

NOTICE OF MEETING

OF THE
BOARD OF DIRECTORS

OF THE



Inland Empire Utilities Agency

A MUNICIPAL WATER DISTRICT

WILL BE HELD ON

WEDNESDAY, DECEMBER 20, 2017

10:00 A.M.

BOARD ROOM
Building A

AT THE OFFICE OF THE AGENCY
6075 KIMBALL AVENUE
CHINO, CA 91708



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

**WEDNESDAY, DECEMBER 20, 2017
10:00 A.M.**

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

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

FLAG SALUTE

PUBLIC COMMENT

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

ADDITIONS TO THE AGENDA

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

1. NEW EMPLOYEE INTRODUCTIONS

- Eva Brown, Records Specialist, hired 12/04/17, Records Management (Kathy Besser)
- Krystle Suetani, Laboratory Scientist I, hired 12/04/17, Laboratory Department (Chris Berch)
- Abel Hernandez, Electrical & Instrument Technician I, hired 12/18/17, Organics Management (Randy Lee)

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 November 15, 2017 Board meeting.

B. ADOPTION OF RESOLUTION NO. 2017-12-1, COMMENDING GENERAL MANAGER P. JOSEPH GRINDSTAFF FOR HIS 5 YEARS OF SERVICE WITH THE INLAND EMPIRE UTILITIES AGENCY

Staff recommends that the Board adopt Resolution No. 2017-12-1, commending General Manager P. Joseph Grindstaff for his 5 years of service with the Inland Empire Utilities Agency.

C. REPORT ON GENERAL DISBURSEMENTS (*Fin & Admin*)

Staff recommends that the Board approve the total disbursements for the month of October 2017, in the amount of \$15,532,023.67.

D. INVESTMENT ADVISORY AND MANAGEMENT SERVICES CONTRACT AWARDED (*Fin & Admin*)

Staff recommends that the Board:

1. Award Contract No. 4600002440 to PFM Asset Management LLC for an initial three-year period with two, one-year options to extend, for investment advisory and management services;
2. Pursuant to the Agency's Risk Management Ordinance, Section 8, approve PFM's Self-Insured Retention (SIR) for Professional Liability Insurance in the amount of \$1,000,000; and
3. Authorize the General Manager to execute the consultant contract subject to non-substantive changes.

E. POLICY FOR DISCLOSURE PROCEDURES

Staff recommends that the Board adopt the updated Policy for Disclosure Procedures effective December 21, 2016.

F. AMENDING THE SALARY SCHEDULE/MATRIX FOR UNREPRESENTED, EXECUTIVE, GENERAL UNIT, LABORATORY UNIT, OPERATORS ASSOCIATION, AND PROFESSIONAL UNIT

Staff recommends that the Board adopt Resolution No. 2017-12-4, amending the salary schedule/matrix for Unrepresented, Executive, General Unit, Laboratory Unit, Operators' Association, and Professional Unit employees.

G. FISCAL YEAR (FY) 2016/17 SINGLE AUDIT REPORT FOR FEDERAL GRANT PROGRAMS (Audit)(Fin & Admin)

Staff recommends that the Board:

1. Approve the Single Audit Report for FY 2016/17; and
2. Direct staff to distribute the report, as appropriate, to the State Controller's Office, the Federal Audit Clearing House, and other interested parties.

H. INTERNAL AUDIT DEPARTMENT CHARTER AND AUDIT COMMITTEE CHARTER (Audit)

Staff recommends that the Board reconfirm the Audit Committee Charter and the Internal Audit Department Charter and direct staff to implement the charters.

I. ADOPTION OF RESOLUTION NO. 2017-12-2, IEUA-SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT SPHERE ADJUSTMENT & REORGANIZATION (Eng/Ops/WR)

Staff recommends that the Board adopt Resolution No. 2017-12-2, requesting LAFCO to initiate a sphere adjustment and reorganization of the area to detach the 4.81 acres from IEUA and annex into SBVMWD.

J. REGIONAL PRETREATMENT AGREEMENT WITH THE CITY OF FONTANA (Eng/Ops/WR)

Staff recommends that the Board:

1. Approve the Regional Pretreatment Agreement (Agreement) between IEUA and the City of Fontana; and
2. Authorize the General Manager to execute the Agreement, subject to non-substantive changes.

K. RP-1 AERATION BASIN PANEL REPAIR CONSTRUCTION CONTRACT CHANGE ORDER (Eng/Ops/WR)

Staff recommends that the Board:

1. Award a construction contract change order to J.F. Shea for the RP-1 Aeration Basin Panel Repairs, Project Nos. EN17040/PA17006.01, for the not-to-exceed amount of \$115,218; and
2. Authorize the General Manager to execute the construction contract change order.

L. ON-CALL DESIGN AND CONSTRUCTION SURVEYING MASTER SERVICES CONTRACT AWARDS (Eng/Ops/WR)

Staff recommends that the Board:

1. Approve a two-year On-Call Design and Construction Surveying Master Services Contract to WestLAND Group, Inc., for a not-to-exceed amount of \$750,000;
2. Approve a two-year On-Call Design and Construction Surveying Master Services Contract to CASC Engineering and Consulting, Inc., for a not-to-exceed amount of \$750,000; and
3. Authorize the General Manager to execute the Master Services Contracts subject to non-substantive changes.

M. HEADQUARTERS BUILDINGS ROOFING REPLACEMENT CONSTRUCTION CONTRACT AWARD (Eng/Ops/WR) (Fin & Admin)

Staff recommends that the Board:

1. Award a construction contract for the Headquarters Buildings Roofing Replacement, Project No. CP16003, to Best Contracting Services Inc., in the amount of \$1,024,070;
2. Approve a project budget reclassification in the amount of \$1,311,000 in the Administration Services (GG) Fund from O&M to Capital Project; and
3. Authorize the General Manager to execute the contract and budget reclassification.

N. RP-5 AERATION DIFFUSER REPLACEMENT CONSTRUCTION CONTRACT AWARD

(Eng/Ops/WR)(Fin & Admin)

Staff recommends that the Board:

1. Award a construction contract for the RP-5 Aeration Diffuser Replacement, Project No. PA17006.02, to Genesis Construction in the amount of \$2,987,654; and
2. Authorize the General Manager to execute the contract.

O. IEUA FISCAL YEAR (FY) 2016/17 AUDITED COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) (Audit)(Fin & Admin)

Staff recommends that the Board:

1. Approve the Inland Empire Utilities Agency Comprehensive Annual Financial Report for fiscal year ended June 30, 2017; and

2. Direct staff to distribute the report as appropriate, to the various federal, state, and local agencies, financial institutions, bond rating agencies, and other interested parties.

3. **PRESENTATION OF RESOLUTION NO. 2017-12-1, COMMENDING GENERAL MANAGER P. JOSEPH GRINDSTAFF FOR HIS 5 YEARS OF SERVICE WITH THE INLAND EMPIRE UTILITIES AGENCY**

4. **ACTION ITEMS**

A. **RP-1 CAPACITY RECOVERY PROJECT CONSULTANT CONTRACT AWARD (Eng/Ops/WR)(Fin & Admin)**

Staff recommends that the Board:

1. Award a consultant contract for the RP-1 Capacity Recovery, Project Nos. EN24001 and EN24002, to Carollo Engineers Inc., for the not-to-exceed amount of \$13,637,633; and
2. Authorize the General Manager to execute the consultant contract subject to non-substantive changes.

B. **BASELINE RECYCLED WATER PIPELINE EXTENSION CONSULTANT CONTRACT AWARD (Eng/Ops/WR)**

Staff recommends that the Board:

1. Award a consultant contract for the Baseline Recycled Water Pipeline Extension, Project No. EN17049, to Carollo Engineers, Inc., for the not-to-exceed amount of \$394,766; and
2. Authorize the General Manager to execute the consultant contract subject to non-substantive changes.

C. **ADOPTION OF RESOLUTION NO. 2017-12-3, ESTABLISHING A POLICY FOR ROTATION OF BOARD OFFICERS**

Staff recommends that the Board adopt Resolution No. 2017-12-3, establishing a policy for rotation of Board officers.

5. **INFORMATION ITEMS**

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

B. **MWD UPDATE (ORAL)**

RECEIVE AND FILE INFORMATION ITEMS

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

- D. FISCAL YEAR 2017/18 FIRST QUARTER BUDGET VARIANCE, PERFORMANCE GOAL UPDATES, AND BUDGET TRANSFERS (WRITTEN/POWERPOINT)
- E. PUBLIC OUTREACH AND COMMUNICATION (WRITTEN)
- F. LEGISLATIVE REPORT FROM INNOVATIVE FEDERAL STRATEGIES (WRITTEN)
- G. LEGISLATIVE REPORT FROM WEST COAST ADVISORS (WRITTEN)
- H. CALIFORNIA STRATEGIES, LLC MONTHLY ACTIVITY REPORT (WRITTEN)
- I. FEDERAL LEGISLATIVE TRACKING MATRIX (WRITTEN)
- J. PAYROLL OPERATIONS AUDIT & COMPARABLE AGENCIES' SURVEY (WRITTEN/POWERPOINT)
- K. SOUTHERN CALIFORNIA EDISON UTILITY PAYMENTS FOLLOW-UP AUDIT (WRITTEN)
- L. AUDIT COMMITTEE FINANCIAL ADVISOR CONTRACT EXTENSION (WRITTEN)
- M. INTERNAL AUDIT DEPARTMENT STANDARD OPERATING PROCEDURES (SOP) (WRITTEN)
- N. INTERNAL AUDIT DEPARTMENT QUARTERLY STATUS REPORT (WRITTEN)
- O. SEPTIC TO SEWER FEASIBILITY STUDY UPDATE (WRITTEN/POWERPOINT)
- P. UPPER SANTA ANA RIVER HABITAT CONSERVATION PLAN AND INTEGRATED RIVER MODEL UPDATE (POWERPOINT)
- Q. SARCCUP UPDATE (POWERPOINT)
- 6. AGENCY REPRESENTATIVES' REPORTS
 - A. SAWPA REPORT (WRITTEN)
Meeting Agenda not available at the time of printing.
 - B. MWD REPORT (WRITTEN)
 - C. REGIONAL SEWERAGE PROGRAM POLICY COMMITTEE REPORT (WRITTEN)
 - D. CHINO BASIN WATERMASTER REPORT (WRITTEN)

- 7. GENERAL MANAGER'S REPORT (WRITTEN)
- 8. BOARD OF DIRECTORS' REQUESTED FUTURE AGENDA ITEMS
- 9. DIRECTORS' COMMENTS
 - A. CONFERENCE REPORTS

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

- 10. CLOSED SESSION
 - A. PURSUANT TO GOVERNMENT CODE SECTION 54956.9(a) – CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Chino Basin Municipal Water District vs. City of Chino, Case No. RCV51010
 - B. PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)(4) CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION; INITIATION OF LITIGATION
One Case
 - C. PURSUANT TO GOVERNMENT CODE SECTION 54957.6 – CONFERENCE WITH LABOR NEGOTIATIONS
Meet and Confer Negotiations – All Bargaining Units
Negotiating Parties: General Manager Halla Razak

11. ADJOURN

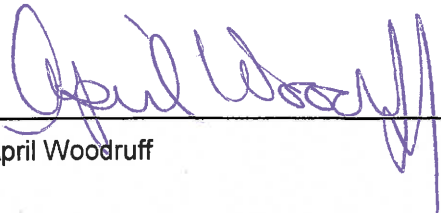
**A Municipal Water District*

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: JK

Declaration of Posting

I, April Woodruff, Board Secretary/Office Manager 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, December 14, 2017.



 April Woodruff