



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

**WEDNESDAY, JUNE 20, 2018  
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**

- Christine Thompson, Accountant II, hired May 14, 2018, Finance & Accounting
- Michelle Reed, Assistant Engineer, hired June 3, 2018, Engineering & Construction Management
- Sarah Recinto, Assistant Engineer, hired June 3, 2018, Engineering & Construction Management

**2. PROMOTIONS**

- Jennifer Huber, Laboratory Scientist II to Chemist, effective April 8, 2018, Laboratory
- Vincent Tran, Laboratory Scientist II to Chemist, effective May 20, 2018, Laboratory
- Niki Becker, Laboratory Scientist I to Laboratory Scientist II, effective May 20, 2018, Laboratory
- Jordan Villalobos, Procurement Specialist I (LT) to Contracts Administrator I, effective June 3, 2018, Contracts and Procurement

**3. PUBLIC HEARING FOR THE FISCAL YEAR 2018/19 PROPOSED BUDGET AMENDMENT AND ADOPTION OF RATE RESOLUTIONS (Fin/Admin)**

Staff recommends that the Board:

1. Hold a public hearing to receive public comments on the proposed budget amendment; and after closing the public hearing;
2. Approve the amendments to the FY 2018/19 adopted budget;
3. Approve the inter-fund loan repayment of \$3 million from the Recycled Water fund to the Non-Reclaimable Wastewater fund in FY 2018/19; and
4. Adopt Rate Resolution Nos. 2018-6-1 through 2018-6-8.

**4. 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 May 16, 2018 Board Meeting.

**B. REPORT ON GENERAL DISBURSEMENTS (Fin/Admin)**

Staff recommends that the Board approve the total disbursements for the month of April 2018, in the amount of \$14,574,552.14.

**C. RP-3 RMPU CONSTRUCTION CONTRACT AWARD (Eng/Ops/WR)**

Staff recommends that the Board:

1. Award the two construction contracts to James McMinn, Inc., in the amount of \$99,900 for demolition (Item 1) and \$577,905 for excavation (Item 3);
2. Reject the received bids for the basin improvement (Item 2); and

3. Authorize the General Manager to execute the contracts subject to non-substantive changes;

**D. FY 2018/19 ANNUAL AUDIT PLAN (*Audit*)**

Staff recommends that the Board:

1. Approve the FY 2018/19 Annual Audit Plan; and
2. Direct the Manager of Internal Audit to finalize the FY 2018/19 Annual Audit Plan.

**E. SUPPORT OF WATER SUPPLY AND WATER QUALITY ACT OF 2018 (*Comm. & Leg. Affairs*)**

Staff recommends that the Board support the Water Supply and Water Quality Act of 2018.

**F. ADOPTION OF A RESOLUTION FOR A LABOR COMPLIANCE PROGRAM**

Staff recommends that the Board:

1. Adopt Resolution No. 2018-6-11, implementing and enforcing a Department of Industrial Relations approved Labor Compliance Program; and
2. Authorize the Manager of Grants/Grants Officer as IEUA's Awarding Body's Representative to sign the Application to the Director of the California Department of Labor for Approval of Awarding Body's Labor Compliance Program.

**G. ADOPTION OF A RESOLUTION FOR THE U.S. DEPARTMENT OF INTERIOR – BUREAU OF RECLAMATION WATERSMART APPLICATION**

Staff recommends that the Board:

1. Adopt Resolution No. 2018-6-10, 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 2018; and
2. Authorize the General Manager to execute the financial assistance agreement, any amendments, and any grant related documents thereto.

**H. RP-5 FACILITY IMPROVEMENT CONSTRUCTION CONTRACT AWARD (*Eng/Ops/WR*)**

Staff recommends that the Board:

1. Award a construction contract for the RP-5 Facility Improvement, Project No. EN18028, to GSE Construction Co., in the amount of \$126,500; and

2. Authorize the General Manager to execute the contract subject to non-substantive changes.

**I. SCADA ENTERPRISE SYSTEM CONSULTANT CONTRACT AMENDMENT (Eng/Ops/WR)**

Staff recommends that the Board:

1. Approve a contract amendment for the SCADA Enterprise System, Project No. EN13016, to Westin Technology Solutions for a not-to-exceed amount of \$87,858; and
2. Authorize the General Manager to execute the contract subject to non-substantive changes.

**J. PURCHASE AND INSTALLATION OF RP-1 NUTRIENT ANALYZERS (Eng/Ops/WR)**

Staff recommends that the Board:

1. Authorize the purchase of four Hach ammonia analyzers with necessary support equipment and services for a not-to-exceed amount of \$139,498 (including tax and delivery);
2. Authorize Southern Contracting Company to install the Hach analyzers and necessary support equipment for the not-to-exceed amount of \$55,715; and
3. Authorize the General Manager to execute the purchase and installation.

**K. EMERGENCY CONSTRUCTION CONTRACTOR AWARDS (Eng/Ops/WR)**

Staff recommends that the Board:

1. Award three-year master contracts for Emergency Construction Contractors to the followings companies with four one-year extension options:
  - Atom Engineering
  - Big Sky Electric
  - Davis Electric
  - Doty Brothers Equipment Company
  - Environmental Construction, Inc.
  - Ferreira Construction
  - Genesis Construction
  - Humphrey Constructors
  - J.R. Filanc Construction Co., Inc.
  - Kana Subsurface Engineering
  - KDC Inc. dba Dynaelectric
  - Mike Bubalo Construction
  - Murphy Industrial Coatings, Inc.

- SCW Contracting Corp.
- Trinity Construction
- Vance Corp.
- W.A. Rasic Contracting
- Weka, Inc.
- W.M. Lyles Co; and

2. Authorize the General Manager to execute the contracts subject to non-substantive changes.

**L. CONTRACT AWARD FOR WEED CONTROL SERVICES (Eng/Ops/WR)**

Staff recommends that the Board:

1. Award a three-year service contract, with two one-year extension options, to Pest Options, Inc., for weed control services for a not-to-exceed amount of \$215,100 (five-year contract term); and
2. Authorize the General Manager to execute the service contract.

**M. CONTRACT AMENDMENT FOR LANDSCAPE SERVICES WITH BRIGHTVIEW LANDSCAPES, LLC (Eng/Ops/WR)**

Staff recommends that the Board:

1. Amend the current Landscape Maintenance Services Contract for BrightView Landscapes, LLC for fixed pricing of \$17,339 a month, exercising the two-year extension option, for a total for a total not-to-exceed amount of \$416,136; and
2. Authorize the General Manager to execute the amendment to the service contracts.

**N. LABOR COMPLIANCE MASTER SERVICES CONTRACTS (Eng/Ops/WR)**

Staff recommends that the Board:

1. Award a three-year master service contract for labor compliance to The Solis Group with options for up to four one-year extensions;
2. Approve a two-year extension amendment to Golden State Labor Compliance, LLC;
3. Both contract shall be limited to a single aggregate not-to-exceed amount of \$500,000; and
4. Authorize the General Manager to execute the contract and amendment subject to non-substantive changes.

5. **ACTION ITEM**

A. **REGIONAL CONTRACT FACILITATION CONTRACT AMENDMENT**

Staff recommends that the Board:

1. Approve the budget amendment of \$390,000 for the Regional Contract Facilitation, Project No. PL19002;
2. Award a professional services contract amendment to Kearns and West for a not-to-exceed amount of \$390,000; and
3. Authorize the General Manager to execute the contract subject to non-substantive changes.

B. **ADOPTION OF RESOLUTION NO. 2018-6-9 FOR FY 2018/19 APPROPRIATIONS LIMIT (Fin/Admin)**

Staff recommends that the Board adopt Resolution No. 2018-6-9, establishing the appropriations limit for Fiscal Year 2018/19.

6. **INFORMATION ITEMS**

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

B. **WATER USE EFFICIENCY LEGISLATION (POWERPOINT)**

C. **MWD UPDATE (ORAL)**

D. **CBWM UPDATE (ORAL)**

E. **SAWPA UPDATE (ORAL)**

**RECEIVE AND FILE INFORMATION ITEMS**

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

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

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

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

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

K. **FEDERAL LEGISLATIVE TRACKING MATRIX (WRITTEN)**

L. **STATE LEGISLATIVE TRACKING MATRIX (WRITTEN)**

- M. GRANTS STRATEGIC PLAN (WRITTEN)
  - N. FY 2018/19 FINANCIAL AUDIT – COMMUNICATIONS REQUIRED BY SAS 114 (WRITTEN/POWERPOINT)
  - O. REPORT OF OPEN AUDIT RECOMMENDATIONS (WRITTEN)
  - P. INTERNAL AUDIT DEPARTMENT QUARTERLY STATUS REPORT (WRITTEN)
  - Q. GARDEN IN EVERY SCHOOL® EVALUATION REPORT (WRITTEN/POWERPOINT)
  - R. AMENDMENTS TO THE RETENTION SCHEDULE (WRITTEN)
7. AGENCY REPRESENTATIVES' REPORTS
- A. SAWPA REPORT (WRITTEN)
  - B. MWD REPORT (WRITTEN)
  - C. REGIONAL SEWERAGE PROGRAM POLICY COMMITTEE REPORT (WRITTEN)
  - D. CHINO BASIN WATERMASTER REPORT (WRITTEN)
  - E. CHINO BASIN DESALTER AUTHORITY (WRITTEN)
  - F. INLAND EMPIRE REGIONAL COMPOSTING AUTHORITY (WRITTEN)  
 The next meeting dates are as follows:  
     August 6  
     November 5
8. GENERAL MANAGER'S REPORT (WRITTEN)
9. BOARD OF DIRECTORS' REQUESTED FUTURE AGENDA ITEMS
10. 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.

**11. CLOSED SESSION**

**A. PURSUANT TO GOVERNMENT CODE SECTION 54956.9(a) –  
CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

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

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

Three Cases

**C. PURSUANT TO GOVERNMENT CODE SECTION 54957(a) – AGENCY  
FACILITIES SAFETY AND SECURITY REVIEW**

Inland Empire Utilities Agency Risk and Security

**D. PURSUANT TO GOVERNMENT CODE SECTION 54957.6 –  
CONFERENCE WITH LABOR NEGOTIATIONS**

Meet and Confer Negotiations – All Bargaining Units  
Negotiating Parties: General Manager Halla Razak

**12. ADJOURN**

\*A Municipal Water District

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

Proofed by: 

**Declaration of Posting**

I, April Woodruff, Board Secretary/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, June 14, 2018.

  
April Woodruff



# **PUBLIC HEARING**

# **3**

**Date:** June 20, 2018

#HR

**To:** The Honorable Board of Directors

**From:** Halla Razak, General Manager

**Committee:** Finance & Administration

06/13/18

**Executive Contact:** Christina Valencia, Executive Manager of Finance & Administration/AGM

**Subject:** Fiscal Year 2018/19 Proposed Budget Amendment and Rate Resolutions

**Executive Summary:**

On June 21, 2017 the Board of Directors approved the Agency's second Biennial Budget for fiscal years (FYs) 2017/18 and 2018/19, and Ten Year Capital Improvement Plan (TYCIP) for FYs 2018-2027. As part of the biennial budget cycle, a review of the second budget year is done at the end of the first year to determine whether any adjustments are needed to meet changes in underlying assumptions. The proposed amendments for the Regional Wastewater, Recycled Water, and Recharge Water programs and the TYCIP were reviewed by the Regional Committees and unanimously recommended for approval. The TYCIP was approved by the Board on May 16, 2018.

The proposed amendment for the FY 2018/19 adopted budget is a net increase of \$24.8 million, primarily due to higher projected proceeds of State Revolving Fund (SRF) loans and grants supporting recycled water capital projects. The proposed Rate Resolutions 2018-6-1 through 2018-6-8 include adjustments to various charges and fees, including Extra-Territorial Wastewater Monthly fee, Laboratory, Equipment Lease, and Non-Reclaimable pass-through charges. No changes to the adopted multi-year rates for the Regional Wastewater, Recycled Water, and Water Resources programs.

**Staff's Recommendation:**

1. Hold a public hearing to receive public comments on the proposed budget amendment at the June 20, Board meeting;
2. Approve the amendments to the FY 2018/19 Adopted Budget;
3. Approve the inter-fund loan repayment of \$3 million from the Recycled Water fund to the Non-Reclaimable Wastewater in FY 2018/19; and
4. Adopt Rate Resolutions No. 2018-6-1 through 2018-6-8.

**Budget Impact** Budgeted (Y/N): N Amendment (Y/N): Y Amount for Requested Approval:

Account/Project Name:

*Fiscal Impact (explain if not budgeted):*

The proposed net increase of \$24.8 million to the FY 2018/19 Adopted Budget will increase total Agency fund reserves

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**Prior Board Action:**

On June 21, 2017, the Board of Directors approved the Agency's biennial budget for FYs 2017/18 and 2018/19.

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**Environmental Determination:**

Not Applicable

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**Business Goal:**

The proposed amendment to the FY 2018/19 Adopted Budget for the Agency's programs is consistent with the IEUA Business Goals of Fiscal Responsibility, Water Reliability, Wastewater Management, Environmental Stewardship, and Business Practices to optimize investment earnings.

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**Attachments:**

Attachment 1 - Background

Attachment 2 - Sources and Uses of Funds by Program Fund Report

Attachment 3 - Powerpoint

Attachment 4 - Resolution Nos. 2018-6-1 through 2018-6-4, Non-Reclaimable Wastewater Service Rates

Attachment 5 - Resolution No. 2018-6-5, Laboratory Rates

Attachment 6 - Resolution No. 2018-6-6, Extra-Territorial Sewer Charges

Attachment 7 - Resolution No. 2018-6-7, Imported Water Rates

Attachment 8 - Resolution No. 2018-6-8, Equipment Rental Fees

# Background

Subject: FY 2018/19 Proposed Budget Amendment & Rate Resolutions

On June 21, 2017, the Board of Directors approved the Agency’s second Biennial Budget for fiscal years (FYs) 2017/18 and 2018/19, and Ten-Year Capital Improvement Plan (TYCIP) for FYs 2018-2027. As part of the biennial budget cycle, a review of the second budget year is done at the end of the first year to determine whether any adjustments are needed to meet changes in certain assumptions or conditions. The proposed amendments for the Regional Wastewater, Recycled Water, and Recharge Water programs and the TYCIP for the FYs 2019 - 2028 were reviewed by the Regional Committees and unanimously recommended for approval. The TYCIP was approved by the Board of Directors on May 16, 2018. Summarized below are the proposed amendments recommended for FY 2018/19 for all Agency’s programs.

## TOTAL USES OF FUNDS

The proposed increase of \$10.4 million in total Uses of Funds is primarily due to projected increase of imported water purchase from the Metropolitan Water District of Southern California (MWD). The table below provides a summary of proposed amendments by major category.

**Table 1: FY 2018/19 Proposed Amendments to Total Uses of Funds (\$Millions)**

Uses of Funds	Adopted Budget	Proposed Amendments	Amended Budget
Operations & Administration	\$150.9	\$5.9	\$156.8
Capital Projects	78.4	1.4	79.8
Debt Service	22.2	3.1	25.3
<b>Total</b>	<b>\$251.5</b>	<b>\$10.4</b>	<b>\$261.9</b>

**Operations & Administration:** The projected increase of 10,000 acre-feet of imported water purchase from the Metropolitan Water District of Southern California (MWD) in the Water Resources fund, and a proposed increase of operating fees in the Non-Reclaimable Wastewater fund due to projected higher wastewater strength compositions.

**Capital Projects:** The proposed increase is primarily due to the acceleration of the Philadelphia Life Station Force Main Improvement project in the Non-Reclaimable Wastewater (NRW) system and other minor adjustments to Agency-wide capital projects budgeted in the Administrative Services fund.

**Debt Service:** The increase is associated with the acceleration of inter-fund loan repayment to the Non-Reclaimable Wastewater (NRW) from the Recycled Water program. The advance repayment will support capital improvements to the NRW Philadelphia Lift Station Force Main.

## SOURCES OF FUNDS

The proposed increase to total Sources of Funds of \$35.2 million includes a projected increase in both wastewater and water connection fees, State grants and loans for Regional Wastewater and Recycled Water capital projects, and inter-fund loan repayment of \$3 million to the Non-Reclaimable Wastewater (NRW) from the Recycled Water program. The proposed amendments for sources of funds by major category is shown in Table 2:

**Table 2: FY 2018/19 Proposed Amendment to Total Sources of Funds (\$Millions)**

Sources of Funds	Adopted Budget	Proposed Amendments	Amended Budget
User Charge	\$82.9	\$1.3	\$84.2
Connection Fees	24.3	8.6	32.9
Recycled Water Sales	18.2	0.0	18.2
Water Sales	36.0	7.0	43.0
State Loans	19.3	9.3	28.6
Grants	8.2	6.6	14.8
Property Tax	47.4	0.5	47.9
Other*	12.2	1.9	14.1
<b>Total</b>	<b>\$248.5</b>	<b>\$35.2</b>	<b>\$283.7</b>

\*Other Sources include contract reimbursements, JPA reimbursements, inter-fund loan repayment and interest earnings.

**User Charges:** The proposed increase of \$1.3 million is primarily due to projected higher passthrough strength and imbalance charges in the NRW north system from Sanitation District of Los Angeles County.

**Connection Fees:** New wastewater connections increase 1,000 equivalent dwelling units (EDUs) and water connections increase 1,200-meter equivalent units (MEUs) to align with current pace of construction activity anticipated to continue in FY 2018/19. However, should the economy slowdown or take a downturn as some economists forecast, this will significantly reduce collection of future connections fees which are a primary source of funding for the Agency's capital improvement plan.

**MWD Imported Water Sales:** Projected increase of pass through water deliveries of \$7.0 million, increasing from 50,000 acre feet (AF) to 60,000 AF.

**State Loans and Grants:** Increases are the result of Agency efforts in securing State Revolving Fund (SRF) loans to support capital projects for the Recycled Water and Regional Wastewater programs planned for FY 2018/19. Due to uncertainty in the availability of future SRF loan funding, a key assumption in the adopted FY 2018/19 budget was primarily pay-go funding of

planned capital projects. The decrease of capital reimbursements in the Groundwater Recharge program is due to changes in the execution timeline of the RMPU.

### **FY 2018/19 Rate Resolutions**

The Agency establishes the following service rates for FY 2018/19 to support various types of services for different programs and for other local governmental agencies who may require the Agency's staff support or use of Agency's equipment. The highlights of the FY 2018/19 proposed resolutions are provided in the section below, and the respective resolution documents are presented in Attachment 4 through Attachment 8.

**Table 5: Proposed FY 2018/19 Rate Resolutions**

<b>Resolution No.</b>	<b>Description</b>
2018-6-1	Service Rates and Excessive Strength Charges for Regional or Industrial Wastewater Discharge
2018-6-2	Service Rates on Capacity, Volumetric, Strength, Capital Improvement, and Application Fees for the Etiwanda Wastewater Line (EWL)
2018-6-3	Service Rates on Capacity, Volumetric, Strength, and Application Fees for the Non-Reclaimable Wastewater System (NRWS)
2018-6-4	Service Rates on Capacity, Volumetric, Strength, Capital Improvement, and Application Fees for the Inland Empire Brine Line (IEBL)
2018-6-5	Laboratory Rates
2018-6-6	Extra-Territorial Sewer Charges
2018-6-7	Imported Water Rates
2018-6-8	Equipment Rental Fees

#### **Resolution No. 2018-6-1, Service Rates for Wastewater Discharges to the Regional Wastewater System for Septage, Commercial or Industrial Wastewater, and Excessive Strength Charges**

This resolution establishes service rates for processing and issuing permits to domestic, commercial, or industrial wastewater dischargers and wastewater haulers permitted by IEUA, service rates for processing and treatment of sanitary, commercial or industrial wastewater deliveries to the Inland Empire Utilities Agency (Agency)'s Regional Wastewater System; and service rates for application fees for processing and issuing of wastewater discharge permits to industrial wastewater generators who discharge directly through pipeline connections to the Regional Sewer System.

#### **Resolution No. 2018-6-2, Capacity Charges, Volumetric Charges, Strength Charges, Capital Improvement Project (CIP) Charges, IEUA Administrative Charges, and Application and Wastewater Discharge Permit Application Fees for the Etiwanda Wastewater Line (EWL)**

This resolution establishes a rate structure for the collection of costs associated for the sewerage service for the EWL under the Etiwanda Wastewater Line Disposal Agreement entered between County Sanitation Districts of Los Angeles County (CSDLAC) and Inland Empire Utilities Agency (Agency)

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**Resolution No. 2018-6-3, Capacity Charges, Volumetric Charges, Strength Charges, Agency Program Charges and Application Fees for the Non-Reclaimable Wastewater System (NRWS)**

This resolution establishes a rate structure for the collection of costs associated for the sewerage service for the NRW north system under the NRWS *Wastewater Disposal Agreement No. 4830* entered between County Sanitation Districts of Los Angeles County (CSDLAC) and Inland Empire Utilities Agency (Agency)

**Resolution No. 2018-6-4, Capacity Charges, Volumetric Charges, Strength Charges, Capital Improvement Project (CIP) Charges, IEUA Administrative Charges, and Application and Wastewater Discharge Permit Application Fees for the Inland Empire Brine Line**

This resolution establishes initial and monthly capacity charges, volumetric flow charges, CIP charges, trucked wastewater delivery charges and excessive strength charges, application fees for processing applications for Capacity Right Agreements and Wastewater Discharge Permits for the use of the Inland Empire Utilities Agency (Agency)'s Brine Line, NRW south system.

**Resolution No. 2018-6-5, Laboratory Rates**

This resolution establishes rates on a variety of laboratory analyses for local governmental agencies who enter into agreement with the Agency for laboratory analysis services. The rates support the laboratory staff time and supplies associated with laboratory analyses. The FY 2018/19 laboratory rates remain consistent with prior year rates.

**Resolution No. 2018-6-6, Extra-Territorial Sewer Charges**

This resolution establishes an extra-territorial (ET) monthly sewer service charge for system users located within our contracting agencies boundaries but outside the Inland Empire Utilities Agency service area. This monthly ET charge is in addition to the adopted Regional Sewer service rate. The FY 2018/19 ET monthly sewer service rate is determined based on the Agency-wide assessed valuation for FY 2017/18 as reported by the San Bernardino County Auditors Property Tax Division and the estimated number of billable equivalent dwelling units (EDU) projected in the Agency's FY 2017/18 Regional Wastewater Operations and Maintenance fund budget. The FY 2018/19 monthly ET rate is set at \$15.70 per EDU, in addition to the adopted monthly EDU rate of \$19.59.

**Resolution No. 2018-6-7, Imported Water Rates**

This resolution establishes rates for delivery of imported water supplies; and the rates are based on the approved and adopted rates by the Metropolitan Water District of Southern California (MWD) Board on April 10, 2018. The rates of sales of imported water are direct pass-through charged by Metropolitan for each class of water (Tier 1 and Tier 2) to the IEUA member agencies.

**Resolution No. 2018-6-8, Equipment Rental Fees**

This resolution provides rental equipment rates for local governmental agencies that may occasionally require the use of Agency equipment. The rates cover the Agency's labor cost, materials and supplies, and fuel costs. The cost for rental equipment in FY 2018/19 increases slightly to allow for increased fuel costs.

**Conclusion**

The proposed increase in total Uses of Funds of \$10.4 million and the proposed increase of \$35.2 million in total Sources of Funds is projected to increase total Agency fund reserve by a net of \$24.8 million for FY 2018/19. Fund reserve support the Agency's operations, debt obligations, Ten-Year Capital Improvement Plan (TYCIP), sinking funds needed for long term capital expenditures and unplanned expenditures.

The proposed amendment to the FY 2018/19 Adopted Budget for the Agency's programs is consistent with the IEUA Business Goals of *Fiscal Responsibility, Water Reliability, Wastewater Management, Environmental Stewardship and Business Practices*.



**INLAND EMPIRE UTILITIES AGENCY  
FISCAL YEAR 2018/19 BUDGET AMENDMENT  
SOURCES AND USES OF FUNDS - BY PROGRAM FUND (In Thousands)**

	FY 2016/17 ACTUAL	FY 2017/18 PROJECTED ACTUAL	FY 2018/19 ADOPTED	FY 2018/19 PROPOSED AMENDMENT							TOTAL
				Administrative Services Program	Non- Reclaimable Wastewater Program	Regional Wastewater Capital Improvement Fund	Regional Wastewater Operations & Maintenance Program	Recharge Water Program	Recycled Water Program	Water Resources Program	
<b>REVENUES</b>											
User Charges	\$73,173	\$78,852	\$82,885	\$0	\$13,294	\$0	\$64,743	\$0	\$0	\$6,207	\$84,244
Property Tax	1,972	1,972	1,972	1,972	0	0	0	0	0	0	1,972
Cost Reimbursement JPA	5,804	6,094	6,460	1,203	0	0	3,892	989	0	0	6,084
Contract Cost reimbursement	120	506	493	0	0	0	93	186	0	400	679
Interest Revenue	1,399	1,421	1,492	230	350	497	800	32	577	110	2,596
Recycled Water Sales	16,385	17,745	18,188	0	0	0	0	0	18,188	0	18,188
Water Sales	29,908	41,001	36,040	0	0	0	0	0	0	42,996	42,996
<b>TOTAL REVENUES</b>	<b>\$128,760</b>	<b>\$147,590</b>	<b>\$147,530</b>	<b>\$3,405</b>	<b>\$13,644</b>	<b>\$497</b>	<b>\$69,528</b>	<b>\$1,207</b>	<b>\$18,765</b>	<b>\$49,713</b>	<b>\$156,758</b>
<b>OTHER FINANCING SOURCES</b>											
Property Tax - Debt and Capital	\$43,702	\$44,074	\$45,455	\$0	\$0	\$31,127	\$9,549	\$0	\$2,170	\$3,070	\$45,916
Regional System Connection Fees	35,923	32,260	24,251	0	0	26,496	0	0	6,416	0	32,912
State Loans	9,271	12,244	19,251	0	0	7,768	4,000	8,909	7,909	0	28,586
Grants	12,295	5,658	8,244	0	0	0	5,360	652	6,710	2,060	14,782
Capital Cost Reimbursement	1,454	1,706	2,903	0	0	0	0	802	72	0	874
Other Revenues	(752)	1,075	898	2	100	1	795	0	0	0	898
Loan Transfer from Internal Fund	0	0	0	0	3,000	0	0	0	0	0	3,000
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>\$101,893</b>	<b>\$97,017</b>	<b>\$101,002</b>	<b>\$2</b>	<b>\$3,100</b>	<b>\$65,392</b>	<b>\$19,704</b>	<b>\$10,364</b>	<b>\$23,277</b>	<b>\$5,129</b>	<b>\$126,968</b>
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<b>\$230,653</b>	<b>\$244,608</b>	<b>\$248,533</b>	<b>\$3,407</b>	<b>\$16,744</b>	<b>\$65,889</b>	<b>\$89,232</b>	<b>\$11,570</b>	<b>\$42,042</b>	<b>\$54,842</b>	<b>\$283,726</b>
<b>EXPENSES</b>											
Employment Expenses	\$46,646	\$44,797	\$46,046	\$1,573	\$2,390	\$4,145	\$30,529	\$592	\$4,248	\$2,461	\$45,937
Contract Work/Special Projects	15,699	13,705	19,415	377	100	220	11,747	371	1,785	5,640	20,240
Utilities	7,907	8,722	10,053	710	80	0	6,248	75	2,023	0	9,136
Operating Fees	11,587	12,888	12,215	21	7,886	254	2,268	8	10	2,993	13,440
Chemicals	4,259	4,181	4,681	0	134	0	4,562	0	0	0	4,696
Professional Fees and Services	6,967	10,627	10,630	3,841	133	420	3,752	922	829	292	10,189
Office and Administrative expenses	2,071	2,081	2,593	2,538	24	0	8	15	3	60	2,647
Biosolids Recycling	4,094	4,334	4,462	0	26	0	4,408	0	0	0	4,433
Materials & Supplies	3,012	2,956	3,191	417	110	0	2,200	90	222	0	3,038
MWD Water Purchases	29,908	41,001	36,040	0	0	0	0	0	0	42,996	42,996
Other Expenses	599	259	1,650	(6,422)	382	1,292	3,600	44	934	242	72
<b>TOTAL EXPENSES</b>	<b>\$132,750</b>	<b>\$145,551</b>	<b>\$150,976</b>	<b>\$3,054</b>	<b>\$11,265</b>	<b>\$6,330</b>	<b>\$69,321</b>	<b>\$2,116</b>	<b>\$10,054</b>	<b>\$54,684</b>	<b>\$156,825</b>
<b>CAPITAL PROGRAM</b>											
CSDLAC 4Rs	\$689	\$705	\$721	\$0	\$721	\$0	\$0	\$0	\$0	\$0	\$721
IERCA investment	0	0	500	0	0	500	0	0	0	0	500
Capital Construction and Expansion	29,411	50,545	77,150	1,244	3,950	30,594	19,918	10,640	12,237	0	78,584
<b>TOTAL CAPITAL PROGRAM</b>	<b>\$30,100</b>	<b>\$51,249</b>	<b>\$78,371</b>	<b>\$1,244</b>	<b>\$4,671</b>	<b>\$31,094</b>	<b>\$19,918</b>	<b>\$10,640</b>	<b>\$12,237</b>	<b>\$0</b>	<b>\$79,805</b>
<b>DEBT SERVICE</b>											
Financial Expenses	\$524	\$243	\$296	\$32	\$1	\$174	\$0	\$83	\$3	\$0	\$293
Interest	8,161	6,158	6,508	0	307	3,114	175	368	2,657	0	6,622
Principal	62,008	15,259	15,360	0	294	8,922	177	710	5,256	0	15,360
Short Term Inter-Fund Loan	0	0	0	0	0	0	0	0	3,000	0	3,000
<b>TOTAL DEBT SERVICE</b>	<b>\$70,693</b>	<b>\$21,661</b>	<b>\$22,164</b>	<b>\$32</b>	<b>\$602</b>	<b>\$12,211</b>	<b>\$352</b>	<b>\$1,161</b>	<b>\$10,916</b>	<b>\$0</b>	<b>\$25,275</b>
<b>TRANSFERS IN (OUT)</b>											
Capital Contribution	\$0	\$0	\$0	\$889	(\$30)	\$1,073	(\$1,901)	\$986	(\$1,016)	\$0	\$0
Debt Service	0	(0)	0	0	0	(2,981)	0	581	2,400	0	0
Operation support	0	0	0	377	(13)	0	(351)	693	(706)	0	(0)
Capital - Connection Fees Allocation	0	0	0	339	972	(6,765)	5,454	0	0	0	0
One Water	0	(0)	0	17	0	0	0	1,009	(1,652)	626	0
<b>TOTAL INTERFUND TRANSFERS IN (OUT)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,621</b>	<b>\$929</b>	<b>(\$8,673)</b>	<b>\$3,201</b>	<b>\$3,268</b>	<b>(\$973)</b>	<b>\$626</b>	<b>\$0</b>
<b>FUND BALANCE</b>											
Net Increase (Decrease)	(\$2,890)	\$26,147	(\$2,978)	\$698	\$1,136	\$7,580	\$2,842	\$921	\$7,861	\$784	\$21,822
Beginning Fund Balance July 01	187,114	184,224	143,744	15,017	9,023	77,416	66,561	1,603	33,630	7,120	210,371
<b>ENDING BALANCE AT JUNE 30</b>	<b>\$184,224</b>	<b>\$210,371</b>	<b>\$140,767</b>	<b>\$15,714</b>	<b>\$10,159</b>	<b>\$84,996</b>	<b>\$69,403</b>	<b>\$2,524</b>	<b>\$41,492</b>	<b>\$7,904</b>	<b>\$232,193</b>
<b>RESERVE BALANCE SUMMARY</b>											
Operating Contingencies	\$36,876	\$35,963	\$37,330	\$1,327	\$7,096	\$0	\$21,809	\$978	\$3,351	\$6,348	\$40,911
Capital Expansion & Replacement	28,534	17,247	4,906	0	1,756	2,310	0	500	16,909	0	21,475
CCRA Capital Construction	31,710	56,946	14,386	0	0	64,442	0	0	0	0	64,442
Water Connection	4,590	9,753	0	0	0	0	0	0	12,464	0	12,464
Rehabilitation/Replacement	20,990	21,201	22,895	0	0	0	21,201	0	0	0	21,201
CSDLAC Prepayment	689	705	721	0	721	0	0	0	0	0	721
Water Resource Capital	4,217	1,222	0	0	0	0	0	0	0	1,557	1,557
Debt Service & Redemption	15,953	29,133	35,944	0	586	18,245	1,314	1,046	8,766	0	29,956
Self Insurance Program	6,000	6,000	6,000	6,000	0	0	0	0	0	0	6,000
Employee Retirement Benefit	4,717	7,659	8,698	8,387	0	0	0	0	0	0	8,387
Sinking Fund	29,949	24,542	9,886	0	0	0	25,078	0	0	0	25,078
<b>ENDING BALANCE AT JUNE 30</b>	<b>\$184,224</b>	<b>\$210,371</b>	<b>\$140,767</b>	<b>\$15,714</b>	<b>\$10,159</b>	<b>\$84,996</b>	<b>\$69,403</b>	<b>\$2,524</b>	<b>\$41,492</b>	<b>\$7,904</b>	<b>\$232,193</b>

\*Numbers may not total due to rounding

# FY 2018/19 Proposed Budget Amendments



# USES OF FUNDS – ALL FUNDS

## (\$ Millions)

Uses of Funds	Adopted Budget	Proposed Amendments	Amended Budget
Operations & Administration	\$150.9	\$5.9	\$156.8
Capital Projects	78.4	1.4	79.8
Debt Service	22.2	3.1	25.3
Total	\$251.5	\$10.4	\$261.9

# SOURCES OF FUNDS – ALL FUNDS

(\$ Millions)

Sources of Funds	Adopted Budget	Proposed Amendments	Amended Budget
User Charge	\$82.9	\$1.3	\$84.2
Connection Fees	24.3	8.6	32.9
Recycled Water Sales	18.2	0.0	18.2
Water Sales	36.0	7.0	43.0
State Loans	19.3	9.3	28.6
Grants	8.2	6.6	14.8
Property Tax	47.4	0.5	47.9
Other*	12.2	1.9	14.1
<b>Total</b>	<b>\$248.5</b>	<b>\$35.2</b>	<b>\$283.7</b>

\*Other Sources include contract reimbursements, JPA reimbursements, inter-fund loan repayment and interest earnings.

# RATE RESOLUTIONS

Resolution No.	Description
2018-6-1	Service Rates and Excessive Strength Charges for Regional or Industrial Wastewater Discharge
2018-6-2	Service Rates on Capacity, Volumetric, Strength, Capital Improvement, and Application Fees for the Etiwanda Wastewater Line (EWL)
2018-6-3	Service Rates on Capacity, Volumetric, Strength, and Application Fees for the Non-Reclaimable Wastewater System (NRWS)
2018-6-4	Service Rates on Capacity, Volumetric, Strength, Capital Improvement, and Application Fees for the Inland Empire Brine Line (IEBL)
2018-6-5	Laboratory Rates
2018-6-6	Extra-Territorial Sewer Charges
2018-6-7	Imported Water Rates
2018-6-8	Equipment Rental Fees

## Recommendation

- Hold a public hearing to receive public comments on the proposed budget amendment at the June 20, Board meeting;
- Approve amendments to the FY 2018/19 Adopted Budget;
- Approve the inter fund loan repayment of \$3 million from the Recycled Water fund to the Non-Reclaimable Wastewater in FY 2018/19; and
- Approve Rate Resolutions No. 2018-6-1 through 2018-6-8.

The proposed amendments to the FY 2018/19 Adopted Budget are consistent with the IEUA Business Goals of *Fiscal Responsibility, Water Reliability, Wastewater Management, Environmental Stewardship and Business Practices.*

**RESOLUTION NO. 2018-6-1**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING SERVICE RATES FOR WASTEWATER DISCHARGERS TO THE REGIONAL WASTEWATER SYSTEM FOR SEPTAGE, COMMERCIAL OR INDUSTRIAL WASTEWATERS, AND EXCESSIVE STRENGTH CHARGES FOR FISCAL YEAR 2018/19.**

**WHEREAS**, it is necessary to establish service rates for processing and issuing permits to domestic, commercial, or industrial wastewater dischargers and wastewater haulers permitted by IEUA, and service rates for processing and treatment of sanitary, commercial or industrial wastewater deliveries to the Inland Empire Utilities Agency (Agency)'s Regional Wastewater System;

**WHEREAS**, it is necessary to establish application fees for processing and issuing of wastewater discharge permits to industrial wastewater generators who discharge directly through pipeline connections to the Regional Sewer System;

**WHEREAS**, the Board of Directors of the Inland Empire Utilities Agency\*, pursuant to Ordinance No. 97, may establish said service rates by resolution.

NOW, THEREFORE, the Board of Directors hereby RESOLVES, DETERMINES, AND ORDERS the following to be effective July 1, 2018:

**Section 1** That Wastewater Permit Application for Domestic Wastewater Hauler fees is as follow:

Initial Permit Application Fee	\$242.00
Permit Renewal Fee	\$121.00

**Section 2** That wastewater volumetric fee for domestic and industrial wastewater hauler is as follow:

For each load up to 2,000 gallons	\$ 76.77
Loads in excess of 2,000 gallons	\$ 0.038 per one (1) gallon

**Section 3** That a rate schedule effective July 1, 2018, for delivery of domestic and industrial wastewater to regional plants with excessive biochemical oxygen demand and suspended solids is hereby established as follows:

<u>Quantity</u>	<u>Rate</u>
Biochemical Oxygen Demand (BOD) in excess of 434 mg/L	\$ 290.28 per 1,000 lb (dry weight)
Suspended Solids (SS) in excess of 415 mg/L	\$ 313.18 per 1,000 lb (dry weight)

**Section 4** A Non-Compliance fee of \$150.00 shall be assessed to reinstate elapsed or expired insurance requirements.

**Section 5** That Initial Wastewater Discharge Permit Application and Permit Renewal fees for wastewater generators who discharge directly through pipeline connection to the Regional Sewer System shall be:

**Initial Wastewater Discharge Permit Application Fees  
 (Ownership Change with Process Changes included):**

Categorical Industrial User	\$4,235.00
with Combined Waste Stream Formula, add	\$1,029.00
with Production Based Standards, add	\$545.00
with Multiple Categories, add	\$2,057.00
Non-Categorical, Significant Industrial User	\$3,086.00
Non-Categorical, Non-Significant Industrial User	\$2,541.00

**Permit Renewal Fees:**

Categorical Industrial User	\$3,146.00
with Combined Waste Stream Formula, add	\$545.00
with Production Based Standards, add	\$303.00
with Multiple Categories, add	\$1,029.00
Non-Categorical, Significant Industrial User	\$787.00
Non-Categorical, Non-Significant Industrial User	\$545.00

**Section 6** That Initial Wastewater Discharge Permit Application, Ownership Change with Process Changes, and Permit Renewal fees for wastewater generators whose wastewater is hauled away, i.e., by a wastewater trucking company, and discharged into the NRWS sewer system shall be:



**Initial Wastewater Discharge Permit Application Fees:**

Categorical Industrial User	\$2,662.00
with Combined Waste Stream Formula, add	\$1,029.00
with Production Based Standards, add	\$545.00
with Multiple Categories, add	\$2,057.00
Non-Categorical, Significant Industrial User	\$1,573.00
Non-Categorical, Non-Significant Industrial User	\$1,029.00

**Permit Renewal Fees:**

Categorical Industrial User	\$2,178.00
with Combined Waste Stream Formula, add	\$545.00
with Production Based Standards, add	\$303.00
with Multiple Categories, add	\$1,029.00
Non-Categorical, Significant Industrial User	\$787.00
Non-Categorical, Non-Significant Industrial User	\$545.00

**Section 7** That Permit Revision or Facility Expansion fees shall be: \$1,573.00

Permit Revisions shall be required if the modification affects the quantity/quality of the wastewater discharge to deviate from the conditions in the current permit by more than 25%. Such additions or modifications include, but are not limited to, the following: Maintenance, Monitoring, Change of Discharge Limits, Addition of Control Equipment, Process Changes, etc.

**Section 8** That Permit Addendum fees shall be: \$787.00

That for change of business name or ownership only with no process changes shall be: \$242.00

Permit Addendum shall be required if the addition or modification does not affect the existing wastewater quantity/quality by more than 25%. Such additions or modifications include, but are not limited to, the following: Maintenance, Monitoring, Change of Discharge Limits, Addition of Control Equipment, Ownership Change without Process Changes, etc.

**Section 9** That IEUA will pass on to wastewater permit holder any other charges, such as, but not limited to, excessive strength charges, laboratory analysis charges, inspection activity charges, etc.

**Section 11** Miscellaneous processing fees that do not fall under any of the above sections shall be charged based on time and material of staff(s) evaluating such process using adopted labor rates for the current fiscal year.

**Section 12** That all provisions of the Regional Wastewater Ordinance and any amendments thereto are hereby applicable and will remain in full force and effect.

**Section 13** That upon the effective date of this Resolution, Resolution No. 2017-6-1 is hereby rescinded in its entirety.

\* \* \*

ADOPTED this 20<sup>th</sup> day of June, 2018

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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

Resolution No. 2018-6-1  
Regional Rates  
Page 5 of 5

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. 2018-6-1 as adopted at  
a regular Board meeting on June 20, 2018, of said Agency\* by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Jasmin A. Hall  
Secretary/Treasurer

(SEAL)

\* A Municipal Water District

**RESOLUTION NO. 2018-6-2**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING CAPACITY CHARGES, VOLUMETRIC CHARGES, STRENGTH CHARGES, CAPITAL IMPROVEMENT PROJECT (CIP) CHARGES, IEUA ADMINISTRATIVE CHARGES, APPLICATION AND WASTEWATER DISCHARGE PERMIT APPLICATION FEES FOR THE ETIWANDA WASTEWATER LINE (EWL) FOR FISCAL YEAR (FY) 2018/19.**

**WHEREAS**, *Etiwanda Wastewater Line Disposal Agreement* (Agreement) was entered between County Sanitation Districts of Los Angeles County (CSDLAC) and Inland Empire Utilities Agency (Agency);

**WHEREAS**, it is necessary to establish a rate structure for the collection of costs associated for the sewerage service under this Agreement;

**WHEREAS**, it is necessary to allocate industries with Etiwanda Wastewater Line Capacity Unit (EWLCU), in order to collect such charges;

**WHEREAS**, one EWLCU for the EWL is defined as an equalized discharge not to exceed a flow rate of 15 gallons per minute;

**WHEREAS**, it is necessary to establish application fees for processing applications for Capacity Right Agreements and Wastewater Discharge Permits for the use of the Agency's EWL;

**WHEREAS**, under Section 13550, et seq., of the California Water Code, a Public Agency may require industries to use recycled water for certain purposes, where it is available and at reasonable cost;

**WHEREAS**, the Board of Directors of the Agency, pursuant to Ordinance No. 99, may establish said fees and charges by Resolution;

**NOW, THEREFORE**, the Board of Directors hereby **RESOLVES, DETERMINES, AND ORDERS** the following to be effective July 1, 2018

**Section 1** That the acquisition of capacity rights shall be as follows:

(A) CAPACITY RIGHT ACQUISITION RATE

That the purchase rate for the right to discharge one (1) EWLCU for the EWL shall be \$215,000.00 per an equalized flow rate not to exceed 15 gallons per minute. This charge shall be paid in full upon the execution of the Capacity Right Agreement.

**Section 2** That the monthly charges for discharge to the EWL are as follows:

(A) CAPACITY CHARGES

For discharge to the EWL, which reaches the jurisdiction of the CSDLAC, the monthly Capacity Charge is \$78.00 per month per each EWLCU.

(B) CAPITAL IMPROVEMENTS PROGRAM CHARGES:

The monthly Capital Improvements Program (CIP) charge for EWL is \$90.00 per month per each EWLCU.

(C) VOLUMETRIC CHARGES

The Volumetric Charge for EWL is \$736.00 per Million Gallons. The minimum Volumetric Charge for discharge of 100,000 gallons or less per each EWLCU per month is \$73.60 per month per each EWLCU.

(D) STRENGTH CHARGES

That Strength Charges are for excessive Chemical Oxygen Demand (COD) and Total Suspended Solids (TSS) and are applicable to all discharges to the EWL. The rates are as follows:

<u>PARAMETER</u>	<u>RATE</u>
COD	\$130.00 per 1,000 pounds (dry weight)
TSS	\$368.00 per 1,000 pounds (dry weight)

Strength charges for the EWL discharges are calculated from the average of all the samples collected during the calendar month and invoiced on a quarterly basis. If there is no sample data for a given month, strength charges for that month shall be determined by using the average of all available data within the billing quarter.

**(E) AGENCY CIP AND O&M CHARGES**

Agency CIP and O&M Charges of 50% shall be added to the charges of Section 2(A), 2(C), and 2(D).

**(F) RECYCLED WATER USAGE CREDIT**

This program is for recycled water (RW) Users and shall end when funding is exhausted or not later than June 30, 2024, whichever comes first. New Users who qualify for this program shall be given the recycled water credit in effect at the time of connection to the recycled water system.

Recycled Water Users, including contracting agencies, shall be given a monetary credit based on the actual amount of RW used. The RW credit shall start at 50% of the IEUA's FY 2014/15 recycled water direct sale rate, and shall decline at 5% intervals per year through FY 2023/2024.

For Fiscal Year 2018/19, the Recycled Water Usage Credit is \$267.01 per million gallons of recycled water used.

**Section 3 OTHER CHARGES**

IEUA will pass on any other charges from CSDLAC invoiced to the Agency to dischargers to the EWL, such as, but not limited to, flow and strength imbalances charges, permit fees, inspection fees, analytical fees, etc.

**Section 4** That Application fees for a EWL Capacity Right Agreement shall be: \$242.00

**Section 5** That Initial Wastewater Discharge Permit Application, Ownership Change with Process Changes, and Permit Renewal fees for wastewater generators who discharge directly through pipeline connection to the EWL sewer system shall be:

**Initial Wastewater Discharge Permit Application Fees  
(Ownership Change with Process Changes included):**

Categorical Industrial User	\$4,235.00
with Combined Waste Stream Formula, add	\$1,029.00
with Production Based Standards, add	\$545.00
with Multiple Categories, add	\$2,057.00
Non-Categorical, Significant Industrial User	\$3,086.00
Non-Categorical, Non-Significant Industrial User	\$2,541.00

**Permit Renewal Fees:**

Categorical Industrial User	\$3,146.00
with Combined Waste Stream Formula, add	\$545.00
with Production Based Standards, add	\$303.00
with Multiple Categories, add	\$1,029.00
Non-Categorical, Significant Industrial User	\$787.00
Non-Categorical, Non-Significant Industrial User	\$545.00

**Section 6** That Permit Revision or Facility Expansion fees shall be: \$1,573.00

Permit Revisions shall be required if the modification affects the quantity/quality of the wastewater discharge to deviate from the conditions in the current permit by more than 25%. Such additions or modifications include, but are not limited to, the following: Maintenance, Monitoring, Change of Discharge Limits, Addition of Control Equipment, Process Changes, etc.

**Section 7** That Permit Addendum fees shall be: \$787.00

That for change of business name with no process changes shall be: \$242.00

Permit Addendum shall be required if the addition or modification does not affect the existing wastewater quantity/quality by more than 25%. Such additions or modifications include, but are not limited to, the following: Maintenance, Monitoring, Change of Discharge Limits, Addition of Control Equipment, Ownership Change without Process Changes, etc.

**Section 8** Toxic Organic Management Plan (TOMP) Processing No  
Charge

**Section 9** Miscellaneous processing fees that do not fall under any of the above sections shall be charged based on time and material of staff(s) evaluating such process using adopted labor rates for the current fiscal year.

**Section 10** That all provisions of the Etiwanda Wastewater Line Ordinance and any amendments thereto are hereby applicable and will remain in full force and effect.

**Section 11** That upon the effective date of this Resolution, the Resolution No. 2017-6-2 pertaining to the EWL is hereby rescinded in its entirety.

\* \* \*



ADOPTED this 20<sup>th</sup> day of June, 2018

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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

\*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. 2018-6-2 as adopted at  
a regular Board meeting on June 20, 2018, of said Agency\* by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Jasmin A. Hall  
Secretary/Treasurer

(SEAL)

\* A Municipal Water District

**RESOLUTION NO. 2018-6-3**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING CAPACITY CHARGES, VOLUMETRIC CHARGES, STRENGTH CHARGES, AGENCY PROGRAM CHARGES, AND APPLICATION FEES FOR THE NON-RECLAIMABLE WASTEWATER SYSTEM (NRWS) FOR FISCAL YEAR (FY) 2018/19**

**WHEREAS**, NRWS *Wastewater Disposal Agreement No. 4830* (Agreement) has been adopted between County Sanitation Districts of Los Angeles County (CSDLAC) and Inland Empire Utilities Agency (Agency);

**WHEREAS**, it is necessary to establish a rate structure for the collection of costs associated for the sewerage service under this Agreement;

**WHEREAS**, it is necessary to allocate User with Non Reclaimable Wastewater System Capacity Unit (NRWSCU), in order to collect such charges;

**WHEREAS**, it is necessary to allocate individual Users their fractional contribution of the Solids Discrepancy at East End ( $SD_{EE}$ ) monitoring facility determined by the *Fractional Solids Discrepancy (FSD<sub>i</sub>)* formula;

**WHEREAS**, it is necessary to allocate individual Users their fractional contribution of the Volumetric, Chemical Oxygen Demand (COD), and NRWSCU discrepancies at East End monitoring facility as determined by the preceding fiscal year's monitoring data;

**WHEREAS**, it is necessary to establish application fees for processing applications for NRWSCU Allocations and Wastewater Discharge Permits for the use of the Inland Empire Utilities Agency (Agency)'s NRWS;

**WHEREAS**, under Section 13550, et seq., of the California Water Code, a Public Agency may require industries to use recycled water for certain purposes, where it is available and at reasonable cost;

**WHEREAS**, the Board of Directors of the Agency, pursuant to Ordinance No. 99, may establish said fees and charges by Resolution;

**NOW, THEREFORE**, the Board of Directors hereby RESOLVES, DETERMINES, AND ORDERS the following to be effective July 1, 2018:

**Section 1** That the acquisition of wastewater discharge right shall be as follows:

(A) NRWSCU ACQUISITION RATES

1. A NRWSCU for the NRWS is determined by the following formula:

$$NRWSCU = \left( 0.6513 \times \frac{Flow_{gpd}}{260} \right) + \left( 0.1325 \times \frac{COD_{ppd}}{1.22} \right) + \left( 0.2162 \times \frac{TSS_{ppd}}{0.59} \right)$$

**Where:**

*gpd* = gallons per day

*ppd* = pounds per day

- 2. The minimum number of NRWSCU shall be 25 NRWSCU.
- 3. The **purchase rate** for the right to discharge one (1) NRWSCU shall be as established by CSDLAC or \$4,172.00 per NRWSCU.
- 4. The optional **annual lease rate** for the right to discharge one (1) NRWSCU shall be 5% per year of the purchase rate, i.e. \$208.60 per NRWSCU per each year.

The above charges shall be paid in full upon the execution of the NRWSCU purchase or lease.

**Section 2** That the monthly charges for discharge to the NRWS are:

(A) VOLUMETRIC CHARGES

For discharge to the NRWS, the monthly volumetric charge is \$912.00 per million gallons of discharge.

(B) PEAK FLOW CHARGES

For discharge to the NRWS, the monthly Peak Flow (PF) Charge shall be \$346.00 per million gallons of volumetric discharge.

(C) STRENGTH CHARGES

That Strength Charges are for excessive Chemical Oxygen Demand (COD) and Total Suspended Solids (TSS) and are applicable to all discharges to the NRWS. The rates are as follows:

<u>PARAMETER</u>	<u>RATE</u>
COD	\$161.00 per 1,000 pounds (dry weight)
TSS	\$456.00 per 1,000 pounds (dry weight)

Strength charges for the NRWS discharges are calculated from the average of all the samples collected during the calendar month and invoiced on a quarterly basis. If there is no sample data for a given month, strength charges for that month shall be determined by using the average of all available data within the billing quarter.

(D) AGENCY O&M Charge

The Agency's O&M charge shall be \$19.90 per NRWSCU per month.

(E) AGENCY CIP CHARGE

The Agency's capital improvement program charge shall be \$7.60 per NRWSCU per month.

(F) RECYCLED WATER USAGE CREDIT

This program is for recycled water (RW) Users and shall end when funding is exhausted or not later than June 30, 2024, whichever comes first. New Users who qualify for this program shall be given the recycled water credit in effect at the time of connection to the recycled water system.

Recycled Water Users, including contracting agencies, shall be given a monetary credit based on the actual amount of RW used. The RW credit shall start at 50% of the IEUA's FY 2014/15 recycled water direct sale rate, and shall decline at 5% intervals per year through FY 2023/2024.

For Fiscal Year 2018/19, the Recycled Water Usage Credit is \$267.00 per million gallons of recycled water used.

**Section 3** IMBALANCE CHARGES

(A) SOLIDS DISCREPANCY CHARGES for NRWS

Solids Discrepancy Charge for an industry ( $SDC_i$ ) shall be calculated on a monthly basis and invoiced on a quarterly basis. The charge shall be calculated by multiplying the individual industry's *Fractional Solids Discrepancy* ( $FSD_i$ ) by the Total Solids Discrepancy at East End monitoring facility ( $TSD_{EE}$ ) and by TSS rate:

$$SDC_i = (FSD_i) \times (TSD_{EE}) \times (TSS \text{ rate})$$

Individual industry's  $FSD_i$  for the NRWS is determined by the  $FSD_i$  formula to allocate the individual industry's solids contribution to the total solids discrepancy, based on their contribution to the overall loading of Alkalinity, Biological Oxygen Demand (BOD), Dissolved Calcium, and Flow.

$$FSD_i = 0.061 \times \left[ \frac{Alk_i}{Alk_T} \right] + 0.543 \times \left[ \frac{BOD_i}{BOD_T} \right] + 0.040 \times \left[ \frac{Ca_i}{Ca_T} \right] + 0.356 \times \left[ \frac{Flow_i}{Flow_T} \right]$$

**Where:**

- FSD<sub>i</sub>* = Fractional Solids Discrepancy for individual discharger (*i*)
- Alk<sub>i</sub>* = Individual dissolved alkalinity loading to the NRWS for discharger (*i*)
- Alk<sub>T</sub>* = Combined dissolved alkalinity loading from all dischargers to the NRWS
- BOD<sub>i</sub>* = Individual BOD<sub>5</sub> loading to the NRWS for discharger (*i*)
- BOD<sub>T</sub>* = Combined BOD<sub>5</sub> loading from all dischargers to the NRWS
- Ca<sub>i</sub>* = Individual dissolved calcium loading to the NRWS for discharger (*i*)
- Ca<sub>T</sub>* = Combine dissolved calcium loading from all dischargers to the NRWS
- Flow<sub>i</sub>* = Individual flow contribution to the NRWS from discharger (*i*)
- Flow<sub>T</sub>* = Combined flow from all dischargers to the NRWS

**(B) OTHER IMBALANCE CHARGES**

IEUA will pass to NRWS dischargers any other charges from CSDLAC invoiced to the Agency as a result of imbalance in the NRWS, including volumetric, COD, and NRWSCU imbalance charges. The charges shall be calculated on pro rata share for each component and invoiced on a quarterly basis.

**Section 4 OTHER CHARGES**

IEUA will pass on any other charges from CSDLAC invoiced to the Agency to dischargers to the NRWS, such as, but not limited to, permit fees, inspection fees, analytical fees, etc.

**Section 5** That Application fee for a NRWS Capacity Unit Purchase or Annual Lease shall be: \$242.00

**Section 6** That Initial Wastewater Discharge Permit Application, Ownership Change with Process Changes, and Permit Renewal fees for wastewater generators who discharge directly through pipeline connection to the NRWS sewer system shall be:

**Initial Wastewater Discharge Permit Application Fees (Ownership Change with Process Changes included):**

Categorical Industrial User	\$4,235.00
with Combined Waste Stream Formula, add	\$1,029.00
with Production Based Standards, add	\$545.00
with Multiple Categories, add	\$2,057.00
Non-Categorical, Significant Industrial User	\$3,086.00
Non-Categorical, Non-Significant Industrial User	\$2,541.00

**Permit Renewal Fees:**

Categorical Industrial User	\$3,146.00
with Combined Waste Stream Formula, add	\$545.00
with Production Based Standards, add	\$303.00
with Multiple Categories, add	\$1,029.00
Non-Categorical, Significant Industrial User	\$787.00
Non-Categorical, Non-Significant Industrial User	\$545.00

**Section 7** That Permit Revision or Facility Expansion fees shall be: \$1,573.00

Permit Revisions shall be required if the modification affects the quantity/quality of the wastewater discharge to deviate from the conditions in the current permit by more than 25%. Such additions or modifications include, but are not limited to, the following: Maintenance, Monitoring, Change of Discharge Limits, Addition of Control Equipment, Process Changes, etc.

**Section 8** That Permit Addendum fees shall be: \$787.00

That for change of business name with no process changes shall be: \$242.00

Permit Addendum shall be required if the addition or modification does not affect the existing wastewater quantity/quality by more than 25%. Such additions or modifications include, but are not limited to, the following: Maintenance, Monitoring, Change of Discharge Limits, Addition of Control Equipment, Ownership Change without Process Changes, etc.

**Section 9** Toxic Organic Management Plan (TOMP) Processing No Charge

**Section 10** Miscellaneous processing fees that do not fall under any of the above sections shall be charged based on time and material of staff(s) evaluating such process using adopted labor rates for the current fiscal year.

**Section 11** That all provisions of the Non-Reclaimable Wastewater Ordinance and any amendments thereto are hereby applicable and will remain in full force and effect.

**Section 12** That upon the effective date of this Resolution, the Resolution No. 2017-6-3 pertaining to the NRWS is hereby rescinded in its entirety.

\* \* \*

Resolution No. 2018-6-3

NRWS Rates

Page 6 of 7

ADOPTED this 20<sup>th</sup> day of June, 2018

---

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 being No. 2018-6-3 as adopted at  
a regular Board meeting on June 20, 2018, of said Agency\* by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Jasmin A. Hall  
Secretary/Treasurer

(SEAL)

\* A Municipal Water District

RESOLUTION NO. 2018-6-4

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING INITIAL AND MONTHLY CAPACITY CHARGES, VOLUMETRIC CHARGES, EXCESS STRENGTH CHARGES, CAPITAL IMPROVEMENT PROJECT (CIP) CHARGES, IEUA ADMINISTRATIVE CHARGES, APPLICATION AND WASTEWATER DISCHARGE PERMIT APPLICATION FEES FOR THE INLAND EMPIRE BRINE LINE (BRINE LINE) FOR FISCAL YEAR (FY) 2018/19.**

**WHEREAS**, it is necessary to establish initial and monthly capacity charges, volumetric flow charges, CIP charges, trucked wastewater delivery charges and excessive strength charges;

**WHEREAS**, it is necessary to establish application fees for processing applications for Capacity Right Agreements and Wastewater Discharge Permits for the use of the Inland Empire Utilities Agency (Agency)'s Brine Line;

**WHEREAS**, one Agency Capacity Unit (CU) is defined as an equalized discharge at the flow rate of 15 gallons per minute (GPM);

**WHEREAS**, under Section 13550, et seq., of the California Water Code, a Public Agency may require industries to use recycled water for certain purposes, where it is available and at reasonable cost;

**WHEREAS**, the Board of Directors of the Agency, pursuant to Ordinance No. 96, may establish said fees and charges by Resolution;

**NOW, THEREFORE**, the Board of Directors hereby RESOLVES, DETERMINES, AND ORDERS the following to be effective July 1, 2017

**Section 1** That the Initial Capacity Charge for the purchase of Agency Capacity Rights shall be set at \$215,000.00 per CU.

**Section 2** That the monthly charges for discharge to the Brine Line are as follows:

(A) CAPACITY CHARGES:

For discharge to the Brine Line, which reaches jurisdiction of the Santa Ana Watershed Project Authority (SAWPA), the monthly Capacity Charge is \$406.60 per CU.

(B) CAPITAL IMPROVEMENTS PROGRAM CHARGES:

The monthly Capital Improvements Program (CIP) charge for Brine Line is \$90.00 per CU per month.

(C) VOLUMETRIC CHARGES

For discharge to the Brine Line, the monthly Volumetric Charge is \$946.00 per Million Gallons of discharge. The minimum Volumetric Charge for discharge of 100,000 gallons or less per CU per month is \$94.60 per CU per month.

(D) STRENGTH CHARGES

That Strength Charges are applicable to all discharges to the Brine Line, via pipeline or hauled by truck, for excessive Biochemical Oxygen Demand (BOD), and Total Suspended Solids (TSS). The rates are as follows:

<u>QUANTITY</u>	<u>RATE</u>
BOD	\$307.00 per 1,000 pounds (dry weight)
TSS	\$429.00 per 1,000 pounds (dry weight)

Strength charges for the Brine Line discharges are calculated from the average of all the samples collected during the calendar month and invoiced on a monthly basis. If there is no sample data for a given month, strength charges for that month shall be determined by using the average of all available data within the billing quarter or other appropriate period.

(E) AGENCY ADMINISTRATIVE CHARGES

Agency Administrative Charges of 50% shall be added to the charges of Section 2(A), 2(C), and 2(D).

(F) RECYCLED WATER USAGE CREDIT FOR BRINE LINE

This program is for recycled water (RW) Users and shall end when funding is exhausted or not later than June 30, 2024, whichever comes first. New Users who qualify for this program shall be given the recycled water credit in effect at the time of connection to the recycled water system.

Recycled Water Users, including contracting agencies, shall be given a monetary credit based on the actual amount of RW used. The RW credit shall start at 50% of the IEUA's FY 2014/15 recycled water direct sale rate, and shall decline at 5% intervals per year through FY 2023/2024.

For FY 2018/19, the Recycled Water Usage Credit is \$267.01 per million gallons of recycled water used.

(G) Other Charges

IEUA will pass on any other charges from SAWPA invoiced to the Agency to dischargers to the Brine Line, such as, but not limited to, flow and strength imbalances charges, permit fees, inspection fees, analytical fees, etc.

**Section 3** For trucked discharges to the Brine Line, the wastewater discharge rate shall be based on the applicable Tiered Schedule as established by the higher concentration value for BOD or TSS. The Brine Line Tiered Rate Schedule for Trucks is shown in Table 1.

Table 1 – Brine Line Tiered Rate Schedule for Trucks

Tiered Schedule	BOD / TSS Concentration	Volumetric Charge Up to 5,000 gallons	Incremental Charge above 5,000 gallons, \$ per one (1) gallon	Concentrations over 100 mg/L	
				BOD Charge \$ per lb	TSS Charge \$ per lb
Brine	BOD and TSS Less than 100 mg/L	\$294.22	\$0.015		
Non-Brine	BOD or TSS 100 mg/L and higher	\$294.22	\$0.015	\$0.750	\$0.716

**Section 4** That Application fees for a Capacity Right Agreement shall be: \$242.00

**Section 5** That Initial Wastewater Discharge Permit Application and Permit Renewal fees for wastewater generators who discharge directly through pipeline connection to the NRWS sewer system shall be:

Initial Wastewater Discharge Permit Application Fees:

Categorical Industrial User	\$4,235.00
with Combined Waste Stream Formula, add	\$1,029.00
with Production Based Standards, add	\$545.00
with Multiple Categories, add	\$2,057.00
Non-Categorical, Significant Industrial User	\$3,086.00
Non-Categorical, Non-Significant Industrial User	\$2,541.00

Permit Renewal Fees:

Categorical Industrial User	\$3,146.00
with Combined Waste Stream Formula, add	\$545.00
with Production Based Standards, add	\$303.00
with Multiple Categories, add	\$1,029.00
Non-Categorical, Significant Industrial User	\$787.00
Non-Categorical, Non-Significant Industrial User	\$545.00

**Section 6** That Initial Wastewater Discharge Permit Application and Permit Renewal fees for wastewater generators whose wastewater is hauled away, i.e., by a wastewater trucking company, and discharged into the NRWS sewer system shall be:

Initial Wastewater Discharge Permit Application Fees:

Categorical Industrial User	\$2,662.00
with Combined Waste Stream Formula, add	\$1,029.00
with Production Based Standards, add	\$545.00
with Multiple Categories, add	\$2,057.00
Non-Categorical, Significant Industrial User	\$1,573.00
Non-Categorical, Non-Significant Industrial User	\$1,029.00

Permit Renewal Fees:

Categorical Industrial User	\$2,178.00
with Combined Waste Stream Formula, add	\$545.00
with Production Based Standards, add	\$303.00
with Multiple Categories, add	\$1,029.00
Non-Categorical, Significant Industrial User	\$787.00
Non-Categorical, Non-Significant Industrial User	\$545.00

**Section 7** That initial Wastewater Hauler Permit application and Permit Renewal fees for the North NRWS shall be:

Initial Permit Application for Wastewater Hauler	\$242.00
Permit Renewal for Wastewater Hauler	\$121.00

South NRWS Wastewater Hauler Permit Application and Permit Renewal are processed and administered by Santa Ana Watershed Project Authority (SAWPA).

**Section 8** That Permit Revision or Facility Expansion fees shall be: \$1,573.00

Permit Revisions shall be required if the modification affects the quantity/quality of the wastewater discharge to deviate from the conditions in the current permit by more than 25%. Such additions or modifications include, but are not limited to, the following: Maintenance, Monitoring, Change of Discharge Limits, Addition of Control Equipment, etc.

**Section 9** That Permit Addendum fees shall be: \$787.00

That for change of business name or ownership only shall be: \$242.00

Permit Addendum shall be required if the addition or modification does not affect the existing wastewater quantity/quality by more than 25%. Such additions or modifications include, but are not limited to, the following: Maintenance, Monitoring, Change of Discharge Limits, Addition of Control Equipment, etc.

**Section 10** Toxic Organic Management Plan (TOMP) Processing No Charge

**Section 11** Miscellaneous processing fees that do not fall under any of the above sections shall be charged based on time and material of staff(s) evaluating such process using adopted labor rates for the current fiscal year.

**Section 12** That all provisions of the Brine Line Ordinance and any amendments thereto are hereby applicable and will remain in full force and effect.

**Section 13** That upon the effective date of this Resolution, the Resolution No. 2017-6-4 pertaining to the Inland Empire Brine Line (also known as South NRWS) is hereby rescinded in its entirety.

ADOPTED this 20<sup>th</sup> day of June, 2018.

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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

\*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. 2018-6-4 as adopted at  
a regular Board meeting on June 20, 2018, of said Agency\* by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Jasmin A. Hall  
Secretary/Treasurer

(SEAL)

\* A Municipal Water District



**RESOLUTION NO. 2018-6-5**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND  
EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY,  
CALIFORNIA, ESTABLISHING CHARGES FOR LABORATORY  
ANALYSES FOR FISCAL YEAR 2018/19**

**WHEREAS**, The Agency occasionally enters into agreements with other local governmental agencies to perform laboratory analyses; and

**WHEREAS**, the most efficient and practical method of charging for this work is through the establishment of a price for each analysis.

**NOW, THEREFORE**, the Board of Directors hereby RESOLVES, DETERMINES AND ORDERS, that, effective July 1, 2018, the single item prices for laboratory analyses are as shown on Exhibit 1 attached hereto.

Upon the effective date of this Resolution, Resolution No. 2017-6-5 is hereby rescinded in its entirety.

ADOPTED this 20<sup>th</sup> day of June, 2018.

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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

\*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. 2018-6-5, was adopted at  
a regular meeting on June 20, 2018, of said Agency\* by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Jasmin A. Hall  
Secretary/Treasurer

(SEAL)

\* A Municipal Water District

**INLAND EMPIRE UTILITIES AGENCY  
LABORATORY PRICES - FISCAL YEAR 2018/19**

Inorganic Chemistry		
Test	Method	Price
Alkalinity, Total	SM 2320B	\$14.80
Ammonia as Nitrogen	EPA 350.1	\$14.80
Anion Sum	SM 1050	\$2.20
BOD, Soluble	SM 5210	\$43.70
BOD, Total	SM 5210	\$38.30
Bromide	EPA 300.0	\$11.00
Cation Sum	SM 1050	\$2.20
Chloride	EPA 300.0	\$9.00
Chlorine Residual	SM 4500-Cl G	\$16.40
COD	SM 5220D	\$32.80
Color	SM 2120B	\$5.00
Conductivity	SM 2510	\$8.80
Corrosivity	SM 2330B	\$40.50
<i>If Alkalinity, Ca, EC, or pH are requested on the sample, Corrosivity cost is reduced by their respective prices.</i>		
Cyanide, Available	EPA OIA-1677	\$40.00
Cyanide, Free	ASTM D7237	\$27.40
Cyanide, Total	ASTM D7284	\$29.50
Dissolved Organic Carbon	SM 5310B	\$39.30
Dissolved Organic Carbon	SM 5310C	\$32.80
Dissolved Oxygen	EPA 360.1	\$12.10
Fluoride	EPA 300.0	\$9.30
Fluoride	SM 4500-F C	\$16.40
Hardness, Total (Calculation)	EPA 200.7	\$21.20
<i>Calculation is reduced by their respective prices.</i>		
Hardness, Total	SM 2340C	\$18.10
Mercury	EPA 245.2	\$39.30
Metals Digestion (liquid)		\$16.40
Metals Digestion (solid)		\$43.60
Metals by ICP	EPA 200.7	\$9.80
Metals by ICP/MS	EPA 200.8	\$9.80
Nitrate as Nitrogen	EPA 300.0	\$9.00
Nitrite as Nitrogen	EPA 300.0	\$9.00
Nitrogen, Organic	Various	\$71.00
Oil & Grease, Polar (FOG)	EPA1664B	\$62.30
Oil & Grease, Non-polar	EPA1664B	\$32.80
Oil & Grease, Total	EPA1664B	\$29.50
pH	SM 4500-H+ B	\$5.00
Phosphorus, Ortho	EPA 300.0	\$9.00
Phosphorus, Total	EPA 200.7	\$10.00

Inorganic Chemistry		
Test	Method	Price
Silica	EPA 200.7	\$9.90
Sulfate	EPA 300.0	\$9.00
Sulfide, Dissolved	SM 4500-S D	\$21.90
Sulfide, Total	SM 4500-S D	\$18.10
Surfactants (MBAS)	SM 5540C	\$49.00
TDS	SM 2540C	\$14.80
TDS, Fixed/Volatile	SM 2540E	\$21.90
TKN	EPA 351.2	\$59.00
TOC	SM 5310B	\$32.80
TOC	SM 5310C	\$24.60
Total Solids	SM 2540B	\$11.00
TSS	SM 2540D	\$14.80
Turbidity	EPA 180.1	\$8.80
Uranium pCi/L	EPA 200.8	\$27.30
Volatile Solids	SM 2540E	\$16.40
Volatile Suspended Solids	SM 2540E	\$21.90

Bioassay/Microbiology		
Test	Method	Price
Bioassay, C.Dubia, Chronic	EPA 1002	\$1,081.50
Coliform, Fecal	SM 9221E	\$24.60
Coliform, Total (10 Tube)	SM 9221B	\$21.90
Coliform, Total (15 Tube)	SM 9221B	\$24.60
Heterotrophic Plate Count	SM 9215B	\$19.70

Organic Chemistry		
Test	Method	Price
Acrolein & Acrylonitrile	EPA 624	\$147.40
MTBE	EPA 524.2	\$122.80
Pesticides	EPA 608	\$240.20
Pesticides w/ PCBs	EPA 608	\$305.70
PCBs	EPA 608	\$240.20
Semi-Volatiles (Short list DW)	EPA 525	\$322.10
Semi-Volatiles (Acid Extractables)	EPA 625	\$245.70
Semi-Volatiles (Base/Neutrals)	EPA 625	\$245.70
Semi-Volatiles (BNA)	EPA 625	\$354.90
Tert-Butyl Alcohol (TBA)	EPA 524.2 MOD	\$147.40
Thiobencarb	EPA 525	\$294.70
Volatiles, DW	EPA 524.2	\$147.40
Volatiles, WW	EPA 624	\$163.80

**RESOLUTION NO. 2018-6-6**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING EXTRA-TERRITORIAL SEWER SERVICE CHARGE FOR SYSTEM USERS OUTSIDE THE AGENCY'S BOUNDARIES FOR FISCAL YEAR (FY) 2018/19**

**WHEREAS**, it is necessary to establish an extra-territorial monthly sewer service charge for system user whose property served is located outside the boundaries of Improvement District "C" of the Inland Empire Utilities Agency (the Agency); and

**WHEREAS**, the charge shall be "A" dollars per equivalent dwelling unit (EDU) per month. "A" shall be determined annually by the Agency before July 1 and will be set at the amount of certain sewer taxes per EDU being received from the taxable area within Improvement District "C"; and

**WHEREAS**, these taxes are to be the Improvement District "C" portion of taxes plus the portion of the Agency's General Taxes applied each year to the Regional Wastewater Systems and the General Administrative expenditures for the Regional Wastewater Systems; and

**WHEREAS**, modification to this resolution may be included in future rate resolutions.

**NOW, THEREFORE**, the Board of Directors hereby **RESOLVES, DETERMINES, AND ORDERS** the following to be effective July 1, 2018:

**Section 1.** That the monthly sewer service rate be determined based on the Agency-wide assessed valuation for FY 2017/18 as reported by the San Bernardino County Auditors Property Tax Division and the estimated number of billed EDU's listed in the Agency's FY 2017/18 Regional Wastewater Operations and Maintenance fund budget, as shown in Exhibit 1; and

**Section 2.** That the extra-territorial monthly sewer service charge should be set at a rate of \$15.70 per month per Equivalent Dwelling Unit (EDU) in addition to the FY 2018/19 adopted monthly EDU rate of \$19.59.

**Section 3.** That upon the effective date of this Resolution, Resolution No. 2017-6-6 is hereby rescinded in its entirety.

ADOPTED this 20<sup>th</sup> day of June, 2018.

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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

\*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. 2018-6-6 was adopted at a Board  
Meeting on June 20, 2018, of said Agency by the following vote:

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:

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

(SEAL)

\* A Municipal Water District

**AVERAGE VALUE OF AN EDU FOR FISCAL YEAR 2018/19  
CITY OF FONTANA MONTHLY EXTRA-TERRITORIAL USER SURCHARGE**

The information utilized includes the EDU projections identified in the Regional Wastewater Operations and Maintenance Fund budget and the San Bernardino County Auditors' report which lists the Agency's assessed valuation for FY 2017/18. Based on this information the estimated average value of an EDU within the Agency is as follows:

FY 2017/18 Agency Assessed Value -	= \$	103,519,280,007
FY 2017/18 Projected number of EDU's within Agency	=	274,156 EDU per month
<i>\$103,519,280,007 divided by 274,156</i>	= \$	377,593

Annual tax obligation is calculated by:

<i>\$377,593 multiply by 0.000499</i>	= \$	<b>188.42 per year</b>
<i>(adjusted Agency tax rate)</i>	= \$	<b>15.70 per month</b>



**RESOLUTION NO. 2018-6-7**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING IMPORTED WATER RATES.**

**WHEREAS**, pursuant to Division II, Part II, Section 201 of Ordinance No. 104, the Board of Directors of Inland Empire Utilities Agency\* (Agency) establishes, from time to time, rates for water sold or delivered by direct connections to Metropolitan Water District of Southern California (MWD) facilities;

**WHEREAS**, the Board of Directors of the Agency establishes rates for delivery of imported water supplies; and the rates are based on the approved and adopted rates by the MWD Board on April 10, 2018; and

**NOW, THEREFORE**, the Board of Directors hereby **RESOLVES, DETERMINES AND ORDERS** the following to be effective July 1, 2018, and January 1, 2019:

**Section 1.** That the rates of sales of imported water are direct pass-through charged by Metropolitan for each class of water. The rates, by class of water are as follows:

- (a) FOR TIER 1 FULL SERVICE UNTREATED WATER – i.e., domestic and municipal purposes:

01/1/2018 – 12/31/2018 \$695.00 per acre foot  
01/1/2019 – 12/31/2019 \$731.00 per acre foot

- (b) FOR TIER 2 FULL SERVICE UNTREATED WATER – i.e., domestic and municipal purposes:

01/1/2018 – 12/31/2018 \$781.00 per acre foot  
01/1/2019 – 12/31/2019 \$817.00 per acre foot

(c) FOR GROUND WATER STORAGE PROGRAM

REPLENISHMENT WATER UNTREATED – This rate is available contingent upon the requirements of Metropolitan’s Administrative Code, and includes water delivered for groundwater replenishment and storage, by direct or in-lieu methods.

01/1/2018 – 12/31/2018 (NO RATE AVAILABLE)

01/1/2019 – 12/31/2019 (NO RATE AVAILABLE)

(d) METROPOLITAN WATER SUPPLY ALLOCATION PLAN (WSAP) PENALTY RATES – Reduced imported water allocations caused by the adoption of a WSAP will reduce a member agencies Tier 1 allocation pursuant to Resolution 2016-9-1. Penalty rates will be applied in accordance to Metropolitan’s WSAP to IEUA and its member agencies if IEUA exceeds its imported water allocation` from MWD and is invoiced by MWD for WSAP penalty rates, during FY 2018/19. Any such penalty rates shall be “passed through” to the appropriate agency that caused the imposition of a penalty rate by MWD.

**Section 2.** That IEUA will impose any Metropolitan rates and charges, applicable to each service connection, if invoiced by Metropolitan to IEUA during FY 2018/19.

**Section 3.** That the Metropolitan levied Capacity Charge (\$/cfs) shall be as follows:

01/1/2018 – 12/31/2018           \$ 8,700 per cubic foot per second (cfs)

01/1/2019 – 12/31/2019           \$ 8,600 per cubic foot per second (cfs)

**Section 4.** That a minimum charge of \$1,000 per month will be collected from any active Metropolitan full service industrial connection beginning 7/1/2018 through 6/30/2019.

**Section 5.** That upon the effective date of this Resolution, Resolution No. 2017-6-7 is hereby rescinded in its entirety.

**ADOPTED** this 20<sup>th</sup> day of June, 2018.

---

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 being No. 2018-6-7, was adopted at a regular  
meeting on June 20, 2018, of said Agency\* by the following vote:

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:

---

Jasmin A. Hall  
Secretary/Treasurer

(SEAL)

\* A Municipal Water District

**RESOLUTION NO. 2018-6-8**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND  
EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY,  
CALIFORNIA, ESTABLISHING EQUIPMENT RENTAL RATES FOR  
FISCAL YEAR 2018/2019.**

**WHEREAS**, the Board of Directors of Inland Empire Utilities Agency\* is required by Agency Ordinance No. 28, Section 3, to establish, from time to time, rates for rental of maintenance and construction equipment.

**NOW, THEREFORE**, the Board of Directors hereby **RESOLVES, DETERMINES AND ORDERS**, pursuant to Ordinance No. 28, that the rates for equipment rental are as shown in Exhibit 1 attached hereto and are effective July 1, 2018.

Upon the effective date of this Resolution, Resolution No. 2017-6-8 is hereby rescinded in its entirety.

ADOPTED this 20<sup>th</sup> day of June, 2018.

---

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 being No. 2018-6-8 was adopted at a regular  
meeting on June 20, 2018, of said Agency\* by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

---

Jasmin A. Hall  
Secretary/Treasurer

(SEAL)

\* A Municipal Water District

**EXHIBIT 1**

**INLAND EMPIRE UTILITIES AGENCY\*  
MAINTENANCE EQUIPMENT RENTAL RATES  
FISCAL YEAR 2018/19**

**GOVERNMENTAL AGENCIES WITHIN IEUA SERVICE BOUNDARIES**

		<b>RATE IN FORCE</b>
<b>CCTV Camera Equipment Truck</b>		
With one operator	per hour portal-to-portal	92.88
With two operators	per hour portal-to-portal	161.17
<b>Jetter Vactor</b>		
With one operator	per hour portal-to-portal	85.69
With two operators	per hour portal-to-portal	153.98
<b>Gap Vactor Truck</b>		
With one operator	per hour portal-to-portal	102.46
With two operators	per hour portal-to-portal	170.75
<b>Safety Van</b>		
With one operator	per hour portal-to-portal	69.69
With two operators	per hour portal-to-portal	133.88
<b>Water Truck</b>		
With one operator	per hour portal-to-portal	76.38
With two operators	per hour portal-to-portal	144.67



**CONSENT  
CALENDAR  
ITEM**

**4A**



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

**WEDNESDAY, MAY 16, 2018  
10:00 A.M.**

**DIRECTORS PRESENT:**

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

**DIRECTORS PRESENT:**

Michael Camacho, Vice President

**STAFF PRESENT:**

Halla Razak, General Manager  
Chris Berch, Executive Manager of Engineering/AGM  
Kathy Besser, Executive Manager of External Affairs & Policy Development/AGM  
Randy Lee, Executive Manager of Operations/AGM  
Christina Valencia, Executive Manager of Finance & Administration/AGM  
Jerry Burke, Deputy Manager of Engineering  
Jason Gu, Manager of Grants  
Linda Johnson, Administrative Coordinator  
Sally Lee, Executive Assistant  
Sylvie Lee, Manager of Planning & Environmental Resources  
Jason Pivovaroff, Senior Engineer  
Craig Proctor, Source Control/Environmental Resources Supervisor  
Shaun Stone, Manager of Engineering  
Al VanBreukelen, Deputy Manager of Maintenance  
Teresa Velarde, Manager of Internal Audit  
April Woodruff, Board Secretary/Office Manager

**OTHERS PRESENT:**

Jean Cihigoyenette, JC Law Firm  
Neal Desai, National Parks Conservation Association

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 10:07 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. Mr. Neal Desai from the National Parks Conservation Association presented to the Board three significant updates on the Cadiz Groundwater Mining Project.

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

### **NEW HIRE INTRODUCTIONS AND PROMOTIONS**

There were no new hires or promotions for this month.

### **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 Hall, seconded by Director Hofer, and unanimously carried (4:0):

#### **M2018-5-2**

MOVED, to approve the Consent Calendar.

- A. The Board approved the minutes from the March 7, 2018 Board Workshop/Meeting, March 21, 2018 Board Meeting, April 11, 2018 Special Board Meeting, and the May 2, 2018 Board Workshop/Meeting.
- B. The Board approved the total disbursements for the month of March 2018, in the amount of \$17,743,220.52.
- C. The Board approved a position of support for the water use efficiency legislation – AB 1668 and SB 606.
- D. The Board:
  - 1. Adopted Resolution No. 2018-5-4, authorizing the General Manager to sign and file an application and execute an agreement with the State Water Resources Control Board (SWRCB), for the design and construction of the Joint IEUA-JCSD Regional Water Recycling Program (Project);

#### **RESOLUTION 2018-5-4**

**RESOLUTION OF THE BOARD OF DIRECTORS OF INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, AUTHORIZING THE INLAND EMPIRE UTILITIES AGENCY TO SIGN AND FILE A FINANCIAL ASSISTANCE APPLICATION AND AGREEMENT WITH THE STATE WATER RESOURCES CONTROL BOARD FOR THE JOINT IEUA - JURUPA COMMUNITY SERVICES DISTRICT (JCSD) REGIONAL WATER RECYCLING PROGRAM (for full text, see Resolution Book)**

- 2. Adopted Resolution No. 2018-5-5, dedicating revenue for the repayment of the State Revolving Fund (SRF) loan from the SWRCB for the Project; and

Continued...

**M2018-5-2** continued.

**RESOLUTION 2018-5-5**  
**RESOLUTION OF THE BOARD OF DIRECTORS OF INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, DEDICATING CERTAIN REVENUES IN CONNECTION WITH THE JOINT IEUA - JURUPA COMMUNITY SERVICES DISTRICT (JCSD) REGIONAL WATER RECYCLING PROGRAM FOR THE CLEAN WATER STATE REVOLVING FUND FINANCING FROM THE STATE WATER RESOURCES CONTROL BOARD** (for full text, see Resolution Book)

3. Adopted Resolution No. 2018-5-6, establishing its intention to apply for and be reimbursed for expenditures related to the construction of the Project.

**RESOLUTION 2018-5-6**  
**RESOLUTION OF THE BOARD OF DIRECTORS OF INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING ITS INTENTION TO BE REIMBURSED FOR EXPENDITURE RELATED TO THE JOINT IEUA – JURUPA COMMUNITY SERVICES DISTRICT (JCSD) REGIONAL WATER RECYCLING PROGRAM** (for full text, see Resolution Book)

- E. The Board adopted Resolution No. 2018-5-3, pertaining to the procedures for amendment of records retention schedule, records retention, and destruction.

**RESOLUTION 2018-5-3**  
**RESOLUTION OF THE BOARD OF DIRECTORS OF INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, PERTAINING TO THE PROCEDURES FOR AMENDMENT OF THE RECORDS RETENTION SCHEDULE, RECORDS RETENTION, AND DESTRUCTION** (for full text, see Resolution Book)

- F. The Board:

1. Authorized the purchase of a new Terex BT70100 Boom Truck Crane from Terex for a not-to-exceed amount of \$375,000 (including tax and delivery); and
2. Authorized the General Manager to execute the purchase.

- G. The Board:

1. Approved a consultant contract amendment for the RP-1 Digester 6 and 7 Roof Repairs, Project No. EN17042, to GHD Inc. for a not-to-exceed amount of \$167,609; and

Continued...

**M2018-5-2** continued.

2. Authorized the General Manager to execute the contract amendment subject to non-substantive changes.
- H. The Board authorized the General Manager to reallocate the previously approved spending authorization from individual not-to-exceed amounts of \$1,500,000 to a single aggregate not-to-exceed amount of \$6,000,000 to the following four contracts:
- 4600002051 Wallace & Associates Consulting, Inc.
  - 4600002052 Carollo Engineers, Inc.
  - 4600002053 MWH Constructors
  - 4600002054 GK & Associates

**ACTION ITEM**

**PROPOSITION 1 GRANT PROFESSIONAL SERVICES CONTRACT AMENDMENT**

General Manager Halla Razak gave an overview of the project capital cost, project operation, application review process by the California Water Commission (CWC), project status, next steps, supporters of the project, key future activities, project team, and staff's recommendation to the Board. Ms. Razak commended staff for their efforts in the past months and their hard work contributing to the increase in funds by CWC.

Discussion ensued regarding the details about the project proposal, member agencies, potential funding, and plans for after funding is finalized. President Elie gave a more detailed outline of the application's progression with the CWC and commended staff for their efforts as well.

Upon motion by Director Hofer, seconded by Director Hall, and unanimously carried (4:0):

**M2018-5-3**

MOVED, to:

1. Award an engineering services contract amendment to GEI Consultants, Inc. for a not-to-exceed amount of \$95,000; and
2. Authorize the General Manager to execute the contract subject to non-substantive changes.

**ADOPTION OF RESOLUTION NO. 2018-5-1, REGIONAL PRETREATMENT PROGRAM LOCAL LIMITS**

Source Control/Environmental Resources Supervisor Craig Proctor gave an overview of why the Agency is reevaluating its local limits, local limits objectives, proposed local limits, and staff's recommendation. Executive Manager of Engineering/AGM Chris Berch stated that Mr. Proctor has met with pretreatment staff from each member agency and the item was approved by the Regional Sewerage Program Technical & Policy Committees.

Discussion ensued about the specific proposed local limits, the history of previous limits, and the number of pollutants.

Upon motion by Director Parker, seconded by Director Hall, and unanimously carried (4:0):

**M2018-5-4**

MOVED, to adopt Resolution No. 2018-5-1, establishing the Regional Pretreatment Program Local Limits applicable to Significant Industrial Users.

**RESOLUTION 2018-5-1**

**RESOLUTION OF THE BOARD OF DIRECTORS OF INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING LOCAL LIMITS APPLICABLE TO THE REGIONAL SEWERAGE SYSTEM SIGNIFICANT INDUSTRIAL USERS (for full text, see Resolution Book)**

**FISCAL YEAR 2018-2027 TEN YEAR CAPITAL IMPROVEMENT PLAN**

Executive Manager of Engineering/AGM Chris Berch presented a summary of the Ten Year Capital Improvement Plan (TYCIP), adoption schedule, and staff's recommendation.

Upon motion by Director Parker, seconded by Director Hofer, and unanimously carried (4:0):

**M2018-5-5**

MOVED, to adopt the proposed Fiscal Year 2018-2027 Ten Year Capital Improvement Plan.

**INFORMATION ITEMS**

**GRANTS DEPARTMENT SEMI-ANNUAL UPDATE**

Manager of Grants Jason Gu gave an update of the Agency's Grants program, which includes low interest loans. He stated that the Grants department oversees the Agency-wide grants activities by playing a centralized administrative role. The actual grants fund projects are owned and managed by respective departments and their project managers. He stated that the Grants department staff works with departments at different stages of the grant life cycle. He gave an overview of all agency grants activities in six major categories: recycled water, wastewater, groundwater, drinking water, water conservation, and renewable energy. He stated all grants are a collaborative effort from the entire Agency and the significant amount of funding represents the Agency's prudent water management style by aggressively pursuing external funding and reducing the tax payers burden.

**RP-5 LIQUIDS TREATMENT EXPANSION MEMBRANE BIO-REACTOR PRE-SELECTION REQUEST FOR PROPOSAL UPDATE**

Manager of Engineering Shaun Stone gave a background for the membrane bio-reactor (MBR) request for proposal (RFP). He gave an overview of the MBR location, scope of supply, RFP details, cost, and schedule.

**ENGINEERING AND CONSTRUCTION MANAGEMENT PROJECT UPDATE**

Deputy Manager of Engineering Jerry Burke gave a PowerPoint presentation on the Engineering and Construction Management project updates. He provided updates on the following projects:

EN17006-Carbon Canyon Water Recycling Facility Asset Management and Improvements; EN18006-Regional Water Recycling Plant No. 1 Flare Improvements; EN14042-Regional Water Recycling Plant No. 1 1158 Recycled Water Pump Station Upgrades; EN17067-Declez Monitoring Well Project; EN13048-Regional Water Recycling Plant No. 1 Power System Upgrades Phase II; and EN17014-Non-Reclaimable Wastewater System Manhole Upgrades.

#### **MWD UPDATE**

Senior Engineer Jason Pivovaroff gave an update on the MWD allocation, which has increased to 30 percent. He also gave an update on the rates and charges, and the Regional Storage Program. He stated that in relation to the Regional Storage Program, MWD is evaluating storage criteria and requirements, which includes evaluating outage periods, demand cutbacks, local supply estimates, and storage capacity. Discussion ensued about future increase and projection of rates and the funding of the California WaterFix.

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

#### **TREASURER'S REPORT OF FINANCIAL AFFAIRS**

#### **PUBLIC OUTREACH AND COMMUNICATION**

#### **LEGISLATIVE REPORT FROM INNOVATIVE FEDERAL STRATEGIES**

#### **LEGISLATIVE REPORT FROM WEST COAST ADVISORS**

#### **CALIFORNIA STRATEGIES, LLC MONTHLY ACTIVITY REPORT**

#### **FEDERAL LEGISLATIVE TRACKING MATRIX**

#### **STATE LEGISLATIVE TRACKING MATRIX**

#### **FY 2018/19 PROPOSED BUDGET AMENDMENT FOR ADMINISTRATIVE SERVICES, NON-RECLAIMABLE, AND WATER RESOURCES PROGRAMS**

#### **FY 2018/19 ADOPTED BUDGET FOR INLAND EMPIRE REGIONAL COMPOSTING AUTHORITY**

#### **OPERATIONS DIVISION UPDATE**

#### **AGENCY REPRESENTATIVES' REPORTS**

#### **SAWPA REPORT**

Director Hall gave an update on the May 15, 2018 SAWPA meeting. She stated that the Commissioners had approved Form CAL OES 130 designating the General Manager as the SAWPA authorized representative to accept the Disaster Recovery funds for the January 2017 storm damage, adopted a resolution to establish a new Inland Empire Brine Line rate effective July 1, 2018, authorized the issuance of a notice inviting bids for the Santa Ana Sucker Habitat Protection and Beneficial Use Enhancement Program, and approved the Memorandum of Understanding (MOU) between SAWPA and the Housing Authority of the city of Riverside. Language was added to the MOU to state that SAWPA's role will be expressly limited to technically assist with water quality studies as described in Proposition 1 guidelines. Discussion ensued regarding the MOU between SAWPA and the Housing Authority of the city of Riverside.

**MWD REPORT**

There was nothing additional reported.

**REGIONAL SEWERAGE PROGRAM POLICY COMMITTEE REPORT**

Director Parker stated that the Regional Sewerage Program Policy Committee met on May 3, 2018. She stated that the Ten Year Capital Improvement Plan was recommended for approval as it was today.

**CHINO BASIN WATERMASTER REPORT**

President Elie stated that at the April 26, 2018 meeting, a budget amendment was approved and the progression of the appeal was discussed. He stated that he has spoken to General Manager Halla Razak to include a Chino Basin Watermaster Update as an informational item at the Board meetings. The Board of Directors agreed.

**CHINO BASIN DESALTER AUTHORITY REPORT**

Director Hall stated that the May 3, 2018 meeting was routine as normal.

**INLAND EMPIRE REGIONAL COMPOSTING AUTHORITY**

Director Hall stated that at the May 7, 2018, IERCA Meeting the FY 2018/19 Budget and Investment Policy were adopted, Annual Management Plan was reviewed, and a construction contract was awarded for the Corroded Column Repair Project.

**GENERAL MANAGER'S REPORT**

General Manager Halla Razak briefed the Board about the Chino Basin Storage Framework. The Chino Basin Watermaster has taken the lead on putting together a framework. The outcome of which may have a significant impact on the performance of many planned projects at IEUA. Staff from IEUA has been making an effort to get Chino Basin Watermaster to study the storage limits of the Chino Basin. She stated that counterintuitively, the more water that is stored in the Chino Basin, the less safe yield and percolation occurs.

She stated that IEUA is participating in MWD's evaluation of their storage. She stated that there is only one way for imported water to enter into IEUA's region, which is through the Rialto Pipeline. Recently, the Rialto Pipeline was taken out of service for a week and IEUA made a considerable effort asking the member agencies and users to curtail the use of water. She stated that staff will be entering into discussion with MWD regarding other ways of receiving imported water from MWD into our region, especially in case of a catastrophe.

She also shared a video of the Earth Day events that took place on April 18-19, that was featured on KVCR, Channel 24-PBS affiliate.

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

There were no Board requested future agenda items.

**DIRECTORS' COMMENTS**

Director Hofer commended the Inland Empire Regional Composting Facility and its management for going 7 years without a loss time incident.

Director Hall stated that on May 8-11, she attended the ACWA Spring Conference.



Director Parker stated that on May 8, she attended the Mayor Ulloa's Chino State of the City Address. She stated that IEUA had a table and it was well attended by staff, President Elie, and herself.

President Elie stated that on April 17-19, he traveled to Washington DC to meet with legislative delegation; on May 2, he spoke in front of the California Water Commission on behalf of the Agency; and on May 8, he also attended Mayor Ulloa's Chino State of City Address.

**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; B. PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)(4) – CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION: three cases; 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

The meeting resumed at 12:22 p.m., and General Counsel Jean Cihigoyenatche stated that the below-mentioned matters were discussed in Closed Session, and the Board took the following actions:

Regarding Conference with Legal Counsel – Existing Litigation:

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

The Board did not discuss.

Regarding Conference with Legal Counsel – Anticipated Litigation:

Three cases

The Board took no reportable action.

Regarding Conference with Labor Negotiations:

Meet and Confer Negotiations – All Bargaining Units

Negotiating Parties: General Manager Halla Razak

The Board took no reportable action.

With no further business, President Elie adjourned the meeting at 12:23 p.m.

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Jasmin A. Hall, Secretary/Treasurer

**APPROVED: JUNE 20, 2018**

CONSENT  
CALENDAR  
ITEM

**4B**

**Date:** June 20, 2018

**To:** The Honorable Board of Directors

**Committee:** Finance & Administration

**From:** Halla Razak, General Manager

HR

06/13/18

**Executive Contact:** Christina Valencia, Executive Manager of Finance & Administration/AGM

**Subject:** Report on General Disbursements

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**Executive Summary:**

Total disbursements for the month of April 2018 were \$14,574,552.14. Disbursement activity included check payments of \$5,543,649.30 to vendors and \$6,082.17 for worker's compensation related costs. Electronic payments included Automated Clearing House (ACH) of \$2,628,150.89 and wire transfers (excluding payroll) of \$4,681,604.71. Total payroll was \$1,708,428.03 for employees and \$6,637.04 for the Board of Directors.

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**Staff's Recommendation:**

Approve the total disbursements for the month of April 2018, in the amount of \$14,574,552.14.

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**Budget Impact** Budgeted (Y/N): N Amendment (Y/N): N Amount for Requested Approval:

Account/Project Name:

*Fiscal Impact (explain if not budgeted):*

Full account coding (internal AP purposes only):

- - -  
- - -

Project No.:

**Prior Board Action:**

None.

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**Environmental Determination:**

Not Applicable

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**Business Goal:**

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.

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**Attachments:**

Attachment 1 - Background

Attachment 2 - Details of General Disbursements

# Background

Subject: Report on General Disbursements

Table 1 summarizes the disbursements detailed in each of the six attachments affixed to this letter. Table 2 lists the disbursements in excess of an aggregated \$500,000 per vendor, and is presented in largest to smallest dollar value.

**Table 1: Disbursement Details**

Attachment	Payment Type	Amount
2A	Vendor Checks	\$ 5,543,649.30
2B	Workers' Comp Checks	\$ 6,082.17
2C	Vendor ACHs	\$ 2,628,150.89
2D	Vendor Wires (excludes Payroll)	\$ 4,681,604.71
2E	Payroll-Net Pay-Directors	\$ 6,637.04
2F	Payroll-Net Pay-Employees	\$ 1,708,428.03
<b>Total Disbursements</b>		<b>\$14,574,552.14</b>

**Table 2: Disbursements in Excess of \$500,000 per Vendor**

Vendor	Amount	Description
MWD	\$ 2,869,795.72	February 2018 Water Purchases
IRS	\$ 948,112.57	P/R 07, 08: Dir 004 Payroll Taxes
KEMP BROS CONSTR INC	\$ 803,609.50	EN15008- Water Quality Laboratory- Pay Estimate #19
GWINCO CONSTRUCTION & ENGINEERING	\$ 768,419.39	EN13001 – San Sevaine Basin Improvements PE#04
PERS	\$ 645,905.99	04/18 Health Ins / P/R 07, 08, 09 Def Comp
PARSONS WATER & INFRASTRUCTURE	\$ 578,127.44	EN19006 - RP5 Bio-Solids Facility/ 2/3/18-3/2/18 Prof Svc's

# Attachment 2A

## Vendor Checks

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
223431	2200089977	04/05/2018	USD	1,835.70	10-8 RETROFIT INC ONTARIO CA	05/07/2018
223432	2200089939	04/05/2018	USD	2,784.00	AEROTEK INC ATLANTA GA	04/09/2018
223433	2200089908	04/05/2018	USD	1,214.83	AIRGAS WEST INC PASADENA CA	04/09/2018
223434	2200089994	04/05/2018	USD	8,067.78	ALLIED STORAGE CONTAINERS INC COLTON CA	04/13/2018
223435	2200089961	04/05/2018	USD	263.25	ALTA FOODCRAFT COFFEE LONG BEACH CA	04/11/2018
223436	2200089917	04/05/2018	USD	1,221.60	APPLEONE EMPLOYMENT SERVICES GLENDALE CA	04/10/2018
223437	2200090007	04/05/2018	USD	209.00	ARAMBULA, BLANCA CHINO HILLS CA	04/17/2018
223438	2200089962	04/05/2018	USD	230.31	ASAP INDUSTRIAL SUPPLY FONTANA CA	04/10/2018
223439	2200089932	04/05/2018	USD	34.00	ASBCSD HESPERIA CA	04/19/2018
223440	2200089964	04/05/2018	USD	14,046.38	BAGHOUSE & INDUSTRIAL SHEET MECORONA CA	04/10/2018
223441	2200089970	04/05/2018	USD	1,805.95	BERLIN PACKAGING LLC CHICAGO IL	04/11/2018
223442	2200089963	04/05/2018	USD	3,335.32	BIG SKY ELECTRIC INC UPLAND CA	04/11/2018
223443	2200089998	04/05/2018	USD	525.00	BOLSA CHICA CONSERVANCY HUNTINGTON BEACH CA	05/15/2018
223444	2200089937	04/05/2018	USD	366.29	BOOT BARN INC IRVINE CA	04/13/2018
223445	2200090004	04/05/2018	USD	1,422.15	BURRTEC WASTE INDUSTRIES INC FONTANA CA	04/11/2018
223446	2200089918	04/05/2018	USD	450.00	CALIF WATER ENVIRONMENT ASSOC OAKLAND CA	04/16/2018
223447	2200089971	04/05/2018	USD	7,989.41	CALIFORNIA WATER TECHNOLOGIES,PASADENA CA	04/09/2018
223448	2200089926	04/05/2018	USD	252,983.51	CAROLLO ENGINEERS INC SALT LAKE CITY UT	04/13/2018
223449	2200089997	04/05/2018	USD	279.00	CENTER FOR COMPETITIVE MANAGEMJERSEY CITY NJ	
223450	2200089923	04/05/2018	USD	51.00	CHINO CREEK TOASTMASTER CLUB CHINO HILLS CA	
223451	2200089938	04/05/2018	USD	400.50	CHINO MPG & REPAIR INC CHINO CA	04/09/2018
223452	2200089924	04/05/2018	USD	500.00	CHINO VALLEY CHAMBER OF COMMERCHINO CA	04/13/2018
223453	2200089955	04/05/2018	USD	2,081.12	CINTAS CORPORATION LOC#150 PHOENIX AZ	04/19/2018
223454	2200089935	04/05/2018	USD	357.07	CINTAS FIRST AID & SAFETY LOCCINCINNATI OH	04/12/2018
223455	2200090000	04/05/2018	USD	1,000.67	CITY OF CHINO CHINO CA	04/09/2018
223456	2200089897	04/05/2018	USD	293.78	CITY RENTALS INC ONTARIO CA	04/11/2018
223457	2200089972	04/05/2018	USD	9,985.85	CIVILTEC ENGINEERING, INC. MONROVIA CA	04/11/2018
223458	2200090001	04/05/2018	USD	476.08	CUCAMONGA VALLEY WATER DISTRICTLOS ANGELES CA	04/10/2018
223459	2200089943	04/05/2018	USD	7,912.92	DELL SERVICE SALES OAKLAND CA	04/20/2018
223460	2200089953	04/05/2018	USD	1,945.46	DETECTION INSTRUMENTS CORP PHOENIX AZ	04/27/2018
223461	2200089975	04/05/2018	USD	450.00	DOCUMENT DEMOLITION LLC CHINO CA	04/23/2018
223462	2200089968	04/05/2018	USD	2,981.89	ELECTRO-CHEMICAL DEVICES, INC ANAHEIM CA	04/10/2018
223463	2200089954	04/05/2018	USD	2,860.00	ENDRESS & HAUSER INC DETROIT MI	04/10/2018
223464	2200089967	04/05/2018	USD	780.00	EUROPINS HATON ANALYTICAL LLC GRAPEVINE TX	04/10/2018
223465	2200089899	04/05/2018	USD	2,674.06	FISHER SCIENTIFIC LOS ANGELES CA	04/09/2018
223466	2200090003	04/05/2018	USD	998.39	FONTANA WATER COMPANY FONTANA CA	04/11/2018
223467	2200090005	04/05/2018	USD	2,359.50	FRONTIER COMMUNICATIONS CORP CINCINNATI OH	04/16/2018
223468	2200089942	04/05/2018	USD	38,335.00	GOLDEN STATE LABOR COMPLIANCE PALMDALE CA	04/11/2018
223469	2200089913	04/05/2018	USD	7,403.49	GRAINGER PALATINE IL	04/11/2018
223470	2200089900	04/05/2018	USD	2,696.63	HOME DEPOT CREDIT SERVICES PHOENIX AZ	04/11/2018
223471	2200089966	04/05/2018	USD	5,206.16	ICE QUBE INC GREENSBURG PA	04/10/2018
223472	2200089984	04/05/2018	USD	3,212.86	IMPORTS UNLIMITED BEVERLY MA	04/10/2018
223473	2200089958	04/05/2018	USD	720.39	INDUSTRIAL RUBBER & SUPPLY INCSAN BERNARDINO CA	04/11/2018
223474	2200089929	04/05/2018	USD	41.51	INDUSTRIAL SUPPLY COMPANY ONTARIO CA	04/10/2018

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223475	2200089949	04/05/2018	USD	500.00	INSIDE PLANTS INC CORONA CA	04/10/2018
223476	2200089948	04/05/2018	USD	189.00	INSTITUTE OF INDUSTRIAL ENGINEER CROSS GA	04/10/2018
223477	2200089989	04/05/2018	USD	99.09	JWC ENVIRONMENTAL LLC LOS ANGELES CA	04/09/2018
223478	2200089921	04/05/2018	USD	2,526.16	KONICA MINOLTA BUSINESS SOLUTIONS PASADENA CA	04/09/2018
223479	2200089991	04/05/2018	USD	975.00	LAW OFFICE OF CURTIS L COLEMAN LOS ANGELES CA	04/11/2018
223480	2200090011	04/05/2018	USD	115.00	LIN, EDDIE CHINO HILLS CA	04/20/2018
223481	2200089960	04/05/2018	USD	1,714.04	MARS ENVIRONMENTAL INC YORBA LINDA CA	04/16/2018
223482	2200089979	04/05/2018	USD	46,887.18	MOSS ADAMS LLP LOS ANGELES CA	04/16/2018
223483	2200089992	04/05/2018	USD	11,760.00	MUNITEMPS IMPERIAL BEACH CA	04/10/2018
223484	2200090010	04/05/2018	USD	1,115.84	MYKITTA, RICK CHINO HILLS CA	04/11/2018
223485	2200090009	04/05/2018	USD	33.25	NANGIA, SAPNA CHINO HILLS CA	04/27/2018
223486	2200089951	04/05/2018	USD	67.59	NATIONAL CONSTRUCTION RENTALS PACOIMA CA	04/10/2018
223487	2200089993	04/05/2018	USD	3,921.33	NORBOURN COMPANY INC WALNUT CREEK CA	04/16/2018
223488	2200089919	04/05/2018	USD	21.26	O RINGS & THINGS FONTANA CA	04/13/2018
223489	2200089945	04/05/2018	USD	1,575.00	O S T S INC CHINO CA	04/10/2018
223490	2200089995	04/05/2018	USD	4,141.38	OFFICE 1 LAS VEGAS NV	04/10/2018
223491	2200089898	04/05/2018	USD	3,724.51	OFFICE DEPOT PHOENIX AZ	04/23/2018
223492	2200089901	04/05/2018	USD	13,735.60	ORANGE COUNTY WATER DISTRICT FOUNTAIN VALLEY CA	04/09/2018
223493	2200090008	04/05/2018	USD	57.44	ORTIZ, BRIAN CHINO HILLS CA	04/24/2018
223494	2200089999	04/05/2018	USD	660.00	ORWICK SUB SHOPS LLC FONTANA CA	04/23/2018
223495	2200089902	04/05/2018	USD	468.93	P L HAWN COMPANY INC HUNTINGTON BEACH CA	04/09/2018
223496	2200089990	04/05/2018	USD	2,580.00	PACIFIC ADVANCED CIVIL ENGINEER FOUNTAIN VALLEY CA	04/13/2018
223497	2200089980	04/05/2018	USD	8,103.64	PACIFIC COURIERS INC ORANGE CA	04/10/2018
223498	2200089940	04/05/2018	USD	458.91	PANTHER PROTECTION ORANGE CA	04/11/2018
223499	2200089934	04/05/2018	USD	53,762.84	PARKSON CORP ORLANDO FL	04/09/2018
223500	2200089909	04/05/2018	USD	4,269.48	PETE'S ROAD SERVICE FULLERTON CA	04/13/2018
223501	2200089912	04/05/2018	USD	331.25	PETTY CASH EXPENDITURES CHINO CA	04/09/2018
223502	2200089941	04/05/2018	USD	7,483.33	PONTON INDUSTRIES INC YORBA LINDA CA	04/16/2018
223503	2200089974	04/05/2018	USD	88.48	PREMIUM PROMOTIONALS UPLAND CA	04/13/2018
223504	2200089983	04/05/2018	USD	31,485.10	PRIORITY BUILDING SERVICES LLC BREA CA	04/11/2018
223505	2200089988	04/05/2018	USD	1,475.00	PRO-CRAFT CONSTRUCTION INC REDLANDS CA	04/10/2018
223506	2200089957	04/05/2018	USD	5,989.32	QED ENVIRONMENTAL SYSTEMS INC ATLANTA GA	04/09/2018
223507	2200089903	04/05/2018	USD	565.61	RAMONA TIRE & SERVICE CENTERS HEMET CA	04/16/2018
223508	2200089896	04/05/2018	USD	90.00	RBM LOCK & KEY ONTARIO CA	04/13/2018
223509	2200089978	04/05/2018	USD	319.70	RIALTO UNIFIED SCHOOL DISTRICT RIALTO CA	04/17/2018
223510	2200089904	04/05/2018	USD	12,016.50	RMA GROUP RANCHO CUCAMONGA CA	04/19/2018
223511	2200089947	04/05/2018	USD	42,017.88	RMC WATER AND ENVIRONMENT BOSTON MA	04/10/2018
223512	2200089922	04/05/2018	USD	2,850.00	RMS ENGINEERING & DESIGN CORONA DEL MAR CA	04/10/2018
223513	2200089905	04/05/2018	USD	16,250.24	ROYAL INDUSTRIAL SOLUTIONS LOS ANGELES CA	04/09/2018
223514	2200089952	04/05/2018	USD	852.71	RSD LAKE FOREST CA	04/09/2018
223515	2200089915	04/05/2018	USD	30,862.00	SAN BERNARDINO VALLEY MWD SAN BERNARDINO CA	04/27/2018
223516	2200089965	04/05/2018	USD	2,562.50	SCHEEVEL ENGINEERING LLC ANAHEIM CA	04/09/2018
223517	2200090006	04/05/2018	USD	160.78	SCHERCK, JOHN CHINO HILLS CA	04/09/2018
223518	2200089985	04/05/2018	USD	412.87	SCP SCIENCE CHAMPLAIN NY	04/17/2018



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223519	2200090002	04/05/2018	USD	47,140.77	SO CALIF EDISON ROSEMEAD CA	04/12/2018
223520	2200089910	04/05/2018	USD	1,204.49	SPARLING INSTRUMENTS LLC PHOENIX AZ	04/10/2018
223521	2200089969	04/05/2018	USD	3,241.79	STAFFING NETWORK LLC CAROL STREAM IL	04/10/2018
223522	2200089950	04/05/2018	USD	59,667.40	STANTEC CONSULTING INC CHICAGO IL	04/10/2018
223523	2200089927	04/05/2018	USD	4,175.00	STATE WATER RESOURCES CNTRL BRACRAMENTO CA	04/13/2018
223524	2200089987	04/05/2018	USD	457.59	STORETRIEVE LLC PASADENA CA	04/09/2018
223525	2200089920	04/05/2018	USD	2,015.45	TELEDYNE INSTRUMENTS INC CHICAGO IL	04/10/2018
223526	2200089914	04/05/2018	USD	15,594.71	TETRA TECH INC DENVER CO	04/09/2018
223527	2200089959	04/05/2018	USD	222.50	THOMAS HARDER & CO INC ANAHEIM CA	04/10/2018
223528	2200089928	04/05/2018	USD	20.00	THREE VALLEYS MWD CLAREMONT CA	04/18/2018
223529	2200089931	04/05/2018	USD	1,200.00	TOM DODSON & ASSOCIATES SAN BERNARDINO CA	04/12/2018
223530	2200089973	04/05/2018	USD	612.00	TRIEPEI SMITH AND ASSOCIATES, IRVINE CA	04/19/2018
223531	2200089956	04/05/2018	USD	13,990.27	U S BANK ST LOUIS MO	04/11/2018
223532	2200089936	04/05/2018	USD	89.00	U S HEALTHWORKS MEDICAL GROUP LOS ANGELES CA	04/09/2018
223533	2200089930	04/05/2018	USD	1,339.33	U S HOSE INC ONTARIO CA	04/10/2018
223534	2200089925	04/05/2018	USD	358.30	ULTRA SCIENTIFIC NORTH KINGSTOWN RI	04/11/2018
223535	2200089911	04/05/2018	USD	3,833.56	VALVE AUTOMATION & CONTROLS ATLANTA GA	04/10/2018
223536	2200089981	04/05/2018	USD	5,594.40	VANTAGE TECHNOLOGY CONSULTING EL SBGUNDO CA	04/12/2018
223537	2200089933	04/05/2018	USD	1,882.47	VERIZON WIRELESS DALLAS TX	04/12/2018
223538	2200089986	04/05/2018	USD	6,567.99	VIRAMONTES EXPRESS INC CORONA CA	04/16/2018
223539	2200089906	04/05/2018	USD	73.12	VISTA PAINT CORP FULLERTON CA	04/10/2018
223540	2200089982	04/05/2018	USD	73,714.00	WALLACE & ASSOCIATES CONSULTINPARK CITY UT	04/11/2018
223541	2200089916	04/05/2018	USD	275.00	WATER ENVIRONMENT FEDERATION BALTIMORE MD	04/10/2018
223542	2200089907	04/05/2018	USD	1,110.54	WEST VALLEY MOSQUITO AND ONTARIO CA	04/10/2018
223543	2200089996	04/05/2018	USD	43,727.58	WESTIN TECHNOLOGY SOLUTIONS LLMILWAUKEE WI	04/10/2018
223544	2200089976	04/05/2018	USD	595.00	WIN 911 SOFTWARE AUSTIN TX	04/16/2018
223545	2200089946	04/05/2018	USD	684.80	WORLDWIDE EXPRESS ALBANY NY	04/10/2018
223546	2200089944	04/05/2018	USD	2,034.74	YORK EMPLOYMENT SERVICES, INC SAN FRANCISCO CA	04/12/2018
223547	2200090085	04/12/2018	USD	928.00	AEROTEK INC ATLANTA GA	04/16/2018
223548	2200090066	04/12/2018	USD	290.77	AIRGAS WEST INC PASADENA CA	04/16/2018
223549	2200090123	04/12/2018	USD	725.00	AMERICAN CUSTOM GOLF CARS INC CHINO CA	04/20/2018
223550	2200090103	04/12/2018	USD	509.98	ASAP INDUSTRIAL SUPPLY FONTANA CA	04/18/2018
223551	2200090109	04/12/2018	USD	2,014.81	AUTOZONE INC ATLANTA GA	04/17/2018
223552	2200090100	04/12/2018	USD	216.42	BAM GRAPHICS N LAS VEGAS NV	04/23/2018
223553	2200090083	04/12/2018	USD	391.28	BOOT BARN INC IRVINE CA	04/20/2018
223554	2200090143	04/12/2018	USD	157.51	BOUGHAN, ARIN CHINO HILLS CA	04/17/2018
223555	2200090112	04/12/2018	USD	720.00	BRIGHTVIEW LANDSCAPES LLC ROCKVILLE MD	04/30/2018
223556	2200090128	04/12/2018	USD	6,139.95	BURRTEC WASTE INDUSTRIES INC FONTANA CA	04/18/2018
223557	2200090072	04/12/2018	USD	360.00	CALIF WATER ENVIRONMENT ASSOC OAKLAND CA	05/02/2018
223558	2200090098	04/12/2018	USD	8,000.00	CALIFORNIA STRATEGIES LLC SACRAMENTO CA	04/18/2018
223559	2200090114	04/12/2018	USD	23,724.12	CALIFORNIA WATER TECHNOLOGIES,PASADENA CA	04/16/2018
223560	2200090136	04/12/2018	USD	147.63	CARL H TAYLOR III CRYSTAL RIVER FL	04/17/2018
223561	2200090075	04/12/2018	USD	120,484.00	CAROLLO ENGINEERS INC SALT LAKE CITY UT	04/17/2018
223562	2200090088	04/12/2018	USD	584.00	CASC ENGINEERING AND CONSULTINCOLTON CA	04/18/2018

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223563	2200090081	04/12/2018	USD	669.00	CHAMPION AWARDS & SPECIALTIES RANCHO CUCAMONGA CA	04/17/2018
223564	2200090070	04/12/2018	USD	39,207.22	CHINO BASIN WATERMASTER RANCHO CUCAMONGA CA	04/18/2018
223565	2200090096	04/12/2018	USD	2,717.79	CINTAS CORPORATION LOC#150 PHOENIX AZ	04/27/2018
223566	2200090080	04/12/2018	USD	411.22	CINTAS FIRST AID & SAFETY LOCCINCINNATI OH	04/23/2018
223567	2200090134	04/12/2018	USD	415.00	CITY EMPLOYEES ASSOCIATES LONG BEACH CA	04/18/2018
223568	2200090059	04/12/2018	USD	72.49	CITY RENTALS INC ONTARIO CA	04/24/2018
223569	2200090106	04/12/2018	USD	18,161.77	CONSERV CONSTRUCTION INC MENIFEE CA	04/16/2018
223570	2200090101	04/12/2018	USD	10,370.00	CORRPRO COMPANIES INC DALLAS TX	04/19/2018
223571	2200090093	04/12/2018	USD	2,175.27	CS-AMSCO HUNTINGTON BEACH CA	04/17/2018
223572	2200090127	04/12/2018	USD	55.20	CUCAMONGA VALLEY WATER DISTRICT LOS ANGELES CA	04/17/2018
223573	2200090138	04/12/2018	USD	90.00	CUNNINGHAM, RICHARD CHINO HILLS CA	04/19/2018
223574	2200090102	04/12/2018	USD	4,520.00	DAVID WHEELER'S PEST CONTROL, NORCO CA	04/17/2018
223575	2200090122	04/12/2018	USD	44.95	DORGAN LEGAL SERVICES LLP PASADENA CA	04/24/2018
223576	2200090108	04/12/2018	USD	15,646.92	ELECTRO-CHEMICAL DEVICES, INC ANAHEIM CA	04/18/2018
223577	2200090110	04/12/2018	USD	2,007.81	ENVIRONMENTAL SCIENCE ASSOCIATSAN FRANCISCO CA	04/24/2018
223578	2200090107	04/12/2018	USD	4,150.00	EUROFINS EATON ANALYTICAL LLC GRAPEVINE TX	04/18/2018
223579	2200090065	04/12/2018	USD	128.82	FIRST AID 2000 HUNTINGTON BEACH CA	04/17/2018
223580	2200090061	04/12/2018	USD	3,742.68	FISHER SCIENTIFIC LOS ANGELES CA	04/16/2018
223581	2200090068	04/12/2018	USD	2,801.76	FLUID METERING INC ATLANTA GA	04/17/2018
223582	2200090133	04/12/2018	USD	373.38	FRANCHISE TAX BOARD SACRAMENTO CA	04/24/2018
223583	2200090130	04/12/2018	USD	2,817.33	FRONTIER COMMUNICATIONS CORP CINCINNATI OH	04/19/2018
223584	2200090095	04/12/2018	USD	60,701.50	GEI CONSULTANTS INC BOSTON MA	04/17/2018
223585	2200090069	04/12/2018	USD	4,000.73	GRAINGER PALATINE IL	04/18/2018
223586	2200090089	04/12/2018	USD	259.70	HACH COMPANY CHICAGO IL	04/16/2018
223587	2200090140	04/12/2018	USD	217.49	HOLGUIN, GABRIEL CHINO HILLS CA	04/17/2018
223588	2200090062	04/12/2018	USD	60.37	HOME DEPOT CREDIT SERVICES PHOENIX AZ	04/17/2018
223589	2200090131	04/12/2018	USD	51.00	INLAND EMPIRE UNITED WAY RANCHO CUCAMONGA CA	04/17/2018
223590	2200090104	04/12/2018	USD	140.00	KIM'S MASTER AUTO REPAIR CHINO CA	04/25/2018
223591	2200090139	04/12/2018	USD	58.12	LENING, SCOTT CHINO HILLS CA	04/18/2018
223592	2200090129	04/12/2018	USD	941.80	LEVEL 3 COMMUNICATIONS LLC DENVER CO	04/17/2018
223593	2200090078	04/12/2018	USD	500.00	LIEBERT CASSIDY WHITMORE LOS ANGELES CA	04/19/2018
223594	2200090079	04/12/2018	USD	100.00	LIEBERT CASSIDY WHITMORE LOS ANGELES CA	04/19/2018
223595	2200090117	04/12/2018	USD	437.32	MANAGED MOBILE INC PLACENTIA CA	04/17/2018
223596	2200090071	04/12/2018	USD	2,785.00	METTLER-TOLEDO PASADENA CA	04/16/2018
223597	2200090111	04/12/2018	USD	959.84	MICROAGE PHOENIX AZ	04/17/2018
223598	2200090124	04/12/2018	USD	9,600.00	MUNITEMPS IMPERIAL BEACH CA	04/17/2018
223599	2200090097	04/12/2018	USD	839.17	NESTLE WATERS NORTH AMERICA LOUISVILLE KY	04/23/2018
223600	2200090091	04/12/2018	USD	5,915.00	O S T S INC CHINO CA	04/17/2018
223601	2200090137	04/12/2018	USD	110.27	OAKDEN, SCOTT CHINO HILLS CA	04/18/2018
223602	2200090060	04/12/2018	USD	1,217.94	OFFICE DEPOT PHOENIX AZ	04/30/2018
223603	2200090126	04/12/2018	USD	1,084.21	ONTARIO MUNICIPAL UTILITIES COONTARIO CA	04/16/2018
223604	2200090141	04/12/2018	USD	57.44	ORTIZ, BRIAN CHINO HILLS CA	04/24/2018
223605	2200090145	04/12/2018	USD	1,201.48	PAEZ, CHRIS RANCHO CUCAMONGA CA	04/24/2018
223606	2200090086	04/12/2018	USD	1,674.91	PANTHER PROTECTION ORANGE CA	04/17/2018

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223607	2200090121	04/12/2018	USD	2,885.60	PATCHETT & ASSOCIATES CARLSBAD CA	04/23/2018	
223608	2200090135	04/12/2018	USD	248.50	PATRICK W HUNTER PHELAN CA	04/17/2018	
223609	2200090067	04/12/2018	USD	3,031.01	PETE'S ROAD SERVICE FULLERTON CA	04/19/2018	
223610	2200090142	04/12/2018	USD	118.48	PIVOVAROFF, JASON CHINO HILLS CA	04/17/2018	
223611	2200090076	04/12/2018	USD	56,250.00	POWER SYSTEMS SERVICES INC CHINO CA	04/18/2018	
223612	2200090118	04/12/2018	USD	15,251.05	PRIORITY BUILDING SERVICES LLCBREA CA	04/18/2018	
223613	2200090063	04/12/2018	USD	110.50	RAYNE WATER CONDITIONING COVINA CA	04/16/2018	
223614	2200090092	04/12/2018	USD	52,504.23	RMC WATER AND ENVIRONMENT BOSTON MA	04/17/2018	
223615	2200090064	04/12/2018	USD	13,200.26	ROYAL INDUSTRIAL SOLUTIONS LOS ANGELES CA	04/16/2018	
223616	2200090084	04/12/2018	USD	26.67	SAM'S CLUB/SYNCHRONY BANK ATLANTA GA	04/16/2018	
223617	2200090099	04/12/2018	USD	109.00	SCPMA-HR WHITTIER CA	04/19/2018	
223618	2200090113	04/12/2018	USD	57.14	SIGNATURE SCUBA RANCHO CUCAMONGA CA	04/26/2018	
223619	2200090094	04/12/2018	USD	546.03	SIR SPEEDY PRINTING CHINO CA	04/16/2018	
223620	2200090144	04/12/2018	USD	180.00	SMITH, JASON D CHINO HILLS CA	04/18/2018	
223621	2200090146	04/12/2018	USD	300.00	STRICKLAND, HOLLY RANCHO CUCAMONGA CA	04/18/2018	
223622	2200090116	04/12/2018	USD	348.73	SUMMIT SAFETY LLC BROOKSVILLE FL	04/19/2018	
223623	2200090105	04/12/2018	USD	14,725.00	TECHNICAL ASSOCIATES OF CHARLOTTESVILLE NC	04/17/2018	
223624	2200090125	04/12/2018	USD	3,375.54	THE SHERWIN WILLIAMS COMPANY ONTARIO CA	04/19/2018	
223625	2200090119	04/12/2018	USD	69,350.00	TONY PAINTING GARDEN GROVE CA	04/17/2018	
223626	2200090074	04/12/2018	USD	150.00	TRI STATE ENVIRONMENTAL SAN BERNARDINO CA	04/20/2018	
223627	2200090115	04/12/2018	USD	375.00	TRIPEPI SMITH AND ASSOCIATES, IRVINE CA	04/19/2018	
223628	2200090082	04/12/2018	USD	253.00	U S HEALTHWORKS MEDICAL GROUP LOS ANGELES CA	04/16/2018	
223629	2200090077	04/12/2018	USD	27.25	U S HOSE INC ONTARIO CA	04/19/2018	
223630	2200090087	04/12/2018	USD	447.23	UNITED STATES PLASTIC CORP LIMA OH	04/23/2018	
223631	2200090132	04/12/2018	USD	243.33	US DEPARTMENT OF EDUCATION ATLANTA GA	04/26/2018	
223632	2200090120	04/12/2018	USD	6,964.14	VIRAMONTES EXPRESS INC CORONA CA	04/24/2018	
223633	2200090073	04/12/2018	USD	7,260.00	WESTERN ANALYTICAL LABORATORIECHINO CA	04/16/2018	
223634	2200090090	04/12/2018	USD	1,020.58	YORK EMPLOYMENT SERVICES INC ONTARIO CA	04/20/2018	
223635	2200090150	04/12/2018	USD	274,901.92	SO CALIF EDISON ROSEMEAD CA	04/17/2018	
223636	2200090151	04/12/2018	USD	2,201.21	SO CALIF GAS MONTEREY PARK CA	04/19/2018	
223637	2200090149	04/12/2018	USD	8,102.67	VERIZON WIRELESS DALLAS TX	04/17/2018	
223638	2200090148	04/12/2018	USD	9,242.70	WASTE MANAGEMENT OF LOS ANGELES CA	04/17/2018	
223639	2200090152	04/12/2018	USD	500.00	LIEBERT CASSIDY WHITMORE LOS ANGELES CA	04/19/2018	
223640	2200090205	04/19/2018	USD	58.00	AEROTEK INC ATLANTA GA	04/23/2018	
223641	2200090179	04/19/2018	USD	718.20	AIRGAS WEST INC PASADENA CA	04/23/2018	
223642	2200090241	04/19/2018	USD	140.00	ALTA PACIFIC BANK TEMECULA CA	04/24/2018	
223643	2200090262	04/19/2018	USD	188.02	AMERICAN HERITAGE LIFE INSURANDALLAS TX	05/01/2018	
223644	2200090244	04/19/2018	USD	42,295.24	BANNER BANK SACRAMENTO CA	04/24/2018	
223645	2200090254	04/19/2018	USD	276,824.96	BEST CONTRACTING SERVICES INC GARDENA CA	05/01/2018	
223646	2200090234	04/19/2018	USD	356.74	BRIGHTVIEW LANDSCAPE SERVICES PASADENA CA	04/23/2018	
223647	2200090195	04/19/2018	USD	120.36	CALIFORNIA NEWSPAPER SERVICE BLOS ANGELES CA	04/24/2018	
223648	2200090236	04/19/2018	USD	11,927.20	CALIFORNIA WATER TECHNOLOGIES, PASADENA CA	04/23/2018	
223649	2200090270	04/19/2018	USD	340.90	CAMACHO, MICHAEL CHINO HILLS CA	04/24/2018	
223650	2200090192	04/19/2018	USD	226,145.20	CAROLLO ENGINEERS WALNUT CREEK CA	05/01/2018	

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223651	2200090183	04/19/2018	USD	49,383.00	CDM SMITH INC LOS ANGELES CA	04/23/2018
223652	2200090221	04/19/2018	USD	2,243.05	CINTAS CORPORATION LOCH150 PHOENIX AZ	05/07/2018
223653	2200090255	04/19/2018	USD	350.12	CITY OF CHINO CHINO CA	04/23/2018
223654	2200090182	04/19/2018	USD	2,000.00	CITY OF CHINO HILLS CHINO HILLS CA	05/02/2018
223655	2200090170	04/19/2018	USD	295.97	COLE PARMER INSTRUMENT CO CHICAGO IL	04/23/2018
223656	2200090214	04/19/2018	USD	7,012.50	CS-AMSCO HUNTINGTON BEACH CA	04/24/2018
223657	2200090210	04/19/2018	USD	1,946.53	DELL MARKETING L P PASADENA CA	04/23/2018
223658	2200090201	04/19/2018	USD	399.96	E Z PARTY RENTALS POMONA CA	04/23/2018
223659	2200090230	04/19/2018	USD	3,715.99	ELECTRO-CHEMICAL DEVICES, INC ANAHEIM CA	04/25/2018
223660	2200090184	04/19/2018	USD	3,738.27	EMERGENCY LIFELINE CORPORATIONFRANKLIN TN	04/24/2018
223661	2200090217	04/19/2018	USD	3,588.83	ENDRESS & HAUSER INC DETROIT MI	04/24/2018
223662	2200090229	04/19/2018	USD	8,980.00	EUROFINS EATON ANALYTICAL LLC GRAPEVINE TX	04/25/2018
223663	2200090197	04/19/2018	USD	927.74	EXPRESS PIPE & SUPPLY INC ANAHEIM CA	04/24/2018
223664	2200090193	04/19/2018	USD	8,781.63	FASTENAL COMPANY WINONA MN	04/24/2018
223665	2200090172	04/19/2018	USD	791.15	FISHER SCIENTIFIC LOS ANGELES CA	04/23/2018
223666	2200090261	04/19/2018	USD	2,223.82	FRONTIER COMMUNICATIONS CORP CINCINNATI OH	05/01/2018
223667	2200090237	04/19/2018	USD	479.20	FULL SOURCE, LLC JACKSONVILLE FL	04/24/2018
223668	2200090186	04/19/2018	USD	2,660.00	GENESIS CONSTRUCTION HEMET CA	04/26/2018
223669	2200090253	04/19/2018	USD	768,419.39	GWINCO CONSTRUCTION & ENGINEERONTARIO CA	04/24/2018
223670	2200090173	04/19/2018	USD	170.13	HOME DEPOT CREDIT SERVICES PHOENIX AZ	04/24/2018
223671	2200090240	04/19/2018	USD	25,000.00	INDUSTRIAL COATING AND RESTORAOCEANSIDE CA	04/23/2018
223672	2200090213	04/19/2018	USD	8,011.57	INNOVATIVE FEDERAL STRATEGIES WASHINGTON DC	04/26/2018
223673	2200090218	04/19/2018	USD	2,747.50	INTEGRATED DESIGN SERVICES INCIRVINE CA	04/23/2018
223674	2200090181	04/19/2018	USD	71.56	INTERSTATE BATTERY SYSTEM ALTA LOMA CA	05/09/2018
223675	2200090189	04/19/2018	USD	85,760.22	J F SHEA CONSTRUCTION INC WALNUT CA	04/24/2018
223676	2200090190	04/19/2018	USD	103,264.57	J F SHEA CONSTRUCTION INC WALNUT CA	04/24/2018
223677	2200090200	04/19/2018	USD	22,403.00	JDV EQUIPMENT CORP DOVER NJ	04/26/2018
223678	2200090243	04/19/2018	USD	803,609.50	KEMP BROS CONSTRUCTION INC SANTA FE SPRINGS CA	04/25/2018
223679	2200090188	04/19/2018	USD	1,058.83	KONICA MINOLTA PASADENA CA	04/23/2018
223680	2200090266	04/19/2018	USD	236.15	LEGALSHIELD ADA OK	04/27/2018
223681	2200090204	04/19/2018	USD	1,281.18	MCCROMETER INC CHICAGO IL	04/26/2018
223682	2200090232	04/19/2018	USD	14,119.73	MICROAGE PHOENIX AZ	04/25/2018
223683	2200090196	04/19/2018	USD	776.50	MIDPOINT BEARING ONTARIO CA	04/23/2018
223684	2200090250	04/19/2018	USD	228,186.45	MYERS AND SONS CONSTRUCTION LPSACRAMENTO CA	04/24/2018
223685	2200090206	04/19/2018	USD	417.41	NATIONAL BUSINESS INVESTIGATIONMURRIETA CA	04/24/2018
223686	2200090215	04/19/2018	USD	994.80	NATIONAL CONSTRUCTION RENTALS PACOIMA CA	04/24/2018
223687	2200090245	04/19/2018	USD	130,149.09	NEW MILLENNIUM CONSTRUCTION CHINO HILLS CA	04/23/2018
223688	2200090171	04/19/2018	USD	1,074.13	OFFICE DEPOT PHOENIX AZ	05/10/2018
223689	2200090256	04/19/2018	USD	5,071.61	ONTARIO MUNICIPAL UTILITIES COONTARIO CA	04/23/2018
223690	2200090175	04/19/2018	USD	36,444.00	PERKINELMER HEALTH SCIENCES INCHICAGO IL	04/25/2018
223691	2200090265	04/19/2018	USD	193.08	PERS LONG TERM CARE PROGRAM PASADENA CA	04/24/2018
223692	2200090209	04/19/2018	USD	3,900.63	PONTON INDUSTRIES INC YORBA LINDA CA	04/30/2018
223693	2200090263	04/19/2018	USD	675.90	PUBLIC EMPLOYEES RETIREMENT SYSACRAMENTO CA	05/09/2018
223694	2200090269	04/19/2018	USD	42.19	RILEY, STEPHANIE CHINO CA	04/23/2018

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223695	2200090268	04/19/2018	USD	120.93	RODRIGUEZ, VICTOR CHINO HILLS CA	
223696	2200090176	04/19/2018	USD	1,299.47	ROYAL INDUSTRIAL SOLUTIONS LOS ANGELES CA	04/23/2018
223697	2200090216	04/19/2018	USD	559.38	RSD LAKE FOREST CA	04/23/2018
223698	2200090224	04/19/2018	USD	157.50	RUTAN & TUCKER LLP COSTA MESA CA	04/23/2018
223699	2200090220	04/19/2018	USD	325.00	SAN BERNARDINO COUNTY SAN BERNARDINO CA	04/27/2018
223700	2200090219	04/19/2018	USD	32,585.00	SCW CONTRACTING CORPORATION FALLBROOK CA	04/27/2018
223701	2200090257	04/19/2018	USD	258.44	SO CALIF EDISON ROSEMEAD CA	04/23/2018
223702	2200090258	04/19/2018	USD	100.12	SO CALIF GAS MONTEREY PARK CA	04/27/2018
223703	2200090275	04/19/2018	USD	76.38	SPEARS, CARINA CHINO HILLS CA	04/26/2018
223704	2200090273	04/19/2018	USD	150.00	SPEARS, JIM CHINO HILLS CA	04/23/2018
223705	2200090231	04/19/2018	USD	7,188.00	STAFFING NETWORK LLC CAROL STREAM IL	04/24/2018
223706	2200090187	04/19/2018	USD	260.00	STATE WATER RESOURCES CNTRL BRACRAMENTO CA	05/21/2018
223707	2200090267	04/19/2018	USD	34.88	STONE, VICTORIA CHINO HILLS CA	04/27/2018
223708	2200090180	04/19/2018	USD	1,160.25	SUEZ TREATMENT SOLUTIONS INC BALTIMORE MD	04/25/2018
223709	2200090199	04/19/2018	USD	1,350.00	TOM DODSON & ASSOCIATES SAN BERNARDINO CA	04/25/2018
223710	2200090248	04/19/2018	USD	199.70	TRANSENE COMPANY INC DANVERS MA	04/26/2018
223711	2200090203	04/19/2018	USD	734.00	U S HEALTHWORKS MEDICAL GROUP LOS ANGELES CA	04/23/2018
223712	2200090198	04/19/2018	USD	438.72	U S HOSE INC ONTARIO CA	04/25/2018
223713	2200090202	04/19/2018	USD	1,598.00	U S POSTAL SERVICE CHINO HILLS CA	04/25/2018
223714	2200090191	04/19/2018	USD	1,336.68	ULTRA SCIENTIFIC NORTH KINGSTOWN RI	04/30/2018
223715	2200090225	04/19/2018	USD	9,744.75	US BANK VOYAGER FLEET SYSTEMS KANSAS CITY MO	04/24/2018
223716	2200090233	04/19/2018	USD	9,925.00	UTILIQUEST LLC ATLANTA GA	04/23/2018
223717	2200090260	04/19/2018	USD	457.12	VERIZON BUSINESS ALBANY NY	04/24/2018
223718	2200090207	04/19/2018	USD	7,790.00	W A RASIC CONSTRUCTION CO INC LONG BEACH CA	04/25/2018
223719	2200090242	04/19/2018	USD	2,700.00	WILD WONDERS CARLSBAD CA	04/23/2018
223720	2200090185	04/19/2018	USD	1,750.00	WILLDAN FINANCIAL SERVICES TEMECULA CA	04/24/2018
223721	2200090212	04/19/2018	USD	530.95	WORLDWIDE EXPRESS ALBANY NY	04/24/2018
223722	2200090228	04/19/2018	USD	16,999.35	XYLEM WATER SOLUTIONS USA INC CHICAGO IL	04/24/2018
223723	2200090235	04/19/2018	USD	200,574.77	YELLOW JACKET DRILLING SERVICE PHOENIX AZ	04/24/2018
223724	2200090211	04/19/2018	USD	2,041.16	YORK EMPLOYMENT SERVICES, INC SAN FRANCISCO CA	04/25/2018
223725	2200090285	04/24/2018	USD	21,392.87	BUSINESS CARD WILMINGTON DE	04/27/2018
223726	2200090500	04/26/2018	USD	1,772.19	10-8 RETROFIT INC ONTARIO CA	05/07/2018
223727	2200090449	04/26/2018	USD	2,194.02	ACCUSTANDARD INC NEW HAVEN CT	05/08/2018
223728	2200090482	04/26/2018	USD	445.00	ADVANCED CHEMICAL TECHNOLOGY IRANCHO CUCAMONGA CA	05/02/2018
223729	2200090464	04/26/2018	USD	58.00	AEROTEK INC ATLANTA GA	04/30/2018
223730	2200090437	04/26/2018	USD	1,584.26	AIRGAS WEST INC PASADENA CA	04/30/2018
223731	2200090501	04/26/2018	USD	700.00	ALISON LOUKEH & ASSOCIATES RIVERSIDE CA	04/30/2018
223732	2200090484	04/26/2018	USD	1,262.41	ALTA FOODCRAFT COFFEE LONG BEACH CA	05/02/2018
223733	2200090445	04/26/2018	USD	826.63	AMERICAN COMPRESSOR CO SANTA FE SPRINGS CA	05/01/2018
223734	2200090521	04/26/2018	USD	188.02	AMERICAN HERITAGE LIFE INSURANCE DALLAS TX	05/04/2018
223735	2200090480	04/26/2018	USD	3,220.00	AMP MECHANICAL INC COSTA MESA CA	04/30/2018
223736	2200090448	04/26/2018	USD	150.00	ARMA RIVERSIDE CA	05/01/2018
223737	2200090485	04/26/2018	USD	603.73	ASAP INDUSTRIAL SUPPLY FONTANA CA	05/01/2018
223738	2200090456	04/26/2018	USD	74.00	ASBCSD HESPERIA CA	05/16/2018

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223739	2200090479	04/26/2018	USD	977.50	BAILEY VALVE INC FRESNO CA	05/01/2018
223740	2200090509	04/26/2018	USD	10,483.84	BETSY JACOBSON AND ASSOCIATES ENCINITAS CA	05/04/2018
223741	2200090453	04/26/2018	USD	2,546.10	BRAGG CRANE SERVICE LONG BEACH CA	05/01/2018
223742	2200090517	04/26/2018	USD	183.34	BREIG, ANNA VICTORVILLE CA	05/07/2018
223743	2200090429	04/26/2018	USD	29,477.00	BRITHINEE ELECTRIC COLTON CA	05/01/2018
223744	2200090447	04/26/2018	USD	150.00	CALIF SOCIETY OF MUNICIPAL SACRAMENTO CA	05/07/2018
223745	2200090443	04/26/2018	USD	180.00	CALIF WATER ENVIRONMENT ASSOC OAKLAND CA	05/08/2018
223746	2200090461	04/26/2018	USD	5,878.00	CALIFORNIA BOILER INC HUNTINGTON BEACH CA	04/30/2018
223747	2200090493	04/26/2018	USD	15,213.06	CALIFORNIA WATER TECHNOLOGIES, PASADENA CA	04/30/2018
223748	2200090540	04/26/2018	USD	147.63	CARL H TAYLOR III CRYSTAL RIVER FL	05/01/2018
223749	2200090450	04/26/2018	USD	21,519.93	CAROLLO ENGINEERS INC SALT LAKE CITY UT	05/02/2018
223750	2200090463	04/26/2018	USD	70.04	CHAMPION AWARDS & SPECIALTIES RANCHO CUCAMONGA CA	05/01/2018
223751	2200090444	04/26/2018	USD	450.00	CHINO BASIN WATER CONSERVATIONMONTCLAIR CA	05/07/2018
223752	2200090442	04/26/2018	USD	10,793.60	CHINO BASIN WATERMASTER RANCHO CUCAMONGA CA	05/02/2018
223753	2200090470	04/26/2018	USD	631.64	CHINO HILLS FORD CHINO CA	05/03/2018
223754	2200090477	04/26/2018	USD	2,604.16	CINTAS CORPORATION LOC#150 PHOENIX AZ	05/10/2018
223755	2200090462	04/26/2018	USD	843.70	CINTAS FIRST AID & SAFETY LOCCINCINNATI OH	05/04/2018
223756	2200090537	04/26/2018	USD	415.00	CITY EMPLOYEES ASSOCIATES LONG BEACH CA	05/01/2018
223757	2200090530	04/26/2018	USD	347.26	COLONIAL LIFE & ACCIDENT INSURCOLUMBIA SC	05/02/2018
223758	2200090483	04/26/2018	USD	40,985.00	CORRPRO COMPANIES INC DALLAS TX	05/03/2018
223759	2200090466	04/26/2018	USD	10,357.03	CX & B UNITED CORP HARBOR CITY CA	05/02/2018
223760	2200090498	04/26/2018	USD	1,463.75	DAVIS BARBER PRODUCTIONS INC FULLERTON CA	04/30/2018
223761	2200090489	04/26/2018	USD	142.31	ELECTRO-CHEMICAL DEVICES, INC ANAHEIM CA	05/01/2018
223762	2200090491	04/26/2018	USD	11,213.47	ENVIRONMENTAL SCIENCE ASSOCIATELTK GROVE IL	05/01/2018
223763	2200090490	04/26/2018	USD	1,550.00	EPI-USE AMERICA INC ATLANTA GA	05/01/2018
223764	2200090488	04/26/2018	USD	30.00	EUROPINS EATON ANALYTICAL LLC GRAPEVINE TX	05/01/2018
223765	2200090539	04/26/2018	USD	2,131.21	FIDELITY SECURITY LIFE INSURANCINCINNATI OH	05/01/2018
223766	2200090431	04/26/2018	USD	1,812.95	FISHER SCIENTIFIC LOS ANGELES CA	04/30/2018
223767	2200090441	04/26/2018	USD	739.56	FLW INC HUNTINGTON BEACH CA	04/30/2018
223768	2200090535	04/26/2018	USD	373.38	FRANCHISE TAX BOARD SACRAMENTO CA	05/07/2018
223769	2200090516	04/26/2018	USD	137.36	FRONTIER COMMUNICATIONS CORP CINCINNATI OH	05/03/2018
223770	2200090510	04/26/2018	USD	3,285.00	FUJITSU COMPUTER PRODUCTS SUNNYVALE CA	05/01/2018
223771	2200090494	04/26/2018	USD	349.50	FULL SOURCE, LLC JACKSONVILLE FL	05/01/2018
223772	2200090486	04/26/2018	USD	16,196.94	GHD PASADENA CA	05/01/2018
223773	2200090439	04/26/2018	USD	10,565.31	GRAINGER PALATINE IL	05/01/2018
223774	2200090520	04/26/2018	USD	499.68	HOBBS, DIANA APPLE VALLEY CA	05/02/2018
223775	2200090518	04/26/2018	USD	499.68	HORNE, WILLIAM YUCCA VALLEY CA	05/01/2018
223776	2200090525	04/26/2018	USD	51.00	INLAND EMPIRE UNITED WAY RANCHO CUCAMONGA CA	05/01/2018
223777	2200090536	04/26/2018	USD	236.15	LEGALSHIELD ADA OK	05/03/2018
223778	2200090533	04/26/2018	USD	14,248.66	LIFE INSURANCE COMPANY OF PHILADELPHIA PA	05/02/2018
223779	2200090502	04/26/2018	USD	1,497.95	MANAGED MOBILE INC PLACENTIA CA	05/01/2018
223780	2200090446	04/26/2018	USD	1,350.00	MBC APPLIED ENVIRONMENTAL SCIECOSTA MESA CA	05/01/2018
223781	2200090511	04/26/2018	USD	472.50	MEANS CONSULTING LLC NEWPORT BEACH CA	05/01/2018
223782	2200090454	04/26/2018	USD	423.33	MIDPOINT BEARING ONTARIO CA	04/30/2018

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223783	2200090519	04/26/2018	USD	826.04	MILLER, ELMER L BLUE JAY CA	05/01/2018
223784	2200090541	04/26/2018	USD	76.85	MORGAN-PERALES, LISA CHINO HILLS CA	05/07/2018
223785	2200090503	04/26/2018	USD	54,549.18	NEW MILLENNIUM CONSTRUCTION CHINO HILLS CA	04/30/2018
223786	2200090507	04/26/2018	USD	1,650.00	NV MEDIA RIVERSIDE CA	05/07/2018
223787	2200090430	04/26/2018	USD	865.18	OFFICE DEPOT PHOENIX AZ	05/11/2018
223788	2200090513	04/26/2018	USD	71.60	ONTARIO MUNICIPAL UTILITIES COONTARIO CA	04/30/2018
223789	2200090465	04/26/2018	USD	452.05	PANTHER PROTECTION ORANGE CA	05/04/2018
223790	2200090538	04/26/2018	USD	248.50	PATRICK W HUNTER PHELAN CA	05/01/2018
223791	2200090532	04/26/2018	USD	96.54	PERS LONG TERM CARE PROGRAM PASADENA CA	05/01/2018
223792	2200090468	04/26/2018	USD	102.36	PONTON INDUSTRIES INC YORBA LINDA CA	05/07/2018
223793	2200090460	04/26/2018	USD	1,476.86	RESTEK CORP LANCASTER PA	05/01/2018
223794	2200090433	04/26/2018	USD	25,000.00	RMA GROUP RANCHO CUCAMONGA CA	05/02/2018
223795	2200090504	04/26/2018	USD	15,461.94	ROCKWELL SOLUTIONS INC NEWPORT COAST CA	05/03/2018
223796	2200090497	04/26/2018	USD	210.15	ROWLAND UNIFIED SCHOOL DISTRICTROWLAND HEIGHTS CA	05/15/2018
223797	2200090434	04/26/2018	USD	1,878.53	ROYAL INDUSTRIAL SOLUTIONS LOS ANGELES CA	04/30/2018
223798	2200090481	04/26/2018	USD	915.50	SAFE-ENTRY TECHNICAL INC RANCHO CUCAMONGA CA	05/02/2018
223799	2200090459	04/26/2018	USD	3,000.00	SAN BERNARDINO COUNTY SAN BERNARDINO CA	05/15/2018
223800	2200090487	04/26/2018	USD	2,758.40	SNAP GRAPHICS & DESIGN RANCHO CUCAMONGA CA	05/01/2018
223801	2200090514	04/26/2018	USD	3,218.80	SO CALIF EDISON ROSEMEAD CA	05/01/2018
223802	2200090515	04/26/2018	USD	217.15	SO CALIF GAS MONTEREY PARK CA	05/04/2018
223803	2200090476	04/26/2018	USD	209.00	SOCIETY FOR HUMAN RESOURCE MGBALTIMORE MD	05/02/2018
223804	2200090438	04/26/2018	USD	226.60	SPARLING INSTRUMENTS LLC PHOENIX AZ	05/01/2018
223805	2200090492	04/26/2018	USD	3,294.50	STAFFING NETWORK LLC CAROL STREAM IL	05/01/2018
223806	2200090473	04/26/2018	USD	5,100.00	STANTEC CONSULTING INC CHICAGO IL	04/30/2018
223807	2200090452	04/26/2018	USD	484.00	STATE WATER RESOURCES CNTRL BRSACRAMENTO CA	05/02/2018
223808	2200090474	04/26/2018	USD	4,073.00	THE AUSTIN COMPANY CLEVELAND OH	05/01/2018
223809	2200090495	04/26/2018	USD	3,325.00	TRIEPEI SMITH AND ASSOCIATES, IRVINE CA	05/02/2018
223810	2200090472	04/26/2018	USD	1,232.63	TRUSSELL TECHNOLOGIES INC PASADENA CA	05/03/2018
223811	2200090529	04/26/2018	USD	243.33	US DEPARTMENT OF EDUCATION ATLANTA GA	05/03/2018
223812	2200090458	04/26/2018	USD	225.71	VERIZON WIRELESS DALLAS TX	05/02/2018
223813	2200090467	04/26/2018	USD	20,000.00	W A RASIC CONSTRUCTION CO INC LONG BEACH CA	05/01/2018
223814	2200090512	04/26/2018	USD	300.00	WATER WISE PRO TRAINING WATSONVILLE CA	05/11/2018
223815	2200090526	04/26/2018	USD	2,468.68	WESTERN DENTAL PLAN ORANGE CA	05/02/2018
223816	2200090534	04/26/2018	USD	25.00	WILCO LIFE INSURANCE COMPANY ATLANTA GA	05/04/2018
223817	2200090552	04/26/2018	USD	2,160.00	GILLIS + PANICHAPAN ARCHITECTSCOSTA MESA CA	05/04/2018
223818	2200090550	04/26/2018	USD	500.00	INSIDE PLANTS INC CORONA CA	05/02/2018
223819	2200090549	04/26/2018	USD	3,086.00	JDV EQUIPMENT CORP DOVER NJ	05/02/2018
223820	2200090548	04/26/2018	USD	290.93	KONICA MINOLTA PASADENA CA	04/30/2018
223821	2200090551	04/26/2018	USD	1,500.00	TOTALFUNDS BY HASLER TAMPA FL	05/03/2018
* Payment method Check			USD	5,543,649.30		

Check number from to	Payment	Pmnt date	Crcy	Amount paid (FC)	Recipient/void reason code	Enca./void
**			USD	5,543,649.30		



# Attachment 2B

## Workers' Comp Checks

Bank	CBB	CITIZENS BUSINESS BANK	ONTARIO CA 917610000
Bank Key	122234149		
Acct number	WCOMP	231159290	

Checks created manually

Check number from to	Payment	Pmnt date	Crcy	Amount paid (FC)	Recipient/void reason code	Enca./void
04928	2200090286	04/04/2018	USD	12.00	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/09/2018
04929	2200090287	04/04/2018	USD	7.66	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/17/2018
04930	2200090288	04/11/2018	USD	592.00	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/18/2018
04931	2200090289	04/11/2018	USD	246.38	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/17/2018
04932	2200090290	04/11/2018	USD	255.00	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/18/2018
04933	2200090291	04/11/2018	USD	10.00	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/16/2018
04934	2200090292	04/11/2018	USD	39.61	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/20/2018
04935	2200090293	04/11/2018	USD	338.01	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/20/2018
04936	2200090294	04/11/2018	USD	16.10	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/20/2018
04937	2200090295	04/11/2018	USD	37.74	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/20/2018
04938	2200090296	04/11/2018	USD	547.36	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/20/2018
04939	2200090297	04/11/2018	USD	85.00	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/20/2018
04940	2200090298	04/11/2018	USD	145.00	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/20/2018
04941	2200090299	04/18/2018	USD	219.19	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/27/2018
04942	2200090300	04/18/2018	USD	458.35	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/23/2018
04943	2200090301	04/18/2018	USD	161.79	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/23/2018
04944	2200090692	04/25/2018	USD	12.13	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	
04945	2200090693	04/25/2018	USD	148.84	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/30/2018
04946	2200090694	04/25/2018	USD	12.00	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	04/30/2018
04947	2200090695	04/30/2018	USD	2,738.01	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	
* Payment method Checks created manually			USD	6,082.17		

Check number from to	Payment	Pmnt date	Crcy	Amount paid (FC)	Recipient/void reason code	Enca./void
**			USD	6,082.17		

# Attachment 2C

## Vendor ACHs

Check	Payee / Description	Amount
ACH	NAPA GENUINE PARTS COMPANY 6 Air Filters 4584-247913 117.08 Battery,Solar Battery,Battery Accessorie 4584-247914 406.14 NAPA GENUINE PARTS COMPANY \$ 523.22	
ACH	SANTA ANA WATERSHED February 2018 Truck Discharge 9235 983.76 SANTA ANA WATERSHED \$ 983.76	
ACH	UNIVAR USA INC TP1-12,083 Lbs Sodium Bisulfite LA618937 3,046.48 TP1-12,660 Lbs Sodium Bisulfite LA620582 2,733.79 UNIVAR USA INC \$ 5,780.27	
ACH	WAXIE SANITARY SUPPLY Liners,Towels,Paper Towels,Safety Absorb 77234186 1,894.08 Towels,Paper Towels,Bleach,Toilet Paper, 77282027 2,490.56 WAXIE SANITARY SUPPLY \$ 4,384.64	
ACH	G M SAGER CONSTRUCTION CO INC RP2Mnt-Asphalt Installation & Repairs 37276R 39,726.87 G M SAGER CONSTRUCTION CO INC \$ 39,726.87	
ACH	WESTERN MUNICIPAL WATER DISTRI WR16011-2/1/18-2/28/18 350 Sprinkler Noz IEUA-1533 1,635.00 WESTERN MUNICIPAL WATER DISTRI \$ 1,635.00	
ACH	MCMASTER-CARR SUPPLY CO Bradley Brass On/Off Valve 59477879 101.48 Drill Press,Floodlight,Socket Set,Socket 58121838 2,479.14 2 Bin Boxes 58290750 87.87 MCMASTER-CARR SUPPLY CO \$ 2,668.49	
ACH	KVAC ENVIRONMENTAL SERVICES IN RP4-2/13-2/27 Lrg Vac Pmp/Trnsprt Lqd Ws KS1802349 8,631.25 KVAC ENVIRONMENTAL SERVICES IN \$ 8,631.25	
ACH	SHI INTERNATIONAL CORP 12/17-12/18 AutoCAD Civil 3D License Ren B07594108 7,376.44 2 Camtasia Studio Licenses B07806176 279.42 2/18-2/19 Workspace ONE Subscription B07826860 5,464.50 SHI INTERNATIONAL CORP \$ 13,120.36	
ACH	PEST OPTIONS INC February 2018 GWR Weed Abatement Service 294128 6,034.32 February 2018 Weed Abatement Services 293974 3,064.95 PEST OPTIONS INC \$ 9,099.27	

Check	Payee / Description	Amount
ACH	SUNGARD AVAILABILITY SERVICES 4/18 Disaster Recovery Svc	152680880 4,152.00
	SUNGARD AVAILABILITY SERVICES \$	4,152.00
ACH	OLIN CORP	
	TP1-4,936 Gals Sodium Hypochlorite	2476800 2,912.24
	RP5-4,972 Gals Sodium Hypochlorite	2472140 2,933.48
	RP5-4,948 Gals Sodium Hypochlorite	2475210 2,919.32
	TP1-4,916 Gals Sodium Hypochlorite	2474152 2,900.44
	RP4-4,952 Gals Sodium Hypochlorite	2474153 2,921.68
	TP1-5,026 Gals Sodium Hypochlorite	2473487 2,965.34
	CCWRP-3,000 Gals Sodium Hypochlorite	2476389 1,770.00
	CCWRP-4,906 Gals Sodium Hypochlorite	2473486 2,894.54
	RP4-2,002 Gals Sodium Hypochlorite	2473798 1,181.18
	TP1-4,906 Gals Sodium Hypochlorite	2474635 2,894.54
	RP4-2,006 Gals Sodium Hypochlorite	2474151 1,183.54
	RP4-1,998 Gals Sodium Hypochlorite	2476390 1,178.82
	CCWRP-2,998 Gals Sodium Hypochlorite	2474634 1,768.82
	RP4-1,996 Gals Sodium Hypochlorite	2471469 1,177.64
	TP1-4,914 Gals Sodium Hypochlorite	2473485 2,899.26
	TP1-4,960 Gals Sodium Hypochlorite	2476391 2,926.40
	TP1-4,932 Gals Sodium Hypochlorite	2472139 2,909.88
	TP1-4,946 Gals Sodium Hypochlorite	2477296 2,918.14
	CCWRP-3,016 Gals Sodium Hypochlorite	2471470 1,779.44
	RP4-2,016 Gals Sodium Hypochlorite	2472824 1,189.44
	OLIN CORP \$	46,224.14
ACH	DANRAE, INC	
	EN13016-11/2017-2/2018 Professional Serv	150915 3,193.75
	EN14019-2/18 Professional Services	150916 4,243.75
	DANRAE, INC \$	7,437.50
ACH	SIEMENS INDUSTRY INC	
	Transducer	5602326128 673.45
	SIEMENS INDUSTRY INC \$	673.45
ACH	WEST COAST ADVISORS	
	3/18 Prof Svcs	11018 9,800.00
	WEST COAST ADVISORS \$	9,800.00
ACH	NAVEX GLOBAL INC	
	4/18-4/19 US Hotline/Subscription Renewa	INV-166377 1,485.30
	NAVEX GLOBAL INC \$	1,485.30
ACH	TRIBOLOGIK CORPORATION	
	Oil Analysis	40648 90.00
	Oil Analysis	40788 450.00
	Oil Analysis	40647 480.00
	Oil Analysis	41509 480.00
	Oil Analysis	39574 180.00
	Oil Analysis	39572 30.00
	TRIBOLOGIK CORPORATION \$	1,710.00

Check    Payee / Description      Amount

ACH	AMAZON BUSINESS		
	4 Hydromatic Cast Iron Pumps	14LP-YX4Q-T7W	1,783.39
	1 Cornhole Game	196X-DNGY-QX6	12.88
	18 Cornhole Games, 3 Crayola Art Sets	1XPV-WQMW-KQP	289.35
	3 Pack Replacement Pad	1XKX-YC1D-JF9	15.66
	User Guides, Quick Reference Guides	1L1C-PMTC-1RR	32.48
	Rechargeable Flashlight	196X-DNGY-QJJ	156.77
	2 Solar Batteries	1XPV-WQMW-YGY	473.56
	2 Solar Charge Controller/Regulator	1JKQ-FLR9-4GJ	405.48
			- - - - -
	AMAZON BUSINESS	\$	3,169.57

ACH	AMERICAN OFFICE PROFESSIONALS		
	Service Call HP 600/603	1574	89.95
			- - - - -
	AMERICAN OFFICE PROFESSIONALS	\$	89.95

ACH	SOLAR STAR CALIFORNIA V LLC		
	RP1-2/1-2/28 2450 Phila St	M0616-1705358	3,008.11
	RP1-2/1-2/28 2450 Phila St	M0615-1705357	16,828.81
	RP5/TP5/HQA/B-2/1-2/28 6075 Kimball Ave	M0614-1705356	16,709.41
	CCWRP/TP/RWPS-2/1-2/28 14950 Telephone A	M0613-1705355	8,407.98
			- - - - -
	SOLAR STAR CALIFORNIA V LLC	\$	44,954.31

ACH	ICMA RETIREMENT TRUST 457		
	P/R 8 4/13 Deferred Comp Ded	HR      0066800	19,330.10
			- - - - -
	ICMA RETIREMENT TRUST 457	\$	19,330.10

ACH	LINCOLN NATIONAL LIFE INS CO		
	P/R 8 4/13 Deferred Comp Ded	HR      0066800	17,020.30
			- - - - -
	LINCOLN NATIONAL LIFE INS CO	\$	17,020.30

ACH	ICMA RETIREMENT TRUST 401		
	P/R 8 4/13 Exec Deferred Comp	HR      0066800	7,465.88
			- - - - -
	ICMA RETIREMENT TRUST 401	\$	7,465.88

ACH	NAPA GENUINE PARTS COMPANY		
	24 Lithium Grs Cart	4584-248807	170.42
	Air Compressor	4584-248956	2,638.80
	Refund 2 Core Deposits	4584-246235	58.19
			- - - - -
	NAPA GENUINE PARTS COMPANY	\$	2,751.03

ACH	SANTA ANA WATERSHED		
	Febuary 2018 Service	9241	122,317.65
			- - - - -
	SANTA ANA WATERSHED	\$	122,317.65

ACH	UNIVAR USA INC		
	PradoLS-12,535 Lbs Sodium Bisulfite	LA620074	2,706.67
	PradoLS-12,600 Lbs Sodium Bisulfite	LA613630	2,720.77
	PradoLS-12,255 Lbs Sodium Bisulfite	LA608357	2,646.17
	TP1-12,858 Lbs Sodium Bisulfite	LA622789	2,776.34
	CCWRP-12,827 Lbs Sodium Bisulfite	LA622631	2,769.76

Check	Payee / Description	Amount
	RP5-12,868 Lbs Sodium Bisulfite LA622034	2,778.52
	TP1-12,817 Lbs Sodium Bisulfite LA621735	2,767.58
	UNIVAR USA INC \$	19,165.81
ACH	WAXIE SANITARY SUPPLY Towels, Paper Towels, Liners, Hand Sanitize 77328198	2,053.53
	WAXIE SANITARY SUPPLY \$	2,053.53
ACH	WESTERN MUNICIPAL WATER DISTRI WR16011-12/1/17-12/31/17 75 Sprinkler No IEUA-1509	262.50
	WESTERN MUNICIPAL WATER DISTRI\$	262.50
ACH	PARSONS WATER & INFRASTRUCTURE EN19001/EN19006-2/3-3/2 Prof Svcs 1803B227	578,127.44
	PARSONS WATER & INFRASTRUCTURE\$	578,127.44
ACH	PEST OPTIONS INC March 2018 Weed Abatement Services 295986	3,064.95
	PEST OPTIONS INC \$	3,064.95
ACH	OLIN CORP RP4-2,008 Gals Sodium Hypochlorite 2477871	1,184.72
	TP1-4,918 Gals Sodium Hypochlorite 2479779	2,901.62
	RP4-1,998 Gals Sodium Hypochlorite 2479778	1,178.82
	CCWRP-4,942 Gals Sodium Hypochlorite 2479394	2,915.78
	RP4-2,018 Gals Sodium Hypochlorite 2480257	1,190.62
	TP1-5,014 Gals Sodium Hypochlorite 2480256	2,958.26
	TP1-4,978 Gals Sodium Hypochlorite 2478923	2,937.02
	TP1-4,866 Gals Sodium Hypochlorite 2478922	2,870.94
	RP4-2,002 Gals Sodium Hypochlorite 2478921	1,181.18
	RP5-4,948 Gals Sodium Hypochlorite 2478463	2,919.32
	TP1-4,982 Gals Sodium Hypochlorite 2478462	2,939.38
	CCWRP-3,006 Gals Sodium Hypochlorite 2477872	1,773.54
	OLIN CORP \$	26,951.20
ACH	GK & ASSOCIATES 46-2054-2/18 Prof Svcs 18-011 (R)	13,832.00
	46-2054-2/18 Prof Svcs 18-010	17,568.00
	46-2054-2/18 Prof Svcs 18-013	14,560.00
	46-2054-2/18 Prof Svcs 18-012	18,544.00
	GK & ASSOCIATES \$	64,504.00
ACH	SIEMENS INDUSTRY INC Transducers 5602375245	2,047.25
	SIEMENS INDUSTRY INC \$	2,047.25
ACH	DOWNS ENERGY RP1-368.1 Gals Red Dyed Diesel Fuel 0231237-IN	946.22
	DOWNS ENERGY \$	946.22



Check	Payee / Description		Amount
ACH	TRIBOLOGIK CORPORATION		
	Oil Analysis	42594	480.00
	Oil Analysis	42595	60.00
			- - - - -
	TRIBOLOGIK CORPORATION	\$	540.00
ACH	AMAZON BUSINESS		
	4 Aluminum Plumbing Pipe Wrench	1VWG-MMWK-79D	165.34
	8 Wide Mouth Glass Carboy Fermentors	1FQN-6G99-CJH	516.00
	4 Comet Portion/Shot Glass	1VWG-MMWK-XXM	606.52
			- - - - -
	AMAZON BUSINESS	\$	1,287.86
ACH	AMERICAN OFFICE PROFESSIONALS		
	7 Toner Cartridges	1582	2,470.92
	Konica Drum Unit,Labor	1581	711.87
			- - - - -
	AMERICAN OFFICE PROFESSIONALS	\$	3,182.79
ACH	SHELL ENERGY NORTH AMERICA LP		
	2/18 Gas Cmmdty-Core,12/17 Adj	1100002880302	3,755.00
	1/18 Gas Cmmdty-Core,11/17 Adj	1100002880301	1,971.26
	12/17 Gas Cmmdty-Core,10/17 Adj	1100002880312	1,794.50
			- - - - -
	SHELL ENERGY NORTH AMERICA LP	\$	7,520.76
ACH	IEUA EMPLOYEES' ASSOCIATION		
	P/R DIR 4 4/13 Employee Ded	HR 0066900	12.00
	P/R 8 4/13 Employee Ded	HR 0066800	207.00
			- - - - -
	IEUA EMPLOYEES' ASSOCIATION	\$	219.00
ACH	IEUA SUPERVISORS UNION ASSOCIA		
	P/R 8 4/13 Employee Ded	HR 0066800	337.50
			- - - - -
	IEUA SUPERVISORS UNION ASSOCIA	\$	337.50
ACH	IEUA GENERAL EMPLOYEES ASSOCIA		
	P/R 8 4/13 Employee Ded	HR 0066800	1,144.10
			- - - - -
	IEUA GENERAL EMPLOYEES ASSOCIA	\$	1,144.10
ACH	IEUA PROFESSIONAL EMPLOYEES AS		
	P/R 8 4/13 Employee Ded	HR 0066800	490.00
			- - - - -
	IEUA PROFESSIONAL EMPLOYEES AS	\$	490.00
ACH	DISCOVERY BENEFITS INC		
	P/R 8 4/13 Cafeteria Plan	HR 0066800	3,519.99
			- - - - -
	DISCOVERY BENEFITS INC	\$	3,519.99
ACH	HALL, JASMIN		
	Hall,J-ExpRpt-3/25-3/27/18 Watereuse	3/25/18 WATRE	1,869.57
	Hall,J-ExpRpt-3/21-3/23/18 CA Water Poli	3/21/18 CA WT	474.30
			- - - - -
	HALL, JASMIN	\$	2,343.87
ACH	AQUA BEN CORPORATION		

Check	Payee / Description		Amount
	RP2-23,000 Lbs Polymer 748E	37079	20,817.30
	RP1-32,200 Lbs Hydrofloc 750A	37088	44,295.74
			- - - - -
	AQUA BEN CORPORATION	\$	65,113.04
ACH	NAPA GENUINE PARTS COMPANY		
	Air Compressor	4584-248955	2,638.80
	Napa Battery, Enviro Fee, Core Deposit	4584-248967	266.50
	6 Incandescent Light Bulbs - Rtrnd on 39	3973-9047008	74.28
			- - - - -
	NAPA GENUINE PARTS COMPANY	\$	2,979.58
ACH	UNIVAR USA INC		
	TP1-13,045 Lbs Sodium Bisulfite	LA623470	2,816.81
	TP1-12,690 Lbs Sodium Bisulfite	LA624457	2,740.24
			- - - - -
	UNIVAR USA INC	\$	5,557.05
ACH	WAXIE SANITARY SUPPLY		
	Towels	77239984	94.63
			- - - - -
	WAXIE SANITARY SUPPLY	\$	94.63
ACH	MCMASTER-CARR SUPPLY CO		
	Timer Switches,Outlet Boxes,PVC Conduit	60632894	588.09
	48 Tote Boxes	60477548	141.45
			- - - - -
	MCMASTER-CARR SUPPLY CO	\$	729.54
ACH	SCHNEIDER ELECTRIC SYSTEMS INC		
	pH Transmitters	93737350	3,436.72
			- - - - -
	SCHNEIDER ELECTRIC SYSTEMS INC	\$	3,436.72
ACH	SUNGARD AVAILABILITY SERVICES		
	5/18 Disaster Recovery Svc	152683410	4,152.00
			- - - - -
	SUNGARD AVAILABILITY SERVICES	\$	4,152.00
ACH	OLIN CORP		
	TP1-4,934 Gals Sodium Hypochlorite	2482758	2,911.06
	CCWRP-3,002 Gals Sodium Hypochlorite	2480969	1,771.18
	TP1-5,012 Gals Sodium Hypochlorite	2481553	2,957.08
	TP1-4,612 Gals Sodium Hypochlorite	2483359	2,721.08
	RP4-2,010 Gals Sodium Hypochlorite	2482759	1,185.90
	RP5-4,908 Gals Sodium Hypochlorite	2480971	2,895.72
	RP5-4,828 Gals Sodium Hypochlorite	2480970	2,848.52
	TP1-5,014 Gals Sodium Hypochlorite	2482756	2,958.26
	CCWRP-4,940 Gals Sodium Hypochlorite	2482757	2,914.60
			- - - - -
	OLIN CORP	\$	23,163.40
ACH	SAP AMERICA INC		
	BIS-3/26-3/30 Trng-RN-HR400	7008370511	3,015.00
			- - - - -
	SAP AMERICA INC	\$	3,015.00
ACH	OVIVO USA LLC		
	1,840 Membrane Replacement Kits w/Reskin	8473142	427,384.99

Check	Payee / Description	Amount
	OVIVO USA LLC	\$ 427,384.99
ACH	EVOQUA WATER TECHNOLOGIES LLC Replace Filter on Rental DI Tank      903482610	75.10
	EVOQUA WATER TECHNOLOGIES LLC	\$ 75.10
ACH	ARCADIS U.S., INC. WR18028-2/2018 Professional Services      0897480	38,410.28
	ARCADIS U.S., INC.	\$ 38,410.28
ACH	CHEMTRADE CHEMICALS US LLC RP1-10.682 Tons Aluminim Sulfate      92331361	3,471.65
	CHEMTRADE CHEMICALS US LLC	\$ 3,471.65
ACH	AMAZON BUSINESS 4 Extention Cords      1G3C-11WG-1GT      223.08 4 Aluminum Plumbing Pipe Wrench      1GP3-GX91-HQP      411.91 5 Rechargeable Flashlights      13WJ-QDQD-HRN      590.00 1 HP Black Toner Cartridge      1PCR-17CT-6KX      174.56 1 Varidesk Standing Desk      1FWQ-QHDP-6GF      425.61	
	AMAZON BUSINESS	\$ 1,825.16
ACH	AMERICAN OFFICE PROFESSIONALS Transfer Belt,Service HP CP6015      1593	553.74
	AMERICAN OFFICE PROFESSIONALS	\$ 553.74
ACH	CDM CONSTRUCTORS INC EN13016.04-3/18 Pay Est 6      PE 6-EN13016.      191,924.41 EN13016.03-3/18 Pay Est 3      PE 3-EN13016.      3,562.50	
	CDM CONSTRUCTORS INC	\$ 195,486.91
ACH	ONE DIVERSIFIED LLC 10 Solstice Pods,2 IDEA Screens      0252408-IN      9,658.89 Tabletop Microphone      0252053-IN      307.83	
	ONE DIVERSIFIED LLC	\$ 9,966.72
ACH	SHELL ENERGY NORTH AMERICA LP RP1-3/1-3/31 2450 Phila St 12/1-12/31 Ad 2042 3/18      83,146.73 RP2/RP5-3/1-3/31 16400 El Prado Rd 12/1- 2044 3/18      7,629.56 CCWRP/TP/RWP-3/1-3/31 14950 Tlphn 12/1-1 2046 3/18      36,363.11	
	SHELL ENERGY NORTH AMERICA LP	\$ 127,139.40
ACH	DISCOVERY BENEFITS INC March 2018 Admin Fees      0000863363-IN	194.75
	DISCOVERY BENEFITS INC	\$ 194.75
ACH	ELIE, STEVE MlgReim-3/18 Meetings-Elie,S      MLG 3/18	94.78

Check	Payee / Description	Amount
	ELIE, STEVE	\$ 94.78
ACH	HALL, JASMIN MlgReim-3/18 Meetings-Hall,J	MLG 3/18 A 154.40
	MlgReim-3/18 Meetings-Hall,J	MLG 3/18 B 39.62
	HALL, JASMIN	\$ 194.02
ACH	PARKER, KATI MlgReim-3/18 Meetings-Parker,K	MLG 3/18 91.78
	PARKER, KATI	\$ 91.78
ACH	ICMA RETIREMENT TRUST 457 P/R 9 4/27 Deferred Comp Ded	HR 0068200 19,392.11
	ICMA RETIREMENT TRUST 457	\$ 19,392.11
ACH	LINCOLN NATIONAL LIFE INS CO P/R 9 4/27 Deferred Comp Ded	HR 0068200 16,971.17
	LINCOLN NATIONAL LIFE INS CO	\$ 16,971.17
ACH	ICMA RETIREMENT TRUST 401 P/R 9 4/27 Exec Deferred Comp Ded	HR 0068200 7,457.22
	ICMA RETIREMENT TRUST 401	\$ 7,457.22
ACH	ESTRADA, JIMMIE J Reim Monthly Health Prem	HEALTH PREM 499.68
	ESTRADA, JIMMIE J	\$ 499.68
ACH	LICHTI, ALICE Reim Monthly Health Prem	HEALTH PREM 183.34
	LICHTI, ALICE	\$ 183.34
ACH	MORASSE, EDNA Reim Monthly Health Prem	HEALTH PREM 183.34
	MORASSE, EDNA	\$ 183.34
ACH	NOWAK, THEO T Reim Monthly Health Prem	HEALTH PREM 499.68
	NOWAK, THEO T	\$ 499.68
ACH	SONNENBURG, ILSE Reim Monthly Health Prem	HEALTH PREM 183.34
	SONNENBURG, ILSE	\$ 183.34
ACH	DYKSTRA, BETTY Reim Monthly Health Prem	HEALTH PREM 183.34
	DYKSTRA, BETTY	\$ 183.34
ACH	TORRES, ROBERT G	

Check	Payee / Description	Amount
	Reim Monthly Health Prem      HEALTH PREM	183.34
	TORRES, ROBERT G      \$	183.34
ACH	MUELLER, CAROLYN Reim Monthly Health Prem      HEALTH PREM	183.34
	MUELLER, CAROLYN      \$	183.34
ACH	GRIFFIN, GEORGE Reim Monthly Health Prem      HEALTH PREM	183.34
	GRIFFIN, GEORGE      \$	183.34
ACH	CANADA, ANGELA Reim Monthly Health Prem      HEALTH PREM	183.34
	CANADA, ANGELA      \$	183.34
ACH	CUPERSMITH, LEIZAR Reim Monthly Health Prem      HEALTH PREM	183.34
	CUPERSMITH, LEIZAR      \$	183.34
ACH	DELGADO-ORAMAS JR, JOSE Reim Monthly Health Prem      HEALTH PREM	316.34
	DELGADO-ORAMAS JR, JOSE      \$	316.34
ACH	GRANGER, BRANDON Reim Monthly Health Prem      HEALTH PREM	158.17
	GRANGER, BRANDON      \$	158.17
ACH	GADDY, CHARLES L Reim Monthly Health Prem      HEALTH PREM	158.17
	GADDY, CHARLES L      \$	158.17
ACH	BAKER, CHRIS Reim Monthly Health Prem      HEALTH PREM	25.17
	BAKER, CHRIS      \$	25.17
ACH	WEBB, DANNY C Reim Monthly Health Prem      HEALTH PREM	133.00
	WEBB, DANNY C      \$	133.00
ACH	HUMPHREYS, DEBORAH E Reim Monthly Health Prem      HEALTH PREM	158.17
	HUMPHREYS, DEBORAH E      \$	158.17
ACH	MOUAT, FREDERICK W Reim Monthly Health Prem      HEALTH PREM	158.17
	MOUAT, FREDERICK W      \$	158.17

Check	Payee / Description	Amount
ACH	MORGAN, GARTH W Reim Monthly Health Prem	HEALTH PREM 133.00
	MORGAN, GARTH W	\$ 133.00
ACH	ALLINGHAM, JACK Reim Monthly Health Prem	HEALTH PREM 25.17
	ALLINGHAM, JACK	\$ 25.17
ACH	MAZUR, JOHN Reim Monthly Health Prem	HEALTH PREM 491.57
	MAZUR, JOHN	\$ 491.57
ACH	RUDDER, LARRY Reim Monthly Health Prem	HEALTH PREM 25.17
	RUDDER, LARRY	\$ 25.17
ACH	HAMILTON, MARIA Reim Monthly Health Prem	HEALTH PREM 133.00
	HAMILTON, MARIA	\$ 133.00
ACH	PICENO, TONY Reim Monthly Health Prem	HEALTH PREM 183.34
	PICENO, TONY	\$ 183.34
ACH	RAMOS, CAROL Reim Monthly Health Prem	HEALTH PREM 25.17
	RAMOS, CAROL	\$ 25.17
ACH	FISHER, JAY Reim Monthly Health Prem	HEALTH PREM 133.00
	FISHER, JAY	\$ 133.00
ACH	KING, PATRICK Reim Monthly Health Prem	HEALTH PREM 25.17
	KING, PATRICK	\$ 25.17
ACH	HOWARD, ROBERT JAMES Reim Monthly Health Prem	HEALTH PREM 25.17
	HOWARD, ROBERT JAMES	\$ 25.17
ACH	DIETZ, JUDY Reim Monthly Health Prem	HEALTH PREM 133.00
	DIETZ, JUDY	\$ 133.00
ACH	DAVIS, GEORGE Reim Monthly Health Prem	HEALTH PREM 25.17
	DAVIS, GEORGE	\$ 25.17

Check	Payee / Description	Amount
ACH	MONZAVI, TAGHI Reim Monthly Health Prem	HEALTH PREM 25.17
	MONZAVI, TAGHI	\$ 25.17
ACH	PETERSEN, KENNETH Reim Monthly Health Prem	HEALTH PREM 183.34
	PETERSEN, KENNETH	\$ 183.34
ACH	TRAUTERMAN, HELEN Reim Monthly Health Prem	HEALTH PREM 183.34
	TRAUTERMAN, HELEN	\$ 183.34
ACH	TIEGS, KATHLEEN Reim Monthly Health Prem	HEALTH PREM 959.04
	TIEGS, KATHLEEN	\$ 959.04
ACH	DIGGS, GEORGE Reim Monthly Health Prem	HEALTH PREM 499.68
	DIGGS, GEORGE	\$ 499.68
ACH	HAYES, KENNETH Reim Monthly Health Prem	HEALTH PREM 499.68
	HAYES, KENNETH	\$ 499.68
ACH	HUNTON, STEVE Reim Monthly Health Prem	HEALTH PREM 158.17
	HUNTON, STEVE	\$ 158.17
ACH	RODRIGUEZ, LOUIS Reim Monthly Health Prem	HEALTH PREM 158.17
	RODRIGUEZ, LOUIS	\$ 158.17
ACH	VARBEL, VAN Reim Monthly Health Prem	HEALTH PREM 642.70
	VARBEL, VAN	\$ 642.70
ACH	CLIFTON, NEIL Reim Monthly Health Prem	HEALTH PREM 509.70
	CLIFTON, NEIL	\$ 509.70
ACH	DELGADO, FRANCOIS Reim Monthly Health Prem	HEALTH PREM 133.00
	DELGADO, FRANCOIS	\$ 133.00
ACH	WELLMAN, JOHN THOMAS Reim Monthly Health Prem	HEALTH PREM 642.70

Check	Payee / Description	Amount
	WELLMAN, JOHN THOMAS	\$ 642.70
ACH	SPEARS, SUSAN Reim Monthly Health Prem	HEALTH PREM 25.17
	SPEARS, SUSAN	\$ 25.17
ACH	TROXEL, WYATT Reim Monthly Health Prem	HEALTH PREM 183.34
	TROXEL, WYATT	\$ 183.34
ACH	CORLEY, WILLIAM Reim Monthly Health Prem	HEALTH PREM 491.57
	CORLEY, WILLIAM	\$ 491.57
ACH	CALLAHAN, CHARLES Reim Monthly Health Prem	HEALTH PREM 345.53
	CALLAHAN, CHARLES	\$ 345.53
ACH	LESNIAKOWSKI, NORBERT Reim Monthly Health Prem	HEALTH PREM 183.34
	LESNIAKOWSKI, NORBERT	\$ 183.34
ACH	VER STEEG, ALLEN J Reim Monthly Health Prem	HEALTH PREM 478.53
	VER STEEG, ALLEN J	\$ 478.53
ACH	HACKNEY, GARY Reim Monthly Health Prem	HEALTH PREM 479.52
	HACKNEY, GARY	\$ 479.52
ACH	CAREL, LARRY Reim Monthly Health Prem	HEALTH PREM 25.17
	CAREL, LARRY	\$ 25.17
ACH	TOL, HAROLD Reim Monthly Health Prem	HEALTH PREM 183.34
	TOL, HAROLD	\$ 183.34
ACH	BANKSTON, GARY Reim Monthly Health Prem	HEALTH PREM 533.80
	BANKSTON, GARY	\$ 533.80
ACH	ATWATER, RICHARD Reim Monthly Health Prem	HEALTH PREM 133.00
	ATWATER, RICHARD	\$ 133.00
ACH	FIESTA, PATRICIA Reim Monthly Health Prem	HEALTH PREM 491.57



Check	Payee / Description	Amount
	FIESTA, PATRICIA	\$ 491.57
ACH	DIGGS, JANET Reim Monthly Health Prem	HEALTH PREM 632.68
	DIGGS, JANET	\$ 632.68
ACH	CARAZA, TERESA Reim Monthly Health Prem	HEALTH PREM 188.35
	CARAZA, TERESA	\$ 188.35
ACH	ANDERSON, JOHN Reim Monthly Health Prem	HEALTH PREM 499.68
	ANDERSON, JOHN	\$ 499.68
ACH	SANTA CRUZ, JACQUELYN Reim Monthly Health Prem	HEALTH PREM 866.84
	SANTA CRUZ, JACQUELYN	\$ 866.84
ACH	HECK, ROSELYN Reim Monthly Health Prem	HEALTH PREM 25.17
	HECK, ROSELYN	\$ 25.17
ACH	SOPICKI, LEO Reim Monthly Health Prem	HEALTH PREM 316.34
	SOPICKI, LEO	\$ 316.34
ACH	GOSE, ROSEMARY Reim Monthly Health Prem	HEALTH PREM 133.00
	GOSE, ROSEMARY	\$ 133.00
ACH	KEHL, BARRETT Reim Monthly Health Prem	HEALTH PREM 133.00
	KEHL, BARRETT	\$ 133.00
ACH	RITCHIE, JANN Reim Monthly Health Prem	HEALTH PREM 133.00
	RITCHIE, JANN	\$ 133.00
ACH	LONG, ROCKWELL DEE Reim Monthly Health Prem	HEALTH PREM 509.70
	LONG, ROCKWELL DEE	\$ 509.70
ACH	FATTAHI, MIR Reim Monthly Health Prem	HEALTH PREM 133.00
	FATTAHI, MIR	\$ 133.00
ACH	VERGARA, FLORENTINO	

Check	Payee / Description	Amount
	Reim Monthly Health Prem HEALTH PREM	316.34
	VERGARA, FLORENTINO \$	316.34
ACH	ROGERS, SHIRLEY Reim Monthly Health Prem HEALTH PREM	183.34
	ROGERS, SHIRLEY \$	183.34
ACH	WALL, DAVID Reim Monthly Health Prem HEALTH PREM	321.35
	WALL, DAVID \$	321.35
ACH	CHUNG, MICHAEL Reim Monthly Health Prem HEALTH PREM	158.17
	CHUNG, MICHAEL \$	158.17
ACH	ADAMS, PAMELA Reim Monthly Health Prem HEALTH PREM	183.34
	ADAMS, PAMELA \$	183.34
ACH	BLASINGAME, MARY Reim Monthly Health Prem HEALTH PREM	509.70
	BLASINGAME, MARY \$	509.70
ACH	ANDERSON, KENNETH Reim Monthly Health Prem HEALTH PREM	158.17
	ANDERSON, KENNETH \$	158.17
ACH	MOE, JAMES Reim Monthly Health Prem HEALTH PREM	25.17
	MOE, JAMES \$	25.17
ACH	POLACEK, KEVIN Reim Monthly Health Prem HEALTH PREM	835.51
	POLACEK, KEVIN \$	835.51
ACH	ELROD, SONDR Reim Monthly Health Prem HEALTH PREM	321.35
	ELROD, SONDR \$	321.35
ACH	FRAZIER, JACK Reim Monthly Health Prem HEALTH PREM	200.40
	FRAZIER, JACK \$	200.40
ACH	HOAK, JAMES Reim Monthly Health Prem HEALTH PREM	133.00
	HOAK, JAMES \$	133.00

Check	Payee / Description	Amount
ACH	DEZHAM, PARIVASH Reim Monthly Health Prem	HEALTH PREM 200.40
	DEZHAM, PARIVASH	\$ 200.40
ACH	FOLEY III, DANIEL J. Reim Monthly Health Prem	HEALTH PREM 188.35
	FOLEY III, DANIEL J.	\$ 188.35
ACH	CLEVELAND, JAMES Reim Monthly Health Prem	HEALTH PREM 133.00
	CLEVELAND, JAMES	\$ 133.00
ACH	LANGNER, CAMERON Reim Monthly Health Prem	HEALTH PREM 666.86
	LANGNER, CAMERON	\$ 666.86
ACH	HAMILTON, LEANNE Reim Monthly Health Prem	HEALTH PREM 188.35
	HAMILTON, LEANNE	\$ 188.35
ACH	HOOSHMAND, RAY Reim Monthly Health Prem	HEALTH PREM 133.00
	HOOSHMAND, RAY	\$ 133.00
ACH	SCHLAPKOHL, JACK Reim Monthly Health Prem	HEALTH PREM 133.00
	SCHLAPKOHL, JACK	\$ 133.00
ACH	POOLE, PHILLIP Reim Monthly Health Prem	HEALTH PREM 188.35
	POOLE, PHILLIP	\$ 188.35
ACH	ADAMS, BARBARA Reim Monthly Health Prem	HEALTH PREM 158.17
	ADAMS, BARBARA	\$ 158.17
ACH	RUESCH, GENECE Reim Monthly Health Prem	HEALTH PREM 539.33
	RUESCH, GENECE	\$ 539.33
ACH	VANDERPOOL, LARRY Reim Monthly Health Prem	HEALTH PREM 533.80
	VANDERPOOL, LARRY	\$ 533.80
ACH	AMBROSE, JEFFREY Reim Monthly Health Prem	HEALTH PREM 479.52
	AMBROSE, JEFFREY	\$ 479.52

Check	Payee / Description	Amount
ACH	MERRILL, DIANE Reim Monthly Health Prem	HEALTH PREM 478.53
	MERRILL, DIANE	\$ 478.53
ACH	HOUSER, ROD Reim Monthly Health Prem	HEALTH PREM 636.70
	HOUSER, ROD	\$ 636.70
ACH	RUSSO, VICKI Reim Monthly Health Prem	HEALTH PREM 188.35
	RUSSO, VICKI	\$ 188.35
ACH	HUSS, KERRY Reim Monthly Health Prem	HEALTH PREM 824.05
	HUSS, KERRY	\$ 824.05
ACH	BINGHAM, GREGG Reim Monthly Health Prem	HEALTH PREM 702.51
	BINGHAM, GREGG	\$ 702.51
ACH	CHARLES, DAVID Reim Monthly Health Prem	HEALTH PREM 133.00
	CHARLES, DAVID	\$ 133.00
ACH	YEBOAH, ERNEST Reim Monthly Health Prem	HEALTH PREM 133.00
	YEBOAH, ERNEST	\$ 133.00
ACH	ALVARADO, ROSEMARY Reim Monthly Health Prem	HEALTH PREM 346.52
	ALVARADO, ROSEMARY	\$ 346.52
ACH	BARELA, GEORGE Reim Monthly Health Prem	HEALTH PREM 133.00
	BARELA, GEORGE	\$ 133.00
ACH	FETZER, ROBERT Reim Monthly Health Prem	HEALTH PREM 835.51
	FETZER, ROBERT	\$ 835.51
ACH	SPAETH, ERIC Reim Monthly Health Prem	HEALTH PREM 188.35
	SPAETH, ERIC	\$ 188.35
ACH	DAVIS, MARTHA Reim Monthly Health Prem	HEALTH PREM 188.35

Check	Payee / Description	Amount
	DAVIS, MARTHA	\$ 188.35
ACH	BRULE, CHRISTOPHER Reim Monthly Health Prem	HEALTH PREM 188.35
	BRULE, CHRISTOPHER	\$ 188.35
ACH	ROOS, JAMES Reim Monthly Health Prem	HEALTH PREM 509.70
	ROOS, JAMES	\$ 509.70
ACH	MULLANEY, JOHN Reim Monthly Health Prem	HEALTH PREM 321.35
	MULLANEY, JOHN	\$ 321.35
ACH	VALENZUELA, DANIEL Reim Monthly Health Prem	HEALTH PREM 509.70
	VALENZUELA, DANIEL	\$ 509.70
ACH	PACE, BRIAN Reim Monthly Health Prem	HEALTH PREM 509.70
	PACE, BRIAN	\$ 509.70
ACH	KING, JOSEPH Reim Monthly Health Prem	HEALTH PREM 133.00
	KING, JOSEPH	\$ 133.00
ACH	VILLALOBOS, HECTOR Reim Monthly Health Prem	HEALTH PREM 188.35
	VILLALOBOS, HECTOR	\$ 188.35
ACH	BAXTER, KATHLEEN Reim Monthly Health Prem	HEALTH PREM 321.35
	BAXTER, KATHLEEN	\$ 321.35
ACH	PENMAN, DAVID Reim Monthly Health Prem	HEALTH PREM 509.70
	PENMAN, DAVID	\$ 509.70
ACH	ANGIER, RICHARD Reim Monthly Health Prem	HEALTH PREM 509.70
	ANGIER, RICHARD	\$ 509.70
ACH	MERRILL, DEBORAH Reim Monthly Health Prem	HEALTH PREM 358.57
	MERRILL, DEBORAH	\$ 358.57
ACH	O'DEA, KRISTINE Reim Monthly Health Prem	HEALTH PREM 158.17

Check	Payee / Description	Amount
	O'DEA, KRISTINE	\$ 158.17
ACH	OAKDEN, LISA Reim Monthly Health Prem	HEALTH PREM 866.84
	OAKDEN, LISA	\$ 866.84
ACH	LAUGHLIN, JOHN Reim Monthly Health Prem	HEALTH PREM 133.00
	LAUGHLIN, JOHN	\$ 133.00
ACH	HUGHBANKS, ROGER Reim Monthly Health Prem	HEALTH PREM 188.35
	HUGHBANKS, ROGER	\$ 188.35
ACH	SPENDLOVE, DANNY Reim Monthly Health Prem	HEALTH PREM 158.17
	SPENDLOVE, DANNY	\$ 158.17
ACH	HOULIHAN, JESSE Reim Monthly Health Prem	HEALTH PREM 188.35
	HOULIHAN, JESSE	\$ 188.35
ACH	WARMAN, EVELYN Reim Monthly Health Prem	HEALTH PREM 25.17
	WARMAN, EVELYN	\$ 25.17
ACH	HERNANDEZ, DELIA Reim Monthly Health Prem	HEALTH PREM 200.40
	HERNANDEZ, DELIA	\$ 200.40
ACH	OSBORN, RICHARD Reim Monthly Health Prem	HEALTH PREM 188.35
	OSBORN, RICHARD	\$ 188.35
ACH	AVILA, ARTHUR L Reim Monthly Health Prem	HEALTH PREM 188.35
	AVILA, ARTHUR L	\$ 188.35
ACH	HASCO OIL COMPANY, INC. RP5-Mobil DTE 25-3 Drums	0217442-IN 4,087.96
	HASCO OIL COMPANY, INC.	\$ 4,087.96
ACH	UNIVAR USA INC TP1-12,878 Lbs Sodium Bisulfite	LA626621 2,780.71
	TP1-12,726 Lbs Sodium Bisulfite	LA625647 2,747.90
	TP1-12,878 Lbs Sodium Bisulfite	LA626900 2,803.69
	UNIVAR USA INC	\$ 8,332.30

Check	Payee / Description		Amount
ACH	WAXIE SANITARY SUPPLY		
	Soap	77360965	150.72
	Cups	77351762	1,185.25
	Handwash	77321866	56.51
	Toilet aper, Paper owels, Towels, Dish Soap,	77357765	1,058.95
	Bleach, Toilet Paper, Lysol, Soap, Glass Cle	77312565	782.90
	Cups, Lids	77259079	739.27
	Hand Soap	77363565	75.36
		- - - - -	- - - - -
	WAXIE SANITARY SUPPLY	\$	4,048.96
ACH	ENVIRONMENTAL RESOURCES ASSOC		
	Ceriodaphnia Dubia	861510	358.11
		- - - - -	- - - - -
	ENVIRONMENTAL RESOURCES ASSOC	\$	358.11
ACH	MCMaster-CARR SUPPLY CO		
	8 Plastic Boxes with Compartments	61150315	94.79
		- - - - -	- - - - -
	MCMaster-CARR SUPPLY CO	\$	94.79
ACH	AGRICULTURAL RESOURCES		
	5/18 Wtr Quality Consult	5/18 WTR QLTY	3,500.00
		- - - - -	- - - - -
	AGRICULTURAL RESOURCES	\$	3,500.00
ACH	STRADLING YOCCA CARLSON & RAUT		
	2/2018 Legal Services	338208-0032	9,717.00
		- - - - -	- - - - -
	STRADLING YOCCA CARLSON & RAUT	\$	9,717.00
ACH	INLAND EMPIRE REGIONAL		
	3/18 Biosolids	90021904	304,148.88
		- - - - -	- - - - -
	INLAND EMPIRE REGIONAL	\$	304,148.88
ACH	KVAC ENVIRONMENTAL SERVICES IN		
	RP1SwrCll-Pmp&Trnsprt To RP2 Drying Beds KS1803340-R		21,868.75
		- - - - -	- - - - -
	KVAC ENVIRONMENTAL SERVICES IN	\$	21,868.75
ACH	PEST OPTIONS INC		
	March 2018 GWR Weed Abatement Services	296118	6,034.32
		- - - - -	- - - - -
	PEST OPTIONS INC	\$	6,034.32
ACH	OLIN CORP		
	TP1-4,898 Gals Sodium Hypochlorite	2486894	2,889.82
	CCWRP-3,012 Gals Sodium Hypochlorite	2484333	1,777.08
	TP1-4,874 Gals Sodium Hypochlorite	2486415	2,875.66
	TP1-4,906 Gals Sodium Hypochlorite	2486169	2,894.54
	CCWRP-2,990 Gals Sodium Hypochlorite	2486168	1,764.10
	TP1-4,946 Gals Sodium Hypochlorite	2484995	2,918.14
	TP1-4,922 Gals Sodium Hypochlorite	2485641	2,903.98
	RP5-4,988 Gals Sodium Hypochlorite	2484996	2,942.92
		- - - - -	- - - - -
	OLIN CORP	\$	20,966.24

Check	Payee / Description	Amount
ACH	EVOQUA WATER TECHNOLOGIES LLC 4/1/18-6/30/2018 DI Tank Rental 903497472	104.25
	EVOQUA WATER TECHNOLOGIES LLC \$	104.25
ACH	WEST COAST ADVISORS 4/18 Prof Svcs 11047	9,800.00
	WEST COAST ADVISORS \$	9,800.00
ACH	U S BANK - PAYMENT PLUS	
	107780 SUPERIOR ELECTRIC MOTOR SERVICE I 2200090157	3,046.79
	101706 CALOLYMPIC SAFETY 2200090154	266.77
	100150 HARRINGTON INDUSTRIAL PLASTICS LL 2200089859	801.47
	100951 POLYDYNE INC 2200090014	13,615.29
	100150 HARRINGTON INDUSTRIAL PLASTICS LL 2200090165	851.77
	104896 WESTERN WATER WORKS SUPPLY CO 2200090167	2,402.83
	107443 COMMUNICATIONS USA INC. 2200090168	21,170.47
	101945 FLORENCE FILTER CORP 2200090015	563.90
	100163 J G TUCKER & SON INC 2200089603	464.13
	104896 WESTERN WATER WORKS SUPPLY CO 2200090016	691.17
	105316 PLUMBERS DEPOT INC 2200090017	67,907.94
	107889 ALS ENVIRONMENTAL 2200090021	1,275.00
	107780 SUPERIOR ELECTRIC MOTOR SERVICE I 2200090020	3,091.33
	107522 LINDSAY ENGINEERING, INC. 2200090019	578.01
	107432 PMC ENGINEERING LLC 2200090018	1,011.83
	101706 CALOLYMPIC SAFETY 2200089860	76.78
	104896 WESTERN WATER WORKS SUPPLY CO 2200090155	792.83
	100319 MISSION REPROGRAPHICS 2200090013	149.58
	100150 HARRINGTON INDUSTRIAL PLASTICS LL 2200090012	2,457.10
	107432 PMC ENGINEERING LLC 2200090156	2,735.84
	U S BANK - PAYMENT PLUS \$	123,950.83
ACH	AMAZON BUSINESS	
	Flashlights,Apple Cables,Belt Holsters,C 1R3Q-H4YY-KHT	475.30
	25 No Trespassing Signs 1VDP-7DWD-646	920.21
	MICR Toner Cartridge 1JV7-YNR4-74V	193.05
	AMAZON BUSINESS \$	1,588.56
ACH	AMERICAN OFFICE PROFESSIONALS	
	Image Transfer Kit, Labor 1605	740.40
	4 Toner Cartridges 1606	436.78
	AMERICAN OFFICE PROFESSIONALS \$	1,177.18
ACH	IEUA EMPLOYEES' ASSOCIATION	
	P/R 9 4/27 Employee Ded HR 0068200	207.00
	IEUA EMPLOYEES' ASSOCIATION \$	207.00
ACH	IEUA SUPERVISORS UNION ASSOCIA	
	P/R 9 4/27 Employee Ded HR 0068200	352.50
	IEUA SUPERVISORS UNION ASSOCIA\$	352.50
ACH	IEUA GENERAL EMPLOYEES ASSOCIA	
	P/R 9 4/27 Employee Ded HR 0068200	1,106.60



Check	Payee / Description	Amount
	HR 0068100	12.50
	IEUA GENERAL EMPLOYEES ASSOCIAS	1,119.10
ACH	PREFERRED BENEFIT INSURANCE 4/18 Agency Dental Plan	
	EIA24089	16,594.90
	PREFERRED BENEFIT INSURANCE \$	16,594.90
ACH	IEUA PROFESSIONAL EMPLOYEES AS P/R 9 4/27 Employee Ded	
	HR 0068200	480.00
	IEUA PROFESSIONAL EMPLOYEES ASS	480.00
ACH	DISCOVERY BENEFITS INC P/R 9 4/27 Cafeteria Plan	
	HR 0068200	3,519.99
	DISCOVERY BENEFITS INC \$	3,519.99
ACH	ELIE, STEVE Elie, S-ExpRpt-4/17-4/19/18 National Wtr 4/17/18 NTNL	
	ELIE, STEVE \$	1,441.12

Grand Total Payment Amount: \$ 2,628,150.89

# Attachment 2D

Vendor Wires  
(excludes Payroll)

Check	Payee / Description		Amount
Wire	EMPLOYMENT DEVELOPMENT DEPARTM		
	P/R 7 3/30/18 Taxes	HR 0066600	11,160.69
	P/R 7 3/30/18 Taxes	HR 0066600	48,756.39
			- - - - -
	EMPLOYMENT DEVELOPMENT DEPARTM\$		59,917.08
Wire	INTERNAL REVENUE SERVICE		
	P/R 7 3/30/18 Taxes	HR 0066600	279,387.86
			- - - - -
	INTERNAL REVENUE SERVICE	\$	279,387.86
Wire	STATE DISBURSEMENT UNIT		
	P/R 7 3/30/18	HR 0066600	198.00
	P/R 7 3/30/18	HR 0066600	1,145.06
			- - - - -
	STATE DISBURSEMENT UNIT	\$	1,343.06
Wire	PUBLIC EMPLOYEES RETIREMENT SY		
	P/R 7 3/30/18 PERS	HR 0066600	165,959.86
	P/R 7 3/30/18 PERS Adjustment	P/R 7 3/30 AD	6.93
			- - - - -
	PUBLIC EMPLOYEES RETIREMENT SY\$		165,966.79
Wire	PUBLIC EMPLOYEES' RETIREMENT S		
	4/18 Health Ins-Board	15236027 4/18	5,574.10
	4/18 Health Ins-Retirees, Employees	15236021 4/18	259,029.91
			- - - - -
	PUBLIC EMPLOYEES' RETIREMENT S\$		264,604.01
Wire	STATE BOARD OF EQUALIZATION		
	3/18 Sales Tax Deposit	23784561 3/18	7,243.00
			- - - - -
	STATE BOARD OF EQUALIZATION	\$	7,243.00
Wire	PUBLIC EMPLOYEE'S RETIREMENT S		
	P/R 8 4/13 Deferred Comp Ded	HR 0066800	24,150.23
			- - - - -
	PUBLIC EMPLOYEE'S RETIREMENT S\$		24,150.23
Wire	STATE DISBURSEMENT UNIT		
	P/R 8 4/13	HR 0066800	1,145.06
	P/R 8 4/13	HR 0066800	198.00
			- - - - -
	STATE DISBURSEMENT UNIT	\$	1,343.06
Wire	EMPLOYMENT DEVELOPMENT DEPARTM		
	P/R DIR 4 4/13 Taxes	HR 0066900	387.95
	P/R 108 4/13 Vacation Buy Back Taxes	HR 0066700	18,983.81
	P/R 8 4/13 Taxes	HR 0066800	49,871.25
	P/R 8 4/13 Taxes	HR 0066800	11,441.38
	P/R 108 4/13 Vacation Buy Back Taxes	HR 0066700	3,401.35
			- - - - -
	EMPLOYMENT DEVELOPMENT DEPARTM\$		84,085.74
Wire	INTERNAL REVENUE SERVICE		
	P/R DIR 4 4/13 Taxes	HR 0066900	2,516.36
	P/R 8 4/13 Taxes	HR 0066800	284,562.82
	P/R 108 4/13 Vacation Buy Back Taxes	HR 0066700	90,336.50

Check	Payee / Description		Amount
	INTERNAL REVENUE SERVICE	\$	377,415.68
Wire	STATE DISBURSEMENT UNIT		
		HR 0068200	198.00
	P/R 9 4/27	HR 0068200	1,145.06
	STATE DISBURSEMENT UNIT	\$	1,343.06
Wire	PUBLIC EMPLOYEE'S RETIREMENT S		
	P/R 9 4/27 Deferred Comp Ded	HR 0068200	24,095.46
		HR 0068100	100.00
	PUBLIC EMPLOYEE'S RETIREMENT S\$		24,195.46
Wire	EMPLOYMENT DEVELOPMENT DEPARTM		
		HR 0068200	11,426.14
		HR 0068200	51,048.71
		HR 0068100	30.67
		HR 0068100	9.91
	EMPLOYMENT DEVELOPMENT DEPARTM\$		62,515.43
Wire	INTERNAL REVENUE SERVICE		
		HR 0068100	490.61
		HR 0068200	290,818.42
	INTERNAL REVENUE SERVICE	\$	291,309.03
Wire	PUBLIC EMPLOYEES RETIREMENT SY		
	P/R 8 4/13 PERS Adj	P/R 8 4/13 AD	17.26
	P/R 8 4/13 PERS	HR 0066800	167,006.76
	PUBLIC EMPLOYEES RETIREMENT SY\$		166,989.50
Wire	METROPOLITAN WATER DISTRICT		
	February 2018 Water Purchase	9289	2,869,795.72
	METROPOLITAN WATER DISTRICT	\$	2,869,795.72

Grand Total Payment Amount: \$ 4,681,604.71

# Attachment 2E

## Payroll-Net Pay-Directors

# INLAND EMPIRE UTILITIES AGENCY

## Ratification of Board of Directors

Payroll for April 13 ,2018  
Presented at Board Meeting on June 20, 2018

DIRECTOR NAME	GROSS PAYROLL	NET PAYROLL
Jasmin Hall	\$3,167.03	\$1,995.49
Katherine Parker	\$3,700.68	\$1,872.39
Michael Camacho	\$4,328.85	\$1,579.67
Steven J. Elie	\$3,914.53	\$1,189.49
Paul Hofer	\$0.00	\$0.00
<b>TOTALS</b>	<b>\$15,111.09</b>	<b>\$6,637.04</b>

	Count	Amount
TOTAL EFTS PROCESSED	3	\$5,057.37
TOTAL CHECKS PROCESSED	1	\$1,579.67
CHECK NUMBERS USED	110242 - 110242	

**DIRECTOR PAYSHEET FOR IEUA REPRESENTATIVE**

**ON MWD BOARD**

MICHAEL CAMACHO  
 EMPLOYEE NO. 1140  
 ACCOUNT NO. 10700 110115 110000 511010

**MARCH 2018**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
03-06-18	MWD OP&T Committee Telecon	Yes	\$247.50
03-08-18	Meeting re MWD Security Briefing	Yes	\$247.50
03-12-18	MWD Standing Committee	Yes	\$247.50
03-13-18	MWD Standing Committee Meetings and Board Meeting	Yes	\$247.50
03-26-18	MWD PVID Committee Meeting	Yes	\$247.50
03-27-18	MWD Other Committee Meetings	Yes	\$247.50
<b>TOTAL REIMBURSEMENT</b> Up to 10 days of service per month per Ordinance No. 105, including MWD meetings at \$247.50 (eff. 7/01/17).			\$1,485.00
Total No. of Meetings Attended			6
Total No. of Meetings Paid			6

DIRECTOR  
SIGNATURE

*April Wood*  
for Director Camacho

Approved by:

*Steven J. Elie*  
Steven J. Elie  
President, Board of Directors

## IEUA DIRECTOR PAYSHEET

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

**MARCH 2018**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
03-07-18	IEUA Board of Directors Workshop	Yes	\$247.50
03-08-18	Southern Coalition/Inland Caucus	Yes (same day)	\$-0-
03-09-18	Meeting w/Director Hofer re: Agency Business	Yes (staff)	\$-0-
03-14-18	Engineering, Ops. & Water Resources Committee meeting	Yes	\$247.50
03-21-18	IEUA Board Meeting	Yes	\$247.50
03-29-18	Meeting w/O.Gonzalez, CVWD re: Agency business	Yes	\$247.50
<b>TOTAL REIMBURSEMENT</b>			\$990.00
Up to 10 days of service per month per Ordinance No. 105, including MWD meetings at \$247.50 (eff. 07/01/17). IEUA pays both primary and alternate for attendance.			
Total No. of Meetings Attended			6
Total No. of Meetings Paid			4

DIRECTOR  
SIGNATURE

*Michael Camacho*  
*Michael Camacho*

Approved by:

*Steven J. Elie*  
 Steven J. Elie  
 President, Board of Directors



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

MICHAEL CAMACHO  
EMPLOYEE NO. 1140  
ACCOUNT NO. 10900 110100 500000 501215

**MARCH 2018**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
03-01-18	Jt. Regional Policy and Technical Committee Meeting.	No (Cancelled)	\$-0-
<b>TOTAL REIMBURSEMENT</b> (Up to 10 days of service per month per Ordinance No. 105, including MWD meetings at \$247.50 (eff. 07/01/17.) IEUA pays Regional Policy Committee members (total amount of \$247.50, should reflect on timesheet))			\$-0-
Total No. of Meetings Attended			0
Total No. of Meetings Paid			0

**DIRECTOR  
SIGNATURE**

*Robert Woodhoff*  
*for Director Camacho*

Approved by:

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

**IEUA DIRECTOR PAYSHEET**

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

**MARCH 2018**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
03-06-18	WaterNow Alliance Steering Committee Telecon	Yes	\$247.50
03-08-18	2018 Salute to Public Safety	Yes	\$247.50
03-12-18	Audit Committee	Yes	\$247.50
03-13-18	2018 San Bernardino State of the County	Yes	\$247.50
03-19-18	Board Package Review Meeting	Yes (same day)	\$-0-
03-19-18	IEUA hosted ASBCSD Membership meeting	Yes	\$247.50
03-19-18	SCWC Leg. Committee telecon meeting	Yes (same day)	\$-0-
03-20-18	WaterNow Alliance Steering Committee Telecon	Yes	\$247.50
03-21-18	IEUA Board meeting	Yes	\$247.50
03-28-18	Telecon Meeting w/GM Halla and staff	Yes (staff)	\$-0-
03-28-18	Ontario State of the City Address	Yes	\$247.50
<b>TOTAL REIMBURSEMENT</b>			\$1,980.00
Up to 10 days of service per month per Ordinance No. 105, including MWD meetings at \$247.50 (eff. 07/01/17). IEUA pays both primary and alternate for attendance.			
Total No. of Meetings Attended			11
Total No. of Meetings Paid			8

DIRECTOR  
SIGNATURE

*Spent Weekly for President Elie*

Approved by:

*Jasmin Hall*  
 Jasmin Hall  
 Secretary/Treasurer

**DIRECTOR PAYSHEET FOR IEUA  
ON WATERMASTER BOARD**

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

**MARCH 2018**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
03-22-18	CBWM Board Meeting	Yes*	\$-0-
<b>TOTAL REIMBURSEMENT</b>			\$-0-
Up to 10 days of service per month per Ordinance No. 105, including MWD meetings at \$247.50 (eff. 07/01/17). IEUA pays both primary and alternate for attendance. (i.e., \$122.50 – difference between Watermaster \$125.00 and Agency meetings \$247.50 (eff. 7/01/17). Chino Basin Watermaster does not compensate an alternate Director unless the alternate Director is attending on behalf of an absent primary Director. In accordance to Ordinance No. 98, Section 1, (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. <u>Record full amount on timesheet for attendance by alternates</u>			
Total No. of Watermaster Meetings Attended			1
Total No. of Watermaster Meetings Paid			0

\*Decline IEUA portion

DIRECTOR  
SIGNATURE

*Steven J. Elie*  
*President Elie*

Approved by:

*Jasmin Hall*

Jasmin Hall  
Secretary/Treasurer

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

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

**MARCH 2018**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
03-01-18	CDA Board Meeting	No	\$-0-
<b>TOTAL REIMBURSEMENT</b>			\$-0-
Up to 10 days of service per month per Ordinance No. 105 (i.e., \$97.50 – difference between CDA (\$150.00 and Agency meetings \$247.50 (eff:7/01/17), including MWD meetings. CDA pays directly to IEUA. Record full amount on timesheet.			
Total No. of CDA Meetings Attended			0
Total No. of CDA Meetings Paid			0

DIRECTOR SIGNATURE *April Woodruff for President Elie*

Approved by: *Jah*  
Jasmin Hall  
Secretary/Treasurer

**IEUA DIRECTOR PAYSHEET**

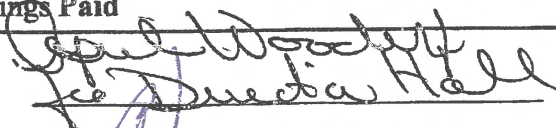
JASMIN A. HALL  
 EMPLOYEE NO. 1256  
 ACCOUNT NO. 10200 110100 100000 501010

**MARCH 2018**

**(Page 1 of 2)**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
3-03-18	City of Rialto State of the Women Event	Yes	\$247.50
03-06-18	Bloomington – Municipal Advisory Council	Yes	\$247.50
03-07-18	IEUA Board Meeting	Yes	\$247.50
03-07-18	Meeting with GM Hall to discuss Agency business	Yes (staff)	\$-0-
03-10-18	West Valley Water District Landscape Workshop	Yes	\$247.50
03-13-18	Citrus Elem. Discovery Field Trip	Yes (same day)	\$-0-
03-13-18	San Bernardino State of the County Address	Yes (same day)	\$-0-
03-13-18	Fontana City Council Meeting	Yes	\$247.50
03-14-18	IEUA Finance Committee Mtg.	Yes	\$247.50
03-15-18	CASA Air, Climate, Change Workgroup Meeting	Yes	\$247.50
03-15-18	CASA DC Congressional Visit Debrief Telecon	Yes (same day)	\$-0-
03-19-18	CASA BOD Conference Call	Yes (same day)	\$-0-
03-19-18	IEUA hosted ASBCSD Membership meeting	Yes	\$247.50
03-21-18	IEUA Board Meeting	Yes	\$247.50
03-21-18	AABE Month Chapter telecon	Yes (same day)	\$-0-
03-22-18	California Water Policy Conference 27	Yes	\$-0-
<b>TOTAL REIMBURSEMENT</b> Up to 10 days of service per month per Ordinance No. 105, including MWD meetings at \$247.50 (eff. 07/01/17). IEUA pays both primary and alternate for attendance.			See Page 2
Total No. of Meetings Attended			See Page 2
Total No. of Meetings Paid			See Page 2

DIRECTOR  
SIGNATURE



Approved by:

 Steven J. Elie, President, Board of Directors

**IEUA DIRECTOR PAYSHEET**

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

**MARCH 2018**


**(Page 2 of 2)**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
03-23-18	California Water Policy Conference 27	Yes (10 mtg. max.)	\$-0-
03-25-18	WaterReuse California Annual Conference	Yes (10 mtg. max.)	\$-0-
03-26-18	WaterReuse California Annual Conference	Yes (10 mtg. max.)	\$-0-
03-27-18	WaterReuse California Annual Conference	Yes (10 mtg. max.)	\$-0-
03-29-18	State of the Region Address – Inland Empire Economic Forecast	Yes (10 mtg. max.)	\$-0-
<b>TOTAL REIMBURSEMENT</b> Up to 10 days of service per month per Ordinance No. 105, including MWD meetings at \$247.50 (eff. 07/01/17). IEUA pays both primary and alternate for attendance.			\$2,227.50
Total No. of Meetings Attended			21
Total No. of Meetings Paid			9

DIRECTOR  
SIGNATURE

*Spill Woody*  
for Director Hall

Approved by:

*for*   
Steven J. Elie, President, Board of Directors

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

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

**MARCH 2018**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
03-01-18	Special CDA Board Meeting	Yes	\$247.50
<b>TOTAL REIMBURSEMENT</b>			<b>\$247.50</b>
Up to 10 days of service per month per Ordinance No. 105, including MWD meetings at \$247.50 (eff. 7/01/17). Chino Desalter Authority will pay \$150.00 per meeting directly to the Agency. Record full amount on timesheet. CDA pays both primary and alternate for attendance			
Total No. of CDA Meetings Attended			1
Total No. of CDA Meetings Paid			1

DIRECTOR SIGNATURE *Paul Woodruff for Jasmin Hall*

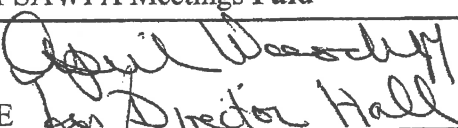
Approved by: *Steven J. Elie*  
 Steven J. Elie  
 President, Board of Directors


**DIRECTOR PAYSHEET FOR IEUA  
ON SAWPA COMMISSION**

JASMIN A. HALL  
EMPLOYEE NO. 1256  
ACCOUNT NO. 10500 110100 165000 501010

**MARCH 2018**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
03-06-18	SAWPA Commission Workshop	Yes (same day)	\$-0-
03-20-18	SAWPA Reg. Commission Meeting	Yes (same day)	\$-0-
<b>TOTAL REIMBURSEMENT</b>			\$-0-
Up to 10 days of service per month per Ordinance No. 105 ), i.e., \$47.50 – difference between SAWPA (\$200.00 (eff. 5/01/17) and Agency meetings \$247.50 (eff. 7/01/17), including MWD meetings. SAWPA pays both primary and alternate for attendance, including mileage.			
Total No. of SAWPA Meetings Attended			2
Total No. of SAWPA Meetings Paid			0

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

MARCH 2018

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
03-07-18	IEUA Board Workshop	Yes	\$-0-
03-14-18	IEUA Finance Committee	Yes	\$-0-
03-21-18	IEUA Board Meeting	Yes	\$-0-
<b>TOTAL REIMBURSEMENT</b> Up to 10 days of service per month per Ordinance No. 105, including MWD meetings at \$247.50 (eff. 07/01/17). IEUA pays both primary and alternate for attendance.			\$-0-
Total No. of Meetings Attended			43*
Total No. of Meetings Paid			0

DIRECTOR  
SIGNATURE



Approved by:

  
Steven J. Elie  
President, Board of Directors

Director Hofer has waived all stipend payments.

## IEUA DIRECTOR PAYSHEET

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

**MARCH 2018**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
03-05-18	CBWCD Vision Workshop	Yes	\$247.50
03-07-18	Conservation Budget Review Meeting w/staff (CV)	Yes (staff)	\$-0-
03-09-18	Water Conservation & Water Efficiency Meeting w/MVWD	Yes	\$247.50
03-07-13	IEUA Board Workshop	Yes	\$247.50
03-12-18	IEUA Audit Committee Meeting	Yes	\$247.50
03-14-18	IEUA Engineering, Operations & Water Resources Committee	Yes	\$247.50
03-19-18	IEUA hosted ASBCSD Membership Meeting	Yes	\$247.50
03-21-18	IEUA Board Meeting	Yes	\$247.50
03-29-18	Cal Recycle Compost IERCF Tour	Yes	\$247.50
<b>TOTAL REIMBURSEMENT</b>			\$1,980.00
Up to 10 days of service per month per Ordinance No. 105, including MWD meetings at \$247.50 (eff. 07/01/17). IEUA pays both primary and alternate for attendance.			
Total No. of Meetings Attended			9
Total No. of Meetings Paid			8

DIRECTOR  
 SIGNATURE

*[Handwritten Signature]*  
 \_\_\_\_\_  
*[Handwritten Signature]*  
 \_\_\_\_\_

Approved by:

*[Handwritten Signature]*  
 for Steven J. Elie  
 President, Board of Directors

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

KATI PARKER  
EMPLOYEE NO. 1362  
ACCOUNT NO. 10900 110100 500000 501215

**MARCH 2018**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
03-01-18	Policy Committee Meeting	No (Cancelled)	\$-0-
<b>TOTAL REIMBURSEMENT</b> (Up to 10 days of service per month per Ordinance No. 105, including MWD meetings at \$247.50 (eff. 07/01/17.) IEUA pays Regional Policy Committee members (total amount of \$247.50, should reflect on timesheet))			\$-0-
Total No. of Meetings Attended			0
Total No. of Meetings Paid			\$-0-

**DIRECTOR  
SIGNATURE**

*April Woodard for  
Kati Parker*

Approved by:

*fo- [Signature]*  
Steven J. Elie  
President, Board of Directors

DIRECTOR PAYSHEET FOR IEUA  
ON SAWPA COMMISSION (ALTERNATE)

KATI PARKER  
EMPLOYEE NO. 1362  
ACCOUNT NO. 10500 110100 165000 501010

**MARCH 2018**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
03-20-18	SAWPA Regular Commission Meeting	Yes	\$47.50
<b>TOTAL REIMBURSEMENT</b>			\$47.50
Up to 10 days of service per month per Ordinance No. 105 (i.e., \$47.50 – difference between SAWPA (\$200.00 (eff. 5/01/17) and Agency meetings \$247.50 (eff. 7/01/17), including MWD meetings. SAWPA pays both primary and alternate for attendance, including mileage.			
Total No. of SAWPA Meetings Attended			0
Total No. of SAWPA Meetings Paid			0

DIRECTOR April Woodruff for  
SIGNATURE Kati Parker

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

# Attachment 2F

Payroll-Net Pay-Employees

Non-Board Members	PP 8 Checks	PP 8 EFTs	PP 9 Checks	PP 9 EFTs	April
NET PAY TO EE	\$253,428.48	\$728,962.94	\$2,583.23	\$723,453.38	\$1,708,428.03

# INLAND EMPIRE UTILITIES AGENCY

Payroll for April 13, 2018

Presented at Board Meeting on June 20, 2018

GROSS PAYROLL COSTS			\$1,621,266.05
DEDUCTIONS			(\$638,874.63)
NET PAYROLL			982,391.42
<b>NET PAYROLL BREAKDOWN</b>	<b>CHECKS</b>	<b>EFT</b>	<b>TOTAL</b>
CHECKS USED	110159-110241		
TRANSACTION PROCESSED	83	358	441
AMOUNT	\$253,428.48	\$728,962.94	<u>\$982,391.42</u>

# INLAND EMPIRE UTILITIES AGENCY

PAYROLL FOR APRIL 27, 2018

PRESENTED AT BOARD MEETING ON JUNE 20, 2018

GROSS PAYROLL COSTS			\$1,286,931.72
DEDUCTIONS			(\$560,895.11)
NET PAYROLL			\$726,036.61 =====
<b>NET PAYROLL BREAKDOWN</b>	<b>CHECKS</b>	<b>EFT</b>	<b>TOTAL</b>
CHECKS USED	110243 - 110243		
TRANSACTION PROCESSED	1	356	357
AMOUNT	\$2,583.23	\$723,453.38	\$ <u>726,036.61</u>



**CONSENT  
CALENDAR  
ITEM**

**4C**

**Date:** June 20, 2018

**To:** The Honorable Board of Directors

**From:** Halla Razak, General Manager

**Committee:** Engineering, Operations & Water Resources

HR  
06/13/18

**Executive Contact:** Chris Berch, Executive Manager of Engineering/AGM

**Subject:** RP-3 RMPU Construction Contract Award

---

**Executive Summary:**

As part of the 2013 Recharge Master Plan Update (RMPU), an additional recharge basin will be constructed in the City of Fontana within the abandoned Regional Water Recycling Plant No. 3 (RP-3) or the RP-3 Recharge Basins. This initial construction phase will demolish the remaining abandoned structures and excavate the site for a new recharge basin. This project is equally cost shared with Chino Basin Watermaster.

On April 17, 2018, two bidders submitted pricing on three separate bid items: site demolition (Item 1), basin improvement (Item 2), and excavation (Item 3). James McMinn, Inc., was deemed the lowest bidder for Items 1 and 3 at a total price of \$677,805. Environmental Construction, Inc., was the lowest for Item 2 but requested bid relief due to a pricing error; leaving one bidder for Item 2. Staff is requesting the construction award for Items 1 and 3, and the rejection of the bids for Item 2; which will be re-packaged and combined to another RMPU project planned later in FY 2018/19.

---

**Staff's Recommendation:**

1. Award the two construction contracts to James McMinn, Inc., in the amount of \$99,900 for demolition (Item 1) and \$577,905 for excavation (Item 3);
2. Reject the received bids for the basin improvement (Item 2); and
3. Authorize the General Manager to execute the contracts subject to non-substantive changes.

---

**Budget Impact** *Budgeted (Y/N): Y* *Amendment (Y/N): N* *Amount for Requested Approval:*

*Account/Project Name:*

RW15003.05/Recharge Master Plan Update Projects (RP-3 Basin Improvements)

*Fiscal Impact (explain if not budgeted):*

None. The \$15.6 million budget of the RMPU Projects within Wineville, Jurupa, and RP-3 Basins are supported by nearly \$8.4 million in federal and state grants, \$0.3 million from US Bureau of Reclamation, and \$8.1 million from State Water Resources Control Board.

---

**Prior Board Action:**

None.

---

**Environmental Determination:**

Program Environmental Impact Report (Finding of Consistency)

The RP-3 Basin Improvement Project was under a comprehensive Program Environmental Impact Report which the Board adopted as complete on March 15, 2017. Within this report specific mitigation measures are a part of the Project that will be implemented under the attached Mitigation Measures and Reporting Program (MMRP).

---

**Business Goal:**

The projects under the 2013 RMPU at the RP-3 Recharge Basins are consistent with IEUA's Business Goal of Water Reliability, specifically the Groundwater Recharge objective that IEUA will maximize groundwater recharge projects in the region through strategic, cost-effective partnerships, and development.

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**Attachments:**

Attachment 1 - PowerPoint

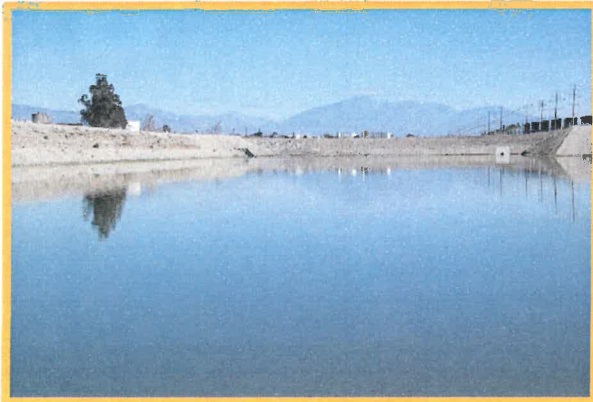
Attachment 2 - Demolition Construction Contract

Attachment 3 - Excavation Construction Contract

Attachment 4 - RP-3 Mitigation Measures and Reporting Program (MMRP)

# **Attachment 1**

# RP-3 Recharge Master Plan Update Projects Construction Contract Award Project No. RW15003.05



# Recharge Master Plan Update (RMPU) – Project Location



# RP-3 Basin Improvements - Demolition

- Agency owned recharge facility (decommissioned treatment plant)
- Four recharge basins added in 2006
- Prepare site for excavation
- Demolish remaining five structures



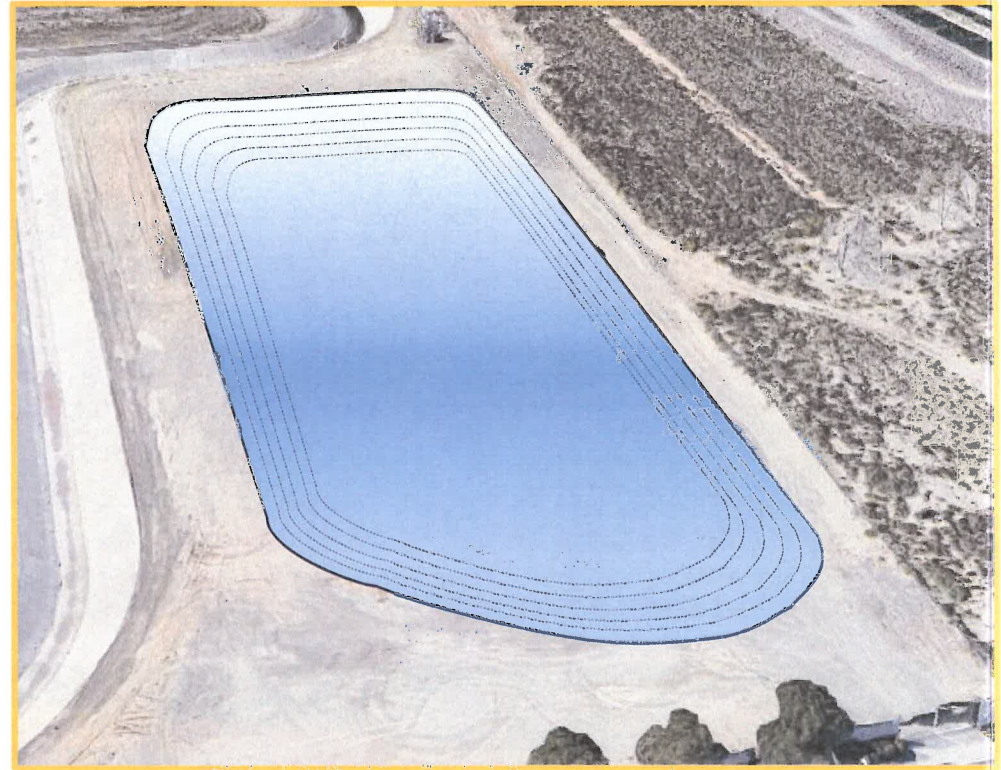
Aerial of RP-3 Recharge Basins



Aerial of Remaining Abandoned Structures

# RP-3 Basin Improvements - Excavation

- Excavate a new basin
- Remove 76,000 cubic yards of soil
- Create additional recharge area
- Prepare connection to stormwater and recycled water



Proposed Sketch of New Basin Over Abandoned Structures



# Contractor Selection

## Bids Received (April 17, 2018)

Bid Items	James McMinn Inc. (Bidder)	Environmental Construction Inc. (Bidder)
Demolition/Removal (Item 1)	\$99,900	\$195,970
<del>Basin Improvements (Item 2)</del>	<del>\$709,950</del>	<del>\$677,315</del>
Basin Excavation and Hauling (Item 3)	\$577,905	\$915,027

### Bid Recommendation:

- Lowest apparent bidder for Items 1 and 3 – James McMinn, Inc.
- Lowest apparent bidder for Item 2 – Environmental Construction, Inc.
- Environmental Construction, Inc. requested bid relief due to numerical error
- Reject bids for Item 2 and re-bid with later RMPU project for competitive pricing

# Project Budget and Schedule

Description	Estimated Cost
<b>Design Services</b>	<b>\$171,000</b>
IEUA Design and Pre Design Services (actual cost)	\$171,000
<b>Construction Services</b>	<b>\$150,000</b>
IEUA Construction Services	\$150,000
<b>Construction</b>	<b>\$745,805</b>
Demolition Contract (this action)	\$99,900
Excavation Contract (this action)	\$577,905
Contingency (10%)	\$68,000
<b>Total Project Cost:</b>	<b>\$1,066,805</b>
<b>Total Project Budget:</b>	<b>*\$16,482,900</b>

Project Milestone	Date
<b>Construction</b>	
Construction Contracts Award	June 2018
Demolition Completion	Nov. 2018
Excavation Completion	Dec. 2019

\*Total project budget for the Wineville, Jurupa, RP3, and Distribution System is funded by \$8.4 million in federal and state grants, \$0.3 million from US Bureau of Reclamation, and \$8.1 million from State Water Resources Control Board.

# Recommendation

- Award the two construction contracts to James McMinn Inc. in the amount of \$99,900 for demolition (Item 1) and \$577,905 for excavation (Item 3)
- Reject the received bids for the basin improvement (Item 2); and
- Authorize the General Manager to execute the contracts subject to non-substantive changes.

The projects under the 2013 RMPU at the RP-3 Recharge Basins are consistent with **IEUA's Business Goal of Water Reliability**, specifically the Groundwater Recharge objective that IEUA will maximize groundwater recharge projects in the region through strategic, cost-effective partnerships, and development.

# **Attachment 2**

## CONTRACT

THIS CONTRACT, made and entered into this \_\_\_\_ day of June, 2018, by and between James McMinn, Inc., hereinafter referred to as "Contractor," and The Inland Empire Utilities Agency, a Municipal Water District, located in San Bernardino County, California, hereinafter referred to as "Agency".

### **WITNESSETH:**

That for and in consideration of the promises and agreements hereinafter made and exchanged, the Agency and the Contractor agree as follows:

1. Contractor agrees to perform and complete in a workmanlike manner, all work required under the bidding schedule of said Agency's specifications entitled SPECIFICATIONS FOR Recharge Master Plan Update RP3 Basin - Demolition/Removal, in accordance with the specifications and drawings, and to furnish at their own expense, all labor, materials, equipment, tools, and services necessary, except such materials, equipment, and services as may be stipulated in said specifications to be furnished by said Agency, and to do everything required by this Contract and the said specifications and drawings.
2. For furnishing all said labor, materials, equipment, tools, and services, furnishing and removing all plant, temporary structures, tools and equipment, and doing everything required by this Contract and said specifications and drawings; also for all loss and damage arising out of the nature of the work aforesaid, or from the action of the elements, or from any unforeseen difficulties which may arise during the prosecution of the work until its acceptance by said Agency, and for all risks of every description connected with the work; also for all expenses resulting from the suspension or discontinuance of work, except as in the said specifications are expressly stipulated to be borne by said Agency; and for completing the work in accordance with the requirements of said specifications and drawings, said Agency will pay and said Contractor shall receive, in full compensation therefore, the price(s) set forth in this Contract.
3. That the Agency will pay the Contractor progress payments and the final payment, in accordance with the provisions of the contract documents, with warrants drawn on the appropriate fund or funds as required, at the prices bid in the Bidding and Contract Requirements, Section C - Bid Forms and accepted by the Agency and set forth in this below.

Total Bid Price \$ Ninety-Nine thousand, nine hundred Dollars and Zero Cents.

If this is not a lump sum bid and the contract price is dependent upon the quantities constructed, the Agency will pay and said Contractor shall receive, in full compensation for the work the prices named in the Bidding and Contract Requirements, Section C - Bid Forms.

4. The Agency hereby employs the Contractor to perform the work according to the terms of this Contract for the above-mentioned price(s), and agrees to pay the same at the time, in the manner, and upon the conditions stipulated in the said specifications; and the said parties for themselves, their heirs, executors, administrators, successors, and assigns, do hereby agree to the full performance of the covenants herein contained.
5. The Notice Inviting Bids, Instructions to Bidders, Bid Forms, Information Required of Bidder, Performance Bond, Payment Bond, Contractors License Declaration, Specifications, Drawings, all General Conditions and all Special Conditions, and all addenda issued by the Agency with respect to the foregoing prior to the opening of bids, are hereby incorporated in and made part of this Contract, as if fully set forth.
6. The Contractor agrees to commence work under this Contract on or before the date to be specified in a written "Notice To Proceed" and to complete said work to the satisfaction of the Agency **One-hundred fifty (150) calendar days** after award of the Contract. All work shall be completed before final payment is made.
7. Time is of the essence on this Contract.
8. Contractor agrees that in case the work is not completed before or upon the expiration of the contract time, damage will be sustained by the Agency, and that it is and will be impracticable to determine the actual damage which the Agency will sustain in the event and by reason of such delay, and it is therefore agreed that the Contractor shall pay to the Agency the amount of Five hundred(\$500) dollars for each day of delay, which shall be the period between the expiration of the contract time and the date of final acceptance by the Agency, as liquidated damages and not as a penalty. It is further agreed that the amount stipulated for liquidated damages per day of delay is a reasonable estimate of the damages that would be sustained by the Agency, and the Contractor agrees to pay such liquidated damages as herein provided. In case the liquidated damages are not paid, the Contractor agrees that the Agency may deduct the amount thereof from any money due or that may become due to the Contractor by progress payments or otherwise under the Contract, or if said amount is not sufficient, recover the total amount.

In addition to the liquidated damages, which may be imposed if the Contractor fails to complete the work within the time agreed upon, the Agency may also deduct from any sums due or to become due the Contractor, liquidated damages in accordance with the Bidding and Contract Requirements, Section B - Instruction to Bidders, Part 5.0 "Liquidated Damages", for any violation of the General Conditions, Section D - Contractor's Responsibilities, Part 8, "Law and Regulations"; Bidding and Contract Requirements Contract Section D –Contract and Relevant Documents, Part 1.0, Paragraphs 9 through 11; General Conditions , Section D – Contractor's Responsibilities, Part 4.0, "Labor, Materials and Equipment"; General Conditions Section D – Contractor's Responsibilities, Part 12.0, "Safety and Protection" or General Conditions Section H – Legal Responsibilities, Part 8.0, "Disturbance of the Peace".

9. That the Contractor will pay, and will require subcontractors to pay, employees on the work a salary or wage at least equal to the prevailing salary or wage established for such work as set forth in the wage determinations and wage standards applicable to this work, contained in or referenced in the contract documents.
10. That, in accordance with Section 1775 of the California Labor Code, Contractor shall forfeit to the Agency, as a penalty, not more than Fifty (\$50.00) Dollars for each day, or portion thereof, for each worker paid, either by the Contractor or any subcontractor, less than the prevailing rates as determined by the Director of the California Department of Industrial Relations for the work.
11. That, except as provided in Section 1815 of the California Labor Code, in the performance of the work not more than eight (8) hours shall constitute a day's work, and not more than forty (40) hours shall constitute a week's work; that the Contractor shall not require more than eight (8) hours of labor in a day nor more than forty hours of labor in a week from any person employed by the Contractor or any subcontractor; that the Contractor shall conform to Division 2, Part 7, Chapter 1, Article 3 (Section 1810, et seq.) of the California Labor Code; and that the Contractor shall forfeit to the Agency, as a penalty, the sum of Twenty-Five (\$25.00) Dollars for each worker employed in the execution of the work by Contractor or any subcontractor for each day during which any worker is required or permitted to labor more than eight (8) hours in violation of said Article 3.
12. That the Contractor shall carry Workers' Compensation Insurance and require all subcontractors to carry Workers' Compensation Insurance as required by the California Labor Code.
13. That the Contractor shall have furnished, prior to execution of the Contract, two bonds approved by the Agency, one in the amount of one hundred (100) percent of the contract price, to guarantee the faithful performance of the work, and one in the amount of one hundred (100) percent of the contract price to guarantee payment of all claims for labor and materials furnished.
14. The Contractor hereby agrees to protect, defend, indemnify and hold the Agency and its employees, agents, officers, directors, servants and volunteers free and harmless from any and all liability, claims, judgments, costs and demands, including demands arising from injuries or death of persons (including employees of the Agency and the Contractor) and damage to property, arising directly or indirectly out of the obligation herein undertaken or out of the operations conducted by the Contractor, its employees agents, representatives or subcontractors under or in connection with this Contract.

The Contractor further agrees to investigate, handle, respond to, provide defense for and defend any such claims, demands or suit at the sole expense of the Contractor.

IN WITNESS WHEREOF, The Contractor and the General Manager of Inland Empire Utilities Agency\*, thereunto duly authorized, have caused the names of said parties to be

affixed hereto, each in duplicate, the day and year first above written.

Inland Empire Utilities Agency, \*  
San Bernardino County, California.

By \_\_\_\_\_  
General Manager

Contractor

By \_\_\_\_\_  
Title RICK MANBE

\*Municipal Water District



# **Attachment 3**

## CONTRACT

THIS CONTRACT, made and entered into this \_\_\_\_ day of June, 2018, by and between James McMinn, Inc., hereinafter referred to as "Contractor," and The Inland Empire Utilities Agency, a Municipal Water District, located in San Bernardino County, California, hereinafter referred to as "Agency".

### **WITNESSETH:**

That for and in consideration of the promises and agreements hereinafter made and exchanged, the Agency and the Contractor agree as follows:

1. Contractor agrees to perform and complete in a workmanlike manner, all work required under the bidding schedule of said Agency's specifications entitled SPECIFICATIONS FOR Recharge Master Plan Update RP3 Basin – Basin Excavation and Hauling, in accordance with the specifications and drawings, and to furnish at their own expense, all labor, materials, equipment, tools, and services necessary, except such materials, equipment, and services as may be stipulated in said specifications to be furnished by said Agency, and to do everything required by this Contract and the said specifications and drawings.
2. For furnishing all said labor, materials, equipment, tools, and services, furnishing and removing all plant, temporary structures, tools and equipment, and doing everything required by this Contract and said specifications and drawings; also for all loss and damage arising out of the nature of the work aforesaid, or from the action of the elements, or from any unforeseen difficulties which may arise during the prosecution of the work until its acceptance by said Agency, and for all risks of every description connected with the work; also for all expenses resulting from the suspension or discontinuance of work, except as in the said specifications are expressly stipulated to be borne by said Agency; and for completing the work in accordance with the requirements of said specifications and drawings, said Agency will pay and said Contractor shall receive, in full compensation therefore, the price(s) set forth in this Contract.
3. That the Agency will pay the Contractor progress payments and the final payment, in accordance with the provisions of the contract documents, with warrants drawn on the appropriate fund or funds as required, at the prices bid in the Bidding and Contract Requirements, Section C - Bid Forms and accepted by the Agency and set forth in this below.

Total Bid Price \$ Five hundred seventy-seven thousand, nine hundred five Dollars and Zero Cents.

If this is not a lump sum bid and the contract price is dependent upon the quantities constructed, the Agency will pay and said Contractor shall receive, in full compensation

for the work the prices named in the Bidding and Contract Requirements, Section C - Bid Forms.

4. The Agency hereby employs the Contractor to perform the work according to the terms of this Contract for the above-mentioned price(s), and agrees to pay the same at the time, in the manner, and upon the conditions stipulated in the said specifications; and the said parties for themselves, their heirs, executors, administrators, successors, and assigns, do hereby agree to the full performance of the covenants herein contained.
5. The Notice Inviting Bids, Instructions to Bidders, Bid Forms, Information Required of Bidder, Performance Bond, Payment Bond, Contractors License Declaration, Specifications, Drawings, all General Conditions and all Special Conditions, and all addenda issued by the Agency with respect to the foregoing prior to the opening of bids, are hereby incorporated in and made part of this Contract, as if fully set forth.
6. The Contractor agrees to commence work under this Contract on or before the date to be specified in a written "Notice To Proceed" and to complete said work to the satisfaction of the Agency **Five-hundred fifty-nine (559) calendar days** after award of the Contract or **before December 31, 2019**. All work shall be completed before final payment is made.
7. Time is of the essence on this Contract.
8. Contractor agrees that in case the work is not completed before or upon the expiration of the contract time, damage will be sustained by the Agency, and that it is and will be impracticable to determine the actual damage which the Agency will sustain in the event and by reason of such delay, and it is therefore agreed that the Contractor shall pay to the Agency the amount of Five hundred(\$500) dollars for each day of delay, which shall be the period between the expiration of the contract time and the date of final acceptance by the Agency, as liquidated damages and not as a penalty. It is further agreed that the amount stipulated for liquidated damages per day of delay is a reasonable estimate of the damages that would be sustained by the Agency, and the Contractor agrees to pay such liquidated damages as herein provided. In case the liquidated damages are not paid, the Contractor agrees that the Agency may deduct the amount thereof from any money due or that may become due to the Contractor by progress payments or otherwise under the Contract, or if said amount is not sufficient, recover the total amount.

In addition to the liquidated damages, which may be imposed if the Contractor fails to complete the work within the time agreed upon, the Agency may also deduct from any sums due or to become due the Contractor, liquidated damages in accordance with the Bidding and Contract Requirements, Section B - Instruction to Bidders, Part 5.0 "Liquidated Damages", for any violation of the General Conditions, Section D - Contractor's Responsibilities, Part 8, "Law and Regulations"; Bidding and Contract Requirements Contract Section D -Contract and Relevant Documents, Part 1.0, Paragraphs 9 through 11; General Conditions , Section D – Contractor's Responsibilities, Part 4.0, "Labor, Materials and Equipment"; General Conditions Section D – Contractor's Responsibilities, Part 12.0, "Safety and Protection" or General Conditions Section H –

Legal Responsibilities, Part 8.0, "Disturbance of the Peace".

9. That the Contractor will pay, and will require subcontractors to pay, employees on the work a salary or wage at least equal to the prevailing salary or wage established for such work as set forth in the wage determinations and wage standards applicable to this work, contained in or referenced in the contract documents.
10. That, in accordance with Section 1775 of the California Labor Code, Contractor shall forfeit to the Agency, as a penalty, not more than Fifty (\$50.00) Dollars for each day, or portion thereof, for each worker paid, either by the Contractor or any subcontractor, less than the prevailing rates as determined by the Director of the California Department of Industrial Relations for the work.
11. That, except as provided in Section 1815 of the California Labor Code, in the performance of the work not more than eight (8) hours shall constitute a day's work, and not more than forty (40) hours shall constitute a week's work; that the Contractor shall not require more than eight (8) hours of labor in a day nor more than forty hours of labor in a week from any person employed by the Contractor or any subcontractor; that the Contractor shall conform to Division 2, Part 7, Chapter 1, Article 3 (Section 1810, et seq.) of the California Labor Code; and that the Contractor shall forfeit to the Agency, as a penalty, the sum of Twenty-Five (\$25.00) Dollars for each worker employed in the execution of the work by Contractor or any subcontractor for each day during which any worker is required or permitted to labor more than eight (8) hours in violation of said Article 3.
12. That the Contractor shall carry Workers' Compensation Insurance and require all subcontractors to carry Workers' Compensation Insurance as required by the California Labor Code.
13. That the Contractor shall have furnished, prior to execution of the Contract, two bonds approved by the Agency, one in the amount of one hundred (100) percent of the contract price, to guarantee the faithful performance of the work, and one in the amount of one hundred (100) percent of the contract price to guarantee payment of all claims for labor and materials furnished.
14. The Contractor hereby agrees to protect, defend, indemnify and hold the Agency and its employees, agents, officers, directors, servants and volunteers free and harmless from any and all liability, claims, judgments, costs and demands, including demands arising from injuries or death of persons (including employees of the Agency and the Contractor) and damage to property, arising directly or indirectly out of the obligation herein undertaken or out of the operations conducted by the Contractor, its employees agents, representatives or subcontractors under or in connection with this Contract.

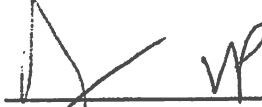
The Contractor further agrees to investigate, handle, respond to, provide defense for and defend any such claims, demands or suit at the sole expense of the Contractor.

IN WITNESS WHEREOF, The Contractor and the General Manager of Inland Empire Utilities Agency\*, thereunto duly authorized, have caused the names of said parties to be affixed hereto, each in duplicate, the day and year first above written.

Inland Empire Utilities Agency, \*  
San Bernardino County, California.

By \_\_\_\_\_  
General Manager

Contractor

By  \_\_\_\_\_  
Title VP  
RICK MUNOZ

\*Municipal Water District

# **Attachment 4**

**RP-3 BASIN IMPROVEMENT  
MITIGATION MONITORING AND REPORTING PROGRAM FOR THE IEUA FMP PROGRAM EIR**

Mitigation Measures	Implementation, Monitoring, and Reporting Action	Responsibility	Monitoring Schedule
<b>Aesthetics</b>			
<p><b>AES-2:</b> All new permanent exterior lighting associated with proposed project components shall be shielded and directed downward to avoid any light intrusion to surrounding uses. The maximum light allowed beyond the property boundary adjacent to sensitive light receptors shall be limited to 1.5 candles.</p>	<ul style="list-style-type: none"> <li>• Include mitigation measure in project design specifications.</li> <li>• Ensure design specifications are included in construction contractor specifications.</li> <li>• Retain copies of design and contractor specifications in project files.</li> <li>• Perform site inspections to verify contractor compliance. Retain inspection records in the project file.</li> </ul>	<p align="center">Construction Contractor</p>	<p align="center">Before, During and After Construction</p>
<p><b>AES-3:</b> Development of the proposed project and associated facilities shall comply with existing and future lighting ordinances.</p>	<ul style="list-style-type: none"> <li>• Include mitigation measure in project design specifications.</li> <li>• Ensure design specifications are included in construction contractor specifications.</li> <li>• Retain copies of design and contractor specifications in project files.</li> <li>• Perform site inspections to verify contractor compliance. Retain inspection records in the project file.</li> </ul>	<p align="center">Construction Contractor</p>	<p align="center">Before, During and After Construction</p>

Mitigation Measures	Implementation, Monitoring, and Reporting Action	Responsibility	Monitoring Schedule
<b>Agriculture and Forestry Resources</b>			
<b>Air Quality and Greenhouse Gas Emissions</b>			
<p><b>AQ-1:</b> The following measures shall be incorporated to minimize emissions of NOx and VOC associated with construction activities for the proposed facilities:</p> <ul style="list-style-type: none"> <li>Construction activities shall require the use of 2010 and newer diesel haul trucks (e.g., material delivery trucks and soil import/export) to the extent feasible. Under conditions where it is determined that 2010 model year or newer diesel trucks are not readily available or obtainable for a project, the implementing party shall be required to provide this evidence to IEUA and shall instead use trucks that meet USEPA 2007 model year NOx emissions requirements.</li> <li>Off-road diesel-powered construction equipment greater than 50 horsepower shall meet Tier 3 emissions standards at a minimum and Tier 4 where available. Under conditions where it is determined that equipment meeting Tier 4 emission standards are not readily available or obtainable for a project, the implementing party shall be required to provide this evidence to IEUA and shall instead use USEPA Tier 3 equipment.</li> </ul>	<ul style="list-style-type: none"> <li>Include mitigation measure in construction contractor specifications.</li> <li>Retain copies of contractor specifications in project files.</li> <li>Perform site inspections to verify contractor compliance. Retain inspection records in the project file.</li> </ul>	Construction Contractor	Before and During Construction
<p><b>AQ-2:</b> For each individual FMP project, IEUA shall require by contract specifications that:</p> <ul style="list-style-type: none"> <li>Construction-related equipment, including heavy-duty equipment, motor vehicles, and portable equipment, shall be turned off when not in use to avoid excessive idling.</li> <li>Construction operations shall minimize use of diesel-powered generators and rely on the electricity infrastructure where feasible.</li> <li>Construction trucks shall be routed away from congested streets or sensitive receptor areas where feasible.</li> </ul>	<ul style="list-style-type: none"> <li>Include mitigation measure in construction contractor specifications.</li> <li>Retain copies of contractor specifications in project files.</li> <li>Perform site inspections to verify contractor compliance. Retain inspection records in the project file.</li> </ul>	Construction Contractor	Before and During Construction
<b>Mitigation Measures</b>	<b>Implementation, Monitoring, and Reporting Action</b>	<b>Responsibility</b>	<b>Monitoring Schedule</b>
<p><b>AQ-3:</b> Unpaved roads on the project site used for any vehicular travel are required to be watered by water trucks at least four times per eight hour workday or otherwise sufficient to reduce fugitive dust (PM10 and PM2.5) emissions consistent with Rule 403.</p>	<ul style="list-style-type: none"> <li>Include mitigation measure in construction contractor specifications.</li> <li>Retain copies of contractor specifications in project files.</li> <li>Perform site inspections to verify contractor compliance. Retain inspection records in the project file.</li> </ul>	Construction Contractor	Before and During Construction



**Biological Resources**

<p><b>BIO-3a:</b> Prior to the start of construction of facilities, focused burrowing owl surveys shall be conducted to determine the presence/absence of burrowing owl adjacent to the project area. The focused burrowing owl survey must be conducted by a qualified biologist and following the survey guidelines included in the CDFW Staff Report on Burrowing Owl Mitigation (2012). If burrowing owl is observed within undeveloped habitat within or immediately adjacent to the project impact area, avoidance/minimization measures would be required such as establishing a suitable buffer around the nest (typically 500-feet) and monitoring during construction, or delaying construction until after the nest is no longer active and the burrowing owls have left. However, if burrowing owl avoidance is infeasible, a qualified biologist shall implement a passive relocation program in accordance with the <i>Example Components for Burrowing Owl Artificial Burrow and Exclusion Plans</i> of the CDFW 2012 Staff Report on Burrowing Owl Mitigation (CDFW, 2012).</p>	<ul style="list-style-type: none"> <li>• Include mitigation measure in construction contractor specifications.</li> <li>• Retain copies of the Burrowing Owl survey reports in the project file.</li> <li>• Prepare reports to document any passive relocation program, and retain such reports in the project file.</li> </ul>	<p>Construction Contractor</p>	<p>Before Construction</p>
<p><b>BIO-4:</b> The proposed improvement projects within the IEUA Service Area shall avoid, if possible, construction within the general nesting season of February 1 through August 31 for avian species protected under Fish and Game Code 3500 and the Migratory Bird Treaty Act (MBTA), if it is determined that suitable nesting habitat occurs on a project site. If construction cannot avoid the nesting season, a pre-construction clearance survey must be conducted to determine if any nesting birds or nesting activity is observed on or within 500-feet of a project site. If an active nest is observed during the survey, a biological monitor must be on site to ensure that no proposed project activities would impact the active nest. A suitable buffer will be established around the active nest until the nestlings have fledged and the nest is no longer active. Project activities may continue in the vicinity of the nest only at the discretion of the biological monitor.</p>	<ul style="list-style-type: none"> <li>• Include mitigation measure in construction contractor specifications.</li> <li>• A qualified biologist will conduct pre-construction clearance survey as defined.</li> <li>• Prepare documentation to record results of the pre-construction survey.</li> <li>• Retain copies of pre-construction survey documentation in the project file.</li> </ul>	<p>Construction Contractor</p>	<p>Before and During Construction</p>

10. Mitigation Monitoring and Reporting Program

Mitigation Measures	Implementation, Monitoring, and Reporting Action	Responsibility	Monitoring Schedule
<p><b>BIO-6:</b> Best Management Practices (BMPs) shall be incorporated into the design and construction phase of the project to ensure that no pollutants or silt drain into a federal or state protected jurisdiction area, including wetlands and riparian areas. Project design features (BMPs) to fulfill this mitigation requirement shall be clearly identified as part of project engineering plans prior to initiating construction.</p>	<ul style="list-style-type: none"> <li>• Include mitigation measure in project design specifications.</li> <li>• Ensure BMPs are included in construction contractor specifications.</li> <li>• Retain copies of design and contractor specifications in project files.</li> <li>• Perform site inspections to verify contractor compliance. Retain inspection records in the project file.</li> </ul>	<p>Construction Contractor</p>	<p>Before and During Construction</p>
<p><b>Hydrology and Water Quality</b></p>			
<p><b>HYDRO-3: Implementation of a Grading and Drainage Plan.</b> Prior to construction of project facilities, the IEUA shall prepare a grading and drainage plan that identifies anticipated changes in flow that would occur on site and minimizes any potential increases in discharge, erosion, or sedimentation potential in accordance with applicable regulations and requirements for the County of San Bernardino and/or the city in which the facility would be located. In addition, all new drainage facilities shall be designed in accordance with standards and regulations. The plan shall identify and implement retention basins, best management practices, and other measures to ensure that potential increases in storm water flows and erosion would be minimized, in accordance with local requirements.</p>	<ul style="list-style-type: none"> <li>• Include mitigation measure in construction contractor specifications.</li> <li>• Prepare grading and drainage plan under applicable County/City regulations and requirements</li> <li>• Retain copies of the plan and records verifying implementation of the plan in the project file.</li> </ul>	<p>Construction Contractor</p>	<p>Before and During Construction</p>

Mitigation Measures	Implementation, Monitoring, and Reporting Action	Responsibility	Monitoring Schedule
<b>Noise</b>			
<p><b>NOISE-1:</b> IEUA shall implement the following measures during construction:</p> <ul style="list-style-type: none"> <li>• Include design measures where feasible to reduce the construction noise levels if necessary to comply with local noise ordinances. These measures may include, but are not limited to, the erection of noise barriers/curtains, use of advanced or state-of-the-art mufflers on construction equipment, and/or reduction in the amount of equipment that would operate concurrently at the construction site.</li> <li>• Place noise and groundborne vibration-generating construction activities whose specific location on a construction site may be flexible (e.g., operation of compressors and generators, cement mixing, general truck idling) as far as possible from the nearest noise- and vibration-sensitive land uses such as residences, schools, and hospitals.</li> <li>• Minimize the effects of equipment with the greatest peak noise generation potential via shrouding or shielding to the extent feasible. Examples include the use of drills, pavement breakers, and jackhammers.</li> <li>• Locate stationary construction noise sources as far from adjacent noise-sensitive receptors as possible, and require that these noise sources be muffled and enclosed within temporary sheds, insulation barriers if necessary to comply with local noise ordinances..</li> <li>• Provide noise shielding and muffling devices on construction equipment per the manufacturer's specifications.</li> <li>• If construction is to occur near a school, the construction contractor shall coordinate the with school administration in order to limit disturbance to the campus. Efforts to limit construction activities to non-school days shall be encouraged.</li> <li>• For major construction projects, identify a liaison for surrounding residents and property owners to contact with concerns regarding construction noise and vibration. The liaison's telephone number(s) shall be prominently displayed at construction locations.</li> <li>• For major construction projects, notify in writing all landowners and occupants of properties adjacent to the construction area of the anticipated construction schedule at least two weeks prior to groundbreaking.</li> </ul>	<ul style="list-style-type: none"> <li>• Include mitigation measure in construction contractor specifications.</li> <li>• Appoint a construction monitor to verify contractor compliance with noise measures.</li> <li>• Retain copies of monitoring records in the project file.</li> <li>• Appoint a Noise Concern Coordinator to respond to construction noise complaints.</li> <li>• Maintain log of concerns filed with the Coordinator and the resolution of each complaint.</li> <li>• Retain copies of the notification and concern log in the project file</li> <li>• Retain copies of notifications to all landowners and occupants of properties</li> </ul>	<p>Construction Contractor</p>	<p>Before and During Construction</p>
<p><b>NOISE-2:</b> IEUA shall require that all FMP-related aboveground facilities that include stationary noise generating equipment (such as emergency generators, blowers, pumps, motors, etc.) minimize their audible noise levels by locating equipment away from noise-sensitive receptor areas, installing proper acoustical shielding for the equipment, and incorporating the use of parapets into building design to meet the applicable city or county noise level requirements at neighboring property lines.</p>	<ul style="list-style-type: none"> <li>• Include mitigation measure in project design specifications.</li> <li>• Include mitigation measure in construction contractor specifications.</li> <li>• Perform construction site inspections to ensure compliance with noise ordinances.</li> <li>• Retain copies of site inspection logs or reports in project files.</li> </ul>	<p>Construction Contractor</p>	<p>During Construction</p>

Mitigation Measures	Implementation, Monitoring, and Reporting Action	Responsibility	Monitoring Schedule
<p><b>NOISE-4:</b> Prior to commencement of construction related to the FMP programs at a specific site that will endure for more than a few days and that are not emergency projects, IEUA will notify property owners within 300 feet regarding the scope and duration of work a minimum of 10 days prior to the start of such activity.</p>	<ul style="list-style-type: none"> <li>• Include mitigation measure in construction contractor specifications.</li> <li>• Initiate correspondence with property owners</li> <li>• Retain copies of the correspondence in the project file.</li> </ul>	Construction Contractor	Before Construction
<p><b>NOISE-5:</b> IEUA shall require the construction contractor(s) to implement the following measure:</p> <ul style="list-style-type: none"> <li>• Ensure that the operation of construction equipment that generates high levels of vibration including, but not limited to, large bulldozers, loaded trucks, pile-drivers, vibratory compactors, and drilling rigs, is minimized within 45 feet of existing residential structures and 35 feet of institutional structures (e.g., schools) during construction of the various FMP projects. Use of small rubber-tired bulldozers shall be encouraged within these areas during grading operations to reduce vibration effects.</li> </ul>	<ul style="list-style-type: none"> <li>• Include mitigation measure in construction contractor specifications.</li> <li>• Retain copies of contractor specifications in project files.</li> <li>• Perform site inspections to verify contractor compliance. Retain inspection records in the project file.</li> </ul>	Construction Contractor	During Construction
<b>Traffic and Transportation</b>			
<p><b>TT-1:</b> For projects that may affect traffic flow along existing roadways, IEUA shall require that contractors prepare a construction traffic control plan. Elements of the plan should include, but are not necessarily limited to, the following:</p> <ul style="list-style-type: none"> <li>• Develop circulation and detour plans if necessary to minimize impacts to local street circulation. Use haul routes minimizing truck traffic on local roadways to the extent possible.</li> <li>• To the extent feasible, and as needed to avoid adverse impacts on traffic flow, schedule truck trips outside of peak morning and evening commute hours.</li> <li>• Install traffic control devices as specified in Caltrans' Manual of Traffic Controls for Construction and Maintenance Work Zones where needed to maintain safe driving conditions. Use flaggers and/or signage to safely direct traffic through construction work zones.</li> <li>• For roadways requiring lane closures that would result in a single open lane, maintain alternate one-way traffic flow and utilize flagger-controls.</li> <li>• Coordinate with facility owners or administrators of sensitive land uses such as police and fire stations, hospitals, and schools. Provide advance notification to the facility owner or operator of the timing, location, and duration of construction activities.</li> </ul>	<ul style="list-style-type: none"> <li>• Include mitigation measure in construction contractor specifications.</li> <li>• Retain copy of Plan in the project file, including correspondence documenting approval of the Plan by the applicable local jurisdiction(s).</li> <li>• Perform site inspections to verify compliance with the Plan.</li> <li>• Retain copies of monitoring records in the project file.</li> </ul>	Construction Contractor	Before and During Construction
<b>Utilities</b>			
<p><b>U-1: Implementation of a Drainage Plan to Reduce Downstream Flows.</b> Prior to construction of project facilities, the IEUA shall prepare a drainage plan that includes design features to reduce stormwater peak concentration flows exiting the above ground facility sites so that the capacities of the existing downstream drainage facilities are not exceeded. These design features could include bio-retention, sand infiltration, return of stormwater for treatment within the treatment plant, and/or detention facilities.</p>	<ul style="list-style-type: none"> <li>• Include mitigation measure in project design specifications.</li> <li>• Ensure design specifications are included in construction contractor specifications.</li> <li>• Retain copy of Drainage Plan in the project file</li> <li>• Perform site inspections to verify compliance with the Plan.</li> <li>• Retain copies of design and contractor specifications in project files.</li> </ul>	Construction Contractor	Before and During Construction

**CONSENT  
CALENDAR  
ITEM**

**4D**

**Date:** June 20, 2018

*Teresa B. Velarde*

**To:** The Honorable Board of Directors

**From:** Teresa Velarde, Manager of Internal Audit

**Committee:** Audit

06/11/18

**Manager Contact:** Teresa Velarde, Manager of Internal Audit

**Subject:** FY 2018/19 Annual Audit Plan

**Executive Summary:**

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

- approve a flexible Annual Audit Plan of proposed audit projects, and submit that plan and periodic updates to the Agency Board for review and approval; and
- approve any special projects requested by management, the Audit Committee or the Board.

The attached Annual Audit Plan is a flexible plan of proposed audit projects, with the goal of targeting activities and business units depending on the assessed risk, level of priority, and/or requests by the Board, the Audit Committee and/or Executive Management. The Annual Audit Plan is used as a guide in selecting and planning for the audits. The Institute of Internal Auditors (IIA) Standards recommend that periodic risk assessments be performed to ensure information captured is relevant, timely, and aligned with the Agency's changing environment, objectives, and direction. Internal Audit (IA) prepares the Annual Audit Plan and submits quarterly status reports and amendments, as required. In addition to on-going and miscellaneous audit projects, the audit projects proposed for FY 2018/19 include: Reserve Obligations and Inter-Fund Transfers Audits, Fleet Management Audit, Fuel Card Program Audit, and follow-up reviews to evaluate the implementation status of prior audit recommendations provided.

**Staff's Recommendation:**

It is recommended that the Board of Directors:

1. Approve the FY 2018/19 Annual Audit Plan; and
2. Direct the Manager of Internal Audit to finalize the FY 2018/19 Annual Audit Plan.

**Budget Impact** *Budgeted* (Y/N): N *Amendment* (Y/N): N *Amount for Requested Approval:*

*Account/Project Name:*

N/A

**Fiscal Impact** *(explain if not budgeted):*

Only when additional outside auditing or consulting services are required to provide assistance to IA or fulfill the responsibilities of the Audit Committee for appropriate action. Additionally, some audit projects are intended to identify opportunities for cost containment.

**Prior Board Action:**

On December 20, 2017, the Board of Directors reconfirmed the approved Audit Committee and the IA Department Charters. Both Charters require the Manager of IA to complete and present the Annual Audit Plan.

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**Environmental Determination:**

Not Applicable

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**Business Goal:**

The Annual Audit Plan is consistent with the Agency's Business Goals of Fiscal Responsibility, Workplace Environment and Business Practices by ensuring that audits and recommendations evaluate and promote a strong control environment and assist management in achieving organizational goals.

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**Attachments:**

Attachment 1 - FY 2018/19 IA Department Annual Audit Plan



*Inland Empire Utilities Agency*

A MUNICIPAL WATER DISTRICT

***Fiscal Year  
2018-2019***

*Internal Audit Department  
Annual Audit Plan*

**Submitted by:  
Teresa V. Velarde  
Manager of Internal Audit Department  
June 20, 2018**

*The Annual Audit Plan is consistent with the Agency's Business Goals of Fiscal Responsibility, Workplace Environment and Business Practices by ensuring that audits and recommendations evaluate and promote a strong control environment and assist management in achieving organizational goals.*



## Annual Audit Plan Contents

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## *Purpose of the Internal Audit Department*

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

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

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

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

### **Mission Statement**

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

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

### **Internal Audit Department Values**

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

#### **Independence**

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

#### **Integrity**

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

#### **Professionalism**

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

#### **Collaboration**

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

### *Purpose of the Annual Audit Plan*

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

The Audit Plan is a flexible plan of internal audit activities and was developed using an appropriate risk-based methodology, including any risks or control concerns identified or communicated by Management, the Internal Audit Department, External Auditors, the Audit Committee's Independent Advisor, the Audit Committee or Board. Additionally, IA evaluated the reports that came through the Agency's anonymous hotline, EthicsPoint, to determine if any of the reported items are under the purview and scope of IAs activities or should be considered in planning audit projects. The overall objective is to develop a plan consistent with the Agency's goals and objectives, to address the highest risk areas within the Agency and to evaluate and contribute to the improvement of risk management, control and governance processes, additionally to add value by recommending opportunities for improvements to increase effectiveness and efficiency of operations.

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

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

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

### *Annual Audit Plan Methodology*

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

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

For the Fiscal Year 2018/19 Annual Audit Plan, the audits were selected based on all things considered as discussed above, the results of audits completed, risks identified and auditor judgement. Significant deviations and changes to the Audit Plan will be communicated to the Audit Committee through an Amended Audit Plan and progress information is provided through Quarterly Status Reports presented to the Audit Committee.

***FY 2018/19 Annual Audit Plan:***

**The first 2 audits (Reserve Obligations and Inter-Fund Transfers) were scheduled for 2017/18; but were deferred due to prioritizing the P-Card Audit and the Garden In Every School Program Audit which were considered a higher priority during the time.**

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**Reserve Obligations**

To evaluate whether the Agency complies with all Agency policies, legal and regulatory requirements for maintaining the required and/or necessary reserve balances and if balances are invested or available as mandated by those reserve obligation requirements/policies.

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**Inter-Fund Transfers**

To evaluate whether the Agency complies with all Agency policies, legal and regulatory requirements over inter-fund transfers and whether transfers are documented appropriately and recorded accurately in the Agency's financial statements.

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**Fleet Management Audit**

Evaluate controls over the procurement, accountability, issuance and maintenance over Agency fleet vehicles.

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**Fuel Card Program Audit**

Evaluate internal controls over the use of the Agency's Fuel Card to ensure it meets the requirements of the Agency's policies, and there are sufficient controls in place to ensure it is safeguarded from loss, theft, misuse or abuse and it is used in the most effective manner.

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**Follow-up Reviews to evaluate the status of outstanding recommendations**

As required by the Charters and audit standards, IA will follow up on the status of outstanding recommendations to determine if corrective actions or alternate internal controls were implemented. To-date there are 110 outstanding audit recommendations, 81 which require follow-up action and 30 are deferred. Follow-up reviews are scheduled as noted in the chart that follows on Page 9.

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### *On-Going Projects for FY 2018/19*

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



### *Outstanding Recommendations*

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

Area Audited	Report Issued Date	No. of Recs. Remaining to be Verified by IA	Planned Follow-Up
Payroll Audit	August 24, 2010	1	Annually
Intercompany Receivables - Watermaster	August 30, 2011	1	FY 2019
SCE Utility Payments	August 28, 2013	1	FY 2019
Accounts Payable Follow-Up	August 29, 2013	9	FY 2019
Automobile Insurance Requirements	March 3, 2014	2	FY 2019
Vehicle Security Procedures	March 3, 2014	3	FY 2019
Vehicle Inventory Procedures	March 12, 2014	13	FY 2019
Follow-Up – IT Equipment Audit – ISS	February 29, 2016	2	FY 2020
Master Trade Contracts	September 1, 2016	6	FY 2020
Follow-Up – IT Equipment Audit – FAD	December 5, 2016	6	FY 2020
Audit of Master Services Contracts	December 5, 2016	3	FY 2020
2017 Petty Cash Audit & Follow-Up Review	June 5, 2017	7	FY 2020
Water Use Efficiency Programs Audit	June 5, 2017	6	FY 2020
Contracts and Procurement Follow-Up Audit	August 30, 2017	1	FY 2020
Payroll Operations Audit	August 30, 2017	6	FY 2020
Procurement Card Audit	March 1, 2018	7	FY 2021
Wire Transfers Audit	March 1, 2018	5	FY 2021
<b>Total Outstanding Audit Recommendations</b>		<b>79</b>	
<b>Recommendations related to the Regional Contract Review</b> <small>(these recommendations are planned for full implementation with the renegotiation of the Regional Contract          IA will not follow up on these unless requested to do so or after the new contract is executed )</small>			
Regional Contract Review – Final Audit Report	December 16, 2015	31	Pending – Renegotiation of the Regional Contract

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

During FY 2017/18, IA reviewed and verified the implementation status of 5 open recommendations related to 2 different audits. The list reports there are 79 open recommendations, of which 19 recommendations relate to audits completed recently. An additional separate 31 recommendations relate to the Regional Contract Review, which will most likely be implemented through the renegotiation of the Regional Contract. Because all audit resources were utilized primarily for this effort, follow-up activities were temporarily on hold. Audit guidelines suggest that an adequate amount of time be granted to provide auditees with sufficient time to implement corrective action plans. Follow-up audit work for some of the open recommendations will be incorporated and completed along with the proposed projects. Required follow-up audit work will include a desk review of supporting documentation, follow-up discussions with the auditee, and/or the application of testing procedures to verify implementation.



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

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

#### **Accounts Payable Audit – Review of Agency Credit Cards**

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

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

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

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

#### **Data Analytics**

Fully utilize existing technology to gather additional data and analytical information to assist auditing. In addition, explore and expand utilizing new technology and tools to build and customize dashboards, reports and other analytics tools to assist with audit reviews and monitoring of transactions in various areas, such as payments, payroll, contract payments, etc.

#### **Travel Expenses and Policy Compliance**

Review Agency policies and internal controls as they relate to employee travel expenses and reimbursements to ensure adequate procurement methods are followed and policy requirements for appropriate reimbursements are followed.

#### **Water Connection Fee**

To evaluate the controls over the collection and recognition of revenue for the Water Connection Fee implemented in 2016, including ensuring adequate segregation of duties and procedures are in place to reconcile new water connections to ensure all water connection fees are being collected. Audit procedures will include: a review of internal controls; compliance with Agency policies and procedures; and the effectiveness and efficiency of operations. The departments with the primary responsibility are the Planning and Finance and Accounting Departments.

#### **Capital Projects**

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

**Various or Other Agreements**

Evaluate the variety of special and/or other types of agreements the Agency may have with other agencies or vendors that may or may not be formalized under an official Agency contract. This audit would also evaluate whether the special agreements provide preferential treatment or significant discounts/credits when compared to similar agencies for similar services.

**Telephone Expense**

The Agency pays for telephone services provided by landline phones, smartphones, and for data connections. Audit areas include the following:

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

**Bid and Selection Process for Construction Contracts**

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

**Asset Management**

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

**Operations**

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

**Recycled Water Program – Revenue**

Recycled water revenue in FY 2016/17 was almost \$16.4 million. An audit of this area would determine the accuracy of revenues and identify any additional revenue due the Agency. The Finance and Accounting and the Planning departments will be the primary contact departments.

### *Risk Assessment Strategy*

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

The IIA IPPF defines Risk as follows:

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

The risk assessment is a general assessment performed using best practice guidance, professional judgment and consideration for the impact on the Agency's operations if the targeted units fail to function in the most effective and efficient manner or neglect to comply with required policies. In performing the Risk Assessment for this FY 2018/19 Annual Audit Plan, the following were considered:

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

### *Audit Universe*

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

### *Quality Assurance and Improvement Program*

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

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

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

As part of IA’s commitment for continued quality audit services, beginning FY 2019/20, IAD will perform internal assessments of the IAD. An external assessment by an independent reviewer is planned for FY 2020/21. Results will be presented and discussed at the regularly scheduled Audit Committee meetings.

**CONSENT  
CALENDAR  
ITEM**

**4E**

**Date:** June 20, 2018

HHR

**To:** The Honorable Board of Directors

**From:** Halla Razak, General Manager

**Committee:** Community & Legislative Affairs

06/13/18

**Executive Contact:** Kathy Besser, Executive Manager of Ext. Aff. & Policy Dev./AGM

**Subject:** Support of Water Supply and Water Quality Act of 2018

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**Executive Summary:**

Introduced by Jerry Meral, the Water Supply and Water Quality Act of 2018 is a citizen's initiative water bond that recently qualified to appear on the November 2018 ballot. The water bond would provide \$8.877 billion towards water infrastructure in California. The bill targets safe drinking water, Sustainable Groundwater Management implementation, watershed restoration, fish and wildlife habitat conservation, infrastructure repair, and other water management programs. Although a majority of the bond is allocated to specific projects, the bond could potentially provide funding for critical water infrastructure projects within the region (for full details of the bond, please see attachment 1).

The bond includes \$30 million for Santa Ana River Watershed Improvement, \$500 million for safe drinking water, \$400 million for wastewater recycling, and \$300 million for water conservation, which IEUA would be able to compete for.

Support for the water bond includes both ACWA and the SCWC.

---

**Staff's Recommendation:**

Staff recommends that the Board support the Water Supply and Water Quality Act of 2018.

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**Budget Impact:** N/A    *Budgeted (Y/N):* N    *Amendment (Y/N):* N    *Requested Amount:*

*Account/Project Name:*

*Fiscal Impact (explain if not budgeted):*

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**Prior Board Action:**

Support for Proposition 13 (2000), Proposition 50 (2002), Proposition 1(2014), and Proposition 68 (2018).

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**Environmental Determination:**

Not Applicable

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**Business Goal:**

Supporting the Water Supply and Water Quality Act of 2018 is in line with IEUA's business practices goal of advocating for development of policies, legislation and regulations that benefit the region.

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**Attachments:**

Attachment 1 - Water Supply and Water Quality Act of 2018: Fund Distribution

<b>Water Supply and Water Quality Act of 2018: Fund Distribution</b>				<b>State</b>
<b>PURPOSE</b>	<b>Total</b>	<b>Chapter</b>	<b>SECTION</b>	<b>Agency</b>
Safe Drinking Water	500	5.1	86007	SWRCB
Wastewater treatment for low income communities	250	5.1	86008	SWRCB
Wastewater Recycling	400	5.2	86020	SWRCB
GW Desalination	400	5.2	86021	SWRCB
Water Conservation	300	5.3	86030	DWR
Energy Commission water and energy program	15		86031	CEC
Agricultural water conservation incentives	50		86032	DWR
Flood Management	500	5.4		
Central Valley	200		86040	CVFB
Existing Sac Valley Dams	50		(f)	
Flood Control Reservoirs	100		86041	DWR
San Francisco Bay Wetlands	200		86042	SFBRA
Water Measurement	60	5.5	86048	
DWR Measurement	20		(a)	DWR
SWRCB Records	10		(b)	SWRCB
Water Data Administration Fund	10		(c)	SWRCB
Research	20		(d)	SWRCB/DWR
UC Water Research Initiative	5			UC
CSU Fresno water research	5			CSU
Cal Poly water research	5			CSU
CSU Sacramento water Research	5			CSU
Stormwater	550	5.6	86050	
SWRCB	400		(a)	SWRCB
San Diego County	40		(g)	SWRCB
Tahoe	30		(b)	TAHOE
Santa Monica	40		(c)	SMMC
San Gabriel	40		(d)	RMC
Coastal Conservancy	40		(e)	CCY
IWRM	5	5.7	86054	DWR
Watershed Improvement	2355	6.1	86080	
Sierra Nevada	200		(a)	SNC
Tahoe	60		(b)	TAHOE
Bay Area	100		(c)	BAC
Southern California	180		(d)	
San Gabriel and LA River	60		(d)(1)	RMC
Santa Monica Mountains	60		(d)(2)	SMMC
Santa Ana River	30		(d)(3)	CCY
Baldwin Hills	30		(d)(4)	BHC
San Diego River Cons.	40		(e)	SDRC
Coastal Conservancy	135		(f)	CCY
Central Valley	150		(g)	
Delta Conservancy	100		(g)(1)	DCY
San Joaquin River	20		(g)(2)	SJR
Lower American River	30		(g)(3)	WCB
River Parkways	170		(h)	
Resources Agency	70		(h)(1)	CNRA
Guadalupe River	10		(h)(2)	CCY
Russian River	10		(h)(3)	CCY
Santa Clara River	10		(h)(4)	CCY



Tijuana River		10		(h)(5)	CCY
Carmel River		10		(h)(6)	CCY
Napa River		10		(h)(7)	CCY
San Diego Bay		15		(h)(8)	CCY
Santa Margarita		15		(h)(9)	CCY
Upper Truckee River		10		(h)(10)	Tahoe
LA San Gabriel River	150			(i)	
Rivers and Mountains Conservancy		75		(i)(1)	RMC
Santa Monica Mountains Conservancy		75		(i)(2)	SMMC
Forest Watershed, Oak Woodlands	300			(j)	WCB
Agricultural Partnerships		10		(j)(5)	
Oak Woodlands Conservation Fund		50		(j)(6)	
Rangeland and Grassland		30		(j)(7)	
NCCP		60		(j)(8)	
Coachella Valley and Mountains	25			(k)	CVCY
State Parks	150			(l)	DPR
Watershed Restoration	60			(m)	DOC
RCDs		at least 13		(m)(1)	
<b>Ag Land Program</b>		at least 31		<b>(m)(2)</b>	
Watershed Coordinator Program		10		(m)(3)	
Ocean Protection	100			(n)	OPC
Local Coastal Program Sea Level Rise		5			
Salton Sea	200			(o)	CNRA
<b>New River</b>		20		<b>(o)</b>	
Delta Science Program	5			(p)	DSC
Urban Streams	50			(q)	DWR
Urban Forestry	20			(r)	CalFire
Delta Wastewater Treatment	15			(s)	DPC
Non-motorized River and Lake Access	20			<b>(t)</b>	<b>DPR</b>
Pacific Flyway Center	20			(u)	WCB
Matilija Dam	80			(v)	CCY
UC Natural Reserves	25			(w)	UC
Sierra Nevada Conservancy fire mitigation	50			(x)(1)	SNC
CalFire fire mitigation	50			(x)(2)	CalFire
Land Management: WCB	100		6.2	86090	WCB
Conservation Corps	40		6.3	86105	CCC
Watershed Restoration for Fisheries	400		6.4	86106	CNRA
Communications with Inst. of higher learning	10			(f)(5)	
Floodplain	35			(h)	
Salmon Partnership Implementation Plan	5			(i)	
Feather River improvements	7			(l)	CDFW
Groundwater	675		7	86110(a)	DWR
Office of Sustainable Water Solutions	10			86110(b)	SWRCB
Projects Implementing SGMA		640		86111	DWR
Borrego Groundwater		35		86113	DWR
Water for Wildlife: WCB	930		8		
Acquire Water	300			86120	WCB
Private Lands	50			86121	CDFW
Salmon and Steelhead	300			86122	WCB
Spring run		100		(a)	
Fish screens		100		(b)	

Waterfowl	280	86123	WCB
Waterfowl Habitat Preservation Account	40	(b)	
SHARE Account	10	(c)	
CVPIA	110	(d)	
American River basin planning	10	86124	
Water Distribution BARR	250	9	86125 DWR
Madera and Friant Kern Canals	750	10	86127 DWR
San Joaquin River settlement	100	86128	
North Bay Aqueduct planning	5	86130	
Oroville Repair	200	11	86132 DWR
Sutter Butte Flood Management	21	86133	DWR
sediment removal	15		
Oroville Wildlife area	6		
Butte County emergency equipment	1	86134	
<b>Total</b>	<b>8877</b>		

**Definitions:**

BAC	Bay Area Conservancy of Coastal Conservancy
BHC	Baldwin Hills Conservancy
CalFire	California Department of Forestry and Fire Protection
CEC	California Energy Commission
CCC	California Conservation Corps
CCY	Coastal Conservancy
CDFFP	California Department of Forestry and Fire Protection
CDFW	California Department of Fish and Wildlife
CNRA	California Natural Resources Agency
CSU	California State University
CVCY	Coachella Valley Conservancy
CVFB	Central Valley Flood Board
CWC	California Water Commission
DCY	Delta Conservancy
DPC	Delta Protection Commission
DOC	Department of Conservation
DPR	Department of Parks and Recreation
DSC	Delta Stewardship Council
DWR	Department of Water Resources
OPC	Ocean Protection Council
RMC	San Gabriel and Lower Los Angeles Rivers and Mountains Conser
SAC	Santa Ana Conservancy of Coastal Conservancy
SDRC	San Diego River Conservancy
SFBRA	San Francisco Bay Restoration Authority
SJR	San Joaquin River Conservancy
SMMC	Santa Monica Mountains Conservancy
SNC	Sierra Nevada Conservancy
SWRCB	State Water Resources Control Board
TAHOE	Tahoe Conservancy
UC	University of California
WCB	Wildlife Conservation Board

**CONSENT  
CALENDAR  
ITEM**

**4F**

**Date:** June 20, 2018

**To:** The Honorable Board of Directors  
**Committee:**

**From:** Halla Razak, General Manager

HR

**Executive Contact:** Kathy Besser, Executive Manager of Ext. Aff. & Policy Dev./AGM

**Subject:** Adoption of a Resolution for a Labor Compliance Program

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**Executive Summary:**

Proposition 84 (Prop 84) requires agencies that are awarded grants under Prop 84 must have a labor compliance program (LCP) approved by the California Department of Labor (DOL). IEUA has been awarded grants issued under this Act. IEUA entered into an agreement with Golden State Labor Compliance, LLC to assist in the application to the DOL for approval of IEUA's LCP, write a manual to be used in the enforcement of the LCP and to assist in the enforcement of the LCP. There will be no current fiscal year impacts on the budget related to this program. The fees for enforcing the LCP will be incorporated into the construction budget for each Board-approved grant project that requires the use of a LCP.

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**Staff's Recommendation:**

1. Adopt Resolution No. 2018-6-11, implementing and enforcing a Department of Industrial Relations approved Labor Compliance Program; and
2. Authorize the Manager of Grants/Grants Officer as IEUA's Awarding Body's Representative to sign the Application to the Director of the California Department of Labor for Approval of Awarding Body's Labor Compliance Program.

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**Budget Impact** *Budgeted (Y/N):* N *Amendment (Y/N):* N *Amount for Requested Approval:*

*Account/Project Name:*

Not applicable

*Fiscal Impact (explain if not budgeted):*

For each project that requires the use of the LCP, there will be a fee pursuant to the fee schedule set forth in the attached contract. These fees will become part of the construction costs of a Board-approved grant project and a fee for an annual report will be part of the authorized Grants Department budget. There will be no impact on the current fiscal year budget.

Full account coding (internal AP purposes only):

- - -  
- - -

Project No.:

**Prior Board Action:**

None.

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**Environmental Determination:**

Not Applicable

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**Business Goal:**

The projects that require a labor compliance program support IEUA's mission to increase water supply sustainability. Meeting a requirement of a grant that IEUA has been awarded makes the labor compliance program consistent with IEUA's mission of pursuing state and federal grants and low-interest financing.

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**Attachments:**

Attachment 1 - Background

Attachment 2 - Resolution No. 2018-6-11

Attachment 3 - Labor Compliance Program Manual

Attachment 4 - Contract with Golden State Labor Compliance, LLC

## Background

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**Subject:** Adoption of a Resolution for Labor Compliance Program

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Proposition 84 (Prop 84), the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Act), was approved by California voters in the general election on November 7, 2006. Labor Code Section 1771.8 requires an awarding body that will use Prop 84 funding for a public works project to “adopt and enforce, or contract with a third party to enforce, a labor compliance program (LCP).” IEUA has been awarded grants issued under Prop 84.

In January 2018, IEUA contracted with Golden State Labor Compliance, LLC to write a manual related to the performance and enforcement of a LCP and assist in applying to the California Department of Labor (DOL) for approval of the Program. The DOL requires that a resolution be attached to the application for the DOL to approve IEUA’s LCP where the Board has adopted the LCP.

**RESOLUTION NO. 2018-6-11**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
INLAND EMPIRE UTILITIES AGENCY\*, SAN  
BERNARDINO COUNTY, CALIFORNIA, APPROVING  
AND ADOPTING LABOR COMPLIANCE PROGRAM**

**WHEREAS**, Proposition 84, the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (“Prop 84”), requires Awarding Agencies utilizing funds for public works projects derived from that act to initiate and enforce a labor compliance program (“LCP”) as described in subdivision (b) of Section 1771.5 of the Labor Code; and

**WHEREAS**, Inland Empire Utilities Agency intends to apply for, and to utilize funds derived from one or more such State Bond Acts that require a labor compliance program for certain public works projects; and

**WHEREAS**, Inland Empire Utilities Agency wishes to make a written finding that it has initiated and shall enforce an LCP as described in subdivision (b) of Section 1771.5 of the Labor Code for said projects.

**NOW THEREFORE, BE IT RESOLVED** that the Board of Directors makes the following findings:

1. Inland Empire Utilities Agency hereby adopts, for implementation, the attached Department of Industrial Relations approved Labor Compliance Program;
2. Inland Empire Utilities Agency shall contract with Golden State Labor Compliance, LLC, an approved third-party provider, to initiate and enforce the abovementioned LCP on behalf of Inland Empire Utilities Agency as required by Labor Code Section 1771.8.
3. Authorize the Manager of Grants/Grants Officer as the Awarding Body’s Representative to sign the Application to Director for Approval of Awarding Body’s Labor Compliance Program.

**BE IT FURTHER RESOLVED**, that IEUA’s Board of Directors hereby adopts Resolution No. 2018-6-11 on this 20<sup>th</sup> day of June, 2018.

\_\_\_\_\_  
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. 2018-6-11 was adopted at a regular  
meeting on June 20, 2018, 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





**CONTRACT NUMBER: 4600002481**

**CONSULTING SERVICES**

**FOR**

**LABOR COMPLIANCE PROGRAM DEVELOPMENT**

THIS CONTRACT (the "Contract"), is made and entered into this 30TH day of JANUARY, 2018, by and between the Inland Empire Utilities Agency, a Municipal Water District, organized and existing in the County of San Bernardino under and by virtue of the laws of the State of California (hereinafter referred to interchangeably as "IEUA" and "Agency") and Golden State Labor Compliance, LLC with offices located in Palmdale, California (hereinafter referred to as "Consultant") for the development, DIR approval, and maintenance of a Labor Compliance Program.

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

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

Project Manager: Jason Gu, Grants Officer  
Address: 6075 Kimball Avenue, Building "A"  
Chino, California 91708  
Telephone: (909) 993-1636  
Email: [jgu@ieua.org](mailto:jgu@ieua.org)  
Facsimile: (909) 993-1983

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

Consultant: Terry M. Zinger, President  
Address: 38733 9<sup>th</sup> Street East, Suite "W"  
Palmdale, CA 93550  
Telephone: (661) 267-0940  
Email: [tzinger@goldenstatelc.com](mailto:tzinger@goldenstatelc.com)  
Facsimile: (661) 267-0981

2. ORDER OF PRECEDENCE: The documents referenced below represent the Contract Documents. Where any conflicts exist between the General Terms and Conditions, or addenda attached, then the governing order of precedence shall be as follows:
  - A. Amendments to Contract 4600002481.
  - B. Contract Number 4600002481, General Terms and Conditions.
  - C. Agency's Request for Proposal, incorporated herein as **Appendix 1**.
  - D. Consultant's proposal dated January 4, 2018, which is incorporated herein as **Appendix 2**.
3. SCOPE OF WORK AND SERVICES: Consultant is to provide project management consulting services in response to Agency's Request for Proposal, attached hereto, referenced herein, and made a part hereof as **Appendix 1** and as offered within the Consultant's Proposal, which is attached hereto, referenced herein, and made a part hereof as **Appendix 2**.
4. TERM: The term of this Contract shall extend from the date of the Notice to Proceed and terminate on June 27, 2020, unless agreed to by both parties, reduced to writing, and amended to this Contract.
5. COMPENSATION: The Agency shall pay Consultant's properly-executed invoices, subsequent to approval by the Project Manager, within thirty (30) calendar days following receipt of the invoice. Payment will be withheld for any service which does not meet the requirements of this Contract or has proven unacceptable until such service is revised, resubmitted, and accepted by the Project Manager.

As compensation for work performed under this Contract, Agency shall pay Consultant a **NOT-TO EXCEED maximum of \$2,500.00** in accordance with **Appendix 2** and as approved by SAP Purchase Requisition 10042972.

All invoices shall be submitted electronically with all required back-up to [apgroup@ieua.org](mailto:apgroup@ieua.org)

Payment shall be made according to milestones achieved by Consultant and accepted by the Agency's Project Manager.
6. CONTROL OF THE WORK: Consultant shall perform the Work in compliance with the Work Schedule's milestones. If performance of the Work falls behind schedule, the Consultant shall accelerate the performance of the Work to comply with the Work Schedule as directed by the Project Manager. If the nature of the Work is such that Consultant is unable to accelerate the Work, Consultant shall promptly notify the Project Manager of the delay, the causes of the delay, and submit a proposed revised Work Schedule.
7. GRANT FUNDED PROJECTS: This is not a grant-funded (e.g., Federal Grant and State Revolving Funds combined) project.
8. FITNESS FOR DUTY:
  - A. Fitness: Consultant and its Subcontractor personnel on the Jobsite:

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

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

9. INSURANCE: During the term of this Contract, the Consultant shall maintain at Consultant's sole expense, the following insurance.

A. Minimum Scope of Insurance: Coverage shall be at least as broad as:

1. Commercial General Liability (CGL): Insurance Services Office (ISO) Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than \$1,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability: ISO Form Number CA 00 01 covering any auto (Code 1), or if Consultant has no owned autos, covering hired, (Code 8) and non-owned autos (Code 9), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
3. Workers' Compensation and Employers Liability: Workers' compensation limits as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.
4. Professional Liability (Errors and Omissions): Insurance appropriate to the Consultant's profession, with limit no less than \$1,000,000 per occurrence or claim, \$2,000,000 aggregate.

B. Deductibles and Self-Insured Retention: Any deductibles or self-insured retention must be declared to and approved by the Agency. At the option of the Agency, either: the insurer shall reduce or eliminate such deductibles or self-insured retention as respects

the Agency, its officers, officials, employees and volunteers; or the Consultant shall procure a bond guaranteeing payment of losses and related investigations, claims administration and defense expenses.

C. Other Insurance Provisions: The policies are to contain, or be endorsed to contain, the following provisions:

1. General Liability and Automobile Liability Coverage

- a. Additional Insured Status: The Agency, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Consultant including materials, parts or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Consultant's insurance (at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 forms if later revisions used).
- b. Primary Coverage: The Consultant's insurance coverage shall be primary insurance coverage at least as broad as ISO CG 20 01 04 13 as respects the Agency, its officer, officials, employees and volunteers. Any insurance or self-insurance maintained by the Agency, its officers, officials, employees, volunteers, property owners or engineers under contract with the Agency shall be excess of the Consultant's insurance and shall not contribute with it.
- c. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Agency, its officers, officials, employees or volunteers.
- d. The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- e. The Consultant may satisfy the limit requirements in a single policy or multiple policies. Any such additional policies written as excess insurance shall not provide any less coverage than that provided by the first or primary policy.

2. Workers' Compensation and Employers Liability Coverage

The insurer hereby grants to Agency a waiver of any right to subrogation which any insurer of said Consultant may acquire against the Agency by virtue of the payment of any loss under such insurance. Consultant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this

provision applies regardless of whether or not the Agency has received a waiver of subrogation endorsement from the insurer.

3. All Coverages

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

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

E. Verification of Coverage: Consultant shall furnish the Agency with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the Agency before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Consultant's obligation to provide them. The Agency reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

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

Inland Empire Utilities Agency, a Municipal Water District  
Attn: Angela Witte, Risk Specialist  
P.O. Box 9020  
Chino Hills, California 91709

10. LEGAL RELATIONS AND RESPONSIBILITIES

A. Professional Responsibility: The Consultant shall be responsible, to the level of competency presently maintained by other practicing professionals performing the same or similar type of work.

B. Status of Consultant: The Consultant is retained as an independent Consultant only, for the sole purpose of rendering the services described herein, and is not an employee of the Agency.

C. Observing Laws and Ordinances: The Consultant shall keep itself fully informed of all existing and future state and federal laws and all county and city ordinances and

regulations which in any manner affect the conduct of any services or tasks performed under this Contract, and of all such orders and decrees of bodies or tribunals having any jurisdiction or authority over the same. The Consultant shall at all times observe and comply with all such existing and future laws, ordinances, regulations, orders and decrees, and shall protect and indemnify, as required herein, the Agency, its officers and employees against any claim or liability arising from or based on the violation of any such law, ordinance, regulation, order or decree, whether by the Consultant or its employees.

- D. Subcontract Services: Any subcontracts for the performance of any services under this Contract shall be subject to the written approval of the Project Manager.
- E. Hours of Labor: The Consultant shall comply with all applicable provisions of California Labor Code Sections 1810 to 1817 relating to working hours. The Consultant shall, as a penalty to the Agency, forfeit \$25.00 for each worker employed in the execution of the Contract by the Consultant or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one (1) calendar day and forty (40) hours in any one (1) calendar week in violation of the provisions of the Labor Code.
- F. Travel and Subsistence Pay: The Consultant shall make payment to each worker for travel and subsistence payments which are needed to execute the work and/or service, as such travel and subsistence payments are defined in the applicable collective bargaining agreements with the worker.
- G. Liens: Consultant shall pay all sums of money that become due from any labor, services, materials or equipment furnished to Consultant on account of said services to be rendered or said materials to be furnished under this Contract and that may be secured by any lien against the Agency. Consultant shall fully discharge each such lien at the time performance of the obligation secured matures and becomes due.
- H. Conflict of Interest: No official of the Agency who is authorized in such capacity and on behalf of the Agency to negotiate, make, accept or approve, or to take part in negotiating, making, accepting or approving this Contract, or any subcontract relating to services or tasks to be performed pursuant to this Contract, shall become directly or indirectly personally interested in this Contract.
- I. Equal Opportunity and Unlawful Discrimination: During the performance of this Contract, the Consultant shall not unlawfully discriminate against any employee or employment applicant because of race, color, religion, sex, age, marital status, ancestry, physical or mental disability, sexual orientation, veteran status or national origin. The Agency is committed to creating and maintaining an environment free from harassment and discrimination. To accomplish these goals the Agency has established procedures regarding the implementation and enforcement of the Agency's Harassment Prohibition and Equal Employment Opportunity commitments. Please refer to Agency Policies A-29 (Equal Employment Opportunity) and A-30 Harassment Prohibition for detailed information or contact the Agency's Human

Resources Administrator. A copy of either of these Policies can be obtained by contacting the Project Manager for your respective Contract. Please advise any of your staff that believes they might have been harassed or discriminated against while on Agency property, to report said possible incident to either the Project Manager, or the Agency's Human Resources Administrator. Please be assured that any possible infraction shall be thoroughly investigated by the Agency.

J. Non-Conforming Work and Warranty: Consultant represents and warrants that the Work and Documentation shall be adequate to serve the purposes described in the Contract. For a period of not less than one (1) year after acceptance of the completed Work, Consultant shall, at no additional cost to Agency, correct any and all errors in and shortcomings of the Work or Documentation, regardless of whether any such errors or shortcoming is brought to the attention of Consultant by Agency, or any other person or entity. Consultant shall within three (3) calendar days, correct any error or shortcoming that renders the Work or Documentation dysfunctional or unusable and shall correct other errors within thirty (30) calendar days after Consultant's receipt of notice of the error. Upon request of Agency, Consultant shall correct any such error deemed important by Agency in its sole discretion to Agency's continued use of the Work or Documentation within seven (7) calendar days after Consultant's receipt of notice of the error. If the Project Manager rejects all or any part of the Work or Documentation as unacceptable and agreement to correct such Work or Documentation cannot be reached without modification to the Contract, Consultant shall notify the Project Manager, in writing, detailing the dispute and reason for the Consultant's position. Any dispute that cannot be resolved between the Project Manager and Consultant shall be resolved in accordance with the provisions of this Contract.

K. Disputes:

1. All disputes arising out of or in relation to this Contract shall be determined in accordance with this section. The Consultant shall pursue the work to completion in accordance with the instruction of the Agency's Project Manager notwithstanding the existence of dispute. By entering into this Contract, both parties are obligated, and hereby agree, to submit all disputes arising under or relating to the Contract, which remain unresolved after the exhaustion of the procedures provided herein, to independent arbitration. Except as otherwise provided herein, arbitration shall be conducted under California Code of Civil Procedure Sections 1280, et. seq, or their successor.
2. Any and all disputes during the pendency of the work shall be subject to resolution by the Agency Project Manager and the Consultant shall comply, pursuant to the Agency Project Manager instructions. If the Consultant is not satisfied with any such resolution by the Agency Project Manager, they may file a written protest with the Agency Project Manager within seven (7) calendar days after receiving written notice of the Agency's decision. Failure by

Consultant to file a written protest within seven (7) calendar days shall constitute waiver of protest, and acceptance of the Agency Project Manager's resolution. The Agency's Project Manager shall submit the Consultant's written protests to the General Manager, together with a copy of the Agency Project Manager's written decision, for his or her consideration within seven (7) calendar days after receipt of said protest(s). The General Manager shall make his or her determination with respect to each protest filed with the Agency Project Manager within ten (10) calendar days after receipt of said protest(s). If Consultant is not satisfied with any such resolution by the General Manager, they may file a written request for arbitration with the Project Manager within seven (7) calendar days after receiving written notice of the General Manager's decision.

3. In the event of arbitration, the parties hereto agree that there shall be a single neutral Arbitrator who shall be selected in the following manner:
  - a. The Demand for Arbitration shall include a list of five names of persons acceptable to the Consultant to be appointed as Arbitrator. The Agency shall determine if any of the names submitted by Consultant are acceptable and, if so, such person shall be designated as Arbitrator.
  - b. In the event that none of the names submitted by Consultant are acceptable to Agency, or if for any reason the Arbitrator selected in Step (a) is unable to serve, the Agency shall submit to Consultant a list of five names of persons acceptable to Agency for appointment as Arbitrator. The Consultant shall, in turn, have seven (7) calendar days in which to determine if one such person is acceptable.
  - c. If after Steps (a) and (b), the parties are unable to mutually agree upon a neutral Arbitrator, the matter of selection of an Arbitrator shall be submitted to the San Bernardino County Superior Court pursuant to Code of Civil Procedure Section 1281.6, or its successor. The costs of arbitration, including but not limited to reasonable attorneys' fees, shall be recoverable by the party prevailing in the arbitration. If this arbitration is appealed to a court pursuant to the procedure under California Code of Civil Procedure Section 1294, et. seq., or their successor, the costs of arbitration shall also include court costs associated with such appeals, including but not limited to reasonable attorneys' fees which shall be recoverable by the prevailing party.



4. **Joinder in Mediation/Arbitration:** The Agency may join the Consultant in mediation or arbitration commenced by a contractor on the Project pursuant to Public Contracts Code Sections 20104 et seq. Such joinder shall be initiated by written notice from the Agency's representative to the Consultant.
10. **INDEMNIFICATION:** Consultant shall indemnify the Agency, its directors, employees and assigns, and hold them harmless from all liabilities, demands, actions, claims, losses and expenses, including reasonable attorneys' fees, which arise out of or are related to the negligence, recklessness or willful misconduct of the Consultant, its directors, employees, agents and assigns, in the performance of work under this contract.
11. **OWNERSHIP OF MATERIALS AND DOCUMENTS/CONFIDENTIALITY:** The Agency retains ownership of any and all partial or complete reports, drawings, plans, notes, computations, lists, and/or other materials, documents, information, or data ("Work Product") prepared by the Consultant and/or the Consultant's subcontractor(s) pertaining to this Contract upon full payment of all monies owed to the Consultant. Said materials and documents are confidential and shall be available to the Agency from the moment of their preparation, and the Consultant shall deliver same to the Agency whenever requested to do so by the Project Manager and/or Agency. The Consultant agrees that same shall not be made available to any individual or organization, private or public, without the prior written consent of the Agency.
12. **TITLE AND RISK OF LOSS:**
- A. **Documentation:** Title to the Documentation shall pass to Agency when prepared; however, a copy may be retained by Consultant for its records and internal use. Consultant shall retain such Documentation in a controlled access file, and shall not reveal, display or disclose the contents of the Documentation to others without the prior written authorization of Agency or for the performance of Work related to the project.
- B. **Material:** Title to all Material, field or research equipment, and laboratory models, procured or fabricated under the Contract shall pass to Agency when procured or fabricated, and such title shall be free and clear of any and all encumbrances. Consultant shall have risk of loss of any Material or Agency-owned equipment of which it has custody.
- C. **Disposition:** Consultant shall dispose of items to which Agency has title as directed in writing by the Agreement Administrator and/or Agency.

13. PROPRIETARY RIGHTS:

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

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

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

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

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

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

Consultant shall indemnify and hold harmless Agency, its officers, directors, employees, successors, assigns, and servants free and harmless from any and all liability, damages, losses, claims, demands, actions, causes of action, and costs including reasonable attorney's fees and expenses arising out of any claim that use of the Work or Documentation infringes upon any trade secret, trade mark, trade name, copyright, patent, or other Proprietary Rights.

Consultant shall, at its expense and at Agency's option, refund any amount paid by Agency under the Contract, or exert its reasonable efforts to procure for Agency the right to use the Work and Documentation, to replace or modify the Work and Documentation as approved by Agency so as to obviate any such claim of infringement.

17. **NOTICES:** Any notice may be served upon either party by delivering it in person, or by depositing it in a United States Mail deposit box with the postage thereon fully prepaid, and addressed to the party at the address set forth below:

Agency: Mr. Warren T. Green  
Manager of Contracts  
Inland Empire Utilities Agency, a Municipal Water District  
P.O. Box 9020  
Chino Hills, California 91709

Consultant: Mr. Terry Zinger  
President  
Golden State Labor Compliance, LLC  
38733 9<sup>th</sup> Street East, Suite "W"  
Palmdale, CA 93550

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

18. **SUCCESSORS AND ASSIGNS:** All of the terms, conditions and provisions of this Contract shall inure to the benefit of and be binding upon the Agency, the Consultant, and their respective successors and assigns. Notwithstanding the foregoing, no assignment of the duties or benefits of the Consultant under this Contract may be assigned, transferred or otherwise disposed of without the prior written consent of the Agency; and any such purported or attempted assignment, transfer or disposal without the prior written consent of the Agency shall be null, void and of no legal effect whatsoever.
19. **PUBLIC RECORDS POLICY:** Information made available to the Agency may be subject to the California Public Records Act (Government Code Section 6250 et seq.) The Agency's use and disclosure of its records are governed by this Act. The Agency shall use its best efforts to notify Consultant of any requests for disclosure of any documents pertaining to Consultant. In the event of litigation concerning disclosure of information Consultant considers exempt from disclosure; (e.g., Trade Secret, Confidential, or Proprietary) Agency shall act as a stakeholder only, holding the information until otherwise ordered by a court or other legal process. If Agency is required to defend an action arising out of a Public Records Act request for any of the information Consultant has marked "Confidential," "Proprietary," or "Trade Secret," Consultant shall defend and indemnify Agency from all liability, damages,

costs, and expenses, including attorneys' fees, in any action or proceeding arising under the Public Records Act.

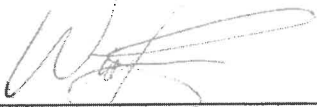
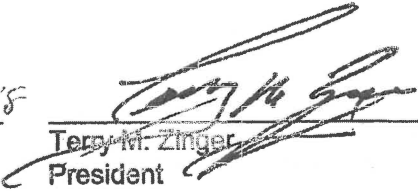
20. RIGHT TO AUDIT: The Agency reserves the right to review and/or audit all Consultant's records related to the Work. The option to review and/or audit may be exercised during the term of the Contract, upon termination, upon completion of the Contract, or at any time thereafter up to twelve (12) months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

(Signature page immediately follows)

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

**INLAND EMPIRE UTILITIES AGENCY:**  
**(a Municipal Water District)**

**GOLDEN STATE LABOR COMPLIANCE, LLC:**

	<u>1-31-2018</u>		<u>1/30/18</u>
Warren T. Green	(Date)	Terry M. Zinger	(Date)
Manager of Contracts and Procurement		President	

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# Appendix 1

## *Request for Proposal*

**Cost Center: 162100**

**Project Title: Labor Compliance Program**

**Project Contact: Robert Wallin**

**Date Sent: December 06, 2017**

**Contact Number: (909) 993-1491**

**Contact Email: [rwallin@ieua.org](mailto:rwallin@ieua.org)**

**Task/Direction:** Labor Compliance Program Task Order Request for Proposal to Golden State Labor Compliance Master Services Contract 4600001503 – Labor Compliance Services

### **SCOPE OF WORK AND SERVICES:**

Assist the Inland Empire Utilities Agency (IEUA) in obtaining approval for a Labor Compliance Program (LCP) that meets the requirements of Public Resources Code section 75075 and Labor Code section 1771.5.

The labor compliance consultant shall assist IEUA in establishing and obtaining approval for a LCP by the Director of Industrial Relations. This process will include, but is not limited to, the following:

- Filling out all forms related to the application for approval of a LCP;
  - Preparing an enforcement manual that covers the responsibilities of the LCP and all of the necessary monitoring and enforcement procedures and forms that will be utilized in carrying out the LCP;
  - Keeping the manual up to date as labor laws change for the life of IEUA's proposition 84 grants or any other grants or loans that require the use of a LCP.
  - Grant IEUA permission to adopt the manual;
  - Implement the Labor Compliance Program;
  - Operate the program on IEUA's behalf including assisting IEUA with complying with prevailing wage monitoring and enforcement activities that are required to be conducted by labor compliance programs by the Department of Industrial Relations in regards to IEUA's Proposition 84 grants; and,
  - Submit the required annual report to DIR by August 31st of each year.
- 
- ❖ *Consultant proposal shall include a detailed cost breakdown.*
  - ❖ *Task or direction may change at any time, but must be coordinated via discussion, email, or other form of communication between Consultant and Project Manager.*
  - ❖ *If the Consultant anticipates additional hours to those estimated/allocated by the Project Manager, the Consultant shall notify the Project Manager prior to performing work beyond the task order estimated hours.*
  - ❖ *Consultant will be provided with the IEUA invoicing template (Excel) for monthly billing and tracking, as appropriate.*
  - ❖ *IEUA Master Services Contract 4600001503 will be utilized for contracting the Consultant for this project.*

Should you require anything further, I am glad to be of your service.

Sincerely,

Inland Empire Utilities Agency, A Municipal Water District

Robert Wallin, Agent  
Contracts Administrator II

# Appendix 2





January 4, 2018

Robert Wallin  
Contracts Administrator II  
Inland Empire Utilities Agency  
6075 Kimball Avenue, Building "A"  
Chino, CA 91710

Re: Proposal for Labor Compliance Consultant Services – Development,  
Approval and Maintenance of a DIR Approved Labor Compliance Program for IEUA

Dear Robert:

Golden State Labor Compliance is pleased to provide you and IEUA this proposal to provide services necessary to the development, DIR approval and maintenance of a Labor Compliance Program (LCP) that meets the requirements of Public Resources Code section 75075 and Labor Code section 1771.5, in the name of Inland Empire Utilities Agency, as further detailed below, as well as for administration of that LCP indefinitely;

**A. Scope of Services:**

The scope of GSLC services attendant to this proposal shall include, but is not necessarily limited to:

1. Assembling necessary information from IEUA or other parties necessary to completing an application for approval of an LCP.
2. Filling out all forms related to the application for approval of a LCP;
3. Preparing an enforcement manual that covers the responsibilities of the LCP and all of the necessary monitoring and enforcement procedures and forms that will be utilized in carrying out the LCP;
4. Submitting, tracking and coordinating all documents submitted to DIR for approval of the LCP, to include providing active liaison with DIR throughout the process, up to the point of approval of the LCP by DIR.
5. Upon preliminary notice, by DIR, that the application and enforcement manual are approvable, GSLC will so notify and assist IEUA in the preparation of a Board Resolution adopting the LCP, as documented by the application and enforcement manual. Upon such adoption, GSLC will obtain a copy of the approved resolution and Board minutes and shall submit copies to DIR for final approval and processing of the LCP.
6. When the LCP is approved, GSLC will provide a conference call briefing for interested IEUA personnel, to review the duties and obligations of an approved agency LCP, and how those duties and responsibilities are apportioned between the Agency and its professional administrator.

7. Submit the required annual report to DIR by August 31st of each year.
8. For as long as GSLC is Administrator for the approved LCP, GSLC shall keep the manual up to date as labor laws change for the life of IEUA's proposition 84 grants or any other grants or loans that require the use of a LCP.
9. Implement and administrate the Labor Compliance Program on IEUA's behalf including assisting IEUA with complying with prevailing wage monitoring and enforcement activities that are required to be conducted by labor compliance programs by the Department of Industrial Relations in regards to IEUA's Proposition 84 grants; and,

**B. Compensation:**

1. For satisfactory completion of Items "A.1" through "A.6", above;

A Stipulated, Lump Sum Fee, which includes all costs of any kind other than travel beyond a 100 mile radius of IEUA's offices, of;

**Two Thousand Five Hundred Dollars (\$ 2,500.00)**

2. For satisfactory completion of LCP maintenance and reporting requirements, as outlined in Items "A.7 and A8;

A Stipulated, Lump Sum Fee of \$750 per year, which includes all costs of any kind other than travel beyond a 100 mile radius of IEUA's offices, This fee is billable at such time as the annual report is submitted. Any updates of IEUA's Labor Compliance Manual shall be submitted to IEUA along with the annual report so long as changes are minor. In the event that significant changes in state law or regulation occur that affect LCPs, an updated copy of the LCP shall be provided immediately after appropriate changes are made in order to facilitate adoption by the Board.

3. For satisfactory completion of LCP administration, as generally described in Item A.9 and as further listed within Attachment A to this proposal;

- a. For Pipeline & Minor Processing Systems Projects (no buildings or treatment facilities):

The "IEUA" Fee Schedule developed between GSLC and IEUA many years ago, providing for:

Per Project:

• Project Initiation Fee	\$3,000	One time fee
• File Set-up and Contractor Orientation	\$ 155 per contractor and/or subcontractor of any tier.	One time fee
Program Administration	\$ 250 per contractor or subcontractor of any tier.	Per month of project duration

Note: estimated contractor/sub count and project duration are based on IEUA's estimate at the time of proposal preparation. Actual counts or durations may vary. In that event, that project's fee will be adjusted at the rates listed above.

**B.3.**

**b. For large projects involving structures and/or treatment facilities:**

<b>Construction Cost</b>	<b>Fee Rate</b>	<b>Standard Fees</b>	<b>45% Discount</b>	<b>Net Fee</b>	<b>Net Cumulative Fee</b>
First \$1 million or any portion thereof	Lump sum	\$16,000	(\$7,200)	\$8,800	\$8,800
Next \$1 million or portion thereof	0.016	\$16,000	(\$7,200)	\$8,800	\$17,600
Next \$1 million or portion thereof	0.25%	\$2,500	(\$1,125)	\$1,375	\$18,975
Next \$1 million or portion thereof	0.15%	\$1,500	(\$675)	\$825	\$19,800
Next \$2 million or portion thereof	0.32%	\$6,400	(\$2,880)	\$3,520	\$23,320
Next \$2 million or portion thereof	0.31%	\$6,200	(\$2,790)	\$3,410	\$26,730
Next \$5 million or portion thereof	0.46%	\$23,000	(\$10,350)	\$12,650	\$39,380
Next \$5 million or portion thereof	0.44%	\$22,000	(\$9,900)	\$12,100	\$51,480
Next \$30 million or portion thereof	0.42%	\$126,000	(\$56,700)	\$69,300	\$120,780
Balance over \$48 Million	0.40%	as applies	as applies	as applies	as applies

\* Not less than \$16,000 fee Less Agreed Discount

We appreciate the continued confidence of IEUA. Please contact me or Vic if additional information is required or if you wish to discuss any aspect of our proposal.

I am reachable at either my home office at 661-270-1379 or at our Palmdale offices at 661-267-0940.

Very truly yours,



Terry M. Zinger  
President  
Golden State Labor Compliance  
PH (661) 267-0940  
FAX (661) 267-0981  
Cell (818) 254-7201  
tzinger@goldenstatelc.com

## EXHIBIT A

### BASIC AND ADDITIONAL SERVICES LABOR COMPLIANCE SUPPORT PROJECTS SUBJECT TO STATE OR FEDERAL COMPLIANCE REQUIREMENTS

NOTE: THE FOLLOWING SCOPE OF SERVICES IS INTENDED TO CHARACTERIZE ALL OF THE ACTIVITIES AND DUTIES THAT MAY BE REQUIRED ON ANY GIVEN PROJECT. SOME PROJECTS, ESPECIALLY THOSE THAT ARE TAKEN UNDER ADMINISTRATION AFTER THE START OF CONSTRUCTION OPERATIONS MAY NOT REQUIRE ALL OF THE ACTIVITIES LISTED HEREIN. WHERE IT IS FEASIBLE TO UNDERTAKE ANY TASK OR DUTY SET FORTH BELOW, THAT TASK OF DUTY WILL BE UNDERTAKEN.

#### I. BASIC SERVICES

##### A. State and/or federal Program Start-up Services (Occurs once, at the initiation of services to each Client)

GSLC shall:

1. Conduct an initial briefing and workshop for and with Client's then employed by the Client who are or may be regularly engaged, on behalf of the Client, in the control, administration or management of new construction or modernization activities that are subject to potential funding which would require labor compliance enforcement. Presentation and discussion will include, but is not necessarily limited to:

- Public works subject to Prevailing Wage Laws.
- Types of contracts to which Prevailing Wage Requirements apply.
- Limited exemptions from requirement to pay Prevailing Wage.
- Applicable dates for enforcement of Labor Commissioner requirements, where applicable.
- Overview of DIR's current program and requirements, where applicable.
- Duties and responsibilities of the Client, the Labor Compliance Consultant, the Labor Commissioner, Program/Project/Construction Managers, general contractors, prime trade contractors and subcontractors.
- Enforcement, withholding and forfeiture. Rights and procedures.
- Investigative rights and responsibilities.
- Forms and procedures specific to the projects anticipated to be undertaken by Client and, in general, GSLC's procedural requirements.

2. Provide, to all parties attending the briefing/workshop identified in Item B.1, above, a permanent reference package covering all subjects discussed at the briefing/workshop.
3. Review and modify, as required, Client's Project Advertisement, Invitation to Bid, Bid Documents and Contract Documents to ensure inclusion of required language and legal references, pursuant to the Labor Code and associated regulations.
4. Assist the District in registering on-line, for a DIR account. This is required for any client agency undertaking public works projects, regardless of funding source.

"Project" is defined as being any body of construction services intended to be advertised, bid, awarded and constructed pursuant to a single bid process. Where a single bid process incorporates more than one physical location where the work at each location constitutes separate funding or budget accountability, the work at each location may, in some cases, constitute a separate project. In the case of Multiple-Prime

project delivery, a "Project" means a single advertised set of bids or, in the case of a split bid process, not more than two sets of bids for the same project location.

#### **B. Pre-Bid Activities**

1. Where State of California prevailing wage and apprenticeship requirements apply, make a finding as to the applicable generation of Wage Determinations for each Project and provide appropriate language for notification of bidders, in satisfaction of the Client's responsibilities pursuant to Labor Code § 1773.2.
2. Provide two (2) copies (1 for the field office, 1 for PCN Main Office) of California Prevailing Wage Determinations and Important Notices applicable to the specific Project, based on the date of first advertising for bids or equivalent.
3. Where federal Davis-Bacon requirements apply to a project, GSLC shall, in addition to or instead of state requirements, as applicable, make a finding as to the applicable generation of federal Wage Determinations for each Project.
4. Receive from the Client, record and retain a copy of the first advertisement for bids for the Project.
5. Provide the Client (or its authorized representative) with a copy of all forms required for post-bid document collection from the bidders (DAS-140, Contractor's Acknowledgement, DAS-142 and CAC-2).
6. In the event that the Client conducts a Pre-bid Conference for the Project, provide, if requested by Client, a brief familiarization for prospective bidders, covering current DIR requirements and the resources being made available by the Client, through GSLC, for guidance and support of contractors of all tiers in complying with program and DIR requirements.

#### **C. Post-Bid / Pre-NTP Activities**

1. For each Project undertaken by the Client, GSLC shall:
  - 1.1 Gather necessary project information and, on behalf of Client, complete and, where PCN3 is required to do so on behalf of its client, upload Form PWC 100 for each project, in compliance with Labor Code sec. 1773.3 and 8 Cal. Code Reg. sec. 16451(a).
  - 1.2 On behalf of Client, upload all required project-specific data to the DIR website, to include authorized Client users for that project, list of trade classifications applicable to the prime contract (block 23), listing of sub-contractors, license numbers and associated trade classifications for each subcontractor.
  - 1.3 If required by DIR, obtain and, on behalf of Client, upload copies of required project documentation, such as copies of bid advertisement, prime contract, subcontractor listing, and any other documentation requested by the CMU.
  - 1.4 Provide PCN3 with appropriate, laminated jobsite posting materials, as required by state and, if applicable, federal law.
  - 1.5 Conduct, as part of a Pre-Construction Conference with the prime contractor(s) and listed subcontractors having been awarded contracts, a briefing with questions and answers, covering all required aspects of labor compliance, prevailing wage and apprenticeship requirements as they will apply to the Project.
  - 1.6 Provide each contractor and subcontractor, in the course of the Pre-Construction Conference, all forms required for post-bid document submissions by the bidders (DAS-140, DAS-142 and CAC-2).
  - 1.7 In the course of the Pre-Construction Conference, Distribute Pre-Construction Checklist of Labor

Law and Requirements to all prime contractor(s) and listed subcontractors having been awarded contracts, requiring that each sign and submit the checklist, acknowledging receipt and understanding of materials describing those requirements and their obligations under Labor Law. Collect and secure, within the permanent Project files, all signed checklists.

- 1.8 Receive and record required company data on all prime contractor(s) and listed subcontractors having been awarded contracts.
  - 1.9 Support, advise and assist, as necessary, prime contractor(s), subcontractors and sub-subcontractors of every tier, in familiarizing themselves with the DIR on-line CPR upload system, registering themselves on the DIR storage system for each project and uploading required company and user data as well as any required documents. Key data for upload will be information equivalent to the "Fringe Benefit Statement".
  - 1.10 Follow up with PCN3 to confirm that they have registered and uploaded required information to the DIR on-line system and assist them in any manner necessary to facilitate a timely completion of this process.
  - 1.11 Follow up with PCN3 and with all subcontractors to ensure that they have registered with the CMU on-line system and uploaded all required information and that they, in turn, have followed up with their sub-subcontractors in the same regard.
  - 1.12 Verify contractor licensure status of each contractor or subcontractor listed or identified as intending to work on the project. When requested by Client, confirm each prime and listed subcontractor's registration status with DIR, allowing them to bid and be awarded public works contracts.
  - 1.13 Verify that each contractor or subcontractor listed or identified as intending to work on the project is listed by the State Contractors License Board as having Worker's Compensation Insurance.
  - 1.14 Verify that each contractor or subcontractor listed or identified as intending to work on the project is listed as having registered with DIR for work on public works projects.
2. For each Project undertaken by the Client that is subject to specific federal requirements, to include DBRA, GSLC shall, in addition to any duties set forth elsewhere within this Agreement:
    - 2.1 Verify federal apprenticeship registration of all workers listed as an apprentice on the project.
    - 2.2 Include, as part of any Pre-Construction Conference held with the prime contractor(s) and listed subcontractors having been awarded contracts, a briefing on any legal or procedural requirements or any forms peculiar to federal compliance requirements.
    - 2.3 Provide consultation and support to contractor(s), subcontractors and sub-subcontractors of every tier who encounter difficulties or alleged deficiencies in complying with DBRA requirements in order to facilitate understanding of their requirements and a resolution of any alleged violations.
    - 2.4 Address all Awarding Agency (Client's) duties and responsibilities in regard to interfacing with governing federal agencies, to include the Department of Labor.

#### **D. Post-NTP Services**

1. Receive and record Weekly Superintendent's Reports.
2. Receive, from the Client or its contractors, on a monthly basis, Certified Payroll Reports (CPRs) for all contractors or subcontractors of every tier who are required to submit such reports. Verify receipt of all required CPRs and report clearance for progress payment to all contractors or subcontractors who's CPRs comply with basic submittal requirements.
3. Issue and track "Requests for Certified Payroll Records" (GS Form 06) for any contractors or subcontractors for which complete CPRs were required but have not been received or have been found to be incomplete.
4. Notify the Client and its Project Manager if the deficiency involves a subcontractor, any contractor or subcontractor who fails to properly render or correct any missing or incomplete CPRs following a request by the LCP. Such failure is grounds for withholding contract payments until resolution of the deficiency is achieved.
5. Review all CPRs submitted for payment of the proper prevailing per-diem wage rate for the listed classification, to include payment of the proper prevailing per-diem wage rate for overtime and/or holidays.
6. Conduct regular, random audits of Certified Payroll Reports for proper worker classification as well as proper classification and use of registered apprentices.
7. Facilitate confirmation, on a weekly basis, that proper jobsite postings and applicable wage determinations are available at the jobsite.
8. Conduct regular, random field inspections (not less than one per month), at the jobsite, for the purpose of:
  - (a) Confirming proper jobsite postings and availability of wage determinations, as required by the LCP.
  - (b) Conducting random interviews of workers on the jobsite to confirm Labor Law compliance and worker awareness of their rights under such law.
  - (c) Consulting with the jobsite Superintendent regarding any questions, issues or concerns within the scope of the LCP.
9. Support, advise and assist, as necessary, prime contractor(s), subcontractors and sub-subcontractors of every tier, in electronically submitting Certified Payroll Reports through the DIR on-line system.
10. Provide consultation and support to contractor(s), subcontractors and sub-subcontractors of every tier who encounter difficulties or alleged deficiencies in making on-line submittals or who have difficulty understanding DIR responses or direction.

#### **E. On an As-Needed Basis:**

1. GSLC will take cognizance of any apparent violation of Labor Law that is within the purview of the Labor Compliance Program and will fully investigate and seek resolution of any apparent violations through administrative procedures. Any reported violation or substantive complaint received will always be treated as a potential violation.
2. Upon taking cognizance of an apparent violation, GSLC, to the degree necessary to resolve the issue, will:

**Attachment A**  
**Labor Compliance Services**  
**Federal or State**

- 2.1 Assign a case number and a qualified investigator to investigate the circumstances, extent and apparent cause of any apparent violation.
- 2.2 Request and collect additional Payroll Records, as required, to establish the circumstances, extent and apparent cause of any apparent violation.
- 2.3 Audit all Payroll Records pertinent to the case to establish the facts pertaining to an apparent violation.
- 2.4 Request, from all pertinent parties, copies of all records that would support the filing of a request for forfeiture with the Labor Commissioner.
- 2.5 Notify the subcontractor who may have committed a violation of the LCP's initial findings, offering the opportunity to explain any apparent discrepancies and to provide additional records in support of its position.
- 2.6 Notice and conduct an informal interview with the subcontractor who may have committed a violation for the purpose of reviewing evidence and allowing the contractor or subcontractor the opportunity to prove that a violation has not taken place or was inadvertent.
- 2.7 Provide notice to the Client of all investigations initiated and all informal conferences scheduled to be conducted.
- 2.8 In the event that the investigation and informal conference procedures fail to resolve an apparent violation, prepare, for submission, an appropriate case file and application for PCN3's review. Preparation of the case file will include calculation of the apparent amount of underpayment and penalty applicable to the violation.
- 2.9 Counsel PCN3 concerning actions that may be taken by PCN3 to attempt to achieve restitution by the offending subcontractor and, by doing so, mitigate liability on the Part of PCN3 for the sub's violation(s).
- 2.10 In the event that a subcontractor violation results in an investigation or enforcement action by the Labor Commissioner, provide liaison between PCN3 and the Labor Commissioner in order to foster a cooperative effort to resolve the issue without cost or penalty against PCN3.
- 2.11 Preparation of all documentation, testimony and evidence necessary to satisfy the Client's obligations in the course of any hearing(s) before the Labor Commissioner in order to achieve administrative adjudication of violations not resolved through informal procedures. Attend such hearings and present testimony in support of the case against the offending contractor, including any and all travel or expenses attendant to such preparation and testimony.

#### **F. Other Basic Services**

GSLC will:

1. Provide general administration and management of the Labor Compliance Program
2. Provide unlimited phone consultation or, if scheduled to be on-site for other purposes, in-person consultation with the Client on any matters pertaining to the LCP.
3. Provide secure storage of all received payroll records for a Project throughout the course of that Project and for three calendar years from completion of the Project.



## **G. Special Basic Services**

1. Where such services are specifically included within any Authorization to Provide Project Services, GSLC shall administer and provide all required reporting for:
2. Compliance tracking and required reporting for federal Davis-Bacon prevailing wage and apprenticeship requirements attendant to the specific federal funding source for a project.
3. Compliance tracking and required reporting for federal Equal Opportunity requirements attendant to the specific federal funding source for a project.
4. Compliance tracking and required reporting for local business participation in Client programs and projects.
5. Compliance tracking and required reporting for any other specific requirement attendant to a specific federal funding source for a project.

## **H. Special Basic Services**

The following additional services will be provided only upon written authorization of the Client. Compensation for Additional Services shall be at the hourly rates identified in Attachment B.

A. Any services or costs not reasonably involved in the initiation, enforcement, administration or defense of labor compliance activities.

1. On projects subject to State jurisdiction:

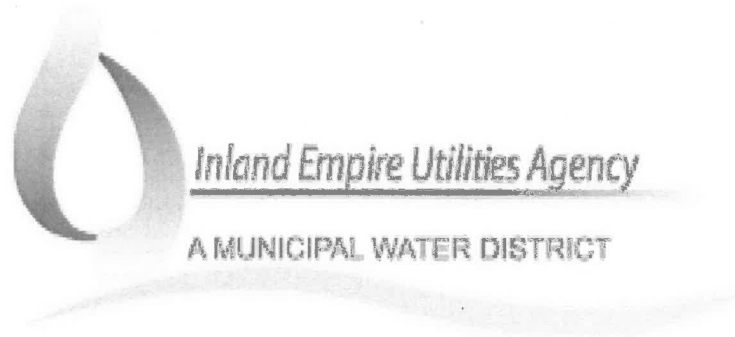
- 1.1 Receive, review and record copies of jobsite daily sign-in logs in order to determine that all contractors or subcontractors of every tier are accounted for within labor compliance activities.
- 1.4 Provide assistance to contractors or subcontractors who inadvertently lock themselves out of the DIR on-line system to reestablish access.
- 1.5 Respond to all records requests received by the Client within statutory time limits and in a manner that promotes positive relations with requestors. Review all records requests, prior to responding, to ensure that the request is legal and proper. In the event that a request is improper, coordinate with the requestor to modify the request so as to be consistent with law, regulation and accepted practice.
- 1.6 In the event that a request for partially redacted Certified Payroll Reports is received, by the Client from a joint labor management committee, GSLC will accomplish the partial redaction (the DIR on-line system does not have the capability to produce partially redacted payroll records).
- 1.7 In the event that the Client receives a written complaint or allegation of violation(s) on a project, GSLC shall make an initial evaluation as to appropriate action on the part of the Client and, on behalf of Client, take such action as is appropriate and necessary.

## **I. Additional Services**

The following additional services will be provided only upon written authorization of the Client. Compensation for Additional Services shall be at the hourly rates identified in Attachment B.

1. Any service or activity that is not reasonably required by or associated with the administration of labor compliance activities.

# Inland Empire Utilities Agency



## Labor Compliance Program

# Program, Policies, and Procedures

Inland Empire Utilities Agency  
6075 Kimball Avenue, Chino, CA 91708  
Phone: (909) 993-1600 Fax: (909) 993-1985

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## I. INTRODUCTION

- A. Inland Empire Utilities Agency (IEUA) issues this Labor Compliance Program (LCP) manual for the purpose of identifying its policy relative to the responsibilities and procedures applicable to the labor compliance provisions of State and Federally-funded construction contracts.
- B. California Labor Code Section 1770 et seq. and various other statutes require that building trade contractors on public works projects pay their workers based upon prevailing wage rates established and issued by the Department of Industrial Relations (DIR), Office of Policy Research and Legislation (OPRL).
- C. In establishing this LCP, Inland Empire Utilities Agency adheres to the statutory requirements as outlined in Section 1771.5(b) of the Labor Code and the provisions contained in California Code of Regulations Section 16000 et seq.
- D. It is the intent of Inland Empire Utilities Agency to actively enforce this LCP on all projects required by statute to enforce or contract to enforce a LCP that contains or meets the requirements of Labor Code Section 1771.5. Should any applicable Labor Code or Code of Regulations undergo revision or deletion, Inland Empire Utilities Agency will modify that portion of the program to comply with the modified or deleted sections.
- E. Questions regarding Inland Empire Utilities Agency LCP Program should be directed to:

**Jason Gu- IEUA Grants Manager**  
**Inland Empire Utilities Agency**  
**6075 Kimball Avenue, Chino, CA 91708**  
**Phone: (909) 993-1600 Fax:(909) 993-1985**

## II. PUBLIC WORKS SUBJECT TO PREVAILING WAGE LAWS

- A. State prevailing wage rates apply to all public works contracts valued over \$1,000, as set forth in Labor Code Section 1771 et seq., including, but not limited to, such types of work as construction, alteration, demolition, installation or repair, work, as set forth in Labor Code Sections 1720 et seq. The Director of Industrial Relations determines, from time to time, the appropriate prevailing wage rates for particular construction trades and crafts by county and publishes those determinations through the Office of Policy Research and Legislation (OPRL).
- B. **Types of Contracts to Which Prevailing Wage Requirements Apply**  

Whenever an Awarding Agency is required by statute to enforce or contract to enforce a Labor Compliance Program that contains or meets the requirements of Labor Code Section 1771.5, the Awarding Agency must have its own program that has been approved by the Director pursuant to Code of Regulations Section 16425.
- C. A list of statutes that require Awarding Agencies to have a Labor Compliance Program as a condition of project authorization, project funding, or use of specified contracting authority shall be maintained on the Department of Industrial Relations' website.

## III. COMPETITIVE BIDDING ON PUBLIC WORKS CONTRACTS

Awarding Bodies publicly advertise upcoming public works projects to be awarded according to a competitive bidding process. All bid advertisements or bid invitations and all construction contracts shall contain appropriate language concerning the requirements of the Public Works chapter of the Labor Code, comprised of Labor Code Sections 1720- 1861.

#### **IV. COMPOSITION, COMPONENTS AND RESPONSIBILITIES OF LABOR COMPLIANCE PROGRAM**

- A. In accordance with the California Labor Code and California Code of Regulations, a Labor Compliance Program shall include, but not be limited to, the following requirements:
- (1) The Call for Bids, Design-Build Request, and the contract or purchase order shall contain appropriate language concerning the requirements of Chapter 1 of Part 7 of Division 2 of the Labor Code.
  - (2) A pre-job conference shall be conducted before commencement of the work with contractors and subcontractors listed in the bid or who are required to be identified or prequalified in a Design-Build Contract. At the pre-job conference applicable federal and state labor law requirements shall be discussed, and copies of suggested reporting forms furnished. A checklist, showing which federal and state labor law requirements were discussed, shall be kept for each conference. A checklist in the format of Appendix A presumptively meets this requirement.
  - (3) A requirement that certified payroll records be kept by the contractor in accordance with Labor Code Section 1776 and furnished to the Labor Compliance Program at times designated in the contract, which shall be at least monthly, or within 10 days of any request by the Awarding Body. Use of the current version of DIR's "Public Works Payroll Reporting Form" (A-1-131) and Statement of Employer Payments (PW26) constitute presumptive compliance with the requirement for certified payroll records kept in accordance with Labor Code Section 1776, provided the forms are filled out accurately and completely. These suggested forms are available from the Department of Industrial Relations.
  - (4) A program for orderly review of payroll records and, if necessary, for audits to verify compliance with the requirements of Chapter 1 of Part 7 of Division 2 of the Labor Code.
  - (5) A prescribed routine for withholding penalties, forfeitures, and underpayment of wages for violations of the requirements of Chapter 1 of Part 7 of Division 2 of the Labor Code.
  - (6) All contracts to which prevailing wage requirements apply shall include a provision that contract payments shall not be made when payroll records are delinquent or inadequate.
  - (7) The Labor Compliance Program shall review and, if appropriate, audit payroll records to verify compliance with the requirements of Chapter 1 of Part 7 of Division 2 of the Labor Code.
  - (8) The awarding body shall, with the approval of the Labor Commissioner, withhold contract payments equal to the amount of underpayment and applicable penalties when, after investigation, it is established that underpayment has occurred.
  - (9) The awarding body shall comply with any other prevailing wage monitoring and enforcement activities that are required to be conducted by labor compliance programs by the Department of Industrial Relations.

#### **B. Duty of the Awarding Agency**

The Awarding Agency, pursuant to its approved LCP, has a duty to the Director of the Department of Industrial Relations to ensure compliance of contractors and enforce the Public Works Chapter of the Labor Code and Title 8 of the Code of Regulations in a manner consistent with the practice of the Labor Commissioner. The LCPR for the Awarding Agency will maintain records relating to activities and relevant facts that pertain to each project that demonstrates that reasonable and sufficient efforts have been made to enforce prevailing wage requirements.

- C. Nothing in this section shall be construed as limiting the responsibility and authority of an Awarding Body to take cognizance of prevailing wage violations under Section 1726 of the Labor Code and take any appropriate action pursuant to and in accordance with that responsibility and authority.
- D. It is the responsibility of a Labor Compliance Program to enforce prevailing wage requirements, consistent with the policy of the state as expressed in Labor Code Section 90.5(a). A Labor Compliance Program shall take reasonable, vigorous, and prompt action to (1) determine whether violations exist, and (2) enforce compliance, including through imposition of appropriate penalties and formal enforcement action, when violations are found. A Labor Compliance Program shall neither avoid use of its enforcement authority based on cost considerations nor shall it use that authority in an unreasonable manner to gain leverage over a contractor or subcontractor. Unreasonable use of enforcement authority includes, but is not necessarily limited to, prolonged or excessive withholdings of contract payments without making a determination that a violation has occurred.

- E. For each public work project subject to a Labor Compliance Program's enforcement of prevailing wage requirements, a separate, written summary of labor compliance activities and relevant facts pertaining to that particular project shall be maintained. That summary shall demonstrate that reasonable and sufficient efforts have been made to enforce prevailing wage requirements consistent with the practice of the Labor Commissioner. Appendix C following this section provides a suggested format for tracking and monitoring enforcement activities. Compliance records for a project shall be retained until the later of (1) at least one year after the acceptance of the public work or five years after the cessation of all labor on a public work that has not been accepted, or (2) one year after a final decision or judgment in any litigation under Labor Code Section 1742. For purposes of this section, a written summary or report includes information maintained electronically, provided that the summary or report can be printed out in hard copy form or is in an electronic format that (1) can be transmitted by e-mail or compact disk and (2) would be acceptable for the filing of documents in a federal or state court of record within this state.
- F. The Labor Commissioner may provide, sponsor, or endorse training on how to enforce prevailing wage requirements, including but not necessarily limited to the subjects of (1) ascertaining prevailing wage requirements and rates from the Division of Labor Statistics and Research, (2) monitoring and investigation under section 16432 above, (3) enforcement responsibilities under this section and sections 16435-16439 below, and (4) procedural requirements and responsibilities as an enforcing agency under Labor Code sections 1741-1743 and 1771.6 and sections 17201-17270 of Title 8 of the California Code of Regulations.
- G. The failure of an Awarding Body or Labor Compliance Program to comply with any requirement imposed by this subchapter shall not of itself constitute a defense to the failure to pay prevailing wages or to comply with any other obligation imposed by Chapter 1 (commencing with Section 1720), Part 7, Division 2 of the Labor Code.
- H. **Filing of Statements of Economic Interest (FPPC Form 700) by Designated Employees and Consultants of Labor Compliance Program.**
- (1) An Awarding Body that operates either its own labor compliance program or that contracts with a third party to operate all or part of its labor compliance program shall determine and designate those employees and consultants of the program who participate in making governmental decisions for the Awarding Body within the meaning of Title 2, California Code of Regulations, sections 18700 - 18702.4. Those designated employees and consultants shall be required to file Statements of Economic Interest (FPPC Form 700) and to comply with other applicable requirements of the Political Reform Act (commencing with Section 87100 of the Government Code) in connection with work performed on behalf of the Awarding Body.
  - (2) Designated employees and consultants who operate or are employed by a third party labor compliance program shall file their Statements of Economic Interest (FPPC Form 700) with the filing officer of each Awarding Body with which the third party program contracts, unless the Department of Industrial Relations or the Fair Political Practices Commission specifies a different or alternative filing location.
- I. **Annual Report**
- (1) The Labor Compliance Program shall submit to the Director an annual report on its operation by no later than August 31 of each year. The annual report shall cover the twelve month period commencing on July 1 of the preceding calendar year and ending on June 30 of the year in which the report is due. For good cause, the Director may authorize a Labor Compliance Program to use a different reporting period and provide for the annual report to be due no later than 60 days following the close of that reporting period.
  - (2) The annual report shall be made on the appropriate form [LCP-AR1, LCP-AR2, or LCP-AR3], for the type of Labor Compliance Program that is submitting the report, unless the Director has agreed to a different reporting format for a Program that has been granted extended authority under section 16427 above. A third party Labor Compliance Program that contracted with more than one Awarding Body or Joint Powers

Authority during the annual reporting period shall separately report on Labor Code Section 1771.5(b) enforcement activities for each Awarding Body or Joint Powers Authority covered by the report.

- (3) Information in the Annual Report shall be reported in sufficient detail to afford a basis for evaluating the scope and level of enforcement activity of the Labor Compliance Program. An annual report shall also include such additional information as the Labor Compliance Program may be required to report as a condition of its approval.

## V. JOB CONFERENCE MEETING

### A. Agenda

A Pre-Job conference meeting shall be held prior to the start of construction with all contractors and subcontractors. At that meeting, the Labor Compliance Program Representative (LCPR) will discuss applicable State and Federal labor law requirements applicable to the contract and will provide the contractor and each attending subcontractor with a Checklist of Labor Law Requirements which addresses:

- (1) The contractor's and subcontractors' duty to pay prevailing wages under Labor Code Section 1770, et seq., should the project exceed the exemption amounts;
  - (2) The contractors and subcontractor's duty to employ registered apprentices on public works projects under Labor Code Section 1777.5;
  - (3) The penalties for failure to pay prevailing wages for nonexempt projects, failing to employ apprentices, and failing to submit Certified Payroll reports which include forfeitures and debarment (Labor Code Sections 1775, 1776, 1777, and 1813);
  - (4) The requirement to maintain and submit copies of certified payroll reports records to the Awarding Agency's LCP Representative (Labor Code Section 1776) on a weekly basis and as stipulated in contract documents. This requirement includes and applies to all subcontractors performing work on agency projects even if their portion of the work is less than one-half of 1 percent of the total amount of the contract, and penalties for failure to do so (Labor Code Section 1776(h));
  - (5) The prohibition against employment discrimination under Labor Code Sections 1735 and 1777.6; the Government Code; and Title VII of the Civil Rights Act of 1964, as amended;
  - (6) The prohibition against accepting or extracting kickbacks from employee wages under Labor Code Section 1778;
  - (7) The prohibition against accepting fees for registering any person for public works under Labor Code Section 1779 or for filling work orders on public works under Labor Code Section 1780;
  - (8) The requirement to list all subcontractors under Public Contracts Code Section 4104;
  - (9) The requirement to be properly licensed and to require all subcontractors to be properly licensed, and the penalty for employing workers while unlicensed under Labor Code Section 1021 and 1021.5, and under California Contractors License Law, found at Business and Professions Code Section 7000, et seq.;
  - (10) The prohibition against unfair competition under Business and Professions Code Sections 17200-17208;
  - (11) The requirement that the contractor and subcontractor be properly insured for Workers' Compensation under Labor Code Section 1861;
  - (12) The requirement that the contractor abide by the Occupational Safety and Health laws and regulations that apply to the particular public works projects;
  - (13) The Federal Prohibition against hiring undocumented workers and the requirement to secure proof of eligibility/citizenship from all workers;
  - (14) The requirement to provide itemized wage statements to employees under Labor Code Section 226; and
  - (15) The Contractor's & Subcontractor's requirement under Labor Code Section 1725.5, et seq. that a contractor shall be registered pursuant to this section to be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any public work contract that is subject to the requirements of this chapter. For the purposes of this section, "contractor" includes a subcontractor as defined by Section 1722.1.
- B. The contractor(s) and subcontractor(s) present at the meeting will be given the opportunity to ask questions of the LCPR relative to any of the Labor Law Requirements Checklist. The Checklist of Labor Law Requirements will then be signed by the attending contractor and subcontractor representatives and submitted to the LCPR.



At the Pre-job conference the LCPR will provide the General Contractor (GC), or in the case of multi-prime Construction Management (CM) project, the Construction Manager, with two (2) copies of applicable Prevailing Wage Rate Determinations. All attending contractors and subcontractors shall be provided with instructions, samples and blank certified payroll record forms, DAS-140 form, fringe benefit statements, State apprenticeship requirements, and appropriate reference materials regarding Labor Code authorities for program requirements. It will be the GC or CM's responsibility to provide copies of the LCP package to any substituted or non-attending contractor or subcontractor performing work on the Project.

## **VI. RESPONSIBILITY OF CONTRACTORS**

### **A. Certified Payroll**

#### **(1) Certified Payroll Records Required**

Each contractor and subcontractor shall keep accurate payroll records, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by him or her in connection with the public work. Each payroll record shall contain or be verified by a written declaration that it is made under penalty of perjury, stating both of the following:

- a. The information contained in the payroll record is true and correct.
- b. The employer has complied with the requirements of Sections 1771, 1811, and 1815 for any work performed by his or her employees on the public works project.

- (2) Payroll records consist of, but are not limited to, time cards, front and back copies of canceled checks, records of cash receipts, trust fund forms, accounting ledgers, tax forms, Superintendent and foreman daily logs, employee sign in sheets and/or any other record maintained for the purpose of reporting payroll etc. during the course of the work and shall preserve them for a period of three (3) years thereafter for all trades workers working on the Awarding Agency's project sites. Such records shall include the name, address, and social security number of each worker, his or her classification, a general description of the work each employee performed each day, the rate of pay including rates of contributions for, or costs assumed to provide fringe benefit, daily and weekly number of hours worked, deductions made, and actual wages paid.

### **B. Furnishing of Certified Payroll Records**

- (1) Unless required to be furnished directly to the Labor Commissioner in accordance with paragraph (3) of subdivision (a) of Section 1771.4, the certified payroll records shall be on forms provided by the Division of Labor Standards Enforcement or shall contain the same information as the forms provided by the division. The payroll records may consist of printouts of payroll data that are maintained as computer records, if the printouts contain the same information as the forms provided by the division and the printouts are verified in the manner specified in subdivision VI.(1)(a).
- (2) A contractor or subcontractor shall file a certified copy of the records enumerated in subdivision (a) with the entity that requested the records within 10 days after receipt of a written request.
- (3) Except as provided in subdivision "d", below, any copy of records made available for inspection as copies and furnished upon request to the public or any public agency by the awarding body or the Division of Labor Standards Enforcement shall be marked or obliterated to prevent disclosure of an individual's name, address, and social security number. The name and address of the contractor awarded the contract or the subcontractor performing the contract shall not be marked or obliterated. Any copy of records made available for inspection by, or furnished to, a multiemployer Taft-Hartley trust fund (29 U.S.C. Sec. 186(c)(5)) that requests the records for the purposes of allocating contributions to participants shall be marked or obliterated only to prevent disclosure of an individual's full social security number, but shall provide the last four digits of the social security number. Any copy of records made available for inspection by, or furnished to, a joint labor-management committee established pursuant to the federal Labor

Management Cooperation Act of 1978 (29 U.S.C. Sec. 175a) shall be marked or obliterated only to prevent disclosure of an individual's social security number.

- (4) Notwithstanding any other provision of law, agencies that are included in the Joint Enforcement Strike Force on the Underground Economy established pursuant to Section 329 of the Unemployment Insurance Code and other law enforcement agencies investigating violations of law shall, upon request, be provided non-redacted copies of certified payroll records. Any copies of records or certified payroll made available for inspection and furnished upon request to the public by an agency included in the Joint Enforcement Strike Force on the Underground Economy or to a law enforcement agency investigating a violation of law shall be marked or redacted to prevent disclosure of an individual's name, address, and social security number.
- (5) An employer shall not be liable for damages in a civil action for any reasonable act or omission taken in good faith in compliance with this subdivision.
- (6) The contractor shall inform the body awarding the contract of the location of the records enumerated under subdivision (a), including the street address, city, and county, and shall, within five working days, provide a notice of a change of location and address.
- (7) The contractor or subcontractor has 10 days in which to comply subsequent to receipt of a written notice requesting the records enumerated in subdivision (a). In the event that the contractor or subcontractor fails to comply within the 10-day period, he or she shall, as a penalty to the state or political subdivision on whose behalf the contract is made or awarded, forfeit one hundred dollars (\$100) for each calendar day, or portion thereof, for each worker, until strict compliance is effectuated. Upon the request of the Division of Labor Standards Enforcement, these penalties shall be withheld from progress payments then due. A contractor is not subject to a penalty assessment pursuant to this section due to the failure of a subcontractor to comply with this section.

### **C. Reporting Format**

- (1) The format for reporting of payroll records requested pursuant to Labor Code Section 1776 shall be on a form provided by the public entity. Copies of the forms may be procured at any office of the Division of Labor Standards Enforcement (DLSE) throughout the state and/o Office of Policy Research and Legislation (OPRL) P.O. Box 603 San Francisco, CA 94101, ATTENTION: Prevailing Wage Unit.
- (2) Acceptance of any other format shall be conditioned upon the requirement that the alternate format contain all of the information required pursuant to Labor Code Section 1776. If, however, the contractor does not comply with the provisions of Labor Code Section 1776, the Labor Commissioner may require the use of DIR's suggested format, "Public Works Payroll Reporting Form" (Form A-1-131).
- (3) Words of Certification. The form of certification shall be as follows: I, \_\_\_\_\_ (Name-print) the undersigned, am \_\_\_\_\_ (position in business) with the authority to act for and on behalf of \_\_\_\_\_, (name of business and/or contractor) certify under penalty of perjury that the records or copies thereof submitted and consisting of \_\_\_\_\_ (description, no. of pages) are the originals or true, full and correct copies of the originals which depict the payroll record(s) of the actual disbursements by way of cash, check, or whatever form to the individual or individuals named.  
Date: \_\_\_\_\_ Signature: \_\_\_\_\_
- (4) A public entity may require a more strict and/or more extensive form of certification.

### **D. Cost of Preparation of Records Requested (CCR 16402)**

Where records are requested by other than the Awarding Agency and its LCPR, the Division of Labor Standards Enforcement (DLSE), the Division of Apprenticeship Standards or the worker, the cost of preparation to each contractor, subcontractor, or public entity when the request was made shall be provided in advance by the person seeking the payroll record. Such cost shall be \$1 for the first page of the payroll record and 25 cents for each page thereafter, plus \$10 to the contractor or subcontractor for handling costs. Payment in the form of cash, check or certified money order shall be made prior to release of the documents to cover the actual costs of preparation.

#### **E. Use of Electronic Reporting Forms (CCR 16404)**

Certified payroll records required by Labor Code Section 1776 may be maintained and submitted electronically, subject to the following conditions:

- (1) Reports must contain all of the information required by Labor Code Section 1776;
- (2) Information must be organized in a manner that is similar or identical to the Department of Industrial Relations "Public Works Payroll Reporting Form" (Form A-1-131);
- (3) Reports shall be in a format and use software that is readily accessible and available to Contractors, Awarding Bodies, Labor Compliance Programs and the Department of Industrial Relations;
- (4) Reports must be in the form of a non-modifiable image or record; and
- (5) Reports must bear an electronic signature or include a copy of an original certification made on paper or printed out and submitted on paper with an original signature.
- (6) No contractor or subcontractor shall be mandated to submit or receive electronic reports when it otherwise lacks the resources or capacity to do so, nor shall any contractor or subcontractor be required to purchase or use proprietary software that is generally not available to the public.

#### **F. Submission of Certified Payroll Records (CCR 16421(a)(3))**

Certified payroll records shall be kept by the contractor in accordance with Labor Code Section 1776 and furnished to the Labor Compliance Program at times designated in the contract, which shall be at least monthly, or within 10 days of any request by the Awarding Body. Use of the current version of DIR's "Public Works Payroll Reporting Form" (A-1-131) and Statement of Employer Payments (PW26) constitute presumptive compliance with the requirement for certified payroll records kept in accordance with Labor Code Section 1776, provided the forms are filled out accurately and completely. These suggested forms are available from the Department of Industrial Relations.

#### **G. Full Accountability**

- (1) The name, address and social security number of every individual, laborer or craftsperson working at the project site must appear on the payroll. The basic concept is that the employer who pays the trade's worker must report that individual on its payroll. This includes individuals working as apprentices in an apprenticeable craft. Licensed Owner-operators under contract shall report their own wages as provided herein. Non-licensed Owner-Operators or those operating on a basis other than a formal contract shall be reported by the contractor employing them. Rental equipment operators are to be reported by the rental company paying the workers' wages.
- (2) Sole owners and partners who work on a contract must also submit a certified payroll record listing the days and hours worked, and the trade classification descriptive of the work actually done.
- (3) Contractors and subcontractors shall make the records required under this section available for inspection by the LCPR, an authorized representative of the Awarding Agency, or the DLSE and the Division of Apprenticeship Standards of the DIR, and shall permit such representatives to interview trades workers during working hours on the project site

#### **H. Responsibility for Subcontractors**

A contractor shall be responsible for ensuring adherence to labor standards provisions by its subcontractor(s) in accordance with Labor Code Sections 1725.5, 1771.4, 1774, 1775, 1776, 1777.5 and 1777.7.

#### **I. Payment to Employees**

Employees must be paid unconditionally, and not less often than once every two weeks, the full amounts that are due and payable for the period covered by the particular payday. An employer must, therefore, establish a fixed workweek (e.g., Sunday through Saturday) and an established payday such as every Friday or the preceding day should such payday fall on a holiday. On each and every payday, each worker must be paid all sums due as of the end of the preceding workweek and must be provided with an itemized wage statement.

## **J. Subcontractors**

If an individual is called a subcontractor, when, in fact, he/she is merely a journey-level mechanic supplying only his/her labor, such an individual would not be deemed a bona fide subcontractor and must be reported on the payroll of the prime contractor who contracted for his or her services as a trade worker. Moreover, any person who does not hold a valid contractor's license cannot be a subcontractor, and anyone hired by that person is the worker or employee of the general contractor who contracted for his or her services for purposes of prevailing wage requirements, certified payroll reporting and workers' compensation laws.

## **K. Required Wage Rates and Overtime**

A worker's rate for straight time hours must equal or exceed the rate specified in the contract by reference to the Prevailing Wage Rate Determinations for the class of work actually performed. Any work performed on Saturday, Sunday, and/or a holiday, or a portion thereof, must be paid the prevailing rate established for those days regardless of the fixed workweek. The hourly rate for hours worked in excess of 8 hours in a day or 40 hours in a workweek shall be premium pay. All work performed in excess of 8 hours per day, 40 hours per week, on Saturday, on Sunday, and on holidays shall be paid in accordance with the applicable Prevailing Wage Determination

## **L. Apprentices**

- (1) Apprentices shall be permitted to work as such only when they are registered, individually, under a bona fide Apprenticeship program registered with a State apprenticeship agency that is recognized by the State Division of Apprenticeship Standards (DAS).
- (2) Pursuant to Labor Code Section 1777.5 and Code of Regulations (CCR) Section 1, apprentices on public works must be employed according to the ratio set by the apprenticeship standards under which each Joint Apprenticeship Committee operates, the ratio of work performed by apprentices to journeymen employed in a particular craft or trade on the public work may be no higher than the ratio stipulated in the apprenticeship standards under which the apprenticeship program operates but in no case shall the ratio be less than one (1) apprentice hour to each five (5) journeyman hours.
- (3) Any worker listed on payroll records at an apprentice wage rate who is not a duly registered apprentice, works in excess of the stipulated ratios permitted under Labor Code section 1777.5(g), works outside of the scope of work for the craft/trade for which they are registered or perform work outside of the prescribed geographic area of the apprenticeship program is not qualified to receive the apprentice rate and shall be paid the journeyman level wage rate determined by the Department of Industrial Relations for the classification of and locality in which the work was actually performed.
- (4) If requested by the LCPR, the contractor shall furnish written evidence of the Apprenticeship Agreement, Statement of Registration of its training program and apprentices, as well as the ratios allowed and the wage rates required to be paid.
- (5) Pre-apprentice trainees, trainees in non-apprenticeable crafts, and others who are not duly registered will not be permitted on public works projects unless they are paid full prevailing wage rates as journeypersons.
- (6) Compliance with California Labor Code Section 1777.5 requires all public works contractors and subcontractors to:
  - a. Provide specified contract award information to an applicable apprenticeship program for each applicable apprenticeable craft (Labor Code Section 1777.5 (e));
  - b. All contractors must request dispatch of an apprentice from an apprenticeship program (for each apprenticeable craft or trade) by giving the program actual notice of at least 72 hours (business days only) before the date on which apprentices are required. If the apprenticeship committee from which apprentice dispatch are requested does not dispatch apprentices as requested, the contractor must request apprentice dispatch from another committee providing training in the applicable craft or trade in the geographic area of the site of the public work, and must request apprentice dispatch from each

- such committee, either consecutively or simultaneously, until the contractor has requested apprentice dispatches from each such committee in the geographic area.
- c. Employ apprentices on public works projects in a ratio to journeypersons as stipulated in the Apprenticeship Standards under which each Joint Apprenticeship Committee operates, but in no case shall the ratio be less than one (1) apprentice to each five (5) journeyperson hours unless a Certificate of Exemption is provided to the LCPR for the Awarding Agency; and
  - d. Contribute to the training fund in the amount identified in the prevailing wage rate publication for journeypersons and apprentices. Where the trust fund administrators cannot accept the contributions, then payment shall be made to the California Apprenticeship Council, P. O. Box 101325, Pasadena, California 91189-0005.
- (7) It should be noted that a prior approval for a separate project does not confirm approval to train on any project. The contractor/subcontractor must check with the applicable Joint Apprenticeship Committee to verify status.

## VII. ENFORCEMENT

### A. Duty of the Awarding Agency and LCP

- (1) The Awarding Agency, pursuant to its approved LCP, has a duty to the Director of the Department of Industrial Relations to ensure compliance of contractors and enforce the Public Works Chapter of the Labor Code and Title 8 of the Code of Regulations in a manner consistent with the practice of the Labor Commissioner. The LCPR for the Awarding Agency will maintain records relating to activities and relevant facts that pertain to each project that demonstrates that reasonable and sufficient efforts have been made to enforce prevailing wage requirements.
- (2) Nothing in this section shall be construed as limiting the responsibility and authority of an Awarding Body to take cognizance of prevailing wage violations under Section 1726 of the Labor Code and take any appropriate action pursuant to and in accordance with that responsibility and authority. The LCPR shall take reasonable, vigorous, and prompt action to (1) determine whether violations exist, and (2) enforce compliance, including through imposition of appropriate penalties and formal enforcement action, when violations are found. A Labor Compliance Program shall neither avoid use of its enforcement authority based on cost considerations nor shall it use that authority in an unreasonable manner to gain leverage over a contractor or subcontractor. Unreasonable use of enforcement authority includes, but is not necessarily limited to, prolonged or excessive withholdings of contract payments without making a determination that a violation has occurred.
- (3) [CCR 16432(a)] The primary function of the Labor Compliance Program is to ensure that public works contractors comply with the prevailing wage requirements found in the Public Works Chapter of the Labor Code. This regulation is intended to establish minimum requirements which all Labor Compliance Programs shall meet or exceed in carrying out that function. Definitions found throughout this regulation are intended to provide Labor Compliance Programs and representatives of the Department of Industrial Relations and the Division of Labor Standards Enforcement with common terminology as they each perform their respective roles in prevailing wage enforcement in furtherance of the Labor Code provisions establishing Labor Compliance Programs. This regulation is also intended to confirm that the proactive investigation methods, as described in detail herein, only comprise the minimum obligations required of Labor Compliance Programs to satisfy their duty to the Director to operate a Labor Compliance Program as specified in CCR Sections 16428 and 16434.
- (4) A Labor Compliance Program shall have a duty to the Director to enforce the requirements of Chapter 1 of Part 7 of Division 2 of the Labor Code and these regulations in a manner consistent with the practice of the Labor Commissioner. It is the practice of the Labor Commissioner to refer to the Director's ongoing advisory service of web-posted public works coverage determinations as a source of information and guidance in making enforcement decisions. It is also the practice of the Labor Commissioner to be

represented by an attorney in prevailing wage hearings conducted pursuant to Labor Code Section 1742(b) and sections 17201-17270 of Title 8 of the California Code of Regulations. (CCR 16434(a)).

- (5) The failure of an Awarding Body or Labor Compliance Program to comply with any requirement imposed by this subchapter shall not of itself constitute a defense to the failure to pay prevailing wages or to comply with any other obligation imposed by Chapter 1 (commencing with Section 1720), Part 7, Division 2 of the Labor Code.

## **B. Request for Certified Payroll Records**

- (1) Requests may be made by any person for certified copies of payroll records. Requests shall be made to any of the following:
  - a. the body awarding the contract, or
  - b. any office of the Division of Labor Standards Enforcement, or the Division of Apprenticeship Standards.
- (2) Requests for certified copies of payroll records pursuant to Section 1776 of the Labor Code may be made by any person. However, any such request shall be in writing and contain at least the following information:
  - a. The body awarding the contract;
  - b. The contract number and/or description;
  - c. The particular job location if more than one;
  - d. The name of the contractor;
  - e. The regular business address, if known.
- (3) Requests for records of more than one contractor or subcontractor must list the information regarding that contractor individually, even if all requests pertain to the same particular public works project. Blanket requests covering an entire public works project will not be accepted; unless contractor and subcontractor responsibilities regarding the project are not clearly defined.
- (4) Acknowledgment of Request. The public entity receiving a request for payroll records shall acknowledge receipt of such, and indicate the cost of providing the payroll records based on an estimate by the contractor, subcontractor or public entity. The acknowledgment of the receipt of said request for payroll records may be accomplished by the public entity's furnishing a copy of its written correspondence requesting certified copies of the payroll records sent to the specific contractor pursuant to Section 16400(d) below, to the person who requested said records.
- (5) Request to Contractor. The request for copies of payroll records by the requesting public entity shall be in any form and/or method which will assure and evidence receipt thereof. The request shall include the following:
  - a. Specify the records to be provided and the form upon which the information is to be provided;
  - b. Conspicuous notice of the following:
    - (i) that the person certifying the copies of the payroll records is, if not the contractor, considered as an agent acting on behalf of the contractor; and
    - (ii) that failure to provide certified copies of the records to the requesting public entity within 10 working days of the receipt of the request will subject the contractor to a penalty of one-hundred (\$100.00) dollars per calendar day or portion thereof for each worker until strict compliance is effectuated;
    - (iii) Cost of preparation as provided in Section 16402; and
    - (iv) Provide for inspection.
- (6) Inspection of Payroll Records. Inspection of the original payroll records at the office of the contractor(s) pursuant to subdivision (b) of Section 1776 of the Labor Code shall be limited to the public entities upon reasonable written or oral notice.

- (7) In the conduct of investigations reasonably required to undertake its responsibilities as set forth in CCR Section 16421, the LCPR shall request such additional records as may reasonably be required for that purpose, to include but not limited to those enumerated within CCR Section 16000.
- (8) The request for copies of payroll records by the LCPR shall be in any form and/or method which will assure and evidence receipt thereof. The request shall include the following: (i) Specify the records to be provided and the form upon which the information is to be provided; (ii) Conspicuous notice that the person certifying the copies of the payroll records is, if not the contractor, considered as an agent acting on behalf of the contractor; and; (iii) that failure to provide certified copies of the records to the requesting public entity within 10 working days of the receipt of the request will subject the contractor to a penalty of one hundred (\$100.00) dollars per calendar day or portion thereof for each worker until strict compliance is effectuated and; provide for inspection, where feasible.

### **C. Records Requested for Use by the Labor Compliance Program**

Where records are requested from a contractor or subcontractor by the Awarding Agency's LCPR in the normal course of its duties, those records shall be provided to the LCPR un-redacted and without cost.

### **D. Privacy Considerations (CCR 16403)**

- (1) Records received from the employing contractor shall be kept on file in the office or entity that processed the request for at least 6 months following completion and acceptance of the project. Thereafter, they may be destroyed unless administrative, judicial or other pending litigation, including arbitration, mediation or other methods of dispute resolution, are in process. Copies on file shall not be obliterated in the manner prescribed in subdivision (b) below;
- (2) Copies provided to the public upon written request shall be marked, obliterated or provided in such a manner that the name, address and Social Security number, and other private information pertaining to each employee cannot be identified. All other information including identification of the contractor shall not be obliterated;
- (3) the public entity may affirm or deny that a person(s) was or is employed on a public works contract (by a specific contractor) when asked, so long as the entity requires such information of an identifying nature which will reasonably preclude release of private or confidential information.

### **E. Withholding Contract Payments When Payroll Records are Delinquent or Inadequate (CCR § 16435)**

- (1) "Withhold" means to cease payments by the Awarding Body, or others who pay on its behalf, or agents, to the general contractor. Where the violation is by a subcontractor, the general contractor shall be notified of the nature of the violation and reference made to its rights under Labor Code Section 1729.
- (2) "Contracts." Except as otherwise provided by agreement, only contracts under a single master contract, including a Design-Build contract, or contracts entered into as stages of a single project, may be the subject of withholding.
- (3) "Delinquent payroll records" means those not submitted on the date set in the contract.
- (4) "Inadequate payroll records" are any one of the following:
  - a. A record lacking any of the information required by Labor Code Section 1776;
  - b. A record which contains all of the required information but is not certified, or is certified by someone who is not an agent of the contractor or subcontractor;
  - c. A record remaining uncorrected for one payroll period, after the Labor Compliance Program has given the contractor or subcontractor notice of inaccuracies detected by audit or record review. However prompt correction will stop any duty to withhold if such inaccuracies do not amount to 1 percent of the

entire Certified Weekly Payroll in dollar value and do not affect more than half the persons listed as workers employed on that Certified Weekly Payroll, as defined in Labor Code Section 1776 and section 16401 of Title 8 of the California Code of Regulations.

- (5) The withholding of contract payments when payroll records are delinquent or inadequate is required by Labor Code Section 1771.5(b)(5), and it does not require the prior approval of the Labor Commissioner. The Awarding Body shall only withhold those payments due or estimated to be due to the contractor or subcontractor whose payroll records are delinquent or inadequate, plus any additional amount that the Labor Compliance Program has reasonable cause to believe may be needed to cover a back wage and penalty assessment against the contractor or subcontractor whose payroll records are delinquent or inadequate; provided that a contractor shall be required in turn to cease all payments to a subcontractor whose payroll records are delinquent or inadequate until the Labor Compliance Program provides notice that the subcontractor has cured the delinquency or deficiency.
- (6) When contract payments are withheld under this section, the Labor Compliance Program shall provide the contractor and subcontractor, if applicable, with immediate written notice that includes all of the following: (1) a statement that payments are being withheld due to delinquent or inadequate payroll records, and that identifies what records are missing or states why records that have been submitted are deemed inadequate; (2) specifies the amount being withheld; and (3) informs the contractor or subcontractor of the right to request an expedited hearing to review the withholding of contract payments under Labor Code Section 1742, limited to the issue of whether the records are delinquent or inadequate or the Labor Compliance Program has exceeded its authority under this section.
- (7) No contract payments shall be withheld solely on the basis of delinquent or inadequate payroll records after the required records have been produced.
- (8) In addition to withholding contract payments based on delinquent or inadequate payroll records, penalties shall be assessed under Labor Code Section 1776(g) for failure to timely comply with a written request for certified payroll records. The assessment of penalties under Labor Code Section 1776(g) does require the prior approval of the Labor Commissioner under CCR Title 8 Section 1643.

**F. On-Site Visits (CCR 16432(d) )**

- (1) The Awarding Agency's LCPR shall conduct in-person inspections at the site or sites at which the contract for public work is being performed ("On-Site Visits"). On-Site Visits may be undertaken randomly or as deemed necessary by the LCPR, but shall be undertaken during each week that workers are present at sites at which the contract for public work is being performed. All On-Site Visits shall include visual inspection of:
  - a. The copy of the determination(s) of the Director of Industrial Relations of the prevailing wage rate of per diem wages required to be posted at each job site in compliance with Labor Code Section 1773.2, and
  - b. The Notice of Labor Compliance Program Approval required to be posted at the job site in accordance with Code of Regulations Section 16429, listing a telephone number to call for inquiries, questions, or assistance with regard to the Labor Compliance Program and/or;
  - c. On each job site that is subject to compliance monitoring and enforcement by the Department of Industrial Relations, the Awarding Agency shall post or require the prime contractor to post a Notice containing the language in Code of Regulations Section 16451(d).
- (2) On-Site Visits may include other activities deemed necessary by the Awarding Agency's LCPR to independently corroborate prevailing wage payments reported on payroll records furnished by contractors and subcontractors.



## **G. Complaints**

Upon receipt of a written complaint alleging that a contractor or subcontractor has failed to pay prevailing wages as required by the Labor Code, the LCPR shall do all of the following:

- (1) Within 15 days after receipt of the complaint, send a written acknowledgment to the complaining party that the complaint has been received and identifying the name, address, and telephone number of the investigator assigned to the complaint;
- (2) Within 15 days after receipt of the complaint, provide the affected contractor with the notice required under Labor Code section 1775(c) if the complaint is against a subcontractor;
- (3) Notify the complaining party in writing of the resolution of the complaint within ten days after the complaint has been resolved by the LCPR;
- (4) Notify the complaining party in writing at least once every 30 days of the status of a complaint that has not been resolved by the LCPR; and
- (5) Notify the complaining party in writing at least once every 90 days of the status of a complaint that has been resolved by the LCPR but remains under review or in litigation before another entity.

## **H. Review of Certified Payroll Records (CCR Sections 16432(b))**

Payroll records furnished by contractors and subcontractors in accordance with section 16421(a)(3) above, and in a format prescribed at section 16401 of Title 8 of the California Code of Regulations, shall be reviewed by the Labor Compliance Program as promptly as practicable after receipt thereof, but in no event more than 30 days after such receipt. "Review" for this purpose shall be defined as inspection of the records furnished to determine if (1) all appropriate data elements identified in Labor Code Section 1776(a) have been reported; (2) certification forms have been completed and signed in compliance with Labor Code Section 1776(b); and (3) the correct prevailing wage rates have been reported as paid for each classification of labor listed thereon, with confirmation of payment in the manner and to the extent described in subpart (c) below.

## **I. Confirmation of Certified Payroll Records (CCR 16432(c) )**

- (1) "Confirmation" of payroll records furnished by contractors and subcontractors shall be defined as an independent corroboration of reported prevailing wage payments. Confirmation may be accomplished through worker interviews, examination of paychecks or paycheck stubs, direct confirmation of payments from third party recipients of "Employer Payments" (as defined at section 16000 of Title 8 of the California Code of Regulations), or any other reasonable method of corroboration.
- (2) For each month in which a contractor or subcontractor reports having workers on the project, confirmation of furnished records will be undertaken randomly for at least one worker for at least one weekly period within that month. Confirmation will also be undertaken whenever the Awarding Agency's LCPR receives a complaint or other circumstances or information suggests that payroll records may be inaccurate.

## **J. Audit of Certified Payroll Records (CCR 16432(e) )**

- (1) Audits will be conducted by the Awarding Agency's LCPR when it is determined that a violation of the Public Works Chapter of the Labor Code has occurred. Audits shall also be conducted at the request of the Labor Commissioner.
- (2) An audit shall consist of a written summary reflecting prevailing wage deficiencies for each underpaid worker and include any penalties to be assessed under Labor Code Sections 1775 and 1813, as determined by the LCPR, after a comparison and consideration of the best information available as to the actual hours worked, amounts paid and classifications of workers employed in connection with the project. Such available information may include, but is not limited to:
  - a. Worker Interviews;
  - b. Complaints from workers or other interested persons;
  - c. All time cards, cancelled checks, cash receipts, trust fund forms;
  - d. All books, documents, schedules, forms, reports, receipts or other evidences which reflect job assignments;

- e. Work schedules by days and hours; and
- f. The disbursement by way of cash, check, or in whatever form or manner, of funds to a person(s) by job classification and/or skill pursuant to the public works project.

- (3) The audit record form as provided for in Code of Regulations Section 16432 Appendix B, accompanied by a brief narrative identifying the Bid Advertisement Date of the public work contract, a summary of the nature of the violation and the basis upon which the determination was made, presumptively demonstrates the sufficient detail that will enable the Labor Commissioner to determine the amount, if requested, of forfeiture under Code of Regulations Section 16437, draw reasonable conclusions as to the compliance with the requirements of the Public Works Chapter of the Labor Code and enable accurate computation of underpayments of wages and applicable penalties and forfeitures.

**K. Notification and Informal Resolution (CCR 16432(f) )**

After the Labor Compliance Program has determined that violations of the prevailing wage laws have resulted in the underpayment of wages and an audit has been prepared, notification shall be provided to the contractor and affected subcontractor of an opportunity to resolve the wage deficiency prior to a determination of the amount of forfeiture by the Labor Commissioner pursuant to these regulations. The contractor and affected subcontractor shall be provided at least 10 days following such notification to submit exculpatory information consistent with the "good faith mistake" factors set forth in Labor Code Section 1775(a)(2)(A)(i) and (ii). If, based upon the contractor's submission, the Labor Compliance Program reasonably concludes that the failure to pay the correct wages was a good faith mistake, and has no knowledge that the contractor and affected subcontractor have a prior record of failing to meet their prevailing wage obligations, the Labor Compliance Program shall not be required to request the Labor Commissioner for a determination of the amount of penalties to be assessed under Labor Code Section 1775 if the underpayment of wages to workers is promptly corrected and proof of such payment is submitted to the Labor Compliance Program. For each instance in which a wage deficiency is resolved in accordance with this regulation, the Labor Compliance Program shall maintain a written record of the failure of the contractor or subcontractor to meet its prevailing wage obligation. The record shall identify the public works project, the contractor or affected subcontractor involved, and the gross amount of wages paid to workers to resolve the prevailing wage deficiency; and the record shall also include a copy of the Audit prepared pursuant to subpart (e) above along with any exculpatory information submitted to the Labor Compliance Program by the affected contractor or subcontractor.

**L. Withholding Contract Payments When, After Investigation, It Is Established That Underpayment or Other Violation Has Occurred (CCR 16435.5)**

- (1) "Withhold" and "contracts" have the same meaning set forth in CCR Sections 16435(a) and 16435(b).
- (2) Where the violation is by a subcontractor, the general contractor shall be notified of the nature of the violation and reference made to its rights under Labor Code Section 1729.
- (3) "Amount equal to the underpayment" is the total of the following determined by payroll review, audit, or admission of contractor or subcontractor:
  - a. The difference between amounts paid workers and the correct General Prevailing Rate of Per Diem Wages, as defined in Labor Code Section 1773, and determined to be the prevailing rate due workers in such craft, classification or trade in which they were employed and the amounts paid;
  - b. The difference between amounts paid on behalf of workers and the correct amounts of Employer Payments, as defined in Labor Code Section 1773.1 and determined to be part of the prevailing rate costs of contractors due for employment of workers in such craft, classification or trade in which they were employed and the amounts paid;
  - c. Estimated amounts of "illegal taking of wages";
  - d. Amounts of apprenticeship training contributions paid to neither the program sponsor's training trust nor the California Apprenticeship Council;
  - e. Estimated penalties under Labor Code Sections 1775, 1776, and 1813.

- (4) The withholding of contract payments when, after investigation, it is established that underpayment or other violations have occurred requires the prior approval of the Labor Commissioner under sections 16436 and 16437 of these regulations.

**M. Provisions Relating to the Penalties Under Labor Code Sections 1775, 1776, 1777.7, 1813 and 1741**

- (1) Pursuant to Labor Code Section 1775, the contractor and any subcontractor under the contractor shall, as a penalty to the state or political subdivision on whose behalf the contract is made or awarded; forfeit not more than two hundred dollars (\$200) for each day, or portion thereof, for each worker paid less than the prevailing wages:
- a. The penalty may not be less than forty dollars (\$40) for each calendar day, or portion thereof, for each worker paid less than the prevailing wage rate, unless the failure of the contractor or subcontractor to pay the correct rate of per diem wages was a good faith mistake and, if so, the error was promptly and voluntarily corrected when brought to the attention of the contractor or subcontractor.
  - b. The penalty may not be less than eighty dollars (\$80) for each calendar day, or portion thereof, for each worker paid less than the prevailing wage rate, if the contractor or subcontractor has been assessed penalties within the previous three years for failing to meet its prevailing wage obligations on a separate contract, unless those penalties were subsequently withdrawn or overturned.
  - c. The penalty may not be less than one hundred twenty dollars (\$120) for each calendar day, or portion thereof, for each worker paid less than the prevailing wage rate, if the Labor Commissioner determines that the violation was willful, as defined in Labor Code Section 1777.1.
  - d. When the amount due under Labor Code Section 1775 is collected from the contractor or subcontractor, any outstanding wage claim under Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code against that contractor or subcontractor shall be satisfied before applying that amount to the penalty imposed on that contractor or subcontractor pursuant to Section 1775.  
The prime contractor of the project is not liable for any penalties under Labor Code 1775(a) unless the prime contractor had knowledge of that failure of the subcontractor to pay the specified prevailing rate of wages to those workers or unless the prime contractor fails to comply with the requirements of Labor Code 1775 (b) (1-4).
- (2) In the event that the contractor or subcontractor fails to comply subsequent to receipt of a written notice requesting the records enumerated in Labor Code Section 1776 (a) within the 10-day period, he or she shall, as a penalty to the state or political subdivision on whose behalf the contract is made or awarded, forfeit one hundred dollars (\$100) for each calendar day, or portion thereof, for each worker, until strict compliance is effectuated. Upon the request of the Division of Apprenticeship Standards or the Division of Labor Standards Enforcement, these penalties shall be withheld from progress payments then due. A contractor is not subject to a penalty assessment pursuant to Labor Code Section 1776 due to the failure of a subcontractor to comply with this section.
- (3) In the case of overtime violations, Labor Code Section 1813 establishes that the contractor or subcontractor shall, as a penalty to the state or political subdivision on whose behalf the contract is made or awarded, forfeit twenty-five dollars (\$25) for each worker employed in the execution of the contract by the respective contractor or subcontractor for each calendar day during which such worker is required or permitted to work more than 8 hours in any one calendar day and 40 hours in any one calendar week, in violation of the provisions of Article 3, Chapter 1, Part 7 of Division 2 of the Labor Code. The Awarding Agency shall take cognizance of all violations of Article 3 (Labor Code Sections 1810-1815).
- (4) Pursuant to Labor Code Section 1777.5, the contractor and subcontractor are required to employ registered apprentices on public works projects. Each contractor and subcontractor shall keep an accurate payroll record relative to apprentices per Section 1776 of the Labor Code. The contractor or subcontractor found in violation of Labor Code Section 1777.5 shall forfeit as a civil penalty an amount not to exceed one hundred dollars (\$100) for each full calendar day of noncompliance. Any contractor or subcontractor who knowingly commits subsequent violations of Labor Code Section 1777.5 within a three year period could face a civil penalty of not

more than three hundred dollars (\$300) for each full day of noncompliance and the possibility of being denied the right to bid on, be awarded or perform work on any public works project for up to three years.

- (5) Pursuant to Labor Code Section 1741(b), interest shall accrue on all due and unpaid wages at the rate described in subdivision (b) of Section 3289 of the Civil Code. The interest shall accrue from the date that the wages were due and payable, as provided in Article 1, Chapter 1, Part 7 (commencing with Section 1720) of Division 2 of the Labor Code, until the wages are paid.
- (6) Pursuant to Labor Code Section 1741(c), the Labor Commissioner shall maintain a public list of the names of each contractor and subcontractor who has been found to have committed a willful violation of Section 1775 or to whom a final order, which is no longer subject to judicial review, has been issued. The list shall include the date of each assessment, the amount of wages and penalties assessed, and the amount collected. The list shall be updated at least quarterly, and the contractor's or subcontractor's name shall remain on that list until the assessment is satisfied, or for a period of three years beginning from the date of the issuance of the assessment, whichever is later.

**N. Forfeitures Requiring Approval by the Labor Commissioner (8 CCR Section 16436)**

- (1) For purposes of 8 CCR Sections 16436 and 16437, "forfeitures" means the amount of wages, penalties, and forfeitures assessed by the Labor Compliance Program and proposed to be withheld pursuant to Labor Code section 1771.6(a), and includes the following: (1) the difference between the prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate by the contractor or subcontractor; and (2) penalties assessed under Labor Code Sections 1775, 1776 and 1813.
- (2) If the aggregate amount of forfeitures assessed as to a contractor or subcontractor is less than \$1000.00, the forfeitures shall be deemed approved by the Labor Commissioner upon service and the Labor Commissioner's receipt of copies of the following: (1) the Notice of Withholding of Contract Payments authorized by Labor Code Section 1771.6(a); (2) an Audit as defined in section 16432(e) of these regulations, and (3) a brief narrative identifying the Bid Advertisement Date of the contract for public work and summarizing the nature of the violation, the basis of the underpayment, and the factors considered in determining the assessment of penalties, if any, under Labor Code Section 1775.
- (3) For all other forfeitures, approval by the Labor Commissioner shall be requested and obtained in accordance with section 16437 below.

**O. Determination of Amount of Forfeiture by the Labor Commissioner (CCR Section 16437)**

- (1) Where the Labor Compliance Program requests a determination of the amount of forfeiture, the request shall include a file or report to the Labor Commissioner which contains at least the information specified in subparts (a) through (i) below. Appendix D is a suggested format for a Request for Approval of Forfeiture under this section.
  - a. Whether the public work has been accepted by the awarding body and whether a valid notice of completion has been filed, the dates if any when those events occurred, and the amount of funds being held in retention by the Awarding Body;
  - b. Any other deadline which if missed would impede collection;
  - c. Evidence of violation, in narrative form;
  - d. Evidence of violation obtained under section 16432 of these regulations and a copy of the Audit prepared in accordance with section 16432(e) setting forth the amounts of unpaid wages and applicable penalties;
  - e. Evidence that before the forfeiture was sent to the Labor Commissioner (A) the contractor and subcontractor were given the opportunity to explain why there was no violation, or that any violation was caused by good faith mistake and promptly corrected when brought to the contractor or subcontractor's attention, and (B) the contractor and subcontractor either did not do so or failed to convince the Labor Compliance Program of its position;
  - f. Where the Labor Compliance Program seeks not only wages but also a penalty as part of the forfeiture, and the contractor or subcontractor has unsuccessfully contended that the cause of violation was a good

- faith mistake that was promptly corrected when brought to the contractor or subcontractor's attention, a short statement should accompany the proposal for a forfeiture, with a recommended penalty amount pursuant to Labor Code Section 1775(a);
- g. Where the Labor Compliance Program seeks only wages or a penalty less than \$50 per day as part of the forfeiture because the contractor or subcontractor has successfully contended that the cause of the violation was a good faith mistake that was promptly corrected when brought to the contractor or subcontractor's attention, the file should include the evidence as to the contractor or subcontractor's knowledge of his or her obligation, including the program's communication to the contractor or subcontractor of the obligation in the bid invitations, at the pre-job conference agenda and records, and any other notice given as part of the contracting process. With the file should be a statement, similar to that described in (6), and recommended penalty amounts, pursuant to Labor Code Section 1775(a);
  - h. The previous record of the contractor and subcontractor in meeting their prevailing wage obligations; and
  - i. Whether the Labor Compliance Program has been granted approval on only an interim or temporary basis under sections 16425 or 16426 above or whether it has been granted extended approval under section 16427 above.
- (2) The file or report shall be served on the Labor Commissioner as soon as practicable after the violation has been discovered, and not less than 30 days before the final payment, but in no event not less than 30 days before the expiration of the limitations period set forth in Labor Code Section 1741.
  - (3) A copy of the recommended forfeiture and the file or report shall be served on the contractor and subcontractor at the same time as it is sent to the Labor Commissioner. The Labor Compliance Program may exclude from the documents served on the contractor and subcontractor copies of documents secured from the contractor or subcontractor during an audit, investigation, or meeting if those are clearly referenced in the file or report.
  - (4) The Labor Commissioner shall affirm, reject, or modify the forfeiture in whole or in part as to the wages and penalties due.
  - (5) The Labor Commissioner's determination of the forfeiture is effective on one of the two following dates:
    - a. For all programs other than those having extended authority under section 16427 of these regulations, on the date the Labor Commissioner serves by first class mail, on the Labor Compliance Program, on the Awarding Body if different, on the contractor and on the subcontractor, if any, an endorsed copy of the proposed forfeiture, or a newly drafted forfeiture statement which sets out the amount of forfeiture approved. Service on the contractor or subcontractor is effective if made on the last address supplied by the contractor or subcontractor in the record. The Labor Commissioner's approval, modification or disapproval of the proposed forfeiture shall be served within 30 days of receipt of the proposed forfeiture.
    - b. For programs with extended authority under section 16427 above, approval is effective 20 days after the requested forfeitures are served upon the Labor Commissioner, unless the Labor Commissioner serves a notice upon the parties, within that time period, that this forfeiture request is subject to further review. For such programs, a notice that approval will follow such a procedure will be included in the transmittal of the forfeiture request to the contractor. If the Labor Commissioner notifies the parties of a decision to undertake further review, the Labor Commissioner's final approval, modification or disapproval of the proposed forfeiture shall be served within 30 days of the date of notice of further review.

**P. Withholding Procedures after Forfeiture Determination by the Labor Commissioner**

- (1) The LCPR shall provide a Notice of Withholding of Contract Payments to the contractor and subcontractor, if applicable. The notice shall be in writing and shall describe the nature of the violation and the amount of wages, penalties and liquidated damages being withheld. Service of the notice shall be completed pursuant to Code of Civil Procedure Section 1013 by first-class and certified mail to the contractor and subcontractor, if applicable. The notice shall advise the contractor and subcontractor, if applicable, of the procedure for obtaining review of the withholding of contract payments.
- (2) The LCPR shall also serve a copy of the notice by certified mail to any bonding company issuing a bond that secures the payment of wages covered by the notice and to any surety on a bond, if their identities are known to the Awarding Agency.

- (3) Where the violation is by a subcontractor, the general contractor shall be notified of the nature of the violation and reference made to its rights under Labor Code Section 1729.
- (4) A release bond under Civil Code Section 3196 may not be posted for the release of the funds being withheld for the violation of the prevailing wage law.
- (5) The withholding of contract payments in accordance with Labor Code Section 1726 or 1771.5 shall be reviewable under Labor Code Sections 1771.6 (b) and 1742 and Code of Regulations sections 17201-17270 in the same manner as if the notice of the withholding was a civil penalty order of the Labor Commissioner. If review is requested, the LCPR may request the Labor Commissioner to intervene to represent it.
- (6) Pending a final order, or the expiration of the time period for seeking review of the notice of the withholding, the Awarding Agency shall not disburse any contract payments withheld.

**Q. Settlement Meeting**

- (1) In accordance with Labor Code section 1742.1 (b), the LCPR shall, upon receipt of a request from the affected contractor or subcontractor within 30 days following the service of the Notice of Withholding of Contract Payments, afford the contractor or subcontractor the opportunity to meet with the LCPR to attempt to settle a dispute regarding the notice.
  - a. The settlement meeting may be held in person or by telephone and shall take place before the expiration of the 60-day period seeking a hearing as set forth below under the heading Request for Review of Notice of Withholding of Contract Payments;
  - b. No evidence of anything said or any admission made for the purpose of, in the course of, or pursuant to, the settlement meeting is admissible or subject to discovery in any administrative or civil proceeding;
  - c. No writing prepared for the purpose, in the course of, or pursuant to, the settlement meeting, other than a final settlement agreement, is admissible or subject to discovery in any administrative or civil proceeding;
  - d. This opportunity to timely request an informal settlement meeting is in addition to the right to obtain a formal hearing; and
  - e. A settlement meeting may be requested even if a written Request for Review has already been made.
- (2) Requesting a settlement meeting does not extend the 60-day period during which a formal hearing may be requested.

**R. Request for Review of Notice of Withholding of Contract Payments**

- (1) An affected contractor or subcontractor may obtain review of a Notice of Withholding of Contract Payments under this chapter by transmitting a written request for a review hearing to the LCPR within 60 days after service of the Notice of Withholding of Contract Payments. The LCPR shall have the rights and responsibilities of the Enforcing Agency (Code of Regulations section 17202 (f)) in responding to the request for review, including but not limited to the obligations to serve notices, transmit the Request for Review to the hearing office, and provide an opportunity to review evidence in a timely manner, to participate through counsel in all hearing proceedings, and to meet the burden of establishing prima facie support for the Notice of Withholding of Contract Payments. If no hearing is requested within 60 days after the service of the Notice of Withholding of Contract Payments, the Notice of Withholding of Contract Payments shall become final.
- (2) If a contractor or subcontractor seeks review of the LCPR's enforcement action, the Labor Commissioner may intervene to represent the Awarding Agency, or to enforce relevant provisions of the Labor Code consistent with the practice of the Labor Commissioner, or both.
- (3) Except in cases where the Labor Commissioner has intervened pursuant to subpart (b) above, the LCPR shall have the authority to prosecute, settle, or seek the dismissal of any Notice of Withholding of Contract Payments issued pursuant to Labor Code Section 1771.6 and any review proceeding under Labor Code Section 1742, without any further need for approval by the Labor Commissioner. Whenever the LCPR settles

in whole or in part or seeks and obtains the dismissal of a Notice of Withholding of Contract Payments or a review proceeding under Labor Code Section 1742, the LCPR shall document the reasons for the settlement or request for dismissal and shall make that documentation available to the Labor Commissioner upon request.

#### **S. Review of Notice of Withholding of Contract Payments**

- (1) Within ten days following the receipt of the request for a review hearing, the LCPR shall transmit to the Office of the Director-Legal Unit the request for review and copies of the Notice of Withholding of Contract Payments, any audit summary that accompanied the notice, and a proof of service or other documents showing the name and address of any bonding company or surety that secures the payment of the wages covered by the notice.
- (2) The LCPR shall be represented by an attorney in prevailing wage hearings conducted pursuant to Labor Code Section 1742(b) and Code of Regulations sections 17201 – 17270.

#### **T. Determination and Ruling on the Review by the Department of Industrial Relations**

- (1) Upon receipt of a timely request, a hearing shall be commenced within 90 days before the director, who shall appoint an impartial hearing officer possessing the qualifications of an administrative law judge pursuant to subdivision (b) of Section 11502 of the Government Code. The appointed hearing officer shall be an employee of the department, but shall not be an employee of the Division of Labor Standards Enforcement. The contractor or subcontractor shall be provided an opportunity to review evidence, pursuant to Labor Code Section 1742 (b), to be utilized by the LCPR at the hearing within 20 days of the receipt by the LCPR of the written request for a hearing. Any evidence obtained by the LCPR subsequent to the 20-day cutoff shall be promptly disclosed to the contractor or subcontractor. The contractor or subcontractor shall have the burden of proving that the basis for the Notice of Withholding of Contract Payments is incorrect. The Notice of Withholding of Contract Payments shall be sufficiently detailed to provide fair notice to the contractor or subcontractor of the issues at the hearing. Within 45 days of the conclusion of the hearing, the director shall issue a written decision affirming, modifying, or dismissing the assessment. The decision of the director shall consist of a notice of findings, findings, and an order. This decision shall be served on all parties pursuant to Section 1013 of the Code of Civil Procedure by first-class mail at the last known address of the party on file with the LCP. Within 15 days of the issuance of the decision, the director may reconsider or modify the decision to correct an error, except that a clerical error may be corrected at any time. The director has adopted regulations setting forth procedures for hearings under this subdivision. These regulations are found in Code of Regulations sections 17201-17270.
- (2) An affected contractor or subcontractor may obtain review of the decision of the director by filing a petition for a writ of mandate to the appropriate superior court pursuant to Section 1094.5 of the Code of Civil Procedure within 45 days after service of the decision. If no petition for a writ of mandate is filed within 45 days after service of the decision, the order shall become final. If it is claimed in a petition for writ of mandate that the findings are not supported by the evidence, abuse of discretion is established if the court determines that the findings are not supported by substantial evidence in the light of the whole record.
- (3) A certified copy of a final order may be filed by the Labor Commissioner in the office of the clerk of the superior court in any county in which the affected contractor or subcontractor has property or has or had a place of business. The clerk, immediately upon the filing, shall enter judgment for the state against the person assessed in the amount shown on the certified order.
- (4) A judgment entered pursuant to this procedure shall bear the same rate of interest and shall have the same effect as other judgments and shall be given the same preference allowed by law on other judgments rendered for claims for taxes. The clerk shall not charge for the service performed by him or her pursuant to this section.
- (5) This procedure shall provide the exclusive method for review of a decision by the LCPR to withhold contract payments pursuant to Section 1771.5.

## **U. Settlement Authority**

Except in cases where the Labor Commissioner has intervened pursuant to Code of Regulations Section 16439 (b), The LCPR shall have the authority to prosecute, settle, or seek the dismissal of any Notice of Withholding of Contract Payments issued pursuant to Labor Code Section 1771.6 and any review proceeding under Labor Code Section 1742, without any further need for approval by the Labor Commissioner. Whenever the LCPR settles in whole or in part or seeks and obtains the dismissal of a Notice of Withholding of Contract Payments or a review proceeding under Labor Code Section 1742, The LCPR shall document the reasons for the settlement or request for dismissal and shall make that documentation available to the Labor Commissioner upon request.

## **V. Deposits of Penalties and Forfeitures Withheld**

- (1) Where the involvement of the Labor Commissioner has been limited to a determination of the actual amount of penalty, forfeiture, or underpayment of wages and the matter has been resolved without litigation by or against the Labor Commissioner, the LCPR shall deposit penalties and forfeitures with the Awarding Agency.
- (2) Where collection of fines, penalties, or forfeitures results from administrative proceedings or court action to which the Labor Commissioner and Awarding Agency are both parties, the fines, penalties or forfeitures shall be divided between the general funds of the State and Awarding Agency as the Hearing Officer or court may decide.
- (3) All penalties recovered in administrative proceedings or court action brought by or against the Labor Commissioner, and to which the Awarding Agency is not a party, shall be deposited in the General Fund of the State of California.
- (4) All wages and benefits which belong to a worker and are withheld or collected from a contractor or subcontractor, either by withholding or as a result of administrative hearings or any court action and which have not been paid to the worker or irrevocably committed on the worker's behalf to a benefits fund, shall be deposited with the Labor Commissioner, who will handle such wages and benefits in accordance with Labor Code Section 96.7.

## **W. Debarment Policy**

It is the policy of the Awarding Agency that the public works prevailing wage requirements set forth in the California Labor Code, Section 1720-1861, be strictly enforced. In furtherance thereof, construction contractors and subcontractors found to be repeat violators of the California Labor Code shall be referred to the Labor Commissioner for debarment from bidding on or otherwise being awarded any public work contract, within the state of California, for the performance of construction and/or maintenance services for the period not to exceed three (3) years in duration. The duration of the debarment period shall depend upon the nature and severity of the labor code violations and any mitigating and/or aggravating factors, which may be presented at the hearing conducted by the Labor Commissioner for such purpose.

## **X. Disposition of Forfeited Sums**

- (1) The prevailing wage recovery process of this Labor Compliance Program is established pursuant to Labor Code Section 1775 which provides that out of any funds withheld, recovered, or both, there shall first be paid the amount due each worker notwithstanding the filing of any Stop Notice by any person pursuant to Civil Code Section 3179, et seq. Thus, all workers employed on the public works project who are paid less than the prevailing wage rate shall have PRIORITY over all Stop Notices filed against the prime contractor.
- (2) In the event that there are "insufficient funds" available in the prime contractor account to pay the total amount of prevailing wage violations and penalty amounts due, the unpaid prevailing wages shall have PRIORITY STATUS and must be paid first, pursuant to Labor Code Section 1775. Furthermore, if insufficient funds are withheld, recovered, or both, to pay each underpaid worker in full, the money shall be prorated among all workers affected. From the amount recovered by the Awarding Agency, the wage claim shall be satisfied prior to the amount being applied to penalties. If insufficient money is recovered to pay each worker in full, the money shall be prorated among all workers. Wages for workers who cannot be located shall be placed in the



Industrial Relations Unpaid Wage Fund and held in trust for the workers pursuant to Section 96.7. Penalties shall be paid into a general fund or other fund of the Awarding Agency's choosing.

#### **Y. Reporting of Willful Violations to The Labor Commissioner**

- (1) If an investigation reveals that a willful violation of the Labor Code has occurred, the LCPR will make a written report to the Labor Commissioner which shall include:
  - a. An audit consisting of a comparison of payroll records to the best available information as to the actual hours worked; and
  - b. The classification of workers employed on the public works contract.
  
- (2) Six types of willful violations are reported as follows:
  - a. **For Failure to Comply with Prevailing Wage Rate Requirements**  
Failure to comply with prevailing wage rate requirements as set forth in the Labor Code and Code of Regulations is determined a willful violation whenever less than the stipulated basic hourly rate is paid to trades workers, or if overtime, holiday rates, fringe benefits, and/or employer payments are paid at a rate less than stipulated. The facts related to such willful violations may result in a determination that the contractor intended to defraud its employees of their wages.
  - b. **For Falsification of Payroll Records, Misclassification of Work, and/or Failure to Accurately Report Hours of Work**  
Falsification of payroll records and failure to accurately report hours of work is characterized by deliberate underreporting of hours of work; underreporting the headcount; stating that the proper prevailing wage rate was paid when, in fact, it was not; clearly misclassifying the work performed by the worker; and any other deliberate and/or willful act which results in the falsification or inaccurate reporting of payroll records. Such violations are deemed to be willful violations committed with the intent to defraud.
  - c. **For Failure to Submit Certified Payroll Records**  
Refusing to comply with a request for certified payroll reports or substantiating information and records as contained in Section IV.1. will be determined to be a willful violation of the Labor Code. Additionally, refusing to correct inaccuracies or omissions that have been discovered will also be determined to be willful violation of the Labor Code.
  - d. **For Failure to Pay Fringe Benefits**  
Fringe benefits are defined as the amounts stipulated for employer payments or trust fund contributions and are determined to be part of the required prevailing wage rate. Failure to pay or provide fringe benefits and/or make trust fund contributions in a timely manner is equivalent to payment of less than the stipulated wage rate and shall be reported to the Awarding Agency and Labor Commissioner as a willful violation, upon completion of an investigation and audit.
  - e. **For Failure to Pay the Correct Apprentice Rates and/or Misclassification of Workers as Apprentices**  
Failure to pay the correct apprentice rate or classifying a worker as an apprentice when not properly registered is equivalent to payment of less than the stipulated wage rate and shall be reported to the Awarding Agency and Labor Commissioner as a willful violation, upon completion of an investigation and audit.
  - f. **For the Taking of Kickbacks**

Accepting or extracting kickbacks from employee wages under Labor Code Section 1778 constitutes a felony and may be prosecuted by the appropriate enforcement agency.

## VIII. Apprenticeship

- (1) The duties of the LCPR with respect to apprenticeship standards are as follows:
  - a. Inform contractors and subcontractors bidding public works about apprenticeship requirements,
  - b. Send copies of awards to the Department of Industrial Relations as required under Section 1773.3 of the Labor Code, and;
  - c. Refer complaints and promptly report suspected violations of apprenticeship requirements to the Division of Labor Standards Enforcement.
  
- (2) The LCPR shall be responsible for enforcing prevailing wage pay requirements for apprentices consistent with the practice of the Labor Commissioner, including the following:
  - a. That any contributions required pursuant to Labor Code Section 1777.5(m) are paid to the appropriate entity;
  - b. That apprentices are paid no less than the prevailing apprentice rate;
  - c. That workers listed and paid as apprentices on the certified payroll records are duly registered as apprentices with the Division of Apprenticeship Standards; and
  - d. Requiring that the journeyman prevailing wage rate be paid to any worker who is not a duly registered apprentice and for all hours in excess of the maximum ratio permitted under Labor Code Section 1777.5(g), as determined at the conclusion of the employing contractor or subcontractor's work on the public works contract.

## APPENDIX A

### Definitions

- A. **"Withhold"** means to cease payments by the Awarding Agency, or others who pay on its behalf, or agents, to a prime or general contractor. Where the violation is by a subcontractor, the general contractor shall be notified of the nature of the violation and reference made to its rights under Labor Code Section 1729.
- B. **"Contracts"** except as otherwise provided by agreement, means only contracts under a single master contract, including a Design-Build contract, or contracts entered into as stages of a single project may be the subject of withholding pursuant to Labor Code Sections 1720, 1720.2, 1720.3, 1720.4, 1771, and 1771.5;
- C. **"Delinquent payroll records"** means those not submitted on the date set in the contract;
- D. **"Inadequate payroll records"** are any one of the following:
- A record lacking any of the information required by Labor Code Section 1776;
  - A record which contains all of the required information but which is not certified, or certified by someone who is not an agent of the contractor or subcontractor;
  - A record remaining uncorrected for one (1) payroll period, after the LCPR has given the contractor or subcontractor notice of inaccuracies detected by audit or record review; However, prompt correction will stop any duty to withhold if such inaccuracies do not amount to one percent (1%) of the entire certified weekly payroll in dollar value and do not affect more than half the persons listed as workers employed on that certified weekly payroll, as defined in Labor Code Section 1776 and Code of Regulations section 16401.
- E. **"Amount equal to the underpayment"** is the total of the following determined by payroll review, audit, or admission of the contractor or subcontractor:
- The difference between the amounts paid to workers and the correct General Prevailing Wage Rate of Per Diem as defined in Code of Regulations section 16000 and Labor Code section 1773 and determined to be the prevailing rate due workers in such craft, classification or trade in which they were employed and the amounts paid;
  - The difference between the amounts paid on behalf of workers and the correct amounts of Employer Payments, as defined in Code of Regulations section 16000 and Labor Code section 1773.1 and determined to be part of the prevailing rate costs of contractors due for employment of workers in such craft, classification or trade in which they were employed and the amounts paid;
  - Estimated amounts of "illegal taking of wages,";
  - Amounts of apprenticeship training contributions paid to neither the program sponsor's training trust nor the California Apprenticeship Council; and
  - Estimated penalties under Labor Code sections 1775, 1776 and 1813.
- F. **"Forfeitures"** means the amount of wages, penalties, and forfeitures assessed by the Awarding Agency and proposed to be withheld pursuant to Labor Code section 1771.6(a), and includes the following:
- The difference between the prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate by the contractor or subcontractor;
  - Penalties assessed under Labor Code Sections 1775, 1776 and 1813.
- If the aggregate amount of forfeitures assessed as to a contractor or subcontractor is less than \$1000.00, the forfeitures shall be deemed approved by the Labor Commissioner pursuant to Code of Regulations Section 16436(b).
- G. **"Failing to pay the correct rate of prevailing wages"** means those public works violations which the Labor Commissioner has exclusive authority to approve before they are recoverable by the Labor Compliance Program, and which are appealable by the contractor in court or before the Director of the Department of Industrial Relations under Labor Code Section 1742, and 1771.6 pursuant to the Code of Regulations Sections 17201 through 17270. Regardless of what is defined as prevailing "wages" in contract terms, noncompliance with the following are considered failures to pay prevailing wages:
- Nonpayment of items defined as "Employer Payments" and "General Prevailing Rate of Per Diem Wages" in Code of Regulations Section 16000 and Labor Code Section 1771.
  - Payroll records required by Labor Code Section 1776;

- Labor Code Section 1777.5 but only insofar as the failure consists of paying apprentice wages lower than the journey level rate to a worker who is not an apprentice as defined in Labor Code Section 3077, working under an apprentice agreement in a recognized program;
- Labor Code Section 1778, Kickbacks;
- Labor Code Section 1779, Fee for Registration;
- Labor Code Sections 1813, 1815, and Code of Regulations Section 16200 (a) (3) (F) overtime for work over eight (8) hours in any one (1) day or forty (40) hours in any one (1) week. All work performed on Saturday, Sunday, and/or a holiday shall be paid pursuant to the prevailing wage determination.

## APPENDIX B

### Initial Review of Certified Payroll Records

Step 1- Each Payroll Record received by the LCPR for processing is date stamped as to the date received by the Awarding Agency.

Step 2- Within 30 days of receipt, the LCPR will compare the payrolls received to the list of payrolls required for the period. For any payroll that is not included or is incomplete, a 10-day letter is prepared by the LCPR and placed into tracking mode. A Payment Application Hold & Notification of Temporary Withholding Letter will be prepared & sent to the Awarding Agency and all affected Contractors and Subcontractors.

Step 3- The LCPR will begin the initial review of Certified Payroll Records that have been received. Each Contractor or Subcontractor will have a comparison spreadsheet that has been prepared at the initiation of the contract which will have displayed all prevailing wage determination data, based on the Trades, Classifications, Fringe Benefits and Apprentice requirements identified as being utilized by the company.

Step 4- The LCPR will compare the comparison spreadsheet against the Certified Payroll to determine if the gross prevailing wage for the Trade and Classification meets with the prevailing wage of that Trade and Classification. Check of certified payroll for hours worked by day/week to determine if Overtime, Holiday, Travel or Subsistence pay was to be paid. If so, check the payroll to ensure the correct prevailing wage was paid. Check for the proper utilization of Apprentices and that correct prevailing wages have been paid to Apprentices.

Step 5- For each month in which a contractor or subcontractor reports having workers on the project, confirmation of furnished payroll records will be undertaken randomly for at least one worker for at least one weekly period within that month. The LCPR will compare confirmation/backup records to corroborate prevailing wage payments.

Step 6- Upon completion of initial review, provided no initial violation has been detected, Certified Payroll Records are logged into the file system of the project.

Step 7- If an initial violation or potential violation has been detected by the LCPR, they will proceed to a "Confirmation" of Certified Payroll Records.

Step 8- The LCPR will complete a labor compliance review and enforcement summary that indicates the status of the initial review and confirmation for each company for the period, if any of the contractors or subcontractors Certified Payrolls have not been received, and the status of any 10 day letters that have been prepared.

Step 9- When the Awarding Agency or LCPR receives a complaint of suspected violation(s), an accusation or any alleged wrong doing; the LCPR will proceed to a "Confirmation" of Certified Payroll Records.

After review of the initial complaint the Initial Complaint Information form will be completed. The basic information required to initiate a complaint include:

- Name of the complainant, including address and phone number;
- Name of the alleged violating contractor;
- Name of the prime contractor (if different); and
- Nature of the complaint.

## APPENDIX C

### Confirmation and Audit of Certified Payroll Records

Step 1- By written request the LCPR will notify the affected contractor of any potential violation and request further payroll records for confirmation and corroboration of prevailing wage payments as correct. Confirmation of Certified Payroll Reports may be accomplished through:

- Examination of Paychecks or Paycheck stubs;
- Confirmation/Documentation of "Employer Payments" as made to third party recipients;
- Worker Interviews; and
- Whatever other reasonable methods, as needed, to corroborate the reported prevailing wage payments.

Step 2- If after review and corroboration of the payroll records it is determined that no violation has occurred or documentation is received that reflects corrections and restitution payments have been made to the employees, all records will be filed into the file system of the project.

Step 3- If after review and corroboration of the payroll records it is determined that a violation has occurred and no documentation has been received to reflect that the violation has been corrected the LCPR will initiate a comprehensive audit to ascertain the amount of wages due the worker(s) as well as the statutory penalties that are to be assessed.

Step 4- A comprehensive audit is based on the LCPR's review of all documents and issues pertaining to the complaint or violation and has arrived at a decision concerning issues that must be audited. The LCPR will prepare & request documents listed on the Referral Checklist for a full audit. Documents needed to process the audit may include but are not limited to the following:

- Certified Payroll Records
- Fringe Benefit Statement/Statement of Employer Payments
- Time Cards
- Copy of Checks
- Inspector Logs
- Prevailing Wage Rates Spreadsheet for Company Concerned.
- Special Wage Determination(s) for the trades and crafts on the Certified Payroll
- Listing of Holidays
- Travel and Subsistence Information
- List of Indentured Apprentices (by name and classification)
- Any Special Instructions.

Step-5- An Audit Spreadsheet is created containing the following information:

- Auditor will make notes when audit entries are different from what is contained in the Certified Payroll.
- Any instance that data was entered that seems to be in contradiction to any other record. Examples:
  - Premium pay not paid for work on Saturday, Sunday or Holiday.
  - Travel and subsistence not paid.
  - Apparent underpayments where the contractor appears to be paying less than the required prevailing wages.
  - Hours obtained from time cards or records other than the Certified Payroll.
  - Individuals shown on the Certified Payroll as "apprentices" that are not properly registered.

Results of the Audit upon completion will be transferred to the Awarding Agency's Investigations Department.

## APPENDIX D

### Public Works Case Audits

Step 1- After the LCPR completes the review of certified payroll, initiates contact with the affected contractor and produces the initial 10 day letter(s) without resolution; the LCPR shall meet with the Investigations Team to determine if the project file contains sufficient detail to request an Investigation and/or Audit. Provided there is sufficient probable cause to believe that a violation has or may have occurred the Investigation Supervisor (IS) assigns the case to an Investigation Auditor (IA), who initiates a complete audit of the certified payroll to determine the nature of the violation(s), ascertain the amount of wages due the worker(s) as well as the statutory penalties that are to be assessed.

Step 2- The primary responsibility of the Investigation Team is to complete case audits, relieving the LCPR from this lengthy process in as many cases as possible. The initiation of comprehensive audit requirements is based on the IA's review of all documents and issues pertaining to the complaint and has arrived at a decision concerning issues that must be audited. Should issues arise during the course of the audit, the IA must resolve the issue in question and provide specific resolutions. Requests for audits by the LCPR will contain the documents needed to complete the audit. (Not all documents on this list may be available or needed in all audits):

- Case Log Summary to date
- All correspondence to try and address the violation
- Certified Payroll Records
- Fringe Benefit Statement
- Prime Contract
- Sub-Contract (if applicable)
- Scope of Work
- General Conditions
- Notice of Completion
- Amount of Held Funds
- Time Cards
- Copy of Checks
- Contractor Logs
- Inspector Logs
- Prevailing Wage Cheat Sheets
- Wage Determination(s) for the trades and crafts on the Certified Payroll
- Listing of Holidays
- Travel and Subsistence Information
- List of Indentured Apprentices (by name and classification)
- Any Special Instructions.

Case Logs are created on a "Word" document that will be titled with the case number assigned. (This document will be kept current during the progress of the audit). The IA will make notes on all activities done relative to the audit / investigation.

Step 3- Results of the Case Audit upon completion will be documented and reviewed by the IS to determine validity.

Step 4- At the point the IS had determined that there is sufficient evidence to determine that a violation has occurred, a Notice of Intent to Request Forfeiture of Monies will be sent to the relative parties notifying them of the findings.

Step 5- At the completion of the contractor's appeal rights if no response to the Notice of Intent is received, from any affected party, the case file will be prepared and submitted to the Department of Industrial Relations (DIR) for forfeiture determination.

Step 6- Once the determination and approval of forfeiture is received by the Investigation Team a Notice of Withholding Contract Payments is produced and mailed first class and certified to the affected parties, to include the Awarding Agency, Construction Manager and Bonding Company.

Step 7- A settlement meeting is held by the Awarding Agency upon timely request of the contractor or other parties.

Step 8- A hearing is held by DIR upon timely request of the contractor or other parties.

## APPENDIX E

### Investigation Case Processing

Step 1- Written complaints or investigation requests are received by the Investigations Supervisor (IS). After a review of the complaint or audit if a determination is made that an investigation is required, the Investigation Supervisor (IS) will assign an Investigation Auditor (IA) to obtain the initial information to investigate the complaint.

Step 2 - The Investigations Department will prepare the Case Binder to include, but not limited to, the following:

- Contractor's name and case number
- Project Name
- Awarding Agency
- Prime Contractor (if different)
- Original complaint(s) and supporting documentation
- Copy of 1st bid advertisement
- Contract
- Sub Contract (if applicable)
- Second tier sub contract (if applicable)
- CSLB print outs on the contractors
- Entity information (Secretary of State print-outs, fictitious business statement, etc.)
- Prevailing Wage rates in effect and predetermined increases received from DLSR.
- Certified Payroll Records received from defendant contractor
- Certified Payrolls obtained from different sources (AB, prime contractor, etc. as required)
- Inspector Logs
- Audit and Audit notes
- Prior Violations
- Copies of executed Notice(s) to withhold and supporting documents
- Correspondence (filed in order mailed or received)

Additional information and documents will be inserted as needed consistent with the facts of the investigation. (Example would be if Certified Payroll(s) were not submitted timely and penalties pursuant to Labor Code 1776(h) were imposed, the Request for Certified Payroll, including the certified receipt and the green return receipt, become evidence, supporting the penalty assessment and should be tabbed).

Step 3- Processing the Investigation

This provides the general steps to be taken in processing an investigation. **As the facts of each investigation are different, not all steps need to be taken in every case or in the order presented.**

An investigation of a public works case is a conscientious attempt to ascertain all pertinent facts relative to a suspected violation(s) based on a complaint, an accusation or any alleged wrong doing. The Investigation Team is required to exercise sound discretion in employing the investigative method or methods best suited to the type of violation involved.

- The IA will assign a case number and begin the Case Log.
- The IA will determine the Statutes of Limitations for action against the contractor and indicate the date on the Case Log. The statutes compel the LCP to complete the investigation, issue the proper notices to the parties, prepare and submit the case all within the time limits.
- The IA will research to see if any previous public work cases were filed against affected contractor. Specific attention is given to previous complaints filed against the same project. The results of the research are to be recorded on the Case Log and will be provided to the Department of Industrial Relations (DIR) if a Request for Forfeiture is needed.
- The IA will prepare the initial case notifications and requests. These notices and requests are the initial mailing package and consist of the:
  - Notification of Complaint Filed. Within 15 days after receipt of the complaint, provide the affected contractor with the notice required under Labor Code section 1775(c) if the complaint is against a subcontractor. The Notice of Complaint Filed is sent to complainant and all other relative parties. This



- form advises all parties (or potential parties) that the Awarding Agency's LCP has initiated a formal investigation.
- o An Employee Inquiry Form. Mailed to complainant and all other workers identified on certified payroll reports in possession of the Awarding Agency's LCP for the affected contractor.
  - o A formal request for information/records is prepared and mailed to all affected parties, if not previously received as part of the LCPR's audit. Examples of items that may still be needed include the following:
    - Inspectors Logs
    - Contract(s)
    - Copies of the performance, Labor/Material and/or payment bonds
    - Copy of 1st bid advertisement
    - Page(s) (from the contract) listing the prevailing wage rate(s) on this contract.
    - Page(s) (from the contract advising the contractor of legal requirements to pay the prevailing wages.
    - Notice of Completion (if/when filed)
    - Date project began
    - Project completion (or estimated completion)
    - Amount of money being held by the Awarding Agency.
    - Location of the project.
    - Certified Payroll Records.
    - Fringe Benefit Statement/Statement of Employer Payments
    - Letter requesting supporting documentation (time cards and canceled checks, etc.)
  - The IA will verbally contact all affected parties and the complainant to notify them that a complaint has been received and an investigation is commencing into the merits of the alleged violation of the Labor Code.
  - The IA will attempt to identify and contact anyone who can verify the accuracy of the allegations and obtain permission for a written affidavit.
  - The IA will keep the complainant informed timely throughout the entire investigative process but no less than:
    - o Notify the complaining party in writing of the resolution of the complaint within ten days after the complaint has been resolved by the Investigations Team;
    - o Notify the complaining party in writing at least once every 30 days of the status of a complaint that has not been resolved by the Investigations Team; and
    - o Notify the complaining party in writing at least once every 90 days of the status of a complaint that has been resolved by the Investigations Team but remains under review or in litigation before another entity.
  - Upon receipt of all information and records the IA's audit will include the following steps:
    - o The IA will take note of any data that does not seem to match.
    - o The IA will compare the hours reported in the complaint and find out if they match.
    - o The IA will review the Fringe Benefit Statement and compare this statement with the Certified Payroll(s) to insure that the amounts claimed on the statement are reflected in the Certified Payroll(s).
    - o Time Cards: Are the time cards original – written in different hands, at different times, or do they appear to be written by the same person at a later time?
    - o Cancelled checks: Review checks submitted to be sure that the documents appear to have been cleared through a bank. Look at the check numbers and make sure that they correspond to the check numbers reported on the Certified Payroll(s).
    - o Certified Payroll(s): Review the information reported on the Certified Payroll(s)
    - o Determine if the information provided complies with the requirements of Labor Code 1776(c)
    - o Review the Certified Payroll to identify any additional issues such as:
      - Correct utilization of reported apprentices
      - Obvious violations (failure to pay overtime over 8 hours per day or ratio violations within certain crafts or failure to report wages for "owners" or "partners").
      - Hourly Rate of Pay: The rate that should be reflected in this column is the "total hourly wage" paid to (and on behalf of) the employee.
      - Check the certification statement for compliance with the Labor Code.

- Review the Fringe Benefits Statement. If the contractor is claiming employer contributions, these contributions must be documented on the Fringe Benefit Statement. The contractor must provide proof of the payments in prevailing rate of per diem wages.
- Provided the Certified Payrolls are accepted being accurate, and violations are substantiated, audit the certified payroll(s) to determine the amount of wages and penalties that are due.
- If false Certified Payroll(s) are indicated, note this fact for possible filing of a felony complaint for violation of Labor Code 1778.
- Indicate any failure to submit or faulty submission of Certified Payroll Reports. If the Certified Payrolls are not submitted, or if ALL the information is not provided, AND the time for submission has lapsed, initiate penalties pursuant to Labor Code 1776(h) to compel compliance.
- If the IA discovers potential violations of the Labor Code not pertaining to Public Works law, such as payment with insufficient fund checks, not providing paycheck stubs, apprenticeship issues, false Certified Payroll or kickbacks, the IA shall submit these findings to the appropriate enforcing agency.
- At the point the IA has determined that there is sufficient evidence that a violation has occurred, a Notice of Intent to Request Forfeiture will be prepared and submitted to all affected parties notifying them of our findings and offering them an opportunity to meet. The purpose of the pre-withhold meeting is to review and discuss the initial audit results with the contractor(s), inform the contractor(s) of his/her due process rights, schedule a due date (10 days) for any mitigating evidence to be submitted by the contractor(s).
- After review and consideration of any mitigating evidence submitted by the contractor, the audit findings will be finalized. A letter is sent to the contractor with directions on how to make the payments along with the finalized audit. In the event that a settlement cannot be reached, the case is then forwarded to the State Labor Commissioner for approval of the "Request for Approval of Forfeitures and Penalties".
- If the aggregate amount of forfeitures assessed to a contractor or subcontractor is less than \$1,000.00, the forfeitures shall be deemed approved by the Labor Commissioner upon service and the Labor Commissioner's receipt of copies of the following:
  - The Notice of Withholding of Contract Payments authorized by Labor Code Section 1771.6(a);
  - An Audit as defined in section 16432(e) of the Regulations, and
  - A brief narrative identifying the Bid Advertisement Date of the contract for public work and summarizing the nature of the violation, the basis of the underpayment, and the factors considered in determining the assessment of penalties, if any, under Labor Code Section 1775.
- If the aggregate amount of forfeitures assessed to a contractor or subcontractor is \$1,000.00 or more the IA must submit, in writing, a Request for Approval of Forfeiture to the State Labor Commissioner. The file or report shall be served on the Labor Commissioner as soon as practicable after the violation has been discovered, and not less than 30 days before the final payment, but in no event not less than 30 days before the expiration of the limitations period set forth in Labor Code Section 1741.
  - The assessment shall be served not later than 18 months after the filing of a valid notice of completion in the office of the county recorder in each county in which the public work or some part thereof was performed, or not later than 18 months after acceptance of the public work, whichever occurs last.
  - A copy of the Request for Approval of Forfeiture and Penalties shall be served on the Contractor, Subcontractor, bonding company or surety and the Awarding Agency.
- The Labor Commissioner's determination of the forfeiture is effective on the date the Labor Commissioner serves by first class mail, on the Labor Compliance Program, on the Awarding Agency if different, on the contractor and on the subcontractor, if any, an endorsed copy of the proposed forfeiture, or a newly drafted forfeiture statement which sets out the amount of forfeiture approved. Service on the contractor or subcontractor is effective if made on the last address supplied by the contractor or subcontractor in the record. The Labor Commissioner's approval, modification or disapproval of the proposed forfeiture shall be served within 30 days of receipt of the proposed forfeiture.
- Upon receipt of approval, the IA will prepare and issue a Notice of Withholding of Contract Payments against the affected contract(s). The Notice of Withholding of Contract Payments and the Notice of Right to Obtain Review procedures pursuant to Labor Code Section 1742 shall be served on the contractor(s) and bonding companies of the affected contractor(s) by certified mail and first class mail.

- In accordance with Labor Code sections 1742 and 1771.6, an affected contractor or subcontractor may obtain review of the Notice of Withholding of Contract Payments by transmitting a written request to the office of the Awarding Agency's LCP that appears on the Notice within 60 days after service of the notice.
- In accordance with Labor Code section 1742.1 (c), the Awarding Agency's LCP shall, upon receipt of a request from the affected contractor or subcontractor within 30 days following the service of this Notice of Withholding of Contract Payments, afford the contractor or subcontractor the opportunity to meet with the Awarding Agency's designee to attempt to settle a dispute regarding the notice. The settlement meeting may be held in person or by telephone and shall take place before the expiration of the 60-day period seeking a hearing as set forth below. No evidence of anything said or any admission made for the purpose of, in the course of, or pursuant to, the settlement meeting is admissible or subject to discovery in any administrative or civil proceeding. No writing prepared for the purpose, in the course of, or pursuant to, the settlement meeting, other than a final settlement agreement, is admissible or subject to discovery in any administrative or civil proceeding. This opportunity to timely request an informal settlement meeting is in addition to the right to obtain a formal hearing, and a settlement meeting may be requested even if a written Request for Review has already been made. Requesting a settlement meeting, however, does not extend the 60-day period during which a formal hearing may be requested. A written request to meet with the Awarding Agency's designee to attempt to settle a dispute regarding this notice must be transmitted to the Awarding Agency.
- A Request for Review either shall clearly identify the Notice of Withholding of Contract Payments from which review is sought, including the date of the notice, or it shall include a copy of the notice as an attachment, and shall also set forth the basis upon which the notice is being contested. In accordance with Labor Code section 1742, the contractor or subcontractor shall be provided an opportunity to review evidence to be utilized by the Awarding Agency at the hearing within 20 days of receipt by the Awarding Agency of the written Request for Review.
- The Awarding Agency shall make evidence available for review within 20 days of its receipt of the Request for Review; provided that, this deadline may be extended by written request or agreement of the Affected Contractor or Subcontractor. The Awarding Agency's failure to make evidence available for review as required by Labor Code section 1742(b) and Rule 24 (CCR 17224) shall preclude the Awarding Agency from introducing such evidence in proceedings before the Hearing Officer or the Director.
- Within ten (10) days following the receipt of a Request for Review, the Awarding Agency shall transmit to the Office of the Director - Legal Unit, the Request for Review and copies of the Assessment or Notice of Withholding of Contract Payments, any Audit Summary that accompanied the Assessment or Notice, and a Proof of Service or other document showing the name and address of any bonding company or Surety.
- Within ten (10) days following the receipt of a Request for Review, the Awarding Agency shall also notify the Affected Contractor or Subcontractor of its opportunity and the procedures for reviewing evidence to be utilized by the Awarding Agency at the hearing on the Request for Review.
- Once the Request for Review is transmitted to DIR, DIR will contact all parties to begin Pre-Hearing Meetings, Settlement Meetings and a Hearing, if necessary.
- Failure by a contractor or subcontractor to submit a timely Request for Review will result in a final order which shall be binding on the contractor and subcontractor, and which shall also be binding, with respect to the amount due, on a bonding company issuing a bond that secures the payment of wages and a surety on a bond. Labor Code section 1743
- In accordance with Labor Code section 1742(d), a certified copy of a final order may be filed by the Labor Commissioner in the office of the clerk of the superior court in any county in which the affected contractor or subcontractor has property or has had a place of business. The clerk, immediately upon filing, shall enter judgment for the State against the person assessed in the amount shown on the certified order.

## APPENDIX F

### Prevailing Wage Hearing Regulations

The following listing is provided to facilitate the identification of regulatory sections that may bear upon the duties and responsibilities of the Labor Compliance Program. The actual text of each section should be accessed on-line at <http://www.dir.ca.gov/dlse/CCR.htm> in order to ensure that the most current wording of each regulatory section is relied upon.

#### CALIFORNIA CODE OF REGULATIONS TITLE 8, CHAPTER 8, SUBCHAPTER 6, SECTIONS 17201 through 17270

##### ARTICLE 1. GENERAL

- 17201. Scope and Application of Rules.
- 17202. Definitions.
- 17203. Computation of Time and Extensions of Time to Respond or Act.
- 17204. Appointment of Hearing Officers; Delegation of Appointment Authority to Chief Counsel.
- 17205. Authority of Hearing Officers..
- 17206. Access to Hearing Records.
- 17207. Ex Parte Communications.
- 17208. Intervention and Participation by Other Interested Persons.
- 17209. Representation.
- 17210. Proper Method of Service.
- 17211. Filing and Service of Documents by Facsimile or Other Electronic Means.
- 17212. Administrative Adjudication Bill of Rights.

##### ARTICLE 2. ASSESSMENT OR NOTICE AND REQUEST FOR REVIEW

- 17220. Service and Contents of Assessment or Notice of Withholding of Contract Payments.
- 17221. Opportunity for Early Settlement.
- 17222. Filing of Request for Review.
- 17223. Transmittal of Request for Review.
- 17224. Disclosure of Evidence.
- 17225. Withdrawal of Request for Review; Reinstatement.
- 17226. Dismissal or Amendment of Assessment or Notice of Withholding of Contract Payments.
- 17227. Early Disposition of Untimely Assessment, Withholding, or Request for Review.
- 17228. Finality of Assessment or of Withholding of Contract Payments When No Timely Request for Review is Filed;  
Authority of Awarding Body to Disburse  
Withheld Funds.
- 17229. Finality of Notice of Withholding of Contract Payments; Authority of Awarding Body to Recover Additional Funds.

##### ARTICLE 3. PREHEARING PROCEDURES

- 17230. Scheduling of Hearing Date; Continuances and Tolling.
- 17231. Prehearing Conference.
- 17232. Consolidation and Severance.
- 17233. Prehearing Motions; Cut-Off Date.
- 17234. Evidence by Affidavit or Declaration.
- 17235. Subpoena and Subpoena Duces Tecum.
- 17236. Written Notice to Party in Lieu of Subpoena.
- 17237. Depositions and Other Discovery.

##### ARTICLE 4. HEARINGS

- 17240. Notice of Appointment of Hearing Officer; Objections.
- 17241. Time and Place of Hearing.
- 17242. Open Hearing; Confidential Evidence and Proceedings; and Exclusion of Witnesses.

- 17243. Conduct of Hearing.
- 17244. Evidence Rules; Hearsay.
- 17245. Official Notice.
- 17246. Failure to Appear; Relief from Default.
- 17247. Contempt and Sanctions.
- 17248. Interpreters.
- 17249. Hearing Record; Recording of Testimony and Other Proceedings.
- 17250. Burdens of Proof on Wages and Penalties.
- 17251. Liquidated Damages.
- 17252. Oral Argument and Briefs.
- 17253. Conclusion of Hearing; Time for Decision.

ARTICLE 6. DECISION OF THE DIRECTOR

- 17260. Decision.
- 17261. Reconsideration.
- 17262. Final Decision; Time for Seeking Review.
- 17263. Preparation of Record for Review.
- 17264. Request for Participation by Director in Judicial Review Proceeding.

ARTICLE 7. TRANSITIONAL RULE

- 17270...Applicability of these Rules to Notices Issued Between April 1, 2001 and June 30, 2001.

## APPENDIX G

### FIELD REPRESENTATIVE (FR) MINIMUM STANDARDS

These protocols have been developed to provide the Field Representative (FR) with minimum standards to be followed while in the process of conducting interviews on construction project sites. In all instances, the Awarding Agency's FR will conduct themselves in a professional and authoritative manner. The Awarding Agency's FR's will be familiar with applicable provisions of the Labor Code in order to converse with administrators or construction personnel of any level.

#### A. On-Site Visitations

Each construction project is unique and all of the listed protocols will not necessarily be utilized, precisely as stated, during the course of each site visit. However, in most cases the Awarding Agency FR's will employ the basic concepts expressed in each protocol to accomplish the purpose of their site visit in an efficient manner.

1. All FR's visiting any construction site are required to wear a visible picture ID (badge), and to properly identify themselves as such. Additionally, all FR personnel are required to wear hard hats, safety vests and safety shoes.
2. Safety is the paramount factor for any site visit to any construction project. FR's will not enter any area that appears unsafe. Areas of concern include, but are not limited to, grading operations, trenching and work within a trench, hazardous materials abatement, concrete placement, demolition or the removal roofing materials. FR's are expected to exercise reasonable caution at all times.
3. Should FR's witness what they consider to be a potentially unsafe condition, they will contact the site inspector or job superintendent of their findings immediately and make note on the site visitation interview form of what they observed. Upon return to the office, the FR will report their findings to the Awarding Agency's Labor Compliance Officer (LCO).
4. When inspections are conducted on Owner-occupied sites, the FR shall, upon arrival:
  - a. Check in at the Administrative office;
  - b. Identify themselves and state the purpose of the visit; and
  - c. Sign in if required to do so

If the opportunity presents itself and, dependent on the nature of any questions, the FR will take a few minutes to answer any questions and discuss activities or the services provided by the Awarding Agency's LCP with administrative level personnel, but will not seek personnel out.

5. Prior to any interviewing, the FR shall:
  - a. Check in at the site superintendent's trailer;
  - b. Take a few minutes to talk with the Superintendent;
  - c. Develop a working relationship;
  - d. Gain information pertaining to the project such as:
    - i. Duration or phasing;
    - ii. What contractors are on-site that day;
    - iii. Work activities in process or anticipated, etc.
6. In the event there is not a construction trailer or job superintendent, the FR will locate each contractor's foreman.
7. If for some reason the FR is denied access to the site, or informed that they may not interview the workmen:
  - a. FR will promptly and politely remove themselves;
  - b. FR will immediately contact the Awarding Agency's LCO, by phone, to report the incident.
  - c. Make a note of this occurrence on the site visitation interview form along with all available details such as:
    - i. Time of day;
    - ii. Name of party denying access;
    - iii. Stated reason for denying access, etc.

FR will include this note in their report to the Awarding Agency's LCO.

8. There will be times when the site superintendent is somewhere on the site and/or there is no contractor present in the trailer. The FR will check in at the Inspector of Record (IOR) trailer. If all trailers are empty or locked, FR will try to locate the site superintendent or IOR, on the site prior to commencing interviewing. If the FR is unable to locate the superintendent or IOR they will proceed with interviews after speaking with each contractor's foremen.
9. FR will check to see that the following are displayed in the contractor's trailer or the Administrative Office:
  - a. Equal Opportunity Employment Posters
  - b. Required jobsite posting NOTICE that the project is a prevailing wage public work
  - c. Prevailing wage sheets available for review by the tradesmen
  - d. Sign-in Log
  - e. Listing of subcontractors on site

If any of these items are not readily visible, the FR will remind the CM, GM, PM that these postings are part of the contractual and legal requirements. On subsequent visits, the FR will make sure that these items are posted or readily available upon request. If these items are not posted or readily available, the FR will advise the Awarding Agency LCPR, CM, GM, PM of the non-compliance with the law and the contract requirements.
10. The Field Representative shall visit all sites on an unannounced random weekly basis. During inclement weather contact will be made with the Prime/General Contractor or Construction Manager in an attempt to determine if there will be any activity at the site that day.

## **B. Interviewing**

1. Once the FR has checked in and obtains access to the site:
  - a. FR will locate the Foreman for each contractor on the project prior to conducting the interviews.
  - b. Identify themselves as the Awarding Agency LCPR acting on behalf of the Awarding Agency; and, if necessary
  - c. Explain that the FR activity is a legal requirement placed on the Awarding Agency as a result of the ongoing construction work.
2. The FR shall conduct all interviews on a non-interference basis. The contractor's foreman may want to accompany the FR during the interview process, such action is not to be considered as interference, however interference does result when a foreman restricts questioning or the specific tradesmen that may be interviewed.
3. A minimum amount of the workers' time will be taken for interview purposes. When making the decision regarding whom to interview, the FR will look for tradespersons working in clusters. For instance, several painters, electricians, roofers, etc. working in one area.
  - a. Workers will be approached individually, in a non-threatening, professional manner;
  - b. The FR will identify themselves;
  - c. Inform workers why they are there and that they need only a few minutes of their time to ask some very generic questions to ensure that they are receiving the proper rate of pay for the type of work they are doing.
  - d. The FR will not endanger themselves or any tradesperson's safety in conducting these interviews.
  - e. The FR will not insist that someone on a scaffold 40 feet in the air come down for an interview or attempt to interview tradesmen actively involved in activities such as a concrete pour, crane operation, etc.
  - f. The FR will not ask anyone to stand by until they can get to them; they will be allowed to continue working until the FR can get to them individually.
4. These interviews are random; two or three tradespersons for each contractor/subcontractor is more than sufficient for one visit. Any persons missed are usually picked up on the next visit. If only one tradesperson is at the site, then that person will be interviewed, if possible. Thirty minutes of interviewing per site is typically sufficient, depending upon the site size and/or number of subcontractors present.
5. Interviews will not be conducted during the Tradesmen's breaks or lunch periods.

### **C. Site Visitation Interview Form**

1. The FR will use the Site Visitation Interview form and ask each person the following:
  - a. Name;
  - b. Last four digits of their social security number;
  - c. Employer;
  - d. Title (trade);
  - e. Rate of pay; and
  - f. Task being performed at the time of interview
2. Should someone decline to speak with the FR, those wishes will be respected. If someone asks if this is union-related, the FR will advise them that they work as the Awarding Agency's LCPR on the project.
3. If someone refuses to disclose his/her social security number, those wishes will be respected. The FR will assure that person that all information given is kept strictly confidential and make the attempt to get his/her complete name.
4. If someone does not know their rate of pay, FR will ask for an approximate amount. If the response is, "Whatever prevailing wage is", that is what will be indicated on the form.
5. If a worker states that he/she does not know what contractor they are working for, the FR will track down the site superintendent and ask his assistance in determining the responsible contractor. (Workers who don't know their employing contractor are often an indication of an "underground" crew being employed by the contractor.
6. If someone indicates that he/she is an apprentice, they will be asked their current apprentice level. If he/she is not sure, they will be asked how many years he/she has been apprenticed in the specific trade or to approximate, and this will be indicated on the interview form.
7. If someone is interviewed that does not speak English and the FR cannot communicate in the appropriate language, the FR will try to locate a coworker who can interpret. If an entire crew is unable to speak English and there is no interpreter, this will be included on the report.
8. The FR is there to collect information only, tradesmen will not be told how to do their jobs or that the amount of hourly wage they are reporting is below the determined wage. The FR will not solicit or invite the tradesmen to initiate a complaint through them or give them the impression that it is within the FR duties. The FR will explain that for reasons of confidentiality, they should contact the Awarding Agency's LCP office and speak with the LCPR and a business card will be left with them.
9. Within the Site Observations portion of the interview form the FR will give as much information as they can that pertains to the work in progress. The FR will approximate the total number of tradesmen on the site and ask each foreman how many employees he has on the project that day.
10. All tradesmen will be thanked for their time.

### **D. Site Superintendents Daily Reports**

1. A copy of the site superintendent's daily reports for the previous week will be obtained and submitted to the LCPR no later than the end of each workweek.

### **E. Reporting**

1. All original interview forms and daily reports shall be submitted to the LCPR no later than the end of each workweek.



## APPENDIX H

### Forms

Apprentice Ratio Request  
Apprentice Requirements Letter – Initial  
Bid Package Information  
CAC-2 (with Sample & Instructions)  
Certification of Prior Attendance  
Cover Letter to Accompany Witness-Exhibit List  
Checklist of Labor Law Requirements to Review at Pre-job Conference with Contractor's  
Contractor Close-out Report  
Audit Record Worksheets Forms:  
Public Works Investigation Worksheet  
Public Works Audit Worksheet  
Prevailing Wage Determination Summary (Appendix B)  
Single Project Labor Compliance Review and Enforcement Report Form (Appendix C - CCR16434)  
Notice of Temporary Withholding of Contract Payment Due to Delinquent or Inadequate Payroll Records  
Request for Approval of Forfeiture Amount (Appendix D – CCR 16437)  
Notice of Withholding Contract Payments (Labor Code Section 1771.6)  
Notice of Opportunity to Review Evidence (Labor Code Section 1742b and CCR 17223)  
Notice of Transmittal of Request for Review to DIR Lead Hearing Officer (CCR17223)  
Deductive Change Order  
Employee Inquiry Form  
Employee Inquiry Form (Spanish)  
Exhibit List  
Fringe Benefits Statement (Form PW 26) with Instructions  
Listing of Helpful Websites  
Initial Complaint Information Form  
Introduction / Apprentice Letter with Proof of Service  
Investigations Case Log  
Notice & Request to Review Evidence  
Notice of Complaint Closed  
Notice of Complaint Filed  
Notice of Intent to Request Forfeiture of Monies  
Notice of Investigation  
Notice of Request for Approval of Forfeiture  
Notice of Withholding – Transmittal  
Notification of Gross Wage Distribution – Tax Liability  
Notification to Awarding Body of Penalties Owed Them  
Notification to DAS After Investigation of Training Funds Owed Them.  
Notification to Worker of Monies Owed Them  
Notification to Worker of Monies Owed Them (Spanish)  
Payment Application Hold & Notification of Temporary Withholding  
Payment Application Release  
Payroll Certification (with sample and instructions)  
Public Works Payroll Reporting Form (A-1-131 with instructions)  
Pre-bid Conference and Job Walk  
Preconstruction Notice  
Project Closeout Report  
Project Data Checklist  
Proof of Service

Public Works Complaint  
Public Works Complaint – Proof of Service  
Records Request – Extension Letter  
Records Request – Payment Received  
Records Request – Request for Payment  
Release of Stop Notice  
Release of Stop Notice (Spanish)  
Request a Modification to Forfeiture  
Request for Information – Complainant  
Request for Penalty Forfeiture Approval  
Required Jobsite Posting (English)  
Required Jobsite Posting (Spanish)  
Restitution Check to Worker (tax liability- English)  
Restitution Check to Worker (tax liability - Spanish)  
Settlement Meeting Accepted  
Settlement Meeting Scheduled  
Site Visitation Interview  
Statement of Non-Performance  
Statement of Payment of Wages to Unpaid Worker (English)  
Statement of Payment of Wages to Unpaid Worker (Spanish)  
Unpaid Wage Fund  
Verification of Apprentice-Journeyman Ratios  
California FPPC Form 700 “Statement of Economic Interest”  
Annual Report Form LCP-AR 1 (CCR 16431)  
Public Works Form 100 – Contract Award Form  
DAS Forms:  
CAC-2 Form – Training Fund Contribution  
Form DAS-142 Request for Dispatch of an Apprentice  
Form DAS-140 Public Works Contract Award

(Insert Awarding Agency Logo)

"[Click here and type date]"

"[Click here and type Apprenticeship Committee name]"

"[Click here and type Apprenticeship Committee address or fax#]"

## **REQUEST FOR MOST RECENT APPRENTICE-TO-JOURNEYMAN RATIO**

In our ongoing efforts to maintain our high standards of professionalism and willingness to work cooperatively with the DAS and your Apprenticeship Committee to provide guidance and leadership, we request a copy of the most recent ratio's for the following:

**Program/Committee:**

**County:**

**Classification:**

**Thank you in advance for your assistance. If you should have any questions, please call.**

**Thank you,**

**"[Click here and type your name]"  
Labor Compliance Specialist**

## **Apprentices on Public Work projects Summary of requirements**

Compliance with California Labor Code Section 1777.5 requires all public works contractors and subcontractors to:

### **1. Submit contract award information.**

Contractors who are not already approved to train by an apprenticeship program sponsor shall provide contract award information to all of the applicable apprenticeship committees whose geographic area of operation includes the area of the public works project. **Submit contract award information** to the apprenticeship committee for each apprenticeable craft or trade in the area of the site of the public works project that has approved the contractors, who are participants in an approved apprenticeship program, to train apprentices. (Title 8, California Code of Regulations, Section 230).

The contract award information shall be in writing and may be on a Public Works Contract Award Information form (DAS 140). The information shall be provided to the applicable apprenticeship committee within ten (10) days of the date of the execution of the prime contract or subcontract, but in no event later than the first day in which the contractor has workers employed upon the public work. (Title 8, California Code of Regulations, Section 230). **The filing of a DAS 140 is not a request for dispatch of registered apprentices.**

### **2. Employ registered apprentices** on the Public Works project in a ratio of no less than one (1) hour of apprentice work for every five (5) hours performed by a journeyman.)

1. Contractors who are not already employing sufficient registered apprentices to comply with the one-to-five ratio must request the dispatch of required apprentices from the apprenticeship committees providing training in each applicable craft or trade and whose geographic area of operation includes the site of the public work by giving the committee written notice of at least 72 hours (excluding Saturdays, Sundays and holidays) before the date on which apprentices are required.

2. If the apprenticeship committee from which apprentice dispatch is requested does not dispatch apprentices as requested, the contractor must request apprentice dispatch from another committee providing training in the applicable craft or trade in the geographic area of the site of the public work, and must request dispatch from each such committee, either consecutively or simultaneously, until the contractor has requested apprentice dispatch from each such committee in the geographic area.

3. If a non-signatory contractor is dispatched fewer apprentices than requested from an apprenticeship program the contractor must request dispatch from all other committees that provide training in the applicable craft or trade whose geographic area of operation includes the site of the public work. (Title 8, California Code of Regulations, Section 230.1).

**3. Make training fund contributions** in the amount established in the Prevailing Wage Rate publication for journeymen and apprentices. Contractors who contribute to an apprenticeship program are entitled to a full credit in the amount of those contributions. Contractors who do not contribute to an apprenticeship program must submit their contributions to the California Apprenticeship Council.

Funds are due & payable by the 15th of the month for work performed during the preceding month. The contribution should be paid by check and be accompanied by a copy of the completed CAC - Training Fund Contributions online form found at:

<https://www.dir.ca.gov/DAS/tf/cac2.asp>, and mailed to:

Department of Industrial Relations  
California Apprenticeship Council  
P.O. Box 511283  
Los Angeles, CA 90051-7838

See [www.dir.ca.gov](http://www.dir.ca.gov) for the complete regulations and Labor Code provisions.



State of California  
 Department of Industrial Relations  
 California Apprenticeship Council  
 P.O. Box 511283  
 Los Angeles, CA 90051-7838  
<https://www.dir.ca.gov/DAS/tf/cac2.asp>

## TRAINING FUND CONTRIBUTIONS

### CALIFORNIA APPRENTICESHIP COUNCIL

Online form found at: <https://www.dir.ca.gov/DAS/tf/cac2.asp>  
 Please complete, print and send to the address above.  
 One check payable to the California Apprenticeship Council, may be submitted for all jobsites and/or occupations.  
 Training fund contributions are **not accepted** by the California Apprenticeship Council for federal public works projects, unless the project is administered by a public agency or for non – apprenticeable occupations such as utility technicians, lead abatement worker, etc.

Name and Address of Contractor/Subcontractor making Contribution	Contractors License Number		
	Contract or Project Number		
Name and Address of Public Agency Awarding Contract	Jobsite Location (including County)		
	Period Covered by Contribution From:  To:		
Classification(s) of Workers (Carpenter, Plumber, Electrician, Etc...)	Hours	Contribution Rate per hour	Amount
IF APPRENTICES WERE EMPLOYED, PLEASE LIST THE APPRENTICESHIP PROGRAM AND NUMBER OF APPRENTICE HOURS WORKED BELOW			
TYPE OR PRINT YOUR NAME AND TITLE		Date	
E-mail		Area Code & Telephone Number	

State of California  
 Department of Industrial Relations  
 California Apprenticeship Council  
 P.O. Box 511283  
 Los Angeles, CA 90051-7838  
<https://www.dir.ca.gov/DAS/tf/cac2.asp>

**TRAINING FUND CONTRIBUTIONS**  
**CALIFORNIA APPRENTICESHIP COUNCIL**

Online form found at: <https://www.dir.ca.gov/DAS/tf/cac2.asp>  
 Please complete, print and send to the address above.  
 One check payable to the California Apprenticeship Council, may be submitted for all jobsites and/or occupations.  
 Training fund contributions are not accepted by the California Apprenticeship Council for federal public works projects, unless the project is administered by a public agency or for non – apprenticeable occupations such as utility technicians, lead abatement worker, etc.

Name and Address of Contractor/Subcontractor making Contribution <b>ATLAS CONSTRUCTION COMPANY</b> <b>12345 MAIN STREET</b> <b>ANYWHERE, CA 99999</b>	Contractors License Number		
	<b>123456</b>		
Name and Address of Public Agency Awarding Contract  <b>OUR UNIFIED SCHOOL DISTRICT</b> <b>987 BROAD STREET</b> <b>EVERYWHERE, CA 99999</b>	Contract or Project Number		
	<b>XX-XXX-XX</b>		
	Jobsite Location (including County)		
<b>HAPPY DAZE E.S.</b> <b>789 WIDE STREET</b> <b>ANYWHERE, CA 99999</b>			
Period Covered by Contribution			
From: <b>00/00/0000</b>			
To: <b>00/00/0000</b>			
Classification(s) of Workers (Carpenter, Plumber, Electrician, Etc. .)	Hours	Contribution Rate per hour	Amount
<b>CARPENTERS</b>	<b>40</b>	<b>\$0.65</b>	<b>\$26.00</b>
<b>LABORER-GROUP #2</b>	<b>40</b>	<b>\$0.37</b>	<b>\$14.80</b>
IF APPRENTICES WERE EMPLOYED, PLEASE LIST THE APPRENTICESHIP PROGRAM AND NUMBER OF APPRENTICE HOURS WORKED BELOW			
Signature		Date	
<i>JOHN ATLAS</i>		<b>00/00/0000</b>	
Title		Area Code & Telephone Number	
<b>PRESIDENT</b>		<b>555-555-5555</b>	

## **CAC-2 FORM- APPRENTICE TRAINING CONTRIBUTION REQUIREMENTS**

### **(CALIFORNIA CODE OF REGULATIONS: TITLE 8; ARTICLE 4, 16200(G))**

A contractor or subcontractor on a public works contract, who, in performing any of the work under the contract, employs journeymen or apprentices in any apprenticeable craft or trade must pay training fund contributions or apprenticeship contributions in the same amount that the director determines is the prevailing amount of apprenticeship training contributions in the area of the public works site in one of the following manners:

1. *Into the appropriate craft apprenticeship program in the area of the site of the public work; or*
2. *If the trust fund is unable to accept such contributions an equivalent amount shall be paid to the California Apprenticeship Council (CAC) administered by DAS; or*
3. *If neither of the above will accept the funds, cash payment as provided for in California Code of Regulations section 16200(a)(3)(I) shall apply.*

**NOTE:** CASH PAYMENTS TO THE EMPLOYEE CAN ONLY OCCUR WHEN THEIR CRAFT OR TRADE IS DESIGNATED AS NON-APPRENTICEABLE BY THE DEPARTMENT OF INDUSTRIAL RELATIONS.

**CONTRACTORS EMPLOYING OWNER-OPERATORS, SOLE PROPRIETORS, AND PARTNERS WHO ARE PERFORMING LABOR ON THE PUBLIC WORKS PROJECT MUST CONTRIBUTE TRAINING FUNDS FOR EACH HOUR WORKED.**

A contractor may take as a credit for payments to the council any amounts paid by the contractor to an approved apprenticeship program that can supply apprentices to the site of the public works project. Training Contributions must be paid for every hour worked by every journeyman and apprentice working in an apprenticeable craft (including overtime). Training Funds cannot be paid to the workers unless it is a non-apprenticeable craft.

### **Payment of Apprenticeship Training Contributions to the Council**

Contractors who are neither required nor wish to make apprenticeship training contributions to the applicable local training trust fund shall make their training contributions to the California Apprenticeship Council. Contractors can call the Director's office of Policy, Research and Legislation (OPRL) at (415) 703-4774 or visit their website to obtain the applicable prevailing wage determination that reflects the Training Fund Contribution rates owed for each hour of work performed by journeymen and apprentices in each apprenticeable occupation.

Funds are due & payable by the 15th of the month for work performed during the preceding month. The contribution should be paid by check and be accompanied by a copy of the completed CAC - Training Fund Contributions online form found at:

<https://www.dir.ca.gov/DAS/tf/cac2.asp>, and mailed to:

Department of Industrial Relations  
California Apprenticeship Council  
P.O. Box 511283  
Los Angeles, CA 90051-7838

### **Monthly Documentation of Training Fund Contributions**

A copy of the CAC online form or CAC-2 form which has been submitted to the CAC accompanied with a copy of the applicable check, copies of the reporting forms utilized along with check copies to reflect payment or a letter from the appropriate Joint Apprenticeship Training Committee, Union or Trust stating that your contributions are paid current shall be submitted to "[Enter Awarding Body]" for each month, or portion thereof, that employees are dispatched to the Public Works project.



CERTIFICATION OF PRIOR ATTENDANCE  
at  
JOB CONFERENCE BRIEFING  
on  
LABOR COMPLIANCE LAW AND PROCEDURES

Date: \_\_\_\_\_

Project for which Certification is provided: \_\_\_\_\_  
(the current project that you are about to start)

Awarding Body: \_\_\_\_\_  
(The agency that awarded the contract under which you are about to perform)

Your Company's Name: \_\_\_\_\_  
(Company Name)  
\_\_\_\_\_  
(Street Address)  
\_\_\_\_\_  
(City, State, Zip)  
\_\_\_\_\_  
(Phone / Fax / e-mail)

I, \_\_\_\_\_, as Authorized Representative for the above named contractor (subcontractor), do hereby certify, under penalty of perjury, that the following is true and correct:

- 1) That a responsible representative of our company has previously attended, on behalf of the Company, a pre-construction Job Conference Briefing on Labor Compliance Law and Procedures conducted by "[Enter Awarding Body]", at which briefing our representative received a detailed briefing and written materials, as listed on the reverse side of this Certification and had the opportunity to ask questions and have them answered by "[Enter Awarding Body]" representative.
- 2) That all written materials provided at the previously attended Job Conference Briefing on Labor Compliance Law and Procedures remain in our possession and are on file at our place of business.
- 3) That our company and all supervisory personnel are knowledgeable of the applicable provisions of labor law pertaining to the above project and the specific requirements of "[Enter Awarding Body]" Labor Compliance Program.

I understand that proper completion, execution and submittal of this Certification is a condition precedent to being relieved of the duty to attend the Job Conference Briefing on Labor Compliance Law and Procedures scheduled for the specific project identified above.

Executed by: \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name & Title)  
(Also initial listing on reverse side)

## LISTING OF ACTIVITIES COMPLETED

In the course of our prior Job Conference Briefing, the following activities were accomplished:

A. Our representative was briefed by GSLC's representative on the following subjects:

1. Our Firm's duty to pay prevailing wages under Labor Code Section 1770 et seq.
2. Our Firm has a duty to employ registered apprentices on the public works project under Labor Code Section 1777.5.
3. Our firm is aware of the penalties for failure to pay prevailing wages and employ apprentices under Labor Code Sections 1775 and 1777.7.
4. Our Firm is required to keep and submit copies upon request of certified payroll records and are aware of the penalties for failure to do so under Labor Code Section 1776 et seq. All contractors who perform work, even if their portion of work is less than one half of one percent, are to submit Certified Payroll Records.
5. Our Firm is aware of the prohibition against employment discrimination under Labor Code Sections 1735 and 1777.6.
6. There is a prohibition against accepting or extracting Kickbacks from employee wages under Labor Code Section 1778.
7. There is a prohibition against accepting fees for registering any person for public work under Labor Code Section 1779; or for filling work orders on public works under Labor Code Section 1780.
8. Our Company has listed all subcontractors pursuant to the Public Contract Code Section 4100 et seq.
9. Our Company is properly licensed by the State of California and will ensure that all of our subcontractors are properly licensed by the State of California.
10. The prohibition against unfair competition under Business and Professions Code Section 17200-17208.
11. Our company is properly insured for Workers Compensation under Labor Code Section 1861.
12. Our company and its employees will abide by the Occupational, Safety and Health laws and regulations that apply to the particular construction project.
13. There is a Federal Prohibition against hiring undocumented workers and the requirement to secure proof of eligibility/citizenship from all workers.
14. The requirement to provide itemized wage statements to employees under Labor Code Section 226.

B. At the previous Pre-Construction Meeting, our representative was provided written copies of:

1. A checklist of Labor Law Requirements
2. Blank forms for all LCP requirements cited within the above checklist.

C. Our representative was provided an opportunity to ask questions and to have them answered by "[Enter Awarding Body]" representative.

---

(Initials of Signatory)

(Insert Awarding Agency Logo)

BY FAX AND CERTIFIED MAIL  
CERTIFIED MAIL # "[Enter #]"

"[Enter Date]"

"[Enter Contact Name]"  
Fax # "[Enter Fax #]"  
Department of Industrial Relations  
Office of Director, Legal Unit  
320 West 4<sup>th</sup> St., Suite 600  
Los Angeles, CA 90013-1105

In the Matter of the Request for Review of:  
"[Enter Affected Contractor]"  
From a Notice of Withholding issued by:  
"[Enter Awarding Body]"  
CASE No.: "[Enter Case #]"  
Awarding Body Case No.: "[Enter Case #]"

"[Enter Contact Name From Above]" ,

Pursuant to your order dated, "[Enter Date]" , the Enforcing Agency identifies the attached exhibits which may be introduced during the Hearing on Merits set for "[Enter Time]" (am/pm) on "[Enter Date]" .

Enforcing Agency reserves the right to introduce additional exhibits on rebuttal, as necessary.

The original of this document will be sent by certified mail on "[Enter Date]" . If you have any questions do not hesitate to contact me at "[Enter Phone Number]" between the hours of 8:00am to 5:00pm.

Respectfully,

"[Enter Name]"  
Investigations Supervisor

Cc: "[Enter All Parties]"

Enclosure

## Appendix A

Suggested Checklist of Labor Law Requirements to Review at Prejob Conference, Section 16421, with suggested Certification by subcontractor.

The federal and state labor law requirements applicable to the contract are composed of but not limited to the following items:

- (1) The contractor's duty to pay prevailing wages under Labor Code Section 1770 et seq., should the project exceed the exemption amounts;
- (2) The contractor's duty to employ registered apprentices on the public works project under Labor Code Section 1777.5;
- (3) The penalties for failure to pay prevailing wages (for non-exempt projects) and employ apprentices including forfeitures and debarment under Labor Code Sections 1775 and 1777.7;
- (4) The requirement to keep and submit copies upon request of certified payroll records under Labor Code Section 1776, and penalties for failure to do so under Labor Code Section 1776(g);
- (5) The prohibition against employment discrimination under Labor Code Section 1777.6; the Government Code, and Title VII of the Civil Rights Act of 1964;
- (6) The prohibition against accepting or extracting kickback from employee wages under Labor Code Section 1778;
- (7) The prohibition against accepting fees for registering any person for public work under Labor Code Section 1779; or for filling work orders on public works under Labor Code Section 1780;
- (8) The requirement to list all subcontractors under Public Contracts Code Section 4104;
- (9) The requirement to be properly licensed and to require all subcontractors to be properly licensed and the penalty for employing workers while unlicensed under Labor Code Section 1021 and under the California Contractors License Law, found at Business and Professions Code Section 7000 et seq;
- (10) The prohibition against unfair competition under Business and Professions Code Sections 17200-17208;
- (11) The requirement that the contractor be properly insured for Workers Compensation under Labor Code Section 1861;
- (12) The requirement that the contractor abide by the Occupational, Safety and Health laws and regulations that apply to the particular construction project;
- (13) The federal prohibition against hiring undocumented workers, and the requirement to secure proof of eligibility/citizenship from all workers.
- (14) The requirement to provide itemized wage statements to employees under Labor Code Section 226.

Certification:

I acknowledge that I have been informed and am aware of the foregoing requirements and that I am authorized to make this certification on behalf of [name of subcontractor].

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name of person signing and company

"[Enter Awarding Body]" **LABOR COMPLIANCE CONTRACTOR CLOSE OUT SUMMARY**

Awarding Body: \_\_\_\_\_

Project: \_\_\_\_\_

Contractor: \_\_\_\_\_

Sub-contractor to: \_\_\_\_\_

**LABOR COMPLIANCE DOCUMENTS**

DOCUMENT	OK	DATE OR NOT PROVIDED
BID ADVERTISEMENT		DATE ADVERTISED:
DAS-140		
LCP ACKNOWLEDGEMENT		
VIOLATION(S) PRINT OUT		
NOTICE OF COMPLETION		RECORDED DATE:

**PAYROLL RECORDS**

ITEM DESIGNATION	OK	NC	REASON (Explain - Non-Compliance)
Payroll / Non-Performance			
Payroll Certifications			
Trade Classifications			
Training Payments (MONTHLY)			
Fringe Benefit Payments (MONTHLY)			
Apprentice: Utilization/ Request/Denial			

**REQUEST LETTERS**

REQUEST TYPE	DATE SENT	DATE DOCS REC'D	REC'D ALL DOCS	PENALTY AMOUNT FOR OVER 10 DAYS

**FINES/PENALTIES**

FORFITURE TYPE	RESPOND DATE	# OF DAYS	# OF EMPLOYEES	TOTAL AMOUNT
Document Request				
Wage Underpayment				

**COMMENTS and RELEVANT NOTES REGARDING RECOMMENDATION BELOW :**

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

<b>LABOR COMPLIANCE SPECIALIST RECOMMENDS:</b>	Close	Keep Open	Fines/Penalties	Investigation
	Notice of Withhold		Full Payroll Audit	DAS Complaint
<b>Name:</b>	<b>Signature</b>			

## **Labor Compliance Program Regulations – Appendix B**

Audit Record Worksheets [8 Cal. Code Reg. §16432]

- Public Works Investigation Worksheet
- Public Works Audit Worksheet
- Prevailing Wage Determination Summary

DEPT. OF INDUSTRIAL RELATIONS - DIVISION OF LABOR STANDARDS ENFORCEMENT

PUBLIC WORKS INVESTIGATION WORKSHEET

Classification Code

EMPLOYEE'S NAME		SOCIAL SECURITY NUMBER							DEPUTY		OFFICE			DATE	Employer			Case Number						
PERIOD ENDING YEAR	ST OT DT	HOURS OF WORK							TOTAL DAYS	TOTAL HOURS	ACTUAL RATE	OTHER COMPEN-SATION	TOTAL WAGES PAID	Required Wage Rates	OTHER COMPEN-SATION	TOTAL WAGES REQUIRED	AMOUNT DUE AND OWING	No. of Violations	PENAL-TIES	No. of Violations	PENAL-TIES	TOTAL TRAINING FUND	Amount Due and Owing	
		-Thu	-Wed	-Tue	-Mon	-Sun	-Sat	Fri	WORK-ED	WORKED	ST	OT	DT	SL	OL	DL	1775	1813						
	ST																						Rate	
	OT																							
	DT																							
	ST																							Rate
	OT																							
	DT																							
	ST																							Rate
	OT																							
	DT																							
	ST																							Rate
	OT																							
	DT																							
	ST																							Rate
	OT																							
	DT																							
	ST																							Rate
	OT																							
	DT																							
	ST																							Rate
	OT																							
	DT																							

ST hours worked  
 OT hours worked  
 DT hours worked

TOTALS

PUBLIC WORKS AUDIT WORKSHEET

TOTAL AMOUNT DUE/OWING  
WAGES DUE AND OWING

EMPLOYER / FIRM  
ADDRESS CITY

DEPUTY OFFICE  
TRANSCRIBER

PENALTIES DUE AND OWING

PROJECT AWARDING BODY PRIME

AUDIT NUMBER/CASE NUMBER

TRAINING FUND DUE/OWING

EMPLOYEE	CLASSIFICATION	PERIOD WORKED	HOURS WORKED			OTHER WAGES PAID	TOTAL WAGES PAID	PREVAILING WAGE REQUIREMENTS		AMOUNT OWING AND UNPAID	PENALTIES NO.1	PENALTIES NO. 2	TRNG. FUND	TOTAL AMOUNT DUE
			ST.	OT.	D.T.			*OTHER	TOTAL WAGES					

The following entries represent the amounts relied upon for calculating Labor Code 1775 and 1813 penalties.  
1775  Per Day  
1813  Per Day



PREVAILING WAGE DETERMINATION SUMMARY

CODE NO.	CLASSIFICATION	Effective Date	HOURLY			HOLIDAY / TRAVEL & SUNDAY		Other hourly Requirements
			RATE	Contributions	TRAINING	TIME 1/2	SUBSISTENCE	
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								

WAGE DETERMINATION INFORMATION

CODE NO.	CLASSIFICATION	WAGE DETERMINATION NO.
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		

**Suggested Single Project Labor Compliance Review and Enforcement Report Form**

[Appendix C following 8 CCR §16434]

Awarding Body: \_\_\_\_\_

Project Name: \_\_\_\_\_

Name of Approved Labor Compliance Program: \_\_\_\_\_

Bid Advertisement Date: \_\_\_\_\_

Acceptance Date: \_\_\_\_\_

Notice of Completion Recordation Date: \_\_\_\_\_

Summary of Labor Compliance Activities

1. Contract Documents Containing Prevailing Wage Requirements (Identify)

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

2. Prejob Conference(s) -- Attach list(s) of attendees and dates

3. Notification to Project Workers of Labor Compliance Program's Contact Person. (Explain Manner of Notification for each project work site.)

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

4. Certified Payroll Record Review

- a. CPRs Received From:

Contractor/Subcontractor

For weeks ending ("w/e") through w/e

_____	_____
_____	_____
_____	_____
_____	_____

b. Classifications identified in CPRs and applicable Prevailing Wage Determinations

<u>Classification</u>	<u>Determination No.</u>
_____	_____
_____	_____
_____	_____
_____	_____

5. Further investigation or audit due to CPR review, information or complaint from worker or other interested person, or other reason:

a. Independent Confirmation of CPR Data

<u>Contractor/Subcontractor</u>	<u>Worker Interviews (Yes/No)</u>	<u>Reconciled CPRs with Paychecks or Stubs (Yes/No)</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

b. Employer Payments (Health & Welfare, Pension, Vacation/Holiday) Confirmation

<u>Contractor/Subcontractor</u>	<u>Recipients of Employer Payments</u>	<u>Written confirmation Obtained (Yes/No)</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

c. Contributions to California Apprenticeship Council or Other Approved Apprenticeship Program

<u>Contractor/Subcontractor</u>	<u>Recipients of Contributions</u>	<u>Written confirmation Obtained (Yes/No)</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

d. Additional Wage Payments or Training Fund Contributions Resulting from Review of CPRs

<u>Contractor/Subcontractor</u>	<u>Additional amounts Paid to Workers</u>	<u>Additional Training Fund</u>	<u>Explanation</u>
_____	_____	_____	*
_____	_____	_____	*
_____	_____	_____	*
_____	_____	_____	*

\* Use separate page(s) for explanation

6. Complaints Received Alleging Noncompliance with Prevailing Wage Requirements.

<u>Name of Complainant</u>	<u>Date Received</u>	<u>Resolution or Current Status</u>
_____	_____	*
_____	_____	*
_____	_____	*
_____	_____	*

\*Use separate page(s) to explain resolution or current status

7. Requests for Approval of Forfeiture to Labor Commissioner

<u>Contractor/Subcontractor</u>	<u>Date of Request</u>	<u>Approved/Modified/Denied</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

8. Litigation Pending Under Labor Code Section 1742

<u>Contractor/Subcontractor</u>	<u>DIR Case Number</u>
_____	_____
_____	_____
_____	_____

9. (Check one): \_\_\_\_\_ Final report this project      \_\_\_\_\_ Annual report this project

\_\_\_\_\_  
Authorized Representative for Labor Compliance Program

[Name and Contact Information for person issuing Notice]	
Date:	Case or Contract No.:

**NOTICE OF TEMPORARY WITHHOLDING OF CONTRACT PAYMENTS DUE TO DELINQUENT OR INADEQUATE PAYROLL RECORDS (8 CCR §16435)**

Awarding Body:	Work performed in County of:
Project Name and Number (if any):	
Prime Contractor:	
Subcontractor:	

Pursuant to Labor Code §1771.5(b)(5) and 8 CCR §16435, contract payments are being withheld due to delinquent or inadequate payroll records.

Contractor or subcontractor whose payroll records are delinquent or inadequate:

\_\_\_\_\_

The following payroll records are delinquent (specify weeks and due dates):

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

The following payroll records are inadequate (specify weeks and ways in which records are deemed inadequate under 8 CCR §16435(d)):

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

Estimated amount of contract payments due to contractor or subcontractor that are being withheld pursuant to this Notice:

\_\_\_\_\_

**See page 2 for additional information, including appeal rights.**

\_\_\_\_\_  
 Labor Compliance Officer

**Prime Contractor Obligations:** If contract payments are being withheld due to the delinquency or inadequacy of your subcontractor's payroll records, you are required to cease all payments to that subcontractor until the Labor Compliance Program provides notice that the subcontractor has cured the delinquency or deficiency.

**Notice of Right to Obtain Review – Expedited Hearing**

An affected contractor or subcontractor may request review an expedited hearing to review this Notice of Withholding of Contract Payments under Labor Code §1742. *The only issue in any such review proceeding is whether the specified payroll records are in fact delinquent or inadequate within the meaning of 8 CCR §16435 or whether the Labor Compliance Program has exceeded its authority under 8 CCR §16435. To obtain an expedited hearing, a written request must be transmitted to the both the Labor Compliance Program and to the Lead Hearing Officer for the Director of the Department of Industrial Relations, as follows:*

[Name of Labor Compliance Officer,  
address, and fax number]

Office of the Director – Legal Unit  
Attention: Lead Hearing Officer  
***Expedited Hearing Request***  
Fax to: (415) 703-4277

The request for expedited hearing should specify the basis for challenging this Notice and include a copy of this Notice as an attachment. The request should also identify and provide contact information for the person who will represent the contractor or subcontractor at the hearing.

**Important Additional Information:** This is a Notice of Temporary Withholding of Contract Payments for Delinquent or Inadequate Payroll Records *only*. This is *not* a determination of liability for wages or penalties under Labor Code §§1775 and 1776 or any other statute. *Contract payments cannot continue to be withheld pursuant to this notice, once the required records have been produced.* However, the contractor and subcontractor may still be subject to the assessment of back wages and penalties and the withholding of contract payments if, upon investigation, a determination is made that the contractor or subcontractor violated the public works requirements of the Labor Code.

This Notice only addresses rights and responsibilities under state law. Awarding bodies, labor compliance programs, and contractors may have other rights or responsibilities under federal or local law, where applicable, and may also have additional rights or remedies under the public works contract.

-----

**§16435. Withholding Contract Payments When Payroll Records are Delinquent or Inadequate.**

(a) "Withhold" means to cease payments by the Awarding Body, or others who pay on its behalf, or agents, to the general contractor. Where the violation is by a subcontractor, the general contractor shall be notified of the nature of the violation and reference made to its rights under Labor Code Section 1729.

(b) "Contracts." Except as otherwise provided by agreement, only contracts under a single master contract, including a Design-Build contract, or contracts entered into as stages of a single project, may be the subject of withholding.

(c) "Delinquent payroll records" means those not submitted on the date set in the contract.

(d) "Inadequate payroll records" are any one of the following:

(1) A record lacking any of the information required by Labor Code Section 1776;

(2) A record which contains all of the required information but is not certified, or is certified by someone who is not an agent of the contractor or subcontractor;

(3) A record remaining uncorrected for one payroll period after the Labor Compliance Program has given the contractor or subcontractor notice of inaccuracies detected by audit or record review. However, prompt correction will stop any duty to withhold if such inaccuracies do not amount to one (1) percent of the entire Certified Weekly Payroll in dollar value and do not affect more than half the persons listed as workers employed on that Certified Weekly Payroll, as defined in Labor Code Section 1776 and section 16401 of Title 8 of the California Code of Regulations.

(e) The withholding of contract payments when payroll records are delinquent or inadequate is required by Labor Code Section 1771.5(b)(5), and it does not require the prior approval of the Labor Commissioner. The Awarding Body shall only withhold those payments due or estimated to be due to the contractor or subcontractor whose payroll records are delinquent or inadequate, plus any additional amount that the Labor Compliance Program has reasonable cause to believe may be needed to cover a back wage and penalty assessment against the contractor or subcontractor whose payroll records are delinquent or inadequate; *provided that* a contractor shall be required in turn to cease all payments to a subcontractor whose payroll records are delinquent or inadequate until the Labor Compliance Program provides notice that the subcontractor has cured the delinquency or deficiency.

(f) When contract payments are withheld under this section, the Labor Compliance Program shall provide the contractor and subcontractor, if applicable, with immediate written notice that includes all of the following: (1) a statement that payments are being withheld due to delinquent or inadequate payroll records, and that identifies what records are missing or states why records that have been submitted are deemed inadequate; (2) specifies the amount being withheld; and (3) informs the contractor or subcontractor of the right to request an expedited hearing to review the withholding of contract payments under Labor Code Section 1742, limited to the issue of whether the records are delinquent or inadequate or the Labor Compliance Program has exceeded its authority under this section.

(g) No contract payments shall be withheld solely on the basis of delinquent or inadequate payroll records after the required records have been produced.

(h) In addition to withholding contract payments based on delinquent or inadequate payroll records, penalties shall be assessed under Labor Code Section 1776(g) for failure to timely comply with a written request for certified payroll records. The assessment of penalties under Labor Code Section 1776(g) does require the prior approval of the Labor Commissioner under section 16436 of these regulations.

**Labor Compliance Program Regulations – APPENDIX D**

**REQUEST FOR APPROVAL OF FORFEITURE -- Suggested format**

**1. AWARDING BODY / THIRD PARTY LCP:**

Name and Contact Information:	Date of Request:
Name and Contact Information for Awarding Body if different from LCP:	LCP Approval Status (specify if either interim or temporary or if LCP has extended authority):

**2. PROJECT INFORMATION:**

Project Name:	Contract Number:
Project Location:	
Bid Advertisement Dates:	Estimated Date Project is to be completed:
Acceptance Date of Project by the Awarding Body:	Notice of Completion/Date Recorded with County Recorder:
Other Relevant Deadline (specify):	Amount being held in Retention:

**3. CONTRACTOR INFORMATION:**

Name and address of Affected Contractor:	Name and address of Affected Subcontractor:
General Description of Scope of Work of the Entire Project:	
General Description of Scope of Work covered in the proposed Forfeiture (describe and attach relevant portions of contract or subcontract):	



**4. LABOR COMPLIANCE PROGRAM INVESTIGATION AND FINDINGS:**

<b>Total Amount of Request for Notice of Withholding of Contract Payments:</b>			
Wages Due:	Training Funds Due:	Total Penalties Due:	Potential Liquidated Damages [Wages + Training Funds]:
LC 1775 Penalties Due:	LC 1813 Penalties Due:	LC 1776 Penalties Due:	Other:

[Provide narrative summaries covering the following]:

- A. *Statement of Issues.*
- B. *Investigative Report (detailed narrative including but not limited to how the investigation was conducted including worker declarations, reviewing certified payroll records, verification of employer payment contributions, etc.).*
- C. *Audit Report (detailed explanation of how audit was completed addressing each of the issues above).*
- D. *Affected contractor and subcontractor information (how affected contractor and subcontractor were informed of potential violations; summary of their response with respect to violations and penalty issues; and any other information considered in determining recommended penalties).*
- E. *Recommended penalties under Labor Code Section 1775(a) and basis for recommendation, including how factors in subsection (a)(2) of Section 1775 were applied to arrive at the recommended amount(s).*

**ATTACHMENTS**

1. Audit Summary (Appendix B)
2. 1<sup>st</sup> Bid Advertisement Publication
3. Notice of Completion
4. Scope of Work
5. Complaint form(s) and Declarations, if any

---

Send the Request and all Attachments to:

Division of Labor Standards Enforcement  
 Bureau of Field Enforcement  
 Attn.: Regional Manager  
 300 Oceangate Blvd., No. 850  
 Long Beach, CA 90802

**COPIES OF THIS REQUEST, INCLUDING ALL ATTACHMENTS, SHALL BE SERVED ON THE AFFECTED CONTRACTOR AND AFFECTED SUBCONTRACTOR AT THE SAME TIME THAT IT IS SENT TO THE DIVISION OF LABOR STANDARDS ENFORCEMENT.**

<b>Labor Compliance Program</b> <hr/> <hr/> <hr/> <hr/> Phone: Fax:	(SEAL )
Date:	In Reply Refer to Case No.:

### Notice of Withholding of Contract Payments

Awarding Body	³ Work Performed in County of
Project Name	³ Project No.
Prime Contractor	
Subcontractor	

After an investigation concerning the payment of wages to workers employed in the execution of the contract for the above-named public works project, the Labor Compliance Program for \_\_\_\_\_ (Awarding Body) has determined that violations of the California Labor Code have been committed by the contractor and/or subcontractor identified above. In accordance with Labor Code sections 1771.5 and 1771.6, the Labor Compliance Program hereby issues this Notice of Withholding of Contract Payments.

The nature of the violations of the Labor Code and the basis for the assessment are as follows:

---



---



---



---

The Labor Compliance Program has determined that the total amount of wages due is: \$ \_\_\_\_\_

The Labor Compliance Program has determined that the total amount of penalties assessed under Labor Code sections 1775 and 1813 is: \$ \_\_\_\_\_

The Labor Compliance Program has determined that the amount of penalties assessed under Labor Code section 1776 is: \$ \_\_\_\_\_

**LABOR COMPLIANCE PROGRAM**

---

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

## Notice of Right to Obtain Review - Formal Hearing

In accordance with Labor Code sections 1742 and 1771.6, an affected contractor or subcontractor may obtain review of this Notice of Withholding of Contract Payments (NWCP) by transmitting a written request to the office of the Labor Compliance Program that appears below within 60 days after service of the notice. **To obtain a hearing, a written Request for Review must be transmitted to the following address:**

Labor Compliance Program

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Review Office-Notice of Withholding of Contract Payments

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A **Request for Review** either shall clearly identify the Notice of Withholding of Contract Payments from which review is sought, including the date of the notice, or it shall include a copy of the notice as an attachment, and shall also set forth the basis upon which the notice is being contested. In accordance with Labor Code section 1742, the contractor or subcontractor shall be provided an opportunity to review evidence to be utilized by the Labor Compliance Program at the hearing within 20 days of the Labor Compliance Program's receipt of the written **Request for Review**.

**Failure by a contractor or subcontractor to submit a timely Request for Review will result in a final order which shall be binding on the contractor and subcontractor, and which shall also be binding, with respect to the amount due, on a bonding company issuing a bond that secures the payment of wages and a surety on a bond. Labor Code section 1743.**

In accordance with Labor Code section 1742(d), a certified copy of a final order may be filed by the Labor Commissioner in the office of the clerk of the superior court in any county in which the affected contractor or subcontractor has property or has or had a place of business. The clerk, immediately upon the filing, shall enter judgment for the State against the person assessed in the amount shown on the certified order.

(continued on next page)

### Opportunity for Settlement Meeting

In accordance with Labor Code Section 1742.1 (c), the Labor Compliance Program shall, upon receipt of a request from the affected contractor or subcontractor within 30 days following the service of this Notice of Withholding of Contract Payments, afford the contractor or subcontractor the opportunity to meet with the Labor Compliance Program's designee **to attempt to settle a dispute regarding this Notice**. The settlement meeting may be held in person or by telephone and shall take place before the expiration of the 60-day period for seeking a hearing as set forth above under the heading Notice of Right to Obtain Review. No evidence of anything said or any admission made for the purpose of, in the course of, or pursuant to, the settlement meeting is admissible or subject to discovery in any administrative or civil proceeding. No writing prepared for the purpose of, in the course of, or pursuant to, the settlement meeting, other than a final settlement agreement, is admissible or subject to discovery in any administrative or civil proceeding. This opportunity to timely request an informal settlement meeting is **in addition** to the right to obtain a formal hearing, and a settlement meeting may be requested even if a written **Request for Review** has already been made. Requesting a settlement meeting, however, does not extend the 60-day period during which a formal hearing may be requested.

A written request to meet with the Labor Compliance Program's designee to attempt to settle a dispute regarding this notice must be transmitted to \_\_\_\_\_ at the following address:

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

### Liquidated Damages

In accordance with Labor Code section 1742.1 (a), after 60 days following the service of this Notice of Withholding of Contract Payments, the affected contractor, subcontractor, and surety on a bond or bonds issued to secure the payment of wages covered by the notice shall be liable for liquidated damages in an amount equal to the wages, or portion thereof that still remain unpaid. If this Notice subsequently is overturned or modified after administrative or judicial review, liquidated damages shall be payable only on the wages found to be due and unpaid. If the contractor or subcontractor demonstrates to the satisfaction of the Director of the Department of Industrial Relations that he or she had substantial grounds for believing this Notice to be an error, the Director shall waive payment of the liquidated damages.

Notwithstanding the above, in accordance with Labor Code 1742.1 (b), there shall be no liability for liquidated damages if the full amount found due in this Notice, including penalties, has been deposited with the Department of Industrial Relations, within 60 days following service of this Notice, for the Department to hold in escrow pending administrative and judicial review. The Department shall release such funds, plus any interest earned, at the conclusion of all administrative and judicial review to the persons and entities who are found to be entitled to such funds.

In lieu of a cash deposit, the contractor may post an undertaking with the Department in full amount of the Notice of Withholding of Contract Payments. The undertaking shall be on the condition that, if any decision is issued by the Director upholding this Notice in any respect, the contractor shall pay the amount owed pursuant to a decision that is final under Labor Code Section 1742, unless the parties have executed a settlement agreement for the payment of some other amount, in which case the contractor shall pay the

amount that the contractor is obligated to pay under the terms of the settlement agreement. The undertaking must provide that if the contractor fails to pay the amount owed within 10 days of the date the decision is final or the execution of the settlement agreement, a portion of the undertaking equal to the amount owed, or the entire undertaking if the amount exceeds the undertaking is forfeited to the Labor Commissioner for the State of California for the purpose of satisfying the amounts owed under this Notice. A payment bond obtained by a contractor for the public works project which is the subject to this Notice shall not be accepted as an undertaking unless the following two conditions are completely satisfied: (1) the payment bond provides the payment of the full amount of this Notice, including but not limited to, all wages, training, trust contributions, and penalties, and (2) the conditions of payment set forth above are expressly agreed to by the affected contractor(s) and the surety which issued the payment bond. The undertaking should be forwarded to the Department as directed below. The Department's Accounting Office will hold the undertaking until the administrative and judicial review is completed. The disbursement of the bond funds will follow the same process as described above for a cash deposit.

Deposits must be made by check or money order payable to the Department of Industrial Relations with a letter and a copy of the Notice of Withhold Contract Payments and mailed to:

Department of Industrial Relations  
Attention Cashiering Unit  
P.O. Box 420603  
San Francisco, CA 94142

**The Amount of Liquidated Damages Available Under this Notice is \$ \_\_\_\_\_.**

Distribution:

Prime Contractor  
Subcontractor  
Surety(s) on Bond

Attach:

Audit Summary  
Proof of Service

**Request to Review Evidence**

To: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

From: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Regarding Notice of Withholding of Contract Payments Dated \_\_\_\_\_

Our Case No.: \_\_\_\_\_

The undersigned hereby requests an opportunity to review evidence to be utilized by the Labor Compliance Program at the hearing on the Request for Review.

\_\_\_\_\_  
Phone No.: \_\_\_\_\_  
Fax No.: \_\_\_\_\_

<p><b>LABOR COMPLIANCE PROGRAM</b></p> <hr/> <p>Review Office - Notice of Withholding of Contract Payments</p> <hr/> <hr/> <hr/> <p>Phone: Fax:</p>	<p>(SEAL)</p>
<p>Date:</p>	<p>In Reply Refer to Case No.:</p>

**Notice of Transmittal**

To: Department of Industrial Relations  
Office of the Director-Legal Unit  
Attention: Lead Hearing Officer  
P. O. Box 420603  
San Francisco, CA 94142-0603

Enclosed herewith please find a Request for Review, dated \_\_\_\_\_, postmarked \_\_\_\_\_, and received by this office on \_\_\_\_\_.

Also enclosed please find the following:

- \_\_\_\_\_ Copy of Notice of Withholding of Contract Payments
- \_\_\_\_\_ Copy of Audit Summary

**LABOR COMPLIANCE PROGRAM**

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

cc: Prime Contractor  
Subcontractor  
Bonding Company

Please be advised that the Request for Review identified above has been received and transmitted to the address indicated. Please be further advised that the governing procedures applicable to these hearings are set forth at Title 8, California Code of Regulations sections 17201-17270. These hearings are **not** governed by Chapter 5 of the Government Code, commencing with section 11500.

(Insert Awarding Agency Logo)

"[Click here and enter date]"

"[Click here and type Awarding Body Accounting Dept]"

"[Click here and type address]"

"[Click here and type city, state, zip]"

ATTN: "[Click here and enter name]"

**RE: DEDUCTIVE CHANGE ORDER FOR  
"[CLICK HERE AND TYPE AFFECTED CONTRACTOR NAME]"**

Awarding Body: "[Click here and type Awarding Body name]"

Project Name: "[Click here and type Project name]"

Prime Contractor: "[Click here and type Prime Contractor name]"

Dear "[Click here and enter name]" ,

After an informal conference held on "[Click here and enter date]" between "[Click here and type affected contractor name]" and "[Enter Awarding Body]" a settlement for records penalties in the amount of "[Click here and enter penalty amount]" under California Labor Code §1776(h) and underpayment of prevailing wage penalties "[Click here and enter underpayment & penalty amount]" under California Labor Code §1775 was offered and accepted.

"[Enter Awarding Body]" shall initiate a deductive change order to "[Click here and type Prime Contractor name]" in the sum of "[Click here and enter underpayment & penalty amounts]" . When the Change order is signed provide a copy to the "[Enter Awarding Body]" Labor Compliance Officer, the associated Notice to Withhold Contract Payments shall cease to have any effect and shall be withdrawn when received.

If I can be of assistance in this matter, please feel free to contact me, 8:00am to 5:00pm Monday through Friday at "[Enter Phone Number]" .

Thank you,

"[Enter your name]"

Investigations Supervisor

Cc: "[Click here and type Prime Contractor name]"



**"[Enter Awarding Body]" Labor Compliance Program**

"[Enter Awarding Body]"

Enter Address

Enter City, State, Zip

Phone: \_\_\_\_\_

Fax: \_\_\_\_\_

Date: \_\_\_\_\_

Refer to Case No: \_\_\_\_\_

**Employee Inquiry Form**

The Labor Compliance Program is conducting an investigation to determine whether you were paid all prevailing wages due to you for the work you performed on the above listed project. Please answer the following questions and return this form with any documentation to Awarding Agency at the address above:

Employee Name \_\_\_\_\_ Telephone: \_\_\_\_\_  
Address: \_\_\_\_\_  
City, State Zip Code \_\_\_\_\_  
Project Name: \_\_\_\_\_ Project No: \_\_\_\_\_  
Awarding Body: \_\_\_\_\_ Contract No. \_\_\_\_\_  
Prime Contractor: \_\_\_\_\_  
Subcontractor: \_\_\_\_\_

Did you work for \_\_\_\_\_ on this project? Yes \_\_\_ No \_\_\_

If so, when? From: \_\_\_\_\_ To: \_\_\_\_\_

What was your job title? \_\_\_\_\_

Describe the work you performed on the project. \_\_\_\_\_

(ATTACH ADDITIONAL SHEETS IF NECESSARY)

List the tools or equipment you used to perform your work. \_\_\_\_\_

How much time did you spend doing each duty? \_\_\_\_\_

Did you keep a record of days and hours you worked on this project? Yes \_\_\_ No \_\_\_ (If yes, provide a copy of that record)

Did you work more than eight hours in a day? Yes \_\_\_ No \_\_\_

If so, when? \_\_\_\_\_

Were you asked to provide a portion of your wages to work on this project? Yes \_\_\_ No \_\_\_

If so Who asked you to provide a portion of your wages to work on this project? \_\_\_\_\_

If so How much of your wages were you asked to provide? \$ \_\_\_\_\_ Daily \_\_\_\_\_ Weekly \_\_\_\_\_ One Time \_\_\_\_\_

What was your straight time or regular pay rate? \_\_\_\_\_

What was your rate of pay for work in excess of 8 hours? \_\_\_\_\_

Did you work on Saturday, Sunday or Holidays? Yes \_\_\_ No \_\_\_

If so, when? \_\_\_\_\_

If so, what was your rate of pay? \_\_\_\_\_

Did you receive a payroll check, cash or both? \_\_\_\_\_

Were you paid for all hours worked? Yes \_\_\_ No \_\_\_

(If not, be specific as to what days you were not paid. Also please provide a copy of all check stubs for this period.)

Were there hours or a portion of hours not paid because you were told this was roll up or roll out time? Yes \_\_\_ No \_\_\_

(If so specify who told you this and what days and hours)

Did you receive any of the following benefits? Medical Insurance: Yes \_\_\_ No \_\_\_

Pension: Yes \_\_\_ No \_\_\_ 401K: Yes \_\_\_ No \_\_\_ Vacation: Yes \_\_\_ No \_\_\_

Travel: Yes \_\_\_ No \_\_\_ Other: Yes \_\_\_ No \_\_\_

Can your name be used in this investigation: Yes \_\_\_ No \_\_\_

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Your Signature: \_\_\_\_\_

Address: \_\_\_\_\_

Social Security Number: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

(If you have any other information you feel is important, please attach to this letter or call me the above telephone number)  
(ATTACH ADDITIONAL SHEETS IF NECESSARY)

**Labor Compliance Investigator**  
\_\_\_\_\_

**"[Enter Awarding Body]" Labor Compliance Program**

"[Enter Awarding Body]"

Enter Address

Enter City, State, Zip

Phone:

Fax:

Fecha: \_\_\_\_\_

No. Del Contrato: \_\_\_\_\_

**Cuestionario de Empleado**

El programa de Labor Compliance de la agencia publica esta haciendo una investigacion para ver si usted fue pagado los salarios prevalecientes que le pertenecien por el trabajo que usted iso en este proyecto. Por Favor conteste todas las preguntas y regrese este formulario a la direccion antes mencionada.

Nombre: \_\_\_\_\_ Telefono \_\_\_\_\_  
Domicilio \_\_\_\_\_  
Cuidad, Estado, Codigo Postal \_\_\_\_\_  
Nombre del Proyecto: \_\_\_\_\_ No. del Proyecto \_\_\_\_\_  
Entidad Adjudicadora: \_\_\_\_\_ No. del Contrato \_\_\_\_\_  
Primer Contratista: \_\_\_\_\_  
Subcontratista: \_\_\_\_\_

Usted trabajo por: \_\_\_\_\_ En este proyecto? Si \_\_\_ No \_\_\_

Quando?: Fecha de: \_\_\_\_\_ A: \_\_\_\_\_

Cual era su clasificacion de empleo?: \_\_\_\_\_

Cuales eran sus tareas de trabajo en este proyecto? \_\_\_\_\_

(ADJUNTAR HOJAS ADICIONALES SI ES NECESARIO)

Que herramientas y equipo usaba usted para hacer el trabajo? \_\_\_\_\_

Cuanto tiempo trabajo haciendo su trabajo? \_\_\_\_\_

Usted tiene un registro de los dias y horas que usted trabajo en este proyecto? Si \_\_\_ No \_\_\_  
(En caso afirmativo, facilite una copia del acta)

Trabajo mas de ocho (8) horas en un dia? Si \_\_\_ No \_\_\_  
Si, si cuando? \_\_\_\_\_

Se le pedio que proporcione una porcion de su salario para trabajar en este proyecto? Si \_\_\_ No \_\_\_

Si es asi quen pidio que se le proporcione una porcion de su salario para trabajar en este proyecto? \_\_\_\_\_

Si es asi el porcentaje de su salario se le pedira que proporcione? \$ \_\_\_\_\_ Diario \_\_\_ Semanal \_\_\_ A Tiempo \_\_\_

Cual fue el tiempo regular o la tasa regular de pago? \_\_\_\_\_

Cual es su tasa de remuneracion por un trabajo de mas de 8 horas? \_\_\_\_\_

Usted trabajo Savado, Domingo o dias festivos? Si \_\_\_ No \_\_\_  
Si, cuando? \_\_\_\_\_

Cuanto fue su pago por hora? \_\_\_\_\_

Usted recibio un cheque, dinero efectivo o los dos? Si \_\_\_ No \_\_\_

Le pagaron por todas las horas que usted trabajo? Si \_\_\_\_ No \_\_\_\_  
(Si no, porfavor anotar los periodos de pago? Tambien, por favor incluir copias de talones de cheque por ese periodo.)

Existen horas o una parte de las horas no pagadas, porque se le dijo que se trataba de un rollo o rollo a cabo del tiempo? Si \_\_\_\_ No \_\_\_\_  
(En caso afirmativo especificar quen le dijo y que días y horas)

Usted recibio algunos de estos beneficios? Aseguranza Medica: Si \_\_\_\_ No \_\_\_\_  
Pencion: Si \_\_\_\_ No \_\_\_\_ Plan de Retiramiento 401K: Si \_\_\_\_ No \_\_\_\_ Vacaciones: Yes \_\_\_\_ No \_\_\_\_  
Tiempo para viajar: Si \_\_\_\_ No \_\_\_\_ Otros: Si \_\_\_\_ No \_\_\_\_

Su nombre se puede utilizar en esta investigacion: Si \_\_\_\_ No \_\_\_\_

Comentarios: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Su Firma: \_\_\_\_\_

Domicilio: \_\_\_\_\_

No. de Seguro Social: \_\_\_\_\_

Tel. de Casa: \_\_\_\_\_

(Si usted tiene otra informacion que es importante, por favor anote la en una hoja y incluir lo con esta forma o llamar .)

**Labor Compliance Investigator**

\_\_\_\_\_















## Statement of Employer Payments



Date:		In Reply, Refer to Case No:	
Prime:			
Subcontractor:			
PROJECT NAME:			
PROJECT CONTRACT NO.:		County/location:	

### HEALTH AND WELFARE

NAME OF PLAN	Address, City and Zip
ADMINISTRATOR	Address, City and Zip
CLASSIFICATION(S) USED	CONTRIBUTION PER CLASSIFICATION PER HOUR
CONTRIBUTIONS:	WEEKLY _____ MONTHLY _____ QUARTERLY _____ ANNUALLY _____

### PENSION

NAME OF PLAN	Address, City and Zip
ADMINISTRATOR	Address, City and Zip
CLASSIFICATION(S) USED	CONTRIBUTION PER CLASSIFICATION PER HOUR
CONTRIBUTIONS:	WEEKLY _____ MONTHLY _____ QUARTERLY _____ ANNUALLY _____

### VACATION/HOLIDAY

NAME OF PLAN	Address, City and Zip
ADMINISTRATOR	Address, City and Zip
CLASSIFICATION(S) USED	CONTRIBUTION PER CLASSIFICATION PER HOUR
CONTRIBUTIONS:	WEEKLY _____ MONTHLY _____ QUARTERLY _____ ANNUALLY _____

### TRAINING

NAME OF PLAN	Address, City and Zip
ADMINISTRATOR	Address, City and Zip
CLASSIFICATION(S) USED	CONTRIBUTION PER CLASSIFICATION PER HOUR
CONTRIBUTIONS:	WEEKLY _____ MONTHLY _____ QUARTERLY _____ ANNUALLY _____

IF YOU USE OTHER PLANS NOT LISTED ABOVE, YOU MAY USE THE BACK OF THIS FORM TO PROVIDE THIS ADDITIONAL INFORMATION

## FRINGE BENEFITS STATEMENT

The Awarding Body Labor Compliance Program is the recipient of the Fringe Benefit Statement (Wet Signature Required). **Please submit monthly documentation that all Employer Fringe Benefit Payments are current.**

**CLASSIFICATION:** The Fringe Benefit Statement must include all Trades/Classifications of employees that YOUR COMPANY will dispatch to the Public Works Project, including Apprentices.

- Do not list each employee by name that you will dispatch within the Trade/Classification.

**EFFECTIVE DATE:** Is the date of the DIR Prevailing Wage Determination governing the duration of the Public Works Project.

**SUBSISTENCE OR TRAVEL:** If your company will be required to pay this fringe benefit insert the per diem amount within this section.

**EMPLOYER PAID FRINGE BENEFITS:** Next to each listed Fringe Benefit indicate the hourly rates for fringe benefits payments made for employees by the employer on the various classes of work. Do not include amounts that are paid directly by the employee.

**PAID TO:** Insert the name and address of the Plan, Fund or Program where the benefit will be sent, or if the benefit amount is to be paid directly to the Employee, indicate same by inserting "Employee".

- Do not list each employee by name.

All fringe benefits must be irrevocably paid to an authorized fund or to the employee. No unpaid amounts are allowed.

### A Common Misunderstanding of the Status of "Owner-Operators" Under the State Labor Code.

There is a common misconception among many owner-operators that there is something like an "exemption" from prevailing wage requirements for owner-operators that perform work on public works projects. This is simply not the case, under the Labor Code; an owner-operator who performs work in the field is a "journeyman", regardless of his or her status as an owner. The Fringe Benefit Statement must reflect this fact. The only owners who are exempt from prevailing wage requirements are those that perform only supervisory or management functions, without working with the tools or operating equipment.

### Credits, For Fringe Benefit Payments

CALIFORNIA CODE OF REGULATIONS: TITLE 8, GROUP3, ARTICLE 4, 16200(i) Credit Available for Actual Payment of Fringe Benefit Costs up to the Prevailing Amount. The contractor obligated to pay the full prevailing rate of per diem wages may take credit for amounts up to the total of all fringe benefit amounts listed as prevailing in the appropriate wage determination. This credit may be taken only as to amounts which are actual payments under Employer Payments Section 16000(1)-(3). In the event the total of Employer Payments by a contractor for the fringe benefits listed as prevailing is less than the aggregate amount set out as prevailing in the wage determination, the contractor must pay the difference directly to the employee. No amount of credit for payments over the aggregate amount of

employer payments shall be taken nor shall any credit decrease the amount of direct payment of hourly wages of those amounts found to be prevailing for straight time or overtime wages.

**Memo from the Division of Industrial Relations dated 11-15-90.**

***THE RULE:***

The contractor can pay amounts for individual benefits different than the state shows in the wage reports so long as it is not less than the total amount permitted for all benefits. Any contractor paid amount less than the total benefit requirements listed in the state wage reports must be paid to the employee.

## HELPFUL WEB SITES

Questions about classifications and scope of work, prevailing wage determinations or special determinations for a specific project:

- **Division of Labor Statistics and Research:**  
[http://www.dir.ca.gov/DLSR/statistics\\_research.html](http://www.dir.ca.gov/DLSR/statistics_research.html)
- **California Apprenticeship Council:** [www.dir.ca.gov/CAC/cac.html](http://www.dir.ca.gov/CAC/cac.html)
- **Department of General Services Office of Public School Construction:**  
[www.opsc.dgs.ca.gov](http://www.opsc.dgs.ca.gov).
- **Department of Industrial Relations:** [www.dir.ca.gov](http://www.dir.ca.gov)
- **Division of Labor Standards Enforcement:** [www.dir.ca.gov/DLSE/dlse.html](http://www.dir.ca.gov/DLSE/dlse.html)
- **Division of Apprenticeship Standards:** [www.dir.ca.gov/DAS/das.html](http://www.dir.ca.gov/DAS/das.html)

### Law codes

Law codes must be obtained from the Internet or the Department of Industrial Relations.

- **California Code of Regulations:** <http://ccr.oal.ca.gov/>
- **California Labor Code:** [www.leginfo.ca.gov](http://www.leginfo.ca.gov)

### Forms

- **Public Works Contract Award Form DAS 140:**  
<http://www.dir.ca.gov/DAS/DASForm140.pdf>
- **Certified Payroll Reporting Form A-1-131:**  
<http://www.dir.ca.gov/dlse/publicWorksPayrollInstructions.htm>
- **Statement of Employer Payments of PW 26:** <http://www.dir.ca.gov/dlse/DLSEForm-PW26.pdf>
- **California Apprenticeship Council Training Fund Contributions:**  
<http://www.dir.ca.gov/DAS/DASCAC2.pdf>

### Labor Compliance Program Questions

- **Golden State Labor Compliance:** <http://www.goldenstatelc.com>

INITIAL COMPLAINT INFORMATION FORM

(Insert Awarding Agency Logo)

Date: \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_

State: \_\_\_\_\_

Zip: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Alt. Phone Number: \_\_\_\_\_

Project Name: \_\_\_\_\_

Contractor Name: \_\_\_\_\_

Reason for Complaint:

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

Who Took Information: \_\_\_\_\_

Employee Questionnaire Sent: \_\_\_\_\_

Given to Super: \_\_\_\_\_

Put in Phone Log: \_\_\_\_\_

Given to LCS: \_\_\_\_\_

(Insert Awarding Agency Logo)

**PROOF OF SERVICE**  
**(Code of Civil Procedures § 1013a, § 2015.5)**

I, [Click here and type name], do hereby certify that I am a resident of or employed in the County of "[Enter county]", over 18 years of age, and not a party to the within action, and that I am employed at and my business address is:

"[Enter Awarding Body]"  
"[Click here and type address]"  
"[Click here and type city, state, zip]"

On, "[Click here and enter date]", I served the within: Letter regarding Labor Compliance Forms and Payroll Reporting on the parties listed below by placing true copies thereof in sealed envelopes addressed as shown below for service as designated below:

(A) **By First Class Mail:** I am readily familiar with the practice of "[Enter Awarding Body]" for the collection and processing of correspondence for mailing with the United States Postal Service. I caused each such envelope, with first-class postage thereon fully prepared, to be deposited in a recognized place of deposit of the U. S. Mail in "[Enter county]" County, California, for collection and mailing to the office of the addressee on the date shown herein.

<u>TYPE OF SERVICE</u>	<u>ADDRESSEE AND FAX NUMBER (IF APPLICABLE)</u>
A	"[Click here and type contractor name]" "[Click here and type address]" "[Click here and type city, state, zip]"

***I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.***

Executed on "[Enter date]", at "[Enter city]", County of "[Enter county]" California

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SIGNATURE



(Insert Awarding Agency Logo)

"[Click here and enter date]"

"[Click here and type contractor name]"

"[Click here and type address]"

"[Click here and type city, state, zip]"

**RE: LABOR COMPLIANCE FORMS AND PAYROLL REPORTING  
PROJECT: "[Click here and type Project name]"**

The purpose of this letter is to introduce "[Enter Awarding Body]" Labor Compliance Program. I will be the Labor Compliance Specialist that is servicing your company's submittal of certified payroll and other Labor Compliance Program related documents.

If you are a subcontractor we encourage you to contact your Prime or General Contractor to ascertain their procedures and requirements for the collection and submittal of records. The Prime or General Contractor has obligations under the California Labor Code regarding review and acceptance of these required documents. It is not "[Enter Awarding Body]" intention to interfere or alter the Contractor's established procedures.

At the pre-construction meeting a labor compliance package containing documents, forms and instructions was distributed. The "[Enter Awarding Body]" Program, the California Labor Law and the contract provisions requires the completion and submittal of the documents. If you were unable to attend the meeting or have not received a package from your General or Prime Contractor you should contact them and request a package, however if they are unable to provide the forms package please contact me and I will be happy to provide you with the complete package or individual forms as needed.

The documents provided in the handout consist of:

- Certified payroll data (Blank Payroll Reporting Form, Statement of Non-Performance and Payroll Certification Form)
- Contractors Acknowledgement of LCP
- Fringe Benefit Statement
- DAS-140 form-Public Works Contract Award Information
- CAC/2 form, for the reporting of payment to the California Apprenticeship Committee
- DAS-142 form-Documentation of Dispatch/Request for Apprentices

**Payroll Certifications, Fringe Benefits Statements and Contractor's Acknowledgement of LCP shall have WET SIGNATURES and be received in our offices as original documents.**

**Only forms published by the California Department of Industrial Relations or "[Enter Awarding Body]" Labor Compliance Program shall be submitted. The use of Federal forms or certifications and State forms other than those from the Department of Industrial Relations will not be accepted.**

**Initial Documentation required by Contract or Labor Code**

It is recommended that you complete and return the following initial documents as soon as possible, irrespective of your projected start date on the project. This will enable "[Enter Awarding Body]" to review the documents and eliminate any delays to approving contractor payment applications.

- a. A completed and signed "Contractor's Acknowledgement of LCP" (**wet signature required**)
- b. A completed and signed "Fringe Benefit Statement" covering all labor classifications anticipated to be employed on the project, including apprentices (**wet signature required**).
- c. A reproduced copy of each DAS-140 form filed with each Apprenticeship Committee applicable to any labor classification anticipated to be employed on the project. Failing to submit copies of filed DAS-140's to "[Enter Awarding Body]" will not be a cause to deny approval of contract payments, however, failing to file such notices is a violation of the Labor Code and will expose the contractor or subcontractor to liability for penalties.

**Ongoing Monthly Documentation Throughout the Course of the Project**

- a. With the primary objective being to eliminate any need for the withholding of Contractor Payments every contractor or subcontractor of any tier that provided on-site labor of any kind shall submit an unbroken chain of weekly Certified Payroll Reports or Non-Performance Reports covering the entire period from the first day services were performed on the project through their "Final Payroll" on at least a monthly basis. Upon receipt of a payment application "[Enter Awarding Body]" will verify that payroll records have been received from the last day of labor reported on prior Certified Payroll Reports through at least the 15<sup>th</sup> of the current month for which payment is requested. (The required format for payroll information and certification is set forth on DIR form A-1-131 public work payroll reporting form. The person certifying these copies must be the contractor or an authorized agent to act on behalf of the contractor).
- b. For every contractor or subcontractor of any tier that provided on-site labor of any kind a completed CAC-2 or other appropriate document confirming payment of training funds to appropriate Apprenticeship Committees or the California Apprenticeship Council by not later than the 15<sup>th</sup> of the month for which payment application is being made.
- c. Certified Payroll Records as well as other required documents shall be submitted as outlined in the contract documents and through the channels established by the Project Manager, the Construction Manager, the General or Prime Contractor whichever is applicable.

**Documentation to be Provided by the end of the Project**

- a. Documentation showing compliance with CLC § 1777.5 and CCR § 230.1 regarding the employment and request of dispatch of apprentices. (Documentation of your request may be in the form of a letter from an approved Apprenticeship Training Program or Union stating "No Apprentices Available" or a copy of the faxed request (showing transmittal success) or a copy of the signed certified/registered mail receipt).

**NOTE: Please do not reproduce and re-submit any forms that your company has previously submitted for this specific project.**

If I can be of assistance feel free to contact me Monday-Friday, between 8:00 am and 5:00 pm, at "[Enter Phone Number]" .

Thank you,  
"[Click here and type your name and title]"

## **Apprentices on Public Work projects Summary of requirements**

Compliance with California Labor Code Section 1777.5 requires all public works contractors and subcontractors to:

### **1. Submit contract award information.**

Contractors who are not already approved to train by an apprenticeship program sponsor shall provide contract award information to all of the applicable apprenticeship committees whose geographic area of operation includes the area of the public works project. **Submit contract award information** to the apprenticeship committee for each apprenticeable craft or trade in the area of the site of the public works project that has approved the contractors, who are participants in an approved apprenticeship program, to train apprentices. (Title 8, California Code of Regulations, Section 230). The contract award information shall be in writing and may be on a Public Works Contract Award Information form (DAS 140). The information shall be provided to the applicable apprenticeship committee within ten (10) days of the date of the execution of the prime contract or subcontract, but in no event later than the first day in which the contractor has workers employed upon the public work. (Title 8, California Code of Regulations, Section 230). **The filing of a DAS 140 is not a request for dispatch of registered apprentices.**

### **2. Employ registered apprentices** on the Public Works project in a ratio of no less than one (1) hour of apprentice work for every five (5) hours performed by a journeyman.)

1. Contractors who are not already employing sufficient registered apprentices to comply with the one-to-five ratio must request the dispatch of required apprentices from the apprenticeship committees providing training in each applicable craft or trade and whose geographic area of operation includes the site of the public work by giving the committee written notice of at least 72 hours (excluding Saturdays, Sundays and holidays) before the date on which apprentices are required.

2. If the apprenticeship committee from which apprentice dispatch is requested does not dispatch apprentices as requested, the contractor must request apprentice dispatch from another committee providing training in the applicable craft or trade in the geographic area of the site of the public work, and must request dispatch from each such committee, either consecutively or simultaneously, until the contractor has requested apprentice dispatch from each such committee in the geographic area.

3. If a non-signatory contractor is dispatched fewer apprentices than requested from an apprenticeship program the contractor must request dispatch from all other committees that provide training in the applicable craft or trade whose geographic area of operation includes the site of the public work.

(Title 8, California Code of Regulations, Section 230.1).

**3. Make training fund contributions** in the amount established in the Prevailing Wage Rate publication for journeymen and apprentices. Contractors who contribute to an apprenticeship program are entitled to a full credit in the amount of those contributions. Contractors who do not contribute to an apprenticeship program must submit their contributions to the California Apprenticeship Council.

Funds are due & payable by the 15th of the month for work performed during the preceding month. The contribution should be paid by check and be accompanied by a copy of the completed CAC - Training Fund Contributions online form found at:

<https://www.dir.ca.gov/DAS/tf/cac2.asp>, and mailed to:

Department of Industrial Relations  
California Apprenticeship Council  
P.O. Box 511283  
Los Angeles, CA 90051-7838

See [www.dir.ca.gov](http://www.dir.ca.gov) for the complete regulations and Labor Code provisions.



(Awarding Body)  
Labor Compliance Program  
(Awarding Body)  
(Address)  
(City, State, Zip)



Phone:  
Fax:

Date: In Reply Refer to Case Number: \_\_\_\_\_

Subject: **Review Office - Notice of Withholding of Contract Payments -  
Notice of Opportunity to Review Evidence Pursuant to Labor Code Section 1742(b)**

To: **Prime Contractor**  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
**Subcontractor**  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Please be advised that this office has received your **Request for Review**, dated \_\_\_\_\_ and pertaining to the Notice of Withholding of Contract Payments issued by the Labor Compliance Program in Case No. \_\_\_\_\_

In accordance with Labor Code section 1742(b), this notice provides you with an opportunity to review evidence to be utilized by the Labor Compliance Program at the hearing on the Request for Review, and the procedures for reviewing such evidence.

**Rule 17224 of the Prevailing Wage Hearing Regulations provides as follows:**

- (a) Within ten (10) days following its receipt of a Request for Review, the Enforcing Agency shall also notify the affected contractor or subcontractor of its opportunity and the procedures for reviewing evidence to be utilized by the Enforcing Agency at the hearing of the Request for Review.
- (b) An Enforcing Agency shall be deemed to have provided the opportunity to review evidence required by this Rule if it (1) gives the affected contractor or subcontractor the option at said party's own expense to either (i) obtain copies of all such evidence through a commercial copying service or (ii) inspect and copy such evidence at the office of the Enforcing Agency during normal business hours; or if (2) The Enforcing Agency at its own expense forwards copies of all such evidence to the affected contractor or subcontractor.

Subject: **Review Office - Notice of Withholding of Contract Payments -  
Notice of Opportunity to Review Evidence Pursuant to Labor Code Section 1742(b)**

(c) The evidence required to be provided under this Rule shall include the identity of witnesses whose testimony the Enforcing Agency intends to present, either in person at the hearing or by declaration or affidavit. This provision shall not be construed as requiring the Enforcing Agency to prepare or provide any separate listing of witnesses whose identities are disclosed within the written materials made available under subpart (a).

(d) The Enforcing Agency shall make evidence available for review as specified in subparts (a) through (c) within 20 days of its receipt of the Request for Review; provided that, this deadline may be extended by written request or agreement of the affected contractor or subcontractor. The Enforcing Agency's failure to make evidence available for review as required by Labor Code Section 1742(b) and this Rule, shall preclude the enforcing agency from introducing such evidence in proceedings before the Hearing Officer of the Director.

(e) This Rule shall not preclude the Enforcing Agency from relying upon or presenting any evidence first obtained after the initial disclosure of evidence under subparts (a) through (d), provided that, such evidence is promptly disclosed to the affected contractor or subcontractor. This Rule also shall not preclude the Enforcing Agency from presenting previously undisclosed evidence to rebut new or collateral claims raised by another party in the proceeding.

In accordance with the above Rule, please be advised that the Labor Compliance Program's procedure for you to exercise your opportunity to review evidence is as follows:

**Within five calendar days of the date of this notice, please transmit the attached Request to Review Evidence to the following address:**

**Labor Compliance Officer  
Awarding Agency  
(Address)  
(City, State, Zip)**

**Request to Review Evidence**

To: Labor Compliance Officer  
Awarding Agency  
(Address)  
(City, State, Zip)

From: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Regarding Notice of Withholding of Contract Payments Dated \_\_\_\_\_

Case Number: \_\_\_\_\_

The undersigned hereby requests an opportunity to review evidence to be utilized by the Labor Compliance Program at the hearing on the Request for Review.

\_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Phone Number: \_\_\_\_\_  
Fax Number: \_\_\_\_\_

**(AWARDING BODY NAME)**  
**Labor Compliance Program**  
Awarding Agency  
Address  
City, State, Zip



Phone:  
Fax:

Date: \_\_\_\_\_ In Reply Refer to Case Number: \_\_\_\_\_

To: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Subject: Notice of Complaint Closed

Awarding Body: \_\_\_\_\_  
Project Name: \_\_\_\_\_  
Project Number: \_\_\_\_\_  
Prime Contractor: \_\_\_\_\_  
Subcontractor: \_\_\_\_\_

To Whom It May Concern:

The complaint against the above-named contractor(s) is being closed for the following reasons

\_\_\_\_\_ Subject firm has satisfactorily paid all prevailing wages and/or penalties found due.

\_\_\_\_\_ The statute of limitations for the Labor Commissioner to prosecute California Public Work Law, (Labor Code sections 1720 through 1861), have expired. (Information for Claimant) Please note that there are other legal claims which you may still pursue even though the statute of limitations have expired for the Labor Commissioner to enforce the public work provisions of the Labor Code. You may want to review the California Court of Appeals decision in the case of Tippet v Terich (1995), 37 Cal.App.4th 1517, 44Cal.Rptr.2d 862 and/or consult with an attorney to determine if you may pursue any of the legal actions discussed in the Tippet v Terich decision.

\_\_\_\_\_ There is insufficient evidence to confirm California Public Work Law was violated.

\_\_\_\_\_ Subject firm was not within the jurisdiction of California Work Law on this project.

\_\_\_\_\_ Other \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Sincerely,

\_\_\_\_\_  
(Enter Name)  
Labor Compliance Officer

Cc: Prime  
CM

Bc: Complainant



**(Awarding Body)**  
**Labor Compliance Program**  
Enter Address  
Enter City, State, Zip



Phone:

Fax:

Date: \_\_\_\_\_

In Reply Refer to Case No: \_\_\_\_\_

To: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Subject: Notification of Complaint Filed

Project Name: \_\_\_\_\_ Project No: \_\_\_\_\_  
Awarding Body: \_\_\_\_\_ Contract No: \_\_\_\_\_  
Prime Contractor: \_\_\_\_\_  
Subcontractor: \_\_\_\_\_

To Whom It May Concern:

A complaint alleging violation of the Public Work Law (California Labor Code, Division 2, Part 7) has been filed in the (Awarding Agency's) Labor Compliance Office against the contractor(s) listed above. You are hereby advised an investigation is commencing of the above-named project to insure compliance with the provisions of the Labor Code. After an investigation, if it is determined that wages and/or penalties are due, a Notice of Withholding Contract Payments by the Director of Industrial Relations (DIR) will be requested pursuant to Labor Code Section 1741.

Sincerely,

\_\_\_\_\_  
Enter Name  
Enter Title  
(Awarding Body) Labor Compliance Program

cc: Prime  
CM

bc: Complainant

**"[Enter Awarding Body]"**  
**LABOR COMPLIANCE PROGRAM**

(Insert Awarding Agency Logo)

"[Click here and type address]"  
"[Click here and type city, state, zip]"  
Phone: "[Click here and type #]"      Fax: "[Click here and type #]"

SERVICE OF NOTICE VIA CERTIFIED MAIL

Date: \_\_\_\_\_ In Reply Refer to Case No. \_\_\_\_\_

**NOTICE OF INTENT TO REQUEST FORFEITURE OF MONIES**

Awarding Body: \_\_\_\_\_ Work Performed in County: \_\_\_\_\_  
Project Name: \_\_\_\_\_ Project Number: \_\_\_\_\_  
Prime Contractor: \_\_\_\_\_  
Subcontractor: \_\_\_\_\_

To Whom It May Concern:

After an investigation concerning the **payment of wages and/ or requested payroll records** in the execution of the contract for the above named public works project, the Labor Compliance Program LLC for "[Enter Awarding Body]" has determined that violations of the California Labor Code have been committed by the contractor and/or subcontractor identified above. The Labor Compliance Program hereby issues this Notice of Intent to Request Forfeiture of Monies **you would otherwise be paid.**

The nature of the violations of the Labor Code and the basis for this intent are as follows:

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

The Labor Compliance Program has determined that the total amount of wages due is: \$ \_\_\_\_\_

The Labor Compliance Program has determined that the total amount of penalties assessed under Labor Code sections 1775 and 1813 is: \$ \_\_\_\_\_

The Labor Compliance Program has determined that the total amount of penalties assessed under Labor Code section 1776 is: \$ \_\_\_\_\_

## Opportunity for Meeting

The prime contractor and subcontractor have the opportunity to meet with the Labor Compliance Program to discuss the alleged violation(s), to explain why there was no violation and/or that any violation was caused by a good faith mistake and promptly corrected when brought to the prime contractor or subcontractor's attention and to provide mitigating evidence to the Labor Compliance Program. A written request to meet must be transmitted within 30 days following the service of this notice to "[Enter LC Officer]" at the following address:

"[Enter Awarding Body]"  
Attention: "[Enter LC Officer]"  
"[Click here and type address]"  
"[Click here and type city, state, zip]"

If a written request to meet is not received within 30 days, the Labor Compliance Program will transmit to the Labor Commissioner a request to forfeit the amount of back wages and penalties identified above.

"[Enter Awarding Body]" Labor Compliance Program:

---

"[Enter LC Officer]"  
Labor Compliance Officer

Distribution:  
Awarding Body  
Prime Contractor  
Subcontractor

(Insert Awarding Agency Logo)

## NOTICE OF INVESTIGATION

"[Enter Awarding Body]"  
"[Click here and type address]"  
"[Click here and type city, state, zip]"

Phone: "[Enter #]" Fax: "[Enter #]"

"[Click here and type date]"

In Reply Refer to Case No.: \_\_\_\_\_

Awarding Body: \_\_\_\_\_ County: \_\_\_\_\_  
Project Name: \_\_\_\_\_ Project Number: \_\_\_\_\_  
Prime Contractor: \_\_\_\_\_  
Subcontractor: \_\_\_\_\_

An investigation concerning the payment of wages to workers employed in the execution of the contract for the above named public works project has been initiated by the "[Enter Awarding Body]" Labor Compliance Program to determine if violations of the California Labor Code have been committed by the contractor and/or subcontractor identified above.

### **The nature of the investigation of the Labor Code violations is as follows:**

1. "[Click here and type nature of violation]"
2. "[Click here and type nature of violation]"

### **Upon completion of the investigation:**

1. The Labor Compliance Program will determine the total amount of wages due, if any.
2. The Labor Compliance Program will determine the total amount of penalties to be assessed under Labor Code sections 1775 and 1813, if applicable.
3. The Labor Compliance Program will determine the total amount of penalties to be assessed under Labor Code section 1776, if applicable.
4. The Labor Compliance Program will issue a Notice of Withholding of Contract Payments for any underpayment of wages and penalties as may be applicable.

"[Enter Awarding Body]" Labor Compliance Program

"[Click here and type your name]"  
Investigations Supervisor

Cc: "[Click here and type Prime name]"  
"[Click here and type Affected Contractor name ]"  
"[Click here and type name of CM/GM]"

(Insert Awarding Agency Logo)

"[Click here and type date]"

"[Enter Primary Defendant Company]"

"[Click here and type address]"

"[Click here and type city, state, zip]"

Attn: "[Enter name of primary contact]"

Re: NOTICE OF REQUEST FOR APPROVAL OF FORFEITURE AMOUNT

Project: "[ENTER PROJECT NAME]"

Dear "[Enter name of primary contact]" :

A Request for Approval of Forfeiture Amount has been submitted to the Labor Commissioner for alleged and unresolved Labor Code violations in regard to the above named public works project (copy attached). This request is based upon the best evidence available to us at this time and reflects the fact that you have not provided us with explanatory or rebuttal evidence to support a position that the alleged violations have not taken place.

If you have not been paid the full contract price for the above named project, the Request for Approval of Forfeiture Amount requests that the Labor Commissioner approve a forfeiture of money that you would otherwise be paid. If you have received full payment under your contract for this project, approval by the Labor Commissioner of the Request for Approval of Forfeiture Amount could result in a judgment against your company.

Pursuant to California Code of Regulations Section 16437(e) (1), the Labor Commissioner must approve, modify or disapprove the Request for Approval of Forfeiture Amount within 30 days of his receipt of that request. Time is very much of the essence with respect to this matter.

"[Enter Awarding Body]" is fully prepared to receive and consider any evidence that you may provide to explain why the violations alleged did not take place. We are also fully prepared to receive and consider evidence that the violation was caused by good faith mistake and that you have promptly corrected such violation. If such evidence is convincing, we are prepared to modify or withdraw the Request for Approval of Forfeiture Amount accordingly. Failure to provide such evidence may result in the Labor Commissioner's approval of the request without modification.

If you change address or elect to retain an attorney in this matter, it is your responsibility to advise both "[Enter Awarding Body]" and the Labor Commissioner of such by certified mail. Otherwise, notices will be served at your last address on file and deadlines might pass before you receive such notices.

Respectfully,

"[Enter Name]"  
Labor Compliance Officer

Cc: "[Enter name]" , "[Enter title]" Labor Commissioner  
"[Enter Genral Contractor name]"  
"[Enter Subcontractor name]" (Delete party that appears as primary  
"[Enter CM name, if applicable]" addressee at top of letter)  
"[Enter Bonding Company name]"

**(Awarding Body)**  
**Labor Compliance Program**  
**Enter Address**  
**Enter City, State, Zip**

(Insert Awarding Agency Logo)

Phone:

Fax:

Date:

In Reply Refer to Case Number: \_\_\_\_\_

**Subject: Review Office - Notice of Withholding of Contract Payments - Notice of Transmittal**

To: Department of Industrial Relations  
Office of the Director - Legal Unit  
Attention: Lead Hearing Officer  
P. O. Box 420603  
San Francisco, CA 94142-0603

Enclosed herewith please find a Request for Review dated \_\_\_\_\_ postmarked  
\_\_\_\_\_, and received by this office on \_\_\_\_\_.

Also enclosed please find the following:

\_\_\_\_\_ Copy of Notice of Withholding of Contract Payments  
\_\_\_\_\_ Copy of Audit Summary and Evidence

\_\_\_\_\_  
**Enter Name**

**Enter Title**

**(Awarding Body) Labor Compliance Program**

cc:

(Prime Contractor)

(Subcontractor)

(Bonding Company)

Please be advised that the Request for Review identified above has been received and transmitted to the address indicated. Please be further advised that the governing procedures applicable to these hearings are set forth at Title 8, California Code of Regulations sections 17201-17270. These hearings are not governed by Chapter 5 of the Government Code, commencing with section 11500.

(Insert Awarding Agency Logo)

"[Enter Date]"

"[Enter Contractor Name]"

"[Enter Street Address]"

"[Enter City, State, Zip]"

RE: NOTICE OF GROSS WAGE DISTRIBUTION ON THE "[ENTER PROJECT NