting at 12:11 p.m.

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Jasmin A. Hall, Secretary/Treasurer

**APPROVED: APRIL 19, 2017**



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

**WEDNESDAY, MARCH 15, 2017  
10:00 A.M.**

**DIRECTORS PRESENT:**

Steven J. Elie, President  
Michael Camacho, Vice President  
Jasmin A. Hall, Secretary/Treasurer  
Paul Hofer  
Kati Parker

**STAFF PRESENT:**

P. Joseph Grindstaff, General Manager  
Kathryn Besser, Manager of External Affairs  
Sharmeen Bhojani, Manager of Human Resources  
Pietro Cambiaso, Supervisor-Environmental Compliance and Energy  
Andrea Carruthers, Senior External Affairs Specialist  
Javier Chagoyen-Lazaro, Manager of Finance and Accounting  
Tina Cheng, Budget Officer  
Jason Gu, Grants Officer  
Joel Ignacio, Senior Engineer  
Randy Lee, Executive Manager of Operations/AGM  
Sylvie Lee, Manager of Planning & Environmental Resources  
Jason Marseilles, Senior Engineer  
Richard Mykitta, Manager of Operations & Maintenance  
Jason Pivovarov, Senior Engineer  
Craig Proctor, Source Control/Environmental Resources Supervisor  
Shaun Stone, Manager of Engineering  
Christina Valencia, Chief Financial Officer/AGM  
Albert VanBreukelen, Deputy Manager of Maintenance  
Teresa Velarde, Manager of Internal Audit  
Jamal Zughbi, Senior Engineer  
April Woodruff, Board Secretary/Office Manager

**OTHERS PRESENT:**

Vivian Castro, Chino Basin Water Conservation District  
Tom Dodson, Tom Dodson and Associates

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 Elie called the meeting to order at 10:03 a.m. and led the Pledge of Allegiance to the flag. A quorum was present.

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

President Elie asked if there were any changes/additions/deletions to the agenda. There were no changes/additions/deletions to the agenda.

## **PUBLIC HEARING**

### **PUBLIC HEARING AND ADOPTION OF RESOLUTION NO. 2017-3-1, CERTIFYING THE FINAL PROGRAM ENVIRONMENTAL IMPACT REPORT AS COMPLETE**

*(Director Camacho entered the meeting room at 10:07 a.m.)*

Pietro Cambiaso, Supervisor-Environmental Compliance and Energy, stated between 2013 and 2015 IEUA developed six planning documents that would provide infrastructure to its service area for the next 20 years to ensure: future wastewater treatment and biosolids handling, sustainable groundwater production, effective management of IEUA's assets, maximum beneficial use of recycled water, reliable and cost-effective water supplies, and a diverse and renewable energy portfolio. He stated that combined, these six planning documents identify more than 500 projects and initiatives. More than half will be implemented within IEUA larger facilities (RP1, RP4, RP-5, CCWRF, IERCF); approximately 160 potential projects are related to the conveyance system and lift stations; and the remaining 90 proposed projects are related to groundwater recharge and extraction. Mr. Cambiaso reported that the Board of Directors concurred with the findings and initiatives as outlined in these planning documents; however, prior to formally adopting these documents, IEUA, as the lead agency pursuant to California Environmental Quality Act (CEQA), has completed a Programmatic Environmental Impact Report (PEIR). As referenced, the latest PEIR was approved by the IEUA Board in 2002 for the Wastewater Facility Master Plan, Recycled Water Master Plan, and Organics Management Master Plan. He said Tom Dodson and Associates and Environmental Science Associates (ESA) provided assistance to IEUA throughout the entire PEIR process, that started in 2015, with the review of the planning documents, followed by the filing of the Notice of Preparation in June 2016, the publication of the draft Environmental Impact Report (EIR) in December 2016, and the final EIR in February 2017, which includes the responses to the comments received during the public review period. If approved by the Board, IEUA will then file a Notice of Determination to complete the process according to CEQA.

Tom Dodson provided a brief summary of the purpose of the PEIR and the potential environmental impacts of the proposed programs. He stated the six planning documents prepared by IEUA would result in potential significant and unavoidable impacts to air quality, cultural resources, and noise, as a result of ground disturbance and equipment during construction of the Facility Master Plan (FMP) projects. Secondary effects of growth are also significant and unavoidable; however, these impacts would not cause additional secondary effects beyond those that have been identified and addressed in prior EIRs on General Plans prepared by each of the cities experiencing growth. Mr. Dodson highlighted three alternatives where the respective impacts were compared to the proposed project. The proposed program is the environmentally superior alternative since it identifies necessary projects to meet Agency goals, while minimizing environmental impacts. During the public review period, IEUA received a total of 10 letters. Comments were appropriately addressed and incorporated into the final PEIR.

President Elie opened the Public Hearing at 10:11 a.m. and hearing no public comments, closed the Public Hearing 10:11 a.m.

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

**M2017-3-2**

MOVED, to adopt Resolution 2017-3-1, certifying the Final Program Environmental Impact Report for the Asset Management Plan (FY 2015/16), Recycled Water Program Strategy (2015), Amendment to the 2010 Recharge Master Plan Update (2013), Integrated Water Resources Plan (2015), and Energy Management Plan (2015) (collectively Facilities Master Plans), and adopting the Findings and Statement of Overriding Considerations.

**RESOLUTION 2017-3-1**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY CERTIFYING THE FINAL PROGRAM ENVIRONMENTAL IMPACT REPORT FOR THE ASSET MANAGEMENT PLAN (FY 2015/16), RECYCLED WATER PROGRAM STRATEGY (2015), AMENDMENT TO THE 2010 RECHARGE MASTER PLAN UPDATE (2013), WASTEWATER FACILITIES MASTER PLAN UPDATE REPORT (2015), INTEGRATED WATER RESOURCES PLAN (2015) AND ENERGY MANAGEMENT PLAN (2015) (COLLECTIVELY FACILITIES MASTER PLANS) AND ADOPTION OF FINDINGS AND STATEMENT OF OVERRIDING CONSIDERATIONS**

*(for full text, see Resolution Book)*

**CONSENT ITEMS**

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

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

**M2017-3-3**

MOVED, to approve the Consent Calendar.

- A. Approved the minutes from the February 1, 2017 Board Workshop meeting, and the February 15, 2017 Board meeting.
- B. Approved the total disbursements for the month of January 2017, in the amount of \$11,104,791.62.
- C. The Board:
  - 1. Appointed the IEUA's Santa Ana Watershed Project Authority (SAWPA) Commissioner Jasmin A. Hall as the IEUA Committee member for the Project Agreement 23 (PA 23) Committee; and
  - 2. Appointed the IEUA's SAWPA alternate Commissioner Kati Parker as the alternate Committee member for the PA 23 Committee

*(Continued...)*

**M2017-3-3, continued.**

**D. The Board:**

1. Reconfirmed the Audit Committee and the Internal Audit Department Charters; and
2. Directed staff to continue to implement the Audit Committee and the Internal Audit Department Charters.

**E. The Board:**

1. Approved the Single Audit Report for FY 2015/16; and
2. Directed staff to distribute the report, as appropriate, to the State Controller's Office, the Federal Audit Clearing House, and other interested parties.

**F. The Board:**

1. Amended and increased the not-to-exceed amount of Contract No. 4600001868 to Superior Electric Motor Service, Inc. to provide repair, rebuild, or refurbishment services of rotating machinery for a total aggregate not-to-exceed amount of \$440,000 over the existing three-year period with a one-year option to extend;
2. Amended and increased the not-to-exceed amount of Contract No. 4600001864 to Vaughan's Industrial Repair, Inc. to provide repair, rebuild, or refurbishment services of rotating machinery for a total aggregate not-to-exceed amount of \$390,000 over the existing three-year period with a one-year option to extend; and
3. Authorized the General Manager to execute the contracts.

**G. The Board:**

1. Awarded a design-build contract for the RP-1 Dewatering Building Safety Improvements and RP-1 Vertical Conveyor Housing Replacement, Project Nos. EN17047 and EN17048 respectively, to Baghouse & Industrial Sheet Metal Services, Inc., in the amount of \$392,800; and
2. Authorized the General Manager to execute the design-build contract.

**H. The Board:**

1. Awarded a design-build contract for the RP-1 Iron Sponges Installation, Project No. EN17059, to W.A. Rasic in the amount of \$319,900;

*(Continued...)*

**M2017-3-3**, continued.

2. Approved a total project budget amendment in the amount of \$200,000 for Project No. EN17059; and
3. Authorized the General Manager to execute the design-build contract and budget amendment.

I. The Board:

1. Awarded a three-year contract amendment to UtiliQuest, LLC, for dig alert locating services for a not-to-exceed amount of \$440,000; and
2. Authorized the General Manager to execute the contract amendment.

J. The Board:

1. Approved the consultant task order amendment for the RP-1 Disinfection Improvements, Project No. EN11039, to Carollo Engineers, Inc., for the not-to-exceed amount of \$398,324; and
2. Authorized the General Manager to execute the amendment.

**ACTION ITEMS**

**CHINO BASIN STORAGE PROGRAMMATIC ENVIRONMENTAL IMPACT REPORT (PEIR) ADDENDUM**

Manager of Planning and Environmental Resources Sylvie Lee stated the Chino Basin Optimum Basin Management Program (OBMP) and the Peace Agreement were adopted in 1999 and 2000, respectively. She reported that the OBMP and Peace Agreement were reviewed in a PEIR in 2000. In 2010, a Subsequent Environmental Impact Report (SEIR), evaluated the effect of 500,000 acre feet (AF) of water in storage accounts plus carry over within the Chino Basin (Basin), for the implementation of the OBMP. She stated that present analysis demonstrate that, accounting for the water resources management activities and conditions, storage in the Chino Basin by parties and also by others as part of a conjunctive use program can exceed 500,000 AF without causing any new significant effects to the Basin or a party to the Judgment. Ms. Lee stated, IEUA retained the services of Tom Dodson and Associates (TDA) to complete the technical and environmental analysis, which concluded that no substantial change in the project or information of substantial importance will result from the temporary increase of safe storage capacity of the Chino Basin from 500,000 AF to 600,000 AF. She further stated that the Addendum updates the OBMP to modify the original PEIR for a temporary increase in the safe storage capacity of the Chino Basin from 500,000 AF to 600,000 AF for the period of July 1, 2017 through June 30, 2021. Ms. Lee noted that through Chino Basin Watermaster's (Watermaster) existing authority, Watermaster can control the volume of groundwater stored in the Chino Basin to ensure this quantity is not permanently exceeded without additional environmental evaluation.

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

**M2017-3-4**

MOVED, to:

1. Adopt Addendum No. 1 to the Optimum Basin Management Program; and
2. Authorize the General Manager to finalize and file the Notice of Determination (NOD) with the San Bernardino County Clerk of the Board.

**ENERGY STORAGE AGREEMENT AMENDMENT**

Supervisor-Environmental Compliance and Energy Pietro Cambiaso stated that on October 14, 2015, the Agency entered into a 10-year Agreement with Advanced Microgrid Solutions, Inc. (AMS) for the installation, operation and maintenance of 3.65 mega watts (MW) of energy storage at several Agency facilities. He noted that there was no capital cost for the Agency, and under that agreement AMS provides a minimum net savings assurance to the Agency of \$55,000 per year for a period of 10 years. He stated that the existing agreement also allows for the addition of third party agreements, and the use of the energy storage systems for other opportunities, such as demand response, wholesale energy sales, generation of capacity credits, and installation of solar photovoltaic systems to increase the overall revenues. Mr. Cambiaso stated that in October 2016, AMS proposed that IEUA share 1 MW of 3.65 MW of energy storage capacity with Shell Energy North America (Shell). He stated Shell would have operational rights to the battery system through AMS, for up to 400 hours per year for 10 years. Shell will pay AMS up to \$90,000 per year based on the systems performance. Mr. Cambiaso further stated that AMS will then pay the Agency 30% of the maximum payment from Shell, which is equivalent to an additional \$27,000 per year. He noted that in exchange to sharing the savings with the Agency, the existing Agreement with Shell for the purchase of electricity will be extended for three years; this term is consistent with the current Shell contract. Mr. Cambiaso stated that staff is recommending that the Board approve the amendment to the Energy Management Services Agreement between Inland Empire Utilities Agency and AMS.

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

**M2017-3-5**

MOVED, to:

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

**RP-1/RP-5 EXPANSION PRELIMINARY DESIGN REPORT**

Senior Engineer Jason Marseilles stated on January 20, 2016, the Agency approved the consulting engineering services contract award for the RP-1/RP-5 Expansion Preliminary Design Report (PDR) to Parsons Water & Infrastructure Inc. (Parsons). He reported that over the past 14 months, there have been more than 40 project meetings, staff workshops, Committee updates, and Board workshops have been held to discuss the major decisions and to develop direction for the PDR. He reported that the final draft of the PDR has been completed and provides the following recommendations, for the RP-1 Liquids and Solid Expansion:



- Replace and rehabilitate the major headworks equipment,
- Replace all primary clarifier components,
- Provide new Plant No. 2 primary clarifier covers including odor control,
- Expand the intermediate pump station,
- Convert the existing conventional activated sludge secondary system to a membrane bio-reactor (MBR) system consistent with RP-5 recommendations,
- Modify lagoon No. 3 to allow for secondary effluent equalization eliminating the requirement to expand the tertiary treatment process, and
- Replace the existing odor control system.

He stated that the total project cost for the RP-1 Liquids & Solids Expansion is approximately \$212,000,000.

Mr. Marseilles stated that based upon the recommendations of the PDR, the RP-5 Liquids Expansion, Project No. EN19001, is recommended to include of the following major items:

- Expand the influent pump station,
- Provide improvements to the headworks system including: bar screens, vortex grit chamber, fine screens for membrane bio-reactor (MBR), and construction of a screenings/grit building,
- Add two primary clarifiers and new covers for existing clarifiers,
- Improve the existing aeration basin including new aeration diffusers, mixed liquor pumps, and air headers,
- Demolish two secondary clarifiers and construct a 30 MGD MBR system for improved water quality,
- Construct an ultra violet (UV) light disinfection system for improved water quality,
- Construct a centralized odor control system for solids and liquids,
- Construct an emergency overflow and storm water system, and
- Construct the new Mountain Avenue lift station and modify the City of Chino Hills Butterfield Ranch pump station.

He further stated that the RP-5 Solids Treatment Facility, Project No. EN19006, is recommended to consist of the following:

- Construct a rotary drum thickening building for primary and secondary solids thickening,
- Provide phased digestion including acid phase digesters and methane digesters,
- Provide digested sludge storage,
- Construct a centrifuge dewatering building, biosolids cake storage, and centrate equalization,
- Provide digester gas treatment, digester gas flaring and emissions control systems for the existing REEP engines, and
- Construct a food waste receiving station and digestate transfer pump station at RP-5 SHF.

He stated that the total project cost for the RP-5 Liquids Expansion and RP-5 Solids Treatment Facility is approximately \$325,000,000.

Mr. Marseilles commented that the RP-5 Liquids Expansion and RP-5 Solids Treatment Facility full design is scheduled to begin upon the completion of the PDR. He said staff is preparing to bring a contract amendment with Parsons to complete the full design for the RP-5 Liquids Expansion and RP-5 Solids Treatment Facility to present to the Board in May 2017. Upon Board approval, the full design will begin in June 2017 and will have a duration of two years. Major design submittals are set at the 30%, 50%, 85%, and 100% completion milestones, each requiring approximately six months to complete. It is anticipated that additional items will be brought to the Board for approval, including a contract award for value engineering services and a Finding of Consistency with the Programmatic Environmental Impact Report. The design is scheduled to be completed in June 2019, with the construction contract award in late 2019.

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

**M2017-3-6**

MOVED, to concur with the findings of the RP-1/RP-5 Expansion Preliminary Design Report.

## **INFORMATION ITEMS**

### **FISCAL YEARS 2017/18 – 2018/19 BIENNIAL BUDGET OVERVIEW (POWERPOINT)**

Chief Financial Officer/AGM Christina Valencia gave an overview presentation on the Agency's fiscal years 2017/18 through 2018/19 biennial budget. She focused on the key assumptions and objectives of the budget over the next 2 years. Ms. Valencia noted the key drivers over the next 2 years, include the "Ramp-Up" of succession planning; transition from corrective to preventive maintenance; continued optimization of grants and low interest debt to support capital expansion and improvements costs; continued upkeep of Agency assets to ensure level of service delivery; and continued commitment to cost containment. Ms. Valencia stated that based on the updated forecast, total sources of funds in 2020 align with the 2015 five-year rate projections. She stated that staff will be presenting the Board Budget presentation that was presented at the Agency Board Workshop on March 1 to the Regional Technical Committee on March 30 and Regional Policy Committee on April 6. She stated that the presentation should help bridge the 2015 five-year projections with the updated forecasts from the amended budget for the current fiscal year.

### **ENGINEERING AND CONSTRUCTION MANAGEMENT PROJECT UPDATES (POWERPOINT)**

Manager of Engineering Shaun Stone gave a PowerPoint presentation on the Engineering and Construction Management project updates. He provided updates on the following projects: EN15055 – 1630 E. and W. Recycled Water Pump Station Surge Protection; EN18006 - RP-1 Flare Improvements; EN16049 – Conference Rooms Audio Visual Upgrades; EN16071 – San Bernardino Avenue Gravity Sewer; EN14019 – RP-1 Headworks Primary and Secondary Upgrades.

### **PLANNING AND ENVIRONMENTAL RESOURCES UPDATE (ORAL)**

Executive Manager of Engineering/AGM Chris Berch reported that there were two compliance issues, both at the Carbon Canyon Water Recycling Facility (CCWRF). He stated that on February 14, there was a period of 12 minutes when the dechlorination agent pumps failed and caused chlorinated effluent to discharge 137,000 gallons of effluent to the channel. He stated that the cause was a power failure at the facility. Mr. Berch noted that it was reported to the Santa Ana Regional Water Quality Control Board. Mr. Berch also reported that in February, the trihalomethane (THM), which is a water supply criteria, exceeded the monthly average requirement within the permit at CCWRF. He stated staff is conducting a detailed source control review, and will conduct sampling to determine the source for THM in the effluent. He noted that he will keep the Board informed.

### **MWD & DROUGHT UPDATE (ORAL)**

Senior Engineer Jason Pivovarovoff reported the Metropolitan Water District of Southern California monthly recap of water conditions and sales. He stated State Water Project allocation is at 60%; snowpack is at 173% (47 inches water equivalent); North Sierra precipitation is at 206% (77.8 inches); and an increase in storage forecast of 0.7 to 1.0 million acre feet (MAF), with an end-year balance of approximately 2.1 MAF.

Mr. Jason Pivovarovoff continued the mini-series on the overview of California's water supply systems. In his final series, he highlighted the Pearblossom Pumping Plant, to the Rialto Pipeline to the Inland Empire Utilities Agency.

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

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

**FY 2016/17 SECOND QUARTER BUDGET VARIANCE, PERFORMANCE GOALS UPDATES,  
AND BUDGET TRANSFERS (WRITTEN/POWERPOINT)**

**PUBLIC OUTREACH AND COMMUNICATION (WRITTEN)**

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

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

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

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

**FEDERAL LEGISLATIVE TRACKING MATRIX (WRITTEN)**

**REPORT OF OPEN AUDIT RECOMMENDATIONS (WRITTEN)**

**REPORT ON THE AUDIT FUNCTION (WRITTEN)**

**INTERNAL AUDIT DEPARTMENT STATUS REPORT FOR MARCH 2017 (WRITTEN)**

**OPERATIONS DIVISION UPDATE (POWERPOINT)**

**AGENCY REPRESENTATIVES' REPORTS**

**SAWPA REPORT**

Director Hall reported that at the SAWPA Commission meeting changes were made to the representatives for Project Agreement (PA 23) Committee to avoid a Brown Act conflict, and allow General Managers currently serving as PA 22 Committee members to attend other meetings.

**MWD REPORT**

Director Camacho had nothing additional to report.

**REGIONAL SEWERAGE PROGRAM POLICY COMMITTEE REPORT**

Director Parker reported that at the March 2, Regional Policy Committee there was a presentation on the RP-5 expansion preliminary design report and future grant funding.

**CHINO BASIN WATERMASTER REPORT**

Director Elie reported that the Judge allowed supplemental briefing. He stated that there will be a response this Friday (March 17).

**GENERAL MANAGER'S REPORT**

General Manager Joe Grindstaff reported Clifton Court Forebay will be closed for emergency repair.

Mr. Grindstaff mentioned that he provided a copy to the Board of his response letter to Mr. Scott Burton, Utilities General Manager at the City of Ontario regarding the recycled water allocation. He reminded the Board that the recycled water allocation was a 3 to 4-year process, whereby it received a 7-0 approval from both the Regional Technical and Policy Committees. He stated his response to Mr. Burton was that this subject should be a discussion with the entire Regional Technical and Policy Committee members, so all parties can be engaged in the process.

Mr. Grindstaff reported that there have been meetings with Ontario, Cucamonga Valley Water District, and Monte Vista Water District to discuss a Chino Basin Groundwater Storage Bank. The agencies mutually agree with the idea, and a commitment letter was presented to all parties to work together. He stated that each of the agencies have agreed to invest \$100,000, and it may be possible to match that amount with a grant. He stated that the goal is to develop a groundwater storage bank and get approval on by the end of the year. He noted that this will be a big effort, but it's the right thing for the region.

Mr. Grindstaff reported that final interviews for the Executive Manager of External Affairs and Policy Development/AGM were conducted on Friday, March 10. He stated that Director Elie, Director Camacho, and Cucamonga Valley Water District General Manager Marty Zvirbulis participated in the interviews. Mr. Grindstaff announced that Ms. Kathy Besser has been offered the position. He reported that Kathy served nearly a decade as the Chief of Staff for a Nevada Lieutenant Governor and State Treasurer, working on political, legislative and official matters and overseeing all planning, implementation and management of office programs and operations. She also spent two years as the Communications Director for Congressman Ken Calvert (CA 42). He stated that he is pleased to welcome her to the Executive team.

### **BOARD OF DIRECTORS' REQUESTED FUTURE AGENDA ITEMS**

There were no Board requested future agenda items.

### **DIRECTORS' COMMENTS**

Director Camacho commented that he attended the February 16, IEUA Leadership Breakfast; February 23, Rancho Cucamonga State of the City Address, and the March 7, Water Agencies of the Inland Empire and Orange County State Legislative Reception in Sacramento.

Director Hall commented that she attended the February 16, Three Valleys Leadership Breakfast; February 27, CASA DC Policy Forum in Washington, and the March 8, San Bernardino State of the County Address.

President Elie commented that he attended the February 16, IEUA Leadership Breakfast; and the March 7, Water Agencies of the Inland Empire and Orange County State Legislative Reception in Sacramento.

### **CLOSED SESSION**

The Board went into Closed Session at 11:45 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; (4) Spiniello vs. SAWPA, Case No. BC 616589; 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(d)(4) CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION; INITIATION OF LITIGATION: Three (3) Cases; D. PURSUANT TO GOVERNMENT CODE SECTION 54957 – PERSONNEL MATTERS: Various Positions; E. PURSUANT TO GOVERNMENT CODE SECTION 54957 – PERSONNEL MATTERS – PUBLIC EMPLOYEE PERFORMANCE EVALUATION: General Manager

The meeting resumed at 1:15 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

Spiniello vs. SAWPA, Case No. BC 616589

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 did not discuss.

Regarding Conference with Real Property Negotiator:

Supplemental Water Transfer/Purchase

The Board took no reportable action.

Regarding Conference with Legal Counsel – Anticipated Litigation; Initiation of Litigation:

Three Cases

The Board took no reportable action.

Regarding Personnel Matters:

Various Positions

The Board took no reportable action.

Regarding Personnel Matters – Public Employee Performance Evaluation:

General Manager

The Board took no reportable action.

With no further business, President Elie adjourned the meeting at 1:16 p.m.


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Jasmin A. Hall, Secretary/Treasurer

**APPROVED: APRIL 19, 2017**

CONSENT  
CALENDAR  
ITEM

**2B**

Date: April 19, 2017  
To: The Honorable Board of Directors  
From:  P. Joseph Grindstaff  
General Manager  
Subject: Approval of SAWPA JPA Amendment No. 6

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### **RECOMMENDATION**

It is recommended that the Board of Directors approve the Amendment No. 6 to the 1975 Joint Exercise of Power Agreement Creating the Santa Ana Watershed Project Authority.

### **BACKGROUND**

The SAWPA Commission recently adopted Ordinance 2017-01 changing the compensation rate and aligning the number of compensable days of service with the Joint Power Agreement. The Joint Power Agreement amendment and policy will update the definition of compensable days to reflect day of service and define compensable days of service.

The SAWPA's 1975 Joint Powers Agreement, as amended by Amendment No. 1 in 1984, provides for compensation of Commissioners and Alternate Commissioners (Commissioners) for attendance at meetings of the Commission.

Amendment No. 6, impacts Section 15 entitled "Compensation" of the Agreement, is amended to supersede the existing language with the following language:

"15. Compensation. Each Commissioner and Alternate Commissioner shall receive compensation for each meeting of the Commission attended, and for each additional day's service as defined and approved by the Commission. The rate of compensation shall be fixed from time to time by the Commission, but shall not exceed the amount allowed by law for members of the board of a municipal water district pursuant to the Municipal Water District Law of 1911 or other applicable statutory provision. No Commissioner or Alternate Commissioner shall receive compensation for more than six (6) days of service, including Commission meetings, in any calendar month. If allowed by the Commission, a Commissioner or Alternate Commissioner shall also receive traveling and other expenses incurred on Agency business at the request or under the authority of the Commission."

Considering the responsibilities undertaken by SAWPA Commissioners and the opportunities for the Commissioners' personal involvement in activities to benefit the Agency, the scope of activities and compensation is consistent with the policies and practices of other water agencies, including SAWPA's member agencies.

**PRIOR BOARD ACTION**

The SAWPA's 1975 Joint Powers Agreement, as amended in 1984, provides for compensation of Commissioners and Alternate Commissioners (Commissioners) for attendance at meetings of the Commission.

**IMPACT ON BUDGET**

None.



**AMENDMENT NO. 6 TO THE 1975  
JOINT EXERCISE OF POWERS AGREEMENT  
CREATING THE SANTA ANA WATERSHED PROJECT AUTHORITY**

**RECITALS**

WHEREAS the SANTA ANA WATERSHED PROJECT AUTHORITY (“SAWPA”) was formed in 1975 pursuant to that certain “Joint Exercise of Powers Agreement Creating Santa Ana Watershed Project Authority,” as amended in 1984, 1991, 1997, 2002, and in 2007 (hereinafter “the Agreement”); and

WHEREAS the Member Agencies of SAWPA desire to amend the Agreement to provide for more effective administration of the governance of SAWPA; and

WHEREAS it is the desire of the Member Agencies to compensate SAWPA Commissioners and Alternate Commissioners for days spent in the service of SAWPA, and to reimburse reasonable travel and meal expenses incurred by the Commissioners and Alternate Commissioners associated with the activities undertaken for SAWPA during those days, within the authority provided by California law;

NOW THEREFOR BE IT RESOLVED that the Commission of SAWPA and the governing boards of each its Member Agencies hereby amend the Agreement as follows:

Section 15 entitled “Compensation” of the Agreement, as amended by Amendment No. 1 to the Agreement in 1984, is hereby amended to supersede the existing language with the following replacement language:

“15. Compensation. Each Commissioner and Alternate Commissioner shall receive compensation for each meeting of the Commission attended and for each additional day’s service as defined and approved by the Commission. The rate of compensation shall be fixed from time to time by the Commission, but shall not exceed the amount allowed by law for members of the board of a municipal water district pursuant to the Municipal Water District Law of 1911 or other applicable statutory provision. No Commissioner or Alternate Commissioner shall receive compensation for more than six (6) days of service, including Commission meetings, in any calendar month. If allowed by the Commission, a Commissioner or Alternate Commissioner shall also receive traveling and other expenses incurred on Agency business at the request or under the authority of the Commission.”

IN WITNESS WHEREOF, the Member Agencies have executed this Amendment No. 6 on the day and year hereinafter indicated.

**EASTERN MUNICIPAL WATER DISTRICT**

Dated: \_\_\_\_\_, 2017

By: \_\_\_\_\_  
President

Dated: \_\_\_\_\_, 2017

By: \_\_\_\_\_  
Secretary

**INLAND EMPIRE UTILITIES AGENCY**

Dated: \_\_\_\_\_, 2017

By: \_\_\_\_\_  
President

Dated: \_\_\_\_\_, 2017

By: \_\_\_\_\_  
Secretary

**ORANGE COUNTY WATER DISTRICT**

Dated: \_\_\_\_\_, 2017

By: \_\_\_\_\_  
President

Dated: \_\_\_\_\_, 2017

By: \_\_\_\_\_  
Secretary

**SAN BERNARDINO VALLEY MUNICIPAL  
WATER DISTRICT**

Dated: \_\_\_\_\_, 2017

By: \_\_\_\_\_  
President

Dated: \_\_\_\_\_, 2017

By: \_\_\_\_\_  
Secretary

**WESTERN MUNICIPAL WATER DISTRICT**

Dated: \_\_\_\_\_, 2017

By: \_\_\_\_\_  
President

Dated: \_\_\_\_\_, 2017


By: \_\_\_\_\_  
Secretary

**CONSENT  
CALENDAR  
ITEM**

**2C**

Date: April 19, 2017

To: The Honorable Board of Directors

From: P. Joseph Grindstaff  
General Manager 

Subject: Adoption of Resolution No. 2017-4-5, Commending IEUA Team Members for their Outstanding Leadership

---

### **RECOMMENDATION**

It is recommended that the Board of Directors adopt Resolution No. 2017-4-5, commending the IEUA team members for their outstanding leadership in helping to develop a viable and innovative solution for the South Archibald Plume.

### **BACKGROUND**

IEUA team members, Christopher Berch, Laura Cashion, P. Joseph Grindstaff, Jason Gu, Jesse Pompa, Michelle Reed, Cheyanne Reseck, Joyce Rucker, Shaun Stone, and Ashley Womack worked diligently in identifying an innovative project approach and securing funding for the South Archibald Plume Cleanup Project in a timely and responsive manner. These individuals were instrumental in protecting the health of the Chino Basin by ensuring that affected groundwater be removed and treated as quickly and effectively as possible.

By adoption of this Resolution, the Inland Empire Utilities Agency's Board of Directors publicly extends its most sincere appreciation to the IEUA Team for their success achieving a regional project through tireless and creative collaboration with both public agencies and private companies.

### **PRIOR BOARD ACTION**

None.

### **IMPACT ON BUDGET**

None.

**RESOLUTION NO. 2017-4-5**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, COMMENDING THE FOLLOWING INLAND EMPIRE UTILITIES AGENCY TEAM MEMBERS IN THEIR OUTSTANDING LEADERSHIP IN RESOLVING THE LONG STANDING ENVIROMENTAL ISSUE IN THE SOUTH ARCHIBALD PLUME**

**CHRISTOPHER BERCH  
LAURA CASHION  
P. JOSEPH GRINDSTAFF  
JASON GU  
JESSE POMPA  
MICHELLE REED  
CHEYANNE RESECK  
JOYCE RUCKER  
SHAUN STONE  
ASHLEY WOMACK**

**WHEREAS**, these individuals diligently collaborated to identify a solution that will benefit the Chino Basin for years to come;

**WHEREAS**, these individuals brought together their unique abilities to resolve a longstanding environmental issue in the South Archibald Plume;

**WHEREAS**, these individuals secured project funding in a responsible manner; and

**WHEREAS**, these individuals were instrumental in fostering the health of the basin by ensuring that affected groundwater be removed and treated as quickly and effectively as possible.

**NOW, THEREFORE, BE IT RESOLVED**, that the Inland Empire Utilities Agency's Board of Directors does hereby publicly extend its most sincere appreciation to Christopher Berch, Laura Cashion, P. Joseph Grindstaff, Jason Gu, Jesse Pompa, Michelle Reed, Cheyanne Reseck, Joyce Rucker, Shaun Stone, and Ashley Womack for their success achieving a regional project through tireless and creative collaboration with both public agencies and private companies.

*Adopted this 19th day of April, 2017*

**INLAND EMPIRE UTILITIES AGENCY BOARD OF DIRECTORS**

\_\_\_\_\_  
**Steven J. Elie, President**

\_\_\_\_\_  
**Michael Camacho, Vice President**

\_\_\_\_\_  
**Jasmin A. Hall, Secretary/Treasurer**

\_\_\_\_\_  
**Paul Hofer, Director**

\_\_\_\_\_  
**Kati Parker, Director**

*\*A Municipal Water District*

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Steven J. Elie, President of the Inland  
Empire Utilities Agency and of the  
Board of Directors thereof

ATTEST:

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Jasmin A. Hall, Secretary/Treasurer of  
the Inland Empire Utilities Agency and  
of the Board of Directors thereof

STATE OF CALIFORNIA )  
COUNTY OF ) SS  
SAN BERNARDINO )

I, Jasmin A. Hall, Secretary/Treasurer of the Inland Empire Utilities Agency, DO  
HEREBY CERTIFY that the foregoing Resolution being No. 2017-4-5, was adopted at an  
adjourned regular Board Meeting on April 19, 2017, of said Agency by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Jasmin A. Hall, Secretary/Treasurer of  
the Inland Empire Utilities Agency\*  
and of the Board of Directors thereof

(SEAL)


CONSENT  
CALENDAR  
ITEM


**2D**



Date: April 19, 2017

To: The Honorable Board of Directors

From:  P. Joseph Grindstaff  
General Manager

Submitted by: Kathy Besser   
Executive Manager of External Affairs & Policy  
Development/Assistant General Manager

Subject: Adoption of Resolution No. 2017-4-6, Honoring the 10<sup>th</sup>  
Anniversary of the Inland Empire Regional Composting Facility

---

### **RECOMMENDATION**

It is recommended that the Board of Directors adopt Resolution No. 2017-4-6, honoring the 10<sup>th</sup> anniversary of the Inland Empire Regional Composting Facility.

### **BACKGROUND**

On February 27, 2002, the Inland Empire Regional Composting Authority (IERCA) was created as a public entity by a Joint Powers Agreement between the Inland Empire Utilities Agency (IEUA) and County Sanitation Districts of Los Angeles County (CSDLAC). This agreement empowered both IEUA and CSDLAC to acquire, construct, operate, and maintain a composting facility. Composting is an economically and environmentally sound method of beneficially reusing biosolids that are generated from the agencies' wastewater treatment facilities.

The Inland Empire Regional Composting Facility (IERCF) was constructed in 2007 and is the largest fully enclosed composting facility in North America at 445,275 square feet. The facility houses the world's largest biofilter, reducing 98% of Volatile Organic Compounds and ammonia exceeding South Coast Air Quality Management Districts' stringent air quality standards. Located in Rancho Cucamonga, IERCF saves thousands of miles of truck traffic and keeps the recycled products local for beneficial reuse.

Over the past 10 years, IERCF has cost-effectively manufactured an exceptional quality compost in compliance with all local, state and federal regulations covering biosolid products. The IERCA facility has produced two million cubic yards of high-quality compost and recycled two million tons of waste products since opening in 2007.

Adoption of Resolution No. 2017-4-6  
April 19, 2017  
Page 2

**PRIOR BOARD ACTION**

None.

**IMPACT ON BUDGET**

None.

## **RESOLUTION 2017-4-6**

### **RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY CALIFORNIA, HONORING THE 10<sup>TH</sup> ANNIVERSARY OF THE INLAND EMPIRE REGIONAL COMPOSTING FACILITY**

**WHEREAS**, the Inland Empire Regional Composting Facility was constructed in April 2007 under a Joint Powers Authority (JPA) agreement between the Inland Empire Utilities Agency and the County Sanitation Districts of Los Angeles County to recycle waste into compost;

**WHEREAS**, in December 2012, the Inland Empire Regional Composting Facility reached the milestone of having sold one million cubic yards of high-quality compost to a variety of customers in southern California, Arizona and Nevada;

**WHEREAS**, in December 2015, the Inland Empire Regional Composting Facility reached a milestone of processing one million tons, or 1.3 million cubic yards, of biosolids, enough to fill the Rose Bowl three times;

**WHEREAS**, the Inland Empire Regional Composting Facility has produced two million cubic yards of high-quality compost and recycled two million tons of waste products since opening in 2007;

**WHEREAS**, the Inland Empire Regional Composting Facility is the largest fully enclosed composting facility in North America at 445,275 square feet and houses the world's largest biofilter, reducing 98% of Volatile Organic Compounds and ammonia that would otherwise exceed air quality compliance requirements; the facility's urban location also saves thousands of miles of truck traffic and keeps the recycled products local for beneficial reuse;

**WHEREAS**, composting is a proven method of water conservation and provides direct benefits to soils and crops in both horticulture and agriculture by nutrient addition; and promotes environmental protection;

**WHEREAS**, over the past 10 years the Inland Empire Regional Composting Facility has cost-effectively provided and manufactured an exceptional quality compost in compliance with all local, state and federal regulations covering biosolid products; and

**WHEREAS**, the Inland Empire Regional Composting Facility is committed to providing compost as an economically and environmentally sound method of beneficially reusing biosolids that are generated from the wastewater treatment facilities operated by each member of the JPA; and has been nationally recognized for environmental and engineering achievements in 2016;

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Directors of the Inland Empire Utilities Agency does hereby honor the 10<sup>th</sup> Anniversary of the Inland Empire Regional Composting Facility.

ADOPTED this 19<sup>th</sup> day of April, 2017

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Steven J. Elie, President of the Inland Empire  
Utilities Agency\* and on behalf of the Board of  
Directors thereof.

ATTEST:

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Jasmin A. Hall, Secretary/Treasurer of the  
Inland Empire Utilities Agency\* and on  
behalf of the Board of Directors thereof.

(SEAL)

STATE OF CALIFORNIA	)
COUNTY OF	)SS
SAN BERNARDINO	)

I, Jasmin A. Hall, Secretary/Treasurer of the Inland Empire Utilities Agency\*, DO  
 HEREBY CERTIFY that the foregoing Resolution being No. 2017-4-6 was adopted at a  
 regular Board Meeting on April 19, 2017, of said Agency by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Jasmin A. Hall  
 Secretary/Treasurer of the Inland Empire  
 Utilities Agency\* and of the Board of  
 Directors thereof

(SEAL)


\*A Municipal Water District


CONSENT  
CALENDAR  
ITEM

**2E**

Date: April 19, 2017

To: The Honorable Board of Directors

From:  P. Joseph Grindstaff  
General Manager

Submitted by: Kathy Besser   
Executive Manager of External Affairs & Policy  
Development/Assistant General Manager

Subject: Adoption of Resolution No. 2017-4-7, Proclaiming International  
Compost Awareness Week

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### **RECOMMENDATION**

It is recommended that the Board of Directors adopt Resolution No. 2017-4-7, proclaiming May 7, 2017 through May 13, 2017, as International Compost Awareness Week.

### **BACKGROUND**

In 1989, the California Integrated Waste Management Act of 1989 (AB 939) was signed into law. AB 939 established the requirement for each jurisdiction within the State to meet waste diversion goals of 50% by the year 2000. California then signed AB 341 into law in 2013, expanding those goals and ensuring that the State is recycling at least 75% by 2020. The State identifies composting as one of the primary methods used in reaching these goals as organics make up 50 to 70% of the material going to landfills.

Composting is often chosen to be the environmentally preferred method for handling organic material that was previously landfilled. The practice is a cost-effective, environmentally friendly method to recycle yard waste, biosolids and other organic wastes into valuable compost. Compost is needed all over California to create healthy soils which need less water and fertilizer to create beautiful landscapes.

International Compost Awareness Week is a multi-media publicity and education initiative to showcase compost production and demonstrate compost use. Across the United States, Canada and the United Kingdom, composting advocates are encouraging everyone to compost.

**PRIOR BOARD ACTION**

On April 20, 2016, the Board adopted Resolution No. 2016-4-7, proclaiming May 1, 2016 through May 7, 2016, as International Compost Awareness Week.

On April 15, 2015, the Board adopted Resolution No. 2015-4-1, proclaiming May 3, 2015 through May 9, 2015, as International Compost Awareness Week.

On April 16, 2014, the Board adopted Resolution No. 2014-4-2, proclaiming May 5, 2014 through May 11, 2014, as International Compost Awareness Week.

On April 20, 2011, the Board adopted Resolution No. 2011-4-9, proclaiming May 1, 2011 through May 7, 2011, as International Compost Awareness Week.

On May 3, 2010, the Board adopted Resolution No. 2010-5-7, proclaiming May 2, 2010 through May 8, 2010, as International Compost Awareness Week.

On May 6, 2009, the Board adopted Resolution No. 2009-5-1, proclaiming May 3, 2009 through May 9, 2009, as International Compost Awareness Week.

On May 3, 2006, the Board adopted Resolution No. 2006-5-1, proclaiming May 7, 2006 through May 13, 2006, as International Compost Awareness Week.

On April 20, 2005, the Board adopted Resolution No. 2005-4-2, proclaiming May 1, 2005 through May 7, 2005, as International Compost Awareness Week.

**IMPACT ON BUDGET**

None.



## RESOLUTION 2017-4-7

### RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY CALIFORNIA, RECOGNIZES MAY 7-13, 2017, AS INTERNATIONAL COMPOST AWARENESS WEEK

**WHEREAS**, the Composting Council of the United States, Canada and the United Kingdom have declared the first week of May to be the annual International Compost Awareness Week;

**WHEREAS**, composting is an effective form of waste reduction, reuse and recycling; and since organic materials make up approximately 30% of the material going to landfills, composting is becoming one of the primary methods communities use in reaching waste diversion goals;

**WHEREAS**, materials such as yard trimmings, vegetable cuttings, biosolids, food scraps, manures, and hay shavings have all been composted and converted into a beneficial product known as compost;

**WHEREAS**, communities, through their local governments, highway departments, soil conservation service and extension offices, and public works professionals, can have significant impact on clean water, soil, climate change and landfill diversion by using compost for public works projects;

**WHEREAS**, International Compost Awareness Week is a multi-media publicity and education initiative to showcase compost production and demonstrate compost use;

**WHEREAS**, composting creates green jobs and infrastructure for cities and states who implement composting programs; and

**WHEREAS**, this year's national theme, *Compost! Healthy Soil, Healthy Food*, is a great way to get the message out regarding compost and it's many benefits.

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Directors of the Inland Empire Utilities Agency does hereby recognize May 7-13, 2017 as International Compost Awareness Week.

ADOPTED this 19<sup>th</sup> day of April, 2017.

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Steven J. Elie, President of the Inland Empire  
Utilities Agency\* and on behalf of the Board of  
Directors thereof.

ATTEST:

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Jasmin A. Hall, Secretary/Treasurer of the  
Inland Empire Utilities Agency\* and on  
behalf of the Board of Directors thereof.

(SEAL)

STATE OF CALIFORNIA                    )  
COUNTY OF                               )SS  
SAN BERNARDINO                        )

I, Jasmin A. Hall, Secretary/Treasurer of the Inland Empire Utilities Agency\*, DO  
HEREBY CERTIFY that the foregoing Resolution being No. 2017-4-7 was adopted at a  
regular Board Meeting on April 19, 2017, of said Agency by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

---

Jasmin A. Hall  
Secretary/Treasurer of the Inland Empire  
Utilities Agency\* and of the Board of  
Directors thereof

(SEAL)


\*A Municipal Water District


**CONSENT  
CALENDAR  
ITEM**


**2F**

Date: April 19, 2017

To: The Honorable Board of Directors

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 February 2017, in the amount of \$11,521,274.26.

### BACKGROUND

February disbursement activity includes vendor payments (check numbers 217678-218010) of \$5,212,201.19 and worker's compensation payments (check numbers 04700-04739) of \$7,310.30. The total amount of ACH and wire transfer payments is \$6,299,762.33, which includes payroll taxes in the amount of \$748,008.76. The total employee pay was \$1,390,920.34. The total pay for the Board of Directors was \$4,904.54.

Payment Type		Transactions	Total Amount
Check	Vendors	333	5,212,201.19
	Workers-Comp	40	7,310.30
	Payroll-Directors'	2	2,000.44
	Payroll-Others	0	0.00
<b>Subtotal Check</b>		<b>375</b>	<b>\$5,221,511.93</b>
<b>ACH</b>		<b>167</b>	<b>\$2,070,538.64</b>
Wire Transfer	Payroll-Net Pay	2	1,390,920.34
	Payroll-Directors'	1	2,904.10
	Others	15	2,835,399.25
<b>Subtotal Wires</b>		<b>18</b>	<b>\$4,229,223.69</b>
<b>TOTAL</b>		<b>560</b>	<b>\$11,521,274.26</b>

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

<b>Vendor</b>	<b>Amount</b>	<b>Description</b>
SWRCB	1,447,479.22	SRF Loan Repayment #5-C065327-110
JF SHEA CONSTRUCTION	1,381,201.46	EN17040 & EN16024-1/17 Pay Est 2
MWD	1,246,920.72	December 2016 Water Purchase
PERS	830,369.65	2/17 Hlth Ins; P/R 3,4,DIR 002 PERS Cont
IRS	625,356.64	P/R 3,4,DIR 002 Taxes
IERCA	591,918.80	12/16,1/17 Biosolids

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	Pmnt date	Crcy	Amount paid (FC)	Recipient/void reason code	Enca./void
217678		2200080545	02/02/2017	USD	19,534.61	ACCELERATED TECHNOLOGY LABORATWEST END NC	02/08/2017
217679		2200080522	02/02/2017	USD	5,226.23	AIRGAS WEST INC PASADENA CA	02/06/2017
217680		2200080581	02/02/2017	USD	239.14	AMERICAN HERITAGE LIFE INSURANDALLAS TX	02/10/2017
217681		2200080558	02/02/2017	USD	3,380.00	AMP MECHANICAL INC COSTA MESA CA	02/14/2017
217682		2200080540	02/02/2017	USD	275.00	ASBCSD HESPERIA CA	02/09/2017
217683		2200080607	02/02/2017	USD	24.00	BESSER, KATHRYN CHINO HILLS CA	
217684		2200080606	02/02/2017	USD	356.94	BOUGHAN, ARIN CHINO HILLS CA	02/08/2017
217685		2200080538	02/02/2017	USD	997.46	BRAGG CRANE SERVICE LONG BEACH CA	02/07/2017
217686		2200080608	02/02/2017	USD	95.00	BURKE, JERRY CHINO HILLS CA	02/21/2017
217687		2200080557	02/02/2017	USD	280.50	BURLINGTON SAFETY LAB OF CALIFWESTMINSTER CA	02/07/2017
217688		2200080579	02/02/2017	USD	7,320.81	BURRTEC WASTE INDUSTRIES INC FONTANA CA	02/08/2017
217689		2200080566	02/02/2017	USD	5,887.22	CALIFORNIA WATER TECHNOLOGIES,PASADENA CA	02/06/2017
217690		2200080533	02/02/2017	USD	1,300.00	CAPPO INC YUBA CITY CA	02/16/2017
217691		2200080594	02/02/2017	USD	147.63	CARL H TAYLOR III CRYSTAL RIVER FL	02/08/2017
217692		2200080536	02/02/2017	USD	10,792.41	CAROLLO ENGINEERS INC SALT LAKE CITY UT	02/10/2017
217693		2200080530	02/02/2017	USD	8,764.50	CHINO BASIN WATER CONSERVATIONMONTCLAIR CA	02/08/2017
217694		2200080555	02/02/2017	USD	654.50	CINTAS CORPORATION LOC#150 PHOENIX AZ	02/13/2017
217695		2200080592	02/02/2017	USD	446.50	CITY EMPLOYEES ASSOCIATES LONG BEACH CA	02/14/2017
217696		2200080573	02/02/2017	USD	3,215.73	CITY OF CHINO CHINO CA	02/06/2017
217697		2200080514	02/02/2017	USD	21.00	CITY RENTALS INC ONTARIO CA	02/08/2017
217698		2200080564	02/02/2017	USD	19,000.00	CIVIC PUBLICATIONS INC LA VERNE CA	02/06/2017
217699		2200080604	02/02/2017	USD	110.00	COLE, CHRISTOPHER CHINO HILLS CA	03/07/2017
217700		2200080554	02/02/2017	USD	105.49	DETECTION INSTRUMENTS CORP PHOENIX AZ	02/09/2017
217701		2200080542	02/02/2017	USD	165.26	E Z PARTY RENTALS POMONA CA	02/06/2017
217702		2200080527	02/02/2017	USD	2,016.18	ENTENMANN-ROVIN CO LOS ANGELES CA	02/07/2017
217703		2200080569	02/02/2017	USD	37.80	FIREHAWK FIRE & SAFETY SAN DEIGO CA	02/24/2017
217704		2200080515	02/02/2017	USD	1,272.71	FISHER SCIENTIFIC LOS ANGELES CA	02/06/2017
217705		2200080571	02/02/2017	USD	32,689.15	FLOW N CONTROL INC MONTROSE CA	02/07/2017
217706		2200080526	02/02/2017	USD	413.52	FLW INC HUNTINGTON BEACH CA	02/08/2017
217707		2200080576	02/02/2017	USD	735.01	FONTANA WATER COMPANY FONTANA CA	02/08/2017
217708		2200080580	02/02/2017	USD	950.36	FRONTIER COMMUNICATIONS CORP CINCINNATI OH	02/09/2017
217709		2200080524	02/02/2017	USD	2,318.86	GRAINGER PALATINE IL	02/07/2017
217710		2200080547	02/02/2017	USD	908.79	HACH COMPANY CHICAGO IL	02/06/2017
217711		2200080605	02/02/2017	USD	540.38	HALL, JASMIN CHINO HILLS CA	02/07/2017
217712		2200080516	02/02/2017	USD	236.84	HOME DEPOT CREDIT SERVICES DES MOINES IA	02/08/2017
217713		2200080585	02/02/2017	USD	66.00	INLAND EMPIRE UNITED WAY RANCHO CUCAMONGA CA	02/07/2017
217714		2200080531	02/02/2017	USD	283.50	INLAND OVERHEAD DOOR CO COLTON CA	02/08/2017
217715		2200080517	02/02/2017	USD	136.77	J G TUCKER & SON INC COVINA CA	02/07/2017
217716		2200080559	02/02/2017	USD	1,150.00	JB'S POOLS & PONDS INC UPLAND CA	02/07/2017
217717		2200080568	02/02/2017	USD	1,775.00	KAIZEN INFOSOURCE LLC PALO ALTO CA	02/15/2017
217718		2200080543	02/02/2017	USD	1,112.14	KIRST PUMP HUNTINGTON PARK CA	02/07/2017
217719		2200080535	02/02/2017	USD	290.93	KONICA MINOLTA PASADENA CA	02/06/2017
217720		2200080534	02/02/2017	USD	10.07	KONICA MINOLTA BUSINESS SOLUTIPASADENA CA	02/08/2017
217721		2200080541	02/02/2017	USD	4,324.20	LEE & RO INC CITY OF INDUSTRY CA	02/07/2017

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

Check number from to	Payment	Pmnt date	Crcy	Amount paid (FC)	Recipient/void reason code	Enca./void
217722	2200080596	02/02/2017	USD	49.71	LEE, SYLVIE CHINO HILLS CA	02/14/2017
217723	2200080600	02/02/2017	USD	90.13	LENING, SCOTT CHINO HILLS CA	02/07/2017
217724	2200080599	02/02/2017	USD	2,500.00	LETULLE, CHANDER CHINO HILLS CA	02/13/2017
217725	2200080591	02/02/2017	USD	28,928.96	LIFE INSURANCE COMPANY OF PHILADELPHIA PA	02/09/2017
217726	2200080597	02/02/2017	USD	44.28	LITTLETON, DANNY CHINO HILLS CA	02/09/2017
217727	2200080595	02/02/2017	USD	288.00	MARIA FRESQUEZ LAS VEGAS NV	02/08/2017
217728	2200080539	02/02/2017	USD	869.78	MIDPOINT BEARING ONTARIO CA	02/06/2017
217729	2200080528	02/02/2017	USD	1,551.31	MISCO WATER FOOTHILL RANCH CA	02/13/2017
217730	2200080562	02/02/2017	USD	2,324.00	MULTY INDUSTRIES PRECISION MACONTARIO CA	02/07/2017
217731	2200080546	02/02/2017	USD	910.00	NATIONAL BUSINESS INVESTIGATIONMURRIETA CA	02/07/2017
217732	2200080553	02/02/2017	USD	423.10	NATIONAL CONSTRUCTION RENTALS PACOIMA CA	02/07/2017
217733	2200080548	02/02/2017	USD	17,000.00	NATIONAL THEATRE FOR CHILDREN MINNEAPOLIS MN	02/07/2017
217734	2200080601	02/02/2017	USD	62.15	O'BRIEN, MICHELLE CHINO HILLS CA	02/13/2017
217735	2200080570	02/02/2017	USD	4,163.66	PACIFIC COURIERS INC FULLERTON CA	02/07/2017
217736	2200080593	02/02/2017	USD	430.50	PATRICK W HUNTER PHELAN CA	02/07/2017
217737	2200080590	02/02/2017	USD	96.54	PERS LONG TERM CARE PROGRAM PASADENA CA	02/09/2017
217738	2200080603	02/02/2017	USD	66.42	PIVOVAROFF, JASON CHINO HILLS CA	02/07/2017
217739	2200080602	02/02/2017	USD	139.00	POMPA, JESSE CHINO HILLS CA	02/06/2017
217740	2200080598	02/02/2017	USD	28.54	RILEY, STEPHANIE CHINO CA	02/14/2017
217741	2200080520	02/02/2017	USD	9,640.25	RMA GROUP RANCHO CUCAMONGA CA	02/09/2017
217742	2200080550	02/02/2017	USD	15,220.00	RMC WATER AND ENVIRONMENT WALNUT CREEK CA	02/07/2017
217743	2200080572	02/02/2017	USD	14,615.10	SAITECH INC FREMONT CA	02/08/2017
217744	2200080523	02/02/2017	USD	213.00	SCUBA SCHOOLS OF AMERICA MONTCLAIR CA	02/28/2017
217745	2200080574	02/02/2017	USD	1,276.68	SO CALIF EDISON ROSEMEAD CA	02/07/2017
217746	2200080575	02/02/2017	USD	1,283.67	SO CALIF GAS MONTEREY PARK CA	02/13/2017
217747	2200080565	02/02/2017	USD	1,200.00	STAFFING NETWORK LLC CAROL STREAM IL	02/07/2017
217748	2200080552	02/02/2017	USD	20,813.00	THE AUSTIN COMPANY CLEVELAND OH	02/07/2017
217749	2200080567	02/02/2017	USD	300.00	TRIPPEI SMITH AND ASSOCIATES ITUSTIN CA	02/09/2017
217750	2200080544	02/02/2017	USD	408.00	U S HEALTHWORKS MEDICAL GROUP LOS ANGELES CA	02/06/2017
217751	2200080560	02/02/2017	USD	282.56	UNIVERSAL PROTECTION SERVICE PASADENA CA	02/07/2017
217752	2200080587	02/02/2017	USD	243.33	US DEPARTMENT OF EDUCATION ATLANTA GA	02/08/2017
217753	2200080588	02/02/2017	USD	314.60	VEHICLE REGISTRATION COLLECTORRANCHO CORDOVA CA	02/13/2017
217754	2200080525	02/02/2017	USD	247.00	WATER ENVIRONMENT FEDERATION BOSTON MA	02/10/2017
217755	2200080549	02/02/2017	USD	243.81	WORLDWIDE EXPRESS ALBANY NY	02/07/2017
217756	2200080629	02/06/2017	USD	2,653.17	CUNNINGHAM, RICHARD CHINO HILLS CA	02/07/2017
217757	2200080652	02/09/2017	USD	173.70	AIRGAS WEST INC PASADENA CA	02/13/2017
217758	2200080656	02/09/2017	USD	1,400.22	ARIZONA INSTRUMENT LLC CHANDLER AZ	02/14/2017
217759	2200080669	02/09/2017	USD	151.76	BAVCO LONG BEACH CA	02/15/2017
217760	2200080681	02/09/2017	USD	16,918.83	BRIGHTVIEW LANDSCAPE SERVICES LOS ANGELES CA	02/13/2017
217761	2200080660	02/09/2017	USD	344.00	CALIF WATER ENVIRONMENT ASSOC OAKLAND CA	02/17/2017
217762	2200080682	02/09/2017	USD	24,965.53	CALIFORNIA WATER TECHNOLOGIES, PASADENA CA	02/13/2017
217763	2200080700	02/09/2017	USD	253.80	CAMACHO, MICHAEL CHINO HILLS CA	02/14/2017
217764	2200080683	02/09/2017	USD	1,125.00	CAMET RESEARCH, INC. GOLETA CA	03/02/2017
217765	2200080643	02/09/2017	USD	43.68	CARL WARREN & COMPANY LOS ANGELES CA	02/13/2017



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217766	2200080661	02/09/2017	USD	16,322.53	CAROLLO ENGINEERS INC SALT LAKE CITY UT	02/14/2017
217767	2200080699	02/09/2017	USD	750.00	CATALAN, MARIA CHINO HILLS CA	02/14/2017
217768	2200080696	02/09/2017	USD	61.56	CHAVEZ, NESTOR C CHINO HILLS CA	02/14/2017
217769	2200080659	02/09/2017	USD	17,509.13	CHINO BASIN WATERMASTER RANCHO CUCAMONGA CA	02/16/2017
217770	2200080668	02/09/2017	USD	511.81	CHINO MFG & REPAIR INC CHINO CA	02/14/2017
217771	2200080672	02/09/2017	USD	8,921.10	CINTAS CORPORATION LOC#150 PHOENIX AZ	02/16/2017
217772	2200080689	02/09/2017	USD	3,297.21	CITY OF CHINO CHINO CA	02/13/2017
217773	2200080680	02/09/2017	USD	15,418.48	CONSERV CONSTRUCTION INC MURRIETA CA	02/16/2017
217774	2200080684	02/09/2017	USD	9,358.00	CONTROLWORKS, INC. CHINO CA	02/16/2017
217775	2200080677	02/09/2017	USD	1,076.00	DAVID WHEELER'S PEST CONTROL, NORCO CA	02/21/2017
217776	2200080678	02/09/2017	USD	741.60	E R BLOCK PLUMBING INC RIVERSIDE CA	02/22/2017
217777	2200080646	02/09/2017	USD	1,173.67	FISHER SCIENTIFIC LOS ANGELES CA	02/13/2017
217778	2200080695	02/09/2017	USD	253.80	FRESQUEZ, ADRIAN CHINO HILLS CA	02/15/2017
217779	2200080693	02/09/2017	USD	2,433.12	FRONTIER COMMUNICATIONS CORP CINCINNATI OH	02/15/2017
217780	2200080688	02/09/2017	USD	20,900.00	GP STRATEGIES CORPORATION COLUMBIA MD	02/14/2017
217781	2200080654	02/09/2017	USD	3,476.37	GRAINGER PALATINE IL	02/15/2017
217782	2200080674	02/09/2017	USD	209.09	GRISWOLD INDUSTRIES COSTA MESA CA	02/13/2017
217783	2200080703	02/09/2017	USD	140.02	HALL, JASMIN CHINO HILLS CA	02/13/2017
217784	2200080647	02/09/2017	USD	1,598.97	HARRINGTON INDUSTRIAL PLASTICSCHINO CA	02/14/2017
217785	2200080667	02/09/2017	USD	8,406.81	HOERBIGER SERVICE INC CHICAGO IL	02/13/2017
217786	2200080648	02/09/2017	USD	688.46	HOME DEPOT CREDIT SERVICES DES MOINES IA	02/15/2017
217787	2200080670	02/09/2017	USD	120.00	INSTITUTE OF INTERNAL AUDITORSRIVERSIDE CA	02/16/2017
217788	2200080649	02/09/2017	USD	196.87	J G TUCKER & SON INC COVINA CA	02/14/2017
217789	2200080679	02/09/2017	USD	350.00	KIM'S MASTER AUTO REPAIR CHINO CA	02/22/2017
217790	2200080694	02/09/2017	USD	348.67	LEE, SYLVIE CHINO HILLS CA	02/14/2017
217791	2200080698	02/09/2017	USD	140.38	LETULLE, CHANDER CHINO HILLS CA	02/13/2017
217792	2200080692	02/09/2017	USD	949.82	LEVEL 3 COMMUNICATIONS LLC DENVER CO	02/14/2017
217793	2200080664	02/09/2017	USD	2,875.00	LIEBERT CASSIDY WHITMORE LOS ANGELES CA	02/15/2017
217794	2200080697	02/09/2017	USD	22.14	LITTLETON, DANNY CHINO HILLS CA	02/17/2017
217795	2200080685	02/09/2017	USD	358.25	MANAGED MOBILE INC PLACENTIA CA	02/14/2017
217796	2200080662	02/09/2017	USD	742.82	MIDPOINT BEARING ONTARIO CA	02/13/2017
217797	2200080658	02/09/2017	USD	3,530.88	MISCO WATER POOTHILL RANCH CA	02/13/2017
217798	2200080675	02/09/2017	USD	837.86	NESTLE WATERS NORTH AMERICA LOUISVILLE KY	02/16/2017
217799	2200080645	02/09/2017	USD	916.93	OFFICE DEPOT PHOENIX AZ	02/14/2017
217800	2200080701	02/09/2017	USD	650.00	ORTIZ, BRIAN CHINO HILLS CA	02/14/2017
217801	2200080665	02/09/2017	USD	3,092.40	PALM AUTO DETAIL INC COLTON CA	02/21/2017
217802	2200080657	02/09/2017	USD	353.75	PARKER SUPPLY CO MONTEBELLO CA	02/14/2017
217803	2200080704	02/09/2017	USD	82.30	PARKER, KATI CHINO HILLS CA	02/17/2017
217804	2200080702	02/09/2017	USD	43.20	PEREZ, HARRY CHINO HILLS CA	
217805	2200080650	02/09/2017	USD	696.59	PERKINELMER HEALTH SCIENCES INCHICAGO IL	02/13/2017
217806	2200080653	02/09/2017	USD	1,088.68	PETTY CASH EXPENDITURES CHINO CA	02/16/2017
217807	2200080644	02/09/2017	USD	65.00	REM LOCK & KEY ONTARIO CA	02/17/2017
217808	2200080671	02/09/2017	USD	75.00	SARBS FOUNTAIN VALLEY CA	
217809	2200080690	02/09/2017	USD	68,882.15	SO CALIF EDISON ROSEMEAD CA	02/15/2017

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217810	2200080691	02/09/2017	USD	82.12	SO CALIF GAS MONTEREY PARK CA	02/21/2017
217811	2200080655	02/09/2017	USD	9,347.15	SOUTH COAST AQMD DIAMOND BAR CA	02/27/2017
217812	2200080687	02/09/2017	USD	733.92	STORETRIEVE LLC MONTEBELLO CA	02/14/2017
217813	2200080673	02/09/2017	USD	15,195.10	U S BANK ST LOUIS MO	02/17/2017
217814	2200080666	02/09/2017	USD	841.13	U S HEALTHWORKS MEDICAL GROUP LOS ANGELES CA	02/13/2017
217815	2200080651	02/09/2017	USD	232.50	UNDERGROUND SERVICE ALERT/SC CORONA CA	02/17/2017
217816	2200080676	02/09/2017	USD	6,846.85	US BANK VOYAGER FLEET SYSTEMS KANSAS CITY MO	02/14/2017
217817	2200080686	02/09/2017	USD	4,220.00	VARTECH SYSTEMS INC BATON ROUGE LA	02/14/2017
217818	2200080663	02/09/2017	USD	7,807.73	VERIZON WIRELESS DALLAS TX	02/15/2017
217819	2200080786	02/16/2017	USD	646.39	ABATIX CORPORATION DALLAS TX	02/21/2017
217820	2200080732	02/16/2017	USD	9.46	AIRGAS WEST INC PASADENA CA	02/21/2017
217821	2200080808	02/16/2017	USD	3,150.00	ALS ENVIRONMENTAL DALLAS TX	02/22/2017
217822	2200080782	02/16/2017	USD	1,105.99	ALTA FOODCRAFT COFFEE ORANGE CA	02/22/2017
217823	2200080789	02/16/2017	USD	35.00	AMERICAN SOCIETY OF CIVIL ENGITUSTIN CA	
217824	2200080785	02/16/2017	USD	794.09	ASAP INDUSTRIAL SUPPLY FONTANA CA	02/23/2017
217825	2200080790	02/16/2017	USD	75.00	ASCE LOS ANGELES SECTION REDONDO BEACH CA	
217826	2200080791	02/16/2017	USD	150.00	ASCE LOS ANGELES SECTION REDONDO BEACH CA	
217827	2200080760	02/16/2017	USD	220.00	ATMAA INC CALABASAS CA	02/27/2017
217828	2200080797	02/16/2017	USD	1,098.99	AUTOZONE INC AILANTA GA	02/23/2017
217829	2200080763	02/16/2017	USD	146.40	BAVCO LONG BEACH CA	02/23/2017
217830	2200080749	02/16/2017	USD	997.46	BRAGG CRANE SERVICE LONG BEACH CA	02/22/2017
217831	2200080815	02/16/2017	USD	7,286.95	BURRTEC WASTE INDUSTRIES INC FONTANA CA	02/23/2017
217832	2200080804	02/16/2017	USD	27,604.77	BUSINESS CARD WILMINGTON DE	02/21/2017
217833	2200080776	02/16/2017	USD	8,000.00	CALIFORNIA STRATEGIES LLC SACRAMENTO CA	02/24/2017
217834	2200080801	02/16/2017	USD	10,815.45	CALIFORNIA WATER TECHNOLOGIES SANTA FE SPRINGS CA	03/03/2017
217835	2200080745	02/16/2017	USD	142.11	CALOLYMPIC SAFETY CORONA CA	02/21/2017
217836	2200080740	02/16/2017	USD	130.00	CAPPO INC YUBA CITY CA	03/02/2017
217837	2200080826	02/16/2017	USD	147.63	CARL H TAYLOR III CRYSTAL RIVER FL	02/22/2017
217838	2200080759	02/16/2017	USD	6,638.50	CASC ENGINEERING AND CONSULTINCOLTON CA	02/22/2017
217839	2200080810	02/16/2017	USD	3,722.32	CHEMTRADE CHEMICALS US LLC DETROIT MI	02/22/2017
217840	2200080772	02/16/2017	USD	3,146.01	CINTAS CORPORATION LOC#150 PHOENIX AZ	02/23/2017
217841	2200080824	02/16/2017	USD	446.50	CITY EMPLOYEES ASSOCIATES LONG BEACH CA	02/22/2017
217842	2200080738	02/16/2017	USD	2,000.00	CITY OF UPLAND UPLAND CA	02/28/2017
217843	2200080806	02/16/2017	USD	2,500.00	DRH2O LLC IRVINE CA	
217844	2200080788	02/16/2017	USD	954.76	E R BLOCK PLUMBING INC RIVERSIDE CA	02/22/2017
217845	2200080829	02/16/2017	USD	22.03	ELIE, STEVE CHINO HILLS CA	03/06/2017
217846	2200080744	02/16/2017	USD	120.00	ENVIRONMENTAL CONSULTING & TESSUPERIOR WI	02/28/2017
217847	2200080796	02/16/2017	USD	1,550.00	EPI-USE AMERICA INC ATLANTA GA	02/27/2017
217848	2200080795	02/16/2017	USD	19,185.00	EUROFINS EATON ANALYTICAL, INCGRAPEVINE TX	02/22/2017
217849	2200080723	02/16/2017	USD	1,419.29	FISHER SCIENTIFIC LOS ANGELES CA	02/21/2017
217850	2200080724	02/16/2017	USD	746.88	FLO SYSTEMS INC ANAHEIM HILLS CA	02/21/2017
217851	2200080816	02/16/2017	USD	3,223.79	FRONTIER COMMUNICATIONS CORP CINCINNATI OH	02/23/2017
217852	2200080794	02/16/2017	USD	2,104.07	GARDNER DENVER NASH LLC ST LOUIS MO	02/21/2017
217853	2200080737	02/16/2017	USD	6,115.43	GRAINGER PALATINE IL	02/22/2017

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217854	2200080773	02/16/2017	USD	326.54	GRISWOLD INDUSTRIES COSTA MESA CA	02/22/2017
217855	2200080725	02/16/2017	USD	1,992.10	HOME DEPOT CREDIT SERVICES DES MOINES IA	02/24/2017
217856	2200080820	02/16/2017	USD	66.00	INLAND EMPIRE UNITED WAY RANCHO CUCAMONGA CA	02/27/2017
217857	2200080793	02/16/2017	USD	140.00	KIM'S MASTER AUTO REPAIR CHINO CA	02/22/2017
217858	2200080743	02/16/2017	USD	228.01	KONICA MINOLTA PASADENA CA	02/22/2017
217859	2200080742	02/16/2017	USD	2.16	KONICA MINOLTA BUSINESS SOLUTIPASADENA CA	02/23/2017
217860	2200080827	02/16/2017	USD	288.00	MARIA FRESQUEZ LAS VEGAS NV	02/23/2017
217861	2200080799	02/16/2017	USD	2,011.61	MICROGAGE PHOENIX AZ	02/23/2017
217862	2200080750	02/16/2017	USD	82.75	MIDPOINT BEARING ONTARIO CA	02/21/2017
217863	2200080733	02/16/2017	USD	662.67	MISSION REPROGRAPHICS RIVERSIDE CA	02/22/2017
217864	2200080777	02/16/2017	USD	2,485.00	NATIONAL CINEMEDIA LLC DENVER CO	02/23/2017
217865	2200080747	02/16/2017	USD	100.00	NRD, LLC GRAND ISLAND NY	
217866	2200080722	02/16/2017	USD	1,598.58	OFFICE DEPOT PHOENIX AZ	02/22/2017
217867	2200080811	02/16/2017	USD	4,355.08	ONTARIO MUNICIPAL UTILITIES COONTARIO CA	02/21/2017
217868	2200080807	02/16/2017	USD	4,353.88	PACIFIC COURIERS INC FULLERTON CA	02/22/2017
217869	2200080825	02/16/2017	USD	430.50	PATRICK W HUNTER PHELAN CA	02/22/2017
217870	2200080734	02/16/2017	USD	12,488.16	PETE'S ROAD SERVICE FULLERTON CA	02/23/2017
217871	2200080765	02/16/2017	USD	1,081.06	PLUMBERS DEPOT INC HAWTHORNE CA	02/27/2017
217872	2200080800	02/16/2017	USD	883.46	PMC ENGINEERING LLC DANBURY CT	02/23/2017
217873	2200080753	02/16/2017	USD	113.13	PUMP ENGINEERING SANTA FE SPRINGS CA	02/27/2017
217874	2200080774	02/16/2017	USD	6,337.49	QED ENVIRONMENTAL SYSTEMS INC ATLANTA GA	02/21/2017
217875	2200080726	02/16/2017	USD	6,488.83	RAMONA TIRE & SERVICE CENTERS HEMET CA	02/23/2017
217876	2200080727	02/16/2017	USD	8,443.42	ROYAL WHOLESALE ELECTRIC ORANGE CA	02/22/2017
217877	2200080769	02/16/2017	USD	3,855.18	RSD LAKE FOREST CA	02/23/2017
217878	2200080768	02/16/2017	USD	5,577.50	SAGE SOFTWARE INC CHICAGO IL	02/21/2017
217879	2200080755	02/16/2017	USD	5,000.00	SAN BERNARDINO COUNTY SAN BERNARDINO CA	03/06/2017
217880	2200080784	02/16/2017	USD	262.10	SAN BERNARDINO CITY SCHOOL DISSAN BERNARDINO CA	02/28/2017
217881	2200080756	02/16/2017	USD	21,888.12	SAN BERNARDINO COUNTY SAN BERNARDINO CA	02/27/2017
217882	2200080780	02/16/2017	USD	940.00	SCREENVISION DIRECT NEW YORK NY	02/24/2017
217883	2200080735	02/16/2017	USD	22,879.50	SHANLEY PUMP & EQUIPMENT INC ARLINGTON HEIGHTS IL	02/23/2017
217884	2200080741	02/16/2017	USD	206.60	SHAPE PRODUCTS CO OAKLAND CA	02/22/2017
217885	2200080739	02/16/2017	USD	119.66	SIGMA-ALDRICH INC ATLANTA GA	02/23/2017
217886	2200080787	02/16/2017	USD	5,394.64	SINNOFF, PUEBLA, CAMPAGNE & CULOS ANGELES CA	03/08/2017
217887	2200080729	02/16/2017	USD	393.53	SMART & FINAL LOS ANGELES CA	02/23/2017
217888	2200080812	02/16/2017	USD	101,336.09	SO CALIF EDISON ROSEMEAD CA	02/22/2017
217889	2200080813	02/16/2017	USD	104.78	SO CALIF GAS MONTEREY PARK CA	02/23/2017
217890	2200080730	02/16/2017	USD	9,442.68	SOUTHWEST ALARM SERVICE UPLAND CA	02/22/2017
217891	2200080798	02/16/2017	USD	3,300.00	STAFFING NETWORK LLC CAROL STREAM IL	02/22/2017
217892	2200080736	02/16/2017	USD	138.69	SUNSHINE FILTERS OF PINELLAS ILARGO FL	02/23/2017
217893	2200080805	02/16/2017	USD	32,178.84	SUPERIOR ELECTRIC MOTOR SERVICEVERNON CA	02/24/2017
217894	2200080767	02/16/2017	USD	1,447,479.22	SWRCB ACCOUNTING OFFICE SACRAMENTO CA	02/23/2017
217895	2200080751	02/16/2017	USD	1,645.86	TELEDYNE INSTRUMENTS INC DALLAS TX	02/24/2017
217896	2200080752	02/16/2017	USD	58,831.76	TOM DODSON & ASSOCIATES SAN BERNARDINO CA	02/23/2017
217897	2200080746	02/16/2017	USD	150.00	TRI STATE ENVIRONMENTAL SAN BERNARDINO CA	02/27/2017

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217898	2200080803	02/16/2017	USD	2,560.47	TRIPEPI SMITH AND ASSOCIATES, IRVINE CA	03/07/2017
217899	2200080757	02/16/2017	USD	206.00	U S HEALTHWORKS MEDICAL GROUP LOS ANGELES CA	02/21/2017
217900	2200080781	02/16/2017	USD	1,130.24	UNIVERSAL PROTECTION SERVICE PASADENA CA	02/22/2017
217901	2200080766	02/16/2017	USD	760.32	URIMAGE BLOOMINGTON CA	02/22/2017
217902	2200080822	02/16/2017	USD	243.33	US DEPARTMENT OF EDUCATION ATLANTA GA	02/23/2017
217903	2200080802	02/16/2017	USD	1,280.00	V3IT CONSULTING INC NAPERVILLE IL	02/23/2017
217904	2200080771	02/16/2017	USD	23,685.71	VAUGHAN'S INDUSTRIAL REPAIR COPARAMOUNT CA	02/22/2017
217905	2200080814	02/16/2017	USD	442.85	VERIZON BUSINESS ALBANY NY	02/22/2017
217906	2200080754	02/16/2017	USD	2,651.71	VERIZON WIRELESS DALLAS TX	02/22/2017
217907	2200080731	02/16/2017	USD	664.85	WAXIE SANITARY SUPPLY LOS ANGELES CA	02/22/2017
217908	2200080758	02/16/2017	USD	738.99	WESTERN WATER WORKS SUPPLY CO CHINO HILLS CA	02/22/2017
217909	2200080779	02/16/2017	USD	40,723.00	WESTIN ENGINEERING INC RANCHO CORDOVA CA	02/23/2017
217910	2200080764	02/16/2017	USD	1,233.44	WORLDWIDE EXPRESS ALBANY NY	02/22/2017
217911	2200080792	02/16/2017	USD	10,288.77	XYLEM WATER SOLUTIONS USA INC MIRA LOMA CA	02/23/2017
217912	2200080809	02/16/2017	USD	2,294.10	YORKE ENGINEERING LLC SAN JUAN CAPISTRANO CA	02/27/2017
217913	2200080778	02/16/2017	USD	4,314.75	YRC PASADENA CA	02/21/2017
217914	2200080828	02/16/2017	USD	1,358.78	ZIEGENBEIN, JEFF CHINO HILLS CA	03/01/2017
217915	2200080868	02/23/2017	USD	2,488.51	AIRGAS WEST INC PASADENA CA	02/27/2017
217916	2200080862	02/23/2017	USD	952.01	APPLIED INDUSTRIAL TECHNOLOGIEPASADENA CA	02/28/2017
217917	2200080907	02/23/2017	USD	26,619.77	AQUA-AEROBIC SYSTEMS INC LOVES PARK IL	02/28/2017
217918	2200080894	02/23/2017	USD	1,147.44	AUMA ACUATORS INC PITTSBURGH PA	03/01/2017
217919	2200080908	02/23/2017	USD	344.03	BAM GRAPHICS N LAS VEGAS NV	02/28/2017
217920	2200080924	02/23/2017	USD	20,124.05	BANNER BANK SACRAMENTO CA	02/28/2017
217921	2200080893	02/23/2017	USD	2,709.01	BAVCO LONG BEACH CA	02/28/2017
217922	2200080878	02/23/2017	USD	551.19	BEN MEADOWS CO CHICAGO IL	02/28/2017
217923	2200050874	02/23/2017	USE	172.48	BLAZE CONE COMPANY PORTLAND OR	03/01/2017
217924	2200080930	02/23/2017	USD	1,295.00	BLR NASHVILLE TN	03/01/2017
217925	2200080876	02/23/2017	USD	172.00	CALIF WATER ENVIRONMENT ASSOC OAKLAND CA	03/03/2017
217926	2200080915	02/23/2017	USD	10,824.54	CALIFORNIA WATER TECHNOLOGIES SANTA FE SPRINGS CA	03/07/2017
217927	2200080883	02/23/2017	USD	7,336.50	CDW GOVERNMENT INC CHICAGO IL	03/02/2017
217928	2200080902	02/23/2017	USD	2,612.55	CINTAS CORPORATION LOC#150 PHOENIX AZ	03/06/2017
217929	2200080936	02/23/2017	USD	347.26	COLONIAL LIFE & ACCIDENT INSURCOLUMBIA SC	02/28/2017
217930	2200080938	02/23/2017	USD	50.00	CONSECO LIFE INSURANCE COMPANYATLANTA GA	03/06/2017
217931	2200080904	02/23/2017	USD	720.50	CPS HUMAN RESOURCE SERVICES SAN FRANCISCO CA	03/01/2017
217932	2200080932	02/23/2017	USD	55.20	CUCAMONGA VALLEY WATER DISTRICTLOS ANGELES CA	02/28/2017
217933	2200080909	02/23/2017	USD	2,400.92	DAVID WHEELER'S PEST CONTROL, NORCO CA	03/06/2017
217934	2200080897	02/23/2017	USD	39,605.50	DAVIS ELECTRIC INC YUCAIPA CA	03/01/2017
217935	2200080891	02/23/2017	USD	4,518.03	DESERT PUMPS AND PARTS INC BELLA VISTA AR	02/28/2017
217936	2200080940	02/23/2017	USD	79.82	DOAN, KHANH V CHINO HILLS CA	03/06/2017
217937	2200080910	02/23/2017	USD	1,028.73	DOWNES ENERGY CORONA CA	02/28/2017
217938	2200080887	02/23/2017	USD	6,825.00	DUDEK & ASSOCIATES INC ENCINITAS CA	03/01/2017
217939	2200080920	02/23/2017	USD	1,100.00	ENVIRONMENTAL CONCEPTS COMP INMISSION VIEJO CA	02/28/2017
217940	2200080913	02/23/2017	USD	1,720.11	ENVIRONMENTAL SCIENCE ASSOCIATSAN FRANCISCO CA	03/01/2017
217941	2200080912	02/23/2017	USD	340.00	EUROFINS EATON ANALYTICAL, INCGRAPEVINE TX	02/28/2017

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

Check number from to	Payment	Pmnt date	Crcy	Amount paid (FC)	Recipient/void reason code	Enca./void
217942	2200080922	02/23/2017	USD	180,081.05	FACILITY SOLUTIONS GROUP INC PLACENTIA CA	03/01/2017
217943	2200080917	02/23/2017	USD	162,545.20	FERREIRA COASTAL CONSTRUCTION BRANCHBURG NJ	02/28/2017
217944	2200080939	02/23/2017	USD	2,240.19	FIDELITY SECURITY LIFE INSURANCINCINNATI OH	03/01/2017
217945	2200080857	02/23/2017	USD	435.16	FISHER SCIENTIFIC LOS ANGELES CA	02/27/2017
217946	2200080882	02/23/2017	USD	1,755.23	FLORENCE FILTER CORP COMPTON CA	03/08/2017
217947	2200080899	02/23/2017	USD	3,483.99	FLSMIDTH USA INC DALLAS TX	03/01/2017
217948	2200080873	02/23/2017	USD	11,881.79	FLUID COMPONENTS INTERNATIONALSAN MARCOS CA	02/28/2017
217949	2200080872	02/23/2017	USD	196.23	FLW INC HUNTINGTON BEACH CA	03/01/2017
217950	2200080934	02/23/2017	USD	34.16	FRONTIER COMMUNICATIONS CORP CINCINNATI OH	03/02/2017
217951	2200080911	02/23/2017	USD	505.48	GARDNER DENVER NASH LLC ST LOUIS MO	03/01/2017
217952	2200080870	02/23/2017	USD	933.17	GRAINGER PALATINE IL	02/28/2017
217953	2200080892	02/23/2017	USD	445.79	HACH COMPANY CHICAGO IL	02/28/2017
217954	2200080858	02/23/2017	USD	833.27	HARRINGTON INDUSTRIAL PLASTICSCHINO CA	02/28/2017
217955	2200080859	02/23/2017	USD	322.09	HOME DEPOT CREDIT SERVICES DES MOINES IA	03/02/2017
217956	2200080884	02/23/2017	USD	2,627.72	HORIZON TECHNOLOGY SALEM NH	02/28/2017
217957	2200080879	02/23/2017	USD	563,102.60	J F SHEA CONSTRUCTION INC WALNUT CA	02/28/2017
217958	2200080860	02/23/2017	USD	101,032.40	J R FILANC CONSTRUCTION CO. INCESCONDIDO CA	03/01/2017
217959	2200080861	02/23/2017	USD	369.00	KAMAN INDUSTRIAL TECHNOLOGIES LOS ANGELES CA	02/27/2017
217960	2200080877	02/23/2017	USD	2,321.83	KONICA MINOLTA BUSINESS SOLUTIPASADENA CA	03/01/2017
217961	2200080928	02/23/2017	USD	6,085.20	LAW OFFICE OF KATHY M GANDARA RANCHO CUCAMONGA CA	03/02/2017
217962	2200080941	02/23/2017	USD	70.34	LEE, SYLVIE CHINO HILLS CA	03/08/2017
217963	2200080906	02/23/2017	USD	814.93	MAILFINANCE INC DALLAS TX	03/03/2017
217964	2200080921	02/23/2017	USD	605.70	MANAGED MOBILE INC PLACENTIA CA	02/28/2017
217965	2200080886	02/23/2017	USD	1,424.64	MCCROMETER INC CHICAGO IL	03/01/2017
217966	2200080914	02/23/2017	USD	4,325.31	MICROAGE PHOENIX AZ	03/01/2017
217967	2200080863	02/23/2017	USD	1,136.33	MINE SAFETY APPLIANCES CO PITTSBURGH PA	03/01/2017
217968	2200080929	02/23/2017	USD	3,300.00	MSDSONLINE INC CHICAGO IL	03/01/2017
217969	2200080916	02/23/2017	USD	4,760.00	MSO TECHNOLOGIES INC THOUSAND OAKS CA	03/06/2017
217970	2200080889	02/23/2017	USD	270.00	NATIONAL BUSINESS INVESTIGATIONMURRIETA CA	02/28/2017
217971	2200080901	02/23/2017	USD	994.80	NATIONAL CONSTRUCTION RENTALS PACOIMA CA	02/28/2017
217972	2200080925	02/23/2017	USD	156,186.27	NEW MILLENNIUM CONSTRUCTION CHINO HILLS CA	03/01/2017
217973	2200080856	02/23/2017	USD	2,470.32	OFFICE DEPOT PHOENIX AZ	03/02/2017
217974	2200080931	02/23/2017	USD	269.94	ONTARIO MUNICIPAL UTILITIES COONTARIO CA	02/27/2017
217975	2200080864	02/23/2017	USD	171.07	P L HAWN COMPANY INC HUNTINGTON BEACH CA	02/28/2017
217976	2200080888	02/23/2017	USD	3,674.24	PANTHER PROTECTION ORANGE CA	03/03/2017
217977	2200080927	02/23/2017	USD	4,357.14	PATCHETT & ASSOCIATES CARLSBAD CA	
217978	2200080937	02/23/2017	USD	96.54	PERS LONG TERM CARE PROGRAM PASADENA CA	03/01/2017
217979	2200080869	02/23/2017	USD	144.91	PETE'S ROAD SERVICE FULLERTON CA	03/01/2017
217980	2200080875	02/23/2017	USD	9,097.92	POLYDYNE INC ATLANTA GA	03/02/2017
217981	2200080943	02/23/2017	USD	28.46	POMPA, JESSE CHINO HILLS CA	02/28/2017
217982	2200080923	02/23/2017	USD	15,869.00	PRIORITY BUILDING SERVICES LLCBREA CA	03/01/2017
217983	2200080865	02/23/2017	USD	434.47	RAMONA TIRE & SERVICE CENTERS HEMET CA	03/02/2017
217984	2200080942	02/23/2017	USD	67.32	RECUPERO, LAURAMAE CHINO HILLS CA	03/02/2017
217985	2200080866	02/23/2017	USD	6,436.00	RMA GROUP RANCHO CUCAMONGA CA	03/03/2017

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

Check						
Check number from to	Payment	Pmnt Date	Crcy	Amount paid (FC)	Recipient/void reason code	Enca./void
217986	2200080895	02/23/2017	USD	14,156.00	RMC WATER AND ENVIRONMENT WALNUT CREEK CA	03/02/2017
217987	2200080881	02/23/2017	USD	31,070.00	RMS ENGINEERING & DESIGN CORONA DEL MAR CA	02/28/2017
217988	2200080898	02/23/2017	USD	21,824.08	SHI INTERNATIONAL CORP DALLAS TX	03/01/2017
217989	2200080933	02/23/2017	USD	132.59	SO CALIF GAS MONTEREY PARK CA	03/07/2017
217990	2200080905	02/23/2017	USD	155.00	SOCIETY FOR MAINTENANCE AND ATLANTA GA	03/01/2017
217991	2200080871	02/23/2017	USD	12,760.50	SOUTH COAST AQMD DIAMOND BAR CA	03/08/2017
217992	2200080867	02/23/2017	USD	437.00	SOUTHWEST ALARM SERVICE UPLAND CA	03/06/2017
217993	2200080900	02/23/2017	USD	44,068.00	STANTEC CONSULTING INC CHICAGO IL	03/01/2017
217994	2200080903	02/23/2017	USD	65,808.83	SUN WIRELESS SAN DIEGO CA	03/01/2017
217995	2200080918	02/23/2017	USD	2,411.45	THE PM GROUP LAKE FOREST CA	02/27/2017
217996	2200080919	02/23/2017	USD	20.00	THE SHREDDERS LOS ANGELES CA	03/03/2017
217997	2200080890	02/23/2017	USD	13,307.12	TRIMAX SYSTEMS INC BREA CA	03/02/2017
217998	2200080896	02/23/2017	USD	1,494.09	TRUSSELL TECHNOLOGIES INC PASADENA CA	03/02/2017
217999	2200080885	02/23/2017	USD	365.03	U S HEALTHWORKS MEDICAL GROUP LOS ANGELES CA	02/27/2017
218000	2200080935	02/23/2017	USD	2,656.10	WESTERN DENTAL PLAN ORANGE CA	03/01/2017
218003	2200081052	02/27/2017	USD	172.48	BREIG, ANNA VICTORVILLE CA	03/08/2017
218004	2200081056	02/27/2017	USD	8,071.00	EMPLOYMENT DEVELOPMENT DEPARTMSACRAMENTO CA	03/07/2017
218005	2200081055	02/27/2017	USD	472.96	HOBBS, DIANA APPLE VALLEY CA	03/07/2017
218006	2200081053	02/27/2017	USD	472.96	HORNE, WILLIAM YUCCA VALLEY CA	03/06/2017
218007	2200081049	02/27/2017	USD	2,990.07	KONICA MINOLTA PASADENA CA	03/06/2017
218008	2200081054	02/27/2017	USD	746.37	MILLER, ELMER L BLUE JAY CA	
218009	2200081051	02/27/2017	USD	222,855.86	SO CALIF EDISON ROSEMEAD CA	03/06/2017
218010	2200081050	02/27/2017	USD	1,500.00	TOTALFUNDS BY HASLER TAMPA FL	03/08/2017
* Payment method Check			USD	4,389,373.43		

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

Separate Check						
Check number from to	Payment	Pmnt date	Crcy	Amount paid (FC)	Recipient/void reason code	Enca./void
218001	2200080880	02/23/2017	USD	818,098.86	J F SHEA CONSTRUCTION INC WALNUT CA	02/28/2017
218002	2200080926	02/23/2017	USD	4,728.90	NEW MILLENNIUM CONSTRUCTION CHINO HILLS CA	03/01/2017
* Payment method Separate Check			USD	822,827.76		

Check number from to	Payment	Pmnt date	Crcy	Amount paid (PC)	Recipient/void reason code	Enca./void
**			USD	5,212,201.19		



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	Croy	Amount paid (FC)	Recipient/void reason code	Enca./void
04700	2200081060	02/08/2017	USD	681.40	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	02/13/2017
04701	2200081061	02/08/2017	USD	10.16	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	02/22/2017
04702	2200081062	02/15/2017	USD	347.56	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	02/17/2017
04703	2200081063	02/15/2017	USD	12.40	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	
04704	2200081064	02/15/2017	USD	87.30	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	02/21/2017
04705	2200081065	02/15/2017	USD	98.47	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	02/21/2017
04706	2200081066	02/15/2017	USD	240.00	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	02/21/2017
04707	2200081067	02/15/2017	USD	793.51	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	02/21/2017
04708	2200081068	02/15/2017	USD	1,141.68	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	02/24/2017
04709	2200081069	02/15/2017	USD	24.75	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	02/21/2017
04710	2200081070	02/15/2017	USD	12.00	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	02/22/2017
04711	2200081071	02/22/2017	USD	101.31	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	02/27/2017
04712	2200081072	02/22/2017	USD	134.23	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	02/27/2017
04713	2200081371	02/28/2017	USD	110.74	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	
04714	2200081372	02/28/2017	USD	98.47	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	
04715	2200081373	02/28/2017	USD	87.30	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	
04716	2200081374	02/28/2017	USD	164.23	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	
04717	2200081375	02/28/2017	USD	87.30	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	
04718	2200081376	02/28/2017	USD	139.50	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	
04719	2200081377	02/28/2017	USD	139.50	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	
04720	2200081378	02/28/2017	USD	131.76	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	
04721	2200081379	02/28/2017	USD	127.72	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	
04722	2200081380	02/28/2017	USD	110.57	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	
04723	2200081381	02/28/2017	USD	129.73	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	
04724	2200081382	02/28/2017	USD	120.39	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	
04725	2200081383	02/28/2017	USD	131.08	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	
04726	2200081384	02/28/2017	USD	128.79	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	
04727	2200081385	02/28/2017	USD	98.47	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	
04728	2200081386	02/28/2017	USD	110.09	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	
04729	2200081387	02/28/2017	USD	110.09	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	
04730	2200081388	02/28/2017	USD	129.73	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	
04731	2200081389	02/28/2017	USD	263.02	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	
04732	2200081390	02/28/2017	USD	107.87	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	
04733	2200081391	02/28/2017	USD	107.87	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	
04734	2200081392	02/28/2017	USD	107.87	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	
04735	2200081393	02/28/2017	USD	132.69	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	
04736	2200081394	02/28/2017	USD	412.63	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	
04737	2200081395	02/28/2017	USD	238.82	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	
04738	2200081396	02/28/2017	USD	87.30	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	
04739	2200081397	02/28/2017	USD	12.00	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	

* Payment method Checks created manually	USD	7,310.30				
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Check number from to	Payment	Print date	Crcy	Amount paid (FC)	Recipient/void reason code	Enca./void
**			USD	7,310.30		

Check	Payee / Description	Amount
Wire	EMPLOYMENT DEVELOPMENT DEPARTM P/R 3 2/3 Taxes HR 0049900 P/R 3 2/3 Taxes HR 0049900	50,359.22 10,191.59 ----- 60,550.81
Wire	INTERNAL REVENUE SERVICE P/R 3 2/3 Taxes HR 0049900	308,598.71 ----- INTERNAL REVENUE SERVICE \$ 308,598.71
Wire	BANK OF AMERICA NT&SA P/R 3 2/3/17 EFT Direct Deposit 020317	699,557.41 ----- BANK OF AMERICA NT&SA \$ 699,557.41
Wire	EMPLOYMENT DEVELOPMENT DEPARTM P/R 4 2/17/17 Taxes Adj P/R 4 0217201 P/R 4 2/17/17 Taxes HR 0050100 P/R 4 2/17/17 Taxes HR 0050100	246.74 10,254.06 51,237.41 ----- EMPLOYMENT DEVELOPMENT DEPARTM\$ 61,738.21
Wire	INTERNAL REVENUE SERVICE P/R 4 2/17/17 Taxes P/R 4 0217201 P/R 4 2/17/17 Taxes HR 0050100	1,210.24 313,420.50 ----- INTERNAL REVENUE SERVICE \$ 314,630.74
Wire	BANK OF AMERICA NT&SA P/R 4 2/17/17 EFT Direct Deposit 021717	691,362.93 ----- BANK OF AMERICA NT&SA \$ 691,362.93
Wire	BANK OF AMERICA NT&SA P/R 02 DIR 2/10/17 EFT Direct Deposit 021017 DIR	2,904.10 ----- BANK OF AMERICA NT&SA \$ 2,904.10
Wire	EMPLOYMENT DEVELOPMENT DEPARTM P/R DIR 02 2/10/17 Taxes HR 0050000	363.10 ----- EMPLOYMENT DEVELOPMENT DEPARTM\$ 363.10
Wire	INTERNAL REVENUE SERVICE P/R DIR 02 2/10/17 Taxes HR 0050000	2,127.19 ----- INTERNAL REVENUE SERVICE \$ 2,127.19
ACH	ICMA RETIREMENT TRUST 457 P/R 3 2/3 Deferred Comp Ded HR 0049900	15,617.32 ----- ICMA RETIREMENT TRUST 457 \$ 15,617.32
ACH	LINCOLN NATIONAL LIFE INS CO P/R 3 2/3 Deferred Comp Ded HR 0049900	24,144.33 ----- LINCOLN NATIONAL LIFE INS CO \$ 24,144.33

Check	Payee / Description	Amount
ACH	ICMA RETIREMENT TRUST 401 P/R 3 2/3 Exec Deferred Comp Ded HR 0049900	8,360.76
	ICMA RETIREMENT TRUST 401 \$	8,360.76
ACH	AQUA BEN CORPORATION RP1-18,400 Lbs Polymer 750A 35334	24,695.27
	AQUA BEN CORPORATION \$	24,695.27
ACH	LASER LINE HQ-Svc HP CP3525-FuserDrive/ExitDrive As 29242 419.85 RP1-Svc HP CP6015,Paper Input Unit 29235 357.07 RP1-Svc Konica Bizhub 200 29231 139.95 RP1-Svc HP CP6015,Fuser Unit 29220 642.75 HQB-Svc HP P3015 29218 109.95	
	LASER LINE \$	1,669.57
ACH	NAPA GENUINE PARTS COMPANY Napa Battery, Core Deposit 212111 1,702.17 2 Batteries,Core Deposits 212291 311.28	
	NAPA GENUINE PARTS COMPANY \$	2,013.45
ACH	SANTA ANA WATERSHED December 2016 Truck Discharge 8975 1,139.16	
	SANTA ANA WATERSHED \$	1,139.16
ACH	DEZURIK INC 1 - Surge Relief Globe Valve RPI/63000081 7,918.55	
	DEZURIK INC \$	7,918.55
ACH	GENESIS CONSTRUCTION EN16019-Pipe Replacement 16584101 T&M 2,624.20 EN16019-Modify Safety Ramps 102 880.00 EN16019-Safety Ramps 101 7,900.00	
	GENESIS CONSTRUCTION \$	11,404.20
ACH	MCMMASTER-CARR SUPPLY CO Rack and Conveyor Netting 10230210 1,105.12 SS Compression Tube Fitting 10170020 185.18	
	MCMMASTER-CARR SUPPLY CO \$	1,290.30
ACH	LA OPINION PI-Water Conservation Ad-12/12-12/25 Ads 107291216 2,650.00	
	LA OPINION \$	2,650.00
ACH	GK & ASSOCIATES INC 46-2054-11/16 Prof Svcs 16-077 19,520.00 46-2054-11/16 Prof Svcs 16-078 12,800.00 46-2054-11/16 Prof Svcs 16-080 19,520.00 46-2054-11/16 Prof Svcs 16-079 14,560.00	

Check	Payee / Description	Amount
	GK & ASSOCIATES INC	\$ 66,400.00
ACH	DANRAE, INC EN16024-12/16 Professional Services 149664	2,555.00
	DANRAE, INC	\$ 2,555.00
ACH	YORK RISK SERVICES GROUP INC 1/17-3/17W/C Adm Fee - 1Q17 500015381	4,488.75
	YORK RISK SERVICES GROUP INC	\$ 4,488.75
ACH	SHELL ENERGY NORTH AMERICA LP CCWRP/TP/RWPS-12/1-12/31 14950 Tlphn 9/1 2046 12/16 36,150.75 RP2/RP5-12/1-12/31 16400 El Prado Rd 9/ 2044 12/16 7,451.11 RP1-12/1-12/31 2450 Phila St 9/1-9/30 A 2042 12/16 103,354.55	
	SHELL ENERGY NORTH AMERICA LP	\$ 146,956.41
ACH	SOLAR STAR CALIFORNIA V LLC RP5/TP5/HQA/B-12/1-12/31 6075 Kimball Av M0614-1040385 8,765.03 CCWRP/TP/RWPS-12/1-12/31 14950 Telephone M0613-1040384 7,206.21 RP1-12/1-12/31 2450 Phila St M0616-1040387 1,902.47 RP1-12/1-12/31 2450 Phila St M0615-1040386 10,113.89	
	SOLAR STAR CALIFORNIA V LLC	\$ 27,987.60
ACH	IEUA EMPLOYEES' ASSOCIATION P/R 3 2/3 Employee Ded HR 0049900 186.00	
	IEUA EMPLOYEES' ASSOCIATION	\$ 186.00
ACH	IEUA SUPERVISORS UNION ASSOCIA P/R 3 2/3 Employee Ded HR 0049900 405.00	
	IEUA SUPERVISORS UNION ASSOCIAS	\$ 405.00
ACH	IEUA GENERAL EMPLOYEES ASSOCIA P/R 3 2/3 Employee Ded HR 0049900 1,131.60	
	IEUA GENERAL EMPLOYEES ASSOCIAS	\$ 1,131.60
ACH	IEUA PROFESSIONAL EMPLOYEES AS P/R 3 2/3 Employee Ded HR 0049900 440.00	
	IEUA PROFESSIONAL EMPLOYEES ASS	\$ 440.00
ACH	DISCOVERY BENEFITS INC P/R 3 2/3 Cafeteria Plan HR 0049900 3,244.33	
	DISCOVERY BENEFITS INC	\$ 3,244.33
ACH	AQUA BEN CORPORATION RP2-18,400 Lbs Polymer 748E 35355 16,257.32 RP1-18,400 Lbs Polymer 750A 35351 24,695.27	
	AQUA BEN CORPORATION	\$ 40,952.59

Check	Payee / Description	Amount
ACH	LASER LINE Inv-Toner Cartiridges	29284 913.39
	LASER LINE	\$ 913.39
ACH	NAPA GENUINE PARTS COMPANY Impact Wrench,Alternator,80 Fuses,Core D 815704 2 Napa Batteries, Core Deposits	1,224.86 212682 566.05
	NAPA GENUINE PARTS COMPANY	\$ 1,790.91
ACH	UNIVAR USA INC TP1-13,132 Lbs Sodium Bisulfite LA502105 CCWRP-12,396 Lbs Sodium Bisulfite LA509272 TP1-13,393 Lbs Sodium Bisulfite LA508575 TP1-13,580 Lbs Sodium Bisulfite LA509269 PradoLS-13,003 Lbs Sodium Bisulfite LA504781 CCWRP-13,292 Lbs Sodium Bisulfite LA504970 TP1-12,487 Lbs Sodium Bisulfite LA505286 TP1-12,977 Lbs Sodium Bisulfite LA503885 RP5-13,112 Lbs Sodium Bisulfite LA503886 RP5-13,388 Lbs Sodium Bisulfite LA508574 TP1-13,425 Lbs Sodium Bisulfite LA507275 TP1-13,302 Lbs Sodium Bisulfite LA505344 TP1-13,452 Lbs Sodium Bisulfite LA506861 TP1-11,951 Lbs Sodium Bisulfite LA502800 TP1-13,106 Lbs Sodium Bisulfite LA502480 RP1-13,231 Lbs Sodium Bisulfite LA286030 TP1-12,495 Lbs Sodium Bisulfite LA500009	2,842.23 2,676.57 2,892.04 2,932.38 2,814.31 2,876.85 2,696.37 2,808.72 2,837.76 2,890.89 2,898.96 2,872.42 2,904.72 2,586.48 2,836.64 2,863.65 2,704.32
	UNIVAR USA INC	\$ 47,935.31
ACH	WESTERN MUNICIPAL WATER DISTRI WR16011-11/1/16-11/30/16 215 Sprinkler N IEUA-1223	900.00
	WESTERN MUNICIPAL WATER DISTRI\$	900.00
ACH	CHINO BASIN DESALTER AUTHORITY CDA-Wellfield Development-Wells 1,2,3-In 325	120,367.49
	CHINO BASIN DESALTER AUTHORITY\$	120,367.49
ACH	OLIN CORP TP1-4,992 Gals Sodium Hypochlorite 2266160 TP1-4,890 Gals Sodium Hypochlorite 2266444 RP4-2,992 Gals Sodium Hypochlorite 2266445 TP1-4,900 Gals Sodium Hypochlorite 2266998 TP1-4,934 Gals Sodium Hypochlorite 2267582 CCWRP-2,972 Gals Sodium Hypochlorite 2267583 RP5-4,934 Gals Sodium Hypochlorite 2268204 CCWRP-2,998 Gals Sodium Hypochlorite 2266161	2,845.44 2,787.30 1,705.44 2,793.00 2,812.38 1,694.04 2,812.38 1,708.86
	OLIN CORP	\$ 19,158.84
ACH	DAVE'S PLUMBING WR16017-1/2017 Replace PRV, Adjustment P 5122	120.00
	DAVE'S PLUMBING	\$ 120.00

Check	Payee / Description	Amount
ACH	RUBY CANYON ENGINEERING 12/8 Greenhouse Gas Inventory Verificati RCE 16-341	3,150.00
	RUBY CANYON ENGINEERING \$	3,150.00
ACH	KAMBRIAN CORPORATION EN17043/EN17110-OUGB IronKey Fl Dr Works 13323 EN17043/EN17110-OB Win E3 SGLOLP NL,Win 13318	821.70 1,892.95
	KAMBRIAN CORPORATION \$	2,714.65
ACH	SHELL ENERGY NORTH AMERICA LP 12/16 Gas Commodity-Non Core 2882389 12/16 Gas Cmmnty-Core,10/16 Adj 1100002880312	5,277.63 822.79
	SHELL ENERGY NORTH AMERICA LP \$	6,100.42
ACH	IEUA EMPLOYEES' ASSOCIATION HR 0050000	12.00
	IEUA EMPLOYEES' ASSOCIATION \$	12.00
ACH	ICMA RETIREMENT TRUST 457 P/R 4 2/17/17 Deferred Comp Ded 021717 P/R 4 2/17/17 Deferred Comp Ded HR 0050100	200.00 14,773.39
	ICMA RETIREMENT TRUST 457 \$	14,973.39
ACH	LINCOLN NATIONAL LIFE INS CO P/R 4 2/17/17 Deferred Comp Ded HR 0050100	47,877.72
	LINCOLN NATIONAL LIFE INS CO \$	47,877.72
ACH	ICMA RETIREMENT TRUST 401 P/R 4 2/17/17 Exec Deferred Comp Ded HR 0050100	8,668.25
	ICMA RETIREMENT TRUST 401 \$	8,668.25
ACH	AQUA BEN CORPORATION RP1-20,700 Lbs Polymer 750A 35370	27,782.17
	AQUA BEN CORPORATION \$	27,782.17
ACH	SANTA ANA WATERSHED December 2016 Service 8984	153,930.66
	SANTA ANA WATERSHED \$	153,930.66
ACH	MCMASTER-CARR SUPPLY CO Battery, Quick Disconnect Terminals 12995660	410.72
	MCMASTER-CARR SUPPLY CO \$	410.72
ACH	INLAND EMPIRE REGIONAL 12/16 Biosolids 90019402	276,996.50
	INLAND EMPIRE REGIONAL \$	276,996.50
ACH	PARSONS WATER & INFRASTRUCTURE	



Check	Payee / Description	Amount
	EN16028/EN16025-11/5-12/2 Prof Svcs      1612B145	92,405.04
	PARSONS WATER & INFRASTRUCTURES	92,405.04
ACH	PEST OPTIONS INC CCP/HQ 6/24,7/18,7/28,8/11,8/25,9/8 Duck 269536 December 2016 GWR Weed Abatement Service 269687 December 2016 Weed Abatement Services 267514	3,225.00 5,916.00 2,920.48
	PEST OPTIONS INC      \$	12,061.48
ACH	OLIN CORP RP4-3,006 Gals Sodium Hypochlorite 2268205 RP5-4,934 Gals Sodium Hypochlorite 2271121 RP4-2,472 Gals Sodium Hypochlorite 2271122 CCWRP-4,638 Gals Sodium Hypochlorite 2271918 CCWRP-2,916 Gals Sodium Hypochlorite 2272666	1,713.42 2,812.38 1,409.04 2,643.66 1,662.12
	OLIN CORP      \$	10,240.62
ACH	DANRAE, INC EN15008-12/16 Professional Services 149665	1,837.50
	DANRAE, INC      \$	1,837.50
ACH	IEUA EMPLOYEES' ASSOCIATION P/R 4 2/17/17 Employee Ded      HR      0050100	186.00
	IEUA EMPLOYEES' ASSOCIATION      \$	186.00
ACH	IEUA SUPERVISORS UNION ASSOCIA P/R 4 2/17/17 Employee Ded      HR      0050100	360.00
	IEUA SUPERVISORS UNION ASSOCIAS      \$	360.00
ACH	IEUA GENERAL EMPLOYEES ASSOCIA P/R 4 2/17/17 Employee Ded      HR      0050100	1,131.60
	IEUA GENERAL EMPLOYEES ASSOCIAS      \$	1,131.60
ACH	IEUA PROFESSIONAL EMPLOYEES AS P/R 4 2/17/17 Employee Ded      021717 P/R 4 2/17/17 Employee Ded      HR      0050100	10.00 460.00
	IEUA PROFESSIONAL EMPLOYEES ASS      \$	470.00
ACH	DISCOVERY BENEFITS INC P/R 4 2/17/17 Cafeteria Plan      HR      0050100 P/R 4 2/17/17 Cafeteria Plan      021717	3,072.61 106.25
	DISCOVERY BENEFITS INC      \$	3,178.86
ACH	ICMA RETIREMENT TRUST 457 Reim-Loan Overpayment for Plan 303647      303647 REFUND	317.59
	ICMA RETIREMENT TRUST 457      \$	317.59
ACH	DISCOVERY BENEFITS INC January 2017 Admin Fees      0000725187-IN	171.00



Check	Payee / Description	Amount
	December 2016 Admin Fees	147.25
	0000715931-IN	
	DISCOVERY BENEFITS INC	\$ 318.25
ACH	AQUA BEN CORPORATION	
	DAFT-9,200 Lbs Polymer 748E	35410 8,128.66
	RP1-20,700 Lbs Polymer 750A	35390 27,782.17
	AQUA BEN CORPORATION	\$ 35,910.83
ACH	LASER LINE	
	IS17008-3 HP Laserjet CP4025DN Printers	29304 3,406.55
	IS17008-HP Laserjet CP4025DN Printers	29305 1,135.52
	LASER LINE	\$ 4,542.07
ACH	NAPA GENUINE PARTS COMPANY	
	2 Air Filters	214469 112.88
	Filter	214392 117.11
	Tank Cap	214060 34.39
	NAPA GENUINE PARTS COMPANY	\$ 264.38
ACH	THATCHER COMPANY OF CALIFORNIA	
	CCWRP-45,380 Lbs Aluminum Sulfate	242815 3,973.68
	THATCHER COMPANY OF CALIFORNIA	\$ 3,973.68
ACH	WESTERN MUNICIPAL WATER DISTRI	
	WR16011-12/1/16-12/31/16 88 Sprinkler No IEUA-1272	316.80
	WESTERN MUNICIPAL WATER DISTRI	\$ 316.80
ACH	AGRICULTURAL RESOURCES	
	3/17 Wtr Quality Consult	3/17 WTR QLTY 3,500.00
	AGRICULTURAL RESOURCES	\$ 3,500.00
ACH	DLT SOLUTIONS	
	AutoCAD Civil 3D,AutoCAD Electrical Main SI347645	7,440.00
	DLT SOLUTIONS	\$ 7,440.00
ACH	INLAND EMPIRE REGIONAL	
	1/17 Biosolids	90019539 314,922.30
	INLAND EMPIRE REGIONAL	\$ 314,922.30
ACH	SUNGARD AVAILABILITY SERVICES	
	12/16-2/17 Disaster Recovery Svc	152637302 12,456.00
	SUNGARD AVAILABILITY SERVICES	\$ 12,456.00
ACH	KAMBRIAN CORPORATION	
	EE&CM/RP4-64GB Data Traveler Certified W 13344	272.63
	EE&CM/RP4-64GB Data Traveler Certified W 13420	272.63
	KAMBRIAN CORPORATION	\$ 545.26

Check	Payee / Description	Amount
ACH	EVOQUA WATER TECHNOLOGIES LLC Replace Filter on Rental DI Tank	902952154 70.96
	EVOQUA WATER TECHNOLOGIES LLC \$	70.96
ACH	WEST COAST ADVISORS 1/17 Prof Svcs	10627 9,800.00
	WEST COAST ADVISORS \$	9,800.00
ACH	KEMP BROS CONSTRUCTION INC EN15008-1/17 Pay Est 5	PE 5-EN15008 382,356.93
	KEMP BROS CONSTRUCTION INC \$	382,356.93
ACH	PREFERRED BENEFIT INSURANCE 2/17 Agency Dental Plan	EIA1944 15,182.70
	PREFERRED BENEFIT INSURANCE \$	15,182.70
ACH	ESTRADA, JIMMIE J Reim Monthly Health Prem	HEALTH PREM 472.96
	ESTRADA, JIMMIE J \$	472.96
ACH	LICHTI, ALICE Reim Monthly Health Prem	HEALTH PREM 172.48
	LICHTI, ALICE \$	172.48
ACH	MORASSE, EDNA Reim Monthly Health Prem	HEALTH PREM 172.48
	MORASSE, EDNA \$	172.48
ACH	NOWAK, THEO T Reim Monthly Health Prem	HEALTH PREM 472.96
	NOWAK, THEO T \$	472.96
ACH	SONNENBURG, ILSE Reim Monthly Health Prem	HEALTH PREM 172.48
	SONNENBURG, ILSE \$	172.48
ACH	DYKSTRA, BETTY Reim Monthly Health Prem	HEALTH PREM 172.48
	DYKSTRA, BETTY \$	172.48
ACH	MUELLER, CAROLYN Reim Monthly Health Prem	HEALTH PREM 172.48
	MUELLER, CAROLYN \$	172.48
ACH	GRIFFIN, GEORGE Reim Monthly Health Prem	HEALTH PREM 172.48
	GRIFFIN, GEORGE \$	172.48

Check	Payee / Description	Amount
ACH	CANADA, ANGELA Reim Monthly Health Prem	HEALTH PREM 172.48
	CANADA, ANGELA	\$ 172.48
ACH	CUPERSMITH, LEIZAR Reim Monthly Health Prem	HEALTH PREM 172.48
	CUPERSMITH, LEIZAR	\$ 172.48
ACH	DELGADO-ORAMAS JR, JOSE Reim Monthly Health Prem	HEALTH PREM 300.48
	DELGADO-ORAMAS JR, JOSE	\$ 300.48
ACH	GRANGER, BRANDON Reim Monthly Health Prem	HEALTH PREM 150.24
	GRANGER, BRANDON	\$ 150.24
ACH	GADDY, CHARLES L Reim Monthly Health Prem	HEALTH PREM 150.24
	GADDY, CHARLES L	\$ 150.24
ACH	BAKER, CHRIS Reim Monthly Health Prem	HEALTH PREM 22.24
	BAKER, CHRIS	\$ 22.24
ACH	WEBB, DANNY C Reim Monthly Health Prem	HEALTH PREM 128.00
	WEBB, DANNY C	\$ 128.00
ACH	HUMPHREYS, DEBORAH E Reim Monthly Health Prem	HEALTH PREM 150.24
	HUMPHREYS, DEBORAH E	\$ 150.24
ACH	MOUAT, FREDERICK W Reim Monthly Health Prem	HEALTH PREM 150.24
	MOUAT, FREDERICK W	\$ 150.24
ACH	MORGAN, GARTH W Reim Monthly Health Prem	HEALTH PREM 128.00
	MORGAN, GARTH W	\$ 128.00
ACH	ALLINGHAM, JACK Reim Monthly Health Prem	HEALTH PREM 22.24
	ALLINGHAM, JACK	\$ 22.24
ACH	MAZUR, JOHN Reim Monthly Health Prem	HEALTH PREM 437.19

Check	Payee / Description	Amount
	MAZUR, JOHN	\$ 437.19
ACH	RUDDER, LARRY Reim Monthly Health Prem	HEALTH PREM 22.24
	RUDDER, LARRY	\$ 22.24
ACH	INTERLICCHIA, RANDY Reim Monthly Health Prem	HEALTH PREM 128.00
	INTERLICCHIA, RANDY	\$ 128.00
ACH	HAMILTON, MARIA Reim Monthly Health Prem	HEALTH PREM 128.00
	HAMILTON, MARIA	\$ 128.00
ACH	PICENO, TONY Reim Monthly Health Prem	HEALTH PREM 172.48
	PICENO, TONY	\$ 172.48
ACH	RAMOS, CAROL Reim Monthly Health Prem	HEALTH PREM 22.24
	RAMOS, CAROL	\$ 22.24
ACH	FISHER, JAY Reim Monthly Health Prem	HEALTH PREM 128.00
	FISHER, JAY	\$ 128.00
ACH	KING, PATRICK Reim Monthly Health Prem	HEALTH PREM 22.24
	KING, PATRICK	\$ 22.24
ACH	HOWARD, ROBERT JAMES Reim Monthly Health Prem	HEALTH PREM 22.24
	HOWARD, ROBERT JAMES	\$ 22.24
ACH	DIETZ, JUDY Reim Monthly Health Prem	HEALTH PREM 128.00
	DIETZ, JUDY	\$ 128.00
ACH	DAVIS, GEORGE Reim Monthly Health Prem	HEALTH PREM 150.24
	DAVIS, GEORGE	\$ 150.24
ACH	MONZAVI, TAGHI Reim Monthly Health Prem	HEALTH PREM 22.24
	MONZAVI, TAGHI	\$ 22.24
ACH	PETERSEN, KENNETH Reim Monthly Health Prem	HEALTH PREM 172.48

Check	Payee / Description	Amount
	PETERSEN, KENNETH	\$ 172.48
ACH	TRAUTERMAN, HELEN Reim Monthly Health Prem	HEALTH PREM 172.48
	TRAUTERMAN, HELEN	\$ 172.48
ACH	TIEGS, KATHLEEN Reim Monthly Health Prem	HEALTH PREM 874.37
	TIEGS, KATHLEEN	\$ 874.37
ACH	DIGGS, GEORGE Reim Monthly Health Prem	HEALTH PREM 772.02
	DIGGS, GEORGE	\$ 772.02
ACH	HAYES, KENNETH Reim Monthly Health Prem	HEALTH PREM 472.96
	HAYES, KENNETH	\$ 472.96
ACH	HUNTON, STEVE Reim Monthly Health Prem	HEALTH PREM 150.24
	HUNTON, STEVE	\$ 150.24
ACH	RODRIGUEZ, LOUIS Reim Monthly Health Prem	HEALTH PREM 150.24
	RODRIGUEZ, LOUIS	\$ 150.24
ACH	VARBEL, VAN Reim Monthly Health Prem	HEALTH PREM 573.89
	VARBEL, VAN	\$ 573.89
ACH	CLIFTON, NEIL Reim Monthly Health Prem	HEALTH PREM 445.89
	CLIFTON, NEIL	\$ 445.89
ACH	DELGADO, FRANCOIS Reim Monthly Health Prem	HEALTH PREM 128.00
	DELGADO, FRANCOIS	\$ 128.00
ACH	WELLMAN, JOHN THOMAS Reim Monthly Health Prem	HEALTH PREM 573.89
	WELLMAN, JOHN THOMAS	\$ 573.89
ACH	SPEARS, SUSAN Reim Monthly Health Prem	HEALTH PREM 20.62
	SPEARS, SUSAN	\$ 20.62
ACH	TROXEL, WYATT	

Check	Payee / Description		Amount
	Reim Monthly Health Prem	HEALTH PREM	172.48
	TROXEL, WYATT	\$	172.48
ACH	CORLEY, WILLIAM Reim Monthly Health Prem	HEALTH PREM	437.19
	CORLEY, WILLIAM	\$	437.19
ACH	CALLAHAN, CHARLES Reim Monthly Health Prem	HEALTH PREM	342.34
	CALLAHAN, CHARLES	\$	342.34
ACH	LESNIAKOWSKI, NORBERT Reim Monthly Health Prem	HEALTH PREM	172.48
	LESNIAKOWSKI, NORBERT	\$	172.48
ACH	VER STEEG, ALLEN J Reim Monthly Health Prem	HEALTH PREM	470.34
	VER STEEG, ALLEN J	\$	470.34
ACH	HACKNEY, GARY Reim Monthly Health Prem	HEALTH PREM	437.19
	HACKNEY, GARY	\$	437.19
ACH	CAREL, LARRY Reim Monthly Health Prem	HEALTH PREM	22.24
	CAREL, LARRY	\$	22.24
ACH	TOL, HAROLD Reim Monthly Health Prem	HEALTH PREM	322.01
	TOL, HAROLD	\$	322.01
ACH	BANKSTON, GARY Reim Monthly Health Prem	HEALTH PREM	471.54
	BANKSTON, GARY	\$	471.54
ACH	ATWATER, RICHARD Reim Monthly Health Prem	HEALTH PREM	128.00
	ATWATER, RICHARD	\$	128.00
ACH	FIESTA, PATRICIA Reim Monthly Health Prem	HEALTH PREM	450.01
	FIESTA, PATRICIA	\$	450.01
ACH	DIGGS, JANET Reim Monthly Health Prem	HEALTH PREM	900.02
	DIGGS, JANET	\$	900.02

Check	Payee / Description	Amount
ACH	CARAZA, TERESA Reim Monthly Health Prem	HEALTH PREM 158.95
	CARAZA, TERESA	\$ 158.95
ACH	ANDERSON, JOHN Reim Monthly Health Prem	HEALTH PREM 472.96
	ANDERSON, JOHN	\$ 472.96
ACH	SANTA CRUZ, JACQUELYN Reim Monthly Health Prem	HEALTH PREM 779.40
	SANTA CRUZ, JACQUELYN	\$ 779.40
ACH	HECK, ROSELYN Reim Monthly Health Prem	HEALTH PREM 22.24
	HECK, ROSELYN	\$ 22.24
ACH	SOPICKI, LEO Reim Monthly Health Prem	HEALTH PREM 300.48
	SOPICKI, LEO	\$ 300.48
ACH	HERNANDEZ, BENJAMIN Reim Monthly Health Prem	HEALTH PREM 322.01
	HERNANDEZ, BENJAMIN	\$ 322.01
ACH	GOSE, ROSEMARY Reim Monthly Health Prem	HEALTH PREM 128.00
	GOSE, ROSEMARY	\$ 128.00
ACH	KEHL, BARRETT Reim Monthly Health Prem	HEALTH PREM 128.00
	KEHL, BARRETT	\$ 128.00
ACH	RITCHIE, JANN Reim Monthly Health Prem	HEALTH PREM 128.00
	RITCHIE, JANN	\$ 128.00
ACH	LONG, ROCKWELL DEE Reim Monthly Health Prem	HEALTH PREM 445.89
	LONG, ROCKWELL DEE	\$ 445.89
ACH	FATTAHI, MIR Reim Monthly Health Prem	HEALTH PREM 128.00
	FATTAHI, MIR	\$ 128.00
ACH	VERGARA, FLORENTINO Reim Monthly Health Prem	HEALTH PREM 300.48
	VERGARA, FLORENTINO	\$ 300.48



Check	Payee / Description	Amount
ACH	WARMAN, RALPH Reim Monthly Health Prem	HEALTH PREM 172.48
	WARMAN, RALPH	\$ 172.48
ACH	ROGERS, SHIRLEY Reim Monthly Health Prem	HEALTH PREM 175.48
	ROGERS, SHIRLEY	\$ 175.48
ACH	WALL, DAVID Reim Monthly Health Prem	HEALTH PREM 286.95
	WALL, DAVID	\$ 286.95
ACH	CHUNG, MICHAEL Reim Monthly Health Prem	HEALTH PREM 150.24
	CHUNG, MICHAEL	\$ 150.24
ACH	ADAMS, PAMELA Reim Monthly Health Prem	HEALTH PREM 172.48
	ADAMS, PAMELA	\$ 172.48
ACH	BLASINGAME, MARY Reim Monthly Health Prem	HEALTH PREM 1,019.78
	BLASINGAME, MARY	\$ 1,019.78
ACH	ANDERSON, KENNETH Reim Monthly Health Prem	HEALTH PREM 22.24
	ANDERSON, KENNETH	\$ 22.24
ACH	MOE, JAMES Reim Monthly Health Prem	HEALTH PREM 22.24
	MOE, JAMES	\$ 22.24
ACH	POLACEK, KEVIN Reim Monthly Health Prem	HEALTH PREM 746.06
	POLACEK, KEVIN	\$ 746.06
ACH	ELROD, SONDRRA Reim Monthly Health Prem	HEALTH PREM 286.95
	ELROD, SONDRRA	\$ 286.95
ACH	FRAZIER, JACK Reim Monthly Health Prem	HEALTH PREM 171.77
	FRAZIER, JACK	\$ 171.77
ACH	HOAK, JAMES Reim Monthly Health Prem	HEALTH PREM 128.00



Check	Payee / Description	Amount
	HOAK, JAMES	\$ 128.00
ACH	DEZHAM, PARIVASH Reim Monthly Health Prem	HEALTH PREM 171.77
	DEZHAM, PARIVASH	\$ 171.77
ACH	FOLEY III, DANIEL J. Reim Monthly Health Prem	HEALTH PREM 158.95
	FOLEY III, DANIEL J.	\$ 158.95
ACH	CLEVELAND, JAMES Reim Monthly Health Prem	HEALTH PREM 128.00
	CLEVELAND, JAMES	\$ 128.00
ACH	LANGNER, CAMERON Reim Monthly Health Prem	HEALTH PREM 238.70
	LANGNER, CAMERON	\$ 238.70
ACH	HAMILTON, LEANNE Reim Monthly Health Prem	HEALTH PREM 158.95
	HAMILTON, LEANNE	\$ 158.95
ACH	HOOSHMAND, RAY Reim Monthly Health Prem	HEALTH PREM 128.00
	HOOSHMAND, RAY	\$ 128.00
ACH	SCHLAPKOHL, JACK Reim Monthly Health Prem	HEALTH PREM 128.00
	SCHLAPKOHL, JACK	\$ 128.00
ACH	POOLE, PHILLIP Reim Monthly Health Prem	HEALTH PREM 171.77
	POOLE, PHILLIP	\$ 171.77
ACH	ADAMS, BARBARA Reim Monthly Health Prem	HEALTH PREM 150.24
	ADAMS, BARBARA	\$ 150.24
ACH	RUESCH, GENECE Reim Monthly Health Prem	HEALTH PREM 481.35
	RUESCH, GENECE	\$ 481.35
ACH	VANDERPOOL, LARRY Reim Monthly Health Prem	HEALTH PREM 471.54
	VANDERPOOL, LARRY	\$ 471.54
ACH	AMBROSE, JEFFREY Reim Monthly Health Prem	HEALTH PREM 573.89

Check	Payee / Description	Amount
	AMBROSE, JEFFREY	\$ 573.89
ACH	MERRILL, DIANE Reim Monthly Health Prem	HEALTH PREM 286.95
	MERRILL, DIANE	\$ 286.95
ACH	HOUSER, ROD Reim Monthly Health Prem	HEALTH PREM 620.58
	HOUSER, ROD	\$ 620.58
ACH	RUSSO, VICKI Reim Monthly Health Prem	HEALTH PREM 158.95
	RUSSO, VICKI	\$ 158.95
ACH	HUSS, KERRY Reim Monthly Health Prem	HEALTH PREM 445.89
	HUSS, KERRY	\$ 445.89
ACH	BINGHAM, GREGG Reim Monthly Health Prem	HEALTH PREM 618.06
	BINGHAM, GREGG	\$ 618.06
ACH	CHARLES, DAVID Reim Monthly Health Prem	HEALTH PREM 128.00
	CHARLES, DAVID	\$ 128.00
ACH	YEBOAH, ERNEST Reim Monthly Health Prem	HEALTH PREM 128.00
	YEBOAH, ERNEST	\$ 128.00
ACH	ALVARADO, ROSEMARY Reim Monthly Health Prem	HEALTH PREM 185.89
	ALVARADO, ROSEMARY	\$ 185.89
ACH	BARELA, GEORGE Reim Monthly Health Prem	HEALTH PREM 128.00
	BARELA, GEORGE	\$ 128.00
ACH	FETZER, ROBERT Reim Monthly Health Prem	HEALTH PREM 746.06
	FETZER, ROBERT	\$ 746.06
ACH	DAVIS, MARTHA Reim Monthly Health Prem	HEALTH PREM 476.85
	DAVIS, MARTHA	\$ 476.85
Wire	PUBLIC EMPLOYEE'S RETIREMENT S	

Check	Payee / Description		Amount
	P/R 3 2/3 Deferred Comp Ded	HR 0049900	20,328.34
			- - - - -
	PUBLIC EMPLOYEE'S RETIREMENT SS		20,328.34
Wire	STATE DISBURSEMENT UNIT		
	P/R 3 2/3	HR 0049900	1,145.06
		HR 0049900	198.00
			- - - - -
	STATE DISBURSEMENT UNIT	\$	1,343.06
Wire	STATE BOARD OF EQUALIZATION		
	1/17 Sales Tax Deposit	23784561 1/17	7,414.00
			- - - - -
	STATE BOARD OF EQUALIZATION	\$	7,414.00
Wire	PUBLIC EMPLOYEE'S RETIREMENT S		
	P/R 4 2/17/17 Deferred Comp Ded	HR 0050100	20,363.33
			- - - - -
	PUBLIC EMPLOYEE'S RETIREMENT SS		20,363.33
Wire	STATE DISBURSEMENT UNIT		
	P/R 4 2/17/17	HR 0050100	1,145.06
	P/R 4 2/17/17	HR 0050100	198.00
			- - - - -
	STATE DISBURSEMENT UNIT	\$	1,343.06
Wire	PUBLIC EMPLOYEES RETIREMENT SY		
	P/R 4 2/17/17 PERS	P/R 4 2/17 AD	1,437.50
	P/R 4 2/17/17 PERS	P/R 4 2/17 AD	142.74
	P/R 4 2/17/17 PERS	HR 0050100	267,256.26
			- - - - -
	PUBLIC EMPLOYEES RETIREMENT SY\$		268,836.50
Wire	PUBLIC EMPLOYEES' RETIREMENT S		
	2/17 Health Ins-Retirees,Board,Employees 2209 2/17		249,709.13
			- - - - -
	PUBLIC EMPLOYEES' RETIREMENT SS		249,709.13
Wire	METROPOLITAN WATER DISTRICT		
	December 2016 Water Purchase	8894	1,246,920.72
			- - - - -
	METROPOLITAN WATER DISTRICT	\$	1,246,920.72
Wire	PUBLIC EMPLOYEES RETIREMENT SY		
	P/R 3 2/3 PERS	HR 0049900	271,132.28
	P/R 3 2/3 PERS Adj	PR 020317 ADJ	0.07
			- - - - -
	PUBLIC EMPLOYEES RETIREMENT SY\$		271,132.35

Grand Total Payment Amount: \$ 6,299,762.33

# INLAND EMPIRE UTILITIES AGENCY

PAYROLL FOR FEBRUARY 3, 2017

PRESENTED AT BOARD MEETIN ON MARCH 15, 2017

GROSS PAYROLL COSTS			\$1,264,933.36
DEDUCTIONS			(\$565,375.95)
NET PAYROLL			<u>\$699,557.41</u>
<b>NET PAYROLL BREAKDOWN</b>	<b>CHECKS</b>	<b>EFT</b>	<b>TOTAL</b>
CHECKS USED	-		
TRANSACTION PROCESSED	0	357	357
AMOUNT	\$0.00	\$699,557.41	<u>\$699,557.41</u>

# INLAND EMPIRE UTILITIES AGENCY

## RATIFICATION OF BOARD OF DIRECTORS

PAYROLL FOR FEBRUARY 10, 2017  
PRESENTED AT BOARD MEETIN ON MARCH 15, 2017

DIRECTOR NAME	GROSS PAYROLL	NET PAYROLL
MICHAEL CAMACHO	\$2,250.00	\$1,319.62
STEVEN ELIE	\$1,575.00	\$680.82
JASMIN HALL	\$2,154.36	\$1,700.35
PAUL HOFER	\$0.00	\$0.00
KATHERINE PARKER	\$1,279.36	\$1,203.75
<b>TOTALS</b>	<b>\$7,258.72</b>	<b>\$4,904.54</b>

TOTAL EFTS PROCESSED	2
BEGINNNING CHECK NO.	105904
ENDING CHECK NO.	105905
TOTAL CHECKS PROCESSED	2

**IEUA DIRECTOR PAYSHEET**

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

**JANUARY 2017**

<b>DATE</b>	<b>TYPE OF MEETING</b>	<b>ATTENDANCE</b>	<b>TOTAL COMPENSATION</b>
01-04-17	IEUA Board Meeting	Yes	\$225.00
01-05-17	Southern Coalition/Inland Caucus Meeting	Yes	\$225.00
01-11-17	Public, Legislative Affairs and Water Resources Committee	Yes	\$225.00
01-11-17	Engineering, Operations and Biosolids Management Committee	Yes (same day)	\$-0-
01-12-17	Mtg. w/B. Bowcock re: IEUA Watermaster	Yes	\$225.00
01-18-17	IEUA Board Meeting	Yes	\$225.00
01-25-17	Telecon Mtg. w/ O Gonzalez re: Agency Business	Yes	\$225.00
<b>TOTAL REIMBURSEMENT</b> (Up to 10 days of service per month per Ordinance No. 83, including MWD meetings)			\$1,350.00
Total No. of Meetings Attended			7
Total No. of Meetings <b>Paid</b>			6

DIRECTOR  
SIGNATURE



Approved by:



Steven J. Elie  
President, Board of Directors

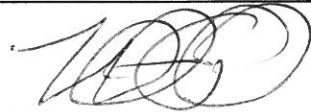
**DIRECTOR PAYSHEET FOR IEUA REPRESENTATIVE  
ON MWD BOARD**

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

**JANUARY 2017**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
01-09-17	MWD Standing Committee Meetings	Yes	\$225.00
01-10-17	MWD Standing Committee Meetings and Board Meeting	Yes	\$225.00
01-24-17	MWD other Committee Meetings	Yes	\$225.00
01-26-17	MWD Real Property & Asset Committee Telecon	Yes	\$225.00
<b>TOTAL REIMBURSEMENT</b> (Up to 10 days of service per month per Ordinance No. 83)			\$900.00
Total No. of Meetings Attended			4
Total No. of Meetings <b>Paid</b>			4

DIRECTOR  
SIGNATURE



Approved by:

  
 \_\_\_\_\_  
 Steven J. Elie  
 President, Board of Directors

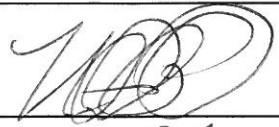
**DIRECTOR PAYSHEET FOR IEUA REPRESENTATIVE  
ON REGIONAL POLICY COMMITTEE (ALTERNATE)**

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

**JANUARY 2017**

<b>DATE</b>	<b>TYPE OF MEETING</b>	<b>ATTENDANCE</b>	<b>TOTAL COMPENSATION</b>
01-05-17	Regional Policy Committee Meeting.	(Cancelled)	\$-0-
<b>TOTAL REIMBURSEMENT</b>			\$-0-
Up to 10 days of service per month per Ordinance No. 73, Section 1 (d) (i.e., <b>\$125.00</b> – difference between <b>Regional Policy Committee</b> (\$100.00 and Agency meetings \$225.00) including Agency meetings			
Total No. of Meetings Attended			0
Total No. of Meetings <b>Paid</b>			0

**DIRECTOR  
SIGNATURE**



**Approved by:**



Steven J. Elie  
President, Board of Directors



**IEUA DIRECTOR PAYSHEET**

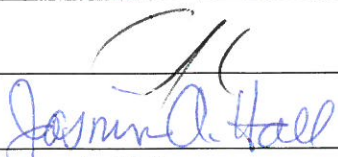
STEVEN J. ELIE  
 EMPLOYEE NO. 1175  
 ACCOUNT NO. 10200 110100 100000 501010

**JANUARY 2017**

<b>DATE</b>	<b>TYPE OF MEETING</b>	<b>ATTENDANCE</b>	<b>TOTAL COMPENSATION</b>
01-04-17	IEUA Board Meeting	Yes	\$225.00
01-10-17	NRWI Telecon Operations Committee meeting	Yes	\$225.00
01-11-17	Public, Legislative Affairs and Water Resources Committee	Yes	\$225.00
01-13-17	Board Agenda Review Meeting with General Counsel and GM	Yes	\$225.00
01-18-17	Board Meeting	Yes	\$225.00
01-27-17	Southern California Water Committee Luncheon	Yes	\$225.00
01-30-17	IEUA Executive Managers Weekly Meeting	Yes (staff)	\$-0-
01-31-17	Chino Hills meeting to discuss mutual business w/R Bartlam, Vice Mayor Rogers, N Majaj, GM Grindstaff, C Berch	Yes	\$225.00
<b>TOTAL REIMBURSEMENT</b> (Up to 10 days of service per month per Ordinance No. 83)			\$1,575.00
Total No. of Meetings Attended			8
Total No. of Meetings <b>Paid</b>			7

DIRECTOR  
SIGNATURE

Approved by:

  
 \_\_\_\_\_  
 Jasmin A. Hall  
 Secretary/Treasurer, Board of Directors

**DIRECTOR PAYSHEET FOR IEUA  
ON WATERMASTER BOARD**

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

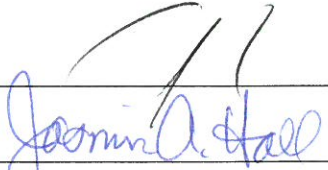
**JANUARY 2017**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
01-24-17	CBWM Agenda Preview	Yes*	\$-0-
01-26-17	CBWM Board Meeting	Yes*	\$-0-

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

**\*Decline IEUA portion**

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

Approved by:   
Jasmin A. Hall  
Secretary/Treasurer, Board of Directors

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

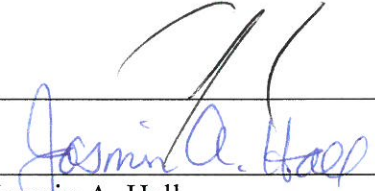
STEVEN J. ELIE  
EMPLOYEE NO. 1175  
ACCOUNT NO. 10200 110100 100000 501010

**JANUARY 2017**

<b>DATE</b>	<b>TYPE OF MEETING</b>	<b>ATTENDANCE</b>	<b>TOTAL COMPENSATION</b>
01-05-16	CDA Board Meeting	No	\$-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 <b>Paid</b>			0

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

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

  
Jasmin A. Hall  
Secretary/Treasurer, Board of Directors

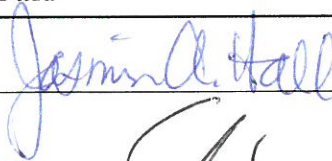
## IEUA DIRECTOR PAYSHEET

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

### JANUARY 2017

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
01-04-17	IEUA Board Meeting	Yes	\$225.00
01-18-17	IEUA Board Meeting	Yes	\$225.00
01-18-17	CASA Winter Conference	Yes (same day)	\$-0-
01-19-17	CASA Winter Conference	Yes	\$225.00
01-20-17	CASA Winter Conference	Yes (same day)	\$-0-
01-20-17	MWD Colorado River Inspection Tour	Yes	\$225.00
01-21-17	MWD Colorado River Inspection Tour	Yes	\$225.00
01-23-17	ASBCSD Dinner Meeting	Yes	\$225.00
01-26-17	Fontana State of the City Address	Yes	\$225.00
<b>TOTAL REIMBURSEMENT</b> (Up to 10 days of service per month per Ordinance No. 83)			\$1,575.00
Total No. of Meetings Attended			9
Total No. of Meetings <b>Paid</b>			7

DIRECTOR  
SIGNATURE



Approved by:

  
 Steven J. Elie  
 President, Board of Directors




DIRECTOR PAYSHEET FOR IEUA  
ON SAWPA COMMISSION

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

**JANUARY 2017**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
01-03-17	SAWPA Commission Workshop	Yes	\$27.18
01-10-17	SAWPA Special Commission Meeting	No	\$-0-
01-17-17	SAWPA Commission Meeting	Yes	\$27.18
<b>TOTAL REIMBURSEMENT</b>			\$54.36
Up to 10 days of service per month per Ordinance No. 83,  Section 1 (d) (i.e., <b>\$27.18</b> – difference between SAWPA (\$197.82 <i>eff. 2/16/16</i> ) and Agency meetings \$225.00 including Agency meetings			
Total No. of SAWPA Meetings Attended			2
Total No. of SAWPA Meetings <b>Paid</b>			2

DIRECTOR SIGNATURE 

Approved by:   
Steven J. Elie  
President, Board of Directors



**IEUA DIRECTOR PAYSHEET**

PAUL HOFER  
 EMPLOYEE NO. 1349  
 ACCOUNT NO. 10200 110100 100000 501010

**JANUARY 2017**

<b>DATE</b>	<b>TYPE OF MEETING</b>	<b>ATTENDANCE</b>	<b>TOTAL COMPENSATION</b>
01-04-17	IEUA Board Meeting	Yes	\$-0-
01-11-17	Finance, Legal & Administration Committee	Yes	\$-0-
01-18-17	IEUA Board Meeting	Yes	\$-0-
<b>TOTAL REIMBURSEMENT</b> (Up to 10 days of service per month per Ordinance No. 83)			\$-0-
Total No. of Meetings Attended			3
Total No. of Meetings <b>Paid</b>			0

DIRECTOR  
SIGNATURE

Approved by:

Steven J. Elie  
 President, Board of Directors

Director Hofer has waived all stipend payments.

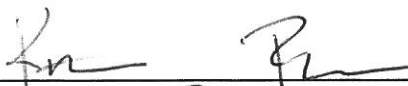
DIRECTOR PAYSHEET FOR IEUA REPRESENTATIVE  
ON REGIONAL POLICY COMMITTEE

KATI PARKER  
EMPLOYEE NO. 1362  
ACCOUNT NO. 10200 110100 100000 501010

**JANUARY 2017**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
01-05-17	Regional Policy Committee Meeting.	Cancelled	\$-0-
<b>TOTAL REIMBURSEMENT</b> Up to 10 days of service per month per Ordinance No. 73, Section 1 (d) (i.e., <b>\$125.00</b> – difference between <b>Regional Policy Committee</b> (\$100.00 and Agency meetings \$225.00) including Agency meetings			\$-0-
Total No. of Meetings Attended			0
Total No. of Meetings <b>Paid</b>			0

**DIRECTOR  
SIGNATURE**

  
\_\_\_\_\_

**Approved by:**

  
\_\_\_\_\_  
Steven J. Elie  
President, Board of Directors





**IEUA DIRECTOR PAYSHEET**

KATI PARKER  
 EMPLOYEE NO. 1362  
 ACCOUNT NO. 10200 1100100 100000 501010

**JANUARY 2017**

<b>DATE</b>	<b>TYPE OF MEETING</b>	<b>ATTENDANCE</b>	<b>TOTAL COMPENSATION</b>
01-04-17	IEUA Board Meeting	Yes	\$225.00
01-11-17	Finance, Legal and Administration Committee (Non-Committee member)	Yes	\$-0-
01-11-17	Engineering, Operations & Biosolids Mgmt Committee	Yes	\$225.00
01-18-17	IEUA Board Meeting	Yes	\$225.00
01-20-17	SAWPA By-Pass Line Removal Ceremony	Yes	\$225.00
01-25-17	Montclair Oversight Committee Meeting	Yes	\$225.00
<b>TOTAL REIMBURSEMENT</b>			\$1,125.00
Up to 10 days of service per month per Ordinance No. 83,  Section 1 (d) (i.e., <b>\$27.18</b> – difference between SAWPA (\$197.82 <i>eff. 2/16/16</i> ) and Agency meetings \$225.00 including Agency meetings			
Total No. of SAWPA Meetings Attended			6
Total No. of SAWPA Meetings <b>Paid</b>			5

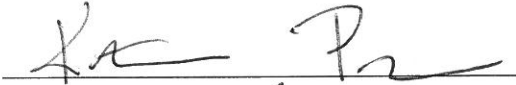
DIRECTOR SIGNATURE   
 Approved by:   
 Steven J. Elie  
 President, Board of Directors


DIRECTOR PAYSHEET FOR IEUA  
ON SAWPA COMMISSION (ALTERNATE)

KATI PARKER  
EMPLOYEE NO. 1362  
ACCOUNT NO. 10200 110100 100000 501010

**JANUARY 2017**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
01-10-17	Special SAWPA Commission Meeting	Yes	\$27.18
01-17-17	SAWPA Commission Meeting	Yes	\$27.18
01-30-17	SAWPA Orientation Meeting	Yes	\$-0-
<b>TOTAL REIMBURSEMENT</b>			\$54.36
Up to 10 days of service per month per Ordinance No. 83, Section 1 (d) (i.e., <b>\$27.18</b> – difference between SAWPA (\$197.82 <i>eff. 2/16/16</i> ) and Agency meetings \$225.00 including Agency meetings			
Total No. of SAWPA Meetings Attended			3
Total No. of SAWPA Meetings <b>Paid</b>			2

DIRECTOR SIGNATURE 

Approved by:   
Steven J. Elie  
President, Board of Directors

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

KATI PARKER  
 EMPLOYEE NO. 1362  
 ACCOUNT NO. 10200 110100 100000 501010

**JANUARY 2017**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
01-26-17	CBWM Board Meeting	Yes	\$100.00
<b>TOTAL REIMBURSEMENT</b>			\$100.00
Up to 10 days of service per month per Ordinance No. 83, Section 1 (d) (i.e., <b>\$100.00</b> – 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 <b>Paid</b>			1

DIRECTOR SIGNATURE 

Approved by:   
 Steven J. Elie  
 President, Board of Directors

# INLAND EMPIRE UTILITIES AGENCY

PAYROLL FOR FEBRUARY 17, 2017

PRESENTED AT BOARD MEETIN ON MARCH 15, 2017


GROSS PAYROLL COSTS			\$1,283,887.18
DEDUCTIONS			(\$592,524.25)
NET PAYROLL			\$691,362.93 <u>          </u>
<b>NET PAYROLL BREAKDOWN</b>	<b>CHECKS</b>	<b>EFT</b>	<b>TOTAL</b>
CHECKS USED	-		
TRANSACTION PROCESSED	0	357	357
AMOUNT	\$0.00	\$691,362.93	<u>\$691,362.93</u>


CONSENT  
CALENDAR  
ITEM

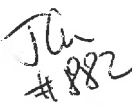
**2G**

Date: April 19, 2017

To: Honorable Board of Directors

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: Adoption of Resolution No. 2017-4-1, Approving the Update of the Agency's Investment Policy

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### **RECOMMENDATION**

It is recommended that the Board of Directors adopt Resolution No. 2017-4-1, approving the update of the Agency's Investment Policy for Fiscal Year 2017/18.

### **BACKGROUND**

The Investment Policy (Policy) establishes procedures and guidelines by which surplus funds can be managed in a prudent and fiscally-sound manner. The Policy encompasses those funds over which the Agency exercises fiscal control, stipulates allowable and unallowable investment alternatives, and establishes parameters for selecting broker/dealers and financial institutions with which the Agency may do business. The Policy also prioritizes the Agency's public funds management objectives: safety, liquidity, and yield. A summary of the policy elements objectives can be found in attachment A.

The Policy mandates an annual review and Board approval. The FY 2016/17 Investment Policy was updated and approved in May 2016. As the Agency's financial advisor, PFM Asset Management LLC reviewed the current policy and provided recommendations based on their expertise as an investment advisor to public agencies and their understanding of the best investment practices of public agencies nationwide and California in particular. The review focused on four key policy elements: compliance, comprehensiveness, balance, and clarity.

Overall, PFM found the Policy to be comprehensive, well written and in compliance with the California Government Code (CGC) Section 53600. PFM recommended to update the credit rating language used in the Policy to reflect the recent revision to the CGC which took effect on January 1,

2017, to clarify that the CGC's rating requirements specify the minimum credit rating category required at purchase without regard to "+", "-", or 1, 2, 3 modifiers. This change codifies the credit rating interpretation already used by most public agencies including IEUA.

The recommended changes are listed in Attachment B – Summary of Policy Change and have been incorporated in the proposed FY 2017/18 Policy Investment (Exhibit A) Section 8, Authorized and Suitable Investments, subsections C, D, E, I, M and N. Furthermore, Section 8K of the Local Government Investment Pools (LGIP) was changed to replace the \$20 million threshold to the maximum deposit established by each LGIP; consistent with investments to the California Local Agency Investment Fund.

While the Agency's investment strategy continues to use a buy and hold approach, which normally helps to maintain a more stable yield for the overall portfolio, given the likelihood that short-term interest rates are projected to increase gradually over time, the investment strategy will focus primarily in short-term investments with a maturity period of 3 years or less. Staff will continue to seek opportunities to lock in higher rates contingent upon the cash flow, in addition to adhering to the key investment objectives of safety and liquidity.

Attached for your consideration is a copy of the current Investment Policy (Exhibit A). Additionally, a listing of authorized broker/dealers is also provided as part of Exhibit E in the attached Investment Policy.

### **PRIOR BOARD ACTION**

On May 18, 2016, the Board of Directors adopted Resolution No. 2016-5-1, approving the Agency's Investment Policy for Fiscal Year 2016/17.

### **IMPACT ON BUDGET**

None.

#### **Attachments:**

Attachment A – Policy Objectives and Elements

Attachment B – Redlined Changes to the Investment Policy

Exhibit A – Investment Policy

Resolution No. 2017-4-1

### Attachment A- Policy Objectives and Elements

- **Safety:** Preservation of capital in the overall portfolio is the foremost objective.
- **Liquidity:** Investment portfolio will remain sufficiently liquid to enable the Agency to meet all anticipated operating requirements.
- **Yield:** Return on investments is of secondary importance; however, the investment portfolio shall be designed to attain a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and cash flow requirements.
- **Compliance:** At a minimum, an investment policy must comply with the requirements of the California Government Code (CGC) (§ 53600 et seq). The Board may impose additional requirements based on its investment objectives and preferences.
- **Comprehensiveness:** An investment policy should be comprehensive to ensure that the key aspects of the investment program are properly addressed.
- **Balance:** An investment policy should provide a balance between investment restrictions, which help protect the Agency's assets, and investment flexibility, which permits staff to adapt to changing market conditions and investment needs.
- **Clarity:** An investment policy should express the Board's investment objectives with sufficient clarity, so that staff, brokers/dealers and other interested participants clearly understand the investment policy's intent.



## Attachment B – SUMMARY OF POLICY CHANGE

The proposed changes to the FY 2017/18 Policy are summarized below:

### **SECTION 8.0 AUTHORIZED AND SUITABLE INVESTMENTS:**

IEUA's investments are governed by Government Code. Within the investments permitted by the Government Code, IEUA seeks to further restrict eligible investments to the investments listed below. In the event an apparent discrepancy is found between this Investment policy and the Government Code, the more restrictive parameters will take precedence. Percentage holding limits listed in this section apply at the date an investment is purchased. Credit ratings, as shown, specify the minimum credit rating category required at the point of purchase ~~without regard to specific modifiers, such as +/- or 1, 2, 3~~

#### ***8.C – U.S. Instrumentalities (Supranationals)***

U.S. Instrumentalities (Supranationals). United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Purchases are limited to securities that are rated in a rating category of ~~that have a long-term debt rating of at least~~ "AA", or its equivalent ~~or higher~~ **better** by a Nationally Recognized Statistical Rating Organization (NRSRO). A maximum of ten percent of the portfolio may be invested in United States Instrumentalities.

#### ***8.D – State Municipal Securities***

State Municipal Securities – Registered treasury notes or bonds issued by any of the 50 United States, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled or operated by a state or by a department, board, agency, or authority of any of the 50 states. Securities eligible for investment under this paragraph shall be rated ~~in a rating category of at least~~ "A" or ~~higher~~ **higher** its equivalent or better by a ~~Nationally Recognized Statistical Rating Organization~~ NRSRO. Short-term municipal securities eligible for investment shall be rated at or above the following credit agencies investment grade ratings; Sp-1 by Standard & Poor's, F-1 by Fitch, and MIG-1 by Moody's. These ratings for short term municipal securities signify the issuer's strong capacity to pay principal and interest. Not more than 10 percent of IEUA's funds shall be invested in state and local municipal securities.

### ***8.E – California Local Agency Municipal Securities***

California Local Agency Municipal Securities – Bonds, notes, warrants or other evidence of indebtedness of a local agency or municipality located within the State of California, including debt securities issued by the IEUA. Securities eligible for investment under this paragraph shall be rated **in a rating category of at least “A” or its equivalent or better higher** by a NRSRO.

### ***8.I – Commercial paper***

Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a NRSRO. The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (1) or paragraph (2):

(1) The entity meets the following criteria:

- (a) Is organized and operating in the United States as a general corporation;
- (b) Has total assets in excess of five hundred million dollars (\$500,000,000);
- (c) Has debt other than commercial paper, if any, that is rated **in rating category of "A" or its equivalent or higher better** by a NRSRO.

(2) The entity meets the following criteria:

- (a) Is organized within the United States as a special purpose corporation, trust, or limited liability company;
- (b) Has program wide credit enhancements including, but not limited to, over collateralization, letters of credit, or surety bond;
- (c) Has commercial paper that is rated **in a rating category of "A-1" or higher better**, or the equivalent, by a NRSRO.

### ***8.K – Local Government Investment Pools (LGIP)***

Local Government Investment Pools (LGIP). Shares of beneficial interest issued by a joint powers authority organized pursuant to Government Code § 6509.7. To be eligible for purchase, the pool must meet the requirements of CGC § 53601(p). **Total purchases shall not exceed \$20 million per account of surplus funds.**

### ***8.M – Repurchase Agreements***

Repurchase Agreements - IEUA may invest in repurchase agreements with banks and dealers with which IEUA has entered into a master repurchase agreement which specifies terms and conditions of repurchase agreements.

- 1) Transactions shall be limited to the primary dealers and banking institutions rated **in a rating category of “A” or its equivalent** or better by a NRSRO, or with a financially stable banking institution which the Agency has substantial banking relationship. The maturity of repurchase agreements shall not exceed 90 days. The market value of securities used as collateral for repurchase agreements shall be monitored daily by the CFO/AGM or GM and will not be allowed to fall below 102 percent of the value of the repurchase agreement plus the value of collateral in excess of the value of the repurchase agreement.

### ***8.N – Medium Term Notes***

Medium Term Notes (MTN): MTNs defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Purchases in this category shall not exceed 10 percent of the portfolio and must be rated **in a rating category of “A” or its equivalent**, or better by a NRSRO.

### ***Appendix 1 – Glossary of Cash Management Terms***

**Added definition for “modifiers.”**

Exhibit A



# FY 2017/18

# INVESTMENT POLICY

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# INLAND EMPIRE UTILITIES AGENCY

## FY 2017/18 INVESTMENT POLICY

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# INLAND EMPIRE UTILITIES AGENCY

## FY 2017/18 INVESTMENT POLICY

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## INLAND EMPIRE UTILITIES AGENCY INVESTMENT POLICY

### 1.0 POLICY

WHEREAS; The Legislature of the State of California has declared that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern (California Government Code (CGC) § 53600.6 and 53630.1 (CGC §53600.6 and §53630.1));

WHEREAS; the legislative body of a local agency may invest surplus monies, not required for the immediate necessities of the local agency, in accordance with the provisions of CGC §5922 and CGC §53601 et seq.; and

WHEREAS; the Chief Financial Officer/Assistant General Manager (CFO/AGM) or the General Manager (GM) of the Inland Empire Utilities Agency (IEUA) shall annually, or whenever there are recommended changes, whichever occurs first, prepare and submit a statement of investment policy and such policy, and any changes thereto, shall be considered by the legislative body at a public meeting (CGC §53646[a]).

NOW, THEREFORE, BE IT RESOLVED that the policy of IEUA is to invest funds in a manner which will provide: (i) the maximum security; (ii) the funds necessary to meet the daily cash flow demands of the IEUA; and (iii) the highest investment return while conforming to all statutes governing the investment of IEUA funds within the constraints of this Investment Policy.

### 2.0 SCOPE

This Investment Policy applies to all surplus monies of IEUA, as defined below.

*Surplus Monies* are defined, for the purpose of this Investment Policy, as all funds of the IEUA except:

- Monies held in Deferred Compensation Accounts
- Monies held in Capital Capacity Reimbursement Accounts

#### *Pooling of funds*

Except for cash in certain restricted and special funds, IEUA will consolidate cash and reserve balances from all funds to maximize investments earnings and to increase efficiencies with regard to investment pricing, safekeeping and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

### 3.0 PRUDENCE

The standard of prudence to be used by designated investment signatories shall be the "prudent investor" standard (CGC §53600.3) and shall be applied in the context of managing an overall portfolio. Investments shall be made with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of IEUA, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Designated investment signatories, acting in accordance with written procedures, this investment policy, and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

### 4.0 OBJECTIVES

As specified in CGC §53600.5, when investing, reinvesting, purchasing, acquiring, exchanging, selling, and managing public funds; the primary objectives, in priority order, of the investment activities shall be:

- A. *Safety*: Safety of principal is the foremost objective of the investment program. Investments made by IEUA shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required to prevent any potential loss on any individual security or depository from exceeding the income generated from the remainder of the portfolio.
- B. *Liquidity*: The investment portfolio will remain sufficiently liquid to enable IEUA to meet all operating requirements which might be reasonably anticipated.
- C. *Return on Investments (Yield)*: The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and the cash flow characteristics of the portfolio. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low- risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall not be sold prior to maturity with the following exceptions:
  - 1. A security with declining credit may be sold to minimize loss of principal.
  - 2. A security swap would improve quality, yield, or target duration in the portfolio.
  - 3. Liquidity needs of the portfolio that requires the security to be sold.



## 5.0 DELEGATION OF AUTHORITY

Authority to manage the investment program is derived from CGC §53600, et seq. Management's responsibility for the investment program is hereby delegated for a one-year period by the legislative body, to the Chief Financial Officer/Assistant General Manager (CFO/AGM) or the General Manager (GM) who shall thereafter assume full responsibility for those transactions until the delegation of authority is revoked by the Board of Directors. The CFO/AGM or the GM shall establish written procedures for the operation of the investment program consistent with this investment policy. Procedures should include reference to: safekeeping, wire transfer agreements, collateral/depository agreements and banking services contracts, as appropriate. Such procedures shall include explicit delegation of authority to persons/positions responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this investment policy and the procedures established by the CFO/AGM or the GM and Administration. The CFO/AGM or GM shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinates.

The GM and/or CFO/AGM may engage the services of one or more external investment advisor to assist in the management of the Agency's investment portfolio in a manner consistent with this policy and the Agency's investment objectives. Such external advisors may be granted discretion to purchase and sell investment securities in accordance with this Investment Policy. Such investment advisors must be registered under the Investment Advisers Act of 1940.

## 6.0 ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the placement of investments shall refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

## 7.0 AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS

The CFO/AGM or the GM shall maintain a list of approved and authorized financial institutions and brokers/dealers, selected on the basis of credit-worthiness, financial strength, experience, and capitalization.

In selecting the *financial institutions* for the deposit or investment of IEUA funds, the CFO/AGM or the GM's consideration shall include the depository's latest equity/asset ratio data and continue to monitor the financial institutions' credit characteristics and financial history throughout the period during which IEUA funds are deposited or invested.

The minimum qualifications for Agency approved depository/financial institutions include: (i) that they must be at least three (3) years old; have total assets in excess of ten (\$10) billion dollars; a core capital/asset ratio of 5 percent or better; or (ii) have total assets in excess of five hundred million dollars (\$500,000,000); and a core capital/asset ratio of 6 percent or better.

For the services of *banks, savings banks, and savings and loan associations*, depository agreements shall be prepared by the CFO/AGM or the GM and authorized representatives of the respective financial institutions for consideration and execution by the Board of Directors.

For *broker/dealer* services utilized to invest in government securities and other investments, the CFO/AGM or the GM is designated to select only brokers/dealers who are licensed and in good standing with the California Department of Securities (CDS), the Securities and Exchange Commission (SEC), the Financial Industry Regulatory Authority (FINRA), or other applicable self-regulatory organizations. A periodic review of authorized brokers/dealers is essential to serve the IEUA's investment needs.

In order to improve quality services, expertise, and credit worthiness, the CFO/AGM or the GM may, on a selective basis, revise the approved list of brokers/dealers to update qualified brokers/dealers under the requirements of this Investment Policy.

The CFO/AGM or the GM shall maintain a list of approved brokers/dealers and submit the list to the Board of Directors as part of the periodic Investment Policy review process, or more frequently as requested by the Board.

Financial institutions/depositories, brokers/dealers and external investment managers, who do investment-related business with IEUA shall sign a Certificate of Understanding (see Attachment "A"). The Certification of Understanding states that the entity:

- A. Has read and is familiar with the IEUA's Investment Policy as well as applicable Federal and State law;
- B. Agrees to notify IEUA in writing of any potential conflicts of interest;
- C. Meets the requirements as outlined in this Policy;
- D. Agrees to make every reasonable effort to protect the assets of IEUA from loss.

Annually, banks, savings bank, savings and loans associations, and authorized brokers/dealers will be requested to update information about their financial institutions. The required information will be supplied by responses to the attached questionnaires (see Attachment "B" for broker/dealers and Attachment "C" for banks and savings and loans), and provide IEUA with copies of published financial statements.

## 8.0 AUTHORIZED AND SUITABLE INVESTMENTS

IEUA's investments are governed by Government Code. Within the investments permitted by the Government Code, IEUA seeks to further restrict eligible investments to the investments listed below. In the event an apparent discrepancy is found between this Investment policy and the Government Code, the more restrictive parameters will take precedence. Percentage holding limits listed in this section apply at the date an investment is purchased. Credit ratings, as shown, specify the minimum credit rating category required at the point of purchase

- A. United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the full faith and credit of the United States are pledged for the payment of principal and interest.
- B. Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.
- C. U.S. Instrumentalities (Supranational). United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Purchases are limited to securities that are rated in a rating category of "AA" or its equivalent or better by a Nationally Recognized Statistical Rating Organization (NRSRO). A maximum of ten percent of the portfolio may be invested in United States Instrumentalities.
- D. State Municipal Securities – Registered treasury notes or bonds issued by any of the 50 United States, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled or operated by a state or by a department, board, agency, or authority of any of the 50 states. Securities eligible for investment under this paragraph shall be rated in a rating category of "A" or its equivalent or better by a NRSRO. Short-term municipal securities eligible for investment shall be rated at or above the following credit agencies investment grade ratings; Sp-1 by Standard & Poor's, F-1 by Fitch, and MIG-1 by Moody's. These ratings for short term municipal securities signify the issuer's strong capacity to pay principal and interest. Not more than 10 percent of IEUA's funds shall be invested in state and local municipal securities.
- E. California Local Agency Municipal Securities – Bonds, notes, warrants or other evidence of indebtedness of a local agency or municipality located within the State of California, including debt securities issued by the IEUA. Securities eligible for investment under this paragraph shall be rated in a rating category of "A" or its equivalent or better by a NRSRO.
- F. Bank deposits, including demand deposit accounts, savings account, and market rate accounts, time deposits, and certificates of deposit in financial institutions located in California. Bank deposits are required to be collateralized as specified under Government Code § 53630 et. seq. Agreements allowing for the waiver of the collateral requirement for that amount of deposit covered by the Federal Deposit Insurance Corporation may be implemented provided the remainder of the deposit is secured by collateral as required by the Government Code.

- G.** Negotiable Certificates of Deposit. Negotiable certificates of deposit (NCDs) issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the Financial Code), a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank. A minimum Industry Standard Definition (IDC) rating of 165 (Excellent) is required. All purchases shall not exceed the FDIC Insured Limit. The current FDIC Negotiable CD insured limit is \$250,000 (principal and interest). A maximum of 30 percent of the portfolio may be invested in this category Negotiable Certificates of Deposit. The maximum investment maturity will be restricted to five years.
- H.** Placement Service Deposits (PSD). Funds may be placed with a private sector entity that assists in the placement of deposit with eligible financial institutions located in the United States (CGC § 53601.8). The full amount of the principal and the interest that may be accrued during the maximum term of each PSD shall at all times be insured by federal deposit insurance. The maximum portfolio exposure to Placement Service Deposits is limited to 30 percent. The maximum investment maturity will be restricted to five years.
- I.** Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a NRSRO. The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (1) or paragraph (2):
- (1) The entity meets the following criteria:
    - (a) Is organized and operating in the United States as a general corporation;
    - (b) Has total assets in excess of five hundred million dollars (\$500,000,000);
    - (c) Has debt other than commercial paper, if any, that is rated in rating category of "A" or its equivalent or better by a NRSRO.
  - (2) The entity meets the following criteria:
    - (a) Is organized within the United States as a special purpose corporation, trust, or limited liability company;
    - (b) Has program wide credit enhancements including, but not limited to, over collateralization, letters of credit, or surety bond;
    - (c) Has commercial paper that is rated in a rating category of "A-1" or better, or the equivalent, by a NRSRO.

Eligible commercial paper shall have a maximum maturity of 270 days or less. Local agencies, other than counties or a city county, may invest no more than 25 percent of their moneys in eligible commercial paper. Local agencies, other than counties or a

city and county may purchase no more than 10 percent of the outstanding commercial paper of any single issuer.

- J.** Local Agency Investment Fund (LAIF) investment pool is a voluntary program created by statute as an investment alternative for California's local governments and special districts and is under the administration of the State Governor of California. All securities purchased by LAIF are under the authority of Government Code § 16429 and 16480.4. As part of the Pooled Money Investment Account (PMIA), LAIF has oversight by the Pooled Money Investment Board (PMIB), and an in-house Investment Committee. LAIF also has oversight by the Local Agency Investment Advisory Board and is audited by the Bureau of State Audits on an annual basis.

Investment in California LAIF cannot exceed the maximum deposit per agency limit as set by the Local Agency Investment Fund.

- K.** Local Government Investment Pools (LGIP). Shares of beneficial interest issued by a joint powers authority organized pursuant to Government Code § 6509.7. To be eligible for purchase, the pool must meet the requirements of CGC § 53601(p).

Whenever the IEUA has any funds invested in a LGIP, the CFO/AGM or the GM shall maintain on file a copy of the pools' current information statement to be reviewed on a periodic basis. Investment in LGIPs cannot exceed the maximum deposit limit as set by each LGIP.

- L.** Money Market Funds - Investing solely in U.S. treasury securities and U.S. Government Agency securities, and repurchase agreements relating to the above obligations. To be eligible, these Money Market Funds must have met either of the following criteria: (A) Attained the highest ranking or the highest letter and numerical rating provided by not less than two NRSROs. (B) Retained an investment advisor with not less than five years' experience and registered or exempt from registration with the SEC, with assets under management in excess of five hundred million dollars (\$500,000,000). No more than 20 percent of the portfolio may be invested in Money Market Funds and with no more than 10 percent invested in any one money market mutual fund.

- M.** Repurchase Agreements - IEUA may invest in repurchase agreements with banks and dealers with which IEUA has entered into a master repurchase agreement which specifies terms and conditions of repurchase agreements.

- 1) Transactions shall be limited to the primary dealers and banking institutions rated in a rating category of "A" or its equivalent or better by a NRSRO, or with a financially stable banking institution which the Agency has substantial banking relationship. The maturity of repurchase agreements shall not exceed 90 days. The market value of securities used as collateral for repurchase agreements shall be monitored daily by the CFO/AGM or GM and will not be allowed to fall below 102 percent of the value of the repurchase agreement plus the value of collateral in excess of the value of the repurchase agreement.



In order to conform with the Federal Bankruptcy Code which provides for the liquidation of securities held as collateral for repurchase agreements, the only securities acceptable as collateral shall be securities that are direct obligations of, or that are fully guaranteed as to principal and interest by the United States or any agency of the United States.

- 2) Not more than 40 percent of the portfolio may be invested in repurchase agreements and a security interest satisfactory to IEUA shall always be maintained in the securities subject to a repurchase agreement.

**N.** Medium Term Notes (MTN): MTNs defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Purchases in this category shall not exceed 10 percent of the portfolio and must be rated in a rating category of “A” or its equivalent, or better by a NRSRO.

**Ineligible Investments:** Investments not described herein, including but not limited to, reverse repurchase agreements and common stocks are prohibited from use in this portfolio. This Investment Policy further specifically disallows investments in inverse floaters, range notes, or interest-only strips that are derived from a pool of mortgages, or any security that could result in zero interest accrual if held to maturity.

## 9.0 AUTHORIZED INVESTMENTS FOR BOND FUNDS

Bond funds shall be invested in the securities permitted pursuant to Board approved bond documents. If the bond documents are silent as to the permitted investments, bond funds will be invested in the securities permitted by this policy. Notwithstanding the other provisions of this Investment Policy, the dollar portfolio, percentage, and term limitations listed elsewhere in the Investment Policy do not apply to bond funds. In addition to the securities listed in Section 8.0 above, bond funds may be invested in a structured investment product if approved by the CFO/AGM or GM.

## 10.0 SAFEKEEPING AND CUSTODY

As required by CGC §53601 all security transactions entered into by IEUA shall be conducted on Deliver versus Payment basis. Delivery versus Payment or DVP basis means all securities purchased or acquired shall be delivered to IEUA by book entry, physical delivery, or third party custodial agreement. Investments in the state pool, local government investment pools, or money market funds are undeliverable, and therefore, not subject to the delivery or third party safe keeping requirements.

## 11.0 DIVERSIFICATION

The Board of Directors recognize that investment risks can result from issuer defaults, market price changes, or various technical complications leading to temporary illiquidity. Portfolio diversification is employed as a way to minimize these risks. Investment signatories are expected to display prudence in the selection and/or approval of securities, as a way to minimize the risks present in the investment portfolio. No individual investment transaction shall be undertaken which jeopardizes the total capital position of the overall portfolio. Further, financial institutions which hold funds, deposited as investments, shall be subject to an investment limitation.

The Board of Directors acknowledges that from time to time certain situations may arise during which strict adherence to an inflexible investment policy may be overly restrictive. On a case by case basis, the Board of Directors may consider any pertinent information of such situations and may, by minute action, modify or waive, within the constraints of CGC

§53601 et seq., any of the provisions and/or restrictions of this Investment Policy.

The CFO/AGM or the GM shall periodically establish diversification guidelines, within the context of this policy, and strategies to control any risks of default, market price changes, and illiquidity.

## 12.0 TRADING OF SECURITIES

A trade is the movement from one security to another and may be done for a variety of reasons, such as to increase yield, lengthen or shorten maturities, to take a profit, or to increase investment quality. The purchase and sale transaction and the sale transaction must each be recorded separately and any losses or gains on the sale must be recorded.

The CFO/AGM or the GM may obtain competitive bids from at least two brokers or financial institutions on all purchases based on investment analysis recommended by staff in reference to the investment policy guidelines. Competitive bids can be also obtained by other communication channels when necessary.

## 13.0 MAXIMUM MATURITIES

Where no maturity limit is stated for an investment under Section 8.0, no investment shall be made in any security that at the time of the investment, has a term remaining to maturity in excess of five years unless the Board of Directors has granted express authority to make that investment either specifically or as part of a previous investment program no less than three (3) months prior to the investment. Any investment currently held at the time the investment policy is adopted which does not meet the new policy guidelines will be held until maturity, and shall be exempt from the current policy. At the time of the investment's maturity or liquidation such funds shall be reinvested only as provided in the most current policy.

## 14.0 PORTFOLIO DURATION LIMITATION

The weighted average duration of the entire portfolio shall not exceed three (3) years.

## 15.0 MONITORING CREDIT RATINGS

The CFO/AGM or the GM shall monitor the ratings of all investments in their portfolios on a continuous basis and report all credit downgrades of portfolio securities to the Board of Directors in writing within 24 hours of knowledge of the event. If an existing investment's rating drops below the minimum allowed for new investments made pursuant to this policy, the CFO/AGM or the GM shall also make a written recommendation to the Board as to whether this security should be held or sold prior to maturity.

## 16.0 REPORTING

The CFO/AGM or the GM shall submit to each member of the Board of Directors a monthly investment report. This report will include the elements of the quarterly report as recommended by CGC §53646, to include:

- a. Type of investment
- b. Name of institution
- c. Date of maturity
- d. Amount of deposit or cost of the security and the par value
- e. Current market value of all securities
- f. Rate of interest/earnings (yield)
- g. A monthly list of transactions

CGC §53646(b)(2),(3) recommends that the investment report must include a statement that (i) all investment actions executed since the last investment report have been made in full compliance with the Investment Policy or a Board of Directors' minute action (wavier) and, that (ii) IEUA will meet its expenditure obligations for the next six months. The CFO/AGM or the GM shall maintain a complete and timely record of all investment transactions in support of the above statement.

## 17.0 INTERNAL CONTROLS

The CFO/AGM or the GM is responsible for establishing and maintaining a control structure designed to ensure that the assets of the IEUA are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation and benefits require estimates and judgments by management.

An annual independent review, or as needed to address recommended changes, by an external auditor to assure compliance with policies and procedures will be performed as part of the



IEUA's annual audit.

## 18.0 PERFORMANCE STANDARDS

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs. In order to determine whether market yields are being achieved, the CFO/AGM or the GM shall identify comparable benchmarks to the portfolio investment duration, (e.g. 90-day US Treasury Bill, 6-month US Treasury Bill, average LAIF yield rate). This comparative analysis is included in investment report presented to the Board of Directors on a monthly basis.

## 19.0 POLICY REVIEW

This investment policy shall be reviewed regularly to ensure its consistency with the overall objectives of preservation of principal, liquidity, and return and its relevance to current law and financial and economic trends. The Board shall be responsible for maintaining guidance over this investment policy to ensure that IEUA can adapt readily to changing market conditions, and approve any modification to the investment policy prior to implementation.

## 20.0 STATE LAW

The legislated authority of the IEUA's investments is covered in Section 53601, 53607, 53635, 53638, 53646, 53652, and 53653 of the Government Code. It is the policy of the IEUA to comply with the State laws governing its investments.

## 21.0 INVESTMENT POLICY ADOPTION

The Investment Policy shall be adopted by resolution of the Board of Directors of IEUA\*. Moreover, the Policy shall be reviewed whenever there are recommended changes or annually, whichever occurs first, and modifications must be approved by the Board of Directors.

### ADOPTED AND APPROVED:

**Name:** Steven J. Elie  
**Title:** President, Board of Directors  
**Date:** April 19, 2017

*\* A Municipal Water District*

## APPENDIX 1: GLOSSARY OF CASH MANAGEMENT TERMS

### **ASK PRICE:**

The price at which securities are offered for sale; also known as offering price.

### **BASIS POINT:**

One hundredth of one percent (i.e. 0.01 percent).

### **BOND PROCEEDS:**

The money paid to the issuer by the purchaser or underwriter of a new issue of municipal securities. These moneys are used to finance the project or purpose for which the securities were issued and to pay certain costs of issuance as may be provided in the bond contract.

### **BOOK VALUE:**

The value at which a debt security is shown on the holder's balance sheet. Book value is often acquisition cost plus/minus amortization and accretion, which may differ significantly from the security's current value in the market.

### **BROKER:**

A broker acts as an intermediary between a buyer and seller for a commission and does not trade for his/her own risk and account or inventory.

### **CALLABLE BOND:**

A bond issue in which all or part of its outstanding principal amount may be redeemed before maturity by the issuer under specified conditions.

### **CALTRUST:**

A Joint Powers Agency Authority created by local public agencies to provide a convenient method for local public agencies to pool their assets for investment purposes. CalTRUST is governed by a Board of Trustees made up of experienced local agency treasurers and investment officers. The Board sets overall policies for the program and selects and supervises the activities of the investment manager and other agents.

### **CERTIFICATE OF DEPOSIT (CD):**

A time deposit with a specific maturity evidenced by a certificate.

### **CERTIFICATE OF DEPOSIT ACCOUNT REGISTRY SYSTEM (CDARS):**

A private CD placement service that allows local agencies to purchase more than \$250,000 in CDs from a single financial institution (must be a participating institution of CDARS) while still maintaining FDIC insurance coverage. CDARS is currently the only entity providing this service. CDARS facilitates the trading of deposits between the California institution and other participating institutions in amounts that are less than \$250,000 each, so that FDIC coverage is maintained.

### **COLLATERAL:**

Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

### **COMMERCIAL PAPER:**

A short-term, unsecured, promissory note with a fixed maturity of no more than 270 days. By statute, these issues are exempt from registration with the U.S. Securities and Exchange Commission.

### **CREDIT RISK:**

The risk to an investor that an issuer will default in the payment of interest and/or principal on a security and a loss will result.

### **CUSTODIAN:**

A bank or other financial institution that keeps custody of stock certificates and other assets.

### **DEALER:**

A dealer, as opposed to a broker, acts as a principal in all transaction, buying and selling for his own risk and account or inventory.

### **DELIVERY OF SECURITIES:**

There are two methods of delivery of securities; *Delivery versus Payment* and *Delivery versus Receipt*. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of signed receipt for the securities.

**DIVERSIFICATION:**

Dividing investment funds among a variety of securities offering independent returns.

**DURATION:**

A measure of the timing of the cash flows to be received from a given-fixed income security. This calculation is based on three variables: term to maturity, coupon rate, and yield to maturity. The duration of a security is a useful indicator of its price volatility for given changes in interest rates.

**FACE VALUE:**

The principal amount owed on a debt instrument. It is the amount on which interest is computed and represents the amount that the issuer promises to pay at maturity.

**FAIR VALUE:**

The amount at which a security could be exchanged between willing parties, other than in a forced or liquidation sale. If a market price is available, the fair value is equal to the market value.

**FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC):**

A federal agency that insures bank deposits.

**FEDERAL FARM CREDIT BANK (FFCB):**

Government-sponsored institution that consolidates the financing activities of the Federal Land Banks, the Federal Intermediate Credit Banks and the Banks for Cooperatives. Its securities do not carry direct U.S. Government guarantees.

**FEDERAL FUNDS RATE:**

The rate of interest at which Federal funds are traded. This rate is considered to be the most sensitive indicator of the direction of interest rates, as it is currently pegged by the Federal Reserve through open-market operations.

**FEDERAL HOME LOAN BANKS (FHLB):**

The institutions that regulate and lend to savings and loan associations. The Federal Home Loan Banks play a role analogous to that played by the Federal Reserve Bank vis-à-vis member

commercial banks. Although the banks operate under federal charter with government supervision, the securities are not guaranteed by the U.S. Government.

**FEDERAL HOME LOAN MORTGAGE CORPORATION (FHLMC or Freddie Mac):**

Established in 1970 to help maintain the availability of mortgage credit for residential housing. FHLMC finances these operations by marketing guaranteed mortgage certificates and mortgage participation certificates. Its discount notes and bonds do not carry direct U.S. Government guarantees.

**FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA or Fannie Mae):**

FNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a Federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. FNMA is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA securities do not carry direct U.S. Government guarantees.

**FEDERAL RESERVE SYSTEM:**

The central bank of the U.S. which consists of seven member Board of Governors, 12 regional banks, and about 5,700 commercial banks that are members.

**FINANCIAL INDUSTRY REGULATORY AUTHORITY (FINRA):**

The Financial Industry Regulatory Authority (FINRA) is the largest independent regulator for all securities firms doing business in the United States. All told, FINRA oversees nearly 4,750 brokerage firms, about 167,000 branch offices and approximately 634,000 registered securities representatives.

**INTEREST ONLY STRIPS:**

The interest portion of a Treasury note or bond that has been stripped of its principal component through the commercial book-entry system.

**INTEREST RATE RISK:**

The risk of gain or loss in market values of securities due to changes in interest-rate levels.

For example, rising interest rates will cause the market value of portfolio securities to decline.

**INVERSE FLOATER:**

Fixed income instrument whose coupon or interest rate is periodically reset according to a short term rate index such as LIBOR, or prime rate. Unlike the traditional floating rate instrument, however, the inverse floater's rate is set equal to a fixed rate minus the short-term rate index.

**INVESTMENT POLICY:**

A clear and concise statement of the objectives and parameters formulated by an investor or investment manager for a portfolio of investment securities.

**INVESTMENT PORTFOLIO:**

A collection of securities held by a bank, individual, institution, or government agency for investment purposes.

**LIQUIDITY:**

An asset that can be converted easily and rapidly into cash with minimum risk on principal.

**LOCAL AGENCY INVESTMENT FUND (LAIF):**

An investment pool managed by the California State Treasurer. Local government units, with consent of the governing body of that agency, may voluntarily deposit surplus funds for the purpose of investment. Interest earned is distributed by the State Controller to the participating governmental agencies on a quarterly basis.

**MARKET TO MARKET:**

Current market price of a security.

**MARKET RISK:**

Systematic risk of a security that is common to all securities of the same general class (stocks, bonds, notes, money market instruments) and cannot be eliminated by diversification (which may be used to eliminate non-systematic risk).

**MARKET VALUE:**

The price at which a security is currently being sold in the market. See FAIR VALUE.

**MASTER REPURCHASE AGREEMENT:**

A written contract covering all future transactions between the parties to repurchase agreements and reverse repurchase agreements that establish each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

**MATURITY:**

The date that the principal or stated value of a debt instrument becomes due and payable.

**MEDIUM-TERM NOTES (MTNs):**

Corporate notes, having any or all of the features of corporate bonds and ranging in maturity from nine months out to thirty years. The difference between corporate bonds and MTNs is that corporate bonds are underwritten.

**MODIFIERS:**

Credit rating agencies use modifiers to denote major rating categories. Moody's append modifiers 1, 2, and 3 to each generic rating. The modifier 1 indicates that the obligation ranks in the higher end; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category. Standard & Poor's append modifiers with (+) or minus (-) sign to show relative standing within the major rating categories.

**NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATION (NRSRO):**

A rating organization designated by the SEC as being nationally recognized, such as Moody's Investor Service, Inc. (Moody's), Standard & Poor's (S&P), and Fitch Ratings (Fitch).

### **NEGOTIABLE CERTIFICATES OF DEPOSIT:**

Time deposits issued by Federal Deposit Insurance Corporation (FDIC) insured banks and are underwritten by the Financial Industry

Regulatory Authority (FINRA) registered Broker/Dealers. Also known as “DTC Eligible CDs” or “Brokered Deposits”, this type of deposit is offered to investors by issuing institutions looking to raise liquidity and funding through the wholesale and institutional markets.

### **OPEN MARKET OPERATIONS:**

Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the Federal Open Market Committee, (FOMC), in order to influence the volume of money and credit in the economy. Purchases inject reserves into the banking system and stimulate growth of money and credit. Sales have the opposite effect. Open market operations are the Federal Reserve’s most important and most flexible monetary policy tool.

### **PAR VALUE:**

The amount of principal that must be paid at maturity. Also referred to as the face amount of a bond, normally quoted in increments of \$1,000 per bond.

### **PORTFOLIO:**

The collection of securities held by an individual or institution.

### **PRIMARY DEALER:**

A group of government securities dealers who submit daily reports of market activity and Positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker/dealers, banks and a few unregulated firms.

### **PRINCIPAL:**

The face or par value of a debt instrument or the amount of capital invested in a given security.

### **PRUDENT PERSON RULE:**

An investment standard: The way a prudent person of discretion and intelligence would be expected to manage the investment program in seeking a reasonable income and preservation of capital.

### **RANGE BONDS:**

Bonds that accrue interest during a particular Interest Period at a fixed or variable rate if a specified index is within a specified range during a designated period of time or at a particular point in time. A Range Bond may not bear interest if the specified index is outside the specified range.

### **RATE OF RETURN:**

- 1) The yield which can be attained on a security based on its purchase price or its current market price.
- 2) Income earned on an investment, expressed as a percentage of the cost of the investment.

### **REPURCHASE AGREEMENT (RP OR REPO):**

A holder of securities (e.g. investment dealer) sells these securities to an investor (e.g. the Agency) with an agreement to repurchase them at a fixed date. The security “buyer” (e.g. the Agency) in effect lends the “seller” money for the period of the agreement, and the terms of the agreement are structured to compensate the “buyer” for this. Dealers use RP extensively to finance their positions. Exception: When the Fed is said to be doing RP, it is lending money that is increasing bank reserves.

### **REVERSE REPURCHASE AGREEMENT (REVERSE REPO):**

A counter party (e.g. investment dealer) buys the securities from the holder of securities (e.g. the Agency) with an agreement to sell them back at a fixed date. The counter party in effect lends the seller (e.g. the Agency) money for the period of the agreement with terms of the agreement structured to compensate buyer.



**SAFEKEEPING:**

A service banks offer to clients for a fee, where physical securities are held in the bank's vault for protection and book-entry securities are on record with the Federal Reserve Bank or Depository Trust Company in the bank's name for the benefit of the client. As agent for the client, the safekeeping bank settles securities transactions, collects coupon payments, and redeems securities at maturity or, if called, on the call date.

**SECURITIES:**

Investment instruments such as notes, bonds, stocks, money market instruments and other instruments of indebtedness of equity.

**SECURITIES AND EXCHANGE COMMISSION (SEC):**

Agency created by Congress to protect investors in securities transactions by administering securities legislation.

**SECONDARY MARKET:**

A market for the repurchase and resale of outstanding issues following the initial distribution.

**SPREAD:**

The difference between two figures or percentages. It may be the difference between the bid (price at which a prospective buyer offers to pay) and asked (price at which an owner offers to sell) prices of a quote, or between the amount paid when bought and the amount received when sold.

**SUPRANATIONALS:**

International organizations whereby member states transcend national boundaries or interests to share in the decision making process and vote on issues pertaining to the wider grouping.

**SWAP:**

An agreement between two parties (known as counterparties) where one stream of future interest payments is exchanged for another based on a specified principal amount.

**TREASURY BILLS:**

A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills

are issued to mature in three months, Six months, or one year.

**TREASURY BONDS:**

Long-term U. S. Treasury securities.

**TREASURY NOTES:**

Intermediate-term coupon-bearing U.S. Treasury securities having initial maturities from one year to ten years.

**UNDERWRITER:**

A dealer that purchased a new issue of municipal securities for resale.

**U.S. TREASURY OBLIGATIONS:**

Debt obligations of the U.S. Government sold by the Treasury Department in the forms of bills, notes, and bonds. Bills are short-term obligations that mature in one year or less and are sold at a discount. Notes are obligations that mature between one year and ten years. Bonds are long-term obligations that generally mature in ten years or more.

**WEIGHTED AVERAGE MATURITY (WAM):**

The average maturity of all the securities that comprise a portfolio, typically expressed in days of years.

**YIELD:**

The annual rate of return on an investment expressed as a percentage of the investment. Income yield is obtained by dividing the current dollar income by the current market price for the security.

**YIELD CURVE:**

Yield calculations of various maturities of instruments of the same quality at a given time to observe spread differences.

**ZERO-INTEREST BOND**

A bond on which interest is not payable until maturity (or early redemption), but compounds periodically to accumulate to a state maturity amount. Zero-interest bonds are typically issued at a discount and repaid at par upon maturity.

**CERTIFICATION OF UNDERSTANDING**

I hereby certify that I have personally read Inland Empire Utilities Agency’s (IEUA) Investment Policy and the California Government Code pertaining to the investments of the IEUA.

I will disclose to the IEUA any potential risks or conflicts with the Investment Policy that might arise out of business transactions between my firm and the IEUA.

I will undertake reasonable efforts to prevent imprudent transactions involving funds of the IEUA and will endeavor to keep familiar with the IEUA’s investment objectives and constraints, as they exist from time to time.

I will only offer investments for the IEUA’s consideration that are in conformity to the IEUA’s Investment Policy.

I attest to the accuracy of the responses to the IEUA’s questionnaire.

NOTE: Completion of the attached questionnaire is only part of Inland Empire Utilities Agency’s certification process and DOES NOT guarantee that the our financial institution will be guaranteed any portion of the investment business with Inland Empire Utilities Agency.

FIRM NAME \_\_\_\_\_

PRINTED NAME: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

DATE \_\_\_\_\_



INLAND EMPIRE UTILITIES AGENCY  
OFFICE OF THE CHIEF FINANCIAL OFFICER/AGM OR GENERAL MANAGER  
BROKERS/DEALERS QUESTIONNAIRE AND CERTIFICATION

Please fill out form and return to Inland Empire Utilities Agency

1. Name of Firm \_\_\_\_\_

2. Address \_\_\_\_\_

(Local)

(National Headquarters)

3. Telephone No. \_\_\_\_\_

4. Primary Representatives:  
Name \_\_\_\_\_

Telephone \_\_\_\_\_

Years in institutional sales \_\_\_\_\_

Years with firm \_\_\_\_\_

Manager/Partner-In-Charge:  
Name \_\_\_\_\_

Telephone \_\_\_\_\_

Years in institutional sales \_\_\_\_\_

Years with firm \_\_\_\_\_

5. Are you a Primary Dealer in U.S. Government Securities?  Yes  No

6. Are you a Regional Dealer in U.S. Government Securities?  Yes  No

7. Are you a Broker instead of a Dealer?  
i.e., You **DO NOT** own positions of Securities?  Yes  No

8. What is the net capitalization of your firm? \_\_\_\_\_

9. What is the date of your fiscal year-end? \_\_\_\_\_

10. Is your firm owned by a holding company? If so, what is its name and net capitalization?  
\_\_\_\_\_  
\_\_\_\_\_

11. Please provide your wiring and delivery instructions. \_\_\_\_\_  
\_\_\_\_\_

12. Which of the following instruments are offered regularly by your local desk?

T- Bills       Treasury Notes/Bonds       Discount Notes       NCD's

Agencies (specify) \_\_\_\_\_

13. Which of the above does your firm specialize in marketing?

\_\_\_\_\_

14. Please identify your most directly comparable Local Agency Clients in our geographical area:

Entity	Contact Person	Telephone	Client Since
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

15. What reports, transactions, confirmations and paper trail would we receive?

\_\_\_\_\_

16. Please include samples of research reports or market information that your firm regularly provides to local agency clients.

17. What precautions are taken by your Firm to protect the interest of the public when dealing with government agencies as investors? \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

18. Have you or your Firm been censored or punished by a regulatory State or Federal agency for improper or fraudulent activities, related to the sale of securities?  Yes  No

19. If yes, explain. \_\_\_\_\_

20. Attach certified documentation of your capital adequacy and financial solvency. In addition, an audited financial statement must be provided within 120 days of your fiscal year-end. (Copy of a Published Financial Statement)

21. Attach proof of Financial Industry Regulatory Authority (FINRA) certification.

22. Attach proof of California Department of Securities Registration.

23. Attach proof of Securities and Exchange Commission registration.

24. Attach proof of adequate insurance coverage.

25. Are you listed under GFOA Yield Advantage?  Yes  No



12. Has there been a period during the past five years when time deposits of the Bank/Savings and Loan have not been fully collateralized? If yes, explain  
\_\_\_\_\_
13. What is the education level of the primary contact(s)? \_\_\_\_\_
14. How many years of related experience does the primary contact(s) have?  
\_\_\_\_\_
15. What other banking services would you be interested in providing Inland Empire Utilities Agency? \_\_\_\_\_
16. What transaction documents and reports would we receive? \_\_\_\_\_  
\_\_\_\_\_
17. What information would you provide to our Chief Financial Officer/AGM or General Manager? \_\_\_\_\_
18. Describe the precautions taken by your Bank/Savings and Loan to protect the interest of the public when dealing with government agencies as depositors of investors.  
\_\_\_\_\_  
\_\_\_\_\_
19. Please provide your Contract of Deposit of Monies pre-signed and sealed by your institution, as well as any signature cards that you may require.
20. Please provide your wiring instructions. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
21. Please provide your Bank/Savings and Loan most current audited financial statements. (Copy of Published Financial Statement).
22. Please attach biographical information for your representative.

**INLAND EMPIRE UTILITIES AGENCY  
OFFICE OF THE CHIEF FINANCIAL OFFICER/AGM OR GENERAL MANAGER**

**Authorized Brokers/Dealers**

The following brokers/dealers are authorized to provide investment services to the IEUA, in accordance with the IEUA's Investment Policy:

1. BOK Financial Asset Management, Inc.
2. Higgins Capital Management
3. Ladenburg Thalmann & Co., Inc.
4. Multi-Bank Securities, Inc.
5. Oppenheimer & Co. Inc.
6. UBS Financial Services Inc.
7. Wedbush Morgan Securities, Inc.

**RESOLUTION NO. 2017-4-1**

**RESOLUTION OF THE BOARD OF DIRECTORS OF INLAND  
EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO  
COUNTY, CALIFORNIA, APPROVING THE ANNUAL  
UPDATE OF THE AGENCY'S\* INVESTMENT POLICY**

**WHEREAS**, a "Statement of Investment Policy" is rendered to the Board of Directors on an annual basis or whenever there are recommended changes, whichever occurs first; and

**WHEREAS**, the Secretary/Treasurer, the Chief Financial Officer/Assistant General Manager or the General Manager of the Inland Empire Utilities Agency (Agency), in accordance with Government Code Section 53646.(a)(2), shall annually prepare and submit a Statement of Investment Policy and such policy, and any changes thereto, shall be considered by the legislative body at a public meeting; and

**WHEREAS**, the existing policy has been reviewed and revised in order to provide for operational flexibility without sacrificing internal controls or increasing financial risk to the Agency.

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors that:

Section 1. The revisions, if any, to the Inland Empire Utilities Agency\* Investment Policy dated April 19, 2017 are to be adopted for Fiscal Year 2017/18.

Section 2. This resolution shall take effect from and after its date of adoption.

Section 3. Upon adoption of this resolution, Resolution No. 2016-5-1 is hereby rescinded in its entirety.

**ADOPTED** this 19<sup>th</sup> day of April, 2017

ATTEST:

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

\_\_\_\_\_  
Jasmin A. Hall  
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, Jasmin A. Hall, Secretary/Treasurer of the Inland Empire Utilities Agency\*,  
DO HEREBY CERTIFY that the foregoing Resolution being No. 2017-4-1, was adopted at  
a regular Board Meeting on April 19, 2017, of said Agency by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Jasmin A. Hall  
Secretary/Treasurer of the Inland Empire  
Utilities Agency\* and of the Board of  
Directors thereof

*\* a Municipal Water District*

CONSENT  
CALENDAR  
ITEM


**2H**



Date: April 19, 2017

To: The Honorable Board of Directors

Through: Engineering, Operations, and Water Resources Committee (4/12/17)

From:  P. Joseph Grindstaff  
General Manager

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

Al VanBreukelen *RL for AV*  
Deputy Manager of Maintenance

Subject: Master Services Contract Amendments for Condition Assessment

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### **RECOMMENDATION**

It is recommended that the Board of Directors:

1. Approve the master services contract amendments to perform corrosion and condition assessment services for the Agency's physical assets for a total aggregate not-to-exceed amount of \$300,000 over a three-year period to the following:
  - Contract No. 4600001614 to V&A Consulting Engineering Inc.
  - Contract No. 4600001616 to Lockwood, Andrews, & Newman, Inc.
  - Contract No. 4600001622 to HDR Engineering, Inc.; and
2. Authorize the General Manager to execute the contract amendments.

### **BACKGROUND**

The Agency's physical assets are aging and some assets will require extensive rehabilitation or replacement. In order to evaluate the existing condition and identify the rehabilitation requirements, a thorough condition assessment of the Agency's process piping, clarifiers, digesters, and other process conveyance structures will be performed by corrosion engineering services consultants. In March of 2014, a three-year contract to three engineering consultants identified above was approved by the Board of Directors. Over the last three years, the condition assessment services provided by these consultants have provided valuable information on the

condition of the Agency's aging structures, in addition to providing recommendations for rehabilitation and repair.

By extending the existing contracts, Agency staff will ensure that the contract terms (e.g., labor rates, equipment rental rates, evidence of insurance, indemnification language, etc.) are established up front, which will expedite the condition assessment process, while still utilizing a competitive bid process between the three consultants. The three consultants also agreed to minimal labor rate increases, with 3% annual escalation, for the duration of the contract.

The types of required testing and evaluation specifications are identified in the master services contracts, while the specific system to be assessed will be sent to the three pre-selected consultants for a competitive bid on a per job basis. This will enable staff to select the lowest priced, best-value award for each individual job. The three selected consultants offer extensive experience and expertise in the required services to provide the Agency a thorough condition assessment and guidance for any immediate and long-term rehabilitation needs.

### **PRIOR BOARD ACTION**

On March 19, 2014, the Board of Directors approved the three-year contracts to HDR Engineering, Inc., Lockwood, Andrews, & Newman, Inc., and V&A Consulting Engineering Inc.

### **IMPACT ON BUDGET**

If approved, sufficient funds are available in FY 2017/18 under Project EP17005 and will be budgeted for in FY 2018/19 and 2019/20 under Projects EP18005 and EP19005 respectively.

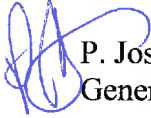
**CONSENT  
CALENDAR  
ITEM**


**21**

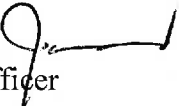
Date: April 19, 2017

To: The Honorable Board of Directors

Through: Engineering, Operations, and Water Resources Committee (4/12/17)

From:  P. Joseph Grindstaff  
General Manager

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

Jason Gu   
Grants Officer

Subject: Adoption of a Resolution for a USBR WaterSMART Application

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### **RECOMMENDATION**

It is recommended that the Board of Directors:

1. Adopt Resolution No. 2017-4-2, authorizing IEUA to enter into a financial assistance agreement with the U.S. Department of Interior – Bureau of Reclamation (USBR) for the WaterSMART Grants: Water Marketing Strategy Grants for Fiscal Year 2017; and
2. Authorize the General Manager to execute the financial assistance agreement, any amendments, and any grant related documents thereto.

### **BACKGROUND**

#### ***USBR Drought Resiliency Implementation Grant:***

In February 2017, the USBR announced the WaterSMART Grants: Water Marketing Strategy Grants for Fiscal Year 2017 to fund projects that support the development of water marketing strategies that will help prevent water conflicts and will contribute to water supply sustainability.

The USBR mandates that an official resolution be adopted by the applicant's Board of Directors to commit the applicant to the financial and legal obligations associated with the receipt of financial assistance under the Grant Program.

The Chino Basin Water Market Plan is to facilitate the maximum use of the Chino Basin water storage in accordance with the 1978 stipulated Chino Basin Judgement. The proposed project will

Adoption of a Resolution for a USBR WaterSMART Application

April 19, 2017

Page 2

perform groundwater and storage modeling to develop the operational and governance plans for the water bank. IEUA and stakeholders will work together on the concepts and procedures of a Joint Powers Authority, which will oversee and administrate the water bank.

This action supports IEUA's mission to increase sustainability through the development of a plan to develop a water marketing strategy and contribute to water supply sustainability in a manner that is consistent with the IEUA's mission of pursuing state and federal grants and low-interest financing.

**PRIOR BOARD ACTION**

None.

**IMPACT ON BUDGET**

The proposed grant funding portion from USBR is \$400,000. The remaining balance, or \$600,000, will be funded by Project No. WR18028. There will be no impact to IEUA's current fiscal year budget. Upon award of funding, the annual project appropriations will be revised to reflect the grant funding.

Attachment:

Resolution No. 2017-4-2

**RESOLUTION NO. 2017-4-2**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, AUTHORIZING THE INLAND EMPIRE UTILITIES AGENCY TO ENTER INTO A FINANCIAL ASSISTANCE AGREEMENT UNDER THE WATERSMART GRANTS: WATER MARKETING STRATEGY GRANTS FOR FY 2017 WITH THE U.S. DEPARTMENT OF INTERIOR - BUREAU OF RECLAMATION AND DESIGNATING A REPRESENTATIVE TO EXECUTE THE FINANCIAL ASSISTANCE AGREEMENT, AND ANY AMENDMENTS THERETO FOR THE CHINO BASIN WATER MARKET PLAN**

**BE IT RESOLVED**, that the Inland Empire Utilities Agency\* (IEUA) is authorized to enter into a financial assistance agreement under the WaterSMART Grants: Water Marketing Strategy Grants for Fiscal Year 2017, with the U.S. Department of Interior - Bureau of Reclamation (USBR) for Chino Basin Water Market Plan;

**BE IT RESOLVED**, that IEUA's Board of Directors authorizes the General Manager, or in his absence, his designees, to execute the financial assistance agreement, any amendments, and any grant related documents thereto;

**BE IT RESOLVED**, that IEUA has the capacity to provide the amount of funding and/or in-kind contributions specified in the funding plan;

**BE IT RESOLVED**, that IEUA will work with the USBR to meet established deadlines for entering into a cooperative agreement; and

**BE IT FURTHER RESOLVED**, that IEUA's Board of Directors hereby adopts Resolution No. 2017-4-2 on this 19<sup>th</sup> day of April, 2017.

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

ATTEST:

\_\_\_\_\_  
Jasmin A. Hall, 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, Jasmin A. Hall, Secretary/Treasurer of the Inland Empire Utilities Agency\*, DO  
HEREBY CERTIFY that the foregoing Resolution No. 2017-4-2 was adopted at a regular meeting  
on April 19, 2017 of said Agency\* by the following vote:

AYES:

NOES:

ABSTAIN:

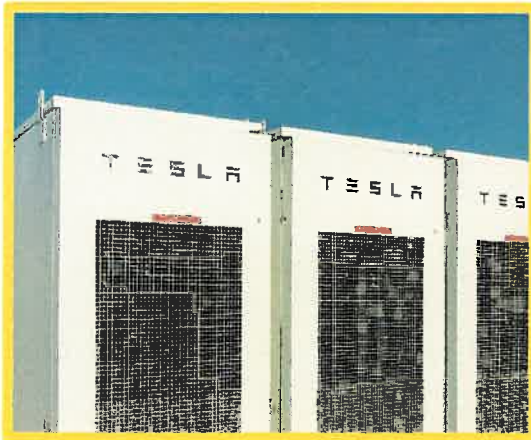
ABSENT:

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

(SEAL)

\* A Municipal Water District

# Water Bank Planning Grant Application



## Water Marketing Strategy Grant Program

U.S. Department of Interior, Bureau of Reclamation (USBR)



# Water Marketing Strategy Grant Objective

- Develop water marketing strategies:
  - Water rights transactions
  - Groundwater recharge and storage
  - Water use and management
  - Outreach and partnership plans
- Minimize water rights conflicts
- Provide water supply sustainability

# The Proposed Chino Basin Water Bank Project

- Build the Water Bank concept
- Groundwater and storage modeling
- Operational and governance plans
- Maximize the Chino Basin storage capacity
- Drought resiliency and water supply sustainability
- Establish a JPA to oversee storage and administer the Water Bank

# Grant Eligibility and Cost Share Requirement

- State and local government level planning
- \$400,000 grant with 50% local match
- Pre-award costs are eligible for match funding
- Grant cannot be used for implementation or construction (planning grant)
- IEUA has established budget for the project

# Recommendation

- Adopt Resolution No. 2017-4-2, authorizing IEUA to enter into a financial assistance agreement with the USBR; and
- Authorize the GM to execute the financial assistance agreement.

*This action supports the Agency's mission to increase sustainability through the development of reliable local water supplies and is consistent with the Agency's mission of pursuing grants and low-interest financing.*


**CONSENT  
CALENDAR  
ITEM**


**2J**


Date: April 19, 2017

To: The Honorable Board of Directors

Through: Engineering, Operations, and Water Resources Committee (4/12/17)

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: CEQA Addendum Adoption – Fontana Water Company Recycled Water Improvement Project

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## **RECOMMENDATION**

It is recommended that the Board of Directors:

1. Adopt an Addendum to the California Environmental Quality Act (CEQA) Initial Study/Mitigated Negative Declaration for the Fontana Water Company Recycled Water Improvement Project; and
2. Authorize the General Manager to file the Notice of Determination (NOD) with the San Bernardino County Clerk of the Board.

## **BACKGROUND**

In 2013, Inland Empire Utilities Agency (IEUA) agreed to serve as the lead CEQA Agency for a recycled water improvement project initiated by San Gabriel Valley Water Company (SGVWC) through its subsidiary, Fontana Water Company (FWC) division, which is located within the Regional Plant No. 3 (RP-3) recharge basin facility and in the southern area of the city of Fontana. The project consists of the construction of a recycled water booster station, a half million gallon reservoir, and delivery piping that will connect to the existing Wineville recycled water pipeline located in the east side of RP-3 and distribute recycled water to the FWC distribution system. An easement will be granted by IEUA to FWC for these proposed recycled water facilities including an area reserved for a future half million-gallon reservoir. These facilities will allow FWC to deliver recycled water to its existing system in the southern area of Fontana.

Tom Dodson and Associates prepared the Initial Study/Mitigated Negative Declaration (IS/MND). The MND identified the mitigation measures that will be implemented during and after construction to reduce all potential significant impacts to less than significant levels. In June 2016, the site plan was revised and the IS/MND was updated to reflect the change. The public review was completed in August 2016. The Board of Directors adopted the CEQA findings in September 2016.

To accommodate the proposed RP-3 Basin Improvement Project of the Recharge Master Plan Update (RMPU), the site plan moved southerly, reducing the footprint which resulted in the removal of a future second half million-gallon reservoir and the addition of an enclosure around the proposed recycled water pump station. The impacts of the revised site plan are slightly less than forecasted in the adopted IS/MND. The prepared IS supports the determination. A 15-day public review of these documents was completed on March 3, 2017. The following state, county, and local agencies provided comments:

- State of California State Clearinghouse and Planning Unit
- San Bernardino County Department of Public Works
- California State Water Resources Control Board

Each of the comments were noted, addressed, and incorporated into the final IS/MND documents. These final documents require board adoption and the issuance of a NOD for state filing.

Adopting the addendum to the CEQA findings and mitigation measures for the Fontana Water Company Recycled Water Improvement Project is consistent with the IEUA business goal of *Water Reliability* by maximizing the beneficial reuse of recycled water and sources of groundwater within the Chino Basin.

### **PRIOR BOARD ACTION**

On September 21, 2016, the Board of Directors adopted the CEQA findings and mitigation measures for the Fontana Water Company Recycled Water Improvement Project.

### **IMPACT ON BUDGET**

None.

**ADDENDUM NO. 1**

**TO THE**

**FONTANA WATER COMPANY**

**RECYCLED WATER IMPROVEMENT PROJECT**

**(SCH#2016041051)**

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Prepared for:

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**Original Initial Study Adopted: September 2016**  
**Addendum Compilation Completed: February 2017**



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Figure 2	Site Location
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**ADDENDUM NO. 1  
TO THE  
FONTANA WATER COMPANY  
RECYCLED WATER IMPROVEMENT PROJECT  
(SCH#2016041051)**

**I. PROJECT INFORMATION**

1. Project Title: Addendum No. 1 to the Fontana Water Company Recycled Water Improvement Project (SCH#2016041051)
2. Lead Agency Name: Inland Empire Utilities Agency  
Address: 6075 Kimball Avenue  
Chino, CA 91708
3. Contact Person: Sylvie Lee, Planning and Environmental Manager  
Phone Number: (909) 993-1600  
E-mail: [slee@ieua.org](mailto:slee@ieua.org)
4. Project Location:

This Addendum addresses the modification to the recently approved RP-3 recycled water facilities to be constructed at Regional Plant No. 3 (abandoned) as part of the original and approved IS/MND, which includes a water reservoir, booster pump station, and hydropneumatic tank and pump. The proposed project is located in the southern-most portion of the City of Fontana, San Bernardino County, California. It is located south of Jurupa Avenue, west of Beech Avenue and north of the Jurupa Mountains. The site consists of Inland Empire Utilities Agency's (IEUA) Regional Plant No. 3 (RP-3) abandoned facilities and groundwater recharge basins. Figure 1 shows the regional location of the project site and Figure 2 shows the project location on the USGS – Fontana Quadrangle, 7.5 Minute Series topographic map. Specifically, the project is located within Section 35, Township 1 South, Range 6 West, San Bernardino Base and Meridian, as depicted on the USGS – Fontana Quadrangle. Figure 3 shows the planned location of the proposed facilities within the RP-3 site from the recirculated (most current version) of the IS/MND. Figure 4 shows the new planned location of the proposed facilities within the RP-3 site as evaluated in this Addendum.

**II. PROJECT DESCRIPTION**

**A. Introduction**

This document is prepared as an Addendum to the Initial Study and Mitigated Negative Declaration (MND) adopted by Inland Empire Utilities Agency (IEUA) in September 2016 (SCH#2016041051). In 2016, in conjunction with Fontana Water Company (FWC), IEUA prepared an Initial Study that analyzed the components of FWC's Recycled Water Improvement Project. FWC is a division of the San Gabriel Valley Water Company (SGVWC), which is a privately owned water company that provides water service to customers within its service area. As a non-governmental entity SGVWC is not subject to California Environmental Quality Act (CEQA) unless its actions involve governmental participation, financing, discretionary permitting or approval (Section 15002(c) of the State CEQA Guidelines). Therefore, IEUA will serve as the

CEQA lead agency for this project. In short, the FWC Recycled Water Improvement Project was characterized by the following improvements:

- Construction of two new 0.53 million gallon (MG) steel recycled storage reservoirs, each with an actual storage of 0.38 MG (one to be constructed immediately and another planned for future construction);
- Construction of a booster pump station with three (3) submersible pump motors of 60 horsepower;
- Construction of a possible 4,000 gallon hydropneumatic tank and a supporting 10 horsepower pump to fill the tank;
- Installation of onsite (at RP-3) 16-inch diameter suction pipeline to connect with the IEUA regional system to deliver recycled water to the reservoirs; and
- Installation of a mix of 8-inch and 12-inch diameter steel and PVC new recycled water distribution pipeline (the total new pipeline (8", 12" and 16") that already has been installed as part of the project is estimated to be 49,070 lineal feet, all within existing paved road rights-of-way).

This Addendum is being prepared in response to FWC's need to revise the location of the facilities planned within RP-3 (the reservoir, booster pump, and hydropneumatic tank with supporting pump). Additionally, FWC seeks to reduce the number of reservoirs from two reservoirs to one 0.53 MG reservoir, and will enclose the booster pump station to attenuate noise. The proposed project modifications are in response to IEUA's plans to utilize the land upon which the Project facilities were originally planned to be constructed. The reduction in reservoirs from two reservoirs to one is a response to the lack of need for an additional reservoir at this time, and the addition of the booster pump system enclosure is due to the need to attenuate noise because of the closer proximity to the habitat conservation basin and adjacent residences.

In the original IS/MND, the facilities were planned to border the eastern block wall of RP-3 facing Beech Avenue (Figure 3). The future reservoir was proposed to be located closest to the habitat conservation basin that encompasses the southeastern-most corner of the RP-3 site. The proposed reservoir followed by the booster pump station and hydropneumatic tank with its supporting pump were proposed to be located immediately north of the future reservoir. The new location of the facilities is essentially the same, though the facility layout has been revised to place the booster pump station and hydropneumatic tank with its supporting pump on the eastern edge of RP-3 south approximately 50 feet south of the southern edge of the proposed reservoir (Figure 4). This places the booster pump station and hydropneumatic tank with its supporting pump closer to the habitat conservation basin than that which was planned in the original IS/MND. Additionally, the new layout excludes the second reservoir, because it has been eliminated from the Project. The location of the reservoir will be in the approximate location of the future reservoir proposed in the original IS/MND.

In order to prevent excessive noise disturbances to both nearby residences and species residing within the habitat conservation basin resulting from the new location of the booster pump and hydropneumatic tank with its supporting pump, the three proposed submersible booster pump motors will still be 60 horsepower each. However, the booster pump system will be placed in an enclosed structure to attenuate the noise level in order to prevent significant disturbance to the species that occupy the nearby conservation area.

No other changes to the initial project are envisioned at this time.

After considering the available options for complying with the California Environmental Quality Act (CEQA) regarding this proposed revision of the layout of the RP-3 facilities, summarized above, reduction of the number of reservoirs from two reservoirs to one 0.53 MG reservoir, and addition of an enclosed structure for the booster pump system, IEUA concluded that compiling an Addendum to the 2016 IS/MND would be the most appropriate way to comply with CEQA. The documentation in this Addendum, combined with the adopted 2016 IS/MND will serve as the basis for this second-tier environmental review of IEUA's proposed revision of the layout of the RP-3 facilities, as part of the Fontana Water Company Recycled Water Improvement Project.

Pursuant to the provisions of CEQA and State and local CEQA Guidelines, IEUA will serve as the Lead Agency for the proposed modifications to the Fontana Water Company Recycled Water Improvement Project, which amends the proposed layout of the RP-3 facilities, reduces the number of reservoirs from two reservoirs to one reservoir, and adds an enclosed structure for the booster pump system. As part of its decision-making process, IEUA is required to review and consider all potential environmental effects that could result from modifying the original project. IEUA has compiled this Addendum as the basis for making a new CEQA determination for this modification to the originally approved project.

## **B. Background**

Pursuant to CEQA and the State CEQA Guidelines, this Addendum has been prepared in order to determine whether IEUA's proposed revision of the layout of the RP-3 facilities, summarized above, reduction of the number of reservoirs from two reservoirs to one 0.53 MG reservoir, and addition of an enclosed structure for the booster pump system, would result in conditions that would require a subsequent environmental document to be prepared because of changes in circumstances or new or additional adverse environmental impacts. This Addendum also reviews any new information of substantial importance that was not known and could not have been known with the exercise of reasonable diligence at the time the IS/MND was approved in 2016. This examination includes an analysis in accordance with the provisions of Sections 15164 and 15162 of the State CEQA Guidelines, which outline the criteria and procedures for preparing an Addendum and conducting a second-tier environmental evaluation based on a previous environmental document, in this case the 2016 IS/MND.

## **III. CEQA REQUIREMENTS FOR AN ADDENDUM**

This Addendum has been prepared in accordance with the current CEQA Statutes and Guidelines for implementing CEQA. CEQA Section 15164 includes the following procedures for the preparation and use of an Addendum:

- (a) The lead agency or responsible agency shall prepare an addendum to a previously certified EIR if some changes or additions are necessary but none of the conditions described any of the conditions in Section 15162 calling for the preparation of a subsequent EIR have occurred.
- (c) An addendum need not be circulated for public review, but can be included in or attached to the Final EIR or adopted negative declaration.
- (d) The decision-making body shall consider the addendum with the Final EIR or adopted negative declaration prior to making a decision on the project.

- (e) A brief explanation of the decision not to prepare a subsequent EIR pursuant to Section 15162 should be included in an addendum to an EIR, the lead agency's required findings on the project, or elsewhere in the record. The explanation must be supported by substantial evidence.

If changes to a project or its circumstances occur or new information becomes available after certification of an EIR or MND, the lead agency may: (1) prepare a subsequent EIR if the criteria of State CEQA Guidelines Section 15162(a) are met, (2) prepare a subsequent negative declaration, (3) prepare an addendum, or (4) prepare no further documentation. (State CEQA Guidelines Section 15162(b)) When only minor technical changes or additions to the approved Negative Declaration are necessary and none of the conditions described in Section 15162 calling for the preparation of a subsequent EIR or negative declaration have occurred, CEQA allows the lead agency to prepare and adopt an addendum. (State CEQA Guidelines, Section 15164(b))

Under Section 15162, a subsequent EIR or negative declaration is required only when:

- (1) Substantial changes are proposed in the project which will require major revisions of the previous negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;
- (2) Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the negative declaration due to the involvement of any new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or
- (3) New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the negative declaration was adopted, shows any of the following:
  - (A) The project will have one or more significant effects not discussed in the previous negative declaration;
  - (B) Significant effects previously examined will be substantially more severe than shown in the previous EIR;
  - (C) Mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measures or alternative; or
  - (D) Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

#### **IV. ENVIRONMENTAL ANALYSIS OF THE PROPOSED MODIFICATION**

Following the request from IEUA for FWC to revise the RP-3 facilities layout, reduce the number of reservoirs from two reservoirs to one, and reduce the noise generated from the booster pump system through the construction of an enclosure around the system, IEUA (lead agency)

considered the options for CEQA compliance with this second-tier decision under the adopted and implemented IS/MND. After considering the available compliance alternatives, a decision was made to recommend that IEUA adopt an Addendum to the MND as the appropriate CEQA environmental determination for the project modifications, which IEUA considers a minor technical change to the original Project.

Based on the information available for this second tier evaluation, an Addendum was prepared to provide the appropriate level of evaluation for the proposed revision of the layout of the RP-3 facilities, summarized in the Project Description above, reduction of the number of reservoirs from two reservoirs to one 0.53 MG reservoir, and addition of an enclosed structure for the booster pump system. The purpose of this Addendum is to assess the related potential environmental impacts that would result from the modifications proposed within this project and the resulting changes when compared to the impact forecast contained in the 2016 IS/MND. The following evaluation provides an analysis of potential environmental impacts in relation to the facts and findings contained in the 2016 IS/MND incorporated by reference in the preceding sections. The following conclusions were developed regarding potential impacts from approval and implementation of the proposed project modifications.

Note that a review of the changes in environmental circumstances over the past 5 months since the Initial Study and MND were adopted indicates that no major changes have occurred in general land use within the project area.

After discussions with IEUA, a review of the environmental conditions that exist at the RP-3 site, where the proposed modifications will take place, was conducted. The findings of the review of the conditions that presently exist at the RP-3 site are described above in the Project Description. In short, the proposed project modifications are in response to IEUA's plans to utilize the land upon which the Project was originally planned to be constructed. The reduction in reservoirs from two reservoirs to one is a response to the lack of need for an additional reservoir at this time, and the addition of an enclosed structure for the booster pump system to generate less noise is due to the closer proximity to the habitat conservation basin and adjacent residences.

- a. *POTENTIAL TO DEGRADE: Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal, or eliminate important examples of the major periods of California history or prehistory?*

*Less than Significant Impact/No Changes or No New Information Requiring Preparation of an Additional Environmental Document.* IEUA approve the FWC Recycled Water Improvement Project in September 2016; however, groundbreaking activities within RP-3 to construct the reservoir, booster pump, and hydropneumatic tank and their supporting facilities have not yet occurred. The proposed revision of the layout of the RP-3 facilities, summarized in the Project Description above, are not anticipated to have any adverse effect on biological or cultural resources within the Project area as outlined in the original IS/MND. The space upon which the booster pump station and hydropneumatic tank with supporting pump will be constructed is in closer proximity to the habitat conservation basin within RP-3. These permanent sources of noise were evaluated in the IS/MND as posing no significant noise impact on the conservation area at their original location. Concurrent with the site relocation, the project engineers are including noise attenuation features (sound walls and/or enclosures) to achieve a noise level

equal to or lower than the original project location. A biologist surveyed the Project site and concluded that no species of special concern exist within the boundaries of RP-3, thus relocating the Project facilities will not have any further impacts to biological resources that were not envisioned or discussed in the original project. Further, the proposed modifications to the IS/MND are not projected to cause any further impacts to cultural resources that were not envisioned or discussed in the original project.

The biological resources analysis is provided in Chapter 4 of the 2016 Initial Study. No further biological studies have been conducted; thus the analysis in the 2016 Initial Study will be used as the data for this Addendum henceforth. Under the original project, as described in the 2016 Initial Study and MND, the area within RP-3 was surveyed for species of special concern and none were found. Thus, the proposed modifications to the layout of the Project facilities within RP-3 are not forecast to cause any further disturbance to biological resources at this site than that which was discussed in the 2016 Initial Study. Based on the data in the Initial Study, no new significant adverse biological resource impacts will result from the revision of the layout of the RP-3 facilities, summarized in the Project Description above, reduction of the number of reservoirs from two reservoirs to one 0.53 MG reservoir, and addition of an enclosed structure for the booster pump system proposed as part of this Addendum than that which was originally proposed in the 2016 Initial Study.

The cultural resources evaluation in the 2016 IS/MND is provided in Chapter 5 of the Initial Study. No further cultural studies have been deemed necessary to conduct because the environment has not changed in the 6 months since the 2016 Initial Study was certified. The Initial Study/Cultural Resources survey found that there no historic property or historic resources, as defined by Section 106 and CEQA, are present within or adjacent to the Area of Potential Effects. Two mitigation measures were included in the cultural resources evaluation in the original IS/MND to ensure impacts to cultural resources remain less than significant. Thus, based on the data in the Initial Study, no new significant adverse cultural resource impacts will result from the proposed modifications to the layout of the RP-3 facilities, reduction of the number of reservoirs from two reservoirs to one 0.53 MG reservoir, and quieter booster pump system than that which was originally proposed in the 2016 Initial Study.

In conclusion, relative to the biological and cultural impacts forecast in the IS/MND, no significant adverse change or affect is forecast to occur in approving this Addendum and implementing the proposed modifications to the facilities and layout of facilities within RP-3 than that which was approved in the original IS/MND. No further mitigation is required to support the implementation of the proposed project modifications.

b) *CUMULATIVE IMPACTS: Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when reviewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future project.)*

Aesthetics: Aesthetics issues are discussed in Chapter 1 of the Initial Study. The proposed project modifications will occur at IEUA's RP-3 facility. Because the proposed facilities (reservoir, booster pump station, and hydropneumatic tank with supporting pump) are common components of the visual setting within a facility such as Regional Plant 3—which contains an abandoned wastewater facility and water recharge basins—the proposed modifications to the layout of the RP-3 facilities, reduction of the number of reservoirs from two reservoirs to one 0.53 MG reservoir, and addition of an enclosed structure for the booster pump system would not substantially change the visual landscape of RP-3 and surrounding areas, particularly because

the reservoir, which is the tallest proposed structure, will remain in essentially the same location as the future reservoir was intended to be located. Thus, any aesthetic impacts from the placement and construction of the reservoir will remain effectively unchanged from the plans outlined in original IS/MND. The new structures will be further from the edge of the property and the structures will not be visible beyond the block wall that lines RP-3 along Beech Avenue. There are no scenic highways in proximity to the site and all scenic vistas in proximity to the project site and all scenic resources—as previously stated, these resources are highly disturbed and reflect that which would be expected within a water facility of this type—will remain in their present condition or better with the implementation of the proposed project modifications. The proposed modifications, as stated above, will not require implementation of any aesthetics mitigation measures. Thus, the proposed project expansion is not forecast to negatively alter any aesthetic or visual impacts and no cumulatively considerable impacts will result from the modified project.

Agricultural Resources: Agricultural resources are discussed in Chapter 2 of the 2016 Initial Study. The project is within RP-3, which is owned by IEUA and currently serves as a recharge basin location. Because RP-3 has been developed, the project area of potential effects (APE) did not contain any agricultural resources, and none will be affected by the proposed project modifications. No mitigation measures were proposed and none are required for the modified project. No cumulative adverse farmland impacts can result from implementing the revised project.

Air Quality: Air quality issues are discussed in Chapter 3 of the 2016 Initial Study. The Initial Study notes peak daily construction activity emissions are estimated to be below South Coast Air Quality Management District (SCAQMD) CEQA thresholds without the need for added mitigation even if the most intensive construction activities for each individual project were to overlap. The original IS/MND air quality evaluation encompassed the whole of the activities proposed by the FWC Recycled Water Improvement Project, which included the installation of approximately 49,070 lineal feet of pipeline. The construction of the facilities within RP-3 that are addressed in this Addendum was just one part of the scope of the overall Recycled Water Improvement Project. Under the modifications proposed in this Addendum, the emissions generated from construction of the proposed facilities would be less than originally planned in the IS/MND. With the elimination of the second reservoir, the scope of the Project would be less intense during both the short- and long-term (construction and operation). Though the revised project includes the construction of an enclosure for the booster pump system, the potential emissions generated from this addition would be far below that which was anticipated to be generated from the construction of the second reservoir. Therefore, no further daily operation related emissions are expected; thus, with implementation of air quality mitigation measures outlined in the original Initial Study, the revised project's daily and annual activities will continue to remain below a cumulatively considerable level of impact.

Hydrology/Water Quality: The hydrology and water quality (water) issues are discussed in Chapter 9 of the 2016 Initial Study. The Initial Study proposed mitigation measures to reduce potential impacts to stormwater runoff through the implementation of several best management practices (BMPs) required in the Storm Water Pollution Prevention Plan (SWPPP). The SWPPP ensured that containment, cleanup, transport, and proper disposal of hazardous chemicals or materials released during construction activities. The revision of the layout of the RP-3 facilities, reduction of the number of reservoirs from two reservoirs to one 0.53 MG reservoir, and addition of an enclosed structure for the booster pump system would not disrupt surface flow/drainage pattern any more than that which was addressed in the original IS/MND. In fact, with the elimination of the second reservoir the overall impervious surface within RP-3



would be less than originally planned in the IS/MND. The modifications proposed by this Addendum will require the implementation of the same construction related mitigation measures outlined in the 2016 Initial Study. Thus, with the reduction of reservoirs from two to one 0.53 MG reservoir, which reduces the surface coverage from constructing the facilities associated with this Project, there is no potential to substantially alter the cumulative impact findings in the Initial Study regarding hydrology or water quality.

**Land Use and Planning:** Land issues are discussed in Chapter 10 of the 2016 Initial Study. The proposed facilities (reservoir, booster pump station, and hydropneumatic tank with supporting pump) within RP-3 will function in the same manner as outlined in the originally approved project, which is to increase the Agency's program to maximize the beneficial reuse of recycled water to reduce dependence on imported water and to replace use of potable water for landscape irrigation by using recycled water. The land use remains the same within the existing project area, and the proposed project expansion remains consistent with IEUA's existing objectives for uses within RP-3, so no adverse impacts to or conflicts with the existing land use issues can occur as a result of the proposed project. Thus, the proposed revision of the layout of the RP-3 facilities, reduction of the number of reservoirs from two reservoirs to one 0.53 MG reservoir, and addition of an enclosed structure for the booster pump system has no potential to substantially alter the cumulative impact findings of no adverse impact in the 2016 Initial Study regarding area land use.

**Mineral Resource:** Mineral resources are discussed in Chapter 11 of the 2016 Initial Study. No mineral resource mining occurs within the project area. The future and existing site development (and prior site disturbances) would not affect mineral resource values or availability for the future. Thus, the proposed project modifications have no potential to cumulatively affect mineral resources as no mineral resource values occur within the project area.

**Noise:** The noise issue is discussed in Chapter 12 of the 2016 Initial Study. The evaluation of the noise generated by the original project concluded that the construction activities could be deemed a less than significant impact based on the implementation of several mitigation measures, including limiting construction activities to daylight hours. As a result, noise impacts were determined to be less than significant for project related construction activities. The modifications proposed by this project will generate less construction noise; the reduction of the number of reservoirs from two reservoirs to one 0.53 MG reservoir will result in less overall construction, and therefore, less cumulative noise generated from implementing the project. However, the revised layout places the booster pump and hydropneumatic tank and supporting pump—which are anticipated to generate the majority of project related noise during operation—closer to sensitive receptors within the habitat conservation basin located within RP-3. This noise will be attenuated through the construction of sound walls and/or a structural enclosure designed to enclose the booster pump system. The construction of this enclosure combined with the mitigation measure identified in the 2016 Initial Study—which identifies 50 dBA CNEL as the acceptable noise level at the nearest sensitive receptor location—will ensure that all impacts from implementing the modified project will remain less than significant. Thus, the proposed revision of the layout of the RP-3 facilities, reduction of the number of reservoirs from two reservoirs to one 0.53 MG reservoir, and addition of an enclosed structure for the booster pump system has no potential to cause cumulatively considerable noise impacts within the project area.

**Population and Housing:** The population and housing issues are discussed in Chapter 13 of the 2016 Initial Study. There were no direct or indirect effects on population and housing from implementing the original project and there will be no population or housing effects from

implementing the proposed project modifications. Thus, the proposed revision of the layout of the RP-3 facilities, reduction of the number of reservoirs from two reservoirs to one 0.53 MG reservoir, and addition of an enclosed structure for the booster pump system has no potential to cumulatively effect population or housing within the project area.

Public Services: The public services are discussed in Chapter 14 of the 2016 Initial Study. There were no direct or indirect effects on schools, recreation/parks, or other public facilities from implementing the original project and there will be no potential effects from implementing the proposed project modifications. The impact to fire and police protection, were considered less than significant. This, in part, is because the only demand for public services, such as the police or fire protection, would be a random instance of trespass, vandalism, or theft of equipment of material. The proposed revision of the layout of the RP-3 facilities, reduction of the number of reservoirs from two reservoirs to one 0.53 MG reservoir, and addition of an enclosed structure for the booster pump system are minor changes that work within the scope of services described in the original project, and thus, have no potential to cumulatively affect public services or recreation issues within the project area.

Transportation/Traffic: The transportation and traffic issues are discussed in Chapter 16 of the 2016 Initial Study. There were minor direct and indirect effects on transportation/traffic issues from implementing the original project due to the installation of approximately 49,070 lineal feet of pipeline within public road rights-of-way. The modifications proposed as part of this Addendum will occur within the RP-3 property, and therefore will not directly involve the installation of pipeline within public road rights-of-way. As the proposed modifications occur within the property boundaries of RP-3, with the exception of necessary truck trips to and from the site during construction, impacts to transportation and traffic are anticipated to remain essentially the same. This Addendum addresses the reduction in number of reservoirs (from two to one 0.53 MG reservoir), which will reduce the number of truck trips required for construction of the facilities within RP-3. Therefore, impacts to transportation and traffic as a result of implementation of the modified project are anticipated to be less intense than that which was planned for in the 2016 Initial Study. No adverse operational traffic impacts were identified in the Initial Study and the proposed project modifications will not alter this finding. Thus, neither operation nor construction related impacts from implementing the proposed revision of the layout of the RP-3 facilities, reduction of the number of reservoirs from two reservoirs to one 0.53 MG reservoir, and addition of an enclosed structure for the booster pump system would have no potential to cause cumulatively considerable adverse effect on transportation/traffic issues.

Utilities/Service Systems: The utility/service system issues are discussed in Chapter 17 of the 2016 Initial Study. The original project did not create any significant impacts to the utilities and services systems. The IS/MND proposed the construction of new water/water transmission facilities, and did not require the implementation of any mitigation measures. The proposed revision of the layout of the RP-3 facilities, reduction of the number of reservoirs from two reservoirs to one 0.53 MG reservoir, and addition of an enclosed structure for the booster pump system will not require or result in the construction of new water or wastewater treatment facilities. These modifications lessen the overall intensity of the Project because fewer structures are planned for construction (one less reservoir) than that which was envisioned in the 2016 Initial Study. Thus, there will be no further impacts to utilities and service systems from implementing the proposed modifications identified in this Addendum, and therefore, the proposed project modifications have no potential to cumulatively affect utilities and service systems within the project area.

c) *ADVERSE IMPACTS ON HUMANS: Does the project have environmental effects on human beings, either directly or indirectly?*

*Less Than Significant Impact/No Changes or New Information Requiring Preparation of an EIR.* Those project-related environmental resources or issues that pose a potential to have direct or indirect adverse effects on human beings include the following: air quality, geology and soils, hazards and hazardous materials, hydrology/water quality, and noise. The 2016 Initial Study concluded that that none of the above environmental issues would experience any significant project specific or cumulative adverse environmental impacts to people. Based on the analysis in support of this Addendum, implementation of the proposed revision of the layout of the RP-3 facilities, reduction of the number of reservoirs from two reservoirs to one 0.53 MG reservoir, and addition of an enclosed structure for the booster pump system will not result in effects on humans any greater than identified in the 2016 Initial Study. This is because the scope of the proposed project modifications remains comparable to, or less intense than what was evaluated in the 2016 Initial Study, as IEUA considers these modifications to be minor technical changes to the original project. Substantiation for this conclusion is provided in the following text.

Air Quality: Please refer to the Air Quality discussion presented above. An evaluation of regional air quality effects in the 2016 Initial Study indicated that the construction emissions of the FWC Recycled Water Improvement Project would not cause a significant impact on regional or local air quality with implementation of mitigation measures. As previously stated, the purpose of the Project is to increase the Agency's program to maximize the beneficial reuse of recycled water to reduce dependence on imported water and to replace use of potable water for landscape irrigation by using recycled water. The modifications proposed in this Addendum will help achieve this goal with less overall emissions during construction due to the proposed reduction in the number of reservoirs. Overall emissions will be less because fewer days of construction and less overall truck trips will be necessary to complete the project under the modifications proposed in this Addendum. Project implementation would remain below significant thresholds—as indicated in the original IS/MDN—with the application of the air quality mitigation measures. The operational emissions are expected to be within the scope of emissions anticipated in the 2016 Initial Study because the purpose of the project and associated facilities remains unchanged. Therefore, no significant adverse impacts to human beings will result from implementing the modified project.

Geology and Soils: Geology and Soils are discussed in Chapter 6 of the 2016 Initial Study. The project area is in a seismically active region, but it is not in an Alquist-Priolo Earthquake Fault Zone. However, the proposed project modifications do not include any habitable structures, which greatly reduce any exposure to geologic events such as seismic-related ground failure, including liquefaction, landslides, lateral spreading or subsidence. The 2016 Initial Study proposed mitigation to meet water quality control standards and reduce soil erosion. These measures will be enforced and no further impacts from the modified project under this issue are anticipated, particularly because this Addendum proposes a reduction in the number of reservoirs from two to one 0.53 MG reservoir. Additionally, the original project proposed several mitigation measures to protect future structures, particularly the water reservoir, from severe damage from ground shaking; implementation of these mitigation measures will ensure that the modified project will not have any potential for significant geological impacts on humans. Therefore, the modified project does not pose any exacerbated risk to humans from impacts related to geology and soils because the proposed facilities do not pose impacts to human health.

Hazards and Water Quality: Please refer to the hydrology and water quality discussion presented above. Hazards are discussed in chapter 8 of the 2016 Initial Study. An evaluation of the local hydrology and water quality effects in the 2016 Initial Study concluded that the original project would not pose significant impacts to hydrology and water quality issues. The original IS/MND proposed mitigation measures to reduce potential impacts to stormwater runoff through the implementation of several best management practices (BMPs) included in the SWPPP which ensure that containment, cleanup, transport, and proper disposal of hazardous chemicals or materials released during construction activities. This mitigation will prevent any accidental spills/hazards from occurring under the modified project. The proposed revision of the layout of the RP-3 facilities, reduction of the number of reservoirs from two reservoirs to one 0.53 MG reservoir, and addition of an enclosed structure for the booster pump system will not exacerbate any hazards and water quality impacts because the modified project facilities are less intense than that which was proposed in the 2016 Initial Study. This is because there are fewer facilities proposed as part of the modified project. These modifications are considered minor technical modifications that do not alter the potential impacts discussed under either hazards and hazardous materials or hydrology and water quality in the 2016 Initial Study. Therefore, no significant adverse direct or indirect effect on humans or impacts to humans will occur from implementing the proposed modifications to the FWC Recycled Water Improvement Project.

Noise: Please refer to the noise discussion presented in the previous section. The evaluation of noise generated by the original project concluded that construction and operational activities would be less a less than significant impact based on implementation of several mitigation measures, including limiting construction activities to daylight hours. As a result, the noise impacts were determined to be less than significant for both construction and operational activities at RP-3 where the modified facilities will be installed. The revision of the layout of the RP-3 facilities, reduction of the number of reservoirs from two reservoirs to one 0.53 MG reservoir, and addition of an enclosed structure for the booster pump system will generate less noise during construction due to the reduction of the number of reservoirs, which will therefore require less construction, and less overall days of construction and thereby less noise. The placement of the booster pump station will be nominally closer (by approximately 20 feet) to adjacent residents than planned in the original IS/MND; however, the booster pump system will be enclosed in a structure designed to attenuate noise. Thus, with the implementation of the mitigation measures identified in the noise section of the 2016 Initial Study—particularly the measure that identifies 50 dBA CNEL as the acceptable noise level at the nearest sensitive receptor location—the closer proximity to sensitive receptors as a result of the modified project is not forecast to rise to the level of significant impact on human beings, either site specific or cumulatively. No additional significant adverse direct or indirect noise effect on humans will result from implementing the proposed modified project.

Based on the above analysis, the implementation of the proposed modified project is not forecast to cause any significant direct or indirect impacts on humans. No major changes have occurred within the project environmental setting. Since the project proposes only minor technical changes—the revision of the layout of the RP-3 facilities, reduction of the number of reservoirs from two reservoirs to one 0.53 MG reservoir, and addition of an enclosed structure for the booster pump system—than that which was planned in the original IS/MND, no adverse impact to humans could occur from implementing the proposed project modifications.

## V. CONCLUSION

The information presented in the 2016 Initial Study – prepared for Inland Empire Utilities on behalf of Fontana Water Company/San Gabriel Valley Water Company—was used as a basis for the analysis in this Addendum, updated with current information from sources cited, referenced, and attached. Upon review of the 2016 Initial Study, the information and findings in this Addendum and all supporting evidence, it is the conclusion of this Addendum that the potential adverse environmental impacts from implementing the proposed project modifications, as described in the Project Description of this document, will not cause any new or more significant impacts to the environment than described in the 2016 Initial Study and summarized in this Addendum. There are no new significant impacts that result from the proposed project modifications, based on continuing to implement all of the mitigation measure commitments in the 2016 Initial Study. This Addendum provides an update to the Fontana Water Company Recycled Water Improvement Project, through the following modifications to the original IS/MND: a revision of the layout of the RP-3 facilities, a reduction of the number of reservoirs from two reservoirs to one 0.53 MG reservoir, and an addition of an enclosed structure for the booster pump system.

This Addendum provides the Inland Empire Utilities Agency with new and updated information substantiating the conclusion that the proposed project modifications will not cause substantial physical changes to the environment that would require preparation and processing of a new negative declaration or a new environmental impact report. Such documentation would only be required due to the involvement of new significant environmental effects or substantial increase in the severity of previously identified significant effects from implementing the original project. The facts and findings cited above and provided in this Addendum allow IEUA to use an Addendum in accordance with Section 15164(b) of the State CEQA Guidelines for the revision of the layout of the RP-3 facilities, reduction of the number of reservoirs from two reservoirs to one 0.53 MG reservoir, and addition of an enclosed structure for the booster pump system as part of the FWC Recycled Water Improvement Project.

Pursuant to CEQA Section 15164, the Initial Study adopted in 2016, as updated with this Addendum, can be relied upon for documentation of the effects of revising the layout of the RP-3 facilities, reducing the number of reservoirs from two reservoirs to one 0.53 MG reservoir, and adding an enclosed structure for the booster pump system on the environment. Because the changes in this project do not exceed the thresholds outlined in Sections 15162 and 15164 of the State CEQA Guidelines, no further analysis of the environmental impacts of the project is required in a Supplemental/Subsequent EIR or MND. The proposed modified project does not substantially alter the conclusions contained in the Initial Study as adopted by IEUA in 2016. The analysis presented above of the modifications to the adopted project justifies the issuance of an Addendum to IEUA's original 2016 Initial Study.

This Addendum to the Initial Study for the proposed revision of the layout of the RP-3 facilities, reduction of the number of reservoirs from two reservoirs to one 0.53 MG reservoir, and addition of an enclosed structure for the booster pump system all within IEUA's RP-3 facility includes the changes or additions necessary to make the adopted environmental document adequate under CEQA for the proposed project modifications. This Addendum incorporates the adopted 2016 Initial Study, this document and all staff reports and information submitted to the decision-makers regarding environmental issues affected by the proposed modified project. This Addendum is intended as a document containing additional information to provide decision makers and others, as appropriate, with an objective assessment of the potential environmental impacts associated with the implementation of the proposed project modifications.

## VI. REVIEW AUTHORITY

IEUA serves as the CEQA lead agency for this project. It is recommended that an Addendum be adopted as the appropriate CEQA environmental determination for the proposed project modifications, which includes the following: a revision of the layout of the RP-3 facilities, a reduction of the number of reservoirs from two reservoirs to one 0.53 MG reservoir, and an addition of an enclosed structure for the booster pump system.

## VII. CERTIFICATION

A handwritten signature in black ink, appearing to read "C. M. L.", is written above a horizontal line.

Signature

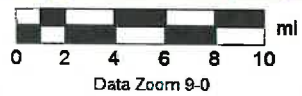
## **FIGURES**



# FIGURE 1 Regional Location



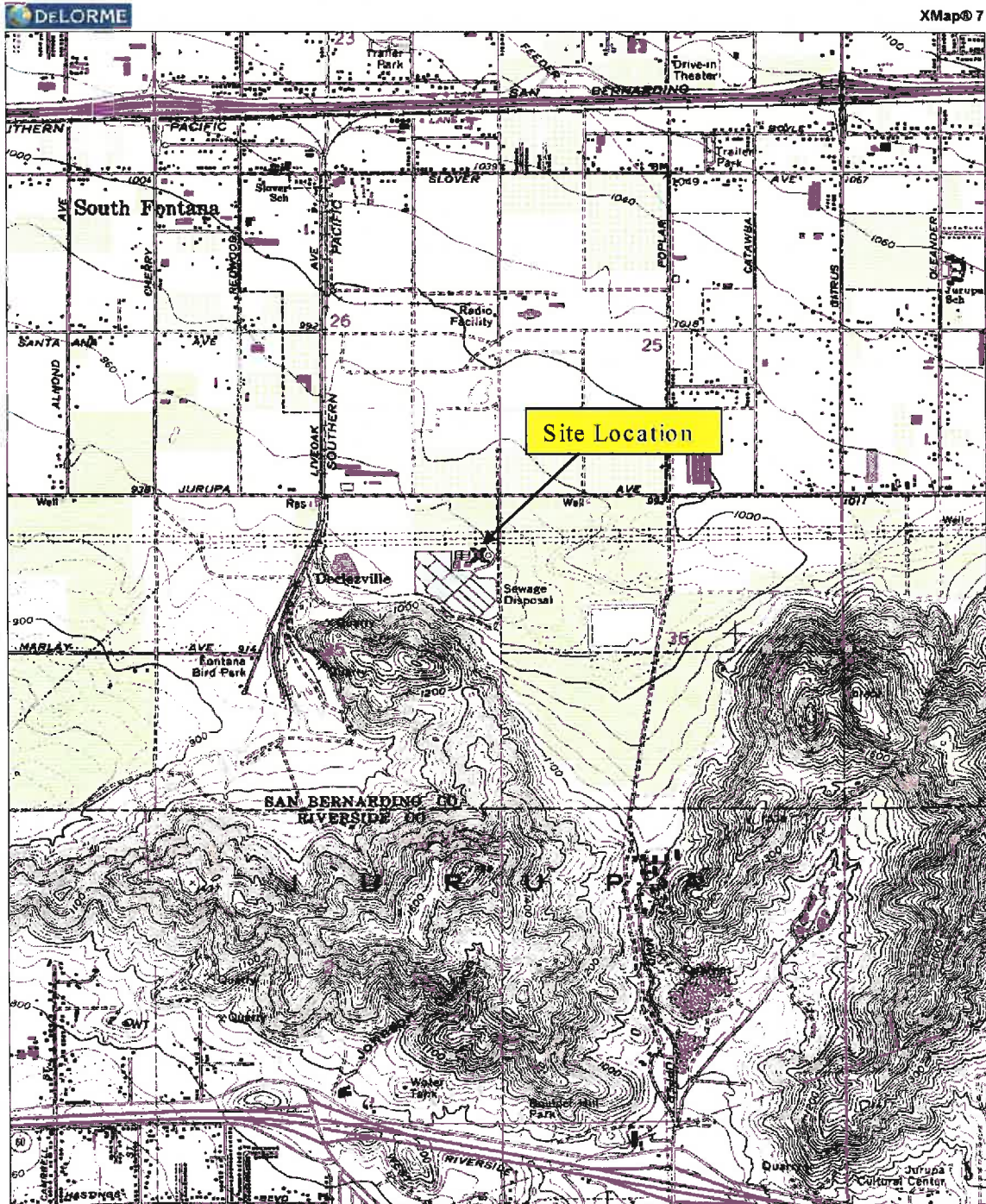
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Data Zoom 9-0



# FIGURE 2 Site Location

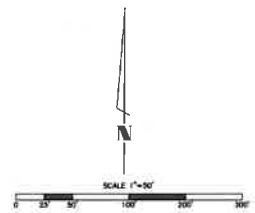
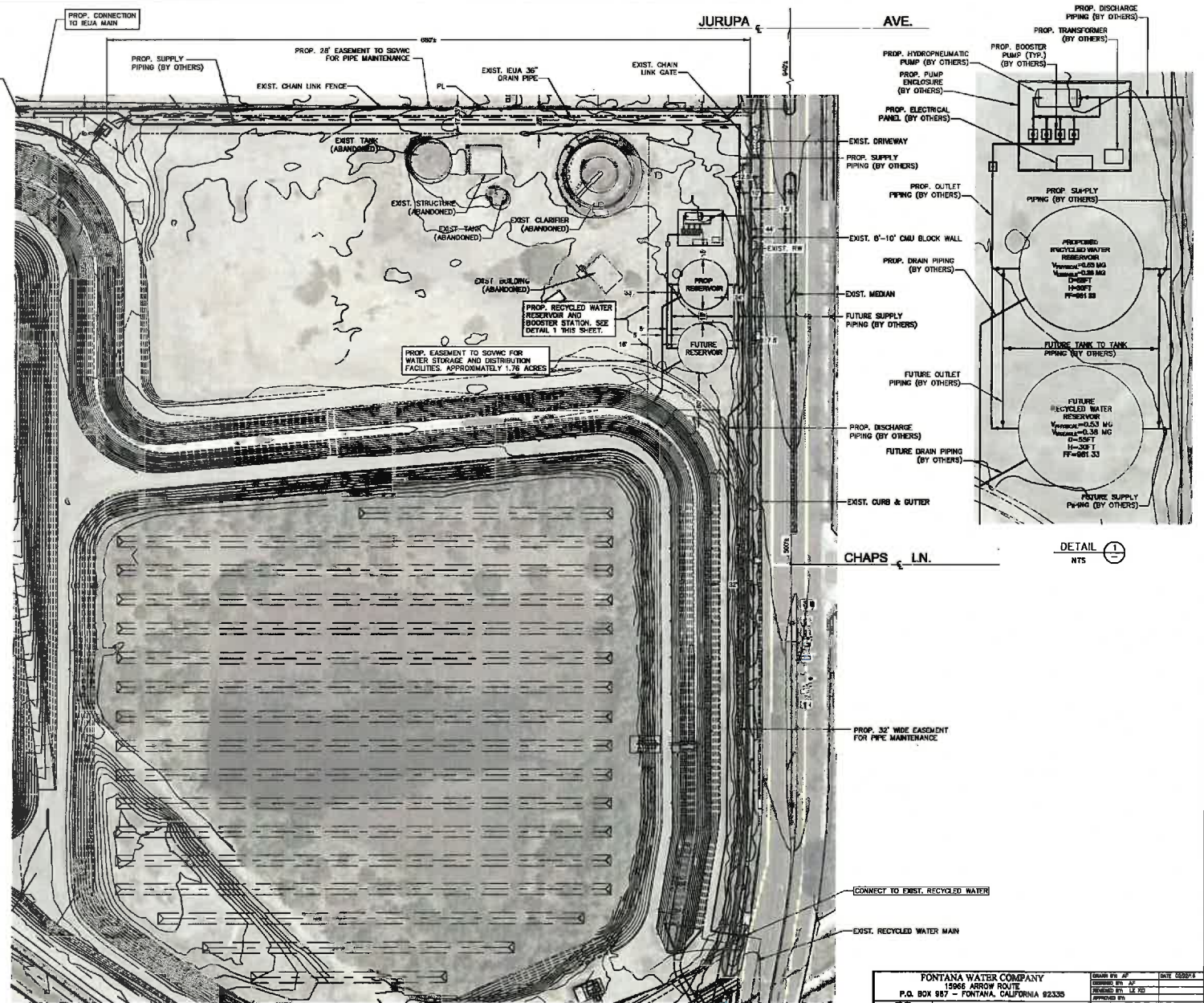
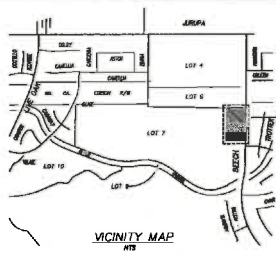


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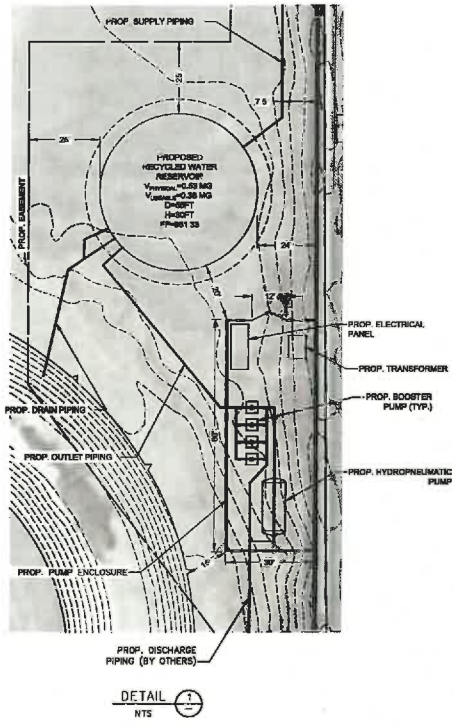
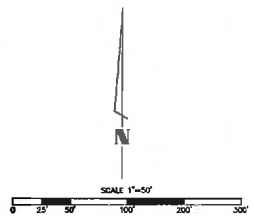
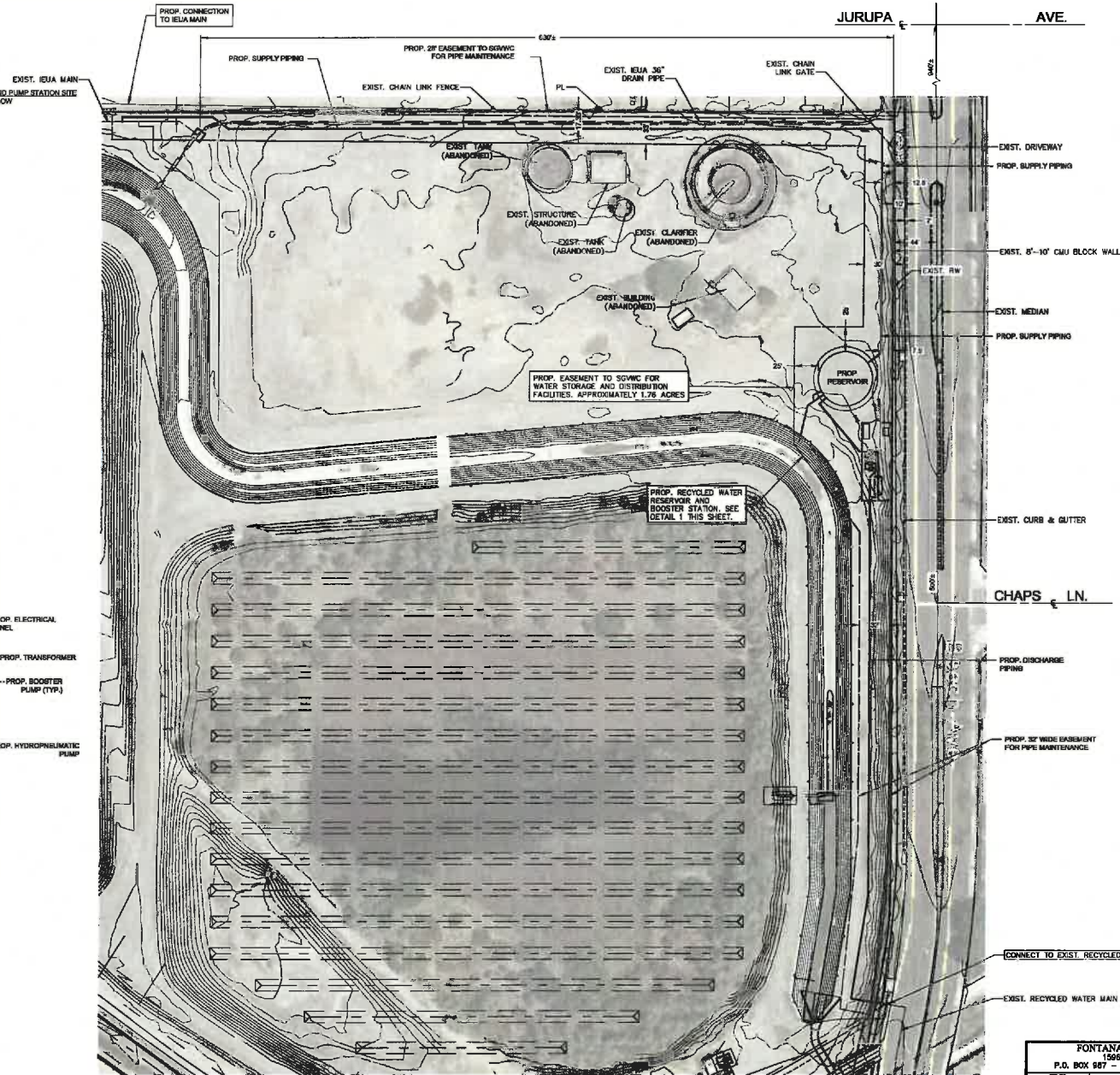
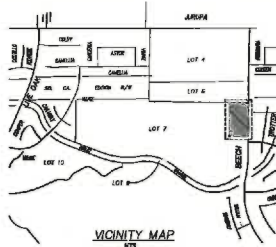




ISSUED FOR REVIEW

<b>FONTANA WATER COMPANY</b> 1966 ARROW ROUTE P.O. BOX 987 - FONTANA, CALIFORNIA 92335		DRAWN BY: JF CHECKED BY: JF APPROVED BY: JF	DATE: 08/07/14 TIME: 11:50 AM SHEET NO.: 5401FR TOTAL SHEETS: 1
<b>5401FR</b> RECYCLED WATER PART 2		PROJECT NO.: 14-001 SHEET NO.: 5401FR TOTAL SHEETS: 1	DATE: 08/07/14 TIME: 11:50 AM SHEET NO.: 5401FR TOTAL SHEETS: 1

FIGURE 3



ISSUED FOR REVIEW

FONTANA WATER COMPANY		DATE: 01/27/2014	SCALE: 1"=50'
19688 ARROW ROUTE		DESIGNED BY: JF	DATE: 10/28/13
P.O. BOX 967 - FONTANA, CALIFORNIA 92333		REVISION NO. 13.210	
5401FR	RECYCLED WATER	APPROVED BY:	COMP.
PART 2	RECYCLED WATER	DATE:	
	RECYCLED WATER	SCALE: 1"=50'	
	EXHIBIT	MAP SHEET	U.S. PAT. 845-82
SHEET 1 OF 1		CITY OF FONTANA	

FIGURE 4



## NOTICE OF DETERMINATION

**To:** Office of Planning and Research  
1400 Tenth Street, Room 121  
Sacramento, CA 95814

**From:** Inland Empire Utilities Agency  
6075 Kimball Avenue  
Chino, CA 91708

and

San Bernardino County  
Clerk of the Board of Supervisors  
385 N. Arrowhead Avenue, 2<sup>nd</sup> Floor  
San Bernardino, CA 92415

Subject: Filing of Notice of Determination in compliance with Section 21108 or 21152 of the Public Resources Code.

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Addendum No. 1 to the Fontana Water Company Recycled Water Improvement Project

Project Title

---

SCH #2016041051	Liza Muñoz, P.E.	(909) 993-1522
State Clearinghouse Number	Lead Agency Contact Person	Area Code/Telephone/Extension

### Project Location:

The proposed project is located in the southern-most portion of the City of Fontana, San Bernardino County, California. It is located south of Jurupa Avenue, west of Beech Avenue and north of the Jurupa Mountains. The project is located within Section 35, Township 1 South, Range 6 West, San Bernardino Base and Meridian, as depicted on the USGS – Fontana Quadrangle.

### Project Description:

San Gabriel Valley Water Company (SGVWC) is a privately-owned water company that provides water service to customers located within its Fontana Water Company (FWC) division service area, which includes the City of Fontana and some unincorporated areas in the immediate vicinity. The FWC provides this water service pursuant to the regulatory jurisdiction of the Public Utilities Commission of the State of California (CPUC). As a public utility water company, FWC is mandated to provide its customers a reliable supply of water that complies with state and federal safe drinking water standards. As a non-governmental entity SGVWC is not subject to California Environmental Quality Act (CEQA) unless its actions involve governmental participation, financing, discretionary permitting or approval (Section 15002(c) of the State CEQA Guidelines). IEUA has agreed to serve as the CEQA lead agency for this project as it will deliver IEUA recycled water to FWC that will be used to offset existing potable water demand within FWC's service area.

This Addendum is being prepared in response to FWC's need to revise the location of the facilities planned within RP-3 (the reservoir, booster pump, and hydropneumatic tank with supporting pump). Additionally, FWC seeks to reduce the number of reservoirs from two reservoirs to one 0.53 MG reservoir, and will enclose the booster pump station to attenuate noise. The proposed project modifications are in response to IEUA's plans to utilize the land upon which the Project facilities were originally planned to be constructed. The reduction in reservoirs from two reservoirs to one is a response to the lack of need for an additional reservoir at this time, and the addition of the booster pump system enclosure is due to the need to attenuate noise because of the closer proximity to the habitat conservation basin and adjacent residences.

The proposed project includes the expanded delivery of recycled water produced by IEUA Water Reclamation Facilities (WRFs) to FWC at its Regional Plant No. 3 (RP-3) recharge basin location. FWC proposes to install one reservoir, pump station that may include a 4,000 gallon hydropneumatic tank (and 10 horsepower pump to fill the tank) with an enclosure, and recycled water delivery pipelines; most of the proposed pipelines have already been installed, though some yard piping is needed. The purpose of the proposed RP-3 improvements is to increase the Agency's program to maximize the beneficial reuse of recycled water to reduce dependence on imported water and to replace use of potable water for landscape irrigation by using recycled water.

# Notice of Determination

## Page 2 of 2

This is to advise that the Inland Empire Utilities Agency has approved the above described  
 Lead Agency  Responsible Agency

project on April 19, 2017 and has made the following determination regarding the  
project:  
(Date)

1. The project [ will  will not] have a significant effect on the environment.
2.  An Addendum to the previously adopted Recirculated Mitigated Negative Declaration was prepared for this project pursuant to the provisions of CEQA.
3. Mitigation measures from the original Recirculated Mitigated Negative Declaration will be implemented in accordance with the approval of the project.
4. A Statement of Overriding Considerations [ was  was not] adopted for this project.

This is to certify that the Mitigated Negative Declaration/Initial Study and record of project approval is available to the general public at:

Inland Empire Utilities Agency located at 6075 Kimball Avenue, Chino, CA 91708

---

*Signature*

*Title*

*Date*

# Fontana Water Company Recycled Water Improvement Project CEQA Addendum Adoption



# Project Request

- Adoption of an addendum to the CEQA Initial Study/Mitigated Negative Declaration (IS/MND) for the proposed Fontana Water Company (FWC) Recycled Water Improvement Project

# Project Background

Sep 2016

- Adopted the IS/MND by the Board for the original site layout

Nov 2016

- Redesigned the FWC reservoir and pump station layout to coordinate with RP-3 Basin Improvement Project

Feb 2017

- Revised the IS/MND and recirculated for a 15-day review

Mar 2017

- Addressed comments received





# Conclusion

- The redesigned site layout has slightly less impact than forecasted in the adopted IS/MND.
- Mitigated Negative Declaration (MND) is the appropriate environmental determination.
- Mitigation measures to be implemented through the Mitigation, Monitoring and Reporting Program (MMRP).

# Recommendation

1. Adopt the Addendum to the Fontana Water Company Recycled Water Improvement Project CEQA Initial Study/Mitigated Negative Declaration and Mitigation, Monitoring and Reporting Program; and
2. Authorize the General Manager to file the Notice of Determination with the San Bernardino County Clerk of the Board.

The adoption of the addendum to the CEQA findings and mitigation measures is consistent with IEUA's business goal of ***Water Reliability.***


CONSENT  
CALENDAR  
ITEM


**2K**


Date: April 19, 2017

To: The Honorable Board of Directors

Through: Engineering, Operations, and Water Resources Committee (4/12/17)

From:  P. Joseph Grindstaff  
General Manager

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

Shaun J. Stone   
Manager of Engineering

Subject: NRW and Collection Systems Construction Contract Award

---

### **RECOMMENDATION**

It is recommended that the Board of Directors:

1. Award a construction contract for the Non-Reclaimable Wastewater Manhole Upgrades FY 2016/17 and Collection System Upgrades FY 2016/17, Project Nos. EN17014 and EN17015 respectively, to Ferreira Construction Co. Inc., in the amount of \$284,738; and
2. Authorize the General Manager to execute the construction contract.

### **BACKGROUND**

IEUA is responsible for operating and maintaining the mainline sewer collection and Non-Reclaimable Waste (NRW) systems throughout the cities of Fontana, Upland, Montclair, Rancho Cucamonga, Ontario, Chino, and Chino Hills as well as the unincorporated areas of San Bernardino County. IEUA's collection crews are routinely tasked with maintaining the existing systems and in doing so, they are required to access numerous manholes that have been in service for many years. Many of the existing manholes are showing signs of deterioration and sulfide damage. To address the deterioration, IEUA implemented a manhole upgrade program that has spanned several fiscal years and it is anticipated to continue until all IEUA manholes have been inspected and upgraded, if required.

NRW and Collection Systems Construction Contract Award

April 19, 2017

Page 2 of 3

The NRW Manhole Upgrades FY 2016/17 and Collection System Upgrades FY 2016/17 Projects will continue the manhole upgrading process by replacing 46 existing cast iron manhole frames and covers with composite manhole frames and covers. Twenty-six of the 46 manholes are showing significant sulfide damage to the interior of the structure. The structures will be rehabilitated and treated with a protective liner to minimize future damage to the manhole interiors.

The worksites for the subject projects are in the public right-of-way in the cities of Ontario, Chino, Upland, and the unincorporated area of San Bernardino County. Fourteen manholes are located on private properties within IEUA easements.

On March 2, 2017, IEUA advertised a request for bids on PlanetBids. On March 16, 2017, the following bids were received:

Bidder's Name	EN17014	EN17015	Total Price
Ferreira Construction Co. Inc.	\$82,511	\$202,227	\$284,738
Genesis Construction Co.	\$152,167	\$396,610	\$548,777
<b>Engineer's Estimate</b>	<b>\$178,000</b>	<b>\$374,000</b>	<b>\$552,000</b>

Ferreira Construction Co. Inc. was the lowest responsive and responsible bidder with a bid price of \$284,738. In the past, Ferreira Construction Co. Inc. has performed several successful projects for IEUA showing good workmanship and responsiveness.

Due to the bid at 50% of Engineer's Estimate, staff contacted Ferreira Construction to confirm the validity of their bids and to confirm that all scope items were addressed. After extensive discussion and review, Ferreira confirmed that all items were accounted for and the bid is accurate.

The following table is the anticipated project cost:

Description	EN17014	EN17015	Estimated Cost
In-House Design	\$13,000	\$18,000	\$31,000
Construction Services (~15%)	\$12,400	\$30,400	\$42,800
Construction	\$82,511	\$202,227	\$284,738
Contingency (~15%)	\$12,400	\$30,400	\$42,800
<b>Total Project Cost</b>	<b>\$120,311</b>	<b>\$281,027</b>	<b>\$401,338</b>
<b>Total Project Budget</b>	<b>\$350,000</b>	<b>\$500,000</b>	<b>\$850,000</b>

The following is the project schedule:

Project Milestone	Date
Construction Contract Award	April 2017
Construction Completion	September 2017

The NRW Manhole Upgrades FY 2016/17 Project and the Collection System Upgrades FY 2016/17 Project are consistent with IEUA's Business Goal of Wastewater Management and Work Environment specifically the Water Quality and Staff Safety objectives that IEUA will ensure that

NRW and Collection Systems Construction Contract Award

April 19, 2017

Page 3 of 3

systems are planned, constructed, and managed to protect public health, the environment, and meet anticipated regulatory requirements, and ensure a safe and healthy work environment, exceeding industry best practices.

**PRIOR BOARD ACTION**

None.

**IMPACT ON BUDGET**

If approved, the construction contract award for the NRW Manhole Upgrades FY 2016/17, Project No. EN17014, in the amount of \$82,511 will be within the total project budget of \$350,000 in the Non-Reclaimable Wastewater (NC) Fund.

If approved, the construction contract award for the Collection System Upgrades FY 2016/17, Project No. EN17015, in the amount of \$202,227 will be within the total project budget of \$500,000 in the Regional Wastewater (RC) Fund.

Attachment:

Construction Contract

<https://dl.dropbox.com/s/jcj6nypiga2lnwa/17088%20Attachment%20NRW%20%26%20Collection%20Systems%20Construction%20Contract%20Award%204-2017.pdf?dl=0>

PJG:CB:SS:rw



# NRW Manhole Upgrades FY 2016/17 and Collection System Upgrades FY 2016/17 Construction Contract Award Project Nos. EN17014 & EN17015

## Board Meeting





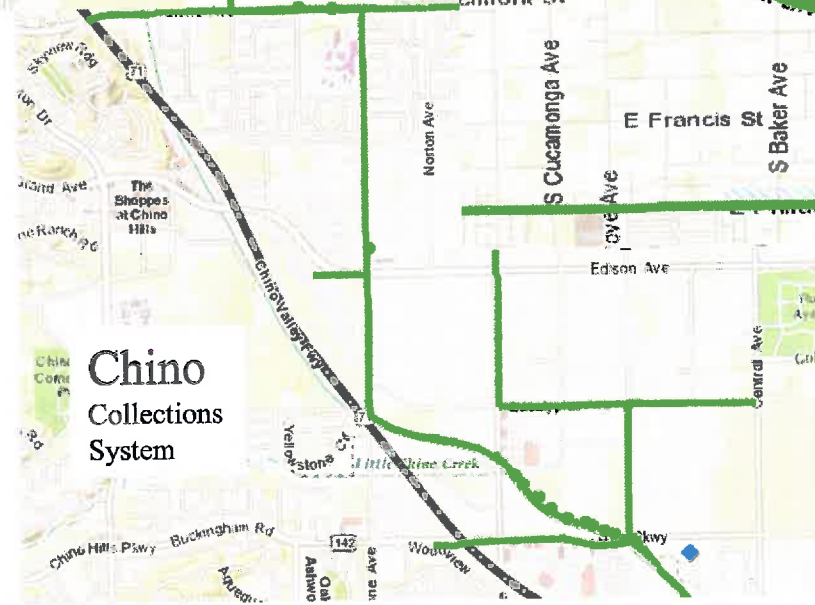
# Project Location



San Bernardino County  
NRW



Ontario  
Collections System



Chino  
Collections  
System



Upland  
Collections  
System

# Project Background

- EN17014 & EN17015
  - Deterioration identified by Operations & Maintenance Staff on 46 manholes
  - Three buried manholes
  - Twenty-six manhole structures damaged by sulfide
  - Fourteen manholes above grade level



Existing NRW Manhole in the City of Ontario



Existing Sewer Manhole in the City of Chino



# Project Scope

- EN17014
  - Replace 10 cast iron manholes with composite manholes
  - Rehabilitate and line 10 manhole structures
  - Adjust three manholes to grade level
- EN17015
  - Replace 36 cast iron manholes with composite manholes
  - Rehabilitate and line 16 manhole structures
  - Adjust 11 manholes to grade level
  - Locate and excavate three buried manholes



Existing NRW Manhole in San Bernardino County



Existing Sewer Manhole in the City of Ontario

# Contractor Selection

- Two proposals received on March 16, 2017

## Proposals Received

Bidder's Name	EN17014	EN17015	Total
Ferreira Construction Co. Inc.	\$82,511	\$202,227	\$284,738
Genesis Construction Co.	\$152,167	\$396,610	\$548,777
<b>Engineer's Estimate</b>	<b>\$178,000</b>	<b>\$374,000</b>	<b>\$552,000</b>

# Project Budget and Schedule

Milestone	Estimated Cost EN17014	Estimated Cost EN17015	Estimated Total Cost
In-House Design Services	\$13,000	\$18,000	\$31,000
Construction Services (15%)	\$12,400	\$30,400	\$42,800
Construction	\$82,511	\$202,227	\$284,738
Contingency (15%)	\$12,400	\$30,400	\$42,800
Total Project Cost	\$120,311	\$281,027	\$401,338
Total Project Budget	\$350,000	\$500,000	\$850,000

Milestone	Date
Construction Contract Award	April 2017
Construction Completion	September 2017

# Recommendation

- Award a construction contract for the NRW Manhole Upgrades FY 2016/17 and Collection System Upgrades FY 2016/17, Project Nos. EN17014 and EN17015 respectively, to Ferreira Construction Co. Inc. for the not-to-exceed amount of \$284,738; and
- Authorize the General Manager to execute the construction contract.

The NRW Manhole Upgrades FY 2016/17 and Collection System Upgrades FY 2016/17 Projects are consistent with **IEUA's Business Goals of Wastewater Management and Work Environment** specifically the Water Quality and Staff Safety objectives that IEUA will ensure that Agency systems are planned, constructed, and managed to protect public health, the environment, and meet anticipated regulatory requirements, and ensure a safe and healthy work environment, exceeding industry best practices.

CONSENT  
CALENDAR  
ITEM


**2L**





Date: April 19, 2017

To: The Honorable Board of Directors

Through: Engineering, Operations, and Water Resources Committee (4/12/17)

From:  P. Joseph Grindstaff  
General Manager

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

Shaun Stone   
Manager of Engineering

Subject: RP-5 Consultant Contract Award - Operations and Maintenance Building

---

### **RECOMMENDATION**

It is recommended that the Board of Directors:

1. Award the consulting architectural services contract for the proposed RP-5 Operations and Maintenance Building, Project No. EN19001, to Gillis & Panichapan Architects, Inc., for the not-to-exceed amount of \$136,510; and
2. Authorize the General Manager to execute the contract.

### **BACKGROUND**

In January 2016, IEUA began working on the Regional Water Recycling Plant No. 1 (RP-1) and Regional Water Recycling Plant No. 5 (RP-5) Expansion Preliminary Design Report (PDR) which has resulted in three Board Workshops conducted in May 2016, October 2016, and February 2017. In addition, multiple staff workshops and monthly meetings have been conducted based upon three different series of technical memoranda packages as part of the creation of the PDR. During the November monthly meeting, Operations and Maintenance staff requested an additional evaluation be included in the RP-5 Expansion Preliminary Design to evaluate the addition of an Operations and Maintenance Building. Currently, the only Maintenance Building in the southern service area is located at RP-2, which will be decommissioned in 2023 after the start-up of the RP-5 Expansion Project. An Operations and Maintenance Building was not included in the original scope of work for the PDR.



Engineering, Operations, and Maintenance staff detailed the requirements for an Operations and Maintenance Building, which includes:

- Centrally support Operations and Maintenance staff from RP-5 (Liquids and Solids Facilities), CCWRF, Chino I Desalter, and Groundwater Recharge/Recycled Water
- Provide an operations command center
- Provide a maintenance bay
- Provide equipment storage
- Provide parking for IEUA's Operations and Maintenance vehicle fleet

Due to the schedule to complete a preliminary analysis of the RP-5 Operations and Maintenance Building and to maintain the current schedule of the Expansion PDR, it was decided to initiate a separate contract for this initial evaluation. IEUA staff requested proposals for consulting engineering services for the proposed RP-5 Operations and Maintenance Building, which included scope items for preliminary space programming, floor plans and elevations, and building renderings. Additionally, a feasibility assessment of a conversion of the Renewable Energy Efficiency Project (REEP) Building to an Operations and Maintenance Building was requested. Staff received proposals from two consultants Gillis & Panichapan Architects (GPA) and Parsons. The proposals were reviewed by Engineering and Construction Management staff. Both firms presented outstanding proposals showing depth of experience, good references, and understanding of the project requirements. After internal review of the proposals, it was decided to select GPA to complete the initial evaluation for the proposed RP-5 Operations and Maintenance Building. One key component of this selection was to maintain Parsons' focus on the preliminary design and transition into the full design for the RP-5 Liquids Treatment Expansion and RP-5 Solids Facility.

The following table is the anticipated project cost:

Description	Estimated Cost
Project Development	\$18,000
Design Consultant	\$136,510
<b>Total Projected Cost for Initial Evaluation</b>	<b>\$154,510</b>
<b>Total Projected Operations and Maintenance Building Cost</b>	<b>\$15M - \$20M</b>

The current phase of the project will be funded through the RP-5 Liquids Expansion, Project No. EN19001. If the proposed RP-5 Operations and Maintenance Building Preliminary Design Report is approved, the project will continue under a new future project number.

The following is the project schedule:

Project Milestone	Date
Consultant Contract Award	April 2017
Preliminary Design Completion	August 2017
Operations and Maintenance Building Board Workshop	October 2017

The RP-5 Operations and Maintenance Building Project is consistent with the *IEUA's Business Goal of Wastewater Management* specifically the Asset Management objective that IEUA will ensure the regional sewer system and treatment facilities are well maintained, upgraded to meet evolving requirements, sustainably managed, and can accommodate changes in regional water use.

### **PRIOR BOARD ACTION**

None.

### **IMPACT ON BUDGET**

If approved, the consulting architectural services contract award for the RP-5 Operations and Maintenance Building, Project No. EN19001, to Gillis & Panichapan Architects, Inc., for the not-to-exceed amount of \$136,510 will be within the total project budget of \$160,000,000 in the Regional Wastewater Capital (RC) Fund. Once the Preliminary Design is complete and approved, a new project will be created.

Attachment:

Consultant Architectural Contract

<https://dl.dropbox.com/s/zj52rykdmrnf0tk/17087%20Attachment%20RP-5%20Operations%20%26%20Maintenance%20Building%20Consultant%20Contract%20Award%204-2017.pdf?dl=0>

PJG:CB:SS:jm

# RP-5 Operations & Maintenance Building Consultant Contract Award Project No. EN19001

## Board Meeting





# Regional Water Recycling Plant No. 5 Project Location





# Project Background

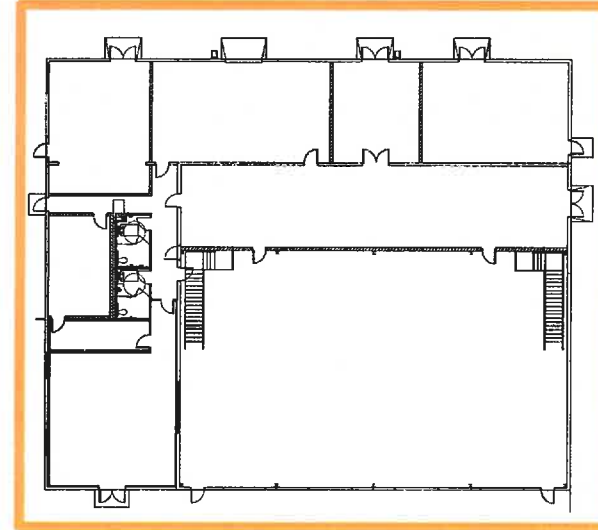
- No Maintenance Building or equipment storage in southern service area.
- O&M Building required due to:
  - RP-5 Expansion
  - Decommissioning of RP-2



*RP-5 Liquids & Solids Treatment Systems*

# Project Scope

- Preliminary Design for O&M Building:
  - Space Programming
  - Conceptual Design including floor plans and elevations
  - Preliminary cost and building rendering
  - Feasibility Assessment of converting REEP to O&M Building



*REEP Building First Floor Plan*



*RP-1 Maintenance Bay*

# Consultant Selection

- **Justification for selecting Gillis & Panichapan Architects**
  - Qualifications and experience
  - Understanding of the project scope
  - Maintains project schedule
  - Parsons to focus on completion of Preliminary Design Report and transition to final design
- Two proposals received:

## Proposals Received

	Gillis & Panichapan Architects
	Parsons

# Project Budget and Schedule

Description	Estimated Cost
Project Development and Preliminary Design (Staff Labor)	\$18,000
Consultant Engineer	\$136,510
Total Projected Cost for Initial Evaluation	\$154,510
Total Projected Operations and Maintenance Building Cost	\$15M - \$20M

Milestone	Date
Consultant Contract Award	April 2017
Preliminary Design Completion	August 2017
Operations and Maintenance Building Board Workshop	October 2017



# Recommendation

- Award a consultant contract for the preliminary design of the proposed RP-5 Operations & Maintenance Building, Project No. EN19001, to Gillis & Panichapan Architects, Inc., for the not-to-exceed amount of \$136,510; and
- Authorize the General Manager to execute the consultant engineering services contract.


The RP-5 Operations & Maintenance Building Project is consistent with the *IEUA's Business Goal of Wastewater Management* specifically the Asset Management objective that IEUA will ensure the regional sewer system and treatment facilities are well maintained, upgraded to meet evolving requirements, sustainably managed, and can accommodate changes in regional water use.


**CONSENT  
CALENDAR  
ITEM**


**2M**

Date: April 19, 2017

To: The Honorable Board of Directors

From:  P. Joseph Grindstaff  
General Manager

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

 Sharmeen Bhojani  
Manager of Human Resources

Subject: Labor Counsel Services Contract Award

---

### **RECOMMENDATION**

It is recommended that the Board of Directors:

1. Ratify the Retainer Agreement for general labor counsel and related legal services with Dorgan Legal Services, LLC. (DLS), subject to the fees, terms and conditions set forth in Exhibit A; and
2. Authorize the General Manager to execute the Retainer Agreement.

### **BACKGROUND**

In October 2013, the Board of Directors approved Sinnott, Puebla, Campagne & Curet (SPCC) to replace Atkinson, Andelson, Loya, Ruud & Romo as the Agency's general labor counsel. Ms. Wanda Dorgan, head of labor and employment practice at SPCC, successfully represented the Agency on several labor related litigation cases.

In January 2017, Ms. Dorgan left SPCC and began Dorgan Legal Services, LLC (DLS), a legal firm specializing in labor and employment law. Having served as the Agency's general labor counsel since 2013, transfer of the Agency's contract to DLS as a single source award provides the Agency with continuity of legal services in a dynamic and challenging area, as well as recognizes Ms. Dorgan's knowledge of the Agency and exceptional services provided over the years.

**PRIOR BOARD ACTION**

On October 2013, the Board of Directors approved Sinnott, Puebla, Campagne & Curet to replace Atkinson, Andelson, Loya, Ruud & Romo as the Agency's labor counsel.

On February 6, 2013, the Board of Directors approved a two-year contract with five additional option years to Atkinson, Andelson, Loya, Ruud & Romo to provide labor counsel services.

On August 17, 2005, the Board of Directors approved Contract Number CRA05119 with Liebert Cassidy Whitmore for labor relations legal services.

On August 17, 2000, the Board entered a contract for labor relations legal services with Liebert Cassidy Whitmore for labor relations legal services.

**IMPACT ON BUDGET**

Legal services provided by Dorgan Legal Services, LLC. are supported by the labor relations services budget included in the FY 2016/17 Administrative Services (GG) fund as part of Professional Services (100000/119100/520213).

Exhibit A: DLS Retainer Agreement

File: 2017-01-03  
File: 2017-01-03  
wdorgan@dorganlegalservices.com



January 3, 2017

***ATTORNEY-CLIENT  
AND WORK PRODUCT PRIVILEGED***

P. Joseph Grindstaff  
General Manager  
The Inland Empire Utilities Agency  
6075 Kimball Avenue  
Chino, CA 91709

**Re: Labor and Employment Counsel For Personnel and Employment  
Matters Including Litigation**

Dear Joe:

We are pleased that Dorgan Legal Services (the "Firm") has been retained by the Inland Empire Utilities Agency ("IEUA") to act as its Legal Counsel with respect to the above referenced matters. This letter agreement (the "Agreement") will be in effect upon execution and will confirm our understanding and agreement regarding the terms and conditions of the engagement of the Firm.

1. Services To Be Provided By The Firm. We will serve as your legal counsel with regard to the matters addressed above. The Firm will provide those legal services reasonably required to represent the IEUA and will take reasonable steps to keep IEUA informed of the progress of the matter and to respond to IEUA's inquiries. To the extent that IEUA requires the Firm's assistance with litigated matters, such representation will include, but not be limited to, the preparation of necessary pleadings, discovery, investigation, court appearances, attendance at trial and any appeals. It will also be the Firm's responsibility to maintain the confidentiality of information gathered during the

***ATTORNEY-CLIENT  
AND WORK PRODUCT PRIVILEGED***

P. Joseph Grindstaff  
March 22, 2017

Firm's representation of IEUA consistent with the ethical obligations conferred upon all attorneys in the State of California. We have conducted a conflict check and find that no conflict exists precluding the Firm from representing IEUA. We will also advise IEUA if we become aware of a potential conflict of interest which develops after our initial representation. We look forward to providing services to the conclusion of work assigned. During that work, electronic and physical files will be generated. After conclusion of our work on IEUA's behalf, IEUA may request those files. Absent a request, we will retain them. Our obligation to retain files, however, shall end after seven years from the date the matter is closed. At that time we will destroy the files. We will make a reasonable attempt to notify IEUA before doing so to allow IEUA to take possession.

2. Responsibilities of Client. It will be the responsibility of IEUA to cooperate fully with the Firm in its work, by among other things, providing us with relevant information and documents and by making yourself and/or the appropriate individuals reasonably available for consultation, interviews and discovery. For example, IEUA will be responsible for (a) providing us with any factual information that may be necessary for us to perform the foregoing legal services or that we may otherwise request and (b) confirming the completeness and accuracy of all such information.

3. Disclaimer of Guarantee. From time to time, through the course of the Firm's representation of IEUA, we may express beliefs concerning the effectiveness of various strategies and courses of action or concerning the merits of any proposed action. However, the Firm necessarily cannot make any promises or give any guarantees regarding any matter, and the statements of any of the Firm's attorneys are not intended, nor should they be construed, as any guarantee.

In addition, although we may from time to time, for your convenience, furnish IEUA with estimates of the amounts of fees which we anticipate will be charged for our services, such estimates are by their nature inexact and are not binding on either party.

4. Fees and Billing. We will, on a monthly basis, provide IEUA with a statement for professional services rendered and costs advanced for payment by IEUA within 30 days. The statements will also indicate any remaining balance of advance fee payment, if any. Occasionally, we may defer billing for a given month (or months) if the accrued fees and costs do not warrant current billing or if other circumstances would make it more convenient to defer billing.

**ATTORNEY-CLIENT  
AND WORK PRODUCT PRIVILEGED**

P. Joseph Grindstaff  
March 22, 2017

We have established a guideline hourly rate for each attorney and paralegal assistant for matters of this type. Current hourly rates for legal personnel are as follows:

Partners: \$300/hour  
Associates: \$265/hour  
Paralegals: \$140/hour

Time is charged in minimum units of one-tenth (.1) of an hour. The Firm will charge for waiting time in court and elsewhere and for travel time, both local and out of town. Our guideline hourly rates and standard charges change from time to time. We will provide 30 days written notice of such changes. If IEUA declines to pay increased rates, the Firm will have the right to withdraw as attorney for IEUA.

Our goal always is to establish a reasonable fee for our services. We endeavor to consider all relevant factors, some of which are specified in the code of professional responsibility of the American Bar Association, including the time required, the attorneys' experience, ability and reputation, the nature of the employment, the responsibilities involved and the results achieved.

In addition to our fees for legal services performed under this engagement, we will bill IEUA for costs incurred on its behalf, which may include court fees, court reporter fees for hearings or depositions, jury fees, notary fees, deposition costs, professional mediator, arbitrator or special master fees, telephone and photocopy charges, postage, facsimile costs, messenger and air freight charges, computer search costs and other similar items. Such items will be charged at the Firm's cost. To the extent that we directly provide photocopying services or other services that we bill as costs, we reserve the right to adjust the amount we charge for such services, at any time or from time to time, as we deem appropriate, in light of our direct costs in providing such services, our estimated overhead allocable to such services and outside competitive rates charged for such services.

IEUA agrees to pay transportation, meals, lodging and all other costs of any necessary out of town travel by the Firm.

To aid in the representation of IEUA, it may become necessary to hire expert witnesses, consultants or investigators. IEUA agrees to pay such fees and charges. The Firm will select any such expert witness, consultant or investigator to be hired and IEUA will be informed of the persons chosen and their charges. The Firm will endeavor to

**ATTORNEY-CLIENT  
AND WORK PRODUCT PRIVILEGED**

P. Joseph Grindstaff  
March 22, 2017

collaborate with IEUA in the selection of such expert witness, consultant or investigator to be hired.

It is our policy not to advance the costs of services provided by outside vendors (absent available funds from advance retainer payments for such purpose). Examples include but are not necessarily limited to court reporters' fees, printers' bills and graphic services. We will forward invoices from such vendors to IEUA for payment directly, and IEUA agrees to transmit payment for all such invoices promptly.

5. Additional Matters. Should we, at your request, perform legal services on other matters for IEUA, the terms and conditions set forth herein will not apply to such other matters, unless otherwise agreed in writing, with the exception that the financial obligations of this Agreement will be the sole responsibility of IEUA. We reserve the right to require a separate advance payment of fees and costs on any new matter that IEUA requests we handle.

6. Termination of Services. IEUA may discharge the Firm at any time. The Firm may withdraw with IEUA's consent or for good cause. Good cause includes IEUA's breach of this Agreement, refusal to cooperate or to follow the Firm's advice on a material matter or any fact or circumstance that would render the Firm's continuing representation unlawful or unethical. The termination of our services, whether by IEUA or by us, shall not relieve IEUA of the obligation to pay us for services rendered and costs advanced prior to termination. When our services conclude, such charges become immediately due and payable.

7. Arbitration. In order to avoid litigation in the event of any dispute that may develop concerning our legal services or billings, it is agreed that any such dispute shall be submitted to binding arbitration before the arbitration panel of the Los Angeles County Bar Association and shall be heard under the rules and procedures of that Association in Los Angeles, California.

All parties acknowledge that by agreeing to arbitration, you are giving up any right to a jury trial. Judgment on any arbitration award may be entered by any court of competent jurisdiction.

All parties also agree that should any dispute arise between either IEUA and our Firm which results in court action or arbitration, you further agree that the court or the arbitrators may award the prevailing party its reasonable attorneys' fees and costs



**ATTORNEY-CLIENT  
AND WORK PRODUCT PRIVILEGED**

P. Joseph Grindstaff  
March 22, 2017

incurred in connection therewith. All parties further acknowledge that without this "attorneys' fees" clause, each party would have to pay their own attorneys' fees and costs, regardless of the outcome of the dispute.

8. Insurance. The Firm maintains errors and omissions insurance coverage applicable to the services to be rendered under this Agreement.

9. Severability. If any provision of this Agreement is held to be void, voidable or unenforceable, the remaining provisions shall remain in full force and effect.

10. Execution. This Agreement may be executed in several counterparts, each of which shall constitute one and the same instrument.

We are pleased to be retained as counsel for IEUA, and we look forward to providing our services to you on a basis that is mutually satisfactory. Our billing practices reflect our commitment to deal fairly with our clients in this as in all other aspects of our relationship. The rules of ethics require written agreements when the Firm represents clients, so if the foregoing is acceptable I would appreciate you signing the extra copy of this letter below and returning it to me.

Please feel free to call with your questions or comments.

Very truly yours,

**DORGAN LEGAL SERVICES, LLP**

By:   
WANDA R. DORGAN

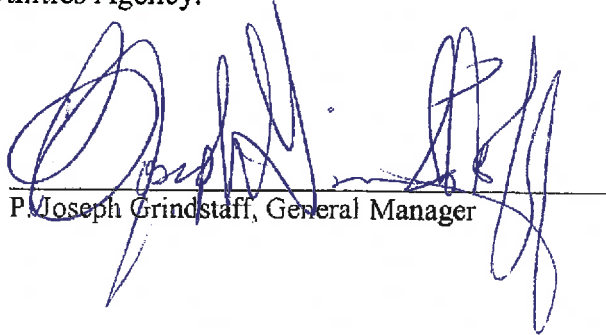
**ATTORNEY-CLIENT  
AND WORK PRODUCT PRIVILEGED**

P. Joseph Grindstaff  
March 22, 2017

The undersigned understands and agrees to the terms of the engagement set forth in this letter on behalf of the Inland Empire Utilities Agency.

DATED: March 23, 2017

By:






P. Joseph Grindstaff, General Manager

CONSENT  
CALENDAR  
ITEM

**2N**



Date: April 19, 2017  
To: The Honorable Board of Directors  
Through: Engineering, Operations, and Water Resources Committee (4/12/17)  
From:  R. Joseph Grindstaff  
General Manager  
Submitted by: Chris Berch   
Executive Manager of Engineering/Assistant General Manager  
Shaun J. Stone   
Manager of Engineering  
Subject: RP-1 Digester Cleaning Contract Award

---

### **RECOMMENDATION**

It is recommended that the Board of Directors:

1. Award a digester cleaning service contract for the RP-1 Digesters Nos. 1, 6, and 7, Project No. EN17042, to Synagro-WWT, Inc. in the amount of \$1,750,200; and
2. Authorize the General Manager to execute the contract.

### **BACKGROUND**

To maintain the efficiency of the digestion process at the Regional Water Recycling Plant No. 1 (RP-1), the digesters need to be cleaned every seven to ten years. The digester tank interior and exterior systems are thoroughly cleaned to remove solids, debris, and deposits collected in the piping system over years of operation. The intent of this project is to clean Digester Nos. 1, 6, and 7, and provide piping improvements to enhance reliability and performance.

In addition to the cleaning, Digesters 6 and 7 will be inspected internally and externally for potential gas leaks on the roof area and other signs of deterioration and damage. It is anticipated that cleaning, inspection, design, and repairs of Digesters 6 and 7 will take nine to twelve months each. During this cleaning contract, staff will issue requests for proposals for inspection and the design of any necessary repairs revealed, and issue with Board approval, separate contracts for these components of the work.

On February 7, 2017, IEUA advertised a request for bids on PlanetBids. On February 14, 2017, five contractors participated on the job walk. On March 9, 2017, the following bid was received:

Bidder's Name	Total Price
Synagro-WWT, Inc.	\$1,750,200
<b>Engineer's Estimate</b>	<b>\$1,700,000.00</b>

Synagro, after staff's review was deemed the lowest responsive and responsible bidder. Synagro's contractor licenses were checked and found to be current and in good standing, Synagro has performed several successful projects for IEUA in the past, showing good workmanship and responsiveness. Synagro is considered the most qualified contractor in the region who performs digester cleaning services. The Engineer's estimate was developed based on past contracts for similar work at IEUA and other wastewater agencies.

The following table is the anticipated project cost:

Description	Estimated Cost
Design	\$75,000
Construction Services (10%)	\$175,000
Construction (Digester Cleaning)	\$1,750,200
Contingency (10%)	\$175,000
<b>Total Project Cost</b>	<b>\$2,175,200</b>
<b>Total Project Budget</b>	<b>\$3,800,000</b>

The following is the project schedule:

Project Milestone	Date
Construction Contract Award	April, 2017
Digester No. 1 Cleaning and Service Completion	June 2017
Digester No. 6 Cleaning and Service Completion	September 2017
Digester No. 7 Cleaning and Service Completion	September 2018

The RP-1 Digester Cleaning Project is consistent with the *IEUA's Business Goal of Wastewater Management and Environmental Stewardship* specifically the Water Quality and Regulatory Compliance objectives that IEUA will comply with all federal, state, local, and environmental laws and regulations to protect public health and the environment.

**PRIOR BOARD ACTION**

None.

RP-1 Digester Cleaning Contract Award  
April 19, 2017  
Page 3 of 3

### **IMPACT ON BUDGET**

If approved, the digester cleaning contract award for the Digesters 1, 6, and 7 Cleaning, Project No. EN17042, in the amount of \$1,750,200 will be within the total project budget of \$3,800,000 in the Regional Wastewater Operations and Maintenance (RO) Fund.

Attachment:

Digester Cleaning Contract

<https://dl.dropbox.com/s/kz0hvhg58apr2wg/17089%20Attachment%20RP-1%20Digester%20Cleaning%20Contract%20Award%204-2017.pdf?dl=0>

PJG:CB:SS:jz

# RP-1 Digesters 1, 6, & 7 Cleaning Contract Award Project No. EN17042

## Board Meeting





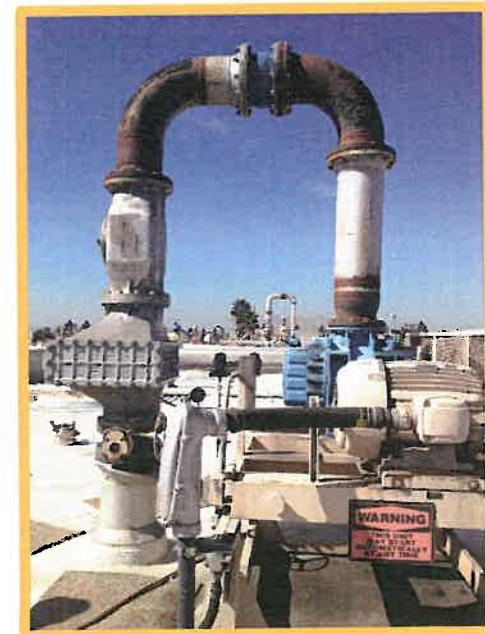
# Regional Water Recycling Plant No. 1 Project Location





# Project Background

- Digesters are cleaned every 7-10 years
- Cleaning maintains Digester Gas production at desired efficiency
- Various piping improvements are needed
- Signs of gas leak on Digesters 6 and 7 roofs



Gas Mixing System

# Project Scope

- Clean Digesters 1, 6, and 7, and piping system
- Procurement and installation of critical isolation valves
- Procurement and installation of backup flame arrestors and associated piping system
- Installation of scaffolding throughout the project to facilitate Digesters 6 and 7 inspection and repairs
- Inspection, design, and repair under separate contracts



Digester No. 6 Flame Arrestor



Digester Area

# Bid Summary

- One bid received on March 9, 2017:

## Bids Received

Bidder's Name	Total Price
Synagro-WWT, Inc.	\$1,750,200
Engineer's Estimate	\$1,750,000

# Project Budget and Schedule

Description	Estimated Cost
Design	\$75,000
Construction Services (10%)	\$175,000
Construction (Digester Cleaning)	\$1,750,200
Contingency (10%)	\$175,000
<b>Total Project Cost</b>	<b>\$2,175,200</b>
<b>Total Project Budget</b>	<b>\$3,800,000</b>

Milestone	Date
Construction Contract Award	April 2017
Digester No. 1 Cleaning and Service Completion	June 2017
Digester No. 6 Cleaning and Service Completion	September 2017
Digester No. 7 Cleaning and Service Completion	September 2018



# Recommendation

- Award a digester cleaning service contract for the RP-1 Digesters Nos. 1, 6, and 7, Project No. EN17042, to Synagro-WWT, Inc. in the amount of \$1,750,200; and
- Authorize the General Manager to execute the contract.

The RP-1 Digester Cleaning Project is consistent with **IEUA's Business Goals of Wastewater Management and Environmental Stewardship** specifically the Water Quality and Regulatory Compliance objectives that IEUA will comply with all federal, state, local, and environmental laws and regulations to protect public health and the environment.


**ACTION  
ITEM**


**4A**


Date: April 19, 2017

To: The Honorable Board of Directors

Through: Engineering, Operations, and Water Resources Committee (4/12/2017)

From:  P. Joseph Grindstaff  
General Manager

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

Shaun J. Stone   
Manager of Engineering

Subject: CCWRF Consultant Contract Award - 2017 Asset Management Package I

---

### **RECOMMENDATION**

It is recommended that the Board of Directors:

1. Award a consulting engineering services contract for the CCWRF Asset Management and Improvements Project No. EN17006, to CDM Smith, for the not-to-exceed amount of \$3,631,892; and
2. Authorize the General Manager to execute the consulting engineering services contract.

### **BACKGROUND**

Carbon Canyon Water Recycling Facility (CCWRF), located in the City of Chino, has been in operation since 1992, and provides quality recycle water pursuant to the State of California Title 22 regulations.

The plant has been in operation for over 25 years, with only minor work and rehabilitation completed, and now requires major overhaul services and process improvements to provide high quality treatment and remain in compliance with our National Pollutant Discharge Elimination System (NPDES) permits. The process improvements are required in various locations throughout the plant, therefore the project has been divided into three packages. Package I (current action) will address the preliminary, primary, and secondary treatment areas. Package II will address the building interior improvements/rehabilitation, and Package III will address the tertiary treatment area.

Package I includes the following major scope items:

- Condition assessment of the existing underground structures within the preliminary, primary, and secondary treatment processes and provide repair recommendations.
- Headworks Facility: Install new screens, grit hardware, and enclosed screenings facility.
- Odor Control System: Install new odor control for the headworks and the primary clarifiers.
- Aeration Basins: Install new automated gates, remove abandoned pipes, evaluate the air diffusers, and provide upgrade/rehabilitation recommendations.
- Blowers: Install new energy-efficient automated blowers.
- Backup Generator: Replace generator and provide control upgrades.

It is important to note that this project includes significant condition assessment work as part of the preliminary design phase. The condition assessment requires a significant level of effort in bypassing the entire incoming plant flow as well as internal process flows; totaling up to 40 million gallons per day. The costs associated with this single activity account for approximately \$1.5 million of the \$3.6 million consulting contract.

On January 12, 2017, IEUA staff advertised the Request for Proposals for consulting engineering services (Package I) on *Planet Bids*. On February 28, 2017, IEUA received proposals from Carollo Engineers, CDM Smith, and Stantec. The proposals were reviewed by a selection committee of IEUA staff from Engineering, Operations, and Maintenance. Additionally, a representative from the City of Chino Hills assisted with the selection. Based on the project team qualifications and experience, understanding of the project scope, and ability to meet the project schedule, the committee unanimously concurred that CDM Smith was the most qualified firm to do the work.

The following table is the anticipated project cost:

Description	Estimated Cost
Project Development	\$75,000
Consultant Engineer	\$3,631,892
Design Services (~ 2%)	\$300,000
Construction Services (~ 15%)	\$2,250,000
Construction	\$15,000,000
Contingency (~ 15%)	\$2,250,000
<b>Total Project Cost</b>	<b>\$23,506,892</b>
<b>Total Project Budget</b>	<b>\$24,000,000*</b>

*\*The current total project budget of \$7,000,000 will be amended to \$24,000,000 during the Ten-Year Capital Improvement Plan process to account for additional scope identified during the project charter development.*

During the project charter development, additional scope items were identified as necessary to address within this project. The original approved budget of \$7,000,000 was based on a limited preliminary evaluation at project inception. The detailed initial evaluation was placed on hold pending the completion of the RP-5 Expansion Preliminary Design Report's evaluation of maintaining the operation of the CCWRF. As such, the budget will be refined during the design phase



and once complete, it is anticipated that the project budget will require an amendment to proceed with the construction phase of the project.

The following is the project schedule:

<b>Project Milestone</b>	<b>Date</b>
Consultant Contract Award	April 2017
Design Completion	March 2019
Construction Contract Award	June 2019
Construction Completion	June 2021

The CCWRF Asset Management and Improvements project is consistent with the *IEUA's Business Goal of Wastewater Management* specifically the Water Quality objective that IEUA will ensure that systems are planned, constructed, and managed to protect public health, the environment, and meet anticipated regulatory requirements.

### **PRIOR BOARD ACTION**

None.

### **IMPACT ON BUDGET**

If approved, the consulting engineering services contract award for the CCWRF Asset Management and Improvements Project No. EN17006, for the not-to-exceed amount of \$3,631,892 will be within the total project budget of \$7,000,000 in the Wastewater Capital (RC) Fund.

Attachment:

Consultant Contract Award

<https://dl.dropbox.com/s/0vlqcy01xxa196n/17092%20Attachment%20CCWRF%20Asset%20Management%20%20Improvements%20%20Consultant%20Contract%20Award%204-2017.pdf?dl=0>

PJG:CB:SS:aa

# CCWRF Asset Management & Improvements – Package I Consultant Contract Award

Project No. EN17006  
April 19, 2017  
Board Meeting



**Adham Almasri, PE, PMP**  
April 2017

# Carbon Canyon Water Recycling Facility Project Location





# Project Background

- CCWRF constructed in 1992
- General deterioration with over 25 years of operation
- This project is first of three packages
  - Package I: Preliminary, primary, and secondary treatments
  - Package II: Tenant improvements
  - Package III: Tertiary treatment
- Current issues to be addressed in Package I
  - Inefficient odor control system
  - Deteriorated headworks equipment
  - Blowers at the end of service life
  - Aeration Basins operation not optimized



Non-Operational Gates



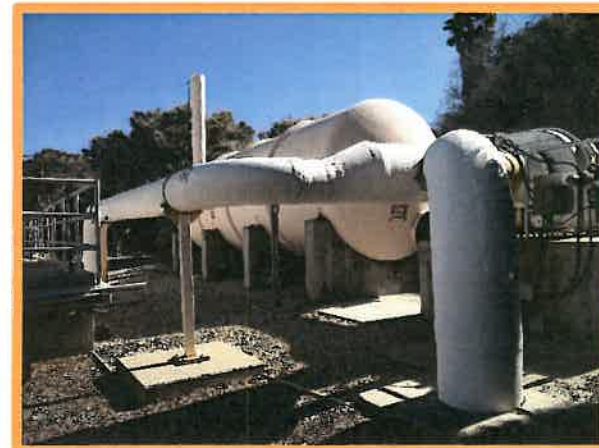
Rusted Pipe Surfaces

# Project Scope

- Condition assessment and flow bypassing while plant is in operation
- Headworks rehabilitation
- New odor control system
- Aeration basins modification
- Replace and automate blowers
- Replace backup generator and upgrade controls



Existing Headworks Structure



Existing Chemical Mist Odor Control

# Consultant Selection

- Evaluation and Selection Committee
  - IEUA Engineering, Operations & Maintenance, and the City of Chino Hills
- Justification for unanimously selecting CDM Smith
  - Success in similar past projects
  - Comprehensive understanding of project scope and expectation
  - Most qualified consultant
- Three proposals received on February 28, 2017

## Proposals Received

Carollo Engineers
CDM Smith
Stantec

# Project Budget and Schedule

Description	Estimated Cost
Project Development	\$75,000
Consultant Engineer	\$3,631,892
Design Services (~2%)	\$300,000
Construction Services (~15%)	\$2,250,000
Construction	\$15,000,000
Contingency (~15%)	\$2,250,000
<b>Total Project Cost</b>	<b>\$23,506,892</b>
<b>Total Project Budget</b>	<b>\$24,000,000*</b>

*\*The current total project budget of \$7,000,000 will be amended to \$24,000,000 during the Ten-Year Capital Improvement Plan process to account for additional scope identified during the project charter development.*

Milestone	Date
Consultant Contract Award	April 2017
Design Completion	March 2019
Construction Contract Award	June 2019
Construction Completion	June 2021



# Recommendation

- Award a consulting engineering services contract for the CCWRF Asset Management and Improvements Project No. EN17006, to CDM Smith, for the not-to-exceed amount of \$3,631,892; and
- Authorize the General Manager to execute the consultant engineering services contract.

The CCWRF Asset Management & Improvements is consistent with the **IEUA's Business Goal of Wastewater Management** specifically the Water Quality objective that IEUA will ensure that systems are planned, constructed, and managed to protect public health, the environment, and meet anticipated regulatory requirements.





**ACTION  
ITEM**


**4B**

Date: April 19, 2017

To: The Honorable Board of Directors

From:  P. Joseph Grindstaff  
General Manager

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

 Sharmeen Bhojani  
Manager of Human Resources

Subject: Adoption of Resolutions to Amend the Memoranda of Understanding and Salary Matrices/Schedules for Reorganization and Unit Modification

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### **RECOMMENDATION**

It is recommended that the Board of Directors adopt Resolution Nos. 2017-4-3 and 2017-4-4 to amend the Supervisors' Unit, General Unit and the Professional Unit Memoranda of Understanding (MOUs) and the Personnel Manual and to amend salary matrices/schedules for all groups to reflect a reorganization and unit modifications.

### **BACKGROUND**

The proposed reorganization plan calls for streamlining management of the Agency's technology solutions, integrating the Grants and Records Management sections into the new External Affairs and Policy Development Division, enhancing the Finance Division for critical succession planning, and expanding the Safety section under the Human Resources Department to support efforts to further promote the Agency's safety program.

An overview of the proposed modifications is outlined as follows:

#### **Agency Management**

Currently, the General Manager's direct reports include the Chief Financial Officer/AGM, Executive Manager of Engineering/AGM, Executive Manager of Operations/AGM, Executive Manager of Policy Development/AGM, and Manager of External Affairs.

The Agency's technology efforts are currently housed under two separate divisions: the Manager of Business Information Systems (BIS) reports to the CFO/AGM and the Deputy Manager of Integrated

Adoption of Resolutions to Amend the MOU and Salary Matrix/Schedule for Reorganization and Unit Modification

April 19, 2017

Page 2

Systems Services (ISS) reports to the Executive Manager of Operations/AGM. Although both departments are separate, constant communication and coordination between the departments is imperative to appropriately design, implement, and maintain the Agency's information systems.

A proposal is being made to create a Chief Information Technology Officer (CITO) who can lead the organization's information systems management efforts to evaluate and address changing needs and evolving technology, including cyber security. The position will be instrumental in identifying industry best practices for enhancing service delivery, implementing business improvements and Agency focused technology solutions, and developing and monitoring cyber security strategies to improve the security of the Agency's many information systems. The CITO will oversee both the BIS and ISS departments. The current Deputy Manager of ISS will be reclassified to the Manager of ISS with compensation equivalent to the Manager of BIS; both directly reporting to the CITO.

Another proposed change to Agency Management includes the transfer of Records Management from the Contracts and Procurement Department to the External Affairs and Policy Development Division. Since Records Management frequently interacts with external customers and ensures transparent communication from the Agency, being a part of the External Affairs and Policy Development Division would provide for effective integration of community outreach, education, and policy development.

As part of the Agency's succession planning, the proposed changes include the creation of the Manager of Grants and the Deputy Manager of Grants positions, and the transfer of the Grants Department from the Engineering Division to the External Affairs and Policy Development Division. Staffing and organizational structure modifications are being proposed to meet current and future grant and low-interest loan identification, award and compliance, and increases in funding opportunities available due to the drought, Proposition 1 and the new federal administration.

Finance Division

A proposal is being made to create a Chief Financial Officer (CFO) position, separate from the current CFO/AGM role. The incumbent CFO/AGM would be reclassified to Executive Manager of Administrative Services/AGM and would oversee the CFO position. This would support succession planning efforts and allow the Executive Manager of Administrative Services/AGM to focus more on the Agency's financial and administrative strategies.

With the Agency's goal of achieving the Cal/OSHA Star VPP (Voluntary Protection Program) Certification, additional resources are needed in the Safety arena. The VPP is designed to recognize employers and their employees who have implemented safety and health programs that go above and beyond Cal/OSHA standards to effectively prevent and control occupational hazards. This is the highest designation in workplace safety and is currently held by only 62 work sites and only one public sector agency in the entire state of California. In order to have all the required elements in place for this program, a proposal is being made to create the position of Deputy Manager of Safety, who will report to the Manager of Human Resources. This position will provide the expertise and leadership in the safety arena and augment the existing safety team to ensure a robust program and rigorous safety standard.

Another consideration includes the reclassification of the incumbent Supervising Contracts and Programs Administrator. In the past, the Agency had two Supervising Contracts and Programs Administrator positions; one assigned to oversee Contracts and one assigned to oversee Procurement. With the retirement of the supervisor overseeing the Procurement area, a recommendation is being made to change the incumbent's title to Contracts and Procurement Supervisor, combine the contracts and procurement roles, and compensate the employee accordingly to account for the additional duties.

Unit Modifications

Last year, the Agency received a request to modify the Supervisors' Unit to allow the transfer of three members from the Professional and General Units to the Supervisors' Unit per the agreement of the parties during the classification and compensation negotiations. In addition to granting the request, staff also notified the Units that employees currently assigned to the Supervisors' Unit who do not have any supervisory responsibilities would be transferred to the Professional Unit pursuant to the Employer-Employee Relations Resolution, Section 2.7. Staff has advised all affected units of these changes and consulted with the Supervisors' Unit. As a result, staff is recommending the following modifications be adopted by the Board:

Current Title	Proposed Title	Salary Range	Unit Modification
Supervising Management Analyst	Senior Management Analyst	182	Transfer from Supervisors' Unit to Professional Unit
Supervising Warehouse Systems and Inventory	Senior Inventory Analyst	182	
Materials Management Supervisor	Materials Specialist	182	
Construction Project Manager – PE	Construction Project Manager - PE	186	
Vacant	Inventory Resource Coordinator	181 as recommended by the class and comp study	
Facilities Program Supervisor	Current title Facilities Program Supervisor	183 current salary range	Transfer from Professional Unit to Supervisors' Unit
Supervisor – Environmental Compliance & Energy	Current title Supervisor – Environmental Compliance & Energy	188 current salary range	
Collection System Supervisor	Current title Collection System Supervisor	182 current salary range	Transfer from General Unit to Supervisors' Unit

Upon the Board's approval, all unit modifications will be effective April 24, 2017.

**PRIOR BOARD ACTION**

On July 20, 2016, the Board approved an update to the units and the salary matrix/schedule for all groups.

On November 16, 2016, the Board approved an update to the units and the salary matrix/schedule for all groups.

**IMPACT ON BUDGET**

If approved, funding for all proposed organizational changes will be appropriated under the Administrative Services (GG) fund. The annual fiscal impact is anticipated to be approximately \$1.4 million. The unit modifications resulting in changes to the salary ranges for employees transferring from the Supervisors' Unit to the Professional Unit is estimated to be \$2,600 for the fiscal year and is supported by the total employment budget for FY 2016/17.

**RESOLUTION NO. 2017-4-3**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
INLAND EMPIRE UTILITIES AGENCY\*, SAN  
BERNARDINO COUNTY, CALIFORNIA, AMENDING THE  
SUPERVISORS' UNIT MEMORANDUM OF  
UNDERSTANDING AND THE SALARY  
MATRIX/SCHEDULE**

**WHEREAS**, the Agency has classification and unit changes for the Supervisors' Unit Memorandum of Understanding and the salary schedule/matrix as a result of a reorganization and unit modification, and

**WHEREAS**, the Agency now desires to update the salary and classification information to comply with the California Code of Regulations (CCR) §570.5, and

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

**Section 1:** The salary schedule/matrix is hereby adopted and set forth in Exhibit "1" of this resolution.

**Section 2:** The salary information contained in Exhibit "1" shall be effective as of April 24, 2017.

**ADOPTED** the 19<sup>TH</sup> day of April, 2017.

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

ATTEST:

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Jasmin A. Hall  
Secretary/Treasurer of the Inland Empire  
Utilities Agency\* and of the  
Board of Directors thereof

STATE OF CALIFORNIA    )  
COUNTY OF                ) SS  
SAN BERNARDINO         )

I, Jasmin A. Hall, Secretary/Treasurer of the Inland Empire Utilities Agency\*, DO  
HEREBY CERTIFY that the foregoing Resolution being No. 2017-4-3, was adopted at a regular  
Board Meeting on April 19, 2017, of said Agency by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

---

Jasmin A. Hall  
Secretary/Treasurer of the  
Inland Empire Utilities Agency\* and on  
behalf of the Board of Directors thereof

\*A Municipal Water District



**SUPERVISORS' UNIT  
SALARY MATRIX  
Effective April 24, 2017**

**Exhibit 1**

<b>CLASSIFICATION TITLE</b>	<b>SALARY RANGES</b>
Accounting Supervisor	SU 099
Administrative Coordinator	SU 098
Business Systems Supervisor	SU 100
Collection System Supervisor	SU 182
Compost Facility Superintendent	SU 101
Construction Project Manager	SU 100
Contracts and Procurement Supervisor <sup>2</sup>	SU 101
Facilities Program Supervisor	SU 183
Groundwater Recharge Coordinator/Hydrogeologist	SU 104
Maintenance Supervisor	SU 101
Operations Supervisor <sup>1</sup>	SU 100
Process Automation & Controls Supervisor	SU 101
Senior Chemist	SU 100
Senior Water Resources Analyst	SU 098
Source Control/Environmental Resources Supervisor	SU 104
Supervisor - Environmental Compliance & Energy	SU 188
Supervisor of Engineering Administration	SU 100

1. Non-Exempt Classification

2. This classification title and range is retro-active back to September 29, 2016

**SUPERVISORS' UNIT  
SALARY MATRIX  
Effective April 24, 2017**

**Exhibit 1**

Range	Step	Hourly	Bi-weekly	Monthly	Annual
<b>SU088</b>					
	1	24.2428	1,939.43	4,202.09	50,425
	2	24.8489	1,987.91	4,307.14	51,686
	3	25.4702	2,037.61	4,414.83	52,978
	4	26.1068	2,088.55	4,525.18	54,302
	5	26.7595	2,140.76	4,638.31	55,660
	6	27.4284	2,194.27	4,754.26	57,051
	7	28.1143	2,249.14	4,873.14	58,478
	8	28.8170	2,305.36	4,994.95	59,939
	9	29.5374	2,362.99	5,119.81	61,438
<b>SU089</b>					
	1	25.4551	2,036.41	4,412.22	52,947
	2	26.0916	2,087.33	4,522.54	54,270
	3	26.7438	2,139.50	4,635.59	55,627
	4	27.4123	2,192.98	4,751.47	57,018
	5	28.0977	2,247.81	4,870.26	58,443
	6	28.8001	2,304.01	4,992.02	59,904
	7	29.5201	2,361.61	5,116.82	61,402
	8	30.2581	2,420.65	5,244.74	62,937
	9	31.0147	2,481.18	5,375.88	64,511
<b>SU090</b>					
	1	26.7284	2,138.27	4,632.93	55,595
	2	27.3967	2,191.74	4,748.77	56,985
	3	28.0816	2,246.53	4,867.47	58,410
	4	28.7837	2,302.69	4,989.17	59,870
	5	29.5034	2,360.27	5,113.92	61,367
	6	30.2409	2,419.27	5,241.75	62,901
	7	30.9968	2,479.74	5,372.78	64,473
	8	31.7717	2,541.74	5,507.09	66,085
	9	32.5659	2,605.27	5,644.76	67,737
<b>SU091</b>					
	1	28.0633	2,245.07	4,864.31	58,372
	2	28.7650	2,301.20	4,985.94	59,831
	3	29.4842	2,358.73	5,110.59	61,327
	4	30.2212	2,417.70	5,238.35	62,860
	5	30.9767	2,478.14	5,369.30	64,432
	6	31.7511	2,540.09	5,503.53	66,042
	7	32.5448	2,603.58	5,641.10	67,693
	8	33.3585	2,668.68	5,782.14	69,386
	9	34.1925	2,735.40	5,926.70	71,120

**SUPERVISORS UNIT  
SALARY MATRIX  
Effective April 24, 2017**

**Exhibit 1**

Range	Step	Hourly	Bi-weekly	Monthly	Annual
<b>SU092</b>					
	1	29.4678	2,357.42	5,107.74	61,293
	2	30.2045	2,416.36	5,235.45	62,825
	3	30.9596	2,476.77	5,366.33	64,396
	4	31.7336	2,538.69	5,500.50	66,006
	5	32.5269	2,602.15	5,637.99	67,656
	6	33.3401	2,667.21	5,778.95	69,347
	7	34.1736	2,733.89	5,923.43	71,081
	8	35.0280	2,802.24	6,071.51	72,858
	9	35.9037	2,872.30	6,223.31	74,680
<b>SU093</b>					
	1	30.9404	2,475.23	5,363.00	64,356
	2	31.7139	2,537.11	5,497.08	65,965
	3	32.5066	2,600.53	5,634.48	67,614
	4	33.3193	2,665.54	5,775.34	69,304
	5	34.1523	2,732.18	5,919.73	71,037
	6	35.0062	2,800.50	6,067.74	72,813
	7	35.8812	2,870.50	6,219.41	74,633
	8	36.7782	2,942.26	6,374.89	76,499
	9	37.6977	3,015.81	6,534.26	78,411
<b>SU094</b>					
	1	32.4877	2,599.01	5,631.19	67,574
	2	33.3000	2,664.00	5,772.00	69,264
	3	34.1325	2,730.60	5,916.29	70,996
	4	34.9857	2,798.86	6,064.19	72,770
	5	35.8603	2,868.83	6,215.79	74,589
	6	36.7569	2,940.55	6,371.19	76,454
	7	37.6758	3,014.06	6,530.47	78,366
	8	38.6177	3,089.41	6,693.73	80,325
	9	39.5831	3,166.65	6,861.07	82,333
<b>SU095</b>					
	1	34.1123	2,728.99	5,912.80	70,954
	2	34.9652	2,797.21	6,060.63	72,728
	3	35.8392	2,867.14	6,212.13	74,546
	4	36.7351	2,938.81	6,367.42	76,409
	5	37.6535	3,012.28	6,526.61	78,319
	6	38.5950	3,087.60	6,689.79	80,278
	7	39.5597	3,164.78	6,857.02	82,284
	8	40.5488	3,243.90	7,028.46	84,342
	9	41.5625	3,325.00	7,204.17	86,450

**SUPERVISORS UNIT  
SALARY MATRIX  
Effective April 24, 2017**

**Exhibit 1**

Range	Step	Hourly	Bi-weekly	Monthly	Annual
<b>SU096</b>					
	1	35.8174	2,865.39	6,208.34	74,500
	2	36.7128	2,937.03	6,363.56	76,363
	3	37.6307	3,010.46	6,522.66	78,272
	4	38.5714	3,085.71	6,685.71	80,229
	5	39.5357	3,162.86	6,852.86	82,234
	6	40.5242	3,241.93	7,024.19	84,290
	7	41.5374	3,322.99	7,199.81	86,398
	8	42.5758	3,406.06	7,379.81	88,558
	9	43.6402	3,491.22	7,564.31	90,772
<b>SU097</b>					
	1	37.6080	3,008.64	6,518.72	78,225
	2	38.5484	3,083.87	6,681.72	80,181
	3	39.5121	3,160.97	6,848.76	82,185
	4	40.4998	3,239.98	7,019.96	84,240
	5	41.5124	3,320.99	7,195.48	86,346
	6	42.5502	3,404.02	7,375.37	88,504
	7	43.6140	3,489.12	7,559.76	90,717
	8	44.7045	3,576.36	7,748.78	92,985
	9	45.8220	3,665.76	7,942.48	95,310
<b>SU098</b>					
	1	39.4892	3,159.13	6,844.79	82,137
	2	40.4764	3,238.11	7,015.91	84,191
	3	41.4882	3,319.06	7,191.29	86,295
	4	42.5255	3,402.04	7,371.08	88,453
	5	43.5887	3,487.09	7,555.37	90,664
	6	44.6785	3,574.28	7,744.27	92,931
	7	45.7955	3,663.64	7,937.88	95,255
	8	46.9403	3,755.23	8,136.32	97,636
	9	48.1139	3,849.11	8,339.75	100,077
<b>SU099</b>					
	1	41.4390	3,315.12	7,182.75	86,193
	2	42.4749	3,398.00	7,362.32	88,348
	3	43.5368	3,482.95	7,546.39	90,557
	4	44.6253	3,570.02	7,735.05	92,821
	5	45.7409	3,659.27	7,928.42	95,141
	6	46.8843	3,750.75	8,126.62	97,519
	7	48.0565	3,844.52	8,329.79	99,957
	8	49.2578	3,940.62	8,538.02	102,456
	9	50.4892	4,039.14	8,751.46	105,018

**SUPERVISORS UNIT  
SALARY MATRIX  
Effective April 24, 2017**

**Exhibit 1**

Range	Step	Hourly	Bi-weekly	Monthly	Annual
<b>SU100</b>					
	1	43.5353	3,482.83	7,546.13	90,554
	2	44.6237	3,569.89	7,734.77	92,817
	3	45.7393	3,659.14	7,928.15	95,138
	4	46.8829	3,750.63	8,126.36	97,516
	5	48.0549	3,844.39	8,329.51	99,954
	6	49.2563	3,940.50	8,537.76	102,453
	7	50.4877	4,039.02	8,751.20	105,014
	8	51.7498	4,139.98	8,969.97	107,640
	9	53.0437	4,243.49	9,194.23	110,331
<b>SU101</b>					
	1	45.7122	3,656.98	7,923.45	95,081
	2	46.8549	3,748.39	8,121.52	97,458
	3	48.0262	3,842.10	8,324.54	99,894
	4	49.2270	3,938.16	8,532.68	102,392
	5	50.4577	4,036.62	8,746.01	104,952
	6	51.7191	4,137.53	8,964.64	107,576
	7	53.0121	4,240.97	9,188.77	110,265
	8	54.3373	4,346.99	9,418.47	113,022
	9	55.6958	4,455.66	9,653.94	115,847
<b>SU102</b>					
	1	47.9976	3,839.81	8,319.59	99,835
	2	49.1978	3,935.82	8,527.62	102,331
	3	50.4276	4,034.21	8,740.78	104,889
	4	51.6883	4,135.06	8,959.30	107,512
	5	52.9806	4,238.44	9,183.30	110,200
	6	54.3051	4,344.41	9,412.89	112,955
	7	55.6626	4,453.01	9,648.19	115,778
	8	57.0542	4,564.34	9,889.40	118,673
	9	58.4806	4,678.45	10,136.64	121,640
<b>SU103</b>					
	1	50.3976	4,031.81	8,735.59	104,827
	2	51.6576	4,132.61	8,953.98	107,448
	3	52.9490	4,235.92	9,177.83	110,134
	4	54.2727	4,341.82	9,407.27	112,887
	5	55.6296	4,450.37	9,642.46	115,710
	6	57.0202	4,561.62	9,883.51	118,602
	7	58.4458	4,675.66	10,130.60	121,567
	8	59.9069	4,792.55	10,383.86	124,606
	9	61.4047	4,912.38	10,643.48	127,722

**SUPERVISORS UNIT  
SALARY MATRIX  
Effective April 24, 2017**

**Exhibit 1**

Range	Step	Hourly	Bi-weekly	Monthly	Annual
<b>SU104</b>					
	1	52.9175	4,233.40	9,172.38	110,069
	2	54.2405	4,339.24	9,401.69	112,820
	3	55.5964	4,447.71	9,636.71	115,641
	4	56.9864	4,558.92	9,877.65	118,532
	5	58.4110	4,672.88	10,124.58	121,495
	6	59.8713	4,789.70	10,377.69	124,532
	7	61.3680	4,909.44	10,637.12	127,645
	8	62.9022	5,032.17	10,903.04	130,837
	9	64.4749	5,157.99	11,175.65	134,108
<b>SU182</b>					
	1	41.6909	3,335.27	7,226.42	86,717
	2	42.7331	3,418.65	7,407.08	88,885
	3	43.8014	3,504.11	7,592.25	91,107
	4	44.8965	3,591.72	7,782.06	93,385
	5	46.0189	3,681.51	7,976.61	95,719
	6	47.1694	3,773.55	8,176.03	98,112
	7	48.3486	3,867.89	8,380.42	100,565
	8	49.5574	3,964.59	8,589.94	103,079
	9	50.7962	4,063.70	8,804.68	105,656
<b>SU183</b>					
	1	43.7772	3,502.18	7,588.05	91,057
	2	44.8718	3,589.74	7,777.77	93,333
	3	45.9936	3,679.48	7,972.22	95,667
	4	47.1434	3,771.47	8,171.52	98,058
	5	48.3219	3,865.75	8,375.80	100,510
	6	49.5300	3,962.40	8,585.19	103,022
	7	50.7683	4,061.46	8,799.84	105,598
	8	52.0374	4,162.99	9,019.82	108,238
	9	53.3384	4,267.07	9,245.33	110,944
<b>SU188</b>					
	1	55.8669	4,469.35	9,683.59	116,203
	2	57.2635	4,581.08	9,925.68	119,108
	3	58.6951	4,695.61	10,173.82	122,086
	4	60.1624	4,812.99	10,428.15	125,138
	5	61.6665	4,933.32	10,688.86	128,266
	6	63.2082	5,056.66	10,956.09	131,473
	7	64.7884	5,183.08	11,230.00	134,760
	8	66.4081	5,312.65	11,510.74	138,129
	9	68.0684	5,445.47	11,798.52	141,582

**RESOLUTION NO. 2017-4-4**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, AMENDING THE PROFESSIONAL UNIT AND GENERAL UNIT MEMORANDUMS OF UNDERSTANDING AND THE SALARY SCHEDULE/MATRIX FOR THE UNREPRESENTED, EXECUTIVE MANAGEMENT, LABORATORY UNIT, OPERATORS' ASSOCIATION, PROFESSIONAL UNIT AND GENERAL UNIT**

**WHEREAS**, the Agency has classification and unit changes for the Professional Unit and the General Unit Memorandums of Understanding and the consolidated salary matrix for the Unrepresented, Executive Management, Laboratory Unit, Operators' Association, Professional Unit and General Unit employees as a result of a reorganization and unit modification, and

**WHEREAS**, the Agency now desires to update the salary and classification information to comply with the California Code of Regulations (CCR) §570.5, and

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

**Section 1:** The salary schedule/matrix is hereby adopted and set forth in Exhibit "1" of this resolution.

**Section 2:** The salary information contained in Exhibit "1" shall be effective as of April 24, 2017.

**ADOPTED** the 19<sup>TH</sup> day of April, 2017.

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

ATTEST:

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



STATE OF CALIFORNIA )  
COUNTY OF ) SS  
SAN BERNARDINO )

I, Jasmin A. Hall, Secretary/Treasurer of the Inland Empire Utilities Agency\*, DO  
HEREBY CERTIFY that the foregoing Resolution being No. 2017-4-4, was adopted at a regular  
Board Meeting on April 19, 2017, of said Agency by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

---

Jasmin A. Hall  
Secretary/Treasurer of the  
Inland Empire Utilities Agency\* and on  
behalf of the Board of Directors thereof

\*A Municipal Water District

**Salary Matrix**  
**Effective April 24, 2017**

**EXHIBIT 1**

<b>CLASSIFICATION TITLE</b>	<b>Salary Range</b>	<b>Unit</b>	<b>FLSA</b>
Accountant I	173	UN	Exempt
Accountant II	175	PR	Exempt
Accounting Technician I	169	UN	Non-exempt
Accounting Technician I	170	GU	Non-exempt
Accounting Technician II	173	GU	Non-exempt
Administrative Assistant I	171	GU	Non-exempt
Administrative Assistant I (confidential)	171	UN	Non-exempt
Administrative Assistant II	174	PR	Non-exempt
Administrative Assistant II (confidential)	174	UN	Non-exempt
Assistant Engineer	179	UN	Exempt
Associate Engineer	182	UN	Exempt
Biologist <sup>1</sup>	181	LB	Exempt
Board Secretary/Office Manager	188	UN	Exempt
Budget Officer	186	UN	Exempt
Business Systems Analyst I	179	PR	Exempt
Business Systems Analyst II	181	PR	Exempt
CAD Designer	178	UN	Non-exempt
Chemist	181	LB	Exempt
Chief Financial Officer	192	UN	Exempt
Chief Information Technology Officer	192	UN	Exempt
Collection System Operator I	171	GU	Non-exempt
Collection System Operator II	175	GU	Non-exempt
Collection System Operator III	177	GU	Non-exempt
Compost Operator	174	GU	Non-exempt
Compost Sales Representative	181	PR	Exempt
Compost Worker	170	GU	Non-exempt
Construction Project Inspector	180	UN	Non-exempt
Construction Project Manager - PE	186	PR	Exempt
Contracts Administrator I	177	PR	Exempt
Contracts Administrator II	180	PR	Exempt
Control Systems Analyst I	180	GU	Non-exempt
Control Systems Analyst II	182	GU	Non-exempt
Deputy Manager of Capital Improvement Projects	188	UN	Exempt
Deputy Manager of Construction Management	188	UN	Exempt
Deputy Manager of Engineering	189	UN	Exempt
Deputy Manager of Grants	188	UN	Exempt
Deputy Manager of Human Resources	188	UN	Exempt
Deputy Manager of Maintenance	188	UN	Exempt
Deputy Manager of Operations	188	UN	Exempt
Deputy Manager of Planning & Environmental Resources	189	UN	Exempt
Deputy Manager of Safety	188	UN	Exempt
Electrical & Instrumentation Technician I	176	GU	Non-exempt
Electrical & Instrumentation Technician II	179	GU	Non-exempt

**Salary Matrix**  
**Effective April 24, 2017**

**EXHIBIT 1**

<b>CLASSIFICATION TITLE</b>	<b>Salary Range</b>	<b>Unit</b>	<b>FLSA</b>
Electrical & Instrumentation Technician III	181	GU	Non-exempt
Electrical & Instrumentation Technician III <sup>2</sup>	182	GU	Non-exempt
Electrical & Instrumentation Technician IV	182	GU	Non-exempt
Engineering Services Analyst	182	PR	Exempt
Engineering Services Specialist	179	UN	Exempt
Engineering Technician	175	GU	Non-exempt
Environmental Resources Planner I	179	UN	Exempt
Environmental Resources Planner II	182	UN	Exempt
Executive Assistant	178	UN	Exempt
Executive Manager of Administrative Services/Assistant General Manager	196	EX	Exempt
Executive Manager of Engineering/Assistant General Manager	196	EX	Exempt
Executive Manager of External Affairs and Policy Development/AGM	196	EX	Exempt
Executive Manager of Operations/Assistant General Manager	196	EX	Exempt
External Affairs Analyst	180	UN	Exempt
External Affairs Specialist I	171	UN	Exempt
External Affairs Specialist I (Y-Rated) <sup>3</sup>	202	UN	Exempt
External Affairs Specialist II	177	UN	Exempt
Facilities Specialist	177	PR	Exempt
Facilities Specialist - Landscape	177	UN	Exempt
Financial Analyst I	179	PR	Exempt
Financial Analyst II	181	PR	Exempt
General Manager	203	EX	Exempt
GIS Specialist	178	UN	Exempt
Grants Administrator	179	PR	Exempt
Grants Officer	186	UN	Exempt
Human Resources Analyst I	177	UN	Exempt
Human Resources Analyst II	179	UN	Exempt
Human Resources Officer	183	UN	Exempt
Human Resources Technician	171	UN	Non-exempt
HVAC Technician	177	GU	Non-exempt
Industrial Engine Technician I	177	GU	Non-exempt
Industrial Engine Technician II	181	GU	Non-exempt
Information Systems Analyst I	179	PR	Exempt
Information Systems Analyst II	181	PR	Exempt
Intern	001	N/A	Non-exempt
Internal Auditor	179	UN	Exempt
Inventory Resources Coordinator	181	PR	Exempt
Laboratory Assistant	172	LB	Non-exempt
Laboratory Scientist I	177	LB	Non-exempt
Laboratory Scientist II	179	LB	Non-exempt
Maintenance Planner	181	GU	Non-exempt
Maintenance Specialist	201	UN	Exempt
Manager of Business Information Services	190	UN	Exempt

**Salary Matrix**  
**Effective April 24, 2017**

**EXHIBIT 1**

<b>CLASSIFICATION TITLE</b>	<b>Salary Range</b>	<b>Unit</b>	<b>FLSA</b>
Manager of Contracts & Procurement	190	UN	Exempt
Manager of Engineering	192	UN	Exempt
Manager of External Affairs	190	UN	Exempt
Manager of Finance & Accounting	190	UN	Exempt
Manager of Grants	190	UN	Exempt
Manager of Human Resources	190	UN	Exempt
Manager of Integrated Systems Services	190	UN	Exempt
Manager of Internal Audit	190	UN	Exempt
Manager of Laboratories	190	UN	Exempt
Manager of Operations & Maintenance	192	UN	Exempt
Manager of Planning & Environmental Resources	192	UN	Exempt
Manager of Regional Compost Authority	190	UN	Exempt
Manager of Technical Services	190	UN	Exempt
Materials Specialist	182	PR	Exempt
Mechanic I	172	GU	Non-exempt
Mechanic I <sup>4</sup>	173	GU	Non-exempt
Mechanic II	176	GU	Non-exempt
Mechanic III	179	GU	Non-exempt
Mechanic IV	181	GU	Non-exempt
Network Administrator	183	PR	Exempt
Office Assistant (confidential)	166	UN	Non-exempt
Office Assistant	166	GU	Non-exempt
Operations Specialist	179	UN	Exempt
Pretreatment & Source Control Inspector I	174	GU	Non-exempt
Pretreatment & Source Control Inspector II	177	GU	Non-exempt
Principal Accountant	186	UN	Exempt
Procurement Specialist I <sup>5</sup>	174	PR	Non-exempt
Procurement Specialist II	175	PR	Non-exempt
Project Manager I	184	PR	Exempt
Project Manager II	185	PR	Exempt
Records Specialist	173	GU	Non-exempt
Recycled Water Distribution Operator	179	OP	Non-exempt
Risk Specialist	174	UN	Non-exempt
RW/Groundwater Recharge Systems Maintenance Technician	176	GU	Non-exempt
RW/Groundwater Recharge Operations & Maintenance Specialist	179	UN	Exempt
Safety Analyst	178	UN	Exempt
Safety Officer	183	UN	Exempt
Senior Accountant	179	PR	Exempt
Senior Associate Engineer	184	UN	Exempt
Senior Associate Engineer - PE	185	UN	Exempt
Senior Compost Operations & Maintenance Technician	181	GU	Non-exempt
Senior Construction Project Inspector	182	UN	Exempt
Senior Engineer	187	PR	Exempt

**Salary Matrix**  
**Effective April 24, 2017**

**EXHIBIT 1**

<b>CLASSIFICATION TITLE</b>	<b>Salary Range</b>	<b>Unit</b>	<b>FLSA</b>
Senior Environmental Resources Planner	184	UN	Exempt
Senior External Affairs Specialist	180	UN	Exempt
Senior Financial Analyst	183	PR	Exempt
Senior Information Systems Analyst	182	PR	Exempt
Senior Internal Auditor	182	UN	Exempt
Senior Inventory Analyst	182	PR	Exempt
Senior Management Analyst	182	PR	Exempt
Senior Operations Specialist	184	UN	Exempt
Senior Project Manager	187	PR	Exempt
Senior Pretreatment & Source Control Inspector	180	GU	Non-exempt
Senior Wastewater Treatment Plant Operator	181	OP	Non-exempt
Senior Water Plant Operator	181	OP	Non-exempt
Senior Water Resources Analyst	182	PR	Exempt
Systems Administrator	181	PR	Exempt
Technology Specialist I	178	GU	Non-exempt
Technology Specialist II	180	GU	Non-exempt
Technology Specialist III	182	GU	Non-exempt
Warehouse Technician	171	GU	Non-exempt
Wastewater Treatment Plant Operator I	174	OP	Non-exempt
Wastewater Treatment Plant Operator II	176	OP	Non-exempt
Wastewater Treatment Plant Operator III	178	OP	Non-exempt
Wastewater Treatment Plant Operator IV, V	180	OP	Non-exempt
Wastewater Treatment Plant Operator-in-Training	171	OP	Non-exempt
Water Plant Operator I	174	OP	Non-exempt
Water Plant Operator II	176	OP	Non-exempt
Water Plant Operator III	178	OP	Non-exempt
Water Plant Operator IV, V	180	OP	Non-exempt

**Notes:**

1. Incumbent Biologist in this position prior to 7/1/01 shall be non-exempt.
2. Salary range for incumbent Senior Electrical & Instrumentation Tech employee reclassified to Electrical & Instrumentation Technician III.
3. The Y-Rated salary for this position is reflective of the incumbent in the position effective 11/1/14 formerly classified as CIP Coordinator.
4. Salary range for incumbent Plant Maintenance Technician II employees reclassified to Mechanic I.
5. Incumbent Procurement Specialist I in this position prior to 3/15/15 shall be exempt.

**Unrepresented, Executive, General Unit, Laboratory Unit, Operators' Association,  
and Professional Unit Salary Matrix**

**EXHIBIT 1**

**Effective April 24, 2017**

<b>Range/Step</b>	<b>Hourly</b>	<b>Bi-Weekly</b>	<b>Monthly</b>	<b>Annually</b>
<b>165</b>				
1	18.1975	1,455.80	3,154.23	37,851
2	18.6524	1,492.19	3,233.08	38,797
3	19.1186	1,529.49	3,313.90	39,767
4	19.5967	1,567.73	3,396.76	40,761
5	20.0865	1,606.92	3,481.66	41,780
6	20.5887	1,647.10	3,568.71	42,825
7	21.1034	1,688.27	3,657.93	43,895
8	21.6310	1,730.48	3,749.37	44,992
9	22.1718	1,773.75	3,843.11	46,117
<b>166</b>				
1	19.1061	1,528.49	3,311.72	39,741
2	19.5837	1,566.69	3,394.50	40,734
3	20.0733	1,605.86	3,479.37	41,752
4	20.5751	1,646.01	3,566.35	42,796
5	21.0895	1,687.16	3,655.51	43,866
6	21.6167	1,729.34	3,746.90	44,963
7	22.1571	1,772.57	3,840.56	46,087
8	22.7110	1,816.88	3,936.58	47,239
9	23.2788	1,862.30	4,034.99	48,420
<b>167</b>				
1	20.0609	1,604.87	3,477.23	41,727
2	20.5624	1,644.99	3,564.15	42,770
3	21.0764	1,686.12	3,653.25	43,839
4	21.6034	1,728.27	3,744.59	44,935
5	22.1435	1,771.48	3,838.20	46,058
6	22.6971	1,815.76	3,934.16	47,210
7	23.2645	1,861.16	4,032.52	48,390
8	23.8462	1,907.69	4,133.33	49,600
9	24.4423	1,955.38	4,236.66	50,840
<b>168</b>				
1	21.0621	1,684.96	3,650.76	43,809
2	21.5886	1,727.09	3,742.02	44,904
3	22.1283	1,770.27	3,835.58	46,027
4	22.6815	1,814.52	3,931.46	47,178
5	23.2485	1,859.88	4,029.74	48,357
6	23.8298	1,906.39	4,130.51	49,566
7	24.4256	1,954.04	4,233.76	50,805
8	25.0362	2,002.89	4,339.61	52,075
9	25.6621	2,052.96	4,448.09	53,377
<b>169</b>				
1	22.1137	1,769.10	3,833.04	45,997
2	22.6666	1,813.33	3,928.87	47,146
3	23.2332	1,858.65	4,027.08	48,325
4	23.8141	1,905.13	4,127.77	49,533

**Unrepresented, Executive, General Unit, Laboratory Unit, Operators' Association,  
and Professional Unit Salary Matrix**

**EXHIBIT 1**

**Effective April 24, 2017**

<b>Range/Step</b>	<b>Hourly</b>	<b>Bi-Weekly</b>	<b>Monthly</b>	<b>Annually</b>
5	24.4093	1,952.75	4,230.95	50,771
6	25.0197	2,001.57	4,336.74	52,041
7	25.6451	2,051.61	4,445.15	53,342
8	26.2862	2,102.90	4,556.28	54,675
9	26.9433	2,155.47	4,670.18	56,042
<b>170</b>				
1	23.2201	1,857.60	4,024.81	48,298
2	23.8005	1,904.04	4,125.42	49,505
3	24.3955	1,951.64	4,228.55	50,743
4	25.0054	2,000.43	4,334.27	52,011
5	25.6305	2,050.44	4,442.62	53,311
6	26.2713	2,101.70	4,553.69	54,644
7	26.9281	2,154.25	4,667.54	56,010
8	27.6013	2,208.11	4,784.23	57,411
9	28.2914	2,263.31	4,903.84	58,846
<b>171</b>				
1	24.3810	1,950.48	4,226.04	50,712
2	24.9906	1,999.24	4,331.70	51,980
3	25.6153	2,049.22	4,439.98	53,280
4	26.2556	2,100.45	4,550.98	54,612
5	26.9121	2,152.97	4,664.77	55,977
6	27.5849	2,206.79	4,781.38	57,377
7	28.2745	2,261.96	4,900.92	58,811
8	28.9813	2,318.51	5,023.43	60,281
9	29.7059	2,376.47	5,149.02	61,788
<b>172</b>				
1	25.6009	2,048.07	4,437.48	53,250
2	26.2409	2,099.27	4,548.43	54,581
3	26.8970	2,151.76	4,662.14	55,946
4	27.5693	2,205.55	4,778.68	57,344
5	28.2586	2,260.69	4,898.16	58,778
6	28.9651	2,317.21	5,020.62	60,247
7	29.6892	2,375.13	5,146.12	61,753
8	30.4315	2,434.52	5,274.79	63,297
9	31.1922	2,495.38	5,406.65	64,880
<b>173</b>				
1	26.8797	2,150.38	4,659.15	55,910
2	27.5516	2,204.13	4,775.62	57,307
3	28.2405	2,259.24	4,895.02	58,740
4	28.9465	2,315.72	5,017.39	60,209
5	29.6701	2,373.61	5,142.82	61,714
6	30.4118	2,432.95	5,271.39	63,257
7	31.1722	2,493.77	5,403.17	64,838
8	31.9515	2,556.12	5,538.27	66,459
9	32.7503	2,620.03	5,676.72	68,121



**Unrepresented, Executive, General Unit, Laboratory Unit, Operators' Association,  
and Professional Unit Salary Matrix  
Effective April 24, 2017**

**EXHIBIT 1**

<b>Range/Step</b>	<b>Hourly</b>	<b>Bi-Weekly</b>	<b>Monthly</b>	<b>Annually</b>
<b>174</b>				
1	28.2215	2,257.72	4,891.73	58,701
2	28.9271	2,314.16	5,014.02	60,168
3	29.6503	2,372.02	5,139.38	61,673
4	30.3916	2,431.33	5,267.88	63,215
5	31.1514	2,492.11	5,399.57	64,795
6	31.9301	2,554.41	5,534.55	66,415
7	32.7284	2,618.27	5,672.92	68,075
8	33.5466	2,683.73	5,814.74	69,777
9	34.3852	2,750.82	5,960.11	71,521
<b>175</b>				
1	29.6308	2,370.46	5,136.00	61,632
2	30.3716	2,429.72	5,264.40	63,173
3	31.1308	2,490.46	5,396.00	64,752
4	31.9091	2,552.73	5,530.91	66,371
5	32.7068	2,616.55	5,669.19	68,030
6	33.5245	2,681.96	5,810.91	69,731
7	34.3626	2,749.01	5,956.19	71,474
8	35.2217	2,817.73	6,105.09	73,261
9	36.1022	2,888.18	6,257.72	75,093
<b>176</b>				
1	31.1115	2,488.92	5,392.66	64,712
2	31.8893	2,551.14	5,527.48	66,330
3	32.6865	2,614.92	5,665.66	67,988
4	33.5036	2,680.29	5,807.29	69,688
5	34.3412	2,747.30	5,952.47	71,430
6	35.1998	2,815.98	6,101.30	73,216
7	36.0797	2,886.38	6,253.82	75,046
8	36.9817	2,958.54	6,410.16	76,922
9	37.9063	3,032.50	6,570.42	78,845
<b>177</b>				
1	32.6678	2,613.43	5,662.42	67,949
2	33.4845	2,678.76	5,803.98	69,648
3	34.3217	2,745.74	5,949.09	71,389
4	35.1798	2,814.38	6,097.82	73,174
5	36.0592	2,884.74	6,250.27	75,003
6	36.9607	2,956.86	6,406.52	76,878
7	37.8848	3,030.78	6,566.69	78,800
8	38.8318	3,106.55	6,730.85	80,770
9	39.8026	3,184.21	6,899.11	82,789
<b>178</b>				
1	34.2999	2,744.00	5,945.32	71,344
2	35.1575	2,812.60	6,093.96	73,128
3	36.0364	2,882.91	6,246.32	74,956
4	36.9374	2,954.99	6,402.47	76,830

**Unrepresented, Executive, General Unit, Laboratory Unit, Operators' Association,  
and Professional Unit Salary Matrix**

**EXHIBIT 1**

**Effective April 24, 2017**

<b>Range/Step</b>	<b>Hourly</b>	<b>Bi-Weekly</b>	<b>Monthly</b>	<b>Annually</b>
5	37.8608	3,028.86	6,562.53	78,750
6	38.8073	3,104.58	6,726.60	80,719
7	39.7775	3,182.20	6,894.77	82,737
8	40.7719	3,261.75	7,067.14	84,806
9	41.7912	3,343.29	7,243.81	86,926
<b>179</b>				
1	36.0163	2,881.30	6,242.82	74,914
2	36.9167	2,953.33	6,398.89	76,787
3	37.8396	3,027.16	6,558.86	78,706
4	38.7856	3,102.85	6,722.83	80,674
5	39.7552	3,180.42	6,890.91	82,691
6	40.7491	3,259.93	7,063.18	84,758
7	41.7678	3,341.43	7,239.76	86,877
8	42.8120	3,424.96	7,420.75	89,049
9	43.8823	3,510.59	7,606.27	91,275
<b>180</b>				
1	37.8166	3,025.33	6,554.88	78,659
2	38.7621	3,100.97	6,718.77	80,625
3	39.7312	3,178.49	6,886.73	82,641
4	40.7244	3,257.95	7,058.89	84,707
5	41.7425	3,339.40	7,235.36	86,824
6	42.7860	3,422.88	7,416.24	88,995
7	43.8557	3,508.46	7,601.65	91,220
8	44.9521	3,596.17	7,791.70	93,500
9	46.0760	3,686.08	7,986.50	95,838
<b>181</b>				
1	39.7054	3,176.43	6,882.26	82,587
2	40.6981	3,255.84	7,054.33	84,652
3	41.7155	3,337.24	7,230.69	86,768
4	42.7583	3,420.66	7,411.44	88,937
5	43.8273	3,506.19	7,596.74	91,161
6	44.9230	3,593.84	7,786.66	93,440
7	46.0461	3,683.69	7,981.33	95,776
8	47.1972	3,775.78	8,180.85	98,170
9	48.3771	3,870.17	8,385.37	100,624
<b>182</b>				
1	41.6909	3,335.27	7,226.42	86,717
2	42.7331	3,418.65	7,407.08	88,885
3	43.8014	3,504.11	7,592.25	91,107
4	44.8965	3,591.72	7,782.06	93,385
5	46.0189	3,681.51	7,976.61	95,719
6	47.1694	3,773.55	8,176.03	98,112
7	48.3486	3,867.89	8,380.42	100,565
8	49.5574	3,964.59	8,589.94	103,079
9	50.7962	4,063.70	8,804.68	105,656

**Unrepresented, Executive, General Unit, Laboratory Unit, Operators' Association,  
and Professional Unit Salary Matrix**

**EXHIBIT 1**

**Effective April 24, 2017**

<b>Range/Step</b>	<b>Hourly</b>	<b>Bi-Weekly</b>	<b>Monthly</b>	<b>Annually</b>
<b>183</b>				
1	43.7772	3,502.18	7,588.05	91,057
2	44.8718	3,589.74	7,777.77	93,333
3	45.9936	3,679.48	7,972.22	95,667
4	47.1434	3,771.47	8,171.52	98,058
5	48.3219	3,865.75	8,375.80	100,510
6	49.5300	3,962.40	8,585.19	103,022
7	50.7683	4,061.46	8,799.84	105,598
8	52.0374	4,162.99	9,019.82	108,238
9	53.3384	4,267.07	9,245.33	110,944
<b>184</b>				
1	45.9647	3,677.17	7,967.21	95,607
2	47.1138	3,769.10	8,166.39	97,997
3	48.2916	3,863.33	8,370.55	100,447
4	49.4989	3,959.92	8,579.82	102,958
5	50.7364	4,058.91	8,794.31	105,532
6	52.0048	4,160.38	9,014.16	108,170
7	53.3050	4,264.40	9,239.52	110,874
8	54.6375	4,371.00	9,470.50	113,646
9	56.0036	4,480.28	9,707.28	116,487
<b>185</b>				
1	48.2615	3,860.92	8,365.32	100,384
2	49.4680	3,957.44	8,574.46	102,893
3	50.7046	4,056.37	8,788.80	105,466
4	51.9723	4,157.78	9,008.53	108,102
5	53.2716	4,261.73	9,233.74	110,805
6	54.6034	4,368.27	9,464.59	113,575
7	55.9685	4,477.48	9,701.20	116,414
8	57.3677	4,589.41	9,943.73	119,325
9	58.8019	4,704.15	10,192.33	122,308
<b>186</b>				
1	50.6760	4,054.08	8,783.83	105,406
2	51.9429	4,155.43	9,003.43	108,041
3	53.2414	4,259.31	9,228.51	110,742
4	54.5725	4,365.80	9,459.23	113,511
5	55.9368	4,474.95	9,695.71	116,349
6	57.3353	4,586.82	9,938.11	119,257
7	58.7686	4,701.49	10,186.55	122,239
8	60.2378	4,819.02	10,441.22	125,295
9	61.7438	4,939.50	10,702.26	128,427
<b>187</b>				
1	53.2084	4,256.67	9,222.78	110,673
2	54.5385	4,363.08	9,453.34	113,440
3	55.9020	4,472.16	9,689.67	116,276
4	57.2995	4,583.96	9,931.92	119,183

**Unrepresented, Executive, General Unit, Laboratory Unit, Operators' Association,  
and Professional Unit Salary Matrix**

**EXHIBIT 1**

**Effective April 24, 2017**

<b>Range/Step</b>	<b>Hourly</b>	<b>Bi-Weekly</b>	<b>Monthly</b>	<b>Annually</b>
5	58.7320	4,698.56	10,180.21	122,163
6	60.2004	4,816.03	10,434.73	125,217
7	61.7053	4,936.43	10,695.59	128,347
8	63.2480	5,059.84	10,962.99	131,556
9	64.8292	5,186.33	11,237.06	134,845
<b>188</b>				
1	55.8669	4,469.35	9,683.59	116,203
2	57.2635	4,581.08	9,925.68	119,108
3	58.6951	4,695.61	10,173.82	122,086
4	60.1624	4,812.99	10,428.15	125,138
5	61.6665	4,933.32	10,688.86	128,266
6	63.2082	5,056.66	10,956.09	131,473
7	64.7884	5,183.08	11,230.00	134,760
8	66.4081	5,312.65	11,510.74	138,129
9	68.0684	5,445.47	11,798.52	141,582
<b>189</b>				
1	58.6599	4,692.79	10,167.72	122,013
2	60.1265	4,810.12	10,421.93	125,063
3	61.6296	4,930.37	10,682.47	128,190
4	63.1704	5,053.63	10,949.53	131,394
5	64.7496	5,179.97	11,223.27	134,679
6	66.3683	5,309.47	11,503.84	138,046
7	68.0275	5,442.20	11,791.44	141,497
8	69.7283	5,578.26	12,086.24	145,035
9	71.4715	5,717.72	12,388.40	148,661
<b>190</b>				
1	61.5919	4,927.35	10,675.93	128,111
2	63.1317	5,050.54	10,942.83	131,314
3	64.7100	5,176.80	11,216.40	134,597
4	66.3277	5,306.22	11,496.80	137,962
5	67.9860	5,438.88	11,784.23	141,411
6	69.6856	5,574.84	12,078.83	144,946
7	71.4277	5,714.22	12,380.80	148,570
8	73.2134	5,857.07	12,690.33	152,284
9	75.0437	6,003.50	13,007.58	156,091
<b>191</b>				
1	64.6711	5,173.69	11,209.65	134,516
2	66.2878	5,303.03	11,489.89	137,879
3	67.9450	5,435.60	11,777.14	141,326
4	69.6437	5,571.49	12,071.57	144,859
5	71.3847	5,710.78	12,373.35	148,480
6	73.1694	5,853.55	12,682.70	152,192
7	74.9986	5,999.89	12,999.76	155,997
8	76.8736	6,149.89	13,324.76	159,897
9	78.7955	6,303.64	13,657.88	163,895

**Unrepresented, Executive, General Unit, Laboratory Unit, Operators' Association,  
and Professional Unit Salary Matrix**

**EXHIBIT 1**

**Effective April 24, 2017**

<b>Range/Step</b>	<b>Hourly</b>	<b>Bi-Weekly</b>	<b>Monthly</b>	<b>Annually</b>
<b>192</b>				
1	67.9059	5,432.47	11,770.35	141,244
2	69.6036	5,568.29	12,064.62	144,775
3	71.3437	5,707.50	12,366.24	148,395
4	73.1272	5,850.18	12,675.38	152,105
5	74.9555	5,996.44	12,992.28	155,907
6	76.8293	6,146.34	13,317.07	159,805
7	78.7501	6,300.01	13,650.01	163,800
8	80.7187	6,457.50	13,991.25	167,895
9	82.7368	6,618.94	14,341.04	172,093
<b>193</b>				
1	71.3006	5,704.05	12,358.77	148,305
2	73.0831	5,846.64	12,667.73	152,013
3	74.9102	5,992.81	12,984.43	155,813
4	76.7829	6,142.63	13,309.03	159,708
5	78.7025	6,296.20	13,641.77	163,701
6	80.6700	6,453.60	13,982.81	167,794
7	82.6868	6,614.94	14,332.38	171,989
8	84.7540	6,780.32	14,690.69	176,288
9	86.8728	6,949.83	15,057.96	180,696
<b>194</b>				
1	74.8677	5,989.42	12,977.07	155,725
2	76.7394	6,139.15	13,301.50	159,618
3	78.6579	6,292.63	13,634.03	163,608
4	80.6243	6,449.94	13,974.88	167,699
5	82.6400	6,611.20	14,324.26	171,891
6	84.7060	6,776.48	14,682.37	176,188
7	86.8236	6,945.89	15,049.42	180,593
8	88.9942	7,119.53	15,425.66	185,108
9	91.2190	7,297.52	15,811.30	189,736
<b>195</b>				
1	78.6115	6,288.92	13,625.99	163,512
2	80.5767	6,446.14	13,966.64	167,600
3	82.5913	6,607.30	14,315.82	171,790
4	84.6560	6,772.48	14,673.70	176,084
5	86.7724	6,941.79	15,040.55	180,487
6	88.9417	7,115.34	15,416.57	184,999
7	91.1653	7,293.22	15,801.98	189,624
8	93.4444	7,475.55	16,197.03	194,364
9	95.7805	7,662.44	16,601.96	199,224
<b>196</b>				
1	82.5404	6,603.23	14,307.01	171,684
2	84.6040	6,768.32	14,664.69	175,976
3	86.7190	6,937.52	15,031.30	180,376
4	88.8870	7,110.96	15,407.09	184,885

**Unrepresented, Executive, General Unit, Laboratory Unit, Operators' Association,  
and Professional Unit Salary Matrix**

**EXHIBIT 1**

**Effective April 24, 2017**

<b>Range/Step</b>	<b>Hourly</b>	<b>Bi-Weekly</b>	<b>Monthly</b>	<b>Annually</b>
5	91.1091	7,288.73	15,792.25	189,507
6	93.3869	7,470.96	16,187.07	194,245
7	95.7216	7,657.73	16,591.74	199,101
8	98.1146	7,849.16	17,006.52	204,078
9	100.5674	8,045.39	17,431.69	209,180
<b>197</b>				
1	86.6670	6,933.36	15,022.28	180,267
2	88.8336	7,106.69	15,397.83	184,774
3	91.0545	7,284.36	15,782.78	189,393
4	93.3309	7,466.47	16,177.35	194,128
5	95.6641	7,653.13	16,581.78	198,981
6	98.0558	7,844.46	16,996.34	203,956
7	100.5072	8,040.58	17,421.25	209,055
8	103.0199	8,241.59	17,856.78	214,281
9	105.5953	8,447.63	18,303.19	219,638
<b>198</b>				
1	90.9997	7,279.98	15,773.29	189,279
2	93.2747	7,461.97	16,167.61	194,011
3	95.6066	7,648.52	16,571.80	198,862
4	97.9968	7,839.74	16,986.10	203,833
5	100.4466	8,035.73	17,410.75	208,929
6	102.9578	8,236.63	17,846.02	214,152
7	105.5318	8,442.54	18,292.18	219,506
8	108.1701	8,653.61	18,749.48	224,994
9	110.8743	8,869.95	19,218.21	230,619
<b>199</b>				
1	97.8269	7,826.15	16,956.67	203,480
2	100.2726	8,021.80	17,380.58	208,567
3	102.7794	8,222.35	17,815.09	213,781
4	105.3489	8,427.91	18,260.47	219,126
5	107.9827	8,638.61	18,716.99	224,604
6	110.6822	8,854.58	19,184.92	230,219
7	113.4493	9,075.94	19,664.54	235,974
8	116.2855	9,302.84	20,156.15	241,874
9	119.1926	9,535.41	20,660.05	247,921
<b>200</b>				
1	105.1631	8,413.04	18,228.26	218,739
2	107.7922	8,623.37	18,683.97	224,208
3	110.4870	8,838.96	19,151.08	229,813
4	113.2492	9,059.93	19,629.85	235,558
5	116.0804	9,286.43	20,120.60	241,447
6	118.9824	9,518.59	20,623.61	247,483
7	121.9570	9,756.56	21,139.21	253,671
8	125.0059	10,000.47	21,667.69	260,012
9	128.1310	10,250.48	22,209.37	266,512

**Unrepresented, Executive, General Unit, Laboratory Unit, Operators' Association,  
and Professional Unit Salary Matrix  
Effective April 24, 2017**

**EXHIBIT 1**

<b>Range/Step</b>	<b>Hourly</b>	<b>Bi-Weekly</b>	<b>Monthly</b>	<b>Annually</b>
<b>201</b>				
1	55.6958	4,455.66	9,653.94	115,847
<b>202</b>				
1	42.9806	3,438.45	7,449.97	89,400
<b>203</b>				
1	139.8935	11,191.48	24,248.20	290,978
<b>001</b>				
1	11.0000			
2	12.0000			
3	13.0000			
4	14.0000			
5	15.0000			
6	16.0000			


INFORMATION  
ITEM


**5A**




Date: April 19, 2017

To: The Honorable Board of Directors

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: Review of Proposed Biennial Budget for Fiscal Years 2017/18 and  
2018/19 for Regional Wastewater, Recycled Water, and Recharge Water  
Funds and Ten Year Capital Improvement Plan

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### **RECOMMENDATION**

This is an information item for the Board of Directors to review and provide comments.

### **BACKGROUND**

A preliminary overview of the Agency's proposed biennial budget for fiscal years (FYs) 2017/18 and 2018/19 and the FYs 2017/18 – 2026/27 Ten Year Capital Improvement Plan (2018 TYCIP) was presented to the Board of Directors on March 15, 2016. The overview highlighted the key areas of focus over the next two years:

- ***Succession planning*** – Over 30 percent of the Agency's workforce is eligible for retirement over the next 5 years. Essential to the transfer of knowledge and expertise to the next generation of employees is timely recruitment. Included in the proposed biennial budget is elimination of the 3% vacancy factor and set up of a 10-full time equivalent (FTE) succession planning pool for recruitment of critical positions throughout the Agency;
- ***Upkeep of Agency assets*** – Continue the transition from "corrective" to "predictive and preventative" maintenance of Agency assets to ensure regulatory compliance, avoid costly corrective maintenance, and effectively meet the Agency's commitment to delivering a high quality level of service;
- ***Optimize low interest debt and grants*** – Continue to secure low cost financing and grants to finance capital expansion and improvement of Agency's facilities to meet anticipated growth and increased service demands;

- **Cost of service** – Maintain rates and fees that fully recover the cost of service;
- **Cost containment** – Continue commitment to sustainable cost containment; and
- **Transparency** – Continue to provide a platform for transparent communication and timely reporting.

The focus of this review is the proposed biennial budget for the Regional Wastewater, Recycled Water, and Recharge Water programs, and the 2018 TYCIP. These will be presented to the Regional Technical and Regional Policy Committees on April 27, and May 4, 2017, respectively.

### **FY 2018 – 2027 Ten Year Capital Improvement Plan (TYCIP)**

The purpose of the capital improvement plan is to catalog and schedule capital improvement projects over a multi-year period to effectively and efficiently meet the service needs of the region, comply with statutory requirements, and appropriately maintain Agency assets. Each year, pursuant to the Regional Sewage Service Contract (Regional Contract), member agencies provide a ten-year forecast of expected growth in their area. The member agencies forecast, presented to the Board of Directors on November 16, 2016, estimated over 36,000 new connections over the next ten years, with approximately 70% of those new connections anticipated in the southern portion of the Agency's service area. The Agency prepares a ten-year forecast of capacity demands and identifies capital projects needed to meet the service demand from future growth. The TYCIP is updated annually and presented to the Regional Technical and Policy Committees for review and comment.

The rehabilitation, replacement, improvement, and expansion of the Agency's facilities continue to be the key drivers for the proposed FY 2018 TYCIP. These drivers are consistent with the Agency's long term planning documents approved by the Board of Directors, amongst them:

- 2015 Wastewater Facilities Master Plan Updated flow factors and concentrations
- Asset Management Plan
- 2015 Recycled Water Program Strategy Update
- 2015 Energy Management Plan
- 2016 Integrated Resources Plan
- 2016 Water Use Efficiency Business Plan

The proposed FY 2018 TYCIP of \$815 million is higher than the current 2017 TYCIP of \$746 million by approximately \$69 million. Capital projects in the Regional Wastewater and Recycled Water programs account for nearly 90% of the \$815 million, with about 80%, or \$642 million, scheduled within the first 5 years (2018-2022). The capital improvement plan includes both capital and operational and maintenance projects as shown by fund in Table 1 below.

**Table 1: Ten Year Capital Improvement Plan by Fund**

Fund (\$Millions)	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23 through FY 2026/27	TOTAL
<b>*Wastewater Capital</b>	\$23.4	\$26.6	\$82.2	\$167.8	\$107.8	\$81.0	<b>\$488.8</b>
<b>**Wastewater Operations</b>	29.3	26.8	14.3	10.2	9.1	52.4	<b>142.1</b>
<b>Recycled Water</b>	14.3	13.0	12.2	11.6	15.1	17.8	<b>84.0</b>
<b>Non-Reclaimable Wastewater</b>	1.2	1.9	1.0	0.3	0.3	7.7	<b>12.4</b>
<b>Water Resources</b>	5.7	8.2	17.2	10.2	1.7	9.5	<b>52.5</b>
<b>Recharge Water</b>	2.1	13.1	7.7	0.0	0.0	0.0	<b>22.9</b>
<b>Admin Services</b>	3.5	1.1	1.8	0.9	0.8	4.1	<b>12.2</b>
<b>Total</b>	<b>\$79.5</b>	<b>\$90.7</b>	<b>\$136.4</b>	<b>\$201.0</b>	<b>\$134.8</b>	<b>\$172.5</b>	<b>\$814.9</b>

\*Regional Wastewater Capital Improvement Fund

\*\*Regional Wastewater Operations & Maintenance Fund

The RP-1 Liquids and Solids Expansion project and improvements to the regional recycled water system are expected to increase the capital improvement plan to \$1.2 billion by 2032. As summarized in Table 2, six major capital projects in the Regional Wastewater program account for nearly 55%, or \$664 million, of the \$1.2 billion planned over the next 15 years.

**Table 2: Wastewater Program Major Projects**

Major Wastewater Projects	15 Year Forecast								Funding Source	
	2018	2019	2020	2021	2022	FYs 2023-27	FYs 2028-32	Estimated Cost (\$million)	Capital	R&R
RP-5 Liquid Expansion to 30 mgd								\$ 174	✓	
RP-5 Solids Treatment Expansion								\$ 164	✓	✓
Water Quality Laboratory								\$ 15	✓	✓
RP-1 Liquids Treatment Capacity Recovery								\$ 182	✓	✓
RP-1 Solids Treatment Expansion								\$ 48		✓
RP-1 Advanced Water Treatment Facility								\$ 80		✓
<b>Subtotal</b>	<b>\$ 16</b>	<b>\$ 11</b>	<b>\$ 66</b>	<b>\$ 152</b>	<b>\$ 103</b>	<b>\$ 64</b>	<b>\$ 252</b>	<b>\$ 664</b>	<b>= \$314</b>	<b>= \$350</b>
<b>Total 15 Year Total</b>	<b>\$ 1,198</b>									

These major projects are needed to meet the anticipated growth in the Agency's service area, replacement and rehabilitation (R&R) of aging facilities and infrastructure, and sustainment of water quality in the region. Funding for these major projects is shared by the Regional Wastewater

Capital Improvement (Wastewater Capital) and the Regional Wastewater Operations & Maintenance (Wastewater Operations) funds as indicated in Table 2. Funding sources for the expansion projects in the Wastewater Capital fund include; new wastewater connection fees, property taxes, grant and debt proceeds, and fund reserves. The R&R projects in the Wastewater Operations fund are supported by EDU monthly sewer rates, property taxes and fund reserves.

**2018 TYCIP Non-Capital (O&M) Projects**

Non-capital (O&M) projects account for approximately \$116 million of the proposed \$815 million 2018 TYCIP. Approximately 45%, or \$52.5 million, is budgeted in the Water Resources fund with the majority (\$32.5 million) designated for the Santa Ana River Conservation and Conjunctive Use (SARCCUP) program. Other projects include the Local Supply Resilience Projects, California Data Collaborative Water Use Efficiency Data Analytics, water resource planning documents, and the Agency’s regional water use efficiency programs. These projects support sustainability of the region’s water supplies, including investment in water use efficiency programs and water banking.

Over 30%, or \$36 million is budgeted in the Wastewater Operations fund as reported in Table 3. Projects in the Wastewater Operations fund include condition assessment of Agency-wide assets such as: digester cleaning, aeration panel replacement, and coating of Agency structures. Also included is major maintenance of Agency’s facilities, lift stations, and conveyance systems. Timely upkeep of Agency facilities is necessary to ensure uninterrupted delivery of essential services in a cost effective manner. Emergency repairs can cost as much as 30% more. Also, included in the Wastewater Operations fund is the South Archibald TCE Plume Clean-Up project. Due to the significant efforts of Agency staff and other key stakeholders, this project is expected to be fully funded by grants and contributions.

Non-capital projects included in the Administrative Services, Non-Reclaimable Wastewater, Wastewater Capital, and Recycled Water funds support major maintenance of the Agency’s general facilities, including roofing and parking lot repairs, Prado Basin annual monitoring, and hydraulic modeling of the Agency’s regional recycled water system.

**Table 3: 2018 Summary of Non-Capital Projects by Fund**

Fund (\$Millions)	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23 through FY 2026/27	TYCIP TOTAL
<b>Wastewater Capital</b>	\$0.9	\$0.8	\$0.3	\$0.8	\$0.3	\$3.0	<b>\$6.1</b>
<b>Wastewater Operations</b>	6.0	8.2	2.4	1.9	1.6	15.9	<b>36.0</b>
<b>Recycled Water</b>	2.2	1.7	1.4	1.6	1.1	7.0	<b>15.0</b>

Fund (\$Millions)	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23 through FY 2026/27	TYCIP TOTAL
<b>Non-Reclaimable Wastewater</b>	0.1	0.1	0.1	0.1	0.1	0.5	<b>1.0</b>
<b>Water Resources</b>	5.7	8.2	17.2	10.2	1.7	9.5	<b>52.5</b>
<b>Recharge Water</b>	0.3	0.3	0.0	0.0	0.0	0.0	<b>0.6</b>
<b>Admin Services</b>	1.1	0.2	0.4	0.4	0.4	2.1	<b>4.6</b>
<b>Total</b>	<b>\$16.3</b>	<b>\$19.5</b>	<b>\$21.8</b>	<b>\$15.0</b>	<b>\$5.2</b>	<b>\$38.0</b>	<b>\$115.8</b>

### Regional Wastewater Program

In accordance with the Regional Contract, the Regional Wastewater Program is comprised of two funds; the Regional Wastewater Capital Improvement (Wastewater Capital) fund and the Regional Wastewater Operations and Maintenance (Wastewater Operations) fund, components of each fund is shown below in Table 4.

**Table 4: Regional Wastewater Program Components**

Description	Wastewater Capital	Wastewater Operations
<b>Accounts for the Agency's regional wastewater system's</b>	Acquisitions, construction, improvement and expansion.	Collection, treatment and disposal of domestic sewage treatment for the contracting agencies, capital replacement and rehabilitation costs, and organics management.
<b>Primary Revenues &amp; Other Funding Sources</b>	New *EDU connection fees, property taxes, debt proceeds and grant receipts.	Monthly *EDU sewer rate, property taxes, and contract reimbursements.
<b>Primary Expenses and Other Uses of Funds</b>	Capital project costs, debt service, and program support.	O&M costs including; employment, chemicals, utilities, materials & supplies, etc.

\*EDU = Equivalent dwelling unit is the estimated volumetric impact of a single residence.

### Regional Wastewater Capital Improvement Fund (Wastewater Capital Fund)

Total revenues for the Wastewater Capital fund are projected to increase by approximately 5% in the proposed biennial budget. A key assumption is the continued pace of new development in the Agency's service area with 3,000 new equivalent dwelling unit (EDU) connections projected for each budget year. Based on the 5 year rates adopted in June 2015, revenues from wastewater connection fees are estimated to increase by \$1.8 million in FY 2017/18 to \$18.9 million, and just



under \$1 million to \$19.9 million in FY 2018/19. Table 5 summarizes the estimated revenues and other sources of funds. An estimated rise of 3% in assessed valuations accounts for the increase in property tax receipts from \$29 million projected in the current fiscal year to \$29.9 million and \$30.8 million over the next two fiscal years. Property tax receipts allocated to the Wastewater Capital fund first support annual debt service costs, then capital project costs.

**Table 5: Wastewater Capital Fund Major Funding Sources**

Major Funding Sources (\$Millions)	FY 2017/18	FY 2018/19	Key Assumptions
Wastewater Connection Fees	\$18.9	\$19.9	3,000 new wastewater connections per year consistent with FY 2016/17. Adopted fee effective 7/1/17 of \$6,309 per EDU, and \$6,624 effective 7/1/18.
Property Tax	29.9	30.8	Annual increase of 3% from a projected increase in assessed property values. No change in 65% allocation of total property tax receipts.
Inter-Fund Transfers and Other	3.0	2.2	Includes the Wastewater Operations fund share of the RP-2/RP-5 Solids Treatment Expansion project and interest revenues.
<b>Total</b>	<b>\$51.8</b>	<b>\$52.9</b>	

As reported in Table 6, a major expenditure in the Wastewater Capital fund is the capital investment plan (CIP) which account for about 50% of proposed budget. A total of \$23.0 million in capital project costs is budgeted in FY 2017/18 and \$26.3 million in FY 2018/19. The proposed CIP budget includes design of the RP-2/RP-5 Expansion project along with other major projects summarized in Table 7.

**Table 6: Wastewater Capital Fund Major Expenses and Other Uses of Funds**

Major Uses of Funds (\$Millions)	FY 2017/18	FY 2018/19	Key Assumptions
Program Support	\$7.2	\$7.2	Includes employment, professional services and monthly capacity fees for Non-Reclaimable Wastewater system used to dispose of regional centrate.
Capital Improvement Plan (CIP)	23.0	26.3	Major capital projects as summarized in Table 7.
Debt Service	12.1	12.2	Includes principal and interest for the 2008B, 2010A and 2017A bonds, and State

Major Uses of Funds (\$Millions)	FY 2017/18	FY 2018/19	Key Assumptions
			Revolving Fund (SRF) loan for RP-1 Dewatering Expansion Facility.
Other	4.6	3.9	Inter-fund transfers for capital and debt service support to other funds, including cost share of the Water Quality Lab project budgeted in the Wastewater Operations fund.
<b>Total</b>	<b>\$46.9</b>	<b>\$49.6</b>	

**Table 7: Wastewater Capital Fund Major Capital Projects**

Major Projects (\$Millions)	FY 2017/18	FY 2018/19	FY 2019/20 to FY 2021/22	TYCIP Total
RP-5 Liquid and Solids Expansion	\$4.9	\$6.8	\$320.3	\$338.3
RP-1 Solids Thickening Expansion	0.3	1.1	8.0	20.0
RP-1 Disinfection Facility and Pump Improvements	2.8	2.3	2.1	5.3
RP-1 Flare Improvements	1.0	2.4	1.5	4.9
RP-1 Headworks Primary and Secondary Upgrade	5.3	0.6	0.0	5.9
RP-1 Mixed Liquor Return	2.2	0.0	0.0	2.2
*CCWRF Asset Management Improvements	2.7	1.0	19.5	23.2
All Other Capital Projects	3.8	12.1	5.9	86.4
<b>Major Capital Projects</b>	<b>\$23.0</b>	<b>\$26.3</b>	<b>\$357.3</b>	<b>486.2</b>

\*CCWRF- Carbon Canyon Water Recycling Facility

The Wastewater Capital ending fund balance for FY 2017/18 is estimated at \$45.0 million, and \$48.7 million for FY 2018/19. The estimated increase in FY 2019/20 as shown in Figure 1 is due to debt proceeds from new debt issues needed to support construction of the RP-2/RP-5 Expansion project slated to begin in 2019.

**Figure 1: Wastewater Capital Fund Reserve by Type**



**Regional Wastewater Operations & Maintenance Fund (Wastewater Operations)**

Total revenues and other funding sources in the Wastewater Operations fund are estimated at \$86.7 million and \$92.2 million for FYs 2017/18 and 2018/19, respectively. This includes \$16.5 million of anticipated State Revolving Fund (SRF) loan proceeds during the two-year period for construction of the Water Quality Laboratory, and \$6.4 million of grant receipts for the South Archibald TCE Plume Clean-Up project. Table 8 summarizes the Wastewater Operations fund proposed major revenues and other funding sources for FYs 2017/18 and 2018/19.

**Table 8: Wastewater Operations Fund Major Revenues and Other Funding Sources**

Major Funding Sources (\$Millions)	FY 2017/18	FY 2018/19	Key Assumptions
EDU Volumetric	\$60.6	\$64.7	Adopted EDU rate of \$18.39 in FY 2017/18 and \$19.59 in FY 2018/19 and assumes annual growth factor of 0.25% in the number of billable EDUs.
State Revolving Fund (SRF) Loans and Grants	11.3	12.4	Loan proceeds for the construction of the Water Quality Laboratory and proceeds for the South Archibald TCE Plume Clean-Up project.
Property Tax	9.5	9.5	Maintain the \$9.5 million allocation as adopted by the Board on June 15, 2016.
Cost Reimbursement from IERCA*	3.8	3.9	Reimbursement of the IERCA labor costs.
Other	1.4	1.6	Includes interest revenue, contract cost reimbursement, and lease revenue.
<b>Total</b>	<b>\$86.6</b>	<b>\$92.1</b>	

\*Inland Empire Regional Composting Authority

Major expenses in the Wastewater Operations fund include operating and maintenance expenses, capital R&R project costs, organic management activities, and debt service costs. Total expenses



and other uses of funds are \$92.5 million in FY 2017/18 and \$88.4 million in FY 2018/19. The decrease of \$4.1 million between the two years is mainly due a decrease in anticipated capital project spending. Proposed expenses and other uses of funds for FYs 2017/18 and 2018/19 are summarized in Table 9.

**Table 9: Wastewater Operations Fund Major Expenses & Other Uses of Funds**

Major Uses of Funds (\$Millions)	FY 2017/18	FY 2018/19	Key Assumptions
Operations & Maintenance (O&M)	\$57.7	\$58.4	Includes employment, chemicals utilities, professional and contract labor costs, and other O&M costs.
O&M project costs	6.0	8.3	Includes the South Archibald TCE Plume Clean-Up project.
Capital Rehabilitation & Replacement (R&R) project costs	23.3	18.5	Asset Management Plan R&R project costs including completion of the Water Quality Project in FY2018/19.
Debt Service	0.4	0.4	Includes principal and interest for the 2017A bonds.
Other	5.1	2.8	Inter-fund transfers for capital project support to the Administrative Services and share of the RP-2/RP-5 Expansion project and CCWRF Asset Management Improvement project.
<b>Total</b>	<b>\$92.5</b>	<b>\$88.4</b>	

A total of \$23.3 million in capital project costs is budgeted in FY 2017/18 and \$18.5 million is projected for FY 2018/19. When the EDU rates were adopted in 2015 only \$22.8 million in capital project spending was anticipated over these two years. The increase in capital spending is due to carry forward of projects not completed in FY 2016/17, primarily the Water Quality Laboratory slated for completion in 2019. Major capital projects are listed in Table 10.

**Table 10: Wastewater Operations Fund Major Capital Projects**

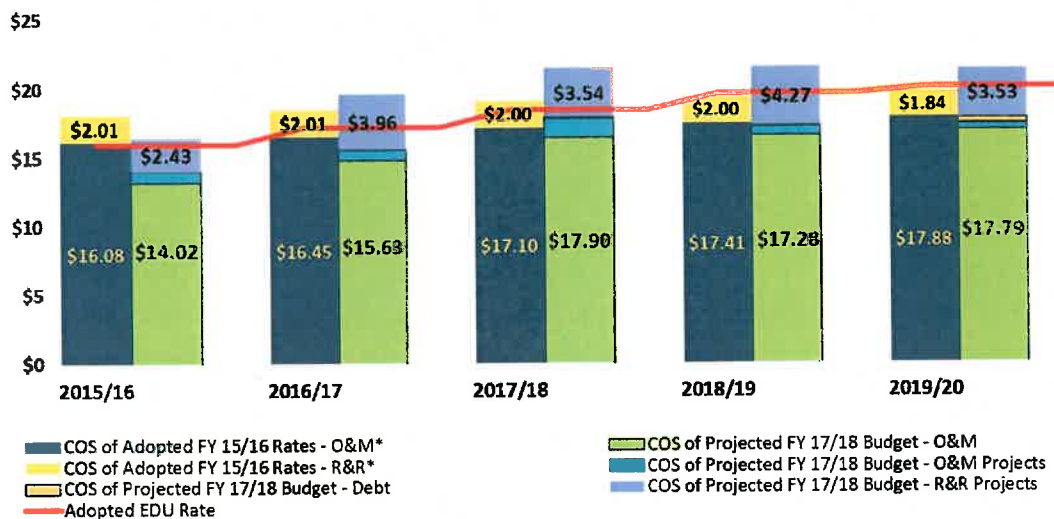
Major Projects (\$Millions)	FY 2017/18	FY 2018/19	FY 2019/20 to FY 2021/22	TYCIP Total
Water Quality Laboratory	\$11.3	\$4.0	\$0.0	\$15.3
SCADA Enterprise System	1.7	2.6	5.7	10.0
RP-4 Process Improvements	1.0	2.1	2.3	5.4
RP-1 Secondary System Rehabilitations	0.7	2.9	1.6	5.2
Digester 6 and 7 Roof Repairs	1.4	1.4	0.3	3.0
All Other Capital Projects	7.2	5.5	17.9	67.2
<b>Total</b>	<b>\$23.3</b>	<b>\$18.5</b>	<b>\$27.8</b>	<b>\$106.1</b>

### Cost of Service Review

In March 2015, the Board adopted monthly sewage EDU rates for five years (FYs 2015/16 – 2019/20). See Appendix Table A4: Monthly EDU Sewage Rates. The key objective of the multi-year rates was to establish a rate that fully recovered the cost of providing the service. Historically, property taxes have been used to support costs not recovered by rates. Figure 2 below shows the projected cost of service for the Wastewater Operations fund when the FY 2015/16 budget was adopted. The projected cost of service included two components: O&M (dark blue) and R&R project (gold) costs. The R&R component was calculated using an average of 10 years cost for recurring projects and an average of 5 years for non-recurring projects, with the objective to minimize the variability of these type of costs from year to year.

Figure 2 also includes a comparison of the actual cost of service for FY 2015/16, projected actuals for FY 2016/17 and updated forecasts for FYs 2017/18 – 2019/20. The projected R&R cost of service shows the project budget for each fiscal year included in the TYCIP and not an average cost as shown in the 2015 forecasts. Additionally, further breakdown is provided to show the different components included in the original calculation: O&M expenses (green), O&M projects (light blue) and debt service (orange). The O&M EDU unit cost is the sum of these three components. Not included in the projected cost of service are the contributions to the Wastewater Capital fund for the operations share of the RP-2/RP-5 Solid Treatment Expansion project.

**Figure 2: Monthly EDU Sewage Cost of Service**



Fiscal year 2015/16 was the first of the five-year rates. As reported, actual cost of service of \$16.45/EDU exceeded the adopted rate of \$15.89/EDU. The updated projections for FYs 2016/17 through 2019/20 exceed the 2015 forecasts, primarily due to the “ramp-up” of succession planning, higher CalPERS rates due to a reduction in the discount rate over the next three years, and higher O&M and R&R projects as reported on Table 9 (Major Expenses) and Table 10 (Major Capital Projects).

The projected Wastewater Operations fund ending fund balance is estimated at \$59.5 million and \$63.3 million for FYs 2017/18 and 2018/19, respectively. The decrease in fund balance in the future years is due to contributions to the Wastewater Capital fund for the Wastewater Operations fund share of the RP-2/RP-5 Expansion and Carbon Canyon Wastewater Reclamation Facility (CCWRF) Asset Management and Improvements project costs.

**Figure 3: Wastewater Operations Fund Reserves by Type**



**Recycled Water Fund**

A continued key initiative for the Agency is to optimize the beneficial reuse of recycled water and provide a cost effective and sustainable alternative to imported water for the region. Included in IEUA’s long term planning documents is the continued expansion and improvement of the regional recycled water distribution system and groundwater recharge facilities. The Regional Recycled Water Distribution System (RRWDS) consists of over 89 miles of pipeline, 4 reservoir storage tanks with storage capacity between 2 and 5 million gallons, and multiple pump stations. Currently there are over 800 user connections to the RRWDS.

Total regional recycled water acre feet (AF) deliveries in FY 2017/18 are projected to be 35,500 and 37,100 in FY 2018/19, with related revenues of \$17.2 million and \$18.2 million, respectively. Volume projections for both fiscal years have been reduced by 8,000 AF when compared to the projection in the FY 2015/16 adopted budget. The AF reductions result in a \$4 million decrease of recycled water sales revenues. Recycled water deliveries for direct use has declined in the recent years primarily due to trends in decreased agricultural usage because of the land conversions from farm sites to developed parcels. Other reasons are fewer than anticipated new connections/usage by member agencies for the direct use due to delays in project implementation.

Water connection fee revenues, collected to support capital investments in the Agency’s regional water distribution system for FY 2017/18 are projected to be \$4.2 million and \$4.4 million for FY 2018/19, a 15% decrease as compared to the FY 2015/16 adopted budget. Water connection fee rates are set per meter equivalent unit (MEU). One MEU is equivalent to a 5/8” and 3/4” meter size (standard residential meter size). Revenues and other funding sources of the Recycled Water fund are summarized in Table 11.

**Table 11: Recycled Water Fund Major Revenues & Other Funding Sources**

Major Funding Sources (\$Millions)	FY 2017/18	FY 2018/19	Key Assumptions
Recycled Water Sales	\$17.2	\$18.2	FY 2017/18 direct rate of \$470/AF and Groundwater Recharge (GWR) rate of \$530/AF FY 2018/19 direct rate of \$480/AF and GWR rate of \$540/AF
Water Connection Fees	4.2	4.4	FY 2017/18 rate \$1,527/MEU FY 2018/19 rate \$1,604/MEU 2,730 new MEU connections are projected each fiscal year.
Property Tax	2.2	2.2	Maintain \$2.2 million allocation as approved by the Board of Directors in June 15, 2016.



Major Funding Sources (\$Millions)	FY 2017/18	FY 2018/19	Key Assumptions
Other	3.3	2.7	Grants and capital reimbursements to support basin recharge projects, and inter-fund debt service support for the 2017A bond.
<b>Total</b>	<b>\$26.9</b>	<b>\$27.5</b>	

Major expenses for the Recycled Water fund include capital, debt service, and operating costs. Capital expenditures in FY 2017/18 and FY 2018/19 are projected to be \$12.1 and \$11.3 million, respectively. Operating costs include employment, pumping costs, O&M projects, and a portion of the groundwater recharge O&M costs not reimbursed by Chino Basin Watermaster (CBWM). The projected increase in O&M expenses in FY 2017/18 is primarily due to additional O&M projects needed for the upkeep of groundwater recharge basins and hydraulic monitoring projects. The projected biennial expense and other uses of funds for the Recycled Water fund are summarized in Table 12.

**Table 12: Recycled Water Fund Major Expenses & Other Uses of Funds**

Major Uses of Funds (\$Millions)	FY 2017/18	FY 2018/19	Key Assumptions
Operating Expenses	\$10.6	\$10.3	Includes employment, professional fees, materials and supplies, utilities, a portion of the groundwater recharge operations expense, and O&M project costs.
Capital Improvement Plan (CIP)	12.1	11.3	See Table 13 for a summary of major capital projects.
Debt Service	7.7	7.8	Includes principal and interest costs for outstanding bonds and SRF loans.
Other	1.3	1.5	Inter-fund transfers to Administrative Service, Recharge Water, and Water Resources funds of new water connection fees in support of the RRWDS*.
<b>Total</b>	<b>\$31.7</b>	<b>\$30.9</b>	

\*Regional Recycled Water Distribution System

Annual debt service costs, which include principal, interest and financial fees for several SRF loans and 2017A Revenue Bonds, are estimated to be \$7.7 million in FY 2017/18 and \$7.8 million in FY 2018/19. There is no change to the \$28.5 million inter-fund loans (\$13.5 million due to the Wastewater Capital fund and \$15 million due to the Non-Reclaimable Wastewater fund)

outstanding when the FY 2015/16 budget was adopted. During the FY 2016/17 mid-year budget update, the first inter-fund loan payment was deferred until FY 2019/20 due to higher capital project expenditures. The final re-payment of inter-fund loans is scheduled for FY 2025/26. A summary of inter-fund loans and repayment schedules is provided in Appendix A7.

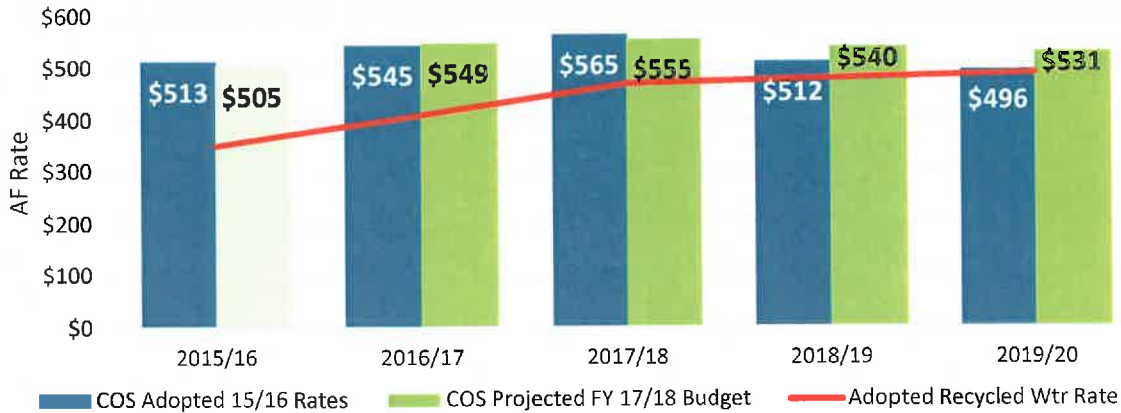
**Table 13: Recycled Water Fund Major Capital Projects**

Major Projects (\$Millions)	FY 2017/18	FY 2018/19	FY 2019/20 to FY 2021/22	TYCIP Total
San Sevaine Basin Improvements	\$4.3	\$0.5	\$0.5	\$5.4
Napa Lateral/San Bernardino Speedway	2.7	1.4	1.8	5.9
RP-5 Recycled Water Pipeline Bottleneck	2.1	0.3	0.0	2.4
Baseline Recycled Water Pipeline Extension	0.3	3.0	1.4	4.8
Recycled Water System Cathodic Improvements	0.2	2.2	1.1	3.5
All Other Capital Projects	2.5	3.9	30.0	47.0
<b>Total</b>	<b>\$12.1</b>	<b>\$11.3</b>	<b>\$34.8</b>	<b>\$69.0</b>

### Cost of Service Review

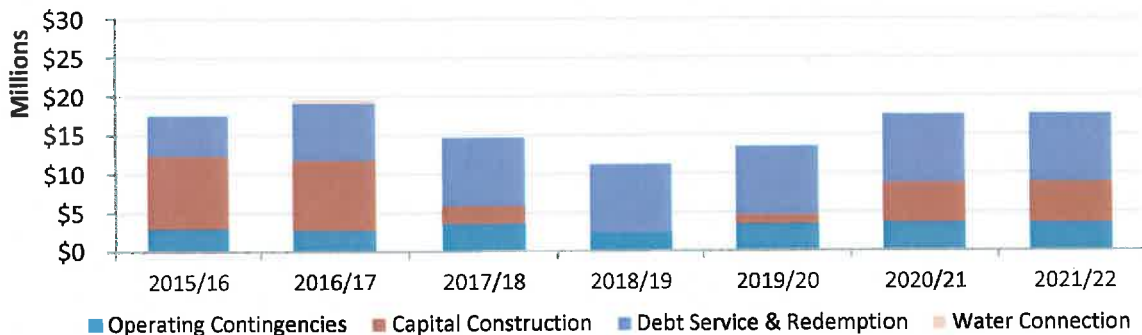
In May 2015, the Board adopted recycled water Acre Foot (AF) service rates for five years (FYs 2015/16 – 2019/20). See Appendix Table A5: Recycled Water Rates. The key objective of the multi-year rates was to establish a rate that fully recovered the cost of providing the service. Historically, the Metropolitan Water District (MWD) Local Project Program rebate and property taxes have been used to support costs not recovered by rates. The current fiscal year will be the final year of the MWD Local Project Program rebate equal to a maximum \$2.1 million per year. The adopted multi-year rates account for the loss of this funding source. Figure 4 is a comparison of the cost of service projections (dark blue) as 2015 (COS Adopted 15/16 Rates) to the updated projections. Included in the cost of service AF calculation are operational and maintenance (O&M) costs, O&M and R&R projects less any grants or contributions, and debt service which is also partially offset by property tax receipts. The 2015 projected cost of service assumed higher recycled water deliveries which partly account for the changes in the AF unit cost in the updated forecasts. As shown in Figure 4 the estimated cost of service of \$531/AF in FY 2019/20 is projected to exceed the adopted rate of \$490/AF. Future projections and underlying assumptions are reviewed and updated each year as part of the budget process.

**Figure 4: Recycled Water Cost of Service**



The Recycled Water fund projected ending fund balances for FY 2017/18 and FY 2018/19 is \$14.7 million and \$11.2 million, respectively. Given the uncertainty of SRF loan/grant funding, pay-go funding is assumed for capital projects planned over the next two years. This accounts for the projected decrease in fund balance in FY 2018/19. Based on current assumptions future year balances begin to increase as capital spending trends downward and recycled water deliveries steadily grow. Projected ending fund balances are reported below in Figure 5. However, should SRL loan funding be available, this will result in higher fund balances.

**Figure 5: Recycled Water Fund Reserve by Type**



### Recharge Water Fund

The Recharge Water (RW) fund accounts for the revenues and expenses associated with groundwater recharge (GWR) operations and maintenance through joint efforts with Chino Basin Watermaster, Chino Basin Water Conservation District (CBWCD), and the San Bernardino County Flood Control District (SBCFCD). Operating expenses include general basin maintenance and/or restoration, groundwater administration (e.g. labor, tools, and supplies), contracted services



(e.g. weeding and vector control), compliance reporting, and environmental documentation for permit compliance.

Total budgeted revenues, other funding sources, and inter-fund contributions and support for FYs 2017/18 and 2018/19 are \$4.8 million and \$16.1 million, respectively. The budget is comprised of reimbursements from CBWM for groundwater recharge facilities' O&M, capital and non-capital project support, and debt service costs. The remaining balance will be contributed by IEUA for its portion of capital (50/50 share with CBWM), debt service, and pro-rata of O&M costs. See Table 14 for a summary of revenues and funding sources.

**Table 14: Recharge Water Fund Revenues and Other Funding Sources**

Major Funding Sources (\$Millions)	FY 2017/18	FY 2018/19	Key Assumptions
Watermaster Operating Cost Reimbursement	\$1.0	\$1.0	Reimbursement of groundwater recharge operations & maintenance (GWR O&M) and facilities.
Watermaster Debt Service	0.5	0.6	Reimbursement for its share of debt service costs for the 2008B bonds, estimated interest rates are 2% and 3% for each fiscal year respectively.
Watermaster Project Reimbursement	0.4	2.2	Capital project costs funded by Watermaster.
State Revolving Fund Loan	1.4	10.7	Loan proceeds to support Recharge Mater Plan Update (RMPU) projects.
Other	1.5	1.6	Inter-fund transfer for the Agency's operating support for pro-rata share of groundwater basin maintenance; capital projects; non-reimbursable labor; and debt service, from the Recycled Water and Wastewater Capital funds.
<b>Total</b>	<b>\$4.8</b>	<b>\$16.1</b>	

Total Recharge Water program expenses for FYs 2017/18 and 2018/19 are \$4.7 million, and \$16.1 million, respectively. The key expenses include capital costs related to the Recharge Master Plan Update (RMPU) projects, debt service costs for the Chino Basin Facilities Improvement Project (CBFIP), and groundwater O&M costs.



The FYs 2017/18 and 2018/19 groundwater O&M budget, shown below in Table 15, includes utilities and general groundwater basin maintenance costs for infiltration, restoration and slope repairs on three groundwater basins: Brooks, RP-3 and Victoria Basins.

**Table 15: Recharge Water Major Expenses & Other Uses of Funds**

Major Uses of Funds (\$Millions)	FY 2017/18	FY 2018/19	Key Assumptions
Operating Expense	\$2.0	\$2.0	Program support and maintenance, utilities, specialty O&M, Watermaster and SBCFCD costs, and IEUA's pro-rata share.
Debt Service	1.0	1.2	Principal, interest and financial expense for the bonds.
Capital Improvement Plan (CIP)	1.7	12.9	Capital project costs shared with Watermaster for RMPU projects.
<b>Total</b>	<b>\$4.7</b>	<b>\$16.1</b>	

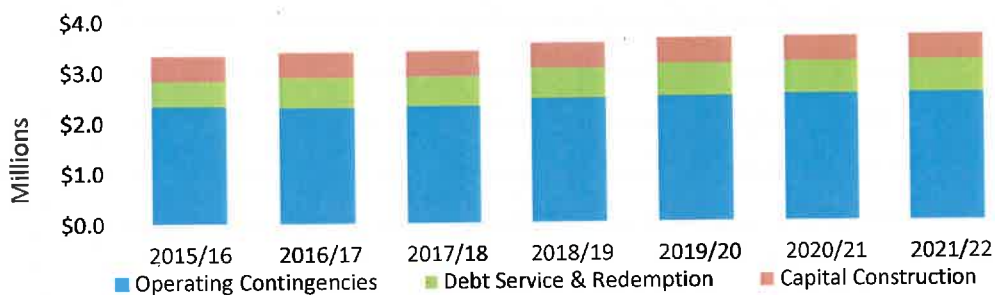
The FY 2016/17 and 2017/18 capital project costs for the Recharge Capital Program mainly involve modifications, improvements, and refurbishment at selected basins for \$1.7 million and \$12.9 million, respectively. CBWM has updated the Recharge Master Plan, and Agency staff is taking the lead in the execution and administration of the capital projects. Table 16 is a summary of major projects in the Recharge Water program.

**Table 16: Recharge Water Fund Capital Projects**

Major Projects (\$Millions)	FY 2017/18	FY 2018/19	FY 2019/20 to FY 2021/22	TYCIP Total
Recharge Master Plan Update	\$1.2	\$0.5	\$0.0	\$1.7
Lower Day Recharge Master Plan Update	0.3	2.2	1.1	3.7
Recharge Master Plan Update – Construction	0.2	10.2	6.6	17.0
<b>Total</b>	<b>\$1.7</b>	<b>\$12.9</b>	<b>\$7.7</b>	<b>\$22.4</b>

The ending fund balance for FYs 2017/18 and 2018/19 is projected to be \$3.4 million and \$3.6 million, respectively (Figure 6). Throughout the subsequent years, ending fund balances are estimated to average \$3.7 million.

**Figure 6: Recharge Water Fund Reserve by Type**



**Conclusion**

Over the next two fiscal years, key areas of focus will be execution of critical Asset Management Plan projects and timely recruitment of critical personnel to ensure the transfer for knowledge and expertise to the next generation of Agency employees. Achieving these objectives will ensure the Agency is positioned to delivery essential high quality services in a cost effective manner and support the region’s economic development.

Attached in the Appendix section are the Sources and Uses of Fund reports of the Agency’s Wastewater Capital, Wastewater Operations, Recycled Water and Recharge Water funds. The proposed budget for these programs is consistent with the IEUA Business Goals of *Fiscal Responsibility, Water Reliability, Wastewater Management, Environmental Stewardship and Business Practices*.

**PRIOR BOARD ACTION**

None.

**IMPACT ON BUDGET**

None.

**Attachments:**

Appendix A – Sources and Uses of Funds: Regional Wastewater Capital, Regional Wastewater O&M, Recycled Water and Recharge Water funds.

Appendix Table A1 – Acronyms

Appendix Table A2 – Key assumptions for FYs 2017/18 and 2018/19 budget

Appendix Table A3 – Wastewater connection fees

Appendix Table A4 – EDU volumetric rates

Appendix Table A5 – Recycled water rates

Appendix Table A6 – Water connection fees

Appendix Table A7 – Inter-fund loan repayment schedule

Appendix Table A8 – Major projects in FYs 2017/18 and 2018/19, and Total Ten Year Budget

Review of Proposed Biennial Budget for FYs 2017/18 and 2018/19 Regional Wastewater,  
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**Appendix A**

**INLAND EMPIRE UTILITIES AGENCY  
 FISCAL YEARS 2017/18 and 2018/19 BIENNIAL BUDGET  
 REGIONAL CAPITAL FUND - SOURCES AND USES OF FUNDS (In Thousands)**

	2015/2016	2016/2017	2017/18	2018/19	2019/20	2020/21	2021/22
	ACTUAL	PROJECTED ACTUAL	PROPOSED BUDGET	PROPOSED BUDGET	FORECAST		
<b>REVENUES</b>							
Interest Revenue	\$135	\$187	\$248	\$364	\$552	\$551	\$363
<b>TOTAL REVENUES</b>	<b>\$135</b>	<b>\$187</b>	<b>\$248</b>	<b>\$364</b>	<b>\$552</b>	<b>\$551</b>	<b>\$363</b>
<b>OTHER FINANCING SOURCES</b>							
Property Tax - Debt and Capital	\$27,659	\$29,058	\$29,930	\$30,828	\$31,444	\$32,073	\$32,715
Regional System Connection Fees	24,910	17,136	18,927	19,872	18,779	20,658	20,337
Debt Proceeds	0	0	0	0	100,000	100,000	75,000
Other Revenues	10	1	1	1	1	1	1
<b>TOTAL OTHER FINANCING SOURCE</b>	<b>\$52,579</b>	<b>\$46,195</b>	<b>\$48,858</b>	<b>\$50,701</b>	<b>\$150,224</b>	<b>\$152,732</b>	<b>\$128,053</b>
<b>EXPENSES</b>							
Employment Expenses	\$4,248	\$3,995	\$4,057	\$4,155	\$4,243	\$4,478	\$4,682
Contract Work/Special Projects	1,253	795	900	800	300	800	300
Operating Fees	240	242	246	254	261	269	277
Professional Fees and Services	234	329	364	365	372	377	382
Other Expenses	509	475	1,591	1,596	1,588	1,627	1,668
<b>TOTAL EXPENSES</b>	<b>\$6,484</b>	<b>\$5,836</b>	<b>\$7,158</b>	<b>\$7,170</b>	<b>\$6,765</b>	<b>\$7,551</b>	<b>\$7,310</b>
<b>CAPITAL PROGRAM</b>							
IERCA investment	\$0	\$0	\$500	\$500	\$500	\$500	\$0
Work In Progress	6,057	10,737	22,550	25,793	81,875	166,955	107,500
<b>TOTAL CAPITAL PROGRAM</b>	<b>\$6,057</b>	<b>\$10,737</b>	<b>\$23,050</b>	<b>\$26,293</b>	<b>\$82,375</b>	<b>\$167,455</b>	<b>\$107,500</b>
<b>DEBT SERVICE</b>							
Financial Expenses	(\$203)	\$140	\$175	\$174	\$280	\$175	\$173
Interest	5,882	5,064	3,140	3,114	7,792	12,581	15,793
Principal	7,074	57,274	8,791	8,922	10,875	12,716	14,450
<b>TOTAL DEBT SERVICE</b>	<b>\$12,753</b>	<b>\$62,479</b>	<b>\$12,105</b>	<b>\$12,211</b>	<b>\$18,947</b>	<b>\$25,472</b>	<b>\$30,415</b>
<b>TRANSFERS IN (OUT)</b>							
Capital Contribution							
RO to RC -RP-5 Solids Treatment	\$0	\$0	\$1,350	\$1,715	\$3,472	\$3,472	\$3,472
RO to RC -CCWRF Asset Managerr	0	195	2,700	1,020	7,700	10,800	1,000
RO to RC -RP-5 Expansion Mainten:	0	0	0	0	5,000	5,000	5,000
RC to GG - Agency-wide Projects	(358)	(1,416)	(921)	(423)	(594)	(280)	(224)
RC to RO - Water Quality Laborator	(11)	(103)	(103)	(92)	0	0	0
Debt Service							
RO to RC - RP-5 Expansion Debt F	0	0	0	0	1,736	3,472	4,774
RP-1 Expansion Debt Funding	0	0	0	0	0	0	0
RC to RW - 2008B Bond Debt	(382)	(402)	(515)	(583)	(592)	(644)	(641)
RC to RO - Water Quality Lab SRF I	0	0	0	0	(253)	(253)	(253)
RC to WC - 2017A Bond Debt	(1,390)	(1,103)	(2,399)	(2,400)	(2,400)	(2,400)	(2,399)
Capital - Connection Fee Allocation t	(527)	(770)	(1,378)	(410)	(697)	(195)	(156)
Capital - Connection Fee Allocation t	(3,545)	0	0	0	0	0	0
Capital - Connection Fee Allocation t	(123)	(246)	(293)	(456)	(245)	(72)	(72)
<b>TOTAL INTERFUND TRANSFERS IN</b>	<b>(\$6,335)</b>	<b>(\$3,843)</b>	<b>(\$1,559)</b>	<b>(\$1,630)</b>	<b>\$13,127</b>	<b>\$18,900</b>	<b>\$10,501</b>
<b>FUND BALANCE</b>							
Net Income (Loss)	\$21,083	(\$36,514)	\$5,234	\$3,761	\$55,815	(\$28,294)	(\$6,307)
Beginning Fund Balance July 01	55,173	76,257	39,743	44,977	48,738	104,553	76,259
<b>ENDING FUND BALANCE AT JUNE :</b>	<b>\$76,257</b>	<b>\$39,743</b>	<b>\$44,977</b>	<b>\$48,738</b>	<b>\$104,553</b>	<b>\$76,259</b>	<b>\$69,951</b>
<b>RESERVE BALANCE SUMMARY</b>							
Capital Construction	\$240	(\$4,429)	\$1,808	\$2,435	\$39,420	\$2,473	\$1,824
CCRA Capital Construction	55,201	18,337	17,264	20,136	38,915	47,573	41,910
Debt Service & Redemption	15,615	25,835	25,904	26,166	26,218	26,213	26,217
Sinking Fund	5,200	0	0	0	0	0	0
<b>ENDING BALANCE AT JUNE 30</b>	<b>\$71,057</b>	<b>\$39,743</b>	<b>\$44,977</b>	<b>\$48,738</b>	<b>\$104,553</b>	<b>\$76,259</b>	<b>\$69,951</b>

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**INLAND EMPIRE UTILITIES AGENCY**  
**FISCAL YEARS 2017/18 AND 2018/19 BIENNIAL BUDGET**  
**REGIONAL WASTEWATER OPERATIONS & MAINTENANCE FUND - SOURCES AND USES OF FUNDS (In Thousands)**

	2015/16	2016/17	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
	ACTUAL	PROJECTED ACTUAL	PROPOSED BUDGET	PROPOSED BUDGET	FORECAST		
<b>REVENUES</b>							
User Charges	\$49,958	\$56,381	\$60,634	\$64,743	\$66,260	\$68,422	\$70,653
Cost Reimbursement JPA	3,403	3,750	3,825	3,902	3,980	4,059	4,140
Contract Cost Reimbursement	79	93	93	93	93	93	93
Interest Revenue	284	308	466	611	733	730	738
<b>TOTAL REVENUES</b>	<b>\$53,724</b>	<b>\$60,532</b>	<b>\$65,018</b>	<b>\$69,348</b>	<b>\$71,065</b>	<b>\$73,304</b>	<b>\$75,624</b>
<b>OTHER FINANCING SOURCES</b>							
Property Tax Revenues - Debt/Capital/Reserves	\$9,573	\$9,549	\$9,549	\$9,549	\$9,549	\$9,549	\$9,549
State Loans	1,480	1,779	7,901	8,598	2,606	0	0
Grants	445	10,128	3,389	3,830	1,037	900	958
Other Revenues	972	757	776	795	816	836	858
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>\$12,470</b>	<b>\$22,212</b>	<b>\$21,614</b>	<b>\$22,772</b>	<b>\$14,007</b>	<b>\$11,285</b>	<b>\$11,365</b>
<b>EXPENSES</b>							
Employment Expenses	\$25,644	\$28,590	\$29,752	\$30,601	\$31,359	\$32,026	\$33,531
Contract Work/Special Projects	3,595	10,500	5,971	8,265	2,447	1,850	1,600
Utilities	5,828	6,761	6,671	6,872	7,078	7,290	7,509
Operating Fees	1,807	1,848	2,018	2,073	2,133	2,199	2,260
Chemicals	3,895	4,277	4,419	4,547	4,684	4,824	4,969
Professional Fees and Services	1,969	2,612	4,089	3,358	3,438	3,523	3,622
Office and Administrative expenses	7	1	4	4	4	5	5
Biosolids Recycling	3,777	4,433	4,307	4,408	4,540	4,676	4,816
Materials & Supplies	1,927	2,080	2,161	2,200	2,266	2,333	2,404
Other Expenses	951	1,634	4,325	4,339	4,319	4,425	4,538
<b>TOTAL EXPENSES</b>	<b>\$49,401</b>	<b>\$62,736</b>	<b>\$63,717</b>	<b>\$66,668</b>	<b>\$62,268</b>	<b>\$63,152</b>	<b>\$65,253</b>
<b>CAPITAL PROGRAM</b>							
Capital Construction & Expansion (WIP)	\$7,814	\$13,000	\$23,329	\$18,494	\$11,869	\$8,365	\$7,568
<b>TOTAL CAPITAL PROGRAM</b>	<b>\$7,814</b>	<b>\$13,000</b>	<b>\$23,329</b>	<b>\$18,494</b>	<b>\$11,869</b>	<b>\$8,365</b>	<b>\$7,568</b>
<b>DEBT SERVICE</b>							
Financial Expenses	\$0	\$1	\$0	\$0	\$0	\$0	\$0
Interest	162	206	179	175	638	619	599
Principal	0	0	172	177	726	744	765
<b>TOTAL DEBT SERVICE</b>	<b>\$163</b>	<b>\$207</b>	<b>\$351</b>	<b>\$352</b>	<b>\$1,364</b>	<b>\$1,364</b>	<b>\$1,364</b>
<b>TRANSFERS IN (OUT)</b>							
Capital Contribution							
Capital Contribution							
WC to RO - SCADA Enterprise SRF Loan	\$3,430	\$598	\$0	\$0	\$0	\$0	\$0
RC to RO - New Water Quality Laboratory SRF Loan	11	103	103	92	0	0	0
RO to RC - CCWRF Asset Management and Improvem	0	(195)	(2,700)	(1,020)	(7,700)	(10,800)	(1,000)
RO to RC - RP-1 Maintenance Facility Cost Share	0	0	0	0	(5,000)	(5,000)	(5,000)
RO to RC - RP-5 Solids Handling Facility Cost Share	0	0	(1,350)	(1,715)	(3,472)	(3,472)	(3,472)
Debt Service							
RC to RO - New Water Quality Laboratory SRF Loan	0	0	0	0	253	253	253
RO to WC - SCADA Enterprise SRF Loan	0	0	0	0	(149)	(149)	(149)
RO to RC - RP-5 Solids Handling Facility SRF Loan	0	0	0	0	(1,736)	(3,472)	(4,774)
Operation support to GG for Non-Capital Projects	0	0	(1,059)	(167)	(407)	(373)	(373)
Capital - Connection Fees Allocation	3,545	0	0	0	0	0	0
<b>TOTAL INTERFUND TRANSFERS IN (OUT)</b>	<b>\$6,985</b>	<b>\$506</b>	<b>(\$5,006)</b>	<b>(\$2,810)</b>	<b>(\$18,211)</b>	<b>(\$23,013)</b>	<b>(\$14,515)</b>
<b>FUND BALANCE</b>							
Net Income (Loss)	\$15,801	\$7,307	(\$5,772)	\$3,797	(\$8,639)	(\$11,304)	(\$1,711)
Beginning Fund Balance July 01	42,211	58,012	65,319	59,546	63,343	54,704	43,399
<b>ENDING FUND BALANCE AT JUNE 30</b>	<b>\$58,012</b>	<b>\$65,319</b>	<b>\$59,546</b>	<b>\$63,343</b>	<b>\$54,704</b>	<b>\$43,399</b>	<b>\$41,688</b>
<b>RESERVE BALANCE SUMMARY</b>							
Operating Contingies	\$14,969	\$19,662	\$19,964	\$20,922	\$19,429	\$19,698	\$20,371
Rehabilitation/Replacement	42,827	16,592	19,930	19,930	19,930	19,625	17,190
Debt Service	216	1,051	1,169	1,169	1,169	1,169	1,169
Sinking Fund	0	28,013	18,484	21,323	14,176	2,908	2,959
<b>ENDING BALANCE AT JUNE 30</b>	<b>\$58,012</b>	<b>\$65,319</b>	<b>\$59,546</b>	<b>\$63,343</b>	<b>\$54,704</b>	<b>\$43,399</b>	<b>\$41,688</b>

Review of Proposed Biennial Budget for FYs 2017/18 and 2018/19 Regional Wastewater,  
 Recycled Water, Recharge Water Funds and 2018 TYCIP  
 April 19, 2017  
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**INLAND EMPIRE UTILITIES AGENCY**  
**FISCAL YEARS 2017/18 and 2018/19 BIENNIAL BUDGET**  
**RECYCLED WATER FUND - SOURCES AND USES OF FUNDS (In Thousands)**

	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
	ACTUAL	PROJECTED ACTUAL	PROPOSED BUDGET	PROPOSED BUDGET	FORECAST		
<b>REVENUES</b>							
Interest Revenue	\$106	\$113	\$141	\$137	\$126	\$155	\$175
Water Sales	13,468	15,891	17,245	18,188	19,100	20,266	21,486
<b>TOTAL REVENUES</b>	<b>\$13,574</b>	<b>\$16,004</b>	<b>\$17,386</b>	<b>\$18,325</b>	<b>\$19,226</b>	<b>\$20,421</b>	<b>\$21,661</b>
<b>OTHER FINANCING SOURCES</b>							
Property Tax - Debt/Capital	\$2,162	\$2,170	\$2,170	\$2,170	\$2,170	\$2,170	\$2,170
Connection Fees	997	2,739	4,169	4,379	4,138	4,263	3,984
State Loans	7,851	1,740	0	0	3,581	5,833	4,261
Grants	4,371	1,116	388	63	1,262	2,172	2,172
Capital Contract Reimbursement	761	389	345	72	3,087	67	68
Other Revenues	13	0	0	0	0	0	0
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>\$16,153</b>	<b>\$8,155</b>	<b>\$7,071</b>	<b>\$6,683</b>	<b>\$14,237</b>	<b>\$14,505</b>	<b>\$12,655</b>
<b>EXPENSES</b>							
Employment Expenses	\$4,412	\$4,099	\$4,157	\$4,258	\$4,349	\$4,586	\$4,796
Contract Work/Special Projects	1,023	637	2,151	1,681	1,360	1,610	1,110
Utilities	2,433	2,195	2,182	2,248	2,315	2,385	2,456
Operating Fees	3	3	10	10	11	11	11
Professional Fees and Services	480	511	686	722	698	667	725
Office and Administrative Expense	1	0	4	4	4	4	4
Materials & Supplies	106	190	218	222	228	235	242
Other Expenses	415	586	1,196	1,202	1,200	1,229	1,259
<b>TOTAL EXPENSES</b>	<b>\$8,874</b>	<b>\$8,221</b>	<b>\$10,603</b>	<b>\$10,347</b>	<b>\$10,163</b>	<b>\$10,725</b>	<b>\$10,603</b>
<b>CAPITAL PROGRAM</b>							
Work In Progress	\$5,077	\$6,487	\$12,134	\$11,274	\$10,851	\$10,000	\$13,960
<b>TOTAL CAPITAL PROGRAM</b>	<b>\$5,077</b>	<b>\$6,487</b>	<b>\$12,134</b>	<b>\$11,274</b>	<b>\$10,851</b>	<b>\$10,000</b>	<b>\$13,960</b>
<b>DEBT SERVICE</b>							
Financial Expenses	(\$31)	\$1	\$1	\$3	\$1	\$1	\$1
Interest	2,722	2,746	2,568	2,543	2,804	2,713	2,549
Principal	3,962	3,919	5,159	5,256	6,437	6,740	6,883
Short Term Inter-Fund Loan	0	0	0	0	2,000	2,000	2,000
<b>TOTAL DEBT SERVICE</b>	<b>\$6,653</b>	<b>\$6,666</b>	<b>\$7,728</b>	<b>\$7,802</b>	<b>\$11,242</b>	<b>\$11,455</b>	<b>\$11,433</b>
<b>TRANSFERS IN (OUT)</b>							
Capital Contribution	(\$4,734)	(\$936)	(\$321)	(\$265)	(\$22)	(\$10)	(\$8)
Debt Service	1,390	1,103	2,399	2,400	2,550	2,549	2,548
Operation support	(466)	(506)	(666)	(668)	(679)	(688)	(717)
One Water	(386)	(387)	(352)	(512)	(843)	(464)	(80)
<b>TOTAL INTERFUND TRANSFERS IN (OUT)</b>	<b>(\$4,197)</b>	<b>(\$727)</b>	<b>\$1,060</b>	<b>\$955</b>	<b>\$1,006</b>	<b>\$1,388</b>	<b>\$1,743</b>
<b>FUND BALANCE</b>							
Net Income (Loss)	\$4,927	\$2,058	(\$4,948)	(\$3,459)	\$2,213	\$4,133	\$63
Beginning Fund Balance July 01	12,636	17,563	19,620	14,672	11,213	13,426	17,560
<b>ENDING BALANCE AT JUNE 30</b>	<b>\$17,563</b>	<b>\$19,620</b>	<b>\$14,672</b>	<b>\$11,213</b>	<b>\$13,426</b>	<b>\$17,560</b>	<b>\$17,622</b>
<b>RESERVE BALANCE SUMMARY</b>							
Operating Contingency	\$2,958	\$2,740	\$3,534	\$2,350	\$3,388	\$3,575	\$3,534
Capital Construction	8,847	8,993	2,274	(0)	1,175	5,121	5,224
Water Connection	0	501	0	0	0	0	0
Rehabilitation/Replacement (R&R)	500	0	0	0	0	0	0
Debt Service	5,258	7,386	8,863	8,863	8,863	8,863	8,863
<b>ENDING BALANCE AT JUNE 30</b>	<b>\$17,563</b>	<b>\$19,620</b>	<b>\$14,672</b>	<b>\$11,213</b>	<b>\$13,426</b>	<b>\$17,560</b>	<b>\$17,622</b>



**INLAND EMPIRE UTILITIES AGENCY**  
**FISCAL YEARS 2017/2018 AND 2018/2019 BIENNIAL BUDGET**  
**RECHARGE WATER FUND - SOURCES AND USES OF FUNDS (In Thousands)**

	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
	ACTUAL	PROJECTED ACTUAL	PROPOSED BUDGET	PROPOSED BUDGET	FORECAST		
<b>REVENUES</b>							
Cost Reimbursement from JPA	\$486	\$889	\$1,059	\$1,056	\$1,087	\$1,120	\$1,153
Contract Cost reimbursement	0	0	38	0	0	0	0
Interest Revenue	14	10	15	20	25	25	25
<b>TOTAL REVENUES</b>	<b>\$499</b>	<b>\$899</b>	<b>\$1,111</b>	<b>\$1,076</b>	<b>\$1,112</b>	<b>\$1,145</b>	<b>\$1,178</b>
<b>OTHER FINANCING SOURCES</b>							
State Loans	\$0	\$0	\$1,414	\$10,653	\$6,554	\$9	\$0
Grants	0	60	0	0	0	0	0
Capital Contract Reimbursement	1,080	941	772	2,831	1,700	1,453	1,449
Other Revenues	34	0	0	0	0	0	0
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>\$1,115</b>	<b>\$1,001</b>	<b>\$2,186</b>	<b>\$13,485</b>	<b>\$8,254</b>	<b>\$1,461</b>	<b>\$1,449</b>
<b>EXPENSES</b>							
Employment Expenses	\$444	\$539	\$592	\$593	\$594	\$603	\$631
Contract Work/Special Projects	37	0	325	250	0	0	0
Utilities	92	122	72	74	76	79	81
Operating Fees	7	5	7	7	7	7	7
Professional Fees and Services	511	650	877	904	930	957	985
Office and Administrative expenses	9	16	16	16	17	17	18
Expense Allocation	76	52	54	55	54	56	57
Materials & Supplies	75	74	68	70	72	74	76
Other Expenses	0	15	0	0	0	0	0
<b>TOTAL EXPENSES</b>	<b>\$1,249</b>	<b>\$1,473</b>	<b>\$2,011</b>	<b>\$1,968</b>	<b>\$1,751</b>	<b>\$1,794</b>	<b>\$1,856</b>
<b>CAPITAL PROGRAM</b>							
Capital Expansion/Construction	\$2,064	\$880	\$1,729	\$12,902	\$7,662	\$10	\$0
<b>TOTAL CAPITAL PROGRAM</b>	<b>\$2,064</b>	<b>\$880</b>	<b>\$1,729</b>	<b>\$12,902</b>	<b>\$7,662</b>	<b>\$10</b>	<b>\$0</b>
<b>DEBT SERVICE</b>							
Financial Expenses	\$114	\$76	\$89	\$88	\$100	\$89	\$86
Interest	17	80	259	368	346	853	811
Principal	632	647	683	710	739	1,155	1,193
<b>TOTAL DEBT SERVICE</b>	<b>\$764</b>	<b>\$803</b>	<b>\$1,031</b>	<b>\$1,166</b>	<b>\$1,185</b>	<b>\$2,097</b>	<b>\$2,091</b>
<b>TRANSFERS IN (OUT)</b>							
Capital Contribution	\$1,291	\$287	\$288	\$250	\$0	\$0	\$0
Debt Service	382	402	515	583	592	644	641
Operation support	466	506	627	662	664	674	703
Property Tax Transfer	86	122	56	131	53	0	0
<b>TOTAL INTERFUND TRANSFERS IN (OU</b>	<b>\$2,225</b>	<b>\$1,317</b>	<b>\$1,486</b>	<b>\$1,626</b>	<b>\$1,309</b>	<b>\$1,318</b>	<b>\$1,344</b>
<b>FUND BALANCE</b>							
Net Income (Loss)	(\$238)	\$61	\$13	\$151	\$78	\$25	\$24
Beginning Fund Balance July 01	\$3,575	\$3,337	\$3,397	\$3,410	\$3,561	\$3,638	\$3,663
<b>ENDING FUND BALANCE AT JUNE 30</b>	<b>\$3,337</b>	<b>\$3,397</b>	<b>\$3,410</b>	<b>\$3,561</b>	<b>\$3,638</b>	<b>\$3,663</b>	<b>\$3,687</b>
<b>RESERVE BALANCE SUMMARY</b>							
Operating Contingencies	\$2,337	\$2,305	\$2,327	\$2,469	\$2,494	\$2,522	\$2,543
Capital Expansion / Construction	500	500	500	500	500	500	500
Debt Service & Redemption	500	592	583	592	644	641	644
<b>ENDING BALANCE AT JUNE 30</b>	<b>\$3,337</b>	<b>\$3,397</b>	<b>\$3,410</b>	<b>\$3,561</b>	<b>\$3,638</b>	<b>\$3,663</b>	<b>\$3,687</b>

**Appendix Table A1: Acronyms**

<b>Acronyms</b>	
<b>AF</b>	Acre Foot
<b>CBFIP</b>	Chino Basin Facilities Improvement Project
<b>CCWRF</b>	Carbon Canyon Wastewater Reclamation Facility
<b>CIP</b>	Capital Improvement Plan
<b>EDU</b>	Equivalent Dwelling Unit
<b>FTE</b>	Full Time Equivalent
<b>FY</b>	Fiscal Year
<b>GG</b>	Administrative Services Program
<b>GWR</b>	Groundwater Recharge
<b>IERCA</b>	Inland Empire Regional Composting Authority
<b>kWh</b>	Kilowatt hour
<b>MEU</b>	Meter Equivalent Unit
<b>NC</b>	Non-Reclaimable Wastewater Program
<b>NRW</b>	Non-Reclaimable Wastewater
<b>O&amp;M</b>	Operations & Maintenance
<b>R&amp;R</b>	Replacement & Rehabilitation
<b>RC</b>	Regional Wastewater Capital Improvement Program
<b>RMPU</b>	Recharge Master Plan Update
<b>RO</b>	Regional Wastewater Operations and Maintenance Program
<b>RP-1</b>	Regional Water Reclamation Facility (Plant) in the City of Ontario
<b>RP-2</b>	Regional Water Reclamation Facility (Plant) in the City of Chino
<b>RP-3</b>	Old Regional Water Reclamation Facility (Plant) in the City of Fontana rebuilt into a recharge facility with 4 recharge basins or cells.
<b>RP-4</b>	Regional Water Reclamation Facility (Plant) in the City of Rancho Cucamonga
<b>RP-5</b>	Regional Water Reclamation Facility (Plant) in the City of Chino
<b>RRWDS</b>	Regional Recycled Water Distribution System
<b>RW</b>	Recharge Water Program
<b>SBCFCD</b>	San Bernardino County Flood Control District
<b>SCADA</b>	Supervisory Control and Data Acquisition
<b>SRF</b>	State Revolving Fund
<b>TCE</b>	Trichloroethylene
<b>TYCIP</b>	Ten Year Capital Improvement Plan
<b>WW</b>	Water Resources Program



**Appendix Table A2: Key Assumptions for FYs 2017/18 and 2018/19 Budget**

Revenues and Other Funding Sources	Expenses and Other Uses of Funds
3,000 new wastewater connections per year	3% average CPI for O&M expenses
3.3 million volumetric EDU @ 0.25% annual growth	Includes debt service savings from the refinancing of the 2008A Bond (\$125M) and inclusion of the new 2017A Bond (\$67.6M)
Recycled Water Deliveries: FY 2017/18                    35,550 AF FY 2018/19                    37,100 AF	Addition of several major construction projects within the next two-year period
2,730 new water connections (MEU) per year	
3% growth in property tax receipts. Property tax allocated to Regional Capital fund remains at 65%, and “fixed amount” allocation to Regional O&M, Recycled Water, and Administrative Service funds, based on FY 2016/17 budget amendment.	Eliminates 3% vacancy factor in staffing to support succession plan Leverage professional services to achieve effective maintenance approach
Capital Improvement Plan (CIP) partially funded by low interest SRF loans and grants	Assumes no SRF funding to support recycled water capital projects in fiscal years 2017/18 and 2018/19

**Appendix Table A3: Wastewater Connection Fees**

Rate Description	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20
<b>Wastewater Connection Fee</b>	\$5,415	\$6,009	\$6,309	\$6,624	\$6,955
<b>Effective Date</b>	1/01/16	1/01/17	7/01/17	7/01/18	7/01/19
<b>Wastewater Connection Units</b>	4,774	3,000	3,000	3,000	2,700

**Appendix Table A4: Monthly EDU Sewage Rates**

Rate Description	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20
<b>EDU Volumetric Rate</b>	\$15.89	\$17.14	\$18.39	\$19.59	\$20.00
<b>Rate Increase</b>	\$1.50	\$1.25	\$1.25	\$1.20	\$0.41
<b>Effective Date</b>	10/01/15	7/01/16	7/01/17	7/01/18	7/01/19

**Appendix Table A5: Recycled Water Rates**

Rate Description	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20
<b>Direct Delivery/Acre Foot (AF)</b>	\$350	\$410	\$470	\$480	\$490
<b>Groundwater Recharge/Acre Foot (AF)</b>	\$410	\$470	\$530	\$540	\$550
<b>Effective Date</b>	10/01/15	7/01/16	7/01/17	7/01/18	7/01/19
<b>AF Deliveries</b>	32,400	35,500	36,700	37,800	39,000

**Appendix Table A6: Water Connection Fees**

Rate Description	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20
<b>Water Connection Fee (for 5/8" and 3/4" meter size)</b>	\$693	\$1,455	\$1,527	\$1,604	\$1,684
<b>Effective Date</b>	1/01/16	1/01/17	7/01/17	7/01/18	7/01/19
<b>Meter Equivalent Units (MEUs)</b>	1,455	1,527	1,604	1,684	1,735

**Appendix Table A7: Inter-Fund Loan Repayment Schedule**

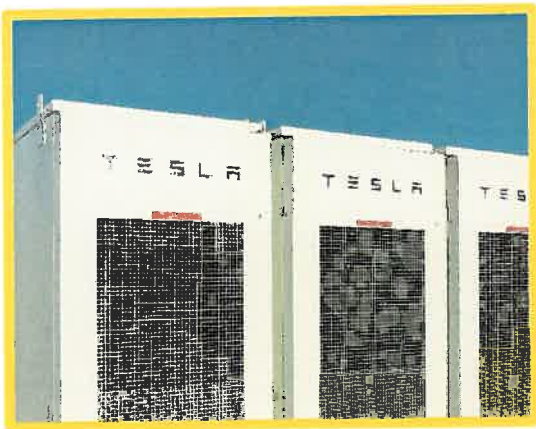
Inter Fund Loans Issued	Due to	Loan Amount (\$Millions)	Repayment Schedule
<b>FY 2007/08</b>	Non-Reclaimable Wastewater (NRW) Fund	\$9.0	2016/17-17/18 \$4.0 2018/19-19/20 \$2.0 2020/21 \$3.0 Total \$9.0
<b>FY 2007/08</b>	Regional Wastewater Capital (RC) Fund	3.0	2022/23 \$1.0 2023/24-2024/25 \$2.0 Total \$3.0
<b>FY 2009/10</b>	Non-Reclaimable Wastewater (NRW) Fund	6.0	2020/21 \$2.0 2021/22 \$3.0 2022/23 \$1.0 Total \$6.0
<b>FY 2014/15</b>	Regional Wastewater Capital Improvement (RC) Fund	10.5	2022/23 \$1.0 2023/24 \$5.0 2024/25 \$4.5 Total \$10.5
<b>Total</b>	<b>Grand Total</b>	<b>\$28.5</b>	<b>\$28.5</b>

**Appendix Table A8: Major Projects in FYs 2017/18 and 2018/19**

Projects (\$Thousands)	FY 2017/18 Proposed	FY 2018/19 Proposed	Total Ten Year Budget
<b>Wastewater Capital Fund</b>			
RP-5 Liquid Expansion to 30 MGD	\$2,450	\$3,360	\$174,135
RP-5 Solids Treatment Expansion	2,450	3,430	164,135
CCWRF Assets Management and Improvements	2,700	1,020	23,220
Purchase Existing Solar Installation	0	7,500	7,500
RP-1 Headworks Primary and Secondary Upgrades	5,290	588	5,878
RP-1 Disinfection Pump Improvements	1,197	2,086	5,342
RP-1 Flare Improvements	1,050	2,380	4,900
RP-1 Mixed Liquor Return Pumps	2,172	0	2,172
<b>Total Regional Capital Fund Major Projects</b>	<b>\$17,309</b>	<b>\$20,364</b>	<b>\$387,282</b>
<b>Wastewater Operations Fund</b>			
Water Quality Laboratory	11,300	4,000	15,300
SCADA Enterprise System	1,680	2,632	10,020
South Archibald TCE Plume	1,350	6,120	8,315
Agency-Wide Aeration Panel Replacement	3,220	500	7,920
RP-4 Process Improvements	980	2,100	5,350
RP-1 Secondary System Rehabilitations	700	2,940	5,200
Digester 6 and 7 Roof Repairs	1,350	1,350	3,000
RP-4 Primary Clarifier Rehab	1,050	980	2,915
<b>Total Regional Operations Fund Major Projects</b>	<b>\$21,630</b>	<b>\$20,622</b>	<b>\$58,020</b>
<b>Recycled Water Fund</b>			
Napa Lateral	2,730	1,400	5,900
San Sevaine Basin Improvements	4,320	548	5,408
Baseline RWPL Extension	350	3,010	4,800
RP-1 1158 RMPU Upgrades	196	2,354	3,643
RW System Cathodic Protection Improvements	210	2,240	3,500
RP-5 RW Pipeline Bottleneck	2,070	330	2,400
<b>Total Recycled Water Fund</b>	<b>\$9,876</b>	<b>\$9,882</b>	<b>\$25,651</b>
<b>Recharge Water Fund</b>			
RMPU Construction Costs	210	10,137	16,910
Lower Day Basin RMPU Improvements	315	2,248	3,672
<b>Total Recharge Water Fund</b>	<b>\$525</b>	<b>\$12,385</b>	<b>\$20,582</b>
<b>TOTAL MAJOR PROJECTS</b>	<b>\$49,340</b>	<b>\$63,253</b>	<b>\$491,535</b>



# Fiscal Years 2017/18 – 2026/27 Ten Year Capital Improvement Plan



# Projects Are Needed to Support

Expansion &  
Improvement

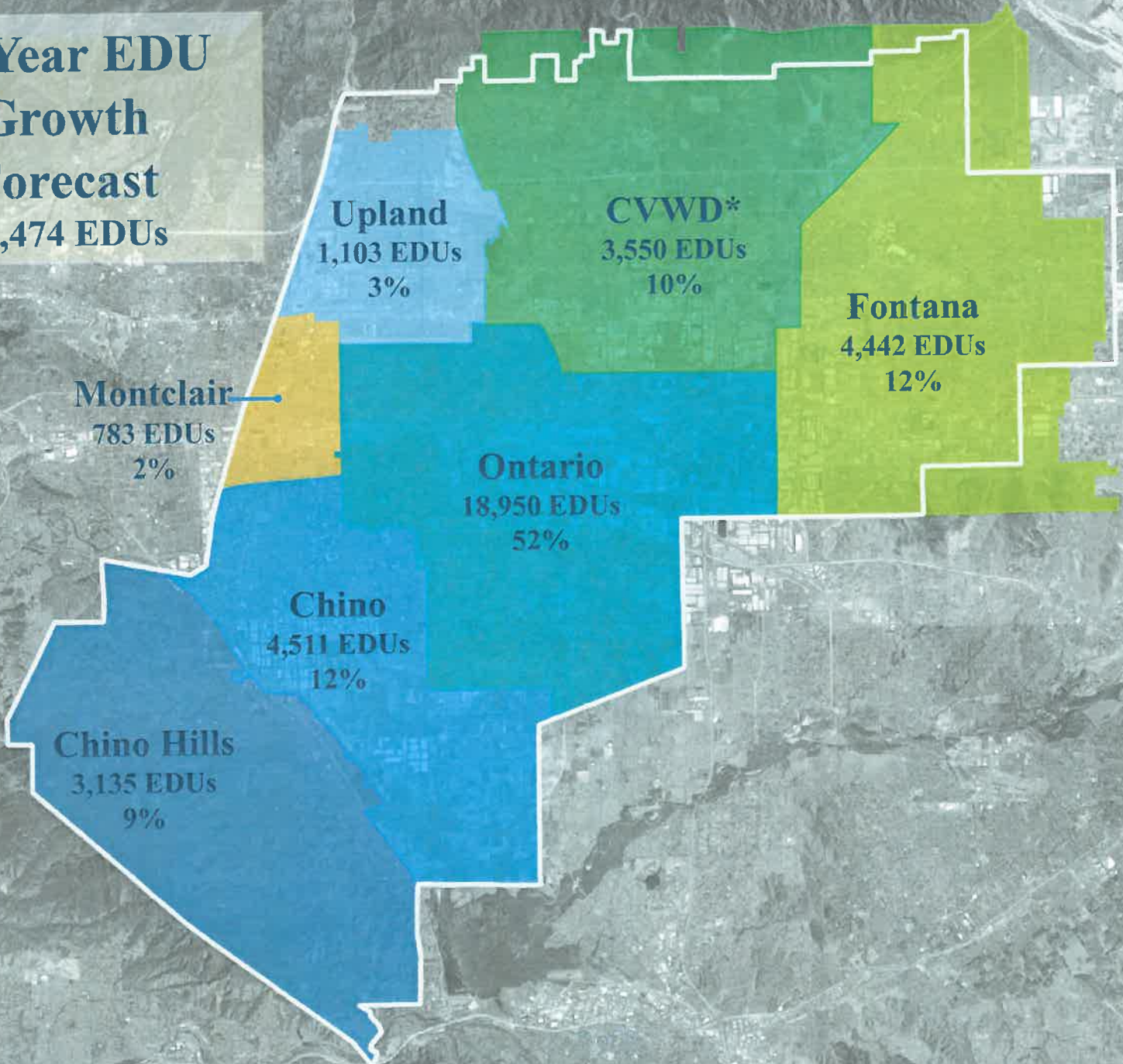
Replacement &  
Rehabilitation

Regulatory  
Compliance

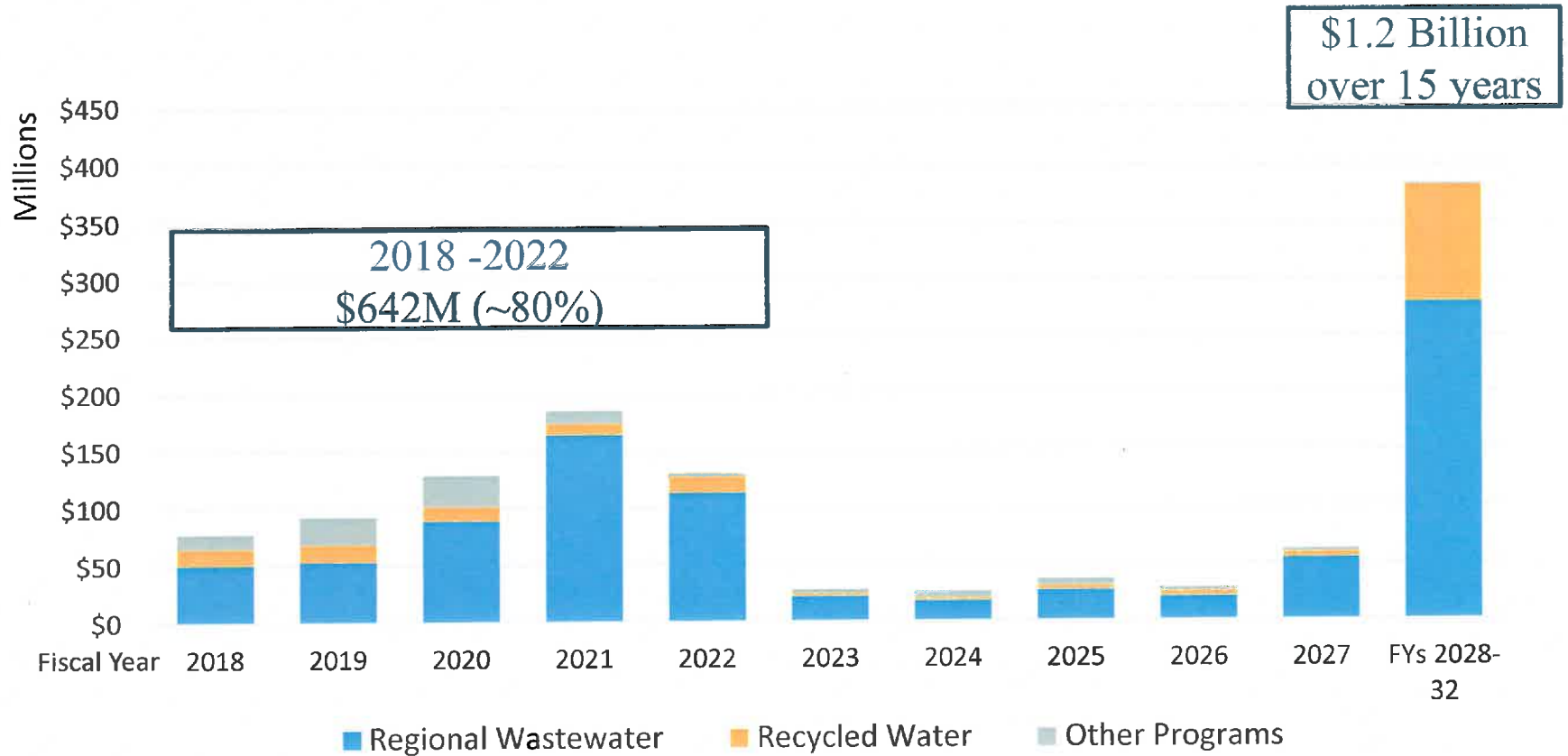
- Member Agency growth projections
- 2015 Wastewater Facilities Master Plan Updated flow factors and concentrations
- Asset Management Plan
- 2015 Recycled Water Program Strategy Update
- 2015 Energy Management Plan
- 2016 Integrated Resources Plan
- 2016 Water Use Efficiency Business Plan



# 10-Year EDU Growth Forecast 36,474 EDUs



# \$815 Million Planned Over 10 Years





# Major Projects Over the Next 15 years

- \$1.2 billion planned through 2032
  - Six major capital projects account for ~55%

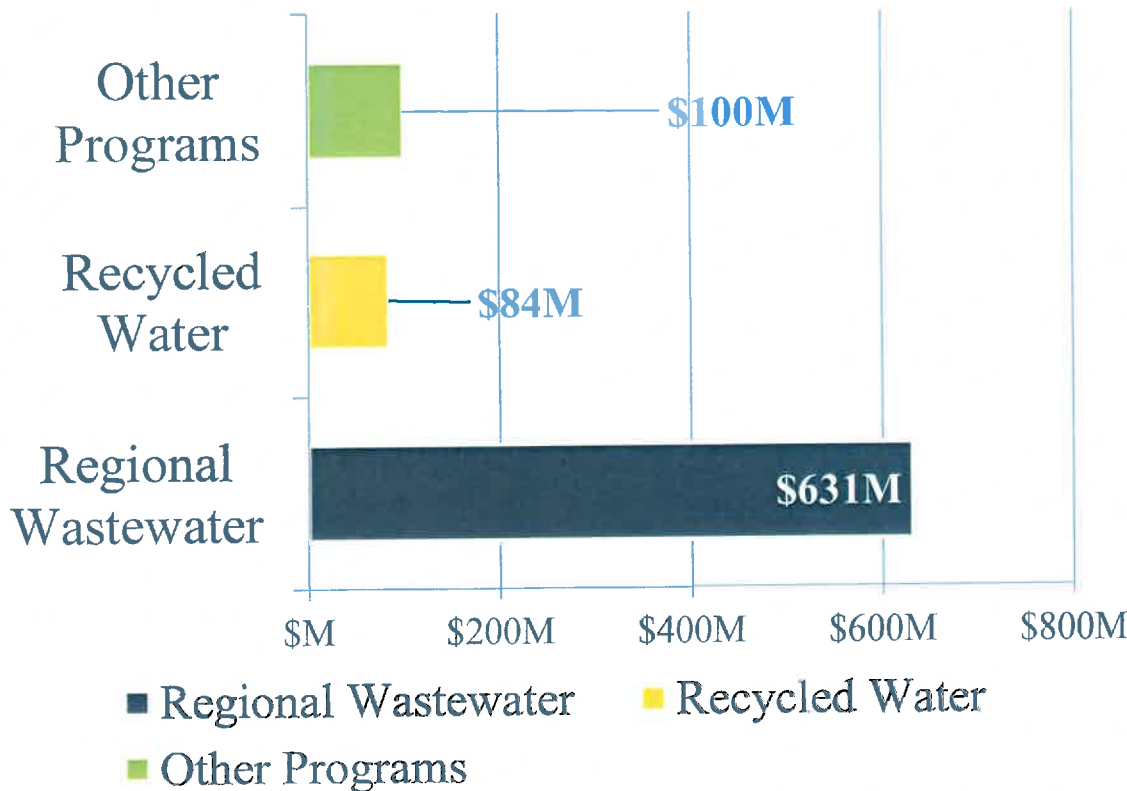
Major Wastewater Projects	15 Year Forecast								Funding Source	
	2018	2019	2020	2021	2022	FYs 2023-27	FYs 2028-32	Estimated Cost (\$million)	Capital	R&R
RP-5 Liquid Expansion to 30 mgd								\$ 174	✓	
RP-5 Solids Treatment Expansion								\$ 164	✓	✓
Water Quality Laboratory								\$ 15	✓	✓
RP-1 Liquids Treatment Capacity Recovery								\$ 182	✓	✓
RP-1 Solids Treatment Expansion								\$ 48		✓
RP-1 Advanced Water Treatment Facility								\$ 80		✓
<b>Subtotal</b>	\$ 16	\$ 11	\$ 66	\$ 152	\$ 103	\$ 64	\$ 252	\$ 664	≈ \$314	≈ \$350

<b>Total 15 Year Total</b>	<b>\$ 1,198</b>
----------------------------	-----------------

# TYCIP by Program and Funding Sources

## \$815M

### Projects by Program



### Funding Sources

- Pay Go 47%
- Debt 46%
- Grants 5%
- Contributions 2%

*Pay-Go includes connection fees, property taxes, and fund reserves*

*Contributions in support of Recharge Master Plan Update and Napa Lateral Pipeline projects.*

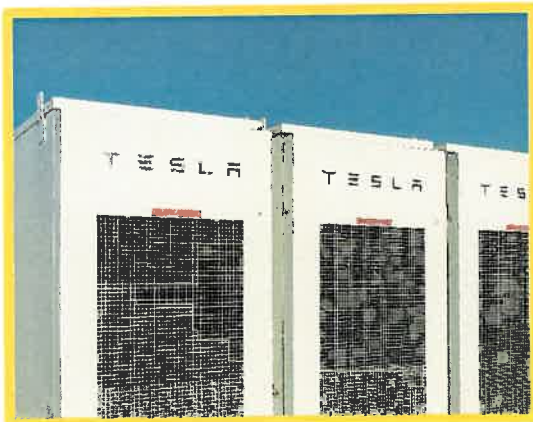
### Other Programs include:

Administrative Services:	\$12M
Groundwater Recharge:	\$23M
Non-Reclaimable Wastewater:	\$12M
Water Resources:	\$53M
<b>Total Other Programs:</b>	<b>\$100M</b>

# Fiscal Years 2017/18 – 2018/19

## Biennial Budget Overview

### Wastewater, Recycled Water and Recharge Water Programs

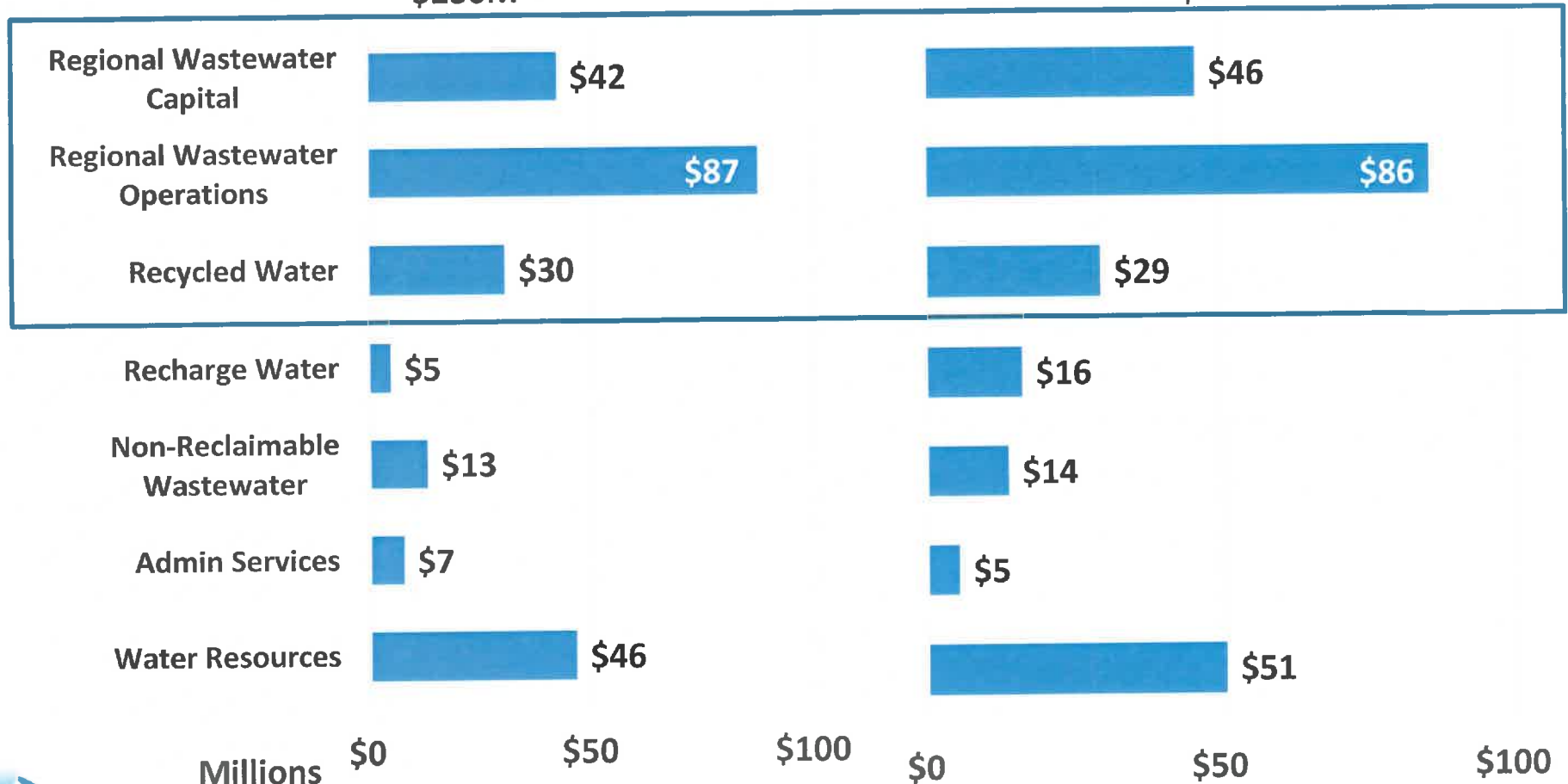


# Wastewater & Recycled Water Programs

## ~70% of Total Proposed Budget

FY 2017/18 Operating and Capital Budget  
\$230M

FY 2018/19 Operating and Capital Budget  
\$247M



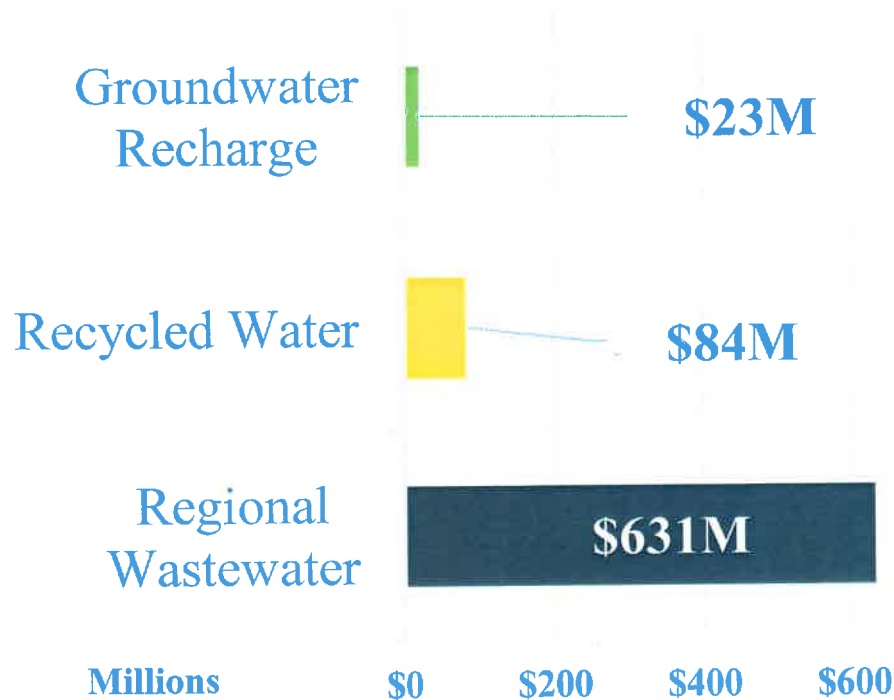
# Focus over the next two years

- “Ramp-Up” succession planning
- Optimize grants and low interest debt to support capital expansion and improvements
- Transition from corrective to preventive maintenance
- Upkeep of Agency assets to ensure level of service delivery
- Sustainable cost containment
- Transparent communication and timely reporting



# Wastewater and Recycled Water Projects and Funding Sources

10 years, \$738M



## Funding Sources

- Pay Go 49%
- Debt 46%
- Grants 2%
- Contributions 3%

*Pay-go includes connection fees, property taxes, and fund reserves.*

*Contributions in support of Recharge Master Plan Update and Napa Lateral Pipeline projects.*

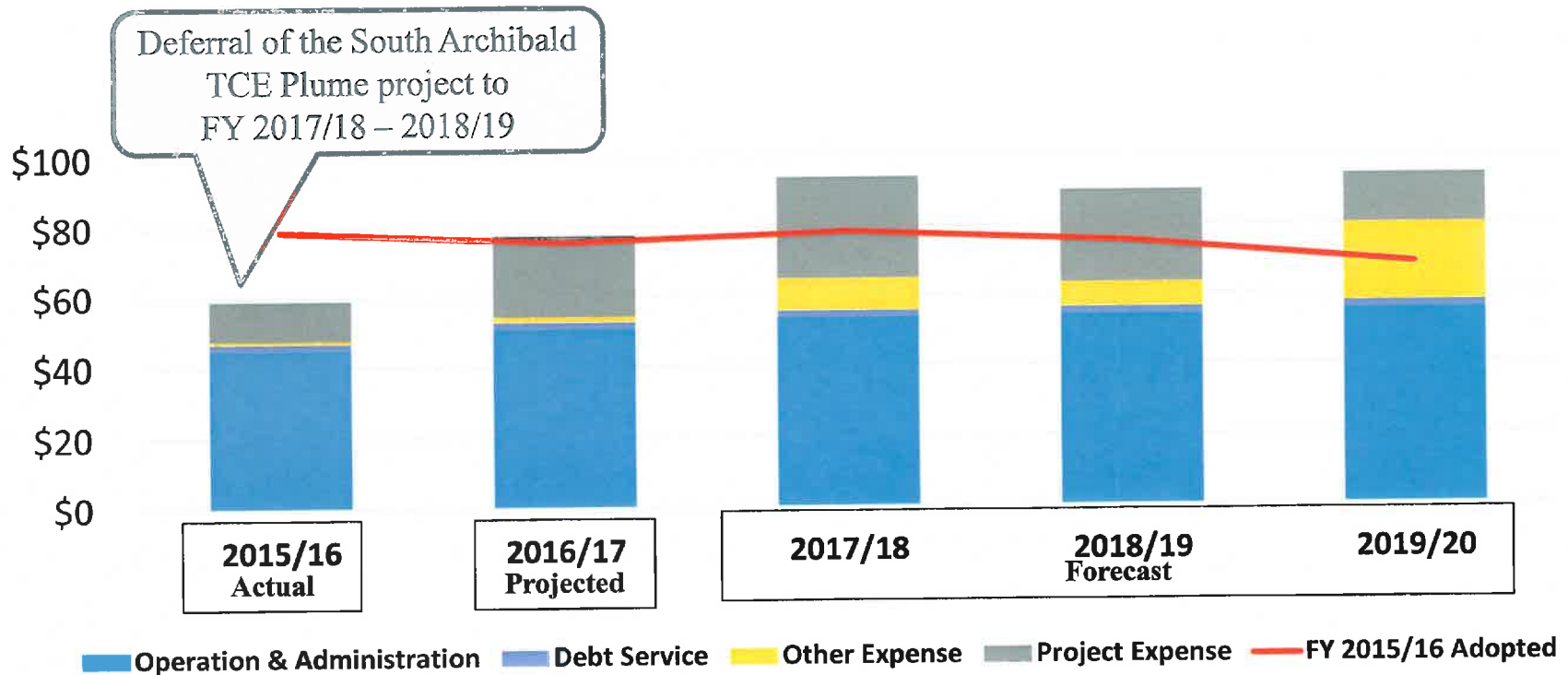
# Wastewater Operations Fund

## Major Capital Projects

Project Name (\$ million)	FY 2017/18	FY 2018/19	Ten Year Estimated Cost
Water Quality Laboratory	\$11.3	\$4.0	\$15.3
*SCADA Enterprise System <i>*Supervisory Control and Data Acquisition (SCADA)</i>	1.7	2.6	10.0
RP-4 Process Improvements	1.0	2.1	5.4
RP-1 Secondary System Rehabilitations	0.7	2.9	5.2
Digester 6 and 7 Roof Repairs	1.4	1.4	3.0
All Other Capital Projects	7.2	5.5	67.2
<b>Total Capital Projects</b>	<b>\$23.3</b>	<b>\$18.5</b>	<b>\$106.1</b>



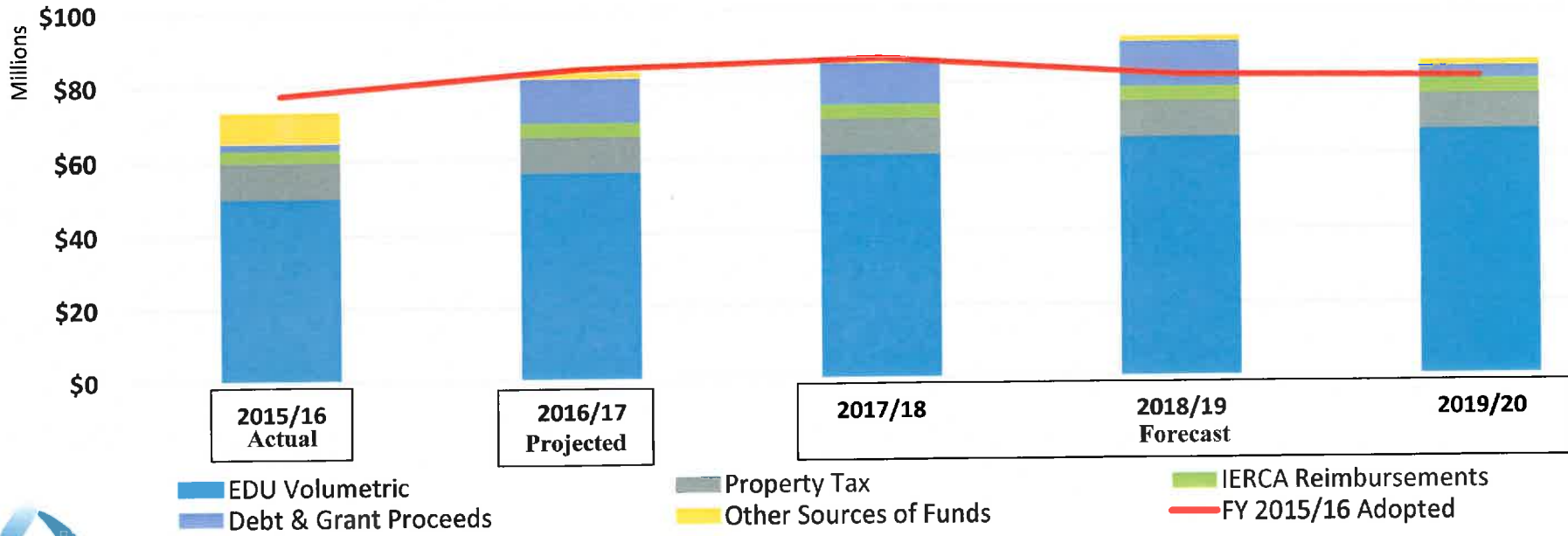
# Wastewater Operations Fund Expenses and Other Uses of Funds



*Other Expenses includes inter-fund transfers to Regional Capital fund in support of the RP-5 Solids Treatment Expansion, RP-5 O&M Building, and Carbon Canyon facility asset management projects.*

# Wastewater Operations Fund Revenues and Other Sources of Funds

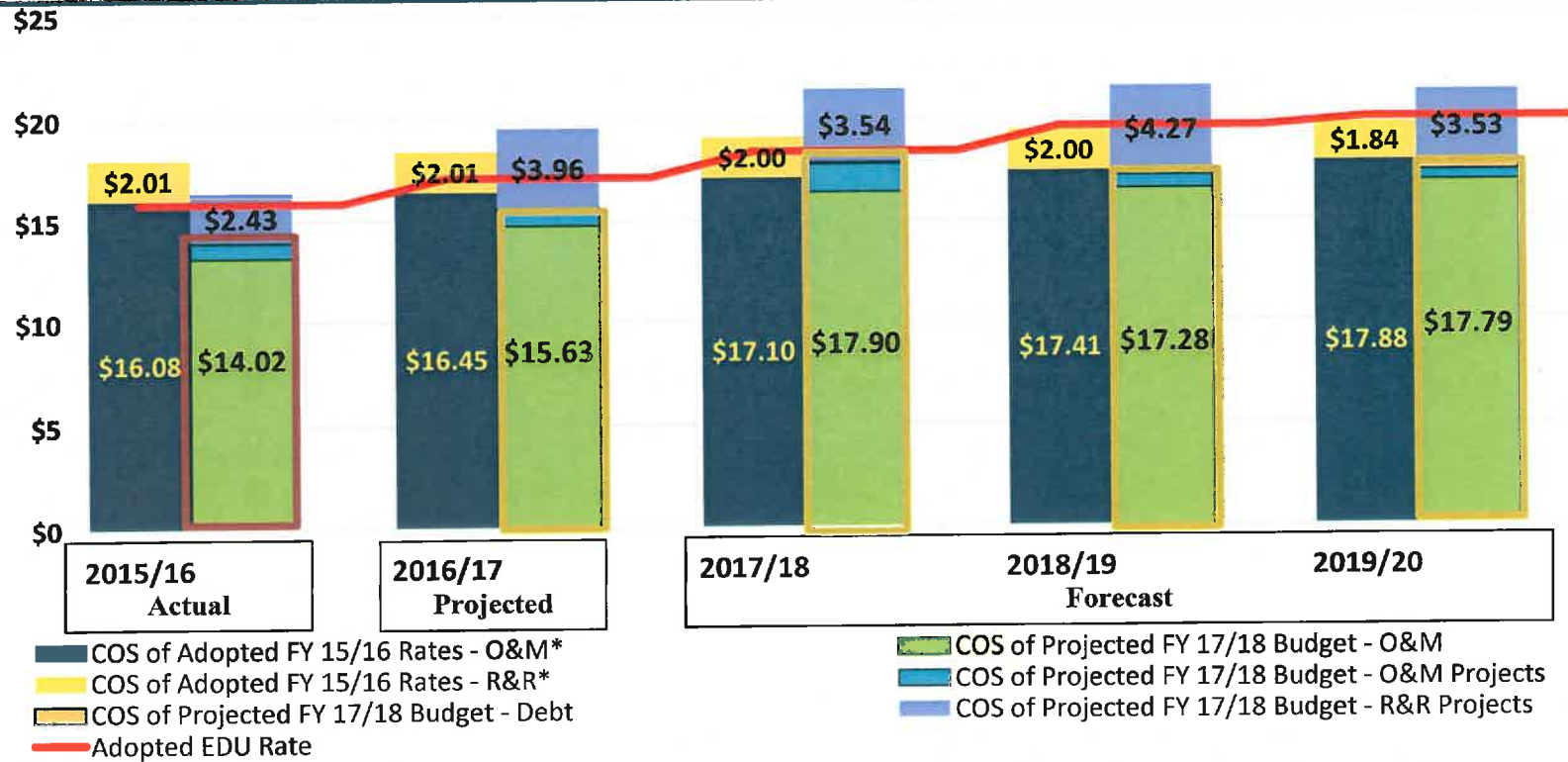
- Higher grants/contributions secured for the South Archibald TCE Plume Clean-Up project
- EDU volumetric revenue based on adopted multi-year rates



# Wastewater Operations Fund Cost of Service/EDU

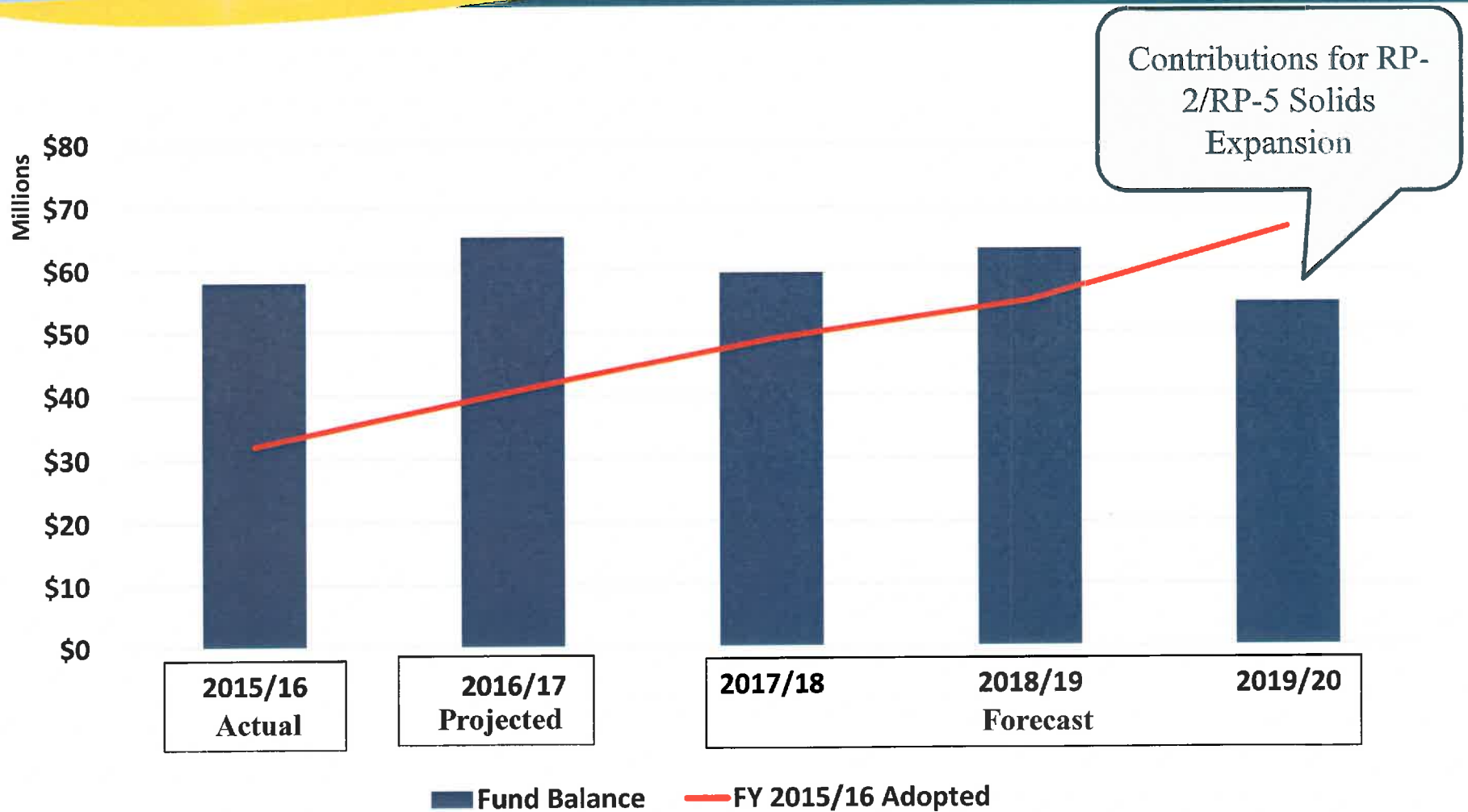
## Adopted multiyear rates \$/EDU

2015/16	2016/17	2017/18	2018/19	2019/20
\$15.89	\$17.17	\$18.39	\$19.59	\$20.00



\*O&M: Operations and Maintenance  
\*R&R: Rehabilitation and Replacement. EDU: Equivalent Dwelling unit

# Wastewater Operations Fund Fund Reserve



# Wastewater Capital Fund

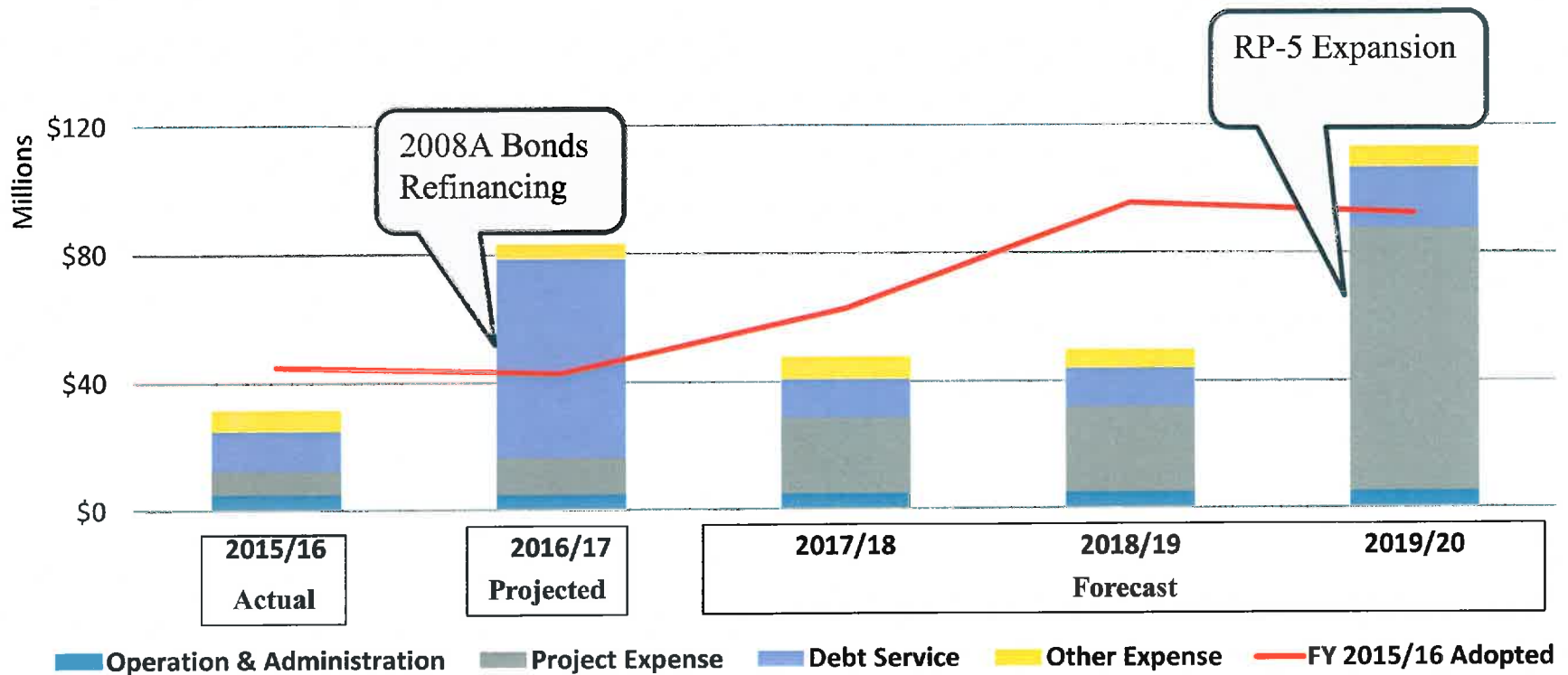
## Major Capital Projects

Project Name	FY 2017/18	FY 2018/19	Ten Year Estimated Cost (\$ million)
RP-5 Expansion to 30 mgd*	\$2.4	\$3.4	\$174.1
RP-5 Solids Treatment Expansion	2.4	3.4	164.1
RP-1 Liquid Treatment Capacity Recovery	0.0	0.0	43.3
**CCWRF Assets Management and Improvements	2.7	1.0	23.2
RP-1 Solids Thickening Expansion	0.4	1.1	20.0
RP-1 Solids Treatment Expansion	0.1	0.0	11.6
Other Projects (Under \$10 million)	15.0	17.4	49.9
<b>Total</b>	<b>\$23.0</b>	<b>\$26.3</b>	<b>\$486.2</b>



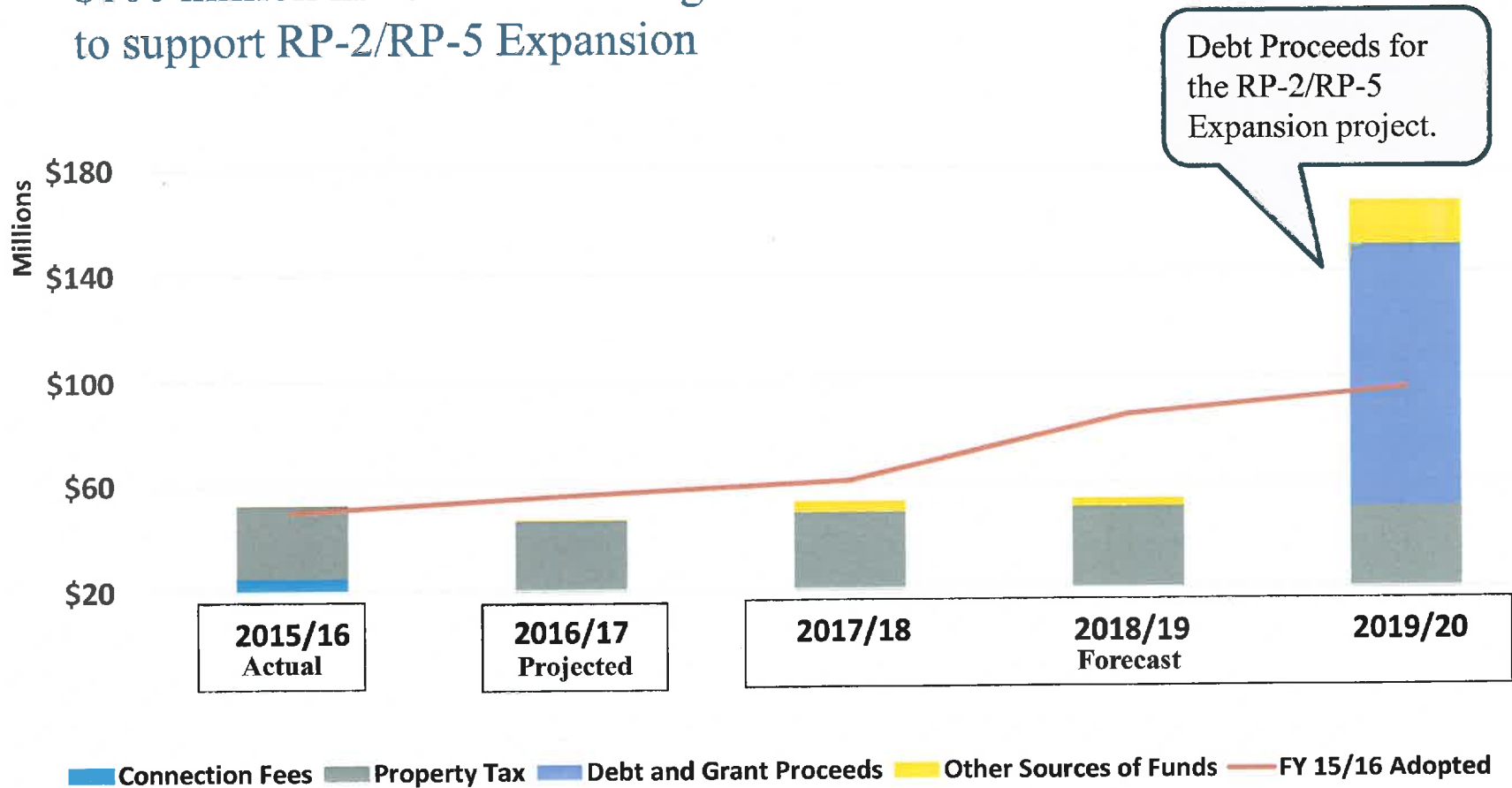
# Wastewater Capital Fund Expense and Other Uses of Funds

- ~\$131 million capital project costs projected over the next three years.



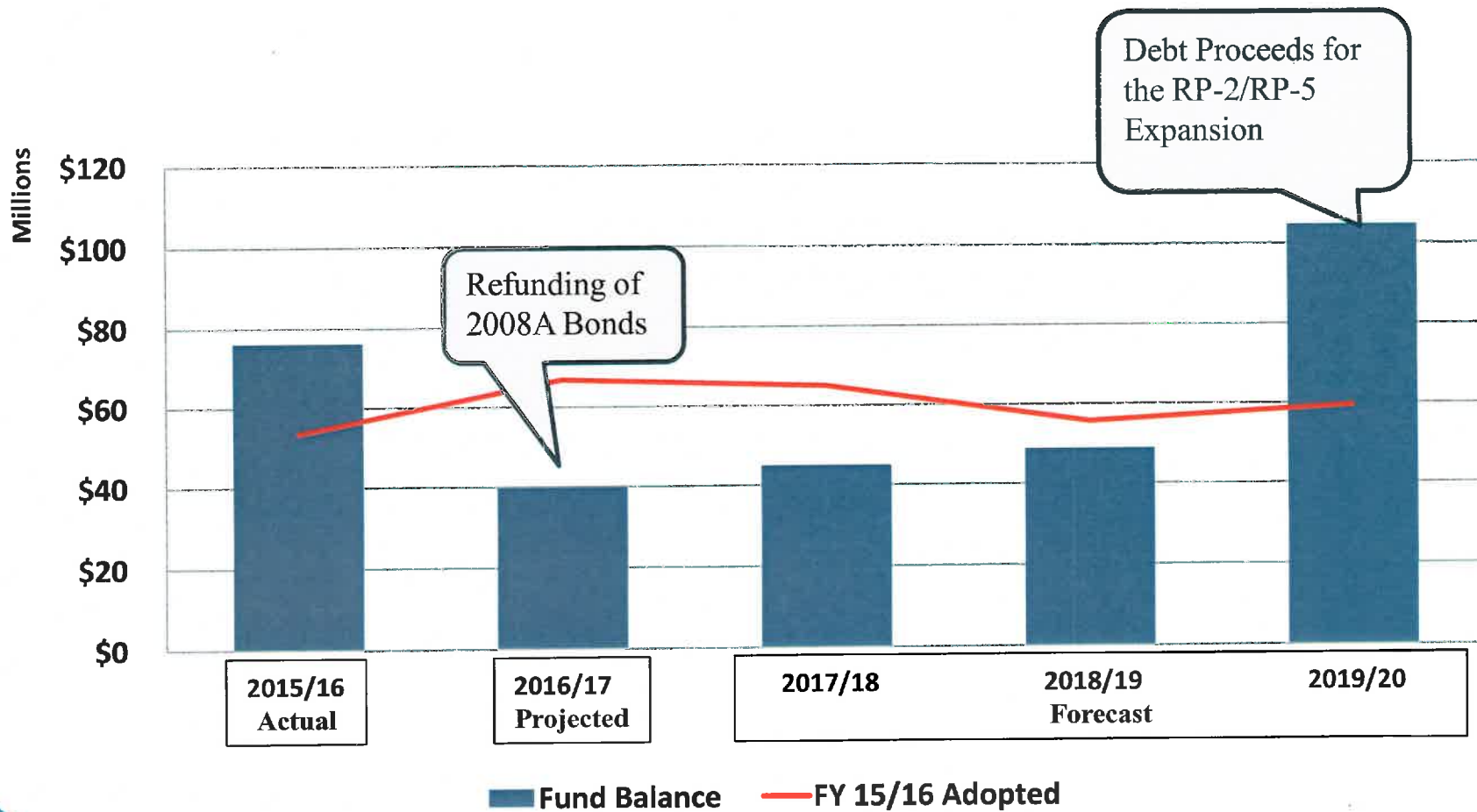
# Wastewater Capital Fund Revenues and Other Sources of Funds

- \$100 million in new debt starting in Fiscal Year 2019/20 to support RP-2/RP-5 Expansion





# Wastewater Capital Fund Fund Reserve

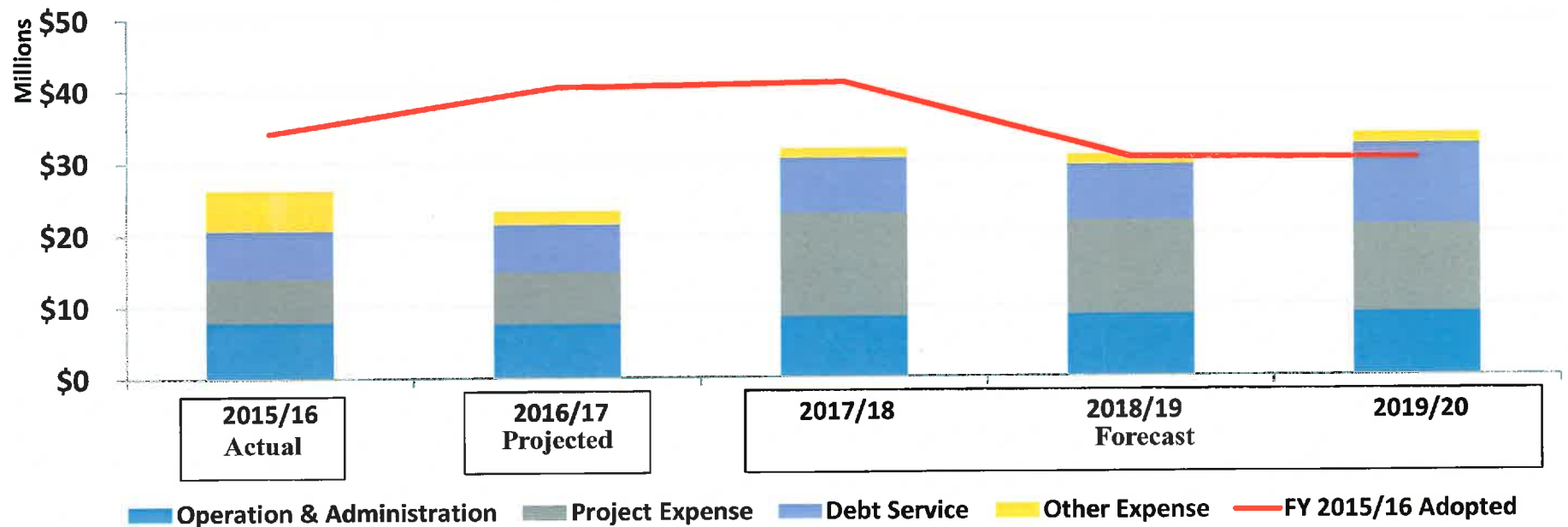


# Recycled Water Fund Major Capital Projects

Project Name	FY 2017/18	FY 2018/19	Ten Year Estimated Cost (\$ million)
*JCSD Recycled Water Intertie	\$0.0	\$0.0	\$15.5
San Sevaine Basin Improvements	4.3	0.5	5.4
RP-5 Pipeline Bottleneck	2.1	0.3	2.4
Recycled Water Cathodic Protection Improvements	0.2	2.2	3.5
Napa Lateral Pipeline	2.7	1.4	5.9
Other Projects	2.8	6.9	36.3
<b>Total</b>	<b>\$12.1</b>	<b>\$11.3</b>	<b>\$69.0</b>

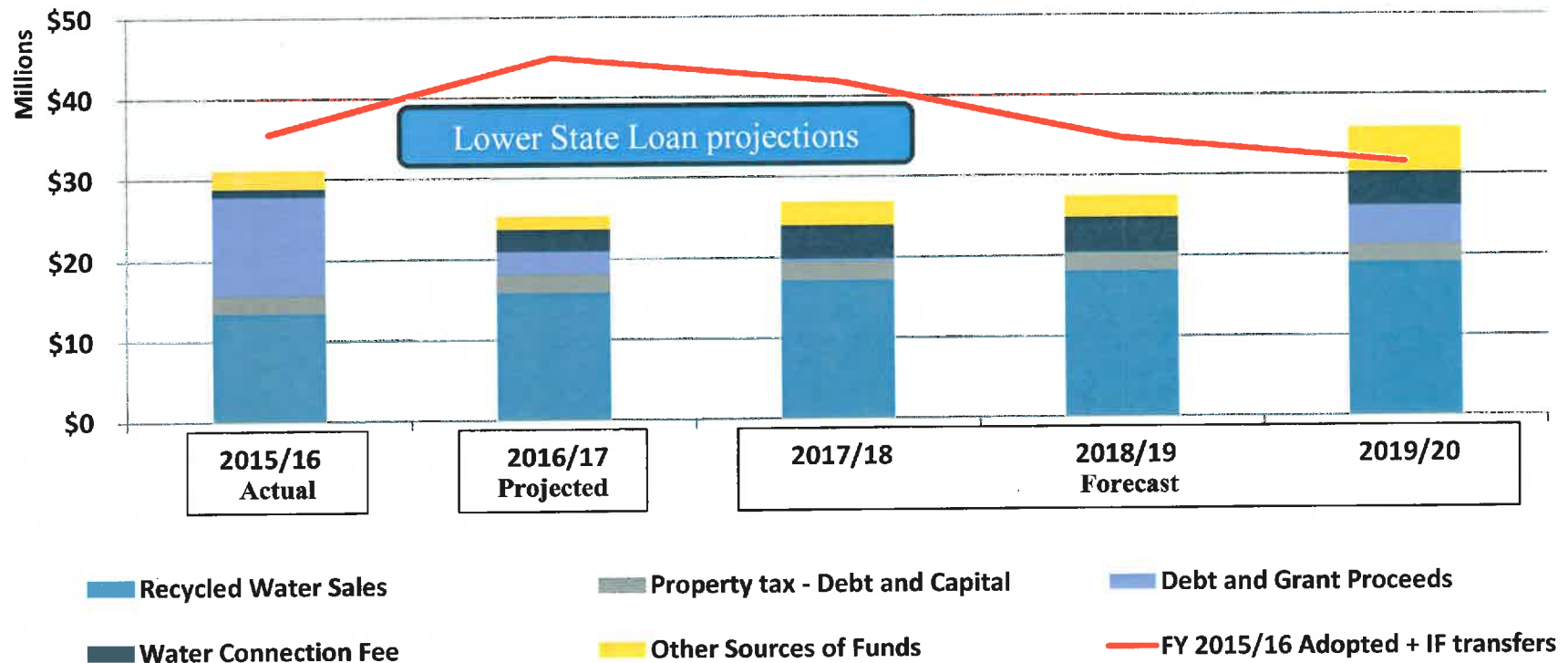
# Recycled Water Fund Expense and Other Uses of Funds

- Repayment of inter fund loans deferred to FY 2019/20
- Currently project increased capital spending beginning FY 2018/19



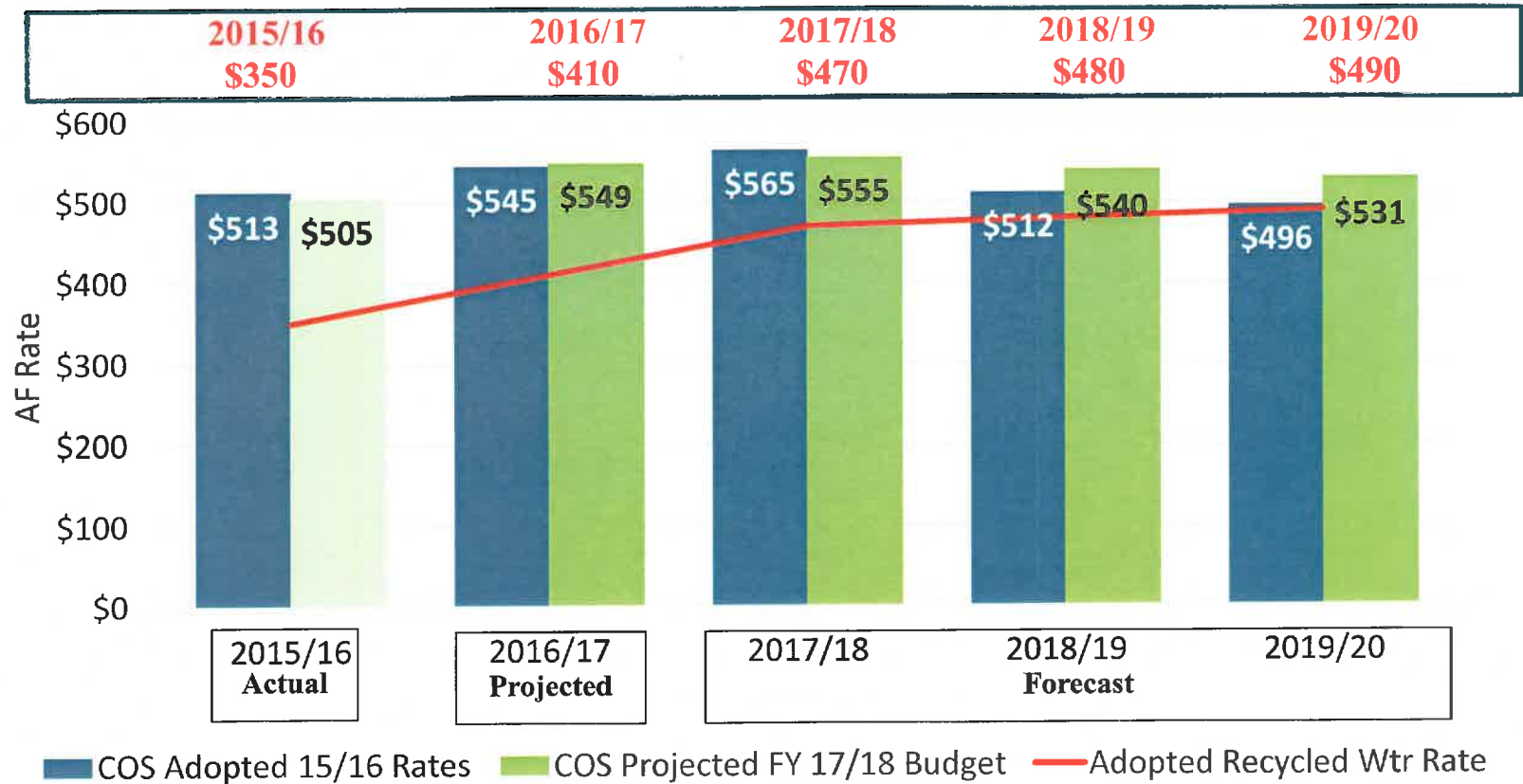
# Recycled Water Fund Revenues and Other Sources of Funds

- Recycled water sales based on multiyear rates
- Assumes no State Revolving Fund loans available until FY 2019/10



# Recycled Water Fund Cost of Service/AF

Adopted multiyear rates \$/Acre Feet (AF)

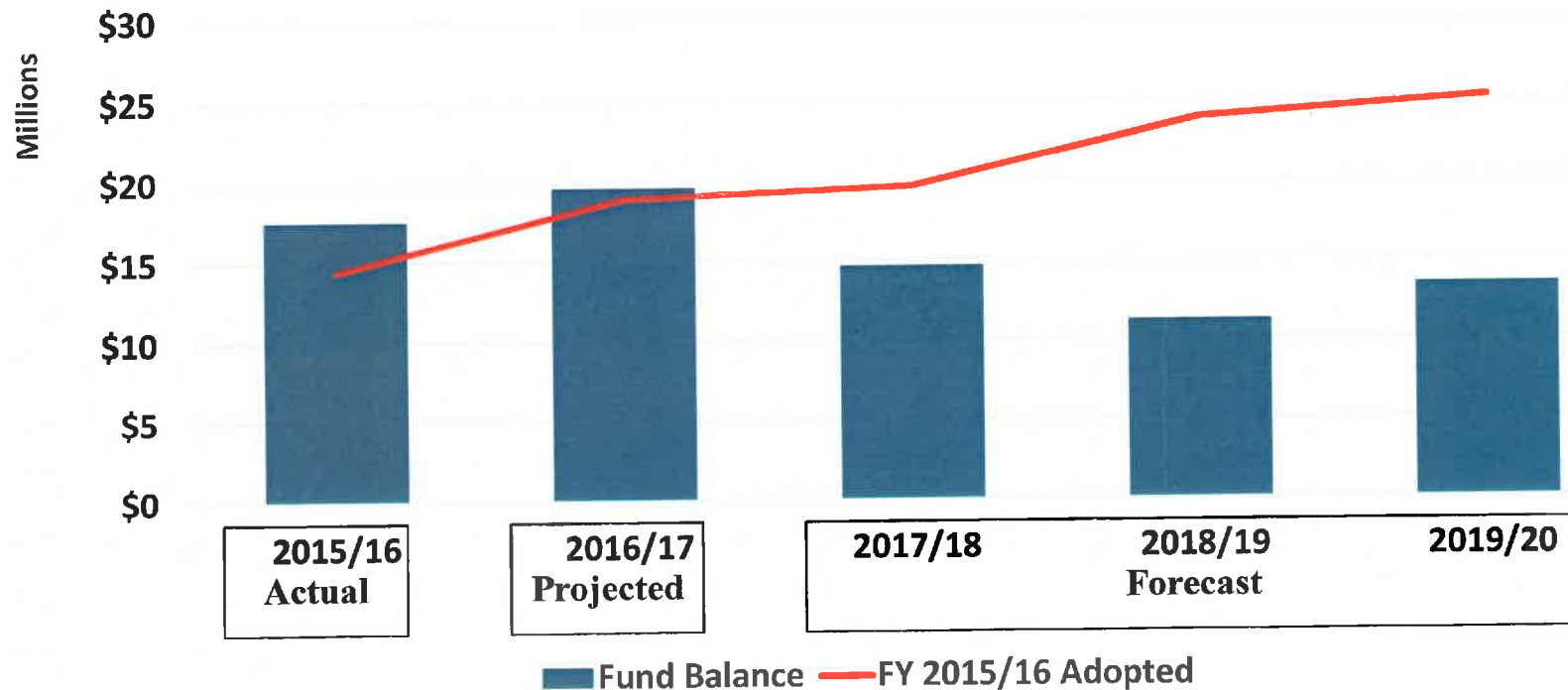


- Higher recycled water deliveries assumed in 2015 forecasts

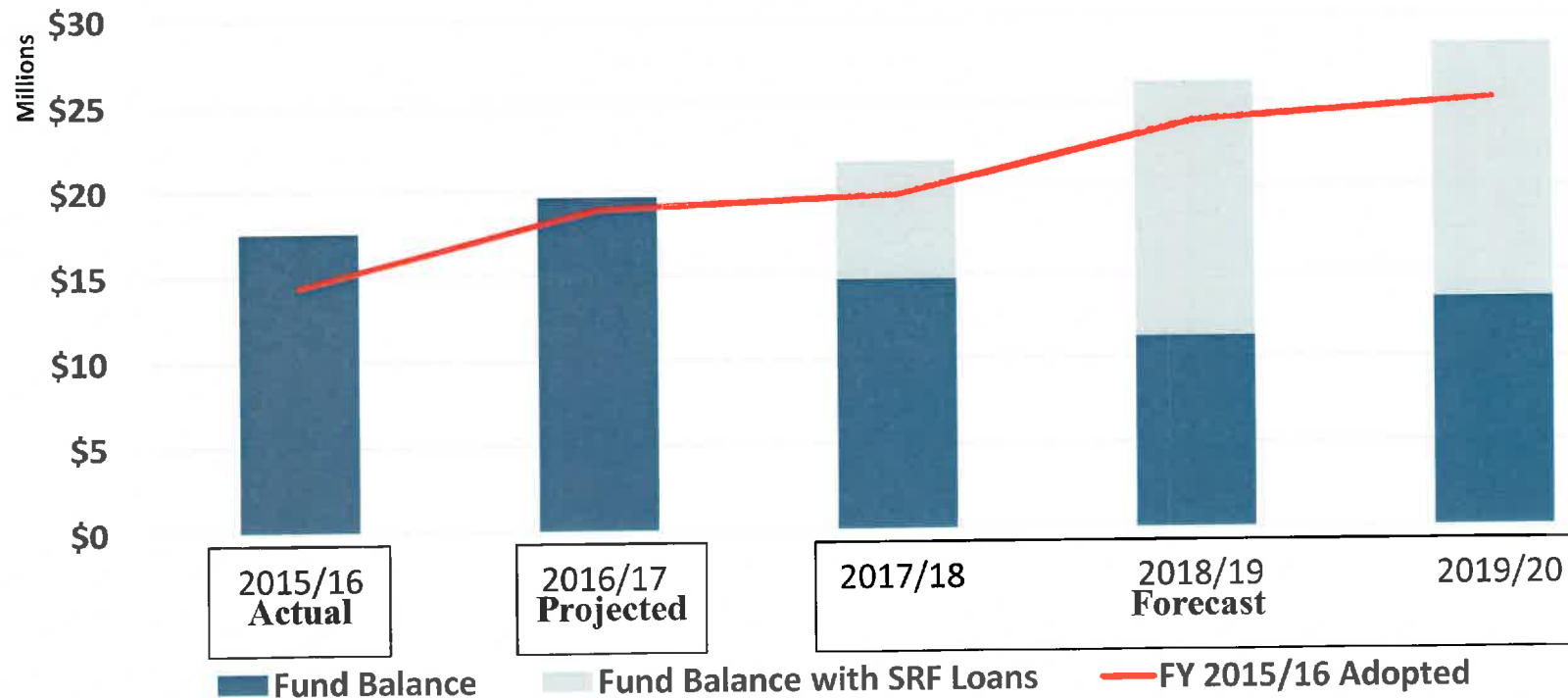


# Recycled Water Fund Fund Reserve

- Lower projected fund balance due to assumed pay-go of capital projects over the next two fiscal years



# Recycled Water Fund Fund Reserve with SRF Loans





# Groundwater Recharge Fund Major Projects

- RMPU projects to be financed by State Revolving Fund (SRF) loans
- Lower Day Basin supported by \$750K grant and Chino Basin Watermaster

Major Projects	FY 2017/18	FY 2018/19	Total TYCIP Costs* \$/Thousands
*RMPU Pre Design & Design	\$1,203.9	\$515.9	\$1,719.8
RMPU Construction	210.0	10,137.3	16,910.0
Lower Day Basin	315.0	2,248.4	\$3,672.3
<b>Grand Total</b>	<b>\$1,728.9</b>	<b>\$12,901.6</b>	<b>\$22,302.1</b>

\*Recharge Management Plan Update

# Next Steps

Timeline	IEUA Finance Committee/Board	Regional Technical/Policy Committees
Budget Workshop	March 1	
Fiscal Years 2017/18-2018/19 Biennial Budget Overview	March 8 March 15	March 30 April 6
Review of proposed biennial O&M budget for Regional Wastewater, Recycled Water, and Recharge Water programs and Ten Year Capital Improvement Plan (TYCIP) FYs 2018-2027.	April 19	April 27 May 4
Review proposed biennial O&M and capital budget of Non-reclaimable Wastewater, Water Resources, and Administrative Services funds.	May 10 May 17	
Recommendation on proposed biennial O&M budget for Regional Wastewater and Recycled Water programs and TYCIP.		May 25 June 1
Final review and approval of proposed biennial O&M budget and TYCIP..	June 14 June 21	

*The proposed biennial budget and TYCIP are consistent with the Agency's business goal of fiscal responsibility to plan multi-year budgets and rate requirements to maintain fiscal stability for IEUA and the member agencies.*

INFORMATION  
ITEM

**5B**

# Engineering and Construction Management Project Updates

## Board Meeting



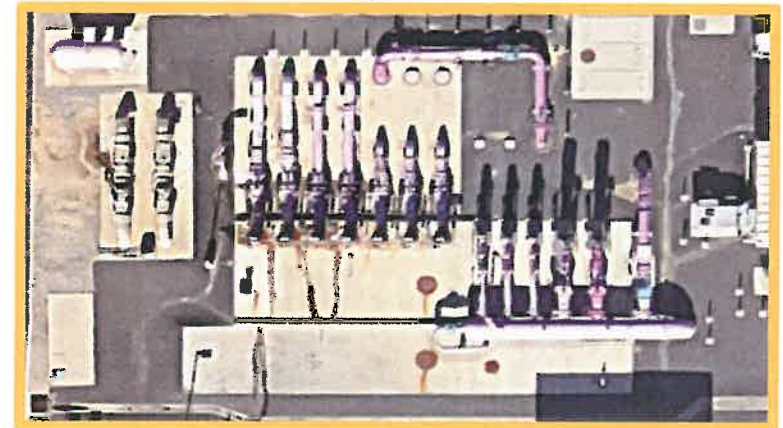


# EN13048 – RP-1 Power System Upgrades

- Design Engineer: Tetra Tech
- Current Contract (Design): \$435 K
- Total Project Budget: \$1.6 M
- Project Completion: August 2018
- Scope of Work:
  - Upgrade and install power capacity to the RP-1 Site
  - Upgrade existing switchgear
- Current Activities:
  - Field investigations
  - 50% design preparation



Switchgear at RP-1



RP-1 Site with RW Pump Stations

# EN15008 – Water Quality Laboratory

- Contractor: Kemp Bros. Construction, Inc.
- Current Contract (Construction): \$17 M
- Total Project Budget: \$25 M
- Project Completion: August 2018
- Scope of Work:
  - Construction of new Water Quality Laboratory
  - Central Chiller Plant Expansion
  - Construction of new 25-stall parking lot
- Current Activities:
  - Finalizing building location excavation, grading, compaction and pad certification
  - Finalizing grading/compaction for new parking, cooling tower, and retaining wall
  - Excavation and preparing for utilities under the building
  - Preparing footings and grade beams
  - Solar system design coordination pending



Site Grading



Retaining Wall Area Grading

# EN14018 – RP-4 Disinfection Facility Improvements

- Construction Contractor: W. A. Rasic
- Current Contract (Construction): \$1.8 M
- Total Project Budget: \$2.7 M
- Project Completion: February 2018
- Scope of Work:
  - Relocate the chemical disinfection facility
  - New chemical metering pumps and chemical tanks
  - Install new injection pipelines
- Current Activities:
  - Mobilization
  - Shop drawing submittals review



Existing and Old Diaphragm Pump



Corrosion from Bleach Leakage



# EN16024 RP-1 Mixed Liquor Return Pumps

- Contractor: J. F. Shea Construction
- Current Contract (Construction): \$4.8 M
- Total Project Budget: \$6.6 M
- Project Completion: January 2018
- Scope of Work:
  - Add mixed liquor functionality
  - Upgrade electrical system
- Current Activities:
  - Shutdown Train No. 2
  - Pump wastewater from Train No. 2
  - Remove the aeration panels
  - Remove sediment and install pump and mixer



Drained Aeration Train No. 2



Aeration Basin New Conduit Installation

# EN14043 - RP-5 RW Pipeline Bottleneck

- Design Engineer: Stantec Consulting
- Current Contract (Design): \$238 K
- Total Project Budget: \$2.8 M
- Project Completion: September 2018
- Scope of Work:
  - Upgrade of piping system downstream of pump station
  - Installation of surge control system
  - Buried valve replacements
  - Installation of new wet well access hatch
- Current Activities:
  - 100% design preparation
  - Cost estimate update



Pump Station Header



Bottleneck Upgrade Area


**INFORMATION  
ITEM**


**5D**




Date: April 19, 2017

To: The Honorable Board of Directors

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: Treasurer's Report of Financial Affairs

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### **RECOMMENDATION**

The Treasurer's Report of Financial Affairs for the month ended February 28, 2017 is an informational item for the Board of Director's review.

### **BACKGROUND**

The Treasurer's Report of Financial Affairs for the month ended February 28, 2017 is submitted in a format consistent with State requirements. The monthly report denotes investment transactions that have been executed in accordance with the criteria stated in the Agency's Investment Policy (Resolution No. 2016-5-1).

Total cash, investments, and restricted deposits of \$153,167,249 reflects a decrease of \$806,607 compared to the total reported for January 2017. The decrease can be attributed to the payment of capital expenditures and debt service, offset by property tax receipts. As a result, the average days of cash on hand for the month ended February 28, 2017 decreased to 286 days from 293 days as reported in January 2017. Average days of cash on hand is calculated using the monthly ending balance of unrestricted cash and cash equivalents divided by disbursements associated with operating expenses, debt service, and capital expenditures as recorded in the Agency's cash flow. New connection fees collected and held by member agencies are excluded from the days of cash on hand calculation.

The Agency's investment portfolio average rate of return in February 2018 was 0.895%, an increase of 0.019% compared to the average yield of 0.876% reported in January 2017. The increase can be attributed to the steady increase in yield of the Local Agency Investment Fund (LAIF) account from 0.751% in January to 0.777% in February.

The Financial Affairs report is consistent with the Agency's Business Goal of Fiscal Responsibility in providing financial reporting that accounts for cash and investment activities to fund operating requirements and to optimize investment earnings.

**PRIOR BOARD ACTION**

None.

**IMPACT ON BUDGET**

The interest earned on the Agency's investment portfolio increases the Agency's reserves.

Attachment: February 2017 Treasurer's Report of Financial Affairs

## TREASURER'S REPORT OF FINANCIAL AFFAIRS

For the Month Ended February 28, 2017



All investment transactions have been executed in accordance with the criteria stated in the Agency's Investment Policy (Resolution No. 2016-5-1) adopted by the Inland Empire Utilities Agency's Board of Directors during its regular meeting held on May 18, 2016.

The funds anticipated to be available during the next six-month period are expected to be sufficient to meet all foreseen expenditures during the period.

\* A Municipal Water District

**INLAND EMPIRE UTILITIES AGENCY**  
**Cash and Investment Summary**

Month Ended  
February 28, 2017

	<b>February</b>	<b>January</b>
<b><u>Cash, Bank Deposits, and Bank Investment Accounts</u></b>	<b>\$612,766</b>	<b>\$2,410,616</b>
<b><u>Investments</u></b>		
Citizens Business Bank (CBB) Repurchase (Sweep)	\$28,400,049	\$29,081,493
Local Agency Investment Fund (LAIF)	24,053,985	24,053,985
CalTrust	16,102,963	16,073,333
California Asset Management Program (CAMP)	18,110,794	18,099,004
Certificates of Deposit	2,900,000	2,900,000
Municipal Bonds	996,865	0
Medium Term Notes	10,597,908	10,599,913
U.S. Government Sponsored Entities	21,430,302	21,430,106
<b>Total Investments</b>	<b>\$122,592,866</b>	<b>\$122,237,834</b>
 <b>Total Cash and Investments Available to the Agency</b>	 <b>\$123,205,632</b>	 <b>\$124,648,450</b>
 <b><u>Restricted Deposits</u></b>		
Restricted Bank Investment Deposits	\$4,000,000	\$4,000,000
Debt Service Accounts	\$2,544,750	\$3,096,409
CCRA Deposits Held by Member Agencies	13,721,498	12,696,306
OPEB (CERBT) Account	9,514,328	9,371,793
Escrow Deposits	181,041	160,898
<b>Total Restricted Deposits</b>	<b>\$29,961,617</b>	<b>\$29,325,406</b>
 <b>Total Cash, Investments, and Restricted Deposits</b>	 <b>\$153,167,249</b>	 <b>\$153,973,856</b>



**INLAND EMPIRE UTILITIES AGENCY**  
**Cash and Investment Summary**

Month Ended  
February 28, 2017

**Cash, Bank Deposits, and Bank Investment Accounts**

CBB Demand Account (Offset by CBB Sweep Balance)	\$363,640
CBB Workers' Compensation Account	66,682
Bank of America (BofA) Payroll Account	31,459
BofA Payroll Taxes Account	30,556
Subtotal Demand Deposits	\$492,337

**Other Cash and Bank Accounts**

Petty Cash	\$2,250
Subtotal Other Cash	\$2,250

**US Bank Pre-Investment Money Market Account**

\$118,179

***Total Cash and Bank Accounts***

\$612,766

**Investments**

**CBB Repurchase (Sweep) Investments**

Freddie Mac	28,400,049
Subtotal CBB Repurchase (Sweep)	\$28,400,049

**Local Agency Investment Fund (LAIF)**

LAIF Non-Restricted Fund	\$24,053,985
Subtotal Local Agency Investment Fund	\$24,053,985

**CalTrust**

Short Term	\$10,140,295
Medium Term - Restricted	5,962,668
Subtotal CalTrust	\$16,102,963

**California Asset Management Program (CAMP)**

Pool	\$18,110,794
Subtotal CAMP	\$18,110,794

**INLAND EMPIRE UTILITIES AGENCY**  
**Cash and Investment Summary**

Month Ended  
February 28, 2017

**Investments Continued**

**Certificates of Deposit**

Brokered Certificates of Deposit	\$2,900,000
Subtotal Certificates of Deposit	\$2,900,000

**Municipal Bonds**

State and Local Municipal Bonds	\$996,865
Subtotal State Municipal Bonds	\$996,865

**Medium Term Notes**

John Deere Capital Corp.	\$1,000,511
Toyota Motor Credit Corp.	2,000,000
JP Morgan Chase & Co.	999,575
Johnson & Johnson	2,016,977
Microsoft	2,066,500
Exxon Mobil	1,005,509
Wells Fargo Bank N.A.	1,508,836
Subtotal Medium Term Notes	\$10,597,908

**U.S. Government Sponsored Entities**

Fannie Mae Bank	\$3,749,581
Freddie Mac Bank	6,483,436
Federal Farm Credit Bank	10,196,923
Federal Home Loan Bank	1,000,362
Subtotal U.S. Government Sponsored Entities	\$21,430,302

***Total Investments*** \$122,592,866

**Restricted Deposits**

**Bank Investment Deposits**

LAIF-Sinking Fund Reserves 2008A Bond	4,000,000
Subtotal Bank Investment Deposits	\$4,000,000

**INLAND EMPIRE UTILITIES AGENCY**  
**Cash and Investment Summary**

Month Ended  
February 28, 2017

**Debt Service Reserves**

08B Debt Service Accounts	\$2,544,734
10A Debt Service Accounts	16
Subtotal Debt Service Reserves	\$2,544,750

**CCRA Deposits Held by Member Agencies**

City of Chino	\$2,540,790
Cucamonga Valley Water District	2,604,345
City of Fontana	1,675,194
City of Montclair	519,508
City of Ontario	3,602,594
City of Chino Hills	2,323,657
City of Upland	455,410
Subtotal CCRA Deposits Held by Member Agencies	\$13,721,498

**CalPERS**

OPEB (CERBT) Account	\$9,514,328
Subtotal CalPERS Accounts	\$9,514,328

**Escrow Deposits**

Kemp Brothers Construction	\$181,041
Subtotal Escrow Deposits	\$181,041

<b>Total Restricted Deposits</b>	<b>\$29,961,617</b>
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<b>Total Cash, Investments, and Restricted Deposits as of February 28, 2017</b>	<b>\$153,167,249</b>
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Total Cash, Investments, and Restricted Deposits as of 02/28/17	\$153,167,249
Less: Total Cash, Investments, and Restricted Deposits as of 01/31/17	153,973,856
<b>Total Monthly Increase (Decrease)</b>	<b>(\$806,607)</b>

# INLAND EMPIRE UTILITIES AGENCY

## Cash and Investment Summary

Month Ended  
February 28, 2017

	Credit Rating @ Purchase		CHANGES IN Credit Rating		Par Amount	Cost Basis Amount	Term (Days)	February Amortization	February Value	% Coupon	% Yield to Maturity	Maturity Date	Market Value
	S&P	Moody's	S&P	Moody's									
<b>Cash, Bank Deposits, and Bank Investment Accounts</b>													
<b>Citizens Business Bank (CBB)</b>													
Demand Account*					\$363,640	\$363,640	N/A	N/A	\$363,640		N/A	N/A	\$363,640
Workers' Compensation Account					66,682	66,682	N/A	N/A	66,682		N/A	N/A	66,682
<b>Subtotal CBB Accounts</b>					<b>\$430,322</b>	<b>\$430,322</b>			<b>\$430,322</b>				<b>\$430,322</b>
<b>Bank of America (BoFA)</b>													
Payroll Checking					\$31,459	\$31,459	N/A	N/A	\$31,459		N/A	N/A	\$31,459
Payroll Tax Checking					30,556	30,556	N/A	N/A	30,556		N/A	N/A	30,556
<b>Subtotal B of A Accounts</b>					<b>\$62,015</b>	<b>\$62,015</b>			<b>\$62,015</b>		N/A		<b>\$62,015</b>
<b>US Bank (USB)</b>													
Federated Automated MMA					\$118,179	\$118,179	N/A	N/A	\$118,179	0.09%		N/A	\$118,179
<b>Subtotal USB Account</b>						\$118,179			\$118,179	0.09%			\$118,179
<b>Petty Cash</b>													
					\$2,250	\$2,250	N/A	N/A	\$2,250		N/A	N/A	\$2,250
<b>Total Cash, Bank Deposits and Bank Investment Accounts</b>					<b>\$494,587</b>	<b>\$612,766</b>			<b>\$612,766</b>				<b>\$612,766</b>
<i>*Negative demand checking balance is offset by the Daily Repurchase (Sweep) Account balance</i>													
<b>Investments</b>													
<b>CBB Daily Repurchase (Sweep) Accounts</b>													
Freddie Mac					28,400,049	28,400,049	N/A	N/A	28,400,049	0.50%			28,400,049
<b>Subtotal CBB Repurchase Accounts</b>					<b>\$28,400,049</b>	<b>\$28,400,049</b>			<b>\$28,400,049</b>	0.50%			<b>\$28,400,049</b>
<b>LAIF Accounts</b>													
Non-Restricted Funds					\$24,053,985	\$24,053,985	N/A	N/A	\$24,053,985	0.777%		N/A	\$24,053,985
<b>Subtotal LAIF Accounts</b>					<b>\$24,053,985</b>	<b>\$24,053,985</b>			<b>\$24,053,985</b>	0.777%			<b>\$24,053,985</b>
<b>CALTRUST Accounts</b>													
Short-Term					\$10,140,295	\$10,140,295	N/A	N/A	\$10,140,295	0.96%		N/A	\$10,140,295
Medium-Term (Self Insurance Reserves)					5,962,668	5,962,668	N/A	N/A	5,962,668	1.20%		N/A	5,962,668
<b>Subtotal CalTrust Accounts</b>					<b>\$16,102,963</b>	<b>\$16,102,963</b>			<b>\$16,102,963</b>	1.049%			<b>\$16,102,963</b>
<b>CAMP Accounts</b>													
Short-Term					\$18,110,794	\$18,110,794	N/A	N/A	\$18,110,794	0.85%		N/A	\$18,110,794
<b>Subtotal CAMP Accounts</b>					<b>\$18,110,794</b>	<b>\$18,110,794</b>			<b>\$18,110,794</b>	0.85%			<b>\$18,110,794</b>
<b>Investments (continued)</b>													
<b>Brokered Certificates of Deposit (CDs)</b>													
Comenity Capital Bank	N/A				\$240,000	\$240,000	731		\$240,000	1.15%	1.15%	07/13/17	\$240,326
Discover Bank	N/A				240,000	240,000	552		240,000	1.15%	1.15%	07/17/17	240,475

# INLAND EMPIRE UTILITIES AGENCY

## Cash and Investment Summary

Month Ended  
February 28, 2017

	Credit Rating @ Purchase		CHANGES IN Credit Rating		Par Amount	Cost Basis Amount	Term (Days)	February Amortization	February Value	% Coupon	% Yield to Maturity	Maturity Date	Market Value
	S&P	Moody's	S&P	Moody's									
Medallion Bank	N/A				240,000	240,000	733		240,000	1.20%	1.20%	07/17/17	240,329
Sallie Mae Bank	N/A				248,000	248,000	743		248,000	1.15%	1.15%	11/06/17	248,779
Key Bank National Association	N/A				248,000	248,000	732		248,000	1.10%	1.10%	11/13/17	248,806
Capital One Bank	N/A				240,000	240,000	916		240,000	1.35%	1.35%	01/16/18	240,946
Goldman Sachs Bank USA	N/A				240,000	240,000	916		240,000	1.40%	1.40%	01/16/18	241,051
BMW Bank of North America	N/A				240,000	240,000	915		240,000	1.40%	1.40%	01/17/18	241,049
American Express Bank	N/A				240,000	240,000	1097		240,000	1.70%	1.70%	07/16/18	241,068
American Express Centurion	N/A				240,000	240,000	1097		240,000	1.70%	1.70%	07/16/18	241,068
HSBC Bank USA, NA Step	N/A				244,000	244,000	1827		244,000	1.25%	2.51%	07/29/20	244,485
Synchrony Bank	N/A				240,000	240,000	1827		240,000	2.25%	2.25%	10/02/20	244,438
<b>Subtotal Brokered CDs</b>					<b>\$2,900,000</b>	<b>\$2,900,000</b>		<b>\$0</b>	<b>\$2,900,000</b>		<b>1.50%</b>		<b>\$2,912,820</b>
<b>U.S. Government Sponsored Entities</b>													
Federal Farm Credit Bank ( <i>Sinking Fund Reserves</i> )	AA+	Aaa			\$5,195,000	\$5,199,431	447	(273)	\$5,196,923	0.75%	0.68%	09/13/17	\$5,196,870
Federal Home Loan Bank	AA+	Aaa			1,000,000	1,000,380	713	(15)	1,000,362	1.25%	1.23%	01/18/19	999,510
Federal Farm Credit Bank	AA+	Aaa			3,000,000	3,000,000	1,079		3,000,000	1.15%	1.15%	02/22/19	2,988,780
Freddie Mac Bond	AA+	Aaa			1,000,000	1,003,132	1,023	(86)	1,002,281	1.25%	1.14%	03/15/19	999,010
Federal Farm Credit Bank	AA+	Aaa			2,000,000	2,000,000	1,460		2,000,000	1.52%	1.52%	06/24/19	2,006,720
Freddie Mac Bond	AA+	Aaa			1,500,000	1,500,000	1,080		1,500,000	1.15%	1.15%	07/26/19	1,478,970
Fannie Mae Step Bond	AA+	Aaa			1,500,000	1,500,000	1,080		1,500,000	0.88%	1.33%	07/26/19	1,486,545
Fannie Mae Bond	AA+	Aaa			900,000	899,460	1,153	13	899,581	1.25%	1.25%	08/23/19	892,305
Fannie Mae Bond	AA+	Aaa			1,350,000	1,350,000	1,157		1,350,000	1.25%	1.25%	08/26/19	1,338,458
Freddie Mac Bond	AA+	Aaa			3,000,000	2,972,928	1,359	558	2,981,155	1.25%	1.50%	10/02/19	2,982,660
Freddie Mac Bond	AA+	Aaa			1,000,000	1,000,000	1,093		1,000,000	1.63%	1.63%	01/28/20	998,840
<b>Subtotal U.S. Gov't Sponsored Entities</b>					<b>\$21,445,000</b>	<b>\$21,425,331</b>		<b>\$197</b>	<b>\$21,430,302</b>		<b>1.17%</b>		<b>\$21,368,668</b>
(As of August 2011, all US GSE's have been downgraded to AA+ Rating by S&P)													
<b>Municipal Bonds</b>													
San Diego Redevelopment Agency	AA	N/R			\$1,000,000	\$996,800	934	\$65	\$996,865	1.63%	1.75%	09/01/19	\$995,230
<b>Subtotal State and Local Municipal Bonds</b>					<b>\$1,000,000</b>	<b>\$996,800</b>		<b>\$65</b>	<b>\$996,865</b>		<b>1.75%</b>		<b>\$995,230</b>
<b>Medium Term Notes</b>													
John Deere Capital Corp	A	A2			\$1,000,000	\$1,004,000	1,754	(64)	\$1,000,511	1.20%	1.11%	10/10/17	\$1,000,090
Toyota Motor Credit Corp	AA-	Aa3			2,000,000	2,000,000	1,045		2,000,000	1.10%	1.10%	04/25/18	1,984,780
JP Morgan Chase & Co	A-	A3			1,000,000	999,000	1,037	27	999,575	1.63%	1.66%	05/15/18	1,001,210
Johnson & Johnson	AAA	Aaa			2,000,000	2,027,480	1,044	(737)	2,016,977	1.65%	1.16%	12/05/18	2,010,940
Microsoft	AAA	Aaa			2,050,000	2,076,691	1,045	(715)	2,066,500	1.63%	1.16%	12/06/18	2,061,972
Exxon Mobil	AA+	Aaa			1,000,000	1,005,750	763	(211)	1,005,509	1.71%	1.43%	05/24/19	1,002,240
Wells Fargo Bank	AA-	Aa2			1,500,000	1,511,655	1,061	(304)	1,508,836	1.75%	1.48%	05/24/19	1,498,395
<b>Subtotal Medium Term Notes</b>					<b>\$10,550,000</b>	<b>\$10,624,576</b>		<b>(\$2,004)</b>	<b>\$10,597,908</b>		<b>1.26%</b>		<b>\$10,559,627</b>

# INLAND EMPIRE UTILITIES AGENCY

## Cash and Investment Summary

Month Ended  
February 28, 2017

	Credit Rating @ Purchase		CHANGES IN Credit Rating		Par Amount	Cost Basis Amount	Term (Days)	February Amortization	February Value	% Coupon	% Yield to Maturity	Maturity Date	Market Value
	S&P	Moody's	S&P	Moody's									
<b>Total Investments</b>					<b>\$122,562,791</b>	<b>\$122,614,498</b>			<b>\$122,592,866</b>				<b>\$122,504,136</b>
<i>(Source of Investment Market Value: US Bank)</i>													
<b>Restricted Deposits</b>													
<b>Bank Investment Deposits</b>													
LAIF-Sinking Fund Reserves 2008A Bond					4,000,000	4,000,000			4,000,000		0.78%		4,000,000
<b>Total Bank Investment Deposit Accounts</b>					<b>\$4,000,000</b>	<b>\$4,000,000</b>			<b>\$4,000,000</b>		<b>0.78%</b>		<b>\$4,000,000</b>
<b>Debt Service and Arbitrage Accounts</b>													
08B Debt Service Accounts					\$2,544,734	\$2,544,734	N/A	N/A	\$2,544,734		0.00%		\$2,544,734
10A Debt Service Accounts					16	16	N/A	N/A	16		0.13%		16
<b>Total Debt Service Accounts</b>					<b>\$2,544,750</b>	<b>\$2,544,750</b>			<b>\$2,544,750</b>		<b>0.00%</b>		<b>\$2,544,750</b>
<b>CCRA Deposits Held by Member Agencies</b>													
City of Chino					\$2,540,790	\$2,540,790	N/A	N/A	\$2,540,790		N/A	N/A	\$2,540,790
Cucamonga Valley Water District					2,604,345	2,604,345	N/A	N/A	2,604,345		N/A	N/A	2,604,345
City of Fontana					1,675,194	1,675,194	N/A	N/A	1,675,194		N/A	N/A	1,675,194
City of Montclair					519,508	519,508	N/A	N/A	519,508		N/A	N/A	519,508
City of Ontario					3,602,594	3,602,594	N/A	N/A	3,602,594		N/A	N/A	3,602,594
City of Chino Hills					2,323,657	2,323,657	N/A	N/A	2,323,657		N/A	N/A	2,323,657
City of Upland					455,410	455,410	N/A	N/A	455,410		N/A	N/A	455,410
<i>Subtotal CCRA Deposits Held by Member Agencies</i>					<b>\$13,721,498</b>	<b>\$13,721,498</b>			<b>\$13,721,498</b>				<b>\$13,721,498</b>
<i>Reported total as of December 31, 2016 - net of received Capital Call proceeds.</i>													
<b>CalPERS Deposits</b>													
OPEB (CERBT) Account					\$9,000,000	\$9,000,000	N/A	N/A	\$9,514,328		N/A	N/A	\$9,514,328
Subtotal CalPERS Deposits					<b>\$9,000,000</b>	<b>\$9,000,000</b>			<b>\$9,514,328</b>				<b>\$9,514,328</b>
<b>Escrow Deposits</b>													
Kemp Brothers Construction Escrow					181,041	\$181,041	N/A	N/A	\$181,041		N/A	N/A	\$181,041
Subtotal Escrow Deposits					<b>\$181,041</b>	<b>\$181,041</b>			<b>\$181,041</b>				<b>\$181,041</b>
<b>Total Restricted Deposits</b>					<b>\$29,447,288</b>	<b>\$29,447,288</b>			<b>\$29,961,616</b>				<b>\$29,961,616</b>
<b>Total Cash, Investments, and Restricted Deposits as of February 28, 2017</b>					<b>\$152,504,667</b>	<b>\$152,674,553</b>			<b>\$153,167,249</b>				<b>\$153,078,519</b>

**INLAND EMPIRE UTILITIES AGENCY**  
**Cash and Investment Summary**

Month Ended  
February 28, 2017

**February Purchases**

No.	Date	Transaction	Investment Security	Par Amount Purchased	Investment Yield
1	02/09/17	Purchase	San Diego CA Redevelopment	\$ 1,000,000	1.753%

***Total Purchases***

**\$ 1,000,000**

**February Investment Maturities, Calls & Sales**

No.	Date	Transaction	Investment Security	Par Amount Matured/Sold	Investment Yield to Maturity
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***Total Maturities, Calls & Sales***

**\$ -**



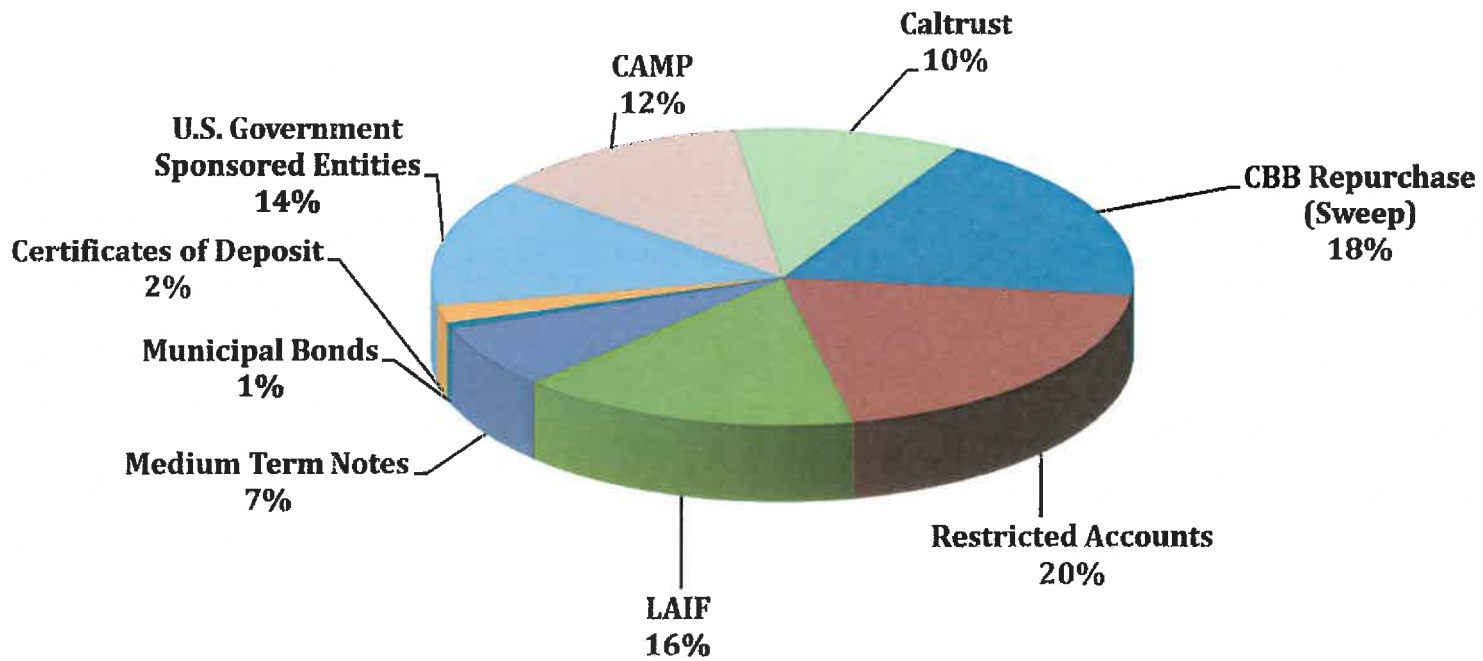
**INLAND EMPIRE UTILITIES AGENCY**  
**Cash and Investment Summary**

Month Ended  
February 28, 2017

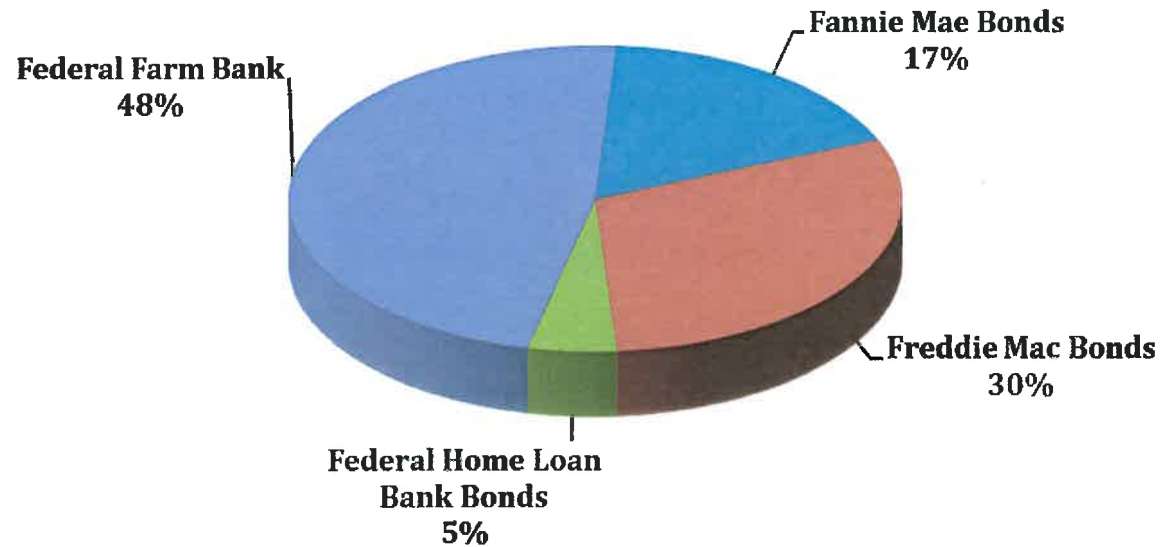
<u>Directed Investment Category</u>	<u>Amount Invested</u>	<u>Yield</u>
CBB Repurchase (Sweep)	\$28,400,049	0.500%
LAIF	24,053,985	0.777%
CalTrust	16,102,963	1.049%
CAMP	18,110,794	0.850%
Medium Term Notes	10,597,908	1.263%
Municipal Bonds	996,865	1.753%
U.S. Government Sponsored Entities	21,430,302	1.168%
	<b>\$119,692,866</b>	<b>0.880%</b>
<b>Bank Deposit and Investment Accounts</b>		
Various Banks - Brokered Certificates of Deposit	\$2,900,000	1.504%
	<b>\$2,900,000</b>	<b>1.504%</b>
<b>Total Investment Portfolio</b>	<b>\$122,592,866</b>	
<b>Investment Portfolio Rate of Return</b>		<b>0.895%</b>
<b><u>Restricted/Transitory/Other Demand Accounts</u></b>		
CCRA Deposits Held by Member Agencies	\$13,721,498	N/A
CalPERS OPEB (CERBT) Account	9,514,328	N/A
Bank Investment Deposits	4,000,000	0.777%
US Bank - 2008B Debt Service Accounts	2,544,734	0.000%
US Bank - 2010A Debt Service Accounts	16	0.130%
US Bank - Pre-Investment Money Market Account	118,179	0.090%
Citizens Business Bank - Demand Account	363,640	N/A
Citizens Business Bank - Workers' Compensation Account	66,682	N/A
Other Accounts*	64,265	N/A
	<b>\$30,393,342</b>	
<b>Total Other Accounts</b>	<b>\$30,393,342</b>	
<b>Average Yield of Other Accounts</b>		<b>0.468%</b>
<b>Total Agency Directed Deposits</b>	<b>\$152,986,208</b>	

\* Note: Bank of America Payroll Deposits used as compensating balances for bank services.

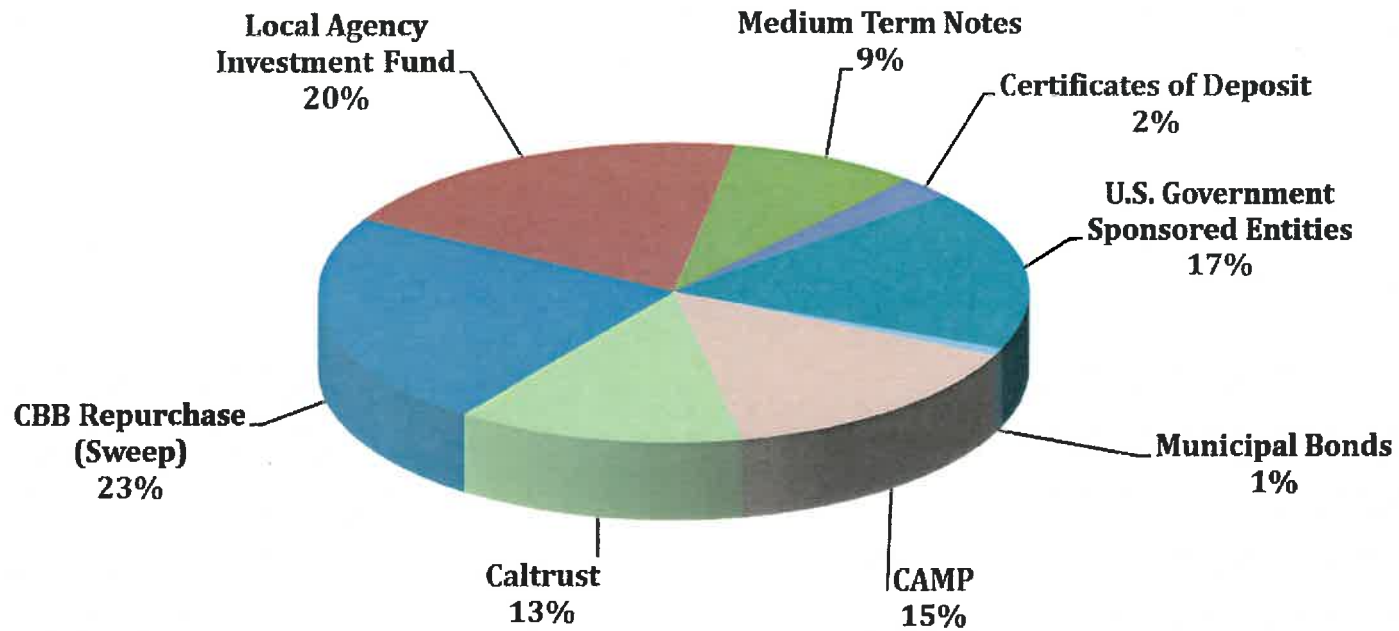
***Inland Empire Utilities Agency***  
**Treasurer's Report of Financial Affairs**  
**For the Month Ended February 28, 2017**  
**Agency Investment Portfolio (net of escrow accounts)**  
**\$152,986,208**



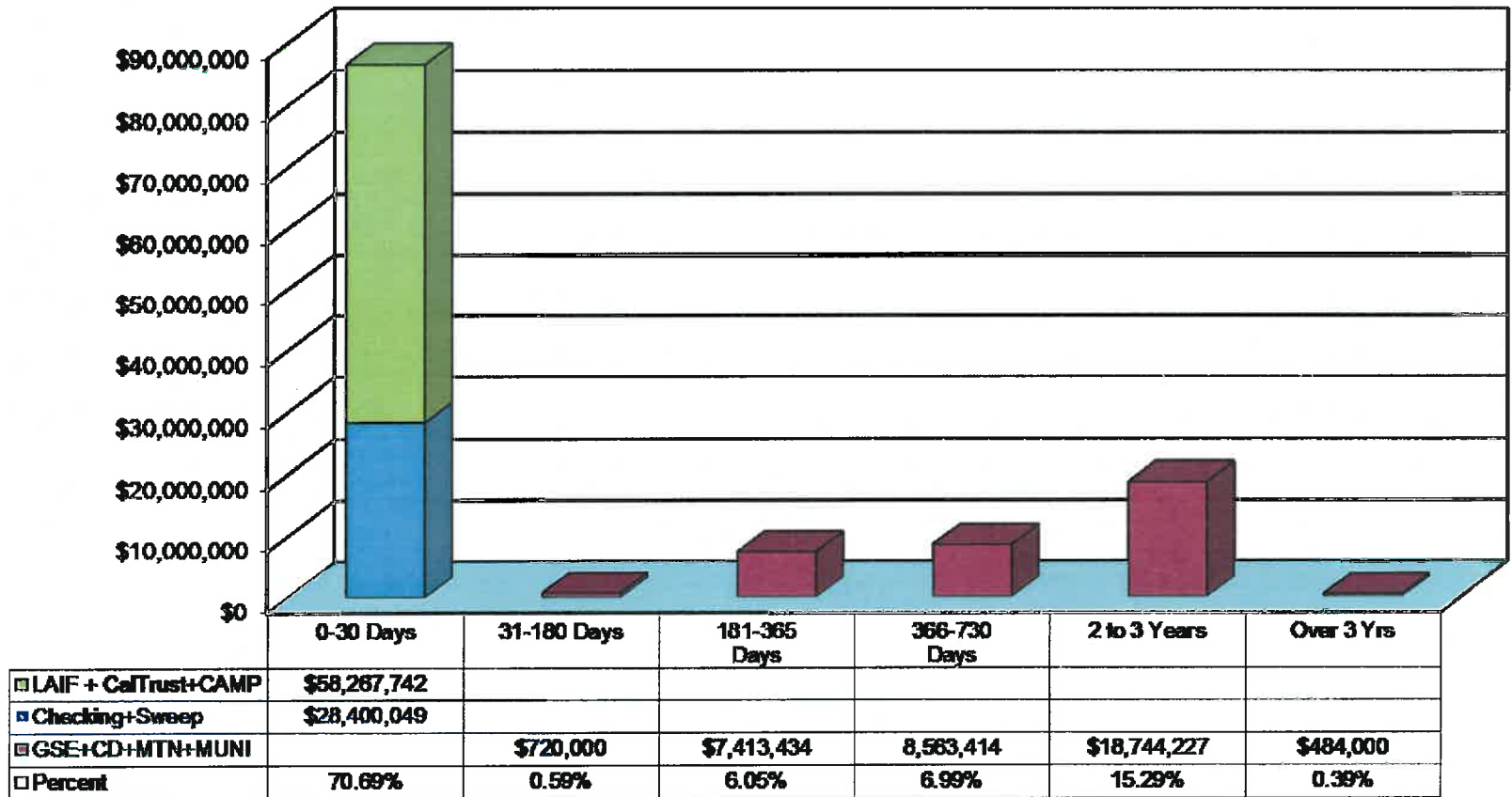
***Inland Empire Utilities Agency***  
**Treasurer's Report of Financial Affairs**  
**For the Month Ended February 28, 2017**  
**U.S. Government Sponsored Entities Portfolio**  
**\$21,430,302**



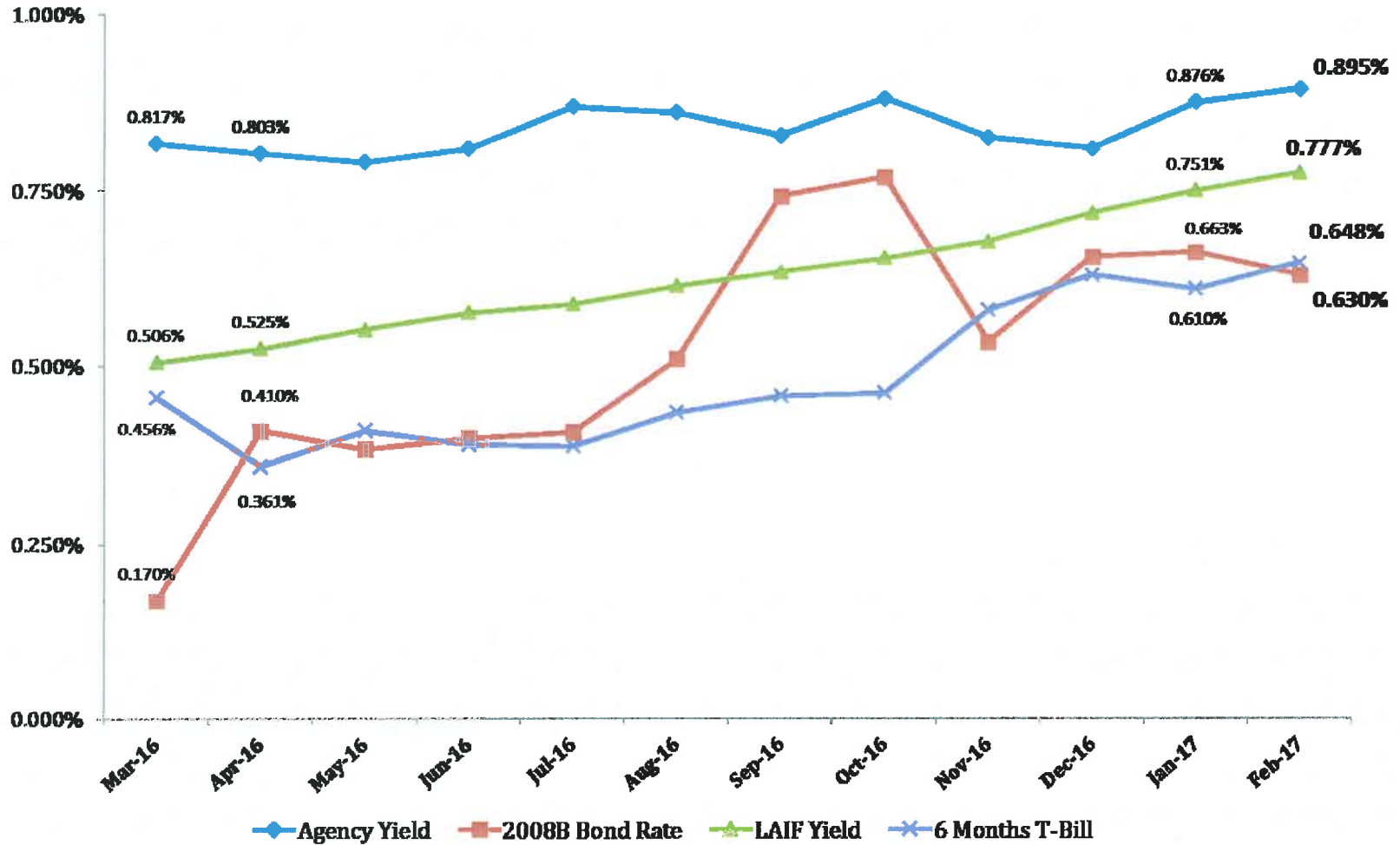
***Inland Empire Utilities Agency***  
**Treasurer's Report of Financial Affairs**  
**For the Month Ended February 28, 2017**  
**Unrestricted Agency Investment Portfolio**  
**\$122,592,866**



**Inland Empire Utilities Agency**  
**Treasurer's Report of Financial Affairs**  
**For the Month Ended February 28, 2017**  
**Agency Investment Portfolio Maturity Distribution**  
**\$122,592,866**



**Inland Empire Utilities Agency  
Treasurer's Report of Financial Affairs  
For the Month Ended February 28, 2017  
Agency Investment Portfolio Yield Comparison**



# Treasurer's Report of Financial Affairs for February 28, 2017

## Board Meeting





# Report of Financial Affairs

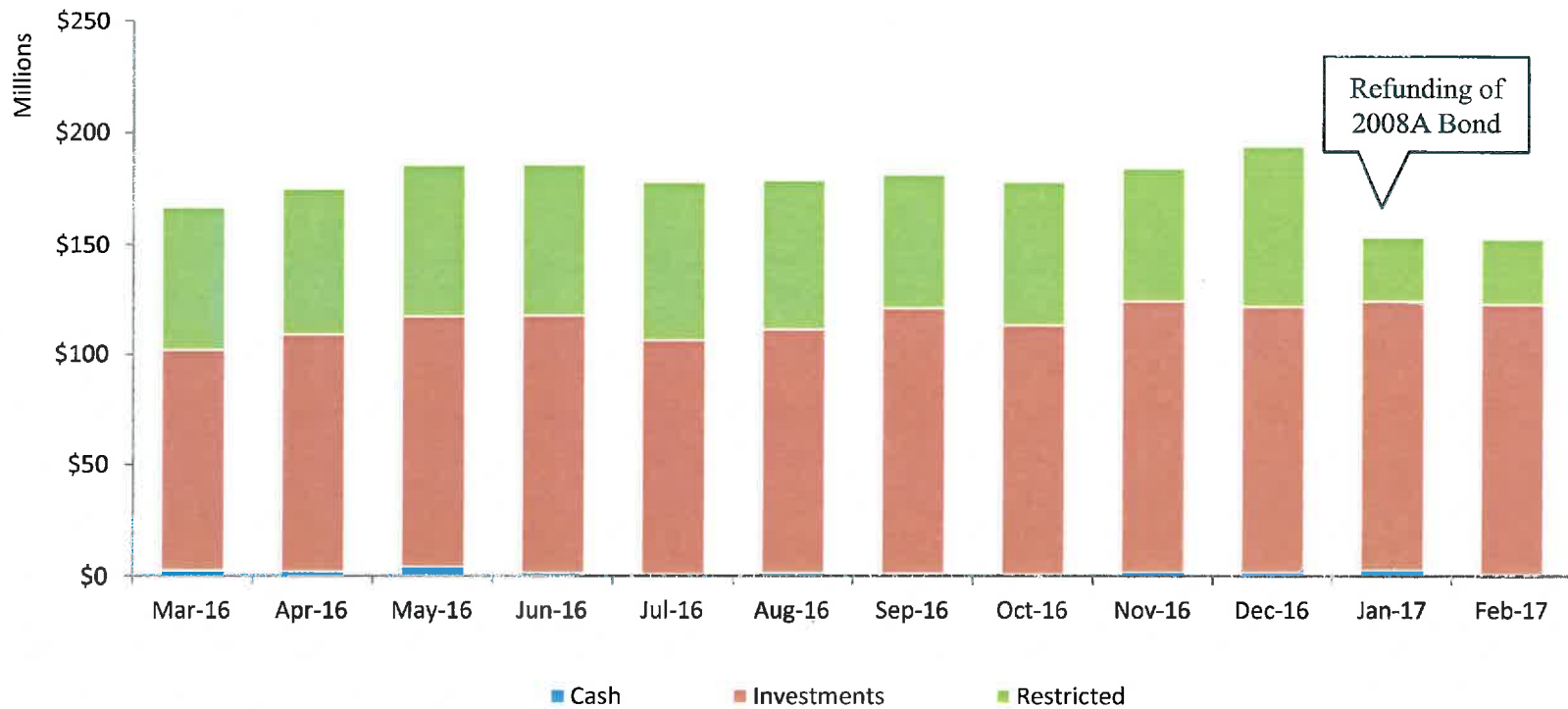
## Liquidity

Description	February 2017 (\$ million)	January 2017 (\$ million)	Increase (Decrease) (\$ million)
Total Cash, Investments, and Restricted Deposits	\$153.2	\$154.0	(\$0.8)
Total Investment Portfolio	\$122.6	\$122.2	\$0.4
Investment Portfolio Yield	0.895%	0.876%	0.019%
Weighted Average Duration (years)	0.72	0.75	0.03
Average Cash on Hand (days)	286	293	(7)

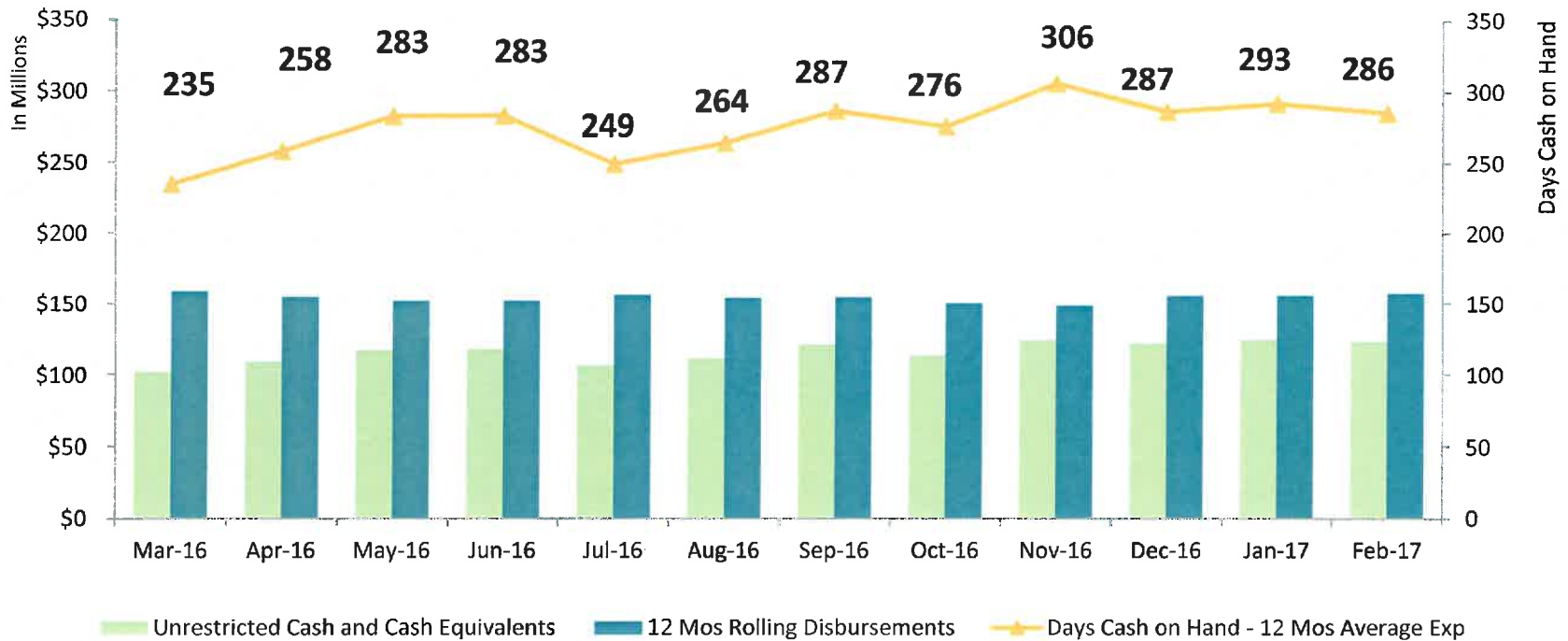
## Portfolio

Term	Description	Allowable Threshold (\$ million)	Investment Value (\$ million)	Yield	Current Portfolio %
<b>Short Term, Under 1 Year:</b>	LAIF	\$65	\$24.1	0.78%	19.6%
	CalTrust	\$20	\$16.1	1.05%	13.1%
	Citizens Business – Sweep	40%	\$28.4	0.50%	23.2%
	CAMP	\$20	\$18.1	0.85%	14.8%
	Brokered CD's	30%	\$1.9	1.24%	1.6%
	Medium Term Notes	10%	\$1.0	1.11%	0.8%
	Municipal Bond	10%	\$1.0	1.75%	0.8%
	US Government Securities	n/a	\$5.2	0.68%	4.2%
<b>1 to 3 Years:</b>	Brokered CDs	30%	\$0.5	1.70%	0.4%
	US Government Securities	n/a	\$16.2	1.32%	13.3%
	Medium Term Notes	10%	\$9.6	1.28%	7.8%
<b>Over 3 Years:</b>	Brokered CDs	30%	\$0.5	2.38%	0.4%

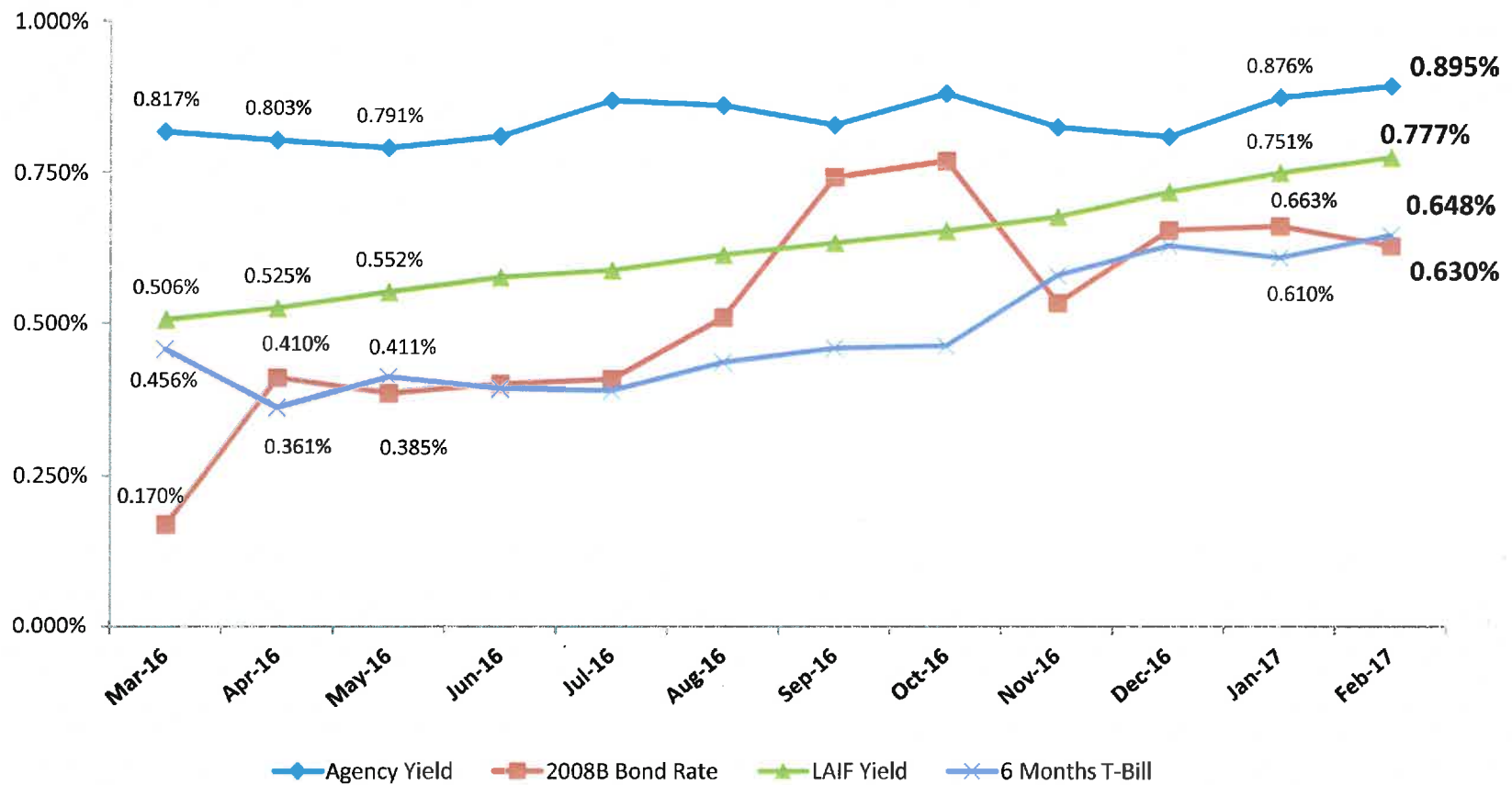
# Cash, Investments, and Restricted Deposits



# Days Cash on Hand 12 Months Rolling Average



# Month End Portfolio Yield Comparison





# Questions?

*The Treasurer's Report of Financial Affairs is consistent with the Agency's business goal of fiscal responsibility*


**INFORMATION  
ITEM**


**5E**



Date: April 19, 2017

To: The Honorable Board of Directors

From:  P. Joseph Grindstaff  
General Manager

Submitted by: Kathy Besser   
Executive Manager of External Affairs and Policy Development/Assistant  
General Manager

Subject: Public Outreach and Communication

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### **RECOMMENDATION**

This is an informational item for the Board of Directors to receive and file.

### **BACKGROUND**

#### April

- April 13, Arroyo Elementary, Garden in Every School® Dedication, 1700 E. 7th Street, Ontario, 5:30 p.m.
- April 19, Student Earth Day, Chino Creek Wetlands and Educational Park, 9:00 a.m. – 2:00 p.m.
- April 20, Community Earth Day, Chino Creek Wetlands and Educational Park, 4:00 p.m. – 7:00 p.m.
- April 29, National Prescription Drug Take Back Day

#### May (Water Awareness Month)

- May 4, IERCF 10 Year Anniversary Celebration
- May 7-13, International Compost Awareness Week
- May 10, Townsend Junior High, Garden in Every School® Dedication, 15359 Ilex Drive, Chino Hills. 5:30 p.m.
- May 19-21, MWD Solar Cup Competition, Lake Skinner

#### Outreach/Education - Civic Publications Newspaper Campaign

- IEUA is working with Civic Publications to update the KickWaterWaste.com micro-site.
- IEUA is working with Civic Publications to distribute themed email blasts each month for April through June including Earth Day event messaging.



### Media and Outreach

- IEUA is continuing to run banner ads through *Fontana Herald News* and *La Opinión* newspapers.
- Staff has developed spring messages for the season that align with the *Kick the Habit* brand and include a “Spring Into Action” theme.
- A *Kick the Habit* ad ran in the April issue of IE Magazine in the Primetime section.
- A *Kick the Habit* ad ran in the Champion Newspaper’s *Progress Edition* on April 8.
- A *Kick the Habit* ad will run in the Champion Newspaper’s *Summer Connection* on May 6.
- Staff has developed a movie theater ad to run mid-April through August that focuses on making water-use efficiency a way of life. This ad will run in Harkins Theater (Chino Hills), Victoria Gardens (Rancho Cucamonga), Ontario Palace (Ontario), and Ontario Mills (Ontario).
- In March, 24 posts were published to the IEUA Facebook page and 26 tweets were sent on the @IEUAWater Twitter handle.
- The top three Facebook posts, based on reach and engagement, in the month of March were:
  - 3/16: Water Discovery Field Trip Highlight – Oak Ridge Elementary School
  - 3/6: Student Art Poster Contest
  - 3/8: Santa Ana River Basin Section Engineering Achievement Award for the Inland Empire Regional Composting Facility’s Conveyor Project

### Education and Outreach Updates

- Staff is continuing to book Water Discovery field trips for the current school year as well as the summer program year. To date, staff has scheduled and provided field trips to approximately 2,475 students from October 1, 2016 through June 29, 2017.
- Staff held a mandatory Project WET and Garden in Every School® (GIES) Mini-Grant Workshop on March 2, 2017. 14 schools from throughout IEUA’s service area were represented at the workshop. The workshop was mandatory for schools interested in qualifying for the mini-grant program for school year 2017/2018. Those that qualify must have an existing water-wise garden that has been established through the GIES program. At the workshop, 12 schools attended that met the qualifications. The next step will be for site inspections to be scheduled beginning in May and will continue into the fall season.
- Staff has completed scheduling schools for the Earth Day field trip portion. 1,330 students are scheduled to attend the student day on April 19, 2017.
- The deadline for the 2017 “Water is Life” student art poster contest was March 30, 2017. Staff received 1,500 posters. Judging took place on April 5, 2017. The top five posters in each category were featured on banners and displayed during both student and community day for Earth Day.

### PRIOR BOARD ACTION

None.

**IMPACT ON BUDGET**

The above-mentioned activities are budgeted in the FY 2016/17 Administrative Service Fund, External Affairs Services budget. The Garden in Every School® program expenses are budgeted in the Water Resources Fund.

**INFORMATION  
ITEM**

**5F**

# *Innovative Federal Strategies* LLC

Comprehensive Government Relations

## MEMORANDUM

**To:** Joe Grindstaff, Kathy Besser

**From:** Letitia White

**Date:** March 31, 2017

**Re:** March Monthly Legislative Update

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### ***President Trump Presents Congress with ‘Skinny Budget’***

President Donald Trump’s first installment of his fiscal 2018 budget request, the so-called skinny budget typical for new presidents, was released on March 16. New President’s often release a bare bones budget early in their presidency which serves as a top-line blueprint for their budget desires. While President Trump’s skinny budget does not offer in-depth line item proposals, (those are not expected until late-May,) it does provide a look into the President’s budgetary priorities and the potential fights facing congress.

President Trump is proposing historically deep budget cuts that would touch almost every federal agency and program and dramatically reorder government priorities to boost defense and security spending. Some of the deepest cutbacks are reserved for the agencies and programs Trump has often derided. The State Department would be hit with a 28 percent reduction below fiscal 2016 levels that mainly targets international aid and development assistance; the Environmental Protection Agency would face a 30 percent reduction. Additionally, at least 61 other federal programs would face elimination or budgetary cuts. Programs which enjoy widespread support such as Community Development Block Grants, the Economic Development Administration, Transportation Tiger Grants, and Corporation for Public Broadcasting are proposed to have their funding eliminated.

Some of the budget proposals biggest winners and losers can be seen in the graph below. While these numbers can certainly be concerning, it is important to note that this budget request is simply the beginning of the debate and has received dramatic pushback from members of both political parties.

Republican spending panel members also made clear that they, rather than Trump, would be shaping the bills needed to fund the government. “As I always say, the president proposes and Congress disposes,” said Representative Robert Aderholt, an Alabama Republican who chairs the House subcommittee that writes the USDA funding bill. He said he knows cuts need to be made but plans on tailoring them.

Senior Senators Lindsey Graham, [R-SC] and John McCain [R-AZ] both called the proposed cuts “dead on arrival.” Democrats are expected to oppose the cuts uniformly, with Senate Minority Leader Chuck Schumer [D-NY] issuing a statement saying the plans would be

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“devastating to the middle class” and that Democrats will “emphatically” oppose the cuts and urge Republicans to oppose them as well.

Speaker of the House Paul Ryan [R-WI] said in a statement Thursday he welcomed the Trump blueprint because it “turns the page from the last eight years” of President Barack Obama, though he made it clear that this was just the beginning of the budgetary process and the final product would likely look nothing like President Trump’s proposal.

### **Winners and Losers in the Trump Budget**

Proposed change in spending for select federal departments and agencies.



\*Includes USAID and Treasury international programs  
Source: The Office of Management and Budget

Bloomberg

### ***House of Representatives Fails to Pass Affordable Care Act Replacement Legislation***

House Republican leadership abandoned its first attempt at repealing and replacing the Affordable Care Act after being unable to secure the necessary votes to pass the legislation through the House on Friday, March 24th. After delays earlier in the week and an unpromising whip count, President Donald Trump gave a do-or-die ultimatum to House Republicans, hold a vote and replace Obamacare or leave it alone. Ultimately at the last minute it was clear there were not the votes to pass the legislation and Speaker Ryan pulled the bill from consideration on the floor.

The inability to repeal and replace Obamacare has raised doubts about Speaker Ryan and President Trump’s ability to deliver on the rest of their agenda. “I will not sugarcoat this: This is

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a disappointing day for us,” Ryan told reporters after pulling the legislation from the floor. “But it is not the end of the story.” While President Trump expressed praise for Speaker Ryan in public, sources inside the White house claim Trump blames the speaker for the bill’s embarrassing defeat. President Trump also took to twitter to publicly blame the House Freedom Caucus, a group of conservative lawmakers, for the failure.

House Republicans have publicly claimed that the experience was a learning lesson about the difficulty of becoming the governing party. Representative Steve Womack [R-AR] stated “We have moderates and we have ultra-conservative people in the conference. We have to re-educate ourselves in mathematics and basic arithmetic, we have to learn that we’re not just the party of no. We have to learn how to govern.” Representative Andy Barr [R-KY] echoed a similar sentiment stating “I think that this is a learning lesson and we’ve made this shift from an opposition party to a governing party, and I hope that we do learn from this experience and that we are able to not make the perfect the enemy of the good, because this is not a game.”

Following the loss Republican leaders have stated that they will now refocus their attention on tax reform. Ways and Means Chairman Kevin Brady [R-TX] released a statement that Republicans on his panel “are moving full speed ahead with President Trump on the first pro-growth tax reform in a generation.” However, some members have discussed not giving up on healthcare legislation just yet and bringing it back before the House at some point this spring.

### ***Congressional Focus Shifts to Trump Infrastructure Promises***

Following the failure of Republicans to pass legislation repealing and replacing the Affordable Care Act, congressional Republicans have begun shifting their attention towards other issues on President Donald Trump’s agenda, including infrastructure, an area many believe they may be able to find bipartisan compromise on. Prior to the failure of Obamacare repeal, Office of Management and Budget Director Mick Mulvaney stated that “the infrastructure program is something we’ve just recently started. It won’t probably come until summer or maybe even early fall. We have to do Obamacare repeal and replace first, then tax reform second. That leaves infrastructure probably third, which may come after the August recess in Congress.” However, with Republicans looking for an opportunity expedite their agenda, some lawmakers are considering coupling infrastructure funding with tax reform.

A bipartisan group of lawmakers, Reps. John Delaney (D-Md.), Ted Yoho (R-FL) and Rodney Davis (R-IL) have pushed the concept for years. But now the group — who came to Congress together in 2013 — might have their best shot yet. Trump, who is assembling a \$1 trillion infrastructure package, signaled for the first time in a recent White House meeting that he is considering using a “repatriation” tax holiday to pay for part of his plan. The process involves taxing corporate earnings that are being stored abroad when that money returns to the U.S.

Delaney, Yoho and Davis are seizing on that momentum and renewing their effort to link international tax reform with infrastructure spending. The group introduced two bills this month aimed at tapping into cash overseas that would use the money to upgrade U.S. roads, bridges and other public works. An estimated \$2 trillion in earnings is stashed overseas, they say.



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The idea appears to be gaining momentum in Congress and the White House. On March 28<sup>th</sup>, White House spokesman Sean Spicer would not rule out the possibility of linking the major policy items. Meanwhile, Senate Majority Whip John Cornyn [R-TX] and Senate Commerce, Science and Transportation Chairman John Thune [R-S.D.] both expressed an openness to the idea, with Thune telling reporters, "I always thought an infrastructure bill could hitch a ride on tax reform. They could take them up separately. But I suspect it means it could get more attention and be considered earlier than was previously thought."

### ***Congress Votes to Revoke Broadband Privacy Rules***

The House and Senate both passed Congressional Review Act Resolutions in March to revoke the FCC's broadband privacy rules, sending legislation to the White House that would undo the Federal Communications Commission's (FCC) broadband privacy rules. House Republicans passed the measure on March 28<sup>th</sup> by a vote of 215-205 against fierce opposition from Democrats who were supportive of the Obama-era regulations. Representative Marshall Blackburn [R-TN] led the fight against the regulations stating "These rules are unnecessary and just another example of big government overreach."

The White House has signaled support for the measure and is expected to sign it, undoing one of President Barack Obama's top internet policy achievements. The FCC's previous Democratic majority approved the rules last October on a party-line 3-2 vote, after the agency gave itself more authority over broadband companies via its 2015 net neutrality rules.

### ***Outlook for April***

Congress is scheduled to be in session for two weeks of April, with a two-week Easter recess scheduled from April 10<sup>th</sup>-21<sup>st</sup>. Despite the two-week recess, Members will have quite a bit on their plate during the month. Congress will first have to deal with funding the government for the remainder of Fiscal Year 2017 as the current Continuing Resolution (CR) will expire on April 28<sup>th</sup>. Congress has expressed an optimism that they will be able to pass the necessary legislation, with Senator Jerry Moran [R-KS] stating that the house and Senate are "very close" to a deal on an omnibus at already-agreed-upon spending levels. Additionally, Speaker Paul Ryan recently stated "We're not going to have a government shutdown, the president doesn't want to shut down the government." Majority Leader Kevin McCarthy is not planning on giving his colleagues much time to pass the critical legislation, though, as he does not intend to schedule a vote on the legislation until April 24<sup>th</sup>.

In addition to dealing with the expiring CR, following the failure of the American Health Care Act, Speaker Ryan stated House Republican's attention will turn to overhauling the U.S. tax code, though he did concede that the health bill's failure "does make tax reform more difficult ... but it doesn't in any way make it impossible." Lawmakers and administration officials seem inclined to take more time on tax legislation than they did with the health care legislation. House leaders have said they hope to pass a bill by August. Top Republican senators say it may take even longer than that, though April will likely signal the beginning of the conversation. Despite House leadership and the administration stating a desire to move to tax reform, there are still a few in the Republican caucus who have suggested that the GOP may still try to move on healthcare in early April, though Majority Whip Steve Scalise (R-LA) has denied that this was the case.



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The Senate will continue to hold hearings and votes on confirmations for Presidential appointees. Labor Secretary nominee Alexander Acosta, US Department of Agriculture Secretary Nominee Sonny Perdue and FDA Director Nominee Scott Gottlieb will all receive Senate scrutiny in April. The highest profile vote the Senate will take in April will be on the confirmation of Supreme Court Nominee Judge Neil Gorsuch. That vote is currently scheduled for April 7<sup>th</sup>, though the drama leading up to the vote will be around whether Senate Majority Leader Mitch McConnell will be forced to use the “Nuclear Option” and change the rules governing the Senate to pass Gorsuch with only a Majority vote.

INFORMATION  
ITEM

**5G**



**March 31, 2017**

**To:** Inland Empire Utilities Agency

**From:** Michael Boccadoro  
Beth Olhasso

**RE:** March Legislative Report

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**Overview:**

Legislators spent most of March consumed by getting legislation ready for policy committee hearings. Many bills that were introduced in “spot” format were amended with operative language ahead of the April 28 policy committee deadline. Amendments to short and long-term water efficiency standards, how recycled water is treated in urban water efficiency standards, Proposition 218, and water financing were all amended providing a better look at the direction the legislation is going.

The wet winter continued and the final manual snow survey was completed March 30 which showed that the Sierra snowpack is at 183 percent of April 1 averages. Additionally, drought conditions have continued to ease in the parts limited of the state where the drought remains. Less than ten percent of the state is in any sort of drought conditions, a complete reversal of a year ago when only ten percent of the state was not impacted by drought.

Governor Brown re-appointed Tam Doduc to the State Water Resources Control Board and appointed Joaquin Esquivel to replace retiring Fran Spivey-Weber. Esquivel has served as assistant secretary for federal water policy at the California Natural Resources Agency since 2015.

The Public Policy Institute of California released the results of a statewide survey that included several questions on water. Sixty-one percent of residents say that water and flood infrastructure is very important and increases to 88 percent when adding those who believe it is somewhat important. Additionally, 51 percent state that the California WaterFix is very important, increasing to 67 percent when adding those who consider it somewhat important. Specifically, 52 percent of the Inland Empire identified the WaterFix as very important.

Finally, the Governor and Legislative leadership introduced a \$52.4 billion transportation package split evenly between local and state roads, highways and transportation infrastructure. The plan states that most of the revenue would come from an increased gas tax and increased vehicle licensing fees although specifics are not yet available. The bill needs a two-thirds vote to pass and the Governor and leadership have scheduled the bill for a vote in both houses on April 6.

# Inland Empire Utilities Agency Status Report – March 2017

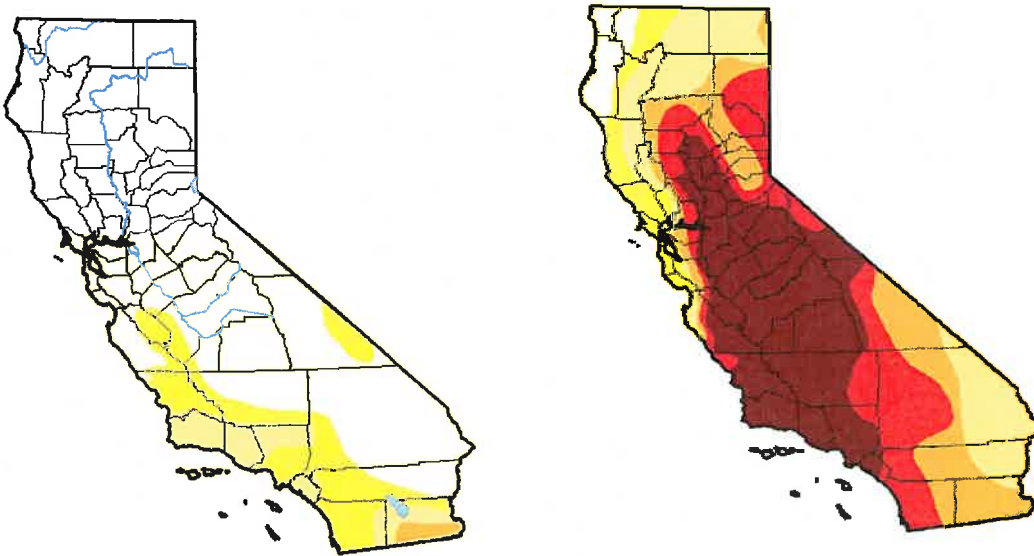
## *Water Supply Conditions*

With every monthly measurement of the California snowpack this winter, the state's rebound from the previous five years of drought becomes more evident. Electronic readings from 95 sites in the Sierra Nevada show an average statewide snow water equivalent (SWE) of 45.8 inches, or 164 percent of the historical average for March 30 (27.9 inches).

The March 30 manual snow survey by the Department of Water Resources (DWR) at Phillips Station in the Sierra Nevada found a SWE of 46.1 inches, 183 percent of the late March/early April long-term average at Phillips (25.2 inches).

SWE is the depth of water that theoretically would result if the entire snowpack melted instantaneously. That measurement is more important than depth in evaluating the status of the snowpack. On average, the snowpack supplies about 30 percent of California's water needs as it melts in the spring and early summer. Additionally, the U.S. Drought Monitor shows less than ten percent of the state is facing any type of drought conditions.

March 29, 2016

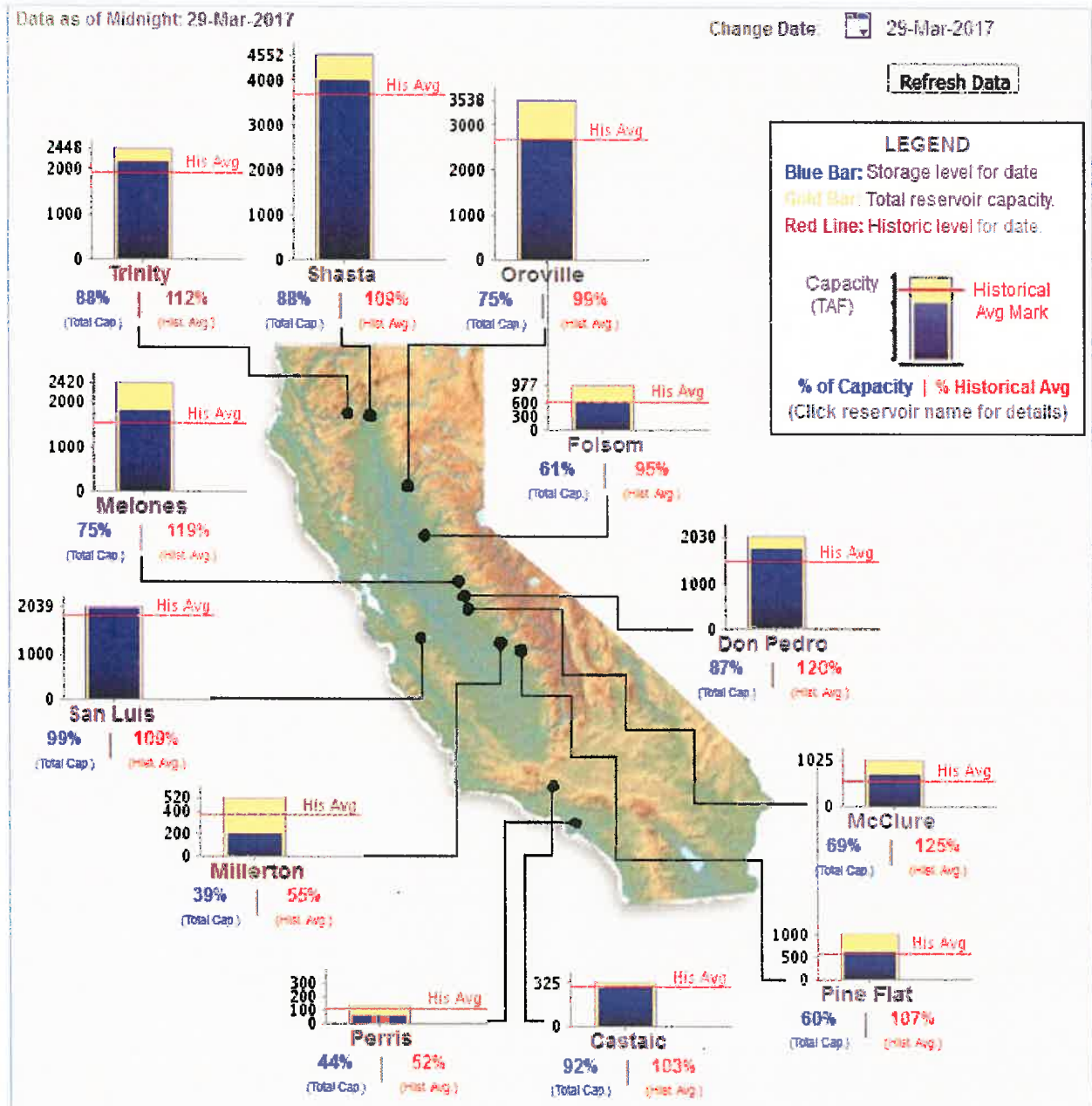


March 28, 2017

### Intensity:



Reservoir conditions continue to improve as well. While some Southern California reservoirs, especially those in the Santa Barbara area, continue to lag behind in storage levels, most reservoirs are reaching capacity. The major State Water Project (SWP) reservoirs are at capacity, with room left for spring runoff and large storm events. The Metropolitan Water District of Southern California (MWD) has indicated that they will likely fill Diamond Valley Lake, which is currently at 83 percent of capacity. Lake Skinner and Lake Matthews are at 85 and 93 percent capacity, respectively. MWD has also noted that they will likely be able to rely solely on SWP supplies, allowing water to refill the critically low, Lake Mead, which is only 41 percent full.



***State Water Resources Control Board Appointments***

Governor Brown recently made two appointments to the State Water Resources Control Board. He re-appointed Tam Doduc, a board member since 2005. Doduc served in several positions at the California Environmental Protection Agency from 2000 to 2005, including deputy secretary for environmental quality, assistant secretary for air and chemical programs, assistant secretary for agriculture and chemical programs and assistant secretary for technology certification. She was an air resources engineer at the California Air Resources Board from 1997 to 2000 and served as special assistant to the secretary at the California Environmental Protection Agency from 1995 to 1997 and from 1993 to 1994. Doduc was a water resources engineer at the State Water Resources Control Board from 1994 to 1995 and from 1989 to 1992. She has been a registered professional civil engineer since 1995. Doduc earned a Master of Business Administration degree from the University of California, Berkeley School of Business and a Master of Science degree in civil engineering from California State University, Sacramento.

Joaquin Esquivel, 34, of La Quinta, has been appointed to the State Water Resources Control Board to replace retiring vice chair, Fran Spivey-Weber. Esquivel has served as assistant secretary for federal water policy at the California Natural Resources Agency since 2015. He served in several positions in the Office of U.S. Senator Barbara Boxer from 2007 to 2015, including research assistant, legislative aide and legislative assistant for water and agriculture issues, and director of information and technology. Esquivel was a center youth manager for Gay Associated Youth from 2002 to 2004.

Both positions require Senate confirmation.

Additionally, Steve Moore is the new Vice Chair of the Board, replacing Fran Spivey-Weber.

***PPIC Poll***

The Public Policy Institute of California recently released the results of a statewide voter survey. The survey included questions across a diverse set of policy issues and included two questions about water. The results are below.

**“The governor has proposed to improve the reliability of water supplies by building tunnels in the Sacramento–San Joaquin Delta. How important is this proposal for the future quality of life and economic vitality of California?”**

	All adults	Region					Likely voters
		Central Valley	San Francisco Bay Area	Los Angeles	Orange/San Diego	Inland Empire	
Very important	51%	40%	49%	64%	48%	52%	47%
Somewhat important	26	28	23	22	31	30	25
Not too important	7	10	6	6	5	9	8
Not at all important	7	15	9	2	5	3	9
Don't know	9	8	12	6	11	6	11



**“How important do you think it is for the state to be spending more money on water and flood management infrastructure in your part of California?”**

	All adults	Region					Likely voters
		Central Valley	San Francisco Bay Area	Los Angeles	Orange/San Diego	Inland Empire	
Very important	61%	65%	56%	63%	60%	62%	60%
Somewhat important	27	25	28	28	30	22	30
Not too important	7	5	8	5	8	13	6
Not at all important	3	3	6	2	2	4	3
Don't know	1	2	1	2	–	–	1

### ***Transportation Funding Deal Announced***

The Governor, Speaker and Pro Tem announced a \$52.4 billion (over ten years) transportation infrastructure package.

#### **Fix Local Streets and Transportation Infrastructure (50 percent):**

- \$15 billion in "Fix-It-First" local road repairs, including fixing potholes
- \$7.5 billion to improve local public transportation
- \$2 billion to support local "self-help" communities that are making their own investments in transportation improvements
- \$1 billion to improve infrastructure that promotes walking and bicycling
- \$825 million for the State Transportation Improvement Program local contribution
- \$250 million in local transportation planning grants

#### **Fix State Highways and Transportation Infrastructure (50 percent):**

- \$15 billion in "Fix-it-First" highway repairs, including smoother pavement
- \$4 billion in bridge and culvert repairs
- \$3 billion to improve trade corridors
- \$2.5 billion to reduce congestion on major commute corridors
- \$1.4 billion in other transportation investments, including \$275 million for highway and intercity-transit improvements

To pay for all of this, the plan includes:

- \$7.3 billion by increasing diesel excise tax 20 cents
- \$3.5 billion by increasing diesel sales tax to 5.75 percent
- \$24.4 billion by increasing gasoline excise tax 12 cents
- \$16.3 billion from an annual transportation improvement fee based on a vehicle's value
- \$200 million from an annual \$100 Zero Emission Vehicle fee commencing in 2020
- \$706 million in General Fund loan repayments



The bill, SB 1 (Beall) requires a two-thirds vote and Leadership has announced a vote in both houses for April 6. Vote counters suggest that as of March 30, they are still as many as seven votes short in the Assembly. There are several two-thirds vote bills proposed early in this session including this transportation bill, authorizing cap and trade, two park bonds and a fix to Proposition 218. The fact that there are four major bills moderate Democrats and maybe Republicans are being asked to support will weigh heavily on the members willingness to support the transportation bill.

### ***Legislative Update***

The Legislature is in full swing working towards the April 28 policy committee deadline. Spot bills have been amended with substantive language, and members are working hard to move their bills out of committees.

### **Water Financing Bills**

Both Senators Hertzberg and Monning have bills that would create a fund for clean drinking water. SB 623 (Monning) creates the “Safe, Affordable Drinking Water Fund” and is sponsored by the Community Water Center and will likely be amended to include an assessment to addresses nitrate contamination. SB 778 (Hertzberg) funds a third-party administrator in disadvantaged communities to run failing water systems. No funding source is identified yet.

Both bills will likely be amended again soon to add more detail and are sure to be among the most significant water policy bills of the year. Recent polling has shown that a majority of Californians support some sort of fee to provide safe, clean and affordable drinking water for all Californians.

### **Recycled Water/Efficiency Bills**

There are a significant number of bills regarding recycled water, and specifically how recycled water is treated in the short and long-term water use efficiency standards.

As discussed in the last report, the WaterReuse bill (AB 574, Quirk) would re-define specific categories of recycled water. Many of the other bills seek to preemptively address how recycled water will be accounted for in the long-term conservation/efficiency measures from the administration.

AB 869 (Rubio) prohibits a retail water supplier from having to reduce recycled water use at any time. AB 869 is sponsored by several retail agencies in San Diego County.

AB 968 (Rubio) is a placeholder for ACWA’s long-term efficiency standards language. The ACWA drafting group is finalizing the language and it will be amended into the bill soon and will exclude recycled water from efficiency standards.

AB 1654 (Rubio) was recently amended with the ACWA “short term” efficiency measures language. This bill amends the Urban Water Management Plan Act and prohibits the State Water Resources Control Board from requiring conservation in a water shortage situation if an agency has identified drought proof supplies in their UWMP.

### **Proposition 218 Reform**

Senator Bob Hertzberg has introduced two bills to address Proposition 218 reform. The bills pick up where the 2016 ACWA effort left off. SB 231 is sponsored by the California Water Foundation and addresses stormwater, specifically how to finance stormwater capture, cleanup and reuse in rates. And SCA 4 is a constitutional amendment that would address lifeline and conservation rates. The Association of California Water Agencies (ACWA) has agreed to sponsor SCA 4, and a drafting group has been working to get language to the Senator. There is still disagreement between the author's office and ACWA about what article the language will be amended into. ACWA wants complete transparency by putting it in Article 13, consistent with Proposition 218. Hertzberg's office prefers it to be in Article 10, to help the bill gain votes by avoiding Proposition 218.

The following is a list of bills WCA initially selected for IEUA to track.

INFORMATION  
ITEM

**5H**

# *Agricultural Resources*

635 Maryland Avenue, N.E.  
Washington, D.C. 20002-5811  
(202) 546-5115  
[dweiman@agriculturalresources.org](mailto:dweiman@agriculturalresources.org)

March 30, 2017

## Legislative Report

**TO:** Joe Grindstaff  
General Manager, Inland Empire Utility Agency

**FR:** David M. Weiman  
Agricultural Resources  
LEGISLATIVE REPRESENTATIVE, IEUA

**SU:** Legislative Report, March 2017

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### State of Affairs

- \* Confirmations for last of the Cabinet positions (USDA, Labor) are still proceeding – albeit slowly.
- \* Rep. Ryan Zinke (R-MT) finally confirmed as Interior Secretary in early March.
- \* Nominations from Administration for Subcabinet positions at DOI, Commerce, NOAA, USDA, EPA, Army Corps – little progress.
- \* Initial Budget Recommendations submitted to Congress (detailed recommendations to be submitted in May) – Domestic programs proposed for major reductions.
- \* Committees are beginning to address their respective legislative agendas.
- \* Key legislative priority – House – Health Care “Repeal/Replace” Failed. Speaker unable to bring bill to floor for vote. Significant implications for tax reform AND infrastructure.
- \* Executive Orders – Pace of orders slowed – but new orders continue to be issued (Climate Change is the new focus).
- \* Regulatory review underway.
- \* In California, drought continues to recede. Flooding still an issue.
- \* On Colorado River, late season storms help water conditions.
- \* Threat of Federal Government shutdown looms (end of April).

### Health Care “Repeal and Replace” Failed

- \* Centerpiece of first 100 days, the announced “repeal and replace” the Affordable Care Act (or, “ACA” and also known as “Obamacare”) was “pulled” from the House Calendar immediately before a scheduled vote).
- \* Political fallout consumed half of March.
- \* House Rs were split and Speaker Ryan was unable get a majority of Rs to support their version of “replace.”
- \* Blame assessment consumed more than 10 days in March (and is still on-going).
- \* Vote was slated to occur in February. He took an additional month to bring a bill to the floor and it didn’t work. Speaker still is unable to draft a bill acceptable to a majority of his own Caucus.

**Senate Confirms Rep. Ryan Zinke as Secretary.**

- \* During the month, Ryan Zinke was confirmed by the US Senate with a bi-partisan vote.
- \* He was immediately sworn in and began service.
- \* First day, he rode a horse to the Department.

**Budget – Administration Submits Proposed Budget**

- \* Summary of key recommendations submitted (53-pages for entire Federal Government)
  - EPA, to be cut 31%
  - EPA manpower to be reduced by 3,100 positions, 50 Programs to be shuttered
  - DOI to be cut 12%
  - DOE to be cut 6%
  - USDA to be cut 20%
  - NOAA (Commerce) to be cut 16%

Congress – on a bi-partisan basis – has been selectively critical of the proposal both for substantive (policy) reasons as well as the lack of justification, explanation or criteria. This will be addressed in both the 2017 and 2018 funding bills (both pending).

**Continuing Resolution – April 28 Deadline – Federal Shutdown Possible**

- \* Current CR for FY 2017 extends to April 28.
- \* Congress needs to fund the Federal Government through September 30 (and, at the same time, enact 12 funding bills for FY 2018 starting next October 1.
- \* Whether or not the House can draft a bill that passes, the Senate can draft a bill that the House won’t reject is unknown.
- \* Once again, speculation is rampant that agreement will not be reached and a shut-down might occur.
- \* The House and Senate will be in session the first week of April, but out of session for the Easter break for the following two weeks. It doesn’t return until the week the CR expires. As a result, the last week of April is already being called the “showdown” week.

**People – New Faces and Old Faces in New Places**

- \* **Lane Dickson**, formerly a staffer on House Water and Power years ago and more recently, representative for Salt River Project, is joining the Senate Energy Committee

(majority) and will be responsible for water.

- \* **Mike Connor**, former BuRec Commissioner and Deputy Secretary of the Interior joined the Walton Foundation. Will work on resource and water issues.
- \* **David Bernhardt**, former Solicitor, US Department of the Interior, under W. Bush. Before the election he was a partner at Brownstein, Hyatt and served on the Trump transition for DOI. Expected to be nominated as Deputy Secretary.
- \* **WaterReuse Association** just completed the final round of interviews for a new Executive Director who is expected to be named in April.
- \* **Joaquin Esquivel**. Washington Office, State of California. Handled water issues for Boxer prior to working for the State. Appointed by the Governor to the Water Board.
- \* **Scott Cameron**. Part of the Interior Department “landing team.” Expected to serve at Interior in the Water and Science corridor as the Secretary’s liaison. Scott previously served at Interior in the budget shop.

#### **Interior Department – Subcabinet Nominations**

- \* To date – at Interior or any of its agencies – Secretary Zinke is the only nomination submitted to the Senate and the only approved nomination.
- \* The Administration has not submitted any additional Interior nominations to the Senate. No nominee yet for Deputy Secretary, Solicitor or Assistant Secretary (five of them). None of the Agency leaders (BuRec, BLM, Parks, Fish and Wildlife, Indian Affairs, DOI Budget, etc.) have been named either. This is true for other Departments and Agencies, including DOD and the State Department.
- \* Zinke has discussed the staffing issue “publicly” and “on-the-record” expressing concern about it.
- \* As reported last month, “*The absence of a team in place has implications for Interior’s ability to develop policy, prepare budgets, and/or to address issues during 2017.*”

#### **Trump Administration – Executive Orders and Climate Change**

- \* At EPA, “Climate Change” is being erased – in all ways, shape and form. References to it are being removed from official documents and reports. According to the emerging suite of policies, climate impacts cannot and will not be studied or considered prospectively.
- \* The WH signed Orders beginning to dismantle and reverse established policies related to climate change (Clean Power Plan).

- \* The Administration is openly critical of “climate change” and these directive apply at EPA and across the Federal family of Departments and agencies.

### **Health Care, Tax Reform and Infrastructure – All Inter-Related**

- \* Health care collapsed. In the bill, tax provisions that, now in their absence, impact a tax reform bill. And, with regard to “Infrastructure,” Trump wants to provide “tax credits” not appropriations. These initiatives are all interrelated.
- \* With health care mired in internal conflict, the House leadership (and the WH) are turning to tax reform.
- \* Proposed tax bill itself – not released or introduced by the Ways and Means Committee. Timetable for bill introduction, hearings and other committee actions not disclosed yet.
- \* In late March, House Rs now indicating they want to pass its tax reform bill by the August recess.
- \* Few meaningful details available yet.

### **Infrastructure**

- \* Last month, a detailed status report was provided. Little has changed.
- \* Infrastructure is actively being discussed, but health care and tax reform will be considered first.
- \* The Senate Energy Committee did hold a hearing this month at which Senator Lisa Murkowski (R-AK), Chair, stated that “water” was an important programmatic element of infrastructure – a welcome statement.
- \* Senators Cantwell (D-WA) and Gardner (R-CO) made similar statements.

### **Drought – Water Conditions**

- \* Last month, I reported that, “*In January, the NOAA-USDA-University of Nebraska Drought Monitor map of California began to change. By the end of February, only “trace” signs of drought are evident anywhere in California.*” At the end of March, it continues to be accurate. While winter storm activity in CA was down in March – storms are continuing to form. By any yardstick, a stunning turn-around.
- \* DWR Monthly Snow Surveys remain strong.

### **Foreign Issues Have the Potential to Alter the Legislative Agenda**

- \* Syria is a mess and getting worse.
- \* North Korea is becoming more and more provocative with multiple missile tests – and



direct threats to China, Japan, South Korea and the US.

- \* Foreign hacking continues to become a major issue. Russian hacking, it is now reported, is the subject of an FBI task force investigation.
- \* China's leader will be meeting Trump in early April. Key issue – North Korea. US-Chinese relations will be on the table.
- \* Putin and Russian actions continue to be disruptive, dangerous and manipulative.

Any one of these matters has the potential to alter everything that's happening in Washington.

**Looking Towards Late April.**

- \* Supreme Court nomination will get resolved – one way or another.
- \* Funding for the remainder of 2017 and 2018 must have to be resolved by April 28 – federal shutdown more and more a possibility (everyone politician says they don't want it – even oppose it – but this won't be resolved until the last possible minute. And, the Freedom Caucus has publicly stated that a real cut in federal domestic spending will be required for them to support debt ceiling legislation.

# # # # #

**INFORMATION  
ITEM**

**51**



CALIFORNIA STRATEGIES, LLC

Date: March 28, 2017  
To: Inland Empire Utilities Agency  
From: John Withers, Jim Brulte  
Re: March Activity Report

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California Strategies is honored to provide consulting services to the Inland Empire Utilities Agency. In addition to our regular monthly meeting with the Senior Staff of the Agency, we continue to be available to members of the Senior Staff and Board Members throughout the year to deliver advice, answer questions or provide services consistent with the mission of IEUA. Here is our monthly activity report:

- Participated in our monthly meeting with the Senior Staff of the Agency on March 06.
- Participated and supported the Sacramento legislative reception
- Briefed the Senior Staff on Federal Infrastructure Funding opportunities
- Discussed the planning effort for the Water Banking project in Chino Basin
- Discussed IEUA 2017 Goals and Objectives and ways that California Strategies can assist the Agency with the accomplishment of those goals.
- Participated in a continuation of previous discussion related to State Finances and Processes including Little Hoover Commission hearings on Special Districts
- Discussed the Regional Contract and the phasing of contacts with local stakeholders based on a draft being prepared in an April timeframe
- Discussed and made recommendations related to the creation of a Water Bank JPA with the City of Ontario, Monte Vista Water District and Cucamonga Valley Water District
- Consulted and advised Board member Hall on her new role as CASA Director
- And at least one Board member contacted both John Withers and Jim Brulte to solicit advice.

**INFORMATION  
ITEM**

**5J**

**Federal Legislation of Significance**

Bill Number	Sponsor	Title and/or Summary	Summary/Status																
H.R. 2028	Sen. Mitch McConnell (R-KY)	FY17 Continuing Resolution Package	<p>A continuing resolution funding the federal government was passed by the House and Senate in early December and was signed into law on December 10, 2016. The CR provides funding for all federal agencies except for Military Construction and Veterans Affairs through April 28, 2017.</p> <p>In March the House of Representatives passed the FY17 Defense Spending bill. Speaker Paul Ryan (R-WI) then announced that the House would not be taking up any more individual spending bills and it would be up to Majority leader Mitch McConnell (R-KY) to figure out how to package the remaining spending bills before the current CR expires.</p>																
		FY17 Energy and Water Development and Related Agencies Appropriations legislation	<p>As the House and Senate Appropriations Committee staff renew efforts to produce a FY17 Energy and Water Bill it is helpful to review what progress was made with the legislation in 2016.</p> <table border="1" data-bbox="856 781 1980 951"> <thead> <tr> <th>Program</th> <th>President' Budget</th> <th>House Report</th> <th>Senate Report</th> </tr> </thead> <tbody> <tr> <td>Title XVI</td> <td>\$21.5 million</td> <td>\$24 million</td> <td>\$21.5 million</td> </tr> <tr> <td>WaterSMART</td> <td>\$23.4 million</td> <td>\$24 million</td> <td>\$23.4 million</td> </tr> <tr> <td>Western Drought</td> <td>\$0</td> <td>\$0</td> <td>\$100 million</td> </tr> </tbody> </table> <p>It is anticipated that this could be one of the first FY17 bills completed this spring. We will continue to push for additional funding for the WaterSMART and Title XVI grants, and work to ensure that additional discretionary funding is included in the final agreement. If discretionary funding is included, we will work again this year to request that the funding be used to supplement all of the programs under the WaterSMART umbrella so that more money is available for individual grants when individual awards are made.</p>	Program	President' Budget	House Report	Senate Report	Title XVI	\$21.5 million	\$24 million	\$21.5 million	WaterSMART	\$23.4 million	\$24 million	\$23.4 million	Western Drought	\$0	\$0	\$100 million
Program	President' Budget	House Report	Senate Report																
Title XVI	\$21.5 million	\$24 million	\$21.5 million																
WaterSMART	\$23.4 million	\$24 million	\$23.4 million																
Western Drought	\$0	\$0	\$100 million																
H.R. 23	Rep. David Valadao (R-CA)	Gaining Responsibility on Water Act of 2017	<p>Among other things the legislation would require regulators to comply with the Bay-Delta Accord. The measure has been referred to the House Committee on Natural Resources and the Committee on Agriculture. At this time, it is our understanding that there isn't much of an appetite to revisit California drought legislation after just including language in the Water Resource Development Act passed at the end of 2016.</p>																

	Rep. Bill Shuster (R-PA) /Sens. Jim Inhofe (R-WY) and Kamala Harris (D-CA)	Infrastructure Package	<p>Congressional hearings continue on the topic of an infrastructure package. During February both the House Transportation and Infrastructure Committee and the Senate Environment and Public Works Committee held a hearings on modernizing the nation's infrastructure. The Senate Commerce, Science and Transportation Committee is scheduled to hold a hearing on infrastructure access issues on March 1. We anticipate that both the House and Senate will continue to get feedback from stakeholders throughout the country as they continue to consider crafting an infrastructure package.</p> <p>While discussions continue the Republican leadership has indicated that the legislation will likely not gain momentum until Congress concludes action regarding the Affordable Care Act and tax reform legislation.</p>
	Rep. Ken Calvert (R-CA) / Sen. Lisa Murkowski (R-AK)	FY17 Interior, Environment, and Related Agencies Appropriations legislation	<p>As House-Senate negotiators work to conference the FY17 Interior Appropriations legislation we will be monitoring provisions included in the House passed bill. In addition to the normal funding, the legislation included provisions aimed at curbing the environmental agenda of the Obama Administration. Those provisions include:</p> <ul style="list-style-type: none"> <li>• prohibiting the implementation of the "waters of the United States" regulatory definition (currently on hold by the courts);</li> <li>• prohibiting EPA from implementing new greenhouse gas regulations for new or existing power plants;</li> <li>• eliminating funding for greenhouse gas "New Source Performance Standards";</li> <li>• prohibiting EPA from changing the definition of "fill materials";</li> <li>• prohibitions on new methane requirements; and</li> <li>• prohibitions on changes to the "stream buffer rule".</li> </ul> <p>The Senate bill, which passed out of the Senate Appropriations Committee along party lines also included a prohibition to the implementation of the "waters of the United States" regulatory definition. The Senate legislation has not been considered on the floor.</p>
H.R. 1663	Rep. Grace Napolitano (D-CA) / Rep. Rob Wittman (R/VA)	Water Resources Research Amendments Act	<p>This legislation would extend a Federal-State partnership aimed at addressing state and regional water problems, promoting distribution and application of research results, and providing training and practical experience for water-related scientists and engineers. H.R. 1663 would authorize \$9,000,000 annually over five years for grants to water resources research institutes and require two-to-one matching with non-federal funds. It would also promote exploration of new ideas, expand research to reduce energy consumption, and bolster reporting and accountability requirements.</p>

			The bill has been introduced in the House Committee on Natural Resources and no actions have yet been scheduled on it.
H.R. 497/ S.357	Rep. Paul Cook/ Sen. Dianne Feinstein	Santa Ana River Wash Plan Land Exchange Act	<p>This bill directs the Department of the Interior: (1) to quitclaim to the San Bernardino Valley Water Conservation District in California approximately 327 acres of identified federal land administered by the Bureau of Land Management, and (2) in exchange for such land, to accept from the Conservation District a conveyance of approximately 310 acres of its land.</p> <p>The Bill is scheduled for a hearing in front of the Federal Lands subcommittee of the House Natural Resources Committee. The bill has bipartisan, bicameral support.</p>
S. 32	Sen. Dianne Feinstein	California Desert Protection and Recreation Act	<p>This bill would designate important wilderness in the California desert and protect lands for recreation, wildlife and tourism. Aspects of the bill include:</p> <ul style="list-style-type: none"> <li>• Mandate study and protection of Native American cultural trails along the Colorado River.</li> <li>• Designate 230,000 acres of additional wilderness area between the Avawatz Mountains near Death Valley to Imperial County's Milpitas Wash.</li> <li>• Add 43,000 acres to Death Valley and Joshua Tree national parks.</li> <li>• Create a 75,000-plus acre special management area at Imperial County's Vinagre Wash.</li> <li>• Designate Inyo County's Alabama Hills as a National Scenic Area.</li> <li>• Prohibit new mining claims on 10,000 acres in Imperial County considered sacred by the Quechan Tribe.</li> </ul> <p>Additionally, the bill protects 140,000 acres of existing off-road vehicle riding areas from mining, energy development, military base expansion or other decisions that would close them to vehicle use.</p>



INFORMATION  
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**5K**

**State Legislation**

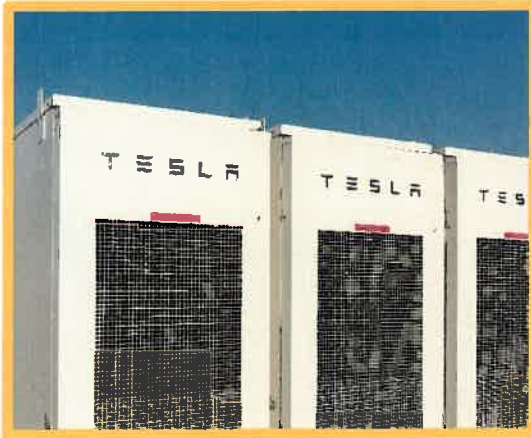
Bill Number	Sponsor	Title and/or Summary	Summary/Status	IEUA Position
AB 574	Quirk	Potable Reuse	<p>Current law required the State Department of Public Health to develop and adopt uniform water recycling criteria for surface water augmentation, as defined, by December 31, 2016, if a specified expert panel found that the criteria would adequately protect public health health. Current law defined the terms “direct potable reuse,” “indirect potable reuse for groundwater recharge,” and “surface water augmentation” for these purposes. This bill would remove certain references to “direct potable reuse,” “indirect potable reuse for groundwater recharge,” and “surface water augmentation,” and would instead specify the four different types of potable reuse projects as “groundwater augmentation,” “reservoir augmentation,” “raw water augmentation,” and “treated water augmentation.”</p>	<p>SUPPORT</p> <p>4/4- Env. Safety and Toxic Materials Comm.</p>
AB 791	Frazier	Sacramento-San Joaquin Delta: State Water Project and federal Central Valley Project: new conveyance facility.	<p>The Sacramento-San Joaquin Delta Reform Act of 2009 prohibits construction of a new Delta conveyance facility from being initiated until the persons or entities that contract to receive water from the State Water Project and the federal Central Valley Project or a joint powers authority representing those entities have made arrangements or entered into contracts to pay for certain costs required for the construction, operation, and maintenance of the facility and full mitigation of property tax or assessments levied for land used in the construction, location, mitigation, or operation of the facility. This bill would require, before a water contractor enters into a contract to pay for these costs, that the lead agency provide the breakdown of costs for each water contractor entering into a contract and what benefits each contractor will receive based on the proportion it has financed of the proposed conveyance project.</p>	<p>OPPOSE</p> <p>Water, Parks and Wildlife Comm.</p>

AB 792	Frazier	Sacramento-San Joaquin Delta: Delta Plan: certification of consistency.	The Sacramento-San Joaquin Delta Reform Act of 2009 establishes the Delta Stewardship Council and requires the council to develop, adopt, and commence implementation of a comprehensive management plan for the Delta, known as the Delta Plan. The act requires a state or local public agency that proposes to undertake a covered action to prepare and submit to the council a written certification of consistency with the Delta Plan before undertaking that action. This bill would prohibit the council from granting a certification of consistency with the Delta Plan until the board has completed its update of a specified water quality control plan.	OPPOSE  Water, Parks and Wildlife Comm.
AB 793	Frazier	Sacramento-San Joaquin Delta: financing.	Would declare it to be state policy that the existing state of the Sacramento-San Joaquin Delta is recognized and defined as an integral component of California's water infrastructure. The bill would state that the maintenance and repair of the Delta are eligible for the same forms of financing as other water collection and treatment infrastructure and would specify the maintenance and repair activities that are eligible are limited to certain cleanup and abatement-related restoration and conservation activities.	OPPOSE  Water, Parks and Wildlife Comm.
SB 231	Hertzberg	Local government: fees and charges.	Articles XIIC and XIID of the California Constitution generally require that assessments, fees, and charges be submitted to property owners for approval or rejection after the provision of written notice and the holding of a public hearing. Current law, the Proposition 218 Omnibus Implementation Act, prescribes specific procedures and parameters for local jurisdictions to comply with Articles XIIC and XIID of the California Constitution and defines terms for these purposes. This bill would define the term "sewer" for these purposes. The bill would also make findings and declarations relating to the definition of the term "sewer" for these purposes.	SUPPORT  4/5 Senate Gov. and Finance Comm.

INFORMATION  
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**5L**

# 3<sup>rd</sup> Quarter Planning & Environmental Resources Update



# Regulatory Compliance Update

- **Regional Water Quality Control Board**
  - RP-1: Chlorinated Discharge
    - Feb 14, 2017, 137,500 gallons
  - CCWRF – Chlorodibromomethane
    - 3 exceedances in February (avg. monthly & 2 max. daily)
    - 2 exceedances in March (avg. monthly)
- **Air Quality Management District**
  - 100% compliance
- **Division of Drinking Water**
  - CDA1 and GWR – 100% compliance

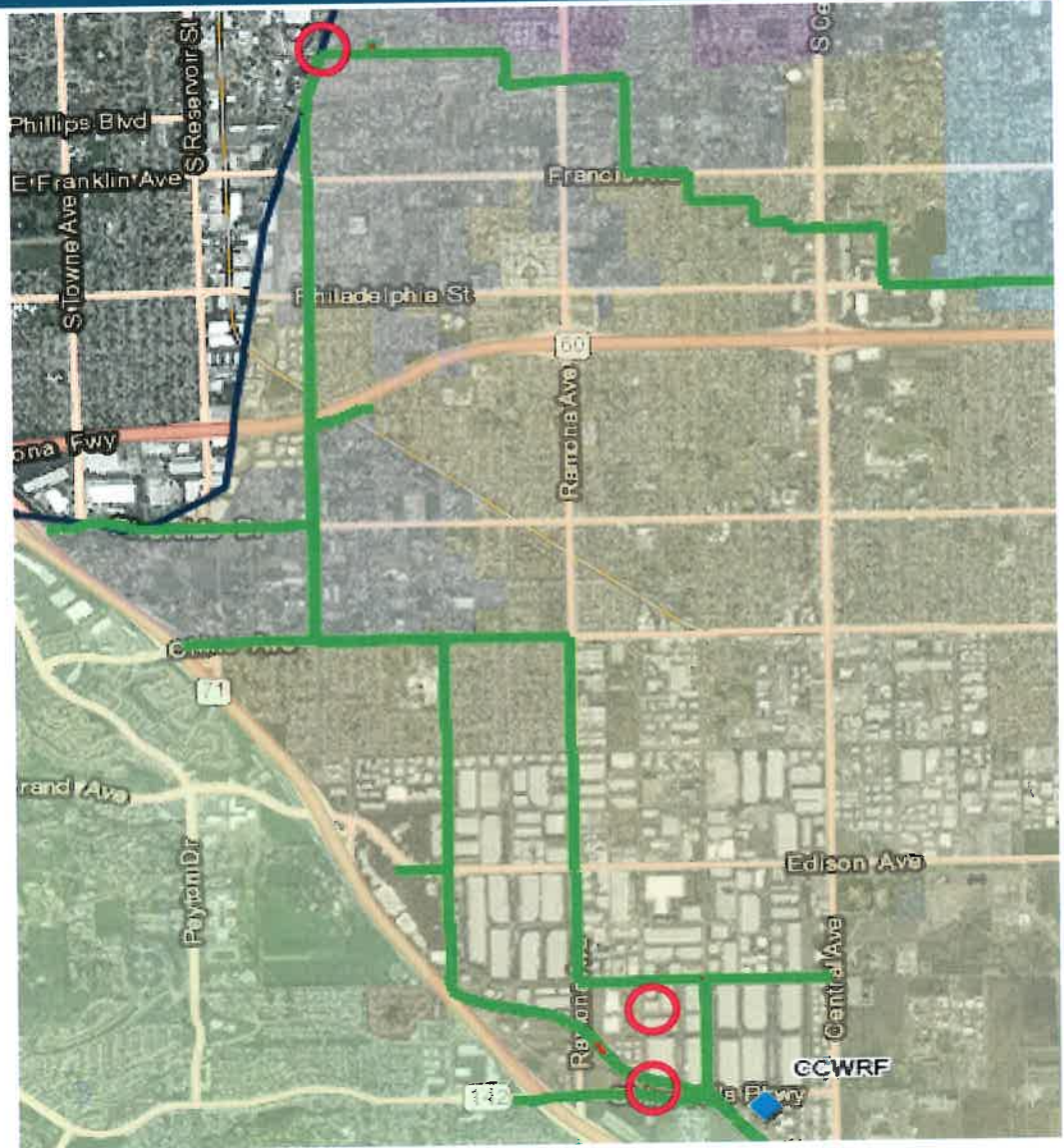




# Bromide Source Evaluation

- Identification

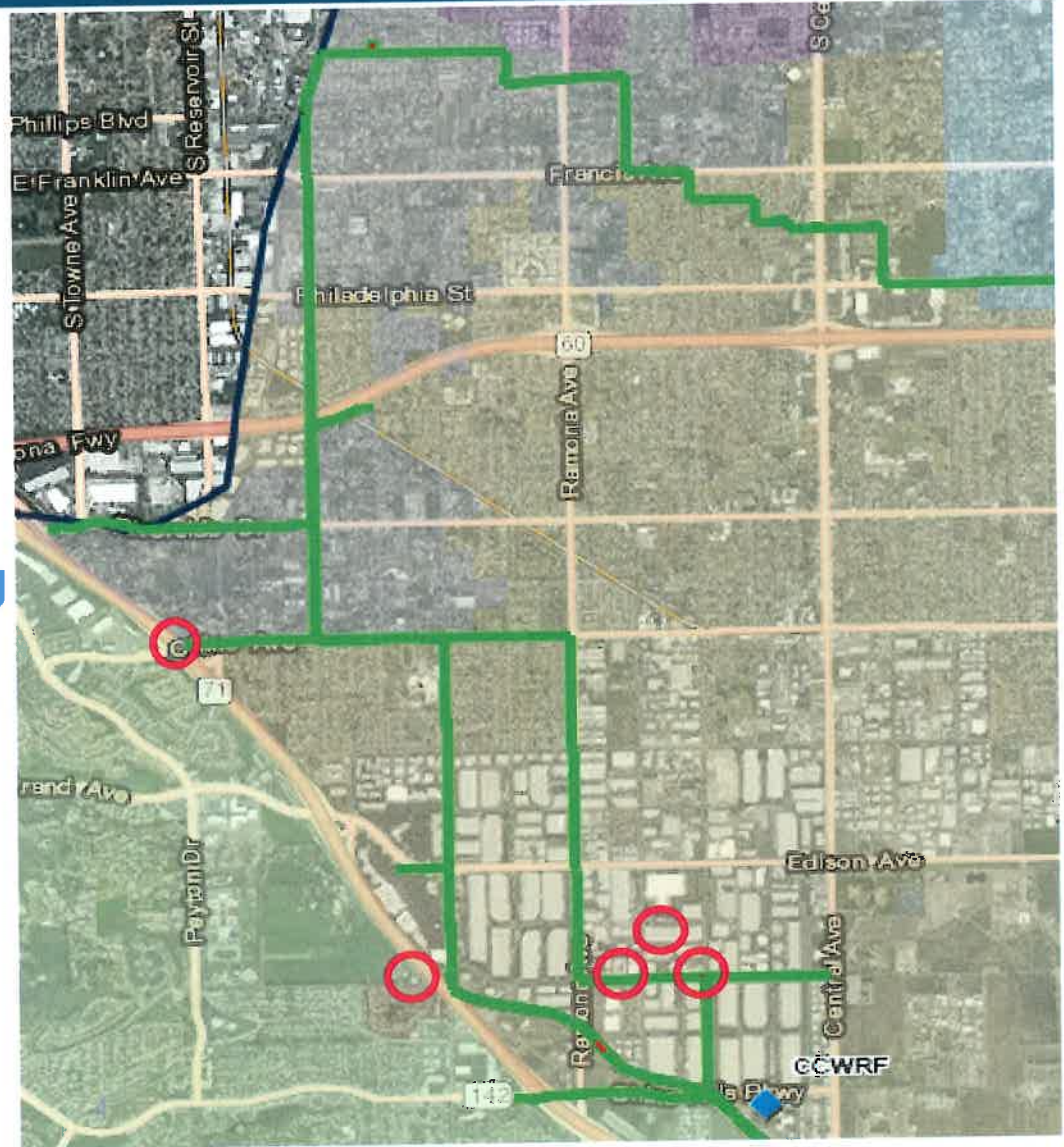
- No change in permitted industries
- Bromide is precursor to the Tri Halomethanes (THM)
- Chlorodibromomethane
- Dichlorobromomethane





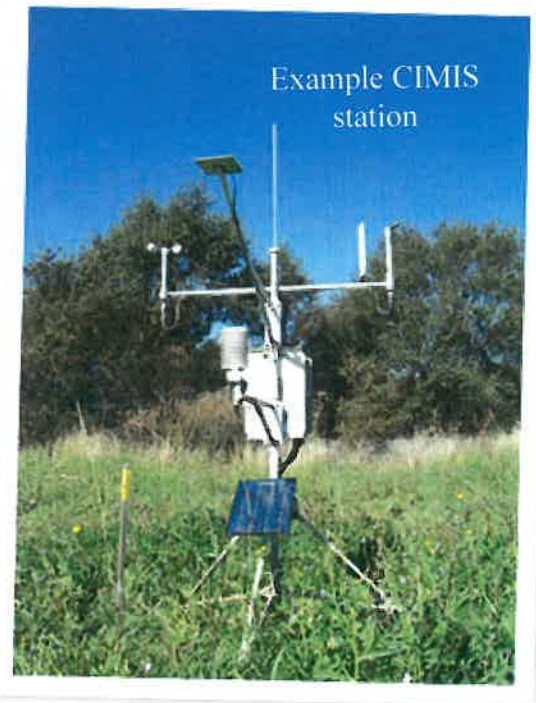
# Bromide Source Evaluation

- Sampling
  - CCWRF trunk line sampling
  - Westside Interceptor sewer indicate presence of Bromide
  - Suspect multiple sources
- Next Steps
  - Continue upstream monitoring
  - Identify specific source(s)
  - Prohibit discharges



# Water Resources Activities

- **Weather Station at California Institute for Men (CIM)**
  - Received approval from State/DWR to calculate service area water budgets
- **Agricultural water use efficiency**
  - Installation of soil moisture sensors/ use of compost
  - Demonstration project: agricultural | water savings
- **California Data Collaborative**
  - Demonstrate residential efficiency standards per water agency
  - Rate comparison tool specific to agencies
  - Analysis of turf market transformation (MWD service area)
  - State-wide heat map of efficiency



INFORMATION  
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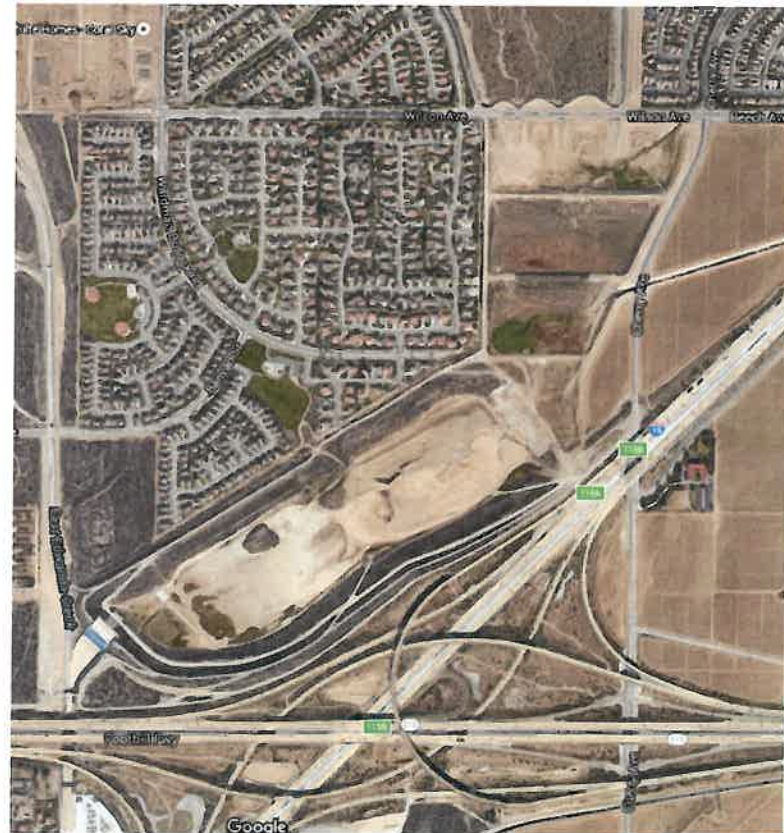


# Recycled Water Semi-Annual Update FY 2016/17



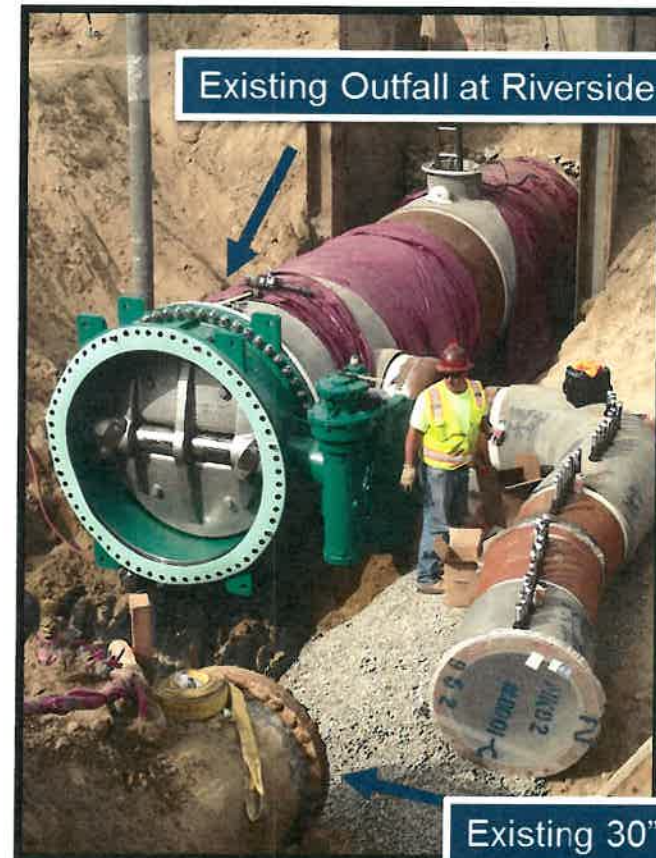
# RW Project- San Sevaine

- San Sevaine 5
  - Pump Station & Pipeline to upper 3 Basins
  - Final Design
  - Estimated Completion: June 2018
  - Approx. 4,000-6,000 AFY RW Capacity
  - Total Project Cost: \$6.5M



# Other Near Term RW Projects

- RW 1158 Pump Station Upgrades
- Baseline RW Pipeline Extension
  - Village of Heritage
- Napa Laterals
  - CSI & Speedway
- RP-1 Outfall Parallel Pipeline
- RP-5 RW Pipeline Bottleneck



Existing Recycled Water Pipe Connection at Riverside Dr.



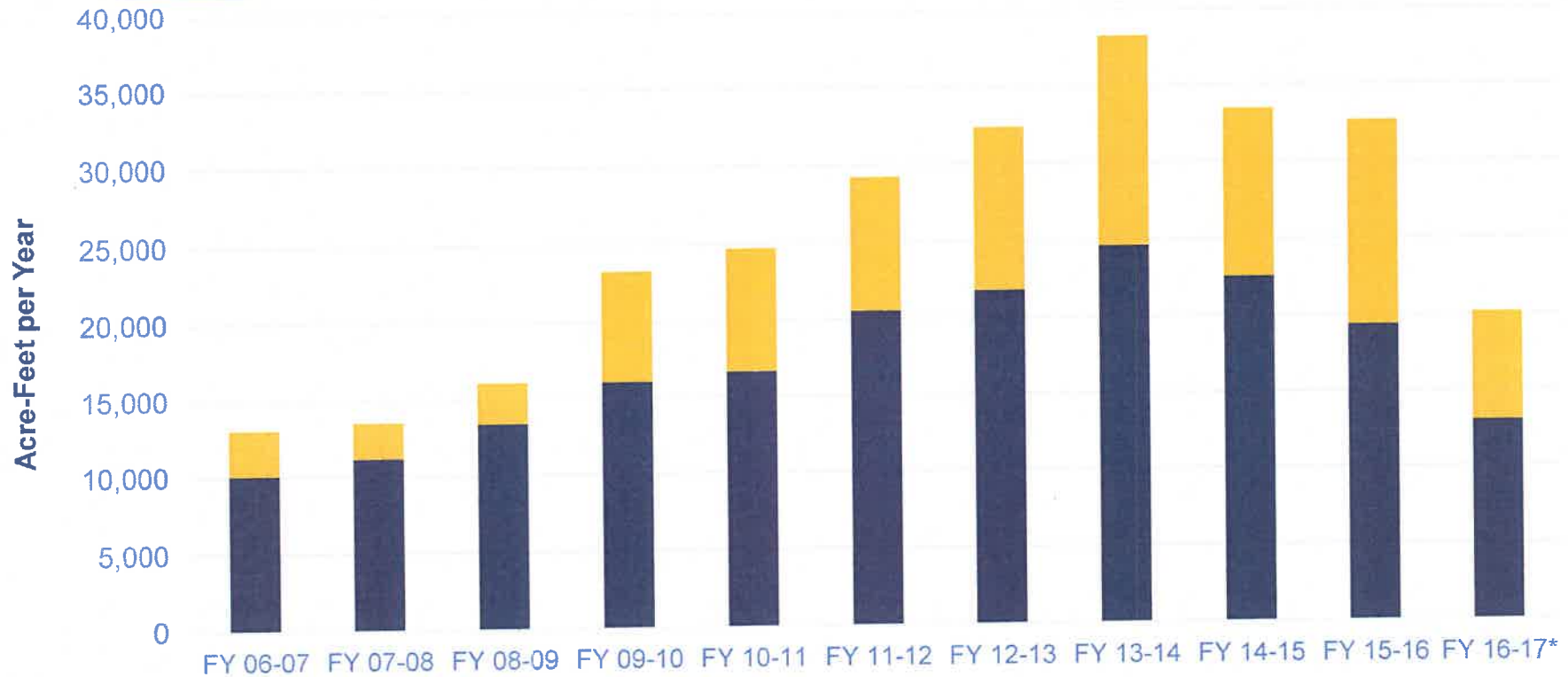
# RW Projects

- Prop 1 Grant Projects
  - State Board in process of evaluating funding

Project Name	Status	Estimated Completion Date	Grant Commitment (AFY)	Prop 1 Group	Est. Award Date
San Sevaine Basin Improvements	Design	Jan-18	1,500	3	2017
Napa Lateral	Pre Design	Dec-18	500	3	2017
RP-1 1158 PS Upgrades	Pre Design	July-19	2,361	3	2018
RP-5 RW Pipeline Bottleneck	Design	Oct-18	0	3	2018
Pressure Sustaining Valve Installation	Pre Design	Dec-18	0	3	2018
RP-1 Parallel Outfall Pipeline	Initial Eval	Dec-18	500	3	2018
Baseline RW Extension (Village of Heritage)	Pre Design	Dec-18	105	3	2018
City of Ontario Euclid/Riverside Pipeline	Design	Dec-18	476	4	TBD
IEUA-JCSD	Initial Study	TBD	3,000	4	TBD
IEUA-Pomona-MVWD	Initial Study	TBD	1,000	4	TBD



# Recycled Water Deliveries



<b>Direct</b>	<b>10,048</b>	<b>11,153</b>	<b>13,361</b>	<b>16,057</b>	<b>16,656</b>	<b>20,556</b>	<b>21,840</b>	<b>24,659</b>	<b>22,850</b>	<b>19,397</b>	<b>13,055</b>
<b>GWR</b>	<b>2,981</b>	<b>2,340</b>	<b>2,684</b>	<b>7,208</b>	<b>8,028</b>	<b>8,634</b>	<b>10,479</b>	<b>13,593</b>	<b>10,840</b>	<b>13,222</b>	<b>7,085</b>
<b>Total</b>	<b>13,029</b>	<b>13,493</b>	<b>16,045</b>	<b>23,265</b>	<b>24,684</b>	<b>29,190</b>	<b>32,319</b>	<b>38,252</b>	<b>33,690</b>	<b>32,619</b>	<b>20,140</b>



# RW GWR Allocations

Agency	Pro Rata Share	Recharge Allocation Acre-Feet, FY 16/17*
Chino	10.8%	685**
Chino Hills	9.1%	578
CVWD	25.4%	1,616
Fontana	19%	1,210
Montclair	4.4%	279
Ontario	21.7%	1379
Upland	9.7%	621
<b>Total (Excluding JCSD)</b>		<b>6,368</b>
JCSD***		716
<b>TOTAL</b>		<b>7,084</b>

\* Through December 2016

\*\* Chino's allocation will be reconciled at end of FY per IEUA Resolution 2016-6-17

\*\*\* JCSD maximum benefit: 750 AFY

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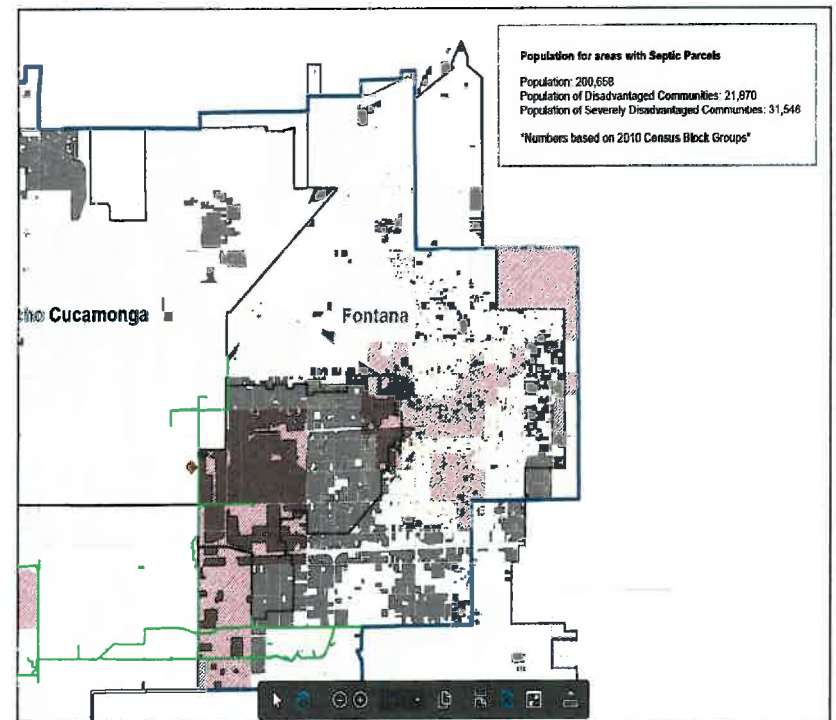
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# Septic to Sewer Feasibility Study Update



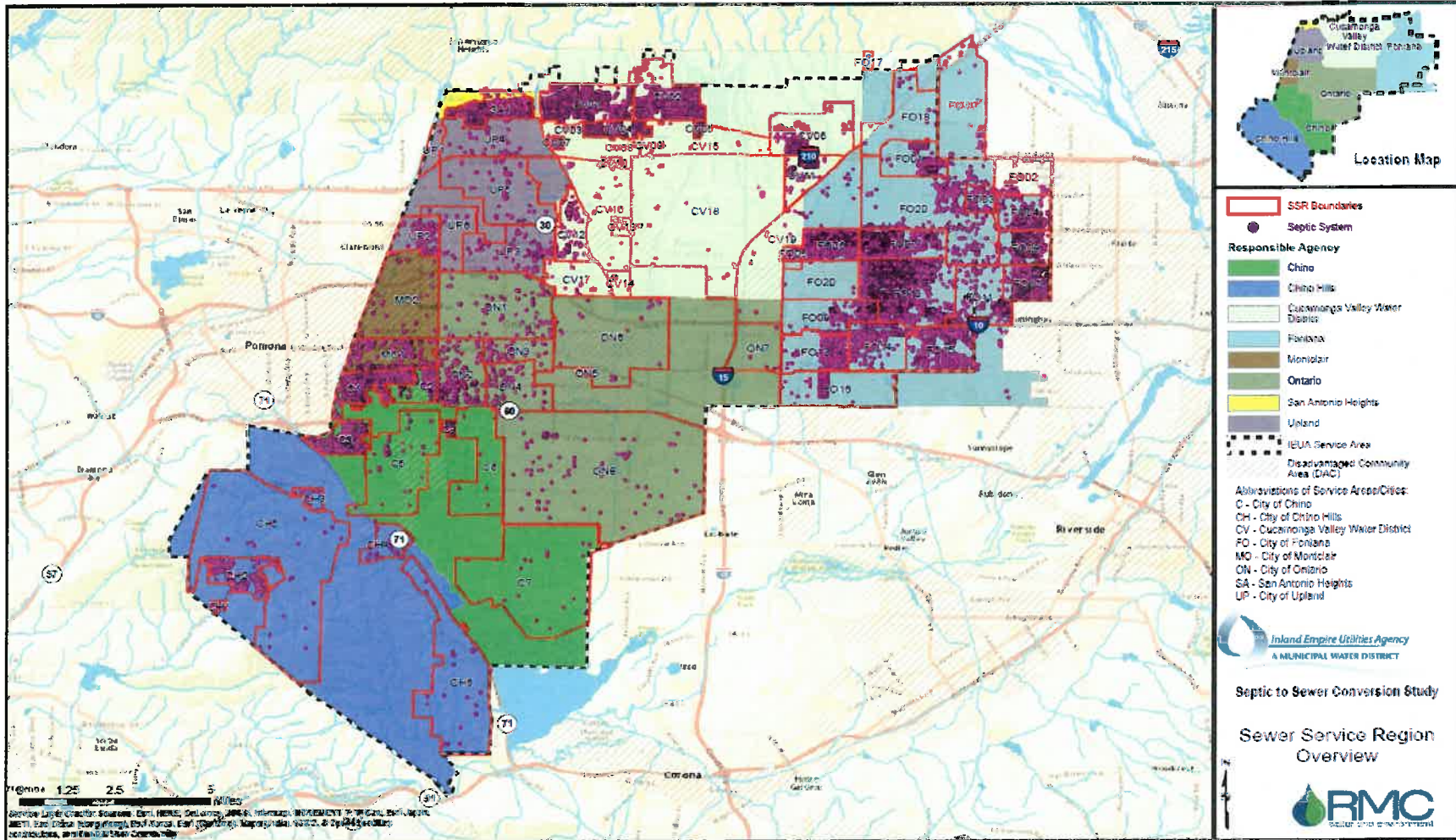
# Feasibility Study Project Goals

- Goal: Conversion of septic users to sewer service
  - Cost Effectiveness – ranked based on grant funding
  - Groundwater quality benefits
  - Low Impact Development Considerations
- Grant Opportunity
  - \$500,000 max/city
  - Disadvantaged Communities
  - Fontana Service Area Submitted to State Water Resources Control Board





# Feasibility Study Progress Update



# Feasibility Study Progress Update

- **Septic System Parcels\***

Chino	Chino Hills	CVWD	Fontana	Montclair	Ontario	Upland	Total
1,898	449	4,771	11,853	514	300	1,632	21,417

\* un-incorporated areas and non-member agency areas are depicted as most probable member agency parcels

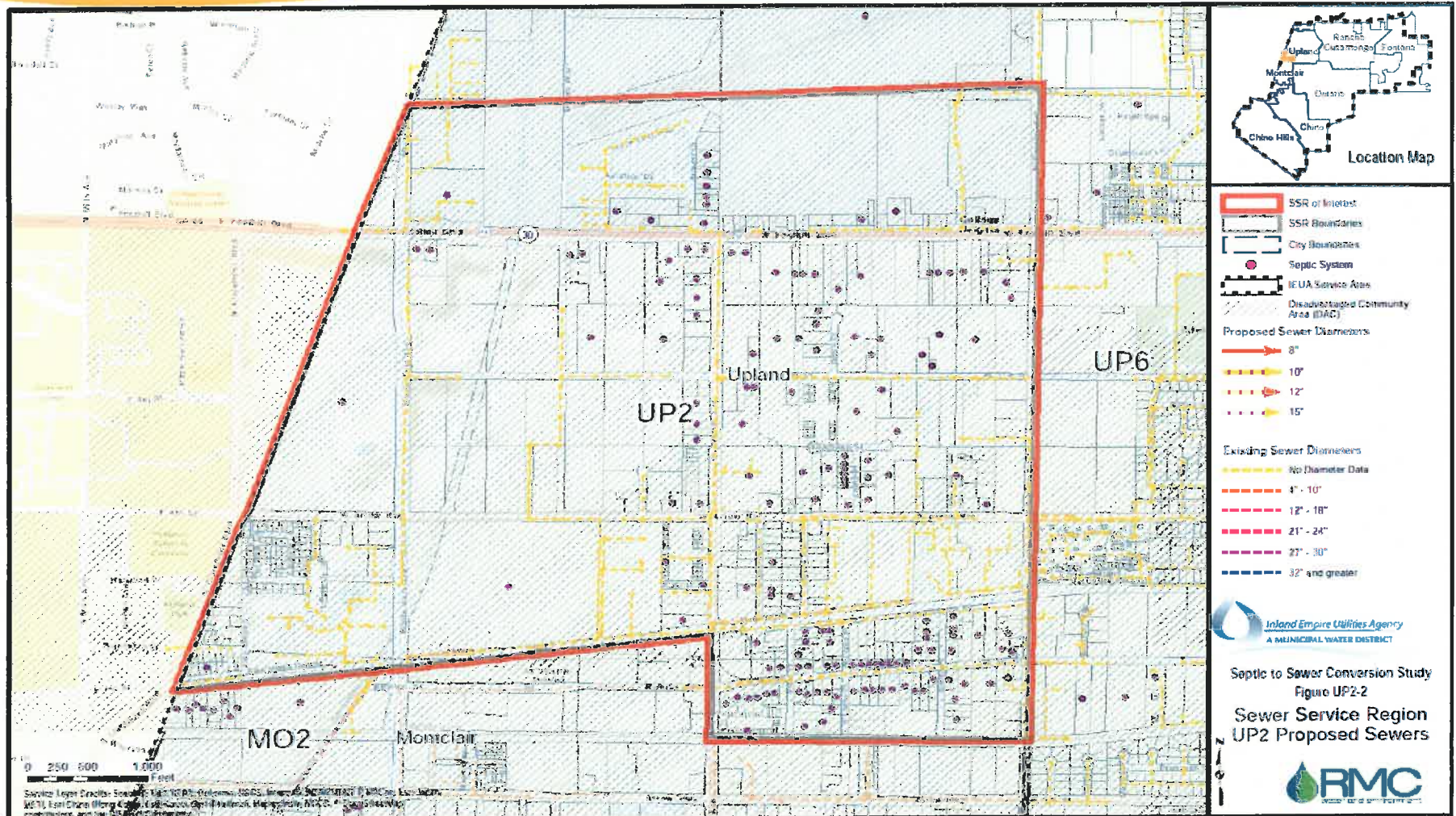
- **Sewer Service Regions (SSRs) as established by the study**

- SSRs: parcels grouped as “sewer sheds” within each area for funding and construction purposes
- Comments on SSRs requested from all Contracting Agencies

Chino	Chino Hills	CVWD	Fontana	Montclair	Ontario	Upland	Total
7	6	19	20	2	8	9	71

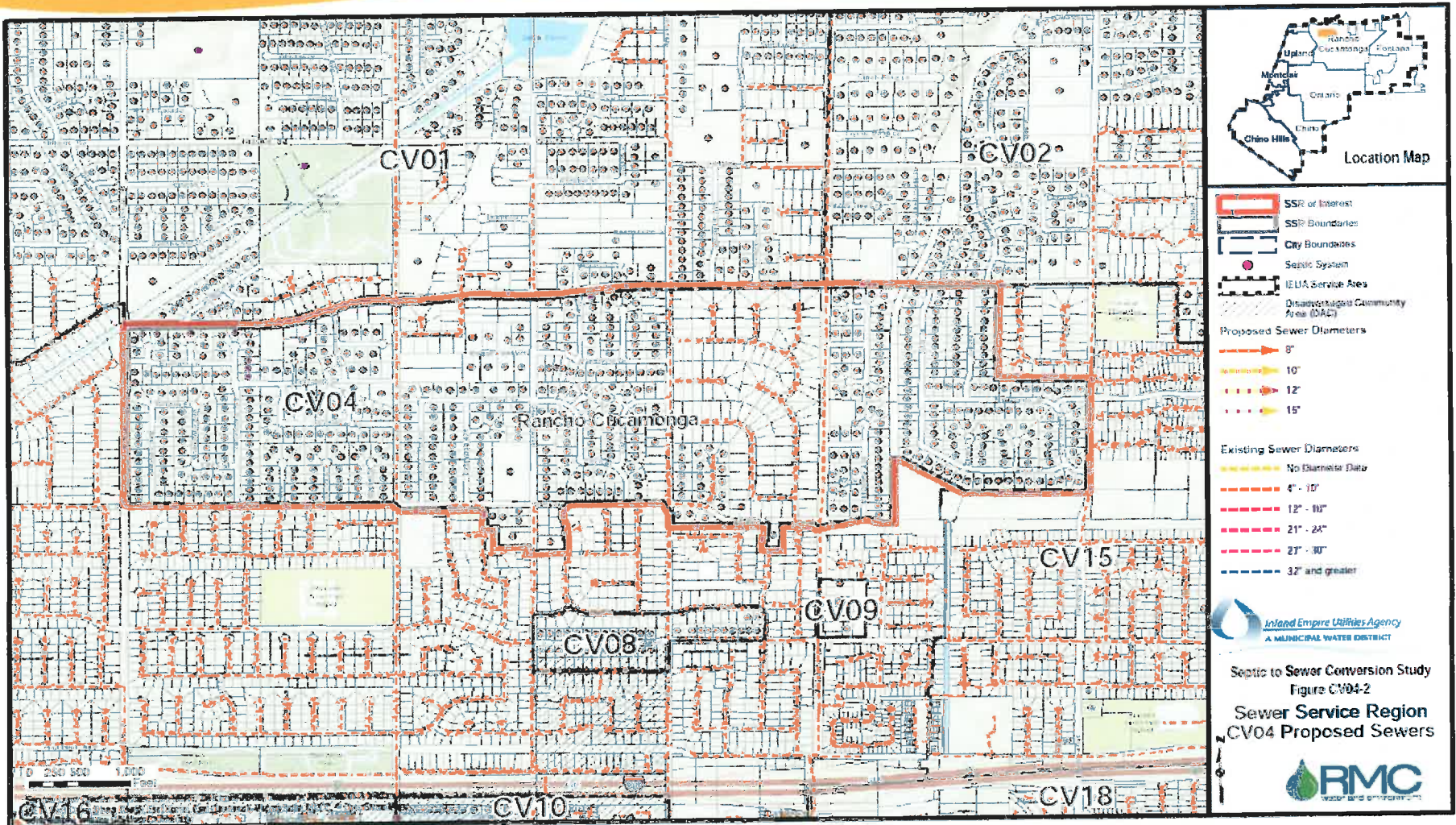


# Upland SSR Example





# CVWD SSR Example



# Next Steps

- Assessment of current sewer system capacity for SSRs (May 2017)
  - Contracting Agency and IEUA Collection Systems
- Development of SSRs master layout & cost estimation (May 2017)
- SSRs prioritization (June 2017)
  - Cost
  - Disadvantaged communities
  - Groundwater impacts
  - Proximity to existing sewers
  - Multiple benefits (stormwater/recycled water)
- Draft & final feasibility study (July 2017)
  - Contracting Agency representatives have opportunity to comment on draft

**AGENCY  
REPRESENTATIVES'  
REPORTS**

**6A**



# S A W P A

SANTA ANA WATERSHED PROJECT AUTHORITY  
11615 Sterling Avenue, Riverside, California 92503 • (951) 354-4220

## REGULAR COMMISSION MEETING TUESDAY, APRIL 18, 2017 – 9:30 A.M.

### AGENDA

1. **CALL TO ORDER/PLEDGE OF ALLEGIANCE** (Susan Lien Longville, Chair)
2. **ROLL CALL**
3. **PUBLIC COMMENTS**  
Members of the public may address the Commission on items within the jurisdiction of the Commission; however, no action may be taken on an item not appearing on the agenda unless the action is otherwise authorized by Government Code §54954.2(b).
4. **CONSENT CALENDAR**  
All matters listed on the Consent Calendar are considered routine and non-controversial and will be acted upon by the Commission by one motion as listed below.
  - A. **APPROVAL OF MEETING MINUTES: APRIL 4, 2017**  
**Recommendation:** Approve as posted.
  - B. **TREASURER'S REPORT – MARCH 2017**  
**Recommendation:** Approve as posted.
5. **CLOSED SESSION**
  - A. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)(1)**  
Name of Case: Spiniello Companies v. Charles King Company, Inc., Santa Ana Watershed Project Authority, The Ohio Casualty Insurance Company (Superior Court of Los Angeles BC616589)
  - B. **PURSUANT TO GOVERNMENT CODE SECTION 54957 – PERSONNEL MATTERS**  
General Manager
6. **NEW BUSINESS**
  - A. **EXECUTIVE SEARCH REQUEST FOR PROPOSALS (RFP)**  
**Presenter:** Celeste Cantú  
**Recommendation:** Consideration and action to issue a Request for Proposals (RFP) seeking proposals from Executive search firms.
  - B. **UPDATE ON SAWPA ORDINANCE REVISIONS (CM#2017.58)**  
**Presenter:** Lucas Gilbert  
**Recommendation:** Receive and file.



- C. **INLAND EMPIRE BRINE LINE REACH V REHABILITATION AND IMPROVEMENT PROJECT – PHASE 1**  
**Presenter:** David Ruhl  
**Recommendation:** Receive and file.
- D. **WMWD LA SIERRA PIPELINE – RIGHT-OF-ENTRY (CM#2017.54)**  
**Presenter:** Rich Haller  
**Recommendation:** Authorize the General Manager to issue a right-of-entry to W.A. Rasic for the installation of two (2) pipelines through the SAWPA parking lot as part of the Western Municipal Water District La Sierra Pipeline project.
- E. **INLAND EMPIRE BRINE LINE PURCHASE PRICE FOR TREATMENT AND DISPOSAL CAPACITY (CM#2017.55)**  
**Presenter:** Rich Haller  
**Recommendation:** Adopt Resolution No. 2017-07, establishing the purchase price for the Inland Empire Brine Line Treatment and Disposal Capacity.
- F. **APPROVAL OF A CONTRACT WITH SCHEEVEL ENGINEERING FOR THE DESIGN OF THE SANTA ANA SUCKER PROTECTION AND BENEFICIAL USE ENHANCEMENT PROJECT (CM#2017.56)**  
**Presenter:** Ian Achimore  
**Recommendation:** Approve issuance of an Agreement for Services and Task Order No. SCH381-01 with Scheevel Engineering for an amount not to exceed \$96,725 for the Design of the Santa Ana Sucker Protection and Beneficial Use Enhancement Project (Project) subject to cost share approval by the SBVMWD Board.
- G. **APPROVAL OF WATERSHED SIGNAGE WITH BRI COMMUNICATIONS (CM#2017.57)**  
**Presenter:** Ian Achimore  
**Recommendation:** Approve issuance of contracts with Bri Communications for an amount not to exceed \$11,200 to design, install and maintain of Santa Ana River Watershed signs throughout the Watershed for four consecutive years.
- H. **DISCUSSION OF SAWPA JOINT POWERS AUTHORITY AGREEMENT PROVISIONS**  
**Presenter:** Larry McKenney  
**Recommendation:** Discussion and direction.
- I. **OUTSTANDING MEMBER AGENCY CONTRIBUTIONS – UPDATE**  
**Presenter:** Celeste Cantú  
**Recommendation:** Discussion and direction.
7. **INFORMATIONAL REPORTS**  
**Recommendation:** Receive and file the following oral/written reports/updates.
- A. **OWOW PLAN UPDATE 2018 STATUS (CM#2017.59)**  
**Presenter:** Mike Antos
- B. **CASH TRANSACTIONS REPORT – FEBRUARY 2017**  
**Presenter:** Karen Williams

- C. **INTER-FUND BORROWING – FEBRUARY 2017 (CM#2017.51)**  
Presenter: Karen Williams
- D. **PERFORMANCE INDICATORS/FINANCIAL REPORTING – FEBRUARY 2017 (CM#2017.52)**  
Presenter: Karen Williams
- E. **BUDGET VS. ACTUAL VARIANCE REPORT – FYE 2017 SECOND QUARTER – DECEMBER 31, 2016 (CM#2017.53)**  
Presenter: Karen Williams
- F. **FINANCIAL REPORT FOR THE FIRST QUARTER ENDING DECEMBER 31, 2016**
  - Inland Empire Brine Line
  - SAWPAPresenter: Karen Williams
- G. **STATUS REPORT – 2017 OWOW CONFERENCE (May 25 | Ontario Convention Center)**  
Presenter: Celeste Cantú
- H. **GENERAL MANAGER’S REPORT**
- I. **SAWPA GENERAL MANAGERS MEETING NOTES – APRIL 11, 2017**  
Presenter: Celeste Cantú
- J. **STATE LEGISLATIVE REPORT**  
Presenter: Celeste Cantú
- K. **CHAIR’S COMMENTS/REPORT**
- L. **COMMISSIONERS’ COMMENTS**
- M. **COMMISSIONERS’ REQUEST FOR FUTURE AGENDA ITEMS**

## 8. **ADJOURNMENT**

### PLEASE NOTE:

Americans with Disabilities Act: Meeting rooms are wheelchair accessible. If you require any special disability related accommodations to participate in this meeting, please contact (951) 354-4220 or [kberry@sawpa.org](mailto:kberry@sawpa.org). 48-hour notification prior to the meeting will enable staff to make reasonable arrangements to ensure accessibility for this meeting. Requests should specify the nature of the disability and the type of accommodation requested.

Materials related to an item on this agenda submitted to the Commission after distribution of the agenda packet are available for public inspection during normal business hours at the SAWPA office, 11615 Sterling Avenue, Riverside, and available at [www.sawpa.org](http://www.sawpa.org), subject to staff’s ability to post documents prior to the meeting.



**Declaration of Posting**

I, Kelly Berry, Clerk of the Board of the Santa Ana Watershed Project Authority declare that on Wednesday, April 12, 2017, a copy of this agenda has been uploaded to the SAWPA website at [www.sawpa.org](http://www.sawpa.org) and posted in SAWPA's office at 11615 Sterling Avenue, Riverside, California.

/s/

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Kelly Berry, CMC

**2017 SAWPA Commission Meetings/Events**

First and Third Tuesday of the Month

(NOTE: Unless otherwise noticed, all Commission Workshops/Meetings begin at **9:30 a.m.**  
 and are held at SAWPA.)

<b>January</b> 1/3/17 Commission Workshop 1/10/17 Special Commission Meeting 1/17/17 Regular Commission Meeting	<b>February</b> 2/7/17 Commission Workshop 2/21/17 Regular Commission Meeting
<b>March</b> 3/7/17 Commission Workshop 3/21/17 Regular Commission Meeting	<b>April</b> 4/4/17 Commission Workshop 4/18/17 Regular Commission Meeting
<b>May</b> 5/2/17 Commission Workshop 5/9 – 5/12/17 ACWA Spring Conference, Monterey 5/16/17 Regular Commission Meeting 5/25/17 OWOW Conference [Ontario Convention Center]	<b>June</b> 6/6/17 Commission Workshop 6/20/17 Regular Commission Meeting
<b>July</b> 7/4/17 No Meeting (Independence Day) 7/18/17 Regular Commission Meeting	<b>August</b> 8/1/17 Commission Workshop 8/15/17 Regular Commission Meeting
<b>September</b> 9/5/17 Commission Workshop 9/19/17 Regular Commission Meeting	<b>October</b> 10/3/17 Commission Workshop 10/17/17 Regular Commission Meeting
<b>November</b> 11/7/17 Commission Workshop 11/21/17 Regular Commission Meeting 11/28 – 12/1/17 ACWA Fall Conference, Anaheim	<b>December</b> 12/5/17 Commission Workshop 12/19/17 Regular Commission Meeting



# SAWPA

SANTA ANA WATERSHED PROJECT AUTHORITY

11615 Sterling Avenue, Riverside, California 92503 • (951) 354-4220

## AGENDA

### **SPECIAL MEETING OF THE PROJECT AGREEMENT 23 COMMITTEE**

Santa Ana River Conservation and Conjunctive Use Program (SARCCUP)

Committee Members:

Thomas P. Evans, Western Municipal Water District Governing Board President  
Jasmin A. Hall, Inland Empire Utilities Agency Governing Board Secretary/Treasurer  
Susan Lien Longville, San Bernardino Valley Municipal Water District Governing Board President [Acting Chair]  
Paul D. Jones, Eastern Municipal Water District General Manager  
Michael Markus, Orange County Water District General Manager

**TUESDAY, APRIL 4, 2017 – 10:30 A.M.**

[Immediately following the regular meeting of the SAWPA Commission.]

1. **CALL TO ORDER** (Susan Lien Longville, Acting Chair)
2. **PUBLIC COMMENTS**  
Members of the public may address the Committee on items within the jurisdiction of the Committee; however, no action may be taken on an item not appearing on the agenda unless the action is otherwise authorized by Government Code §54954.2(b).
3. **ACKNOWLEDGE NEW COMMITTEE MEMBERS AND ELECTION OF COMMITTEE CHAIR AND VICE CHAIR**
4. **SET REGULAR PA 23 COMMITTEE MEETING SCHEDULE**  
**Recommendation:** Regular meetings of the PA 23 Committee shall be held immediately following the regular meeting of the SAWPA Commission, but no earlier than 10:30 a.m., on the first Tuesday of every other month, at SAWPA, 11615 Sterling Avenue, Riverside, California.
5. **APPROVAL OF MEETING MINUTES: JANUARY 26, 2017**  
**Recommendation:** Approve as posted.
6. **COMMITTEE DISCUSSION ITEMS**
  - A. **IMPACT OF DECISION SUPPORT MODEL RESULTS TO SARCCUP PROJECT FACILITIES (PA23#2017.1)**  
**Presenters:** SARCCUP Agencies  
**Recommendation:** Support a change order to the contract with CH2M to run the Decision Support Model to evaluate new project facilities.

**B. SUPPORT REQUEST FOR PROPOSALS FOR SARCCUP MASTER PLAN**  
**(PA23#2017.2)**

**Presenter: SBVMWD**

**Recommendation:** Support a request for proposals (RFP) to be issued by SBVMWD on behalf of the SARCCUP agencies to acquire consultant support in developing the SARCCUP Master Plan.

**7. INFORMATIONAL REPORTS**

**Recommendation:** Receive and file the following oral/written reports/updates.

**A. SARCCUP DETAILED SCHEDULE**

**Presenters: RMC | Woodard & Curran**

**B. CALIFORNIA ENVIRONMENTAL QUALITY ACT DOCUMENTS STATUS**

**Presenter: IEUA**

**C. SARCCUP CONSERVATION MEASURES COST SHARING AGREEMENT**

**Presenter: WMWD**

**D. METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA AGREEMENTS STATUS**

**Presenters: EMWD | SBVMWD**

**E. SUB-AGREEMENTS STATUS**

**Presenter: SAWPA**

**F. PROJECT AGREEMENT 23 COMMITTEE REPRESENTATION UPDATE AND MEETING SCHEDULE**

**Presenter: SAWPA**

**8. COMMITTEE MEMBER REQUESTS FOR FUTURE AGENDA ITEMS**

**9. ADJOURNMENT**

**PLEASE NOTE:**

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Clerk of the Board at (951) 354-4230. Notification at least 48 hours prior to the meeting will enable staff to make reasonable arrangements to ensure accessibility to this meeting.

Materials related to an item on this agenda submitted to the Committee after distribution of the agenda packet are available for public inspection during normal business hours at the SAWPA office, 11615 Sterling Avenue, Riverside, and available at [www.sawpa.org](http://www.sawpa.org), subject to staff's ability to post documents prior to the meeting.

**Declaration of Posting**

I, Kelly Berry, Clerk of the Board of the Santa Ana Watershed Project Authority declare that on Thursday, March 30, 2017, a copy of this agenda has been uploaded to the SAWPA website at [www.sawpa.org](http://www.sawpa.org) and posted in SAWPA's office at 11615 Sterling Avenue, Riverside, California.

/s/

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Kelly Berry, CMC

### 2017 Project Agreement 23 Committee Regular Meetings

Fourth Thursday of Every Other Month

(Note: All meetings will be held immediately following the regular meetings of the PA 22 Committee, but no earlier than 8:30 a.m., unless otherwise noticed, and are held at SAWPA.)

<b>January</b>	
1/26/17	Regular Committee Meeting
<b>March</b>	
3/23/17	<del>Regular Committee Meeting</del> [cancelled]
<b>April</b>	
4/4/17	Special Committee Meeting
<b>May</b>	
5/25/17	Regular Committee Meeting
<b>July</b>	
7/27/17	Regular Committee Meeting
<b>September</b>	
9/28/17	Regular Committee Meeting
<b>November</b>	
11/16/17*	Regular Committee Meeting*

\* Meeting date adjusted due to conflicting holiday.

**AGENCY  
REPRESENTATIVES'  
REPORTS**

**6B**



THE METROPOLITAN WATER DISTRICT  
OF SOUTHERN CALIFORNIA

# MWD MEETING AGENDA

**Board Meeting - Revised**  
**Meeting with Board of Directors**

**April 11, 2017**

**12:00 p.m. -- Board Room**

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**MWD Headquarters Building**

**700 N. Alameda Street**

**Los Angeles, CA 90012**

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**1. Call to Order**

- (a) Invocation: Anna Serobyana, Human Resources Group
- (b) Pledge of Allegiance: Director Glen C. Dake, City of Los Angeles

**2. Roll Call**

**3. Determination of a Quorum**

**4. Opportunity for members of the public to address the Board on matters within the Board's jurisdiction. (As required by Gov. Code § 54954.3(a))**

**5. OTHER MATTERS**

- A. Approval of the Minutes of the Meeting for March 14, 2017. (A copy has been mailed to each Director) Any additions, corrections, or omissions

Draft Minutes

- B. Report on Directors' events attended at Metropolitan expense for month of March
- C. Presentation of Commendatory Resolution to past Director Michael Touhey, representing Upper San Gabriel Valley Municipal Water District
- D. Approve committee assignments
- E. Chairman's Monthly Activity Report

**6. DEPARTMENT HEADS' REPORTS**

- A. General Manager's summary of Metropolitan's activities for the month of March

6A Report

- B. General Counsel's summary of Legal Department activities for the month of March

6B Report

- C. General Auditor's summary of activities for the month of March

6C Report

- D. Ethics Officer's summary of activities for the month of March

**7. CONSENT CALENDAR ITEMS — ACTION**

- 7-1 Adopt CEQA determination and appropriate \$1.32 million; and authorize design to rehabilitate finished water reservoirs at the Joseph Jensen and Henry J. Mills Water Treatment Plants (Appropriation No. 15417). (E&O)

7-1 Board Letter and Attachments

7-1 Presentation

- 7-2 Adopt CEQA determination and appropriate \$540,000; award \$325,000 procurement contract to Golden Empire Concrete Products, Inc. for a precast concrete building at Mile 12 on the Colorado River Aqueduct; and authorize installation of discharge line coupling at Gene Pumping Plant (Appropriations Nos. 15438 & 15481). (E&O)

7-2 Board Letter and Attachments

7-2 Presentation

- 7-3 Adopt CEQA determination and authorize increase in change order authority for the construction contract to refurbish lagoons for the Joseph Jensen Water Treatment Plant. (E&O)

7-3 Board Letter and Attachment

7-3 Presentation

- 7-4 Adopt CEQA determination and appropriate \$1.35 million; and authorize design and procurement to replace chemical storage tanks at the Joseph Jensen and Henry J. Mills Water Treatment Plants (Appropriations Nos. 15486 and 15479). (E&O)

7-4 Board Letter and Attachments

7-4 Presentation

- 7-5 Adopt CEQA determination and adopt resolution for the 105th Fringe Area Annexation to Eastern Municipal Water District and Metropolitan. (F&I)

7-5 Board Letter and Attachments

7-5 Presentation

- 7-6 Adopt CEQA determination and adopt resolution for the 107th Fringe Area Annexation to Eastern Municipal Water District and Metropolitan. (F&I)

7-6 Board Letter and Attachments

7-6 Presentation

- 7-7 Adopt CEQA determination and adopt resolution to apply for and accept funding from the State Water Resources Control Board's Water Recycling Funding Program. (WP&S)

7-7 Board Letter and Attachments

7-7 Presentation

- 7-8 Adopt CEQA determination and amend the Administrative Code to add Conservation and Local Resources Special Committee. (L&C)

7-8 Board Letter and Attachment

(END OF CONSENT CALENDAR)

**8. OTHER BOARD ITEMS — ACTION**

- 8-1 Adopt CEQA determination and adopt resolution approving Treatment Charge Workgroup's proposed policy principles, recommended treatment capacity charge, and treatment capacity charge implementation. (F&I) (Subject Changed)

8-1 Board Letter and Attachments

8-1 Presentation

- 8-2 Adopt CEQA determination and approve resolutions fixing and adopting a Readiness-to-Serve Charge and a Capacity Charge for calendar year 2018. (F&I)



8-2 Board Letter and Attachments

8-2 Presentation

- 8-3 Adopt CEQA determination and appropriate \$23.73 million; and authorize: (1) full-scale control and electrical system upgrades at Hiram W. Wadsworth Pumping Plant; (2) \$15,993,000 agreement with Glenmount Global Solutions; and (3) increase of \$630,000 to agreement with Power-Tech Engineers, Inc., for a new not-to-exceed total of \$1,974,000 (Appropriation No. 15467). (E&O)

8-3 Board Letter and Attachments

8-3 Presentation

- 8-4 Adopt CEQA determination and authorize the General Manager to enter into Cyclic Agreements with Metropolitan's member agencies. (WP&S)

8-4 Board Letter and Attachment

8-4 Presentation

- 8-5 Adopt CEQA determination and appropriate \$1.5 million; and authorize agreement with the California Department of Water Resources for preliminary design of a water recovery project at Lake Perris (Appropriation No. 15402). (WP&S)

8-5 Board Letter and Attachments

8-5 Presentation

- 8-6 Adopt CEQA determination, appropriate \$1.5 million, and authorize entering into a project agreement with the Sites Project Authority for participation in the Sites Reservoir Phase 1 planning process for an amount not to exceed \$1.5 million. (WP&S) (Subject updated)

8-6 Board Letter and Attachments

8-6 Presentation

- 8-7 Adopt CEQA determination and express support for SB 231 (Hertzberg, D-Van Nuys) - Local Government: Fees and Charges. (C&L)

8-7 Board Letter and Attachment

8-7 Presentation

- 8-8 Adopt CEQA determination and express support for AB 1654 (Rubio D-Baldwin Park) - Urban Water Management Planning. (C&L)

8-8 Board Letter and Attachment

8-8 Presentation

- 8-9 Adopt CEQA determination and express opposition to AB 472 (Frazier, D-Oakley) - Water Transfers: Idled Agricultural Land: Wildlife, Waterfowl, and Bird Nesting Habitat. (C&L)

8-9 Board Letter and Attachment

8-9 Presentation

**9. BOARD INFORMATION ITEMS**

None

**10. FUTURE AGENDA ITEMS**

**11. ADJOURNMENT**

REVISED: Date of Notice: April 6 2017

NOTE: At the discretion of the committee, all items appearing on this agenda, whether or not expressly listed for action, may be deliberated and may be subject to action by the committee.

This committee reviews items and makes a recommendation for final action to the full Board of Directors. Final action will be taken by the Board of Directors. Agendas for the meeting of the Board of Directors may be obtained from the Board Executive Secretary. This committee will not take any final action that is binding on the Board, even when a quorum of the Board is present.

Writings relating to open session agenda items distributed to Directors less than 72 hours prior to a regular meeting are available for public inspection at Metropolitan's Headquarters Building and on Metropolitan's Web site <http://www.mwdh2o.com>.

Requests for a disability related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting should be made to the Board Executive Secretary in advance of the meeting to ensure availability of the requested service or accommodation.

**AGENCY  
REPRESENTATIVES'  
REPORTS**

**6C**



## **Regional Sewerage Program Policy Committee Meeting**

### **AGENDA**

**Thursday, April 6, 2017**

**4:30 p.m.**

#### **Location**

**Inland Empire Utilities Agency  
Event Room – Building B  
6075 Kimball Avenue  
Chino, CA 91710**

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#### **Call to Order and Roll Call**

#### **Pledge of Allegiance**

#### **Public Comment**

#### **Changes/Additions/Deletions to the Agenda**

- 1. Technical Committee Report (*Oral*)**
- 2. Action Item**
  - A. Approval of the March 2, 2017 Meeting Minutes**
- 3. Informational Items**
  - A. Regional Contract Update/Renewal (*Oral*)**
  - B. Septic to Sewer Feasibility Study Update**
  - C. Budget Workshop**
- 4. Receive and File**
  - A. 2016/17 Second Quarter Budget Variance**
  - B. Building Activity Update**
  - C. Recycled Water Distribution – Operations Summary**
- 5. Other Business**
  - A. IEUA General Manager's Update**
  - B. Committee Member Requested Agenda Items for Next Meeting**
  - C. Committee Member Comments**
  - D. Next Meeting – April 6, 2017**

**6. Adjournment**

**DECLARATION OF POSTING**

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I, Laura Mantilla, Executive Assistant 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. in the foyer at the Agency's main office, 6075 Kimball Avenue, Building A, Chino, CA on Monday, April 3, 2017.

  
\_\_\_\_\_  
Laura Mantilla

**AGENCY  
REPRESENTATIVES'  
REPORTS**

**6D**

**CHINO BASIN WATERMASTER  
WATERMASTER BOARD MEETING**

11:00 a.m. – March 23, 2017

**WITH**

*Mr. James Curatalo – Chair  
Mr. Robert DiPrimio – Vice-Chair*

**At The Offices Of**

**Chino Basin Watermaster**  
9641 San Bernardino Road  
Rancho Cucamonga, CA 91730

**AGENDA**

**CALL TO ORDER**

**PLEDGE OF ALLEGIANCE**

**PUBLIC COMMENTS**

**AGENDA - ADDITIONS/REORDER**

**I. CONSENT CALENDAR**

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

**A. MINUTES**

1. Minutes of the Watermaster Board Meeting held February 23, 2017

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of January 2017
2. Watermaster VISA Check Detail for the month of January 2017
3. Combining Schedule for the Period July 1, 2016 through January 31, 2017
4. Treasurer's Report of Financial Affairs for the Period January 1, 2017 through January 31, 2017
5. Budget vs. Actual Report for the Period July 1, 2016 through January 31, 2017

**C. OBMP SEMI-ANNUAL STATUS REPORTS 2015-2 AND 2016-1**

Adopt the Semi-Annual OBMP Status Reports 2015-2 and 2016-1, along with filing a copy with the Court, subject to any necessary non-substantive changes.

**D. CBWM SUBMITTAL OF ANNUAL REPORTING REQUIREMENTS FOR ADJUDICATED BASINS PURSUANT TO THE SUSTAINABLE GROUNDWATER MANAGEMENT ACT (SGMA)**

Approve and direct staff to file the information/reports with the DWR.

**E. EXHIBIT "G" PHYSICAL SOLUTION TRANSFERS**

- 1) Find that NRG California South LP is in compliance with the Restated Judgment, Exhibit "G" ¶9(g), authorizing 2016-2017 Exhibit "G" Physical Solution Transfers, 2) Approve levy of assessments and subsequent payments for same.



**F. RESOLUTION 2017-04 CONCURRING IN NOMINATION OF MELODY A. McDONALD TO THE EXECUTIVE COMMITTEE OF ACWA/JPIA**

**II. BUSINESS ITEMS**

NONE

**III. REPORTS/UPDATES**

**A. LEGAL COUNSEL REPORT**

1. Safe Yield Reset

**B. ENGINEER REPORT**

1. Supplemental Water Recharge Procedures
2. Maximum Benefit Annual Report
3. Model Update and Required Demonstration
4. Salinity Management
5. Prado Basin Habitat Sustainability Program
6. Ground-Level Monitoring Program

**C. CFO REPORT**

1. FY 2017/18 Budget Schedule

**D. GM REPORT**

1. Santa Ana River Watershed Status Report
2. OBMP PEIR Storage Addendum
3. Other

**IV. INFORMATION**

1. Cash Disbursements for February 2017

**V. BOARD MEMBER COMMENTS**

**VI. OTHER BUSINESS**

**VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

Pursuant to Article 2.6 of the Watermaster Rules & Regulations, a Confidential Session may be held during the Watermaster committee meeting for the purpose of discussion and possible action.

1. Safe Yield Reset

**VIII. FUTURE MEETINGS AT WATERMASTER**

3/20/17	Tue	2:00 p.m.	Agricultural Pool Special Meeting (Held at Milk Producers Council)
3/21/17	Tue	1:30 p.m.	Prado Basin Habitat Sustainability Program Committee (Held at IEUA)
3/23/17	Thu	8:30 a.m.	Ground-Level Monitoring Committee (GLMC)
3/23/17	Thu	11:00 a.m.	Watermaster Board
3/28/17	Tue	9:00 a.m.	FY 17/18 Budget Distribution/Discussion
4/13/17	Thu	9:00 a.m.	Appropriative Pool
4/13/17	Thu	11:00 a.m.	Non-Agricultural Pool
4/13/17	Thu	1:30 p.m.	Agricultural Pool
4/20/17	Thu	8:00 a.m.	Appropriative Pool Strategic Planning (Confidential Session Only)
4/20/17	Thu	9:00 a.m.	Advisory Committee
4/20/17	Thu	9:30 a.m.	Recharge Investigations and Projects Committee (RIPCom)
4/25/17	Tue	1:00 p.m.	FY 17/18 Budget Workshop #1
4/27/17	Thu	11:00 a.m.	Watermaster Board


**ADJOURNMENT**

**GENERAL  
MANAGER'S  
REPORT**



Date: April 19, 2017

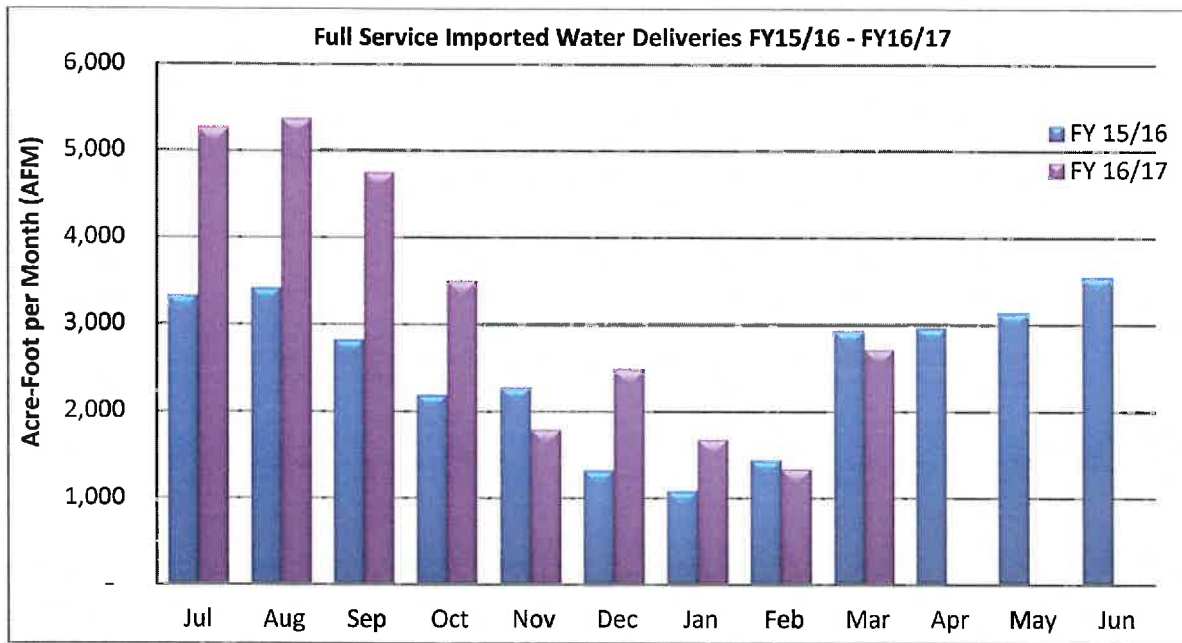
To: The Honorable Board of Directors

From:  P. Joseph Grindstaff, General Manager

Subject: General Manager's Report Regarding Agency Activities

**PLANNING & ENVIRONMENTAL RESOURCES**

For FY 2016/17, the full service imported water deliveries for the month of March were slightly lower compared to FY 2015/16.



The Agency-wide average wastewater influent flow for the month of February 2017 was 47.5 million gallons per day (mgd), which is a 3.4 mgd decrease from the January 2017 total influent flow.

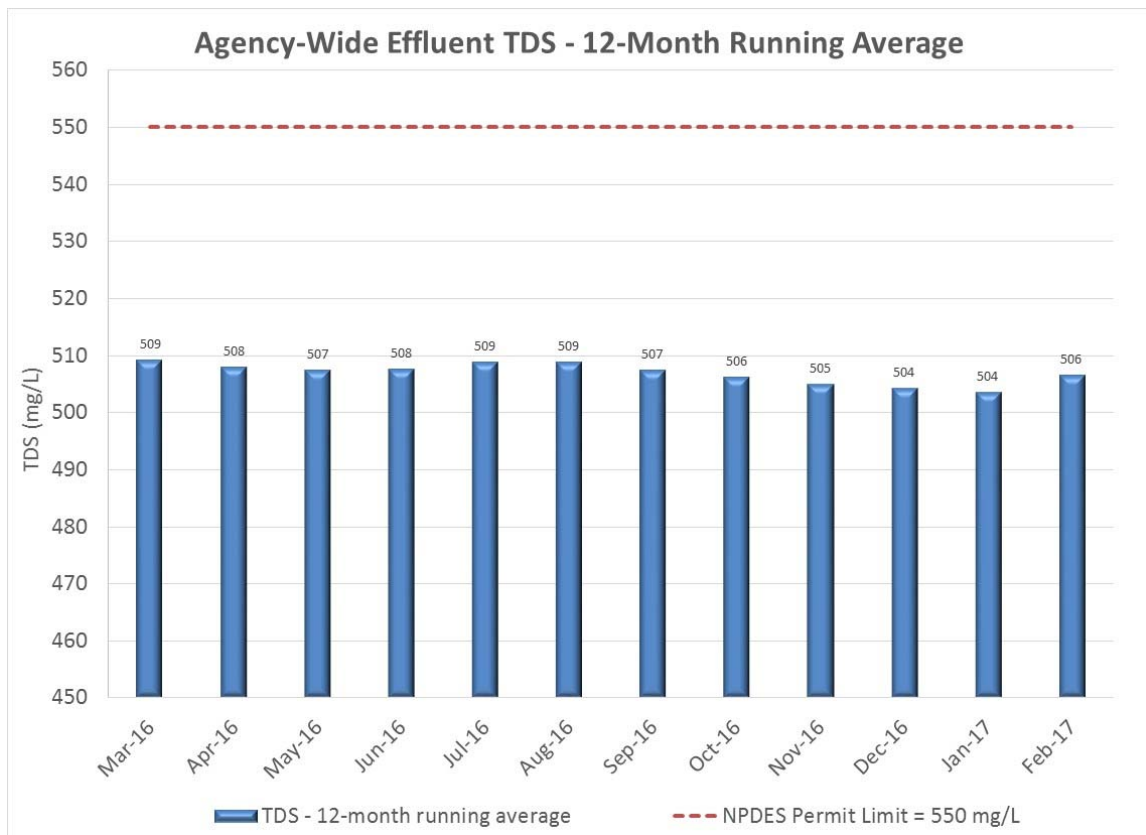
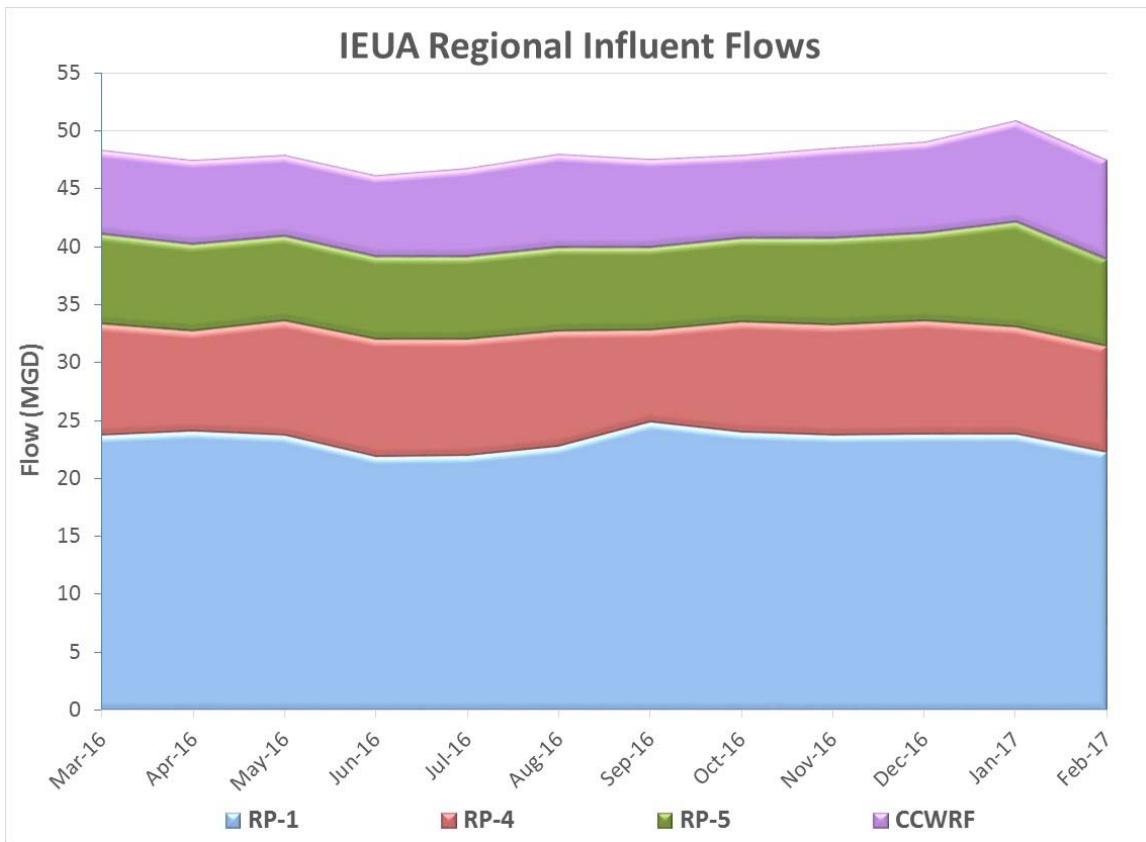
The discharge permit effluent limit for total inorganic nitrogen (TIN) is 8 mg/L. The 12-month running average TIN value for February 2017 was 6.0 mg/L.

The discharge permit effluent limit for total dissolved solids (TDS) is 550 mg/L. The 12-month running average TDS value for February 2017 was 506 mg/L.

General Manager's Report Regarding Agency Activities

April 19, 2017

Page 2 of 18



## General Manager's Report Regarding Agency Activities

April 19, 2017

Page 3 of 18

On February 14, 2017, RP-1 chlorinated effluent was discharged at Discharge Point 002 for a duration of 12 minutes, resulting in approximately 137,500 gallons of disinfected tertiary recycled water entering the Cucamonga Creek Flood Control Channel. The discharge was caused by several power interruptions that resulted in the sodium bisulfite pumps shutting down.

During February 2017, four effluent grab samples were collected for trihalomethanes (THMs) analysis at CCWRF's effluent monitoring location, M-004. The analyses resulted in a monthly average of 62 µg/L for Chlorodibromomethane, which exceeded the average monthly limit of 34 µg/L. Additionally, two samples collected on 2/23/17 and 2/24/17 resulted in 94 µg/L and 71 µg/L, respectively. Both values exceeded the maximum daily limit of 68 µg/L for Chlorodibromomethane. IEUA staff is conducting an extensive source control investigation to determine the source of the bromide, which is a precursor for THM formation.

Philadelphia Lift Station had an unannounced inspection from AQMD on March 7, 2017. There were no compliance issues.

On March 27, 2017, the Regional Technical Committee provided IEUA staff with a draft copy of the Regional Sewage Service Contract term sheet. Committee members noted that this is a working draft and should not be considered final. IEUA staff is reviewing the term sheet and will be preparing a response over the next few months.

### **IERCF UPDATE**

**Operational Comments** – Facility throughput for March averaged approximately 89% of permitted capacity at an average of 414 tons per day of biosolids and 98 tons per day of amendments (based on a 31-day month). The facility is operating well with no violations or lost time incidents.

### **Facility Biosolids Throughput**

POTW	WET TONS MONTH	WET TONS YEAR TO DATE
LACSD	5,759.27	15,711.26
IEUA	5,947.21	17,102.14
OCSO	1,128.19	3,142.57
<b>TOTAL</b>	<b>12,834.67</b>	<b>35,955.97</b>

**Compost Sales** – Sales in March were greater than last year due to an increase in our AG market. We predict a strong spring now that the rain has shown signs of stopping and the weather has normalized. Compost inventory in the storage facility is 10,100 cubic yards of finished material.

### **Monthly Sales Summary**

CUBIC YARDS	\$/CY	TOTAL REVENUE
<b>22,580.72</b>	<b>\$1.63</b>	<b>\$36,895.88</b>

**Fiscal Year-To-Date Sales Summary**

<b>MONTH</b>	<b>TOTAL YARDS 2016/2017</b>	<b>TOTAL YARDS 2015/2016</b>	<b>TOTAL REVENUE 2016/2017</b>	<b>TOTAL REVENUE 2015/2016</b>
<b>July</b>	14,898.82	21,389.25	\$27,554.05	\$34,657.16
<b>August</b>	13,973.73	16,919.04	\$32,185.36	\$30,461.07
<b>September</b>	28,277.42	16,750.02	\$25,161.07	\$24,655.71
<b>October</b>	33,118.70	27,394.30	\$30,402.44	\$33,401.74
<b>November</b>	36,746.25	29,056.62	\$26,452.12	\$25,280.90
<b>December</b>	27,866.97	17,653.19	\$26,088.79	\$28,476.77
<b>January</b>	7,965.39	14,298.49	\$11,934.94	\$22,085.28
<b>February</b>	14,371.47	12,426.08	\$20,070.21	\$28,926.15
<b>March</b>	22,580.72	16,748.45	\$36,895.88	\$33,493.58
<b>TOTAL</b>	<b>199,799.47</b>	<b>172,635.44</b>	<b>\$236,744.86</b>	<b>\$261,438.36</b>
<b>AVERAGE</b>	<b>22,199.94</b>	<b>19,181.72</b>	<b>\$26,304.98</b>	<b>\$29,048.71</b>

**OPERATIONS UPDATE**

Emergency pumping service was performed by Xylem on February 8, 2017 at Carbon Canyon Water Recycling Facility. This emergency occurred while an operator was flushing the primary sludge lines with utility water. In order to repair the broken PVC utility water line, Primary Clarifier No. 2 and the sludge pump room basement had to be pumped out. The total cost for the pumps and hose rental including delivery, setup, and removal was \$1,233.

**Groundwater Recharge – February 2017**

During February 2017, recycled water recharge totaled 542 acre-feet. There was no imported water recharge. There were eight rain events in February bringing a total of approximately 1.4 inches of rain. Combined rain fall capture and miscellaneous runoff totaled 1,845 acre-feet of storm water were captured.

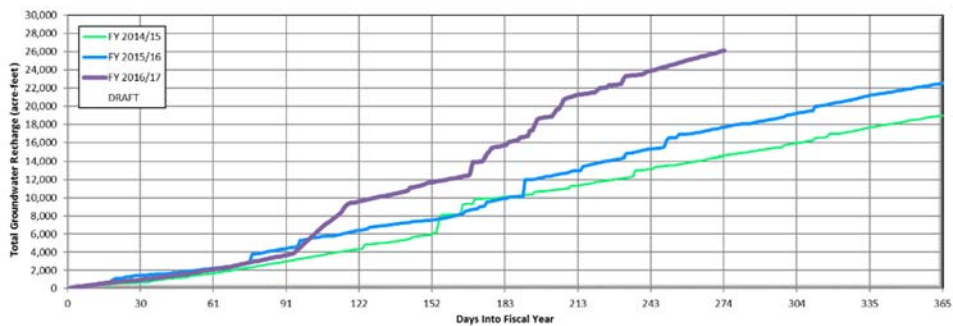
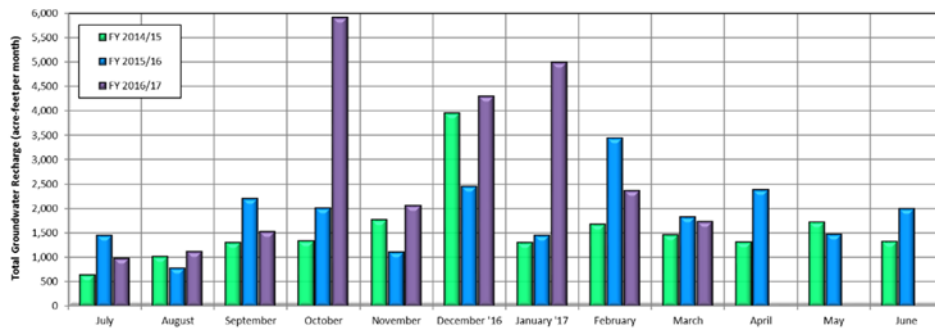
**Groundwater Recharge – March 2017 (preliminary)**

During March 2017, recycled water recharge totaled 1,598 acre-feet. There was no imported water recharge. There were three rain events in March bringing a total of approximately 0.14 inches of rain. Combined rain fall capture and miscellaneous runoff totaled 134 acre-feet.

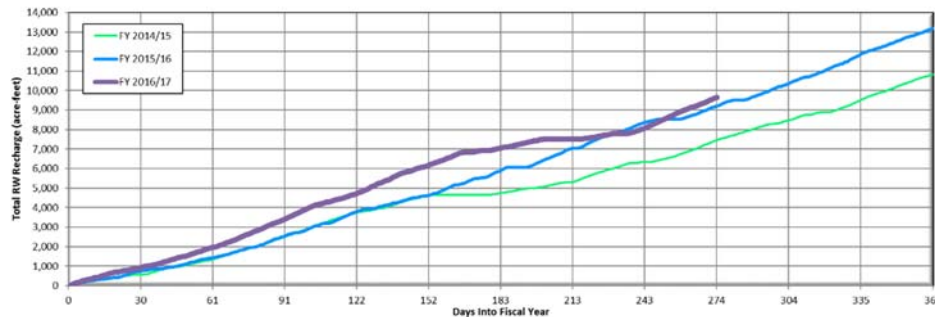
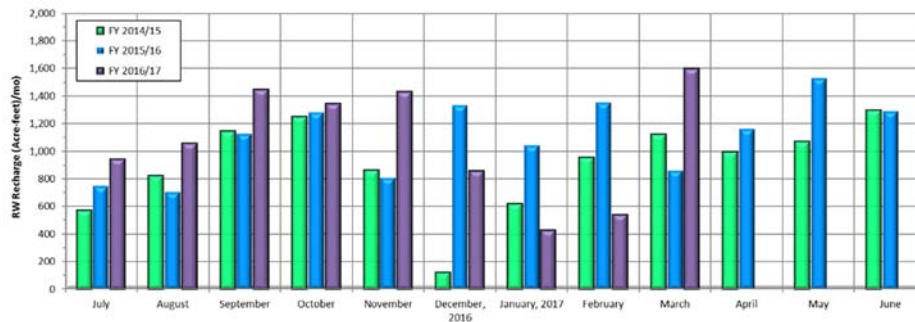
Monthly summaries of recharge by recharge site for the Chino Basin Groundwater Recharge Operations can be found at <http://www.ieua.org/category/reports/groundwater-recharge-reports>.



**Total Groundwater Recharge – March 2017**



**Recycled Water Delivered to Groundwater Recharge – March 2017**

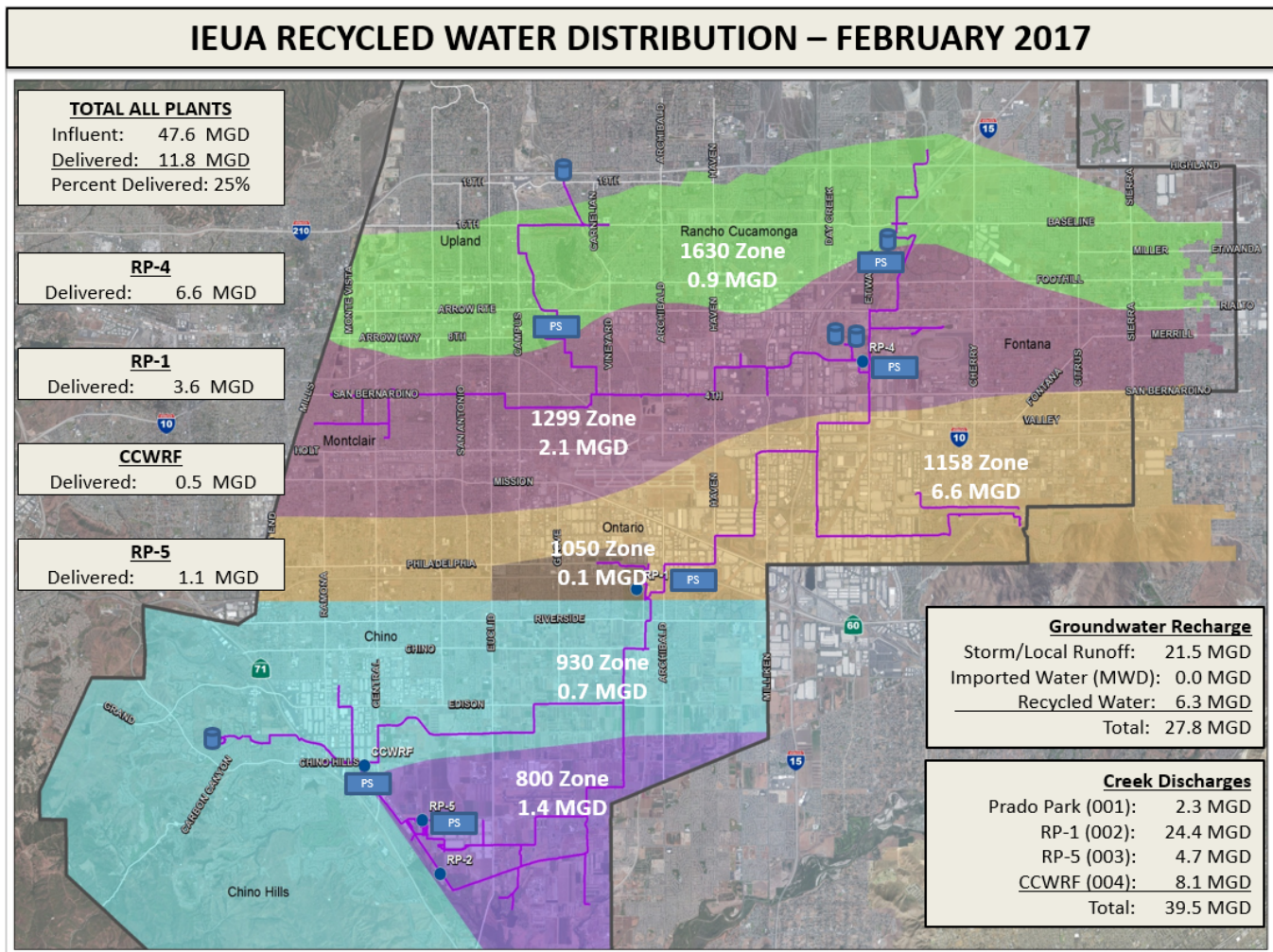


**RW Distribution – February 2017**

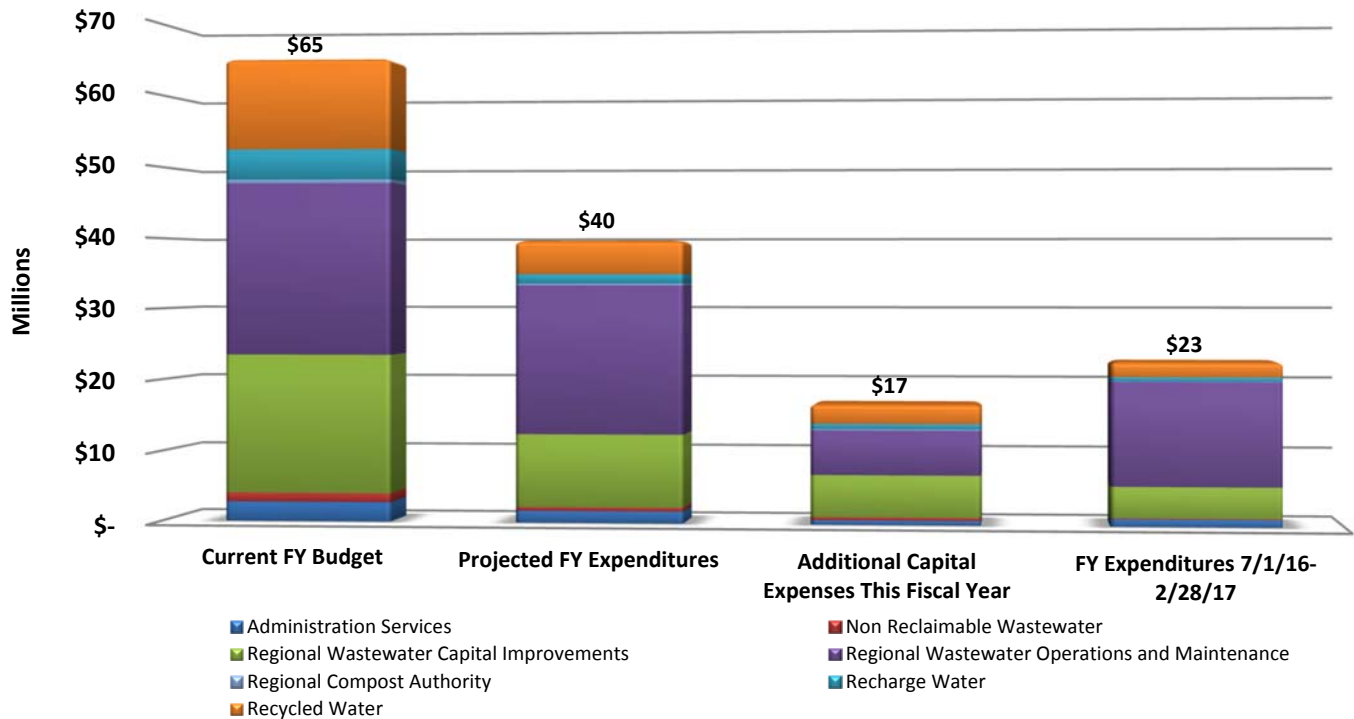
During February 2017, 25% (11.8 MGD) of IEUA recycled water supply (47.6 MGD) was delivered into the distribution system for both direct use customers (5.4 MGD) and groundwater recharge (6.4 MGD). Plant discharge to creeks feeding the Santa Ana River averaged 39.5 MGD.

**RW Distribution – March 2017 (Preliminary)**

During March 2017, 63% (29.5 MGD) of IEUA recycled water supply (46.5 MGD) was delivered into the distribution system for both direct use customers (12.7 MGD) and groundwater recharge (16.8 MGD). Plant discharge to creeks feeding the Santa Ana River averaged 17.0 MGD.



**Engineering and Construction Management FY 16/17 Budget Status Update**



Project Budget Variance > \$500,000						
	Project	Description	(A) FY 16/17 Forecast \$	(B) FY 16/17 Budget \$	(B-A) Variance (FY Budget - FY Forecast) \$	Reason for Variance
1	EN17065	RP-2 Microturbine	52,305	850,000	797,695	The contractor's bonding difficulties resulted in delaying the project kickoff, which has pushed equipment purchase to FY 17/18.
2	EN13016	SCADA Enterprise System	786,755	1,504,652	717,897	The initiation of Phase II of the SCADA Enterprise project was delayed when the delivery method was re-evaluated for the remaining facilities to take advantage of potential grant funds and accelerate the overall project timeline. Due to this delay, the FY16/17 spending will be lower than originally budgeted.
3	EN15002	1158 Reservoir Site Cleanup	34,028	650,000	615,972	The projected expenditures depend on the scope of work determined by an environmental consulting firm. Request for Proposal for environmental consulting will be issued in April 2017. The project design is dependent on the findings of the environmental evaluation.
4	EN15043	SBCFCD Recycled Water Easement	35,000	570,000	535,000	Projected expenditure depends on San Bernardino County's progress on the review/issuance of the easements.
5	EN15044	SBCFCD NRW Easement	5,000	515,000	510,000	Projected expenditure depends on San Bernardino County's progress on the review/issuance of the easements.
6	EN17052	RP-1 and RP-4 Safety Improvements	166,878	760,000	593,122	Changes requested during design delayed completion of final calculations needed for permitting.
7	EN11031	RP-5 Flow Equalization and Effluent Monitoring	948,995	1,465,000	516,005	The project scope was reduced in consideration of the RP-5 Expansion Project, which will address or modify some of the project components.
8	EN14019	RP-1 Headworks Gate Replacement	773,430	1,440,000	666,570	The consultant is six months behind schedule. Staff is working with the consultant to bring the schedule back on track.
9	RW15003	Recharge Master Plan Update (Softcost)	995,548	3,100,000	2,104,452	The reduction in fiscal year spending is due to the removal of the East Declez Project which was projected as part of the design efforts for the RMPU soft cost budget. On June 16, 2016, Watermaster and IEUA stakeholders decided to defer the East Declez Project after the initial preliminary design study revealed a lower than expected stormwater recharge yield. The fiscal year budget originally planned to conduct over \$2 Million for preliminary design, CEQA, and initial land acquisition efforts.
10	RW15004	Lower Day Basin RMPU Improvements	313,977	1,155,000	841,023	The project had an extended Pre-Design phase to address the Flood Control concerns. A flow study was conducted which revealed that additional design and construction efforts are needed to meet the Flood Control District requirements.
11	EN13001	San Sevaine Basin Improvements	1,069,399	3,085,000	2,015,601	The final design and construction phases were delayed due to an extended time frame in obtaining regulatory permits.
12	EN19001	RP-5 Expansion to 30 mgd	225,000	1,250,000	1,025,000	The schedule for the RP-1 and RP-5 Expansion PDR was extended from January 2017 to March 2017 which leads into the design for the RP-5 Liquid Treatment Expansion and the RP-5 Solids Treatment Facility, EN19006. The award of the design contract for the RP-5 Liquids Expansion and RP-5 Solids Treatment Facility has been scheduled for May 2017.
13	EN19006	RP-5 SHF - RO	225,000	3,125,000	2,900,000	The schedule for the RP-1 and RP-5 Expansion PDR was extended from January 2017 to March 2017 which leads into the design for the RP-5 Liquid Treatment Expansion and the RP-5 Solids Treatment Facility, EN19006. The award of the design contract for the RP-5 Liquids Expansion and RP-5 Solids Treatment Facility has been scheduled for May 2017.
14	EN16028	RP-5 Expansion PDR	469,359	1,300,000	830,641	The project is under budget due to lower internal labor required for the project and contingency that was not required.
15	EN17018	RC Emergency O&M Projects FY 16/17	8,875	600,000	591,125	This project is budgeted for emergency projects. The budget is spent as emergencies arise.
			6,109,549	21,369,652	14,429,462	

# General Manager's Report Regarding Agency Activities

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<b>Bid and Award Look Ahead Schedule</b>			
	<b>Project Name</b>	<b>Projected Bid Opening Date</b>	<b>Projected Bid Award Date</b>
	<b>May-17</b>		
1	EN17067.00 Declerz Monitoring Well Project	2-May-17	17-May-17
2	EN17052.00 RP-1 and RP-4 Safety Improvements	2-May-17	17-May-17
3	EN15013.00 RP-1 TWAS and Primary Effluent Piping Replacement	2-May-17	17-May-17
	<b>Jun-17</b>		
4	CP16003.00 Headquarters Roofing Replacement	6-Jun-17	21-Jun-17
5	EN13001.00 San Sevaine Basin Improvements	6-Jun-17	21-Jun-17
6	EN13001.00 San Sevaine Monitoring Well	6-Jun-17	21-Jun-17
7	EP17003.00 RP-1 Training Room	6-Jun-17	21-Jun-17
8	EN17062.00 RP-1 RW Valve Replacement	6-Jun-17	21-Jun-17
9	EN17063.00 RP-4 Anoxic Splitter Box Gates	6-Jun-17	21-Jun-17
10	WR15021.00 Napa Lateral	6-Jun-17	21-Jun-17
11	EN13016.03 SCADA Enterprise System - (Regional Water Recycling Plant No. 4 )	6-Jun-17	21-Jun-17
12	EN13016.04 SCADA Enterprise System - (Regional Water Recycling Plant No. 5)	6-Jun-17	21-Jun-17
	<b>Jul-17</b>		
13	EN14019.00 RP-1 Headworks Primary and Secondary Upgrades	4-Jul-17	19-Jul-17
14	EN17046.00 1630 East Pump Station Upgrades	4-Jul-17	19-Jul-17
	<b>Aug-17</b>		
15	EN17044.00 RP-1 Power Reliability Generator Control Upgrades	1-Aug-17	16-Aug-17
16	EN17039.00 Street Basin Recycled Water Turnout Discharge Retrofit	1-Aug-17	16-Aug-17
	<b>Sep-17</b>		
17	EN14043.00 RP-5 RW Pipeline Bottleneck	5-Sep-17	20-Sep-17
	<b>Nov-17</b>		
18	EN17045.00 RP-1 Filter Valve Replacement	31-Oct-17	15-Nov-17
	<b>Jan-18</b>		
19	EN11039.00 RP-1 Disinfection Pump Improvements	2-Jan-18	17-Jan-18
	<b>Mar-18</b>		
20	EN13048.00 RP-1 Power System Upgrades	6-Mar-18	21-Mar-18
21	EN17043.00 RP4 Primary Clarifier Rehab	6-Mar-18	21-Mar-18
22	EN17110.00 RP-4 Process Improvements	6-Mar-18	21-Mar-18
23	EN18006.00 RP-1 Flare Improvements	6-Mar-18	21-Mar-18
24	RW15004.00 Lower Day Basin RMPU Improvements	6-Mar-18	21-Mar-18

Fiscal Year 16/17 Capital Improvement Program

Agency-Wide

No.	Project ID	Project Title	Budget					Contract						
			(a) Prior FY Expenditures thru 6/30/16 (\$)	(b) FY Budget 2016/17 (\$)	(c) FY 2016/17 Expenditures 7/1/16- 2/28/2017 (\$)	(d) Total Expenditures to Date thru 2/28/2017 (A + C) (\$)	(e) Total Project Budget (\$)	(f) Phase	(g) Original Contract (\$)	(h) CO's/ Amendments (\$)	(i) CO's/ Amendments (H/G) (%)	(j) Contract Completion Date	(k) Projected/ Contract Completion Date (NOC)	(l) Float (J-K)
1	EN13016	SCADA Enterprise System	5,058,331	1,504,652	596,755	5,655,086	13,900,000	Pre-Design	1,926,650	71,271	3.70%	6/30/2020	12/07/2020	-160
2	EN17052	RP-1 and RP-4 Safety Improvements	-	760,000	150,878	150,878	760,000	Design	57,430	27,780	48.37%	6/30/2017	3/21/2017	101
3	EN16070	Agency-Wide Pumps Efficiencies Improvements	-	335,000	70,249	70,249	350,000	Construction	142,060	-	0.00%	4/30/2017	7/17/2017	-78
4	EN17034	Agency wide Lighting Improvements - Phase 2	-	1,385,000	246,726	246,726	1,400,000	Construction	1,107,583	-	0.00%	6/2/2017	3/31/2017	63
5	EN17053	Agency wide Recycled Water Pumps Overhaul Services	-	625,000	87,648	87,648	625,000	Construction	466,319	-	0.00%	4/28/2017	5/05/2017	-7
6	EN13056	Agency-Wide HVAC Improvements- Pack No. 2, (EN13056.01 RP-4 MCC)	885,445	192,968	237,405	1,122,850	1,131,500	Warranty	188,000	21,308	11.33%	10/20/2016	11/16/2016	-27
7	EN15032	Agency-Wide HVAC Improvements- Pckg No. 3	742,334	4,725	4,912	747,246	1,155,000	Warranty	431,216	22,909	5.31%	5/10/2016	5/10/2016	0
8	EN16013	Agency-Wide Lighting Improvements	186,129	213,945	119,775	305,904	400,000	Warranty	292,737	(12,027)	-4.11%	6/2/2017	9/29/2016	246
9	EN17004	Agency-Wide Energy Efficiency Study	91,500	5,540	2,539	94,039	1,600,000	Warranty	17,780	-	0.00%	5/31/2016	6/28/2016	-28
10	EN16018	RC Emergency O&M Projects FY 15/16	17,685	51,750	51,750	69,435	500,000	N/A	Various Emergency Projects					
11	EN16019	RO Emergency O&M Projects FY 15/16	344,200	100,626	92,216	436,416	620,000	N/A	Various Emergency Projects					
12	EN16017	WC Emergency O&M Projects FY 15/16	397,778	2,698	1,424	399,202	500,000	N/A	Various Emergency Projects					
13	EN17018	RC Emergency O&M Projects FY 16/17	-	600,000	9,485	9,485	600,000	N/A	Various Emergency Projects					
14	EN17019	RO Emergency O&M Projects FY 16/17	-	580,000	53,483	53,483	580,000	N/A	Various Emergency Projects					
15	EN17017	WC Emergency O&M Projects FY 16/17	-	500,000	98,168	98,168	500,000	N/A	Various Emergency Projects					
16	EN17016	NRWS Emergency O&M Projects FY 16/17	-	200,000	8,491	8,491	200,000	N/A	Various Emergency Projects					
17	EN17021	RC On-Call Operations and Maintenance Support	-	250,000	3,006	3,006	250,000	N/A	Various Maintenance Projects					
18	EN17022	RO On-Call Operations and Maintenance Support	-	250,000	9,944	9,944	250,000	N/A	Various Maintenance Projects					
19	EN17020	WC On-Call Operations and Maintenance Support	-	217,000	35,327	35,327	250,000	N/A	Various Maintenance Projects					
20	EN17027	RC Safety Operations and Maintenance Support	-	250,000	52	52	250,000	N/A	Various Safety Projects					
21	EN17026	RO Safety Operations and Maintenance Support	-	250,000	-	-	250,000	N/A	Various Safety Projects					
22	EN17025	WC Safety Projects Operations and Maintenance Support	-	250,000	13,169	13,169	250,000	N/A	Various Safety Projects					
23	CW17003	RC OE Projects FY 16/17	-	50,000	16,514	16,514	50,000	N/A	Various Permit Projects					
24	CW17101	NRWS OE Projects FY 16/17	-	10,000	9,979	9,979	10,000	N/A	Various Permit Projects					
25	CW17005	WC OE Projects FY 16/17	-	50,000	26,229	26,229	50,000	N/A	Various Permit Projects					
Totals			7,723,402	8,638,904	1,946,124	9,669,526	26,431,500		4,629,775	131,241				



Carbon Canyon Wastewater Regional Facility (CCWRF)														
No.	Project ID	Project Title	Budget					Contract						
			(a) Prior FY Expenditures thru 6/30/16 (\$)	(b) FY Budget 2016/17 (\$)	(c) FY 2016/17 Expenditures 7/1/16- 2/28/2017 (\$)	(d) Total Expenditures to Date thru 2/28/2017 (A + C) (\$)	(e) Total Project Budget (\$)	(f) Phase	(g) Original Contract (\$)	(h) CO's/ Amendments (\$)	(i) CO's/ Amendments (H/G) (%)	(j) Contract Completion Date	(k) Projected/ Contract Completion Date (NOC)	(l) Float (J-K)
26	EN17006	CCWRF Odor Control and Headworks Replacements	6,951	610,000	56,023	62,974	7,000,000	Consultant Contract Award	Contract Has Not Been Awarded Yet					
27	EN17051	CCWRF Valve Replacement	-	250,000	20,096	20,096	250,000	Construction	178,809	-	0.00%	6/15/2017	6/29/2017	-14
Totals			6,951	860,000	76,119	83,070	7,250,000		178,809	-				
Chino Desalter Authority (CDA)														
No.	Project ID	Project Title	Budget					Contract						
			(a) Prior FY Expenditures thru 6/30/16 (\$)	(b) FY Budget 2016/17 (\$)	(c) FY 2016/17 Expenditures 7/1/16- 2/28/2017 (\$)	(d) Total Expenditures to Date thru 2/28/2017 (A + C) (\$)	(e) Total Project Budget (\$)	(f) Phase	(g) Original Contract (\$)	(h) CO's/ Amendments (\$)	(i) CO's/ Amendments (H/G) (%)	(j) Contract Completion Date	(k) Projected/ Contract Completion Date (NOC)	(l) Float (J-K)
28	EN16021	TCE Plume Cleanup	1,089,754	7,481,073	7,875,417	8,965,171	12,000,000	Project Evaluation	CDA Managed Project					
Totals			1,089,754	7,481,073	7,875,417	8,965,171	12,000,000		-	-				
Collections														
No.	Project ID	Project Title	Budget					Contract						
			(a) Prior FY Expenditures thru 6/30/16 (\$)	(b) FY Budget 2016/17 (\$)	(c) FY 2016/17 Expenditures 7/1/16- 2/28/2017 (\$)	(d) Total Expenditures to Date thru 2/28/2017 (A + C) (\$)	(e) Total Project Budget (\$)	(f) Phase	(g) Original Contract (\$)	(h) CO's/ Amendments (\$)	(i) CO's/ Amendments (H/G) (%)	(j) Contract Completion Date	(k) Projected/ Contract Completion Date (NOC)	(l) Float (J-K)
29	EN17050	Septic Conversion PDR	-	200,000	-	-	1,000,000	Project Evaluation	Contract Has Not Been Awarded Yet					
30	EN17067	Declaz Monitoring Well Project	-	165,000	11,082	11,082	165,000	Pre-Design	Contract Has Not Been Awarded Yet					
31	EN22002	NRW East End Flowmeter Replacement	3,325	175,000	25,927	29,252	300,000	Pre-Design	213,554	-	0.00%	10/14/2019	2/13/2019	243
32	EN11039	TP-1 Disinfection Pump Improvements	95,367	225,000	82,004	177,371	1,288,302	Design	99,336	398,324	400.99%	3/31/2017	12/18/2017	-262
33	EN17014	NRWS Manhole Upgrades - 16/17	-	350,000	75,172	75,172	350,000	Bid and Award	In-House Design – Construction Contract Has Not Been Awarded Yet					
34	EN17015	Collection System Upgrades 16/17	-	500,000	16,255	16,255	500,000	Bid and Award	In-House Design – Construction Contract Has Not Been Awarded Yet					
35	EN13028	Preserve Lift Station	19,774	100,000	8,698	28,472	100,000	Bid and Award	Contract Managed by Developer					
36	EN15042	SBCFCD Sewer Easement	415	275,000	20,000	20,415	302,500	Land Acquisition	Not Applicable					
37	EN15044	SBCFCD NRW Easement	338	515,000	-	338	565,000	Land Acquisition	Not Applicable					
38	EN16071	San Bernardino Avenue Gravity Sewer	203,227	1,300,000	396,762	599,989	1,500,000	Construction	992,240	101,761	10.26%	2/27/2017	3/17/2017	-18
39	EN13018	Montclair Diversion Structure Retrofit	1,068,186	176,394	134,306	1,202,492	3,030,095	Warranty	557,565	(14,665)	-2.63%	7/17/2016	7/15/2016	2
Totals			1,390,632	3,981,394	770,206	2,160,838	9,100,897		1,862,695	485,420				

Groundwater Recharge															
No.	Project ID	Project Title	Budget					Contract							
			(a) Prior FY Expenditures thru 6/30/16 (\$)	(b) FY Budget 2016/17 (\$)	(c) FY 2016/17 Expenditures 7/1/16- 2/28/2017 (\$)	(d) Total Expenditures to Date thru 2/28/2017 (A + C) (\$)	(e) Total Project Budget (\$)	(f) Phase	(g) Original Contract (\$)	(h) CO's/ Amendments (\$)	(i) CO's/ Amendments (H/G) (%)	(j) Contract Completion Date	(k) Projected/ Contract Completion Date (NOC)	(l) Float (J-K)	
40	EN17038	GWR Level Transmitter Upgrades	-	200,000	-	-	200,000	Cancelled	Project has been cancelled						
41	RW15003	Recharge Master Plan Update Projects	622,207	3,100,000	545,548	1,167,755	7,490,500	Pre-Design	768,950	9,434	1.23%	12/29/2017	12/29/2017	0	
42	RW15004	Lower Day Basin RMPU	205,693	1,155,000	48,977	254,670	2,480,000	Pre-Design	38,720	42,235	109.08%	10/21/2016	1/31/2017	-102	
43	EN13001	San Savaine Basin Improvements	535,568	3,085,000	169,399	704,967	6,295,000	Permit	358,828	4,734	1.32%	4/20/2019	4/20/2019	0	
44	EN14047	GWR and RW SCADA Control Upgrades	233,626	455,263	278,187	511,813	932,000	Construction	250,988	-	0.00%	1/23/2017	3/23/2017	-59	
Totals			1,597,094	7,995,263	1,042,111	2,639,205	17,397,500		1,417,486	56,403					
Headquarters															
No.	Project ID	Project Title	Budget					Contract							
			(a) Prior FY Expenditures thru 6/30/16 (\$)	(b) FY Budget 2016/17 (\$)	(c) FY 2016/17 Expenditures 7/1/16- 2/28/2017 (\$)	(d) Total Expenditures to Date thru 2/28/2017 (A + C) (\$)	(e) Total Project Budget (\$)	(f) Phase	(g) Original Contract (\$)	(h) CO's/ Amendments (\$)	(i) CO's/ Amendments (H/G) (%)	(j) Contract Completion Date	(k) Projected/ Contract Completion Date (NOC)	(l) Float (J-K)	
45	EN16012	CIPO Enhancements	-	175,000	-	-	175,000	Project Evaluation	Contract Has Not Been Awarded Yet						
46	EN17023	HQ Drainage Investigations	-	50,000	-	-	50,000	Project Evaluation	Ongoing Monitoring Requirements						
47	EN16048	As-Built Database Upgrades	24,599	150,000	8,254	32,853	200,000	Pre-design	In House Database						
48	CP16003	Headquarters Roofing Replacement	9,822	450,000	40,820	50,642	450,000	Design	In-House Design – Construction Contract Has Not Been Awarded Yet						
49	EN16049	Conference Rooms Audio Visual Upgrades	72,777	626,453	481,793	554,570	1,349,230	Construction	831,890	53,910	6.48%	2/7/2018	2/16/2018	-9	
50	EN16047	HQ Parking Lot FY15/16	50,765	415,000	28,597	79,362	443,000	Construction	264,138	-	0.00%	5/15/2017	5/10/2017	5	
51	EN16055	Headquarters Back Up Generator	48,950	400,000	111,719	160,669	449,000	Construction	178,777	-	0.00%	2/13/2017	5/4/2017	-80	
52	EN15052	Primavera Enhancements	116,435	201	201	116,636	178,400	Warranty	80,000	-	0.00%	12/30/2016	12/30/2016	0	
53	EN16068	Main Office Permit Office	18,068	293,000	106,963	125,031	312,000	Warranty	52,890	20,809	39.34%	11/23/2016	12/15/2016	-22	
Totals			341,416	2,559,654	778,347	1,119,763	3,606,630		1,407,695	74,719					



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Recycled Water														
No.	Project ID	Project Title	Budget				Contract							
			(a) Prior FY Expenditures thru 6/30/16 (\$)	(b) FY Budget 2016/17 (\$)	(c) FY 2016/17 Expenditures 7/1/16- 2/28/2017 (\$)	(d) Total Expenditures to Date thru 2/28/2017 (A + C) (\$)	(e) Total Project Budget (\$)	(f) Phase	(g) Original Contract (\$)	(h) CO's/ Amendments (\$)	(i) CO's/ Amendments (H/G) (%)	(j) Contract Completion Date	(k) Projected/ Contract Completion Date (NOC)	(l) Float (J-K)
54	EN12016	North CIM Lateral	14,631	450,000	1,582	16,212	450,000	On Hold	Contract Has Not Been Awarded					
55	EN17007	930 To 800 West CCWRF PRV	5,481	100,000	263	5,744	600,000	On Hold	Contract Has Not Been Awarded					
56	EN17041	Orchard Recycled Water Turnout Improvements	-	25,000	-	-	125,000	Project Evaluation	Contract Has Not Been Awarded					
57	EN17049	Baseline RWPL Extension	-	300,000	8,956	8,956	5,000,000	Project Evaluation	Contract Has Not Been Awarded					
58	EN15002	1158 Reservoir Site Cleanup	3,805	650,000	9,028	12,833	1,300,000	Project Evaluation	Contract Has Not Been Awarded					
59	EN16034	RW Pressure Sustaining Valve Installation	18,098	341,300	8,802	26,900	850,000	Project Evaluation	Contract Has Not Been Awarded					
62	WR15021	Napa Lateral	60,019	500,000	36,904	96,923	6,050,000	Pre-Design	Contract Has Not Been Awarded					
63	EN17011	RW Hydraulic Modeling	-	100,000	4,451	4,451	100,000	Modeling	Not Applicable					
64	EN15043	SBCFCD Recycled Water Easement	534,759	570,000	-	534,759	1,210,000	Land Acquisition	Not Applicable					
60	EN17039	8th St. Basin RW Turnout Discharge Retrofit	-	58,000	10,026	10,026	275,000	Design	23,430	-	0.00%	12/29/2017	12/29/2017	0
61	EN17046	1630 East Pump Station Upgrades	-	100,000	10,652	10,652	300,000	Design	14,057	-	0.00%	6/30/2017	6/30/2017	0
65	EN15055	1630 W. Recycled Water Pump Station - Surge Tank Installation	546,124	1,160,000	684,787	1,230,911	1,410,000	Close-Out	729,000	36,546	5.01%	10/14/2016	1/27/2017	-105
66	EN12014	East Avenue 1630 E RWP Relocation	504,666	388,148	13,428	518,094	890,108	Warranty	480,000	28,134	5.86%	City of Rancho Cucamonga Project		
67	EN17057	Wineville A.C. for the Electrical Panel at RP-3	-	15,000	12,059	12,059	15,000	Warranty	15,000	-	0.00%	10/31/2016	10/24/2016	7
68	EN13045	Wineville RW Extension Segment B	10,786,069	71,692	53,733	10,839,802	11,865,300	Warranty	8,900,000	241,113	2.71%	7/25/2015	12/3/2015	-131
Totals			12,473,652	4,829,140	854,671	13,328,322	30,440,408		10,162,487	305,793				

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Regional Water Recycling Plant No. 1 (RP-1)														
No.	Project ID	Project Title	Budget					Contract						
			(a) Prior FY Expenditures thru 6/30/16 (\$)	(b) FY Budget 2016/17 (\$)	(c) FY 2016/17 Expenditures 7/1/16- 2/28/2017 (\$)	(d) Total Expenditures to Date thru 2/28/2017 (A + C) (\$)	(e) Total Project Budget (\$)	(f) Phase	(g) Original Contract (\$)	(h) CO's/ Amendments (\$)	(i) CO's/ Amendments (H/G) (%)	(j) Contract Completion Date	(k) Projected/ Contract Completion Date (NOC)	(l) Float (J-K)
69	EN17042	Digester 6 and 7 Roof Repairs	-	400,000	24,631	24,631	3,800,000	Project Evaluation	Contract Has Not Been Awarded					
70	EN19003	RP-1 Parallel Outfall Pipeline from RP-1 to Riverside Dr	7,031	200,000	30,023	37,234	5,700,000	Project Evaluation	Contract Has Not Been Awarded					
71	EN17044	RP-1 Power Reliability Building Controls Upgrades	-	350,000	32,515	32,515	1,500,000	Pre-Design	67,000	-	0.00%	6/30/2017	5/18/2017	43
72	EN14042	RP-1 1158 RWPS Upgrades	75,543	475,000	65,856	141,399	4,000,000	Pre-Design	74,850	-	0.00%		5/18/2017	
73	EN15012	RP-1 East Primary Effluent Pipe Rehab	13,547	500,000	55,770	69,317	1,885,000	Pre-Design	461,483	-	0.00%	4/16/2020	4/16/2020	0
74	EN16025	RP-1 Expansion PDR	220,836	450,000	356,639	577,475	1,500,000	Pre-Design	451,288	-	0.00%	3/20/2017	3/31/2017	-11
75	EN18006	RP-1 Flare Improvements	-	600,000	43,405	43,405	4,000,000	Pre-Design	378,030	-	0.00%	3/14/2019	3/14/2019	0
76	EP17003	RP-1 Training Room	-	200,000	13,260	13,260	200,000	Design	8,200	-	0.00%	6/30/2017	6/30/2017	0
77	EN13048	RP-1 Power System Upgrades	292,963	200,000	80,691	373,654	1,599,000	Design	269,380	205,825	76.41%	6/30/2019	6/30/2019	0
78	EN15013	RP-1 TWAS and Primary Effluent Piping Replacement	19,700	120,000	165,237	184,937	500,000	Design	52,347	-	0.00%	2/7/2017	5/10/2017	-92
79	EN14019	RP-1 Headworks Gate Replacement	243,916	1,440,000	441,430	685,346	10,440,000	Design	723,151	96,294	13.32%	5/1/2018	5/1/2018	0
80	EN16024	RP-1 Mixed Liquor Return Pumps	567,463	2,850,000	1,222,283	1,789,746	6,636,000	Construction	4,888,000	82,272	1.68%	1/19/2018	1/18/2018	1
81	EN17047	RP-1 Dewatering Silo/Conveyor Safety Improvement Repairs	-	231,000	5,494	5,494	231,000	Construction	143,400	-	0.00%	7/31/2017	7/31/2017	0
82	EN17048	RP-1 Dewatering Vertical Conveyor Repairs	-	375,000	10,202	10,202	375,000	Construction	249,400	-	0.00%	7/31/2017	7/31/2017	0
83	EN17059	RP-1 Iron Sponges Installation	-	300,000	11,342	11,342	300,000	Construction	319,900	-	0.00%	12/31/2017	12/31/2017	0
84	EN17040	RP-1 Aeration Basin Panel Repairs	-	200,000	75,538	75,538	200,000	Construction	1,745,000	-	0.00%	1/19/2018	1/18/2018	1
85	EN17062	RP-1 RW Valve Replacement	-	80,000	6,604	6,604	80,000	Construction	66,050	-	0.00%	5/5/2017	5/5/2017	0
86	EN16051	RP-1 Utility Water Flow Meter	71,330	260,000	189,476	260,806	331,400	Project Acceptance	127,584	6,100	4.78%	11/23/2016	12/15/2016	-22
Totals			1,512,328	9,231,000	2,830,396	4,342,905	43,277,400		10,025,063	308,219				
Regional Water Recycling Plant No. 2 (RP-2)														
No.	Project ID	Project Title	Budget					Contract						
			(a) Prior FY Expenditures thru 6/30/16 (\$)	(b) FY Budget 2016/17 (\$)	(c) FY 2016/17 Expenditures 7/1/16- 2/28/2017 (\$)	(d) Total Expenditures to Date thru 2/28/2017 (A + C) (\$)	(e) Total Project Budget (\$)	(f) Phase	(g) Original Contract (\$)	(h) CO's/ Amendments (\$)	(i) CO's/ Amendments (H/G) (%)	(j) Contract Completion Date	(k) Projected/ Contract Completion Date (NOC)	(l) Float (J-K)
87	EN17065	Microturbine Design-Build	-	850,000	2,305	2,305	2,210,000	Design	1,876,809		0.00%	12/31/2017	12/4/2017	27
88	EN14012	RP-2 Drying Beds Rehabilitation	1,231,986	300,000	277,093	1,509,079	1,818,400	Warranty	193,961	32,322	16.66%	12/15/2016	11/16/2016	29
Totals			1,231,986	1,200,000	279,398	1,511,384	4,028,400		2,070,770	32,322				

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Regional Water Recycling Plant No. 4 (RP-4)															
No.	Project ID	Project Title	Budget				(f) Phase	Contract							
			(a) Prior FY Expenditures thru 6/30/16 (\$)	(b) FY Budget 2016/17 (\$)	(c) FY 2016/17 Expenditures 7/1/16-2/28/2017 (\$)	(d) Total Expenditures to Date thru 2/28/2017 (A + C) (\$)		(e) Total Project Budget (\$)	(g) Original Contract (\$)	(h) CO's/ Amendments (\$)	(i) CO's/ Amendments (H/G) (%)	(j) Contract Completion Date	(k) Projected/ Contract Completion Date (NOC)	(l) Float (J-K)	
89	EN17032	RP-4 Outfall Repair from Mission Blvd to RP-1	-	50,000	-	-	5,300,000	On Hold	Contract Has Not Been Awarded						
90	EN17063	RP-4 Anoxic Splitter Box Gates	-	60,000	2,984	2,984	60,000	Project Evaluation	In-House Design – Construction Contract Has Not Been Awarded Yet						
91	EN17110	RP-4 Process Improvements	63	180,000	21,660	21,723	5,200,000	Project Evaluation	1,288,858	-	0.00%	6/30/2020	6/30/2020	0	
92	EN17043	RP4 Primary Clarifier Rehab	-	400,000	21,727	21,727	1,900,000	Project Evaluation	-	-	0.00%	6/30/2020	6/30/2020	0	
93	EN14018	RP-4 Disinfection System Retrofit	391,899	1,000,000	81,872	473,771	2,684,400	Construction	1,839,400	-	0.00%	2/15/2017	2/15/2018	0	
Totals			391,962	1,690,000	128,243	520,205	15,144,400		3,128,258	-					
Regional Water Recycling Plant No. 5 (RP-5)															
No.	Project ID	Project Title	Budget				(f) Phase	Contract							
			(a) Prior FY Expenditures thru 6/30/16 (\$)	(b) FY Budget 2016/17 (\$)	(c) FY 2016/17 Expenditures 7/1/16-2/28/2017 (\$)	(d) Total Expenditures to Date thru 2/28/2017 (A + C) (\$)		(e) Total Project Budget (\$)	(g) Original Contract (\$)	(h) CO's/ Amendments (\$)	(i) CO's/ Amendments (H/G) (%)	(j) Contract Completion Date	(k) Projected/ Contract Completion Date (NOC)	(l) Float (J-K)	
94	EN19001	RP-5 Expansion to 30 mgd	-	1,250,000	-	-	125,000,000	Not Started	Project Has Not Started						
95	EN19006	RP-5 SHF - RO	-	3,125,000	-	-	136,000,000	Not Started	Project Has Not Started						
96	EN16028	RP-5 Expansion PDR	712,311	2,111,086	978,599	1,690,910	2,823,400	Pre-Design	1,980,310	55,989	2.83%	3/20/2017	3/31/2017	-11	
97	EN14043	RP-5 RW Pipeline Bottleneck	56,637	600,000	123,270	179,907	2,755,000	Design	201,987	32,310	16.00%	8/24/2019	8/24/2019	0	
98	EN13012	Magnolia Channel Monitoring Maintenance	87,611	10,000	-	87,611	192,242	Monitoring	Ongoing Monitoring Requirements						
99	EN11031	RP-5 Flow Equalization and Effluent Monitoring	422,173	1,465,000	188,995	611,168	3,397,200	Construction	945,029	-	0.00%	6/5/2017	2/28/2018	-268	
100	EN15008	Water Quality Laboratory	1,502,545	7,000,000	4,434,201	5,936,746	24,645,000	Construction	17,460,000	67,052	0.38%	8/6/2018	8/6/2018	0	
101	EN17060	1299 Recycled Water Pumps Replacement	-	100,000	228	228	100,000	Construction	Equipment Purchase Only						
102	EN16132	Magnolia Channel Spillway Improvements	162,787	390,564	372,166	534,953	734,000	Warranty	280,891	36,903	13.14%	11/23/2016	10/28/2016	26	
Totals			2,944,063	16,051,650	6,097,459	9,041,523	295,646,842		20,868,217	192,254					
Overall Totals			30,703,241	64,518,077	22,678,491	53,381,912	464,030,922		55,751,255	1,586,371					

*Emergency Projects*

**March 2017 Emergency Projects**

	Contractor	Task Order Description	Details of the Circumstances/Cause of Emergency	Scope of Repair	Location	Date of Award	Not-to-Exceed /Estimate
1	David T. Wasden	Mission Ave. Sewer Collapse and Repair	After the sewer was excavated, the failure was at the interface of the jacked pipe section and the open cut section. When the pipe was first installed (back in 2007), the first joint outside the jacked casing section had a broken bell, which, over time, could no longer support the soil burden and the weakest point began to sag, causing a backup in the line (and the subsequent need to repair about 6' of 8" VCP sewer).	Excavate and repair the 8" VCP in Mission Blvd. just east of Archibald Ave failed.	Agency-Wide	3/21/2017	18,088
2	David T. Wasden	RP-1 Hypochlorite Leak Repair	Cause was unknown until excavated. Above the top of the double contained sodium hypochlorite chemical lines was a ¾" pvc air vac line that had a broken 90-degree elbow. This was the source of the leak and was repaired on the spot at about 3' below existing asphalt.	Excavate and repair a leak on the sodium hypochlorite recirculation line at RP-1.	RP-1	3/03/2017	3,500
3	Trautwein	RP-1 12" Hot Water Loop Leak/Repair	A bad repair clamp on the 12" HW loop just outside the first vault to the southeast of Digester No. 1 was found after excavating about 7" below grade. The leak was running into vault which led us to think it was in the wall spool and not the repair clamp. After further investigation, we concluded the leak was in fact coming from the bottom of the repair clamp. OPS staff has requested to assess the condition of the pipeline exterior to the vault to see if corrosion is a factor in this matter.	Excavate, expose, and repair the source of the leak on the digester hot water feed loop.	RP-1	3/22/2017	9,495
4	Ferreira Construction	Westside Interceptor Relief Sewer- Backfill/Subgrade Investigation	San Bernardino County notified IEUA Collections about a pothole/possible sinkhole located over the 27" WIRS in a residential area of East End Avenue. After excavating the affected area, the ground was found to be extremely soft (uncompacted) the closer the contractor got to the 42" Monte Vista Water line that runs parallel with IEUA's sewer. The area over the top of the sewer had settled as the first point of failure (because of cracked asphalt), but the real problem appears to be over the top of the water main.	Investigate and repair a depressed area of a roadway located at the top of a 27" VCP Westside Interceptor Relief Sewer pipeline in the City of Chino.	Agency-Wide	3/22/2017	7,226
5	Ferreira Construction	Primary Clarifier Light Fixture Removal	A lighting fixture was inadvertently dropped into a primary clarifier during installation by another contractor.	Provide all labor, supervision, equipment, and material to remove the light fixture from the Primary Clarifier.	CCWRF	2/09/2017	3,700
Total							38,309

**FY16/17 Emergency Projects**

	Project ID	Contractor	Task Order Description (Details of Circumstance and Cause of the Emergency)	Location	TO #	Original Not-to-Exceed /Estimate	Actual Cost thru 1/31	Date of Award	Status
CDA									
1	CDA000000012	W.A. Rasic Construction	Raw Water Line Repair	CDA	TO-035	8,000	156	7/18/2016	Complete
Collection									
2	EN17018.01	W.A. Rasic Construction	Grove Ave. Manhole Repair	COLL	TO-036	5,618	8,875	8/11/2016	Complete
CCWRF									
3	EN17019.09	Ferreira Construction	Primary Clarifier Light Fixture Removal	CCWRF	TO-018	3,700	-	2/09/2017	Active

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FY16/17 Emergency Projects									
RP-1									
4	EN17017.01	Ferreira Construction	RP-1 Flow Meter Replacement	RP-1	TO-09	60,000	64,791	7/26/2016	Complete
5	EN17019.05	W.A. Rasic Construction	DAFT Sludge Line Repair	RP-1	TO-041	35,000	-	12/21/2016	Complete
6	EN17019.07	David T. Wasden	RP-1 Hyperchlorite Leak Repair	RP-1	TO-04	3,500	-	3/03/2017	Complete
7	EN17019.08	Trautwein	RP-1 12" Hot Water Loop Leak/Repair	RP-1	TO-04	9,495	-	3/22/2017	Complete
RP-2									
8	EN17019.01	W.A. Rasic Construction	RP-2 Underground Pipe Leak	RP-2	TO-037	5,500	8,944	9/12/2016	Complete
RP-4									
9	EN17019.03	W.A. Rasic Construction	RP-4 Raw Screening Area	RP-4	TO-039	12,500	5,065	11/9/2016	Complete
10	EN17019.06	W.A. Rasic Construction	RP-4 Raw Screening Area	RP-4	TO-042	35,000	-	2/16/2017	Active
RP-5									
11	EN17019.02	Ferreira Construction	RP-5 Repair an existing SS Pump Guide Rail	RP-5	TO-010	25,000	24,181	9/15/2016	Complete
Agency-Wide									
12	EN17016.01	W.A. Rasic Construction	Monte Vista Ave ARVA Repair	Agency-wide	TO-040	10,000	1,969	11/10/2016	Complete
13	EN17017.02	Ferreira Construction	Street Subsidence and Blow off repair	Agency-Wide	TO-011	21,902	3,479	10/18/2016	Complete
14	EN17017.03	Ferreira Construction	Valve Shear Pine Replacement on a Buried RW Line	Agency-Wide	TO-012	6,209	2,199	10/19/2016	Complete
15	EN17019.04	Ferreira Construction	6" DAFT Sludge Line Tapping Sleeve Repair	Agency-Wide	TO-014	3,658	1,712	11/28/2016	Complete
16	EN17018.02	W.A. Rasic Construction	Mission Blvd Sink Hole (Ontario)	Agency-Wide	TO-043	50,000	-	2/24/2017	Active
17	EN17016.02	David T. Wasden	Mission Ave. Sewer Collapse and Repair	Agency-Wide	TO-05	18,088	-	3/21/2017	Active
18	EN17018.03	Ferreira Construction	Westside Interceptor Relief Sewer-Backfill/Subgrade Investigation	Agency-Wide	TO-17	7,226	-	3/22/2017	Active
					Totals	316,696	121,371		

**GRANTS UPDATE**

Since the last General Manager’s report, the following item was processed through the IEUA Board Meeting:

- The Board approved the Single Audit Report for FY 2015/16; and directed staff to distribute the report, as appropriate, to the State Controller's Office, the Federal Audit Clearing House, and other interested parties.

**Grant/Loan Applications/Opportunities worked on by Grants Staff:**

IEUA staff submitted the following items during this period:

- Application for the 2017 Rathmann Challenge to the Rathmann Family Foundation for a potential grant for use at the IERCF on March 28, 2017. Submitted in coordination with the Association of Compost Producers (the California state chapter of the U.S. Composting Council), the purpose of the 2017 Rathmann Challenge grant is to identify ideas that will significantly expand the use of compost in the United States and may include: compost operator training, infrastructure development, market development, organic waste material management practices, practice adoption, professionalization of compost science, public education and marketing, scientific research, and soil management practices.
- Application to USBR WaterSMART: Water Marketing for the Chino Basin Water Bank Project on April 19, 2017. Letters of support were solicited and received from SAWPA, JCSD, MVWD, CVWD, the City of Ontario, and Fontana Water Company, for this funding opportunity and pertaining to the project, which is will be a benefit to the entire region’s water supply.
- Letter of Intent to the EPA on April 10, 2017, for potential funding under the Water Infrastructure Finance and Innovation Act (WIFIA) for the RP-1/RP-5 Expansion Project. The newest funding source for the Agency, the WIFIA program accelerates investment in our nation’s water infrastructure by providing long-term, low-cost supplemental loans for regionally and nationally significant projects.

**State Water Resources Control Board Proposition 1 Grants and SRF Loan Applications:**

Project Name	Status	Estimated Completion	Committed (AFY)	Estimated Grant	Estimated SRF Loan	Estimated Total	Estimated Award Date
San Sevaine Basin Improvements	Design	18-Jan	1,500	\$ 2,117,500	\$ 3,932,500	\$ 6,050,000	2017
Napa Lateral	Pre Design	18-Dec	500	\$ 2,261,000	\$ 4,199,000	\$ 6,460,000	2017
RP-1 1158 PS Upgrades	Pre Design	19-Jul	2,361	\$ 1,400,000	\$ 2,600,000	\$ 4,000,000	2018
RP-5 RW Pipeline Bottleneck	Pre Design	18-Dec	0	\$ 962,500	\$ 1,787,500	\$ 2,750,000	2018
Pressure Sustaining Valve Installation	Pre Design	18-Dec	0	\$ 297,500	\$ 552,500	\$ 850,000	2018
RP-1 Parallel Outfall Pipeline	Initial Eval	18-Dec	500	\$ 1,995,000	\$ 3,705,000	\$ 5,700,000	2018
Baseline Extension (Village of Heritage)	Pre Design	18-Dec	105	\$ 1,896,096	\$ 3,521,321	\$ 5,417,417	2018
City of Ontario Euclid/Riverside Pipeline	Design	TBD	476	\$ 7,923,679	\$ 14,715,404	\$ 22,639,083	TBD
IEUA-JCSD Recycled Water Intertie	Initial Study	TBD	3,000	\$ 15,000,000	\$ 37,460,000	\$ 52,460,000	TBD
IEUA-Pomona-MVWD Recycled Water	Initial Study	TBD	1,000	\$ 15,000,000	\$ 36,896,000	\$ 51,896,000	TBD
<b>Total</b>			<b>9,442</b>	<b>\$ 48,853,275</b>	<b>\$ 109,369,225</b>	<b>\$ 158,222,500</b>	

**Future Grant/Loan Applications/Opportunities worked on by Grants Staff:**

- SWRCB: SRF Loan Application for MVWD \$3.25M Recycled Water Project
- SWRCB: SRF Loan Application for the balance of the RMPU project
- SWRCB: SRF Loan Application for the RP-1/RP-5 Construction

**Grant Reimbursements and Reporting Activities:**

The following is a status update on several existing contracts for various grants and loans:

- SWRCB Water Quality Laboratory SRF Loan Invoice #3 for \$1,004,879.
- USBR Joint IEUA/CDA GW Wells & RW Intertie Pipelines Grant - Invoice #8 for \$145,746.50.

**Other Department Activities:**

In March, staff participated in two webinars:

- ***“Preparing Winning Financing Applications for Water Infrastructure Projects”*** – presented by the EPA via the Environmental Finance Center Network (EFCN). The objective of this webinar was to learn about the different financing programs available to drinking water systems, understand some of the requirements related to federal funding programs, and to learn tips on how to score higher on your application for financing.
- ***“Water Storage Investment Program Application Assistance Workshop”*** – presented by the California Water Commission (CWC), with staff from the Department of Water Resources (DWR), State Water Resources Control Board (SWRCB), and California Department of Fish and Wildlife (CDFW) on-hand to answer application questions. This live-stream webcast of an in-person meeting in Sacramento was an opportunity for advocates and organizers of new water storage projects to learn more about the application process and to address questions related to preparing and submitting an application for funding under the Water Storage Investment Program (WSIP).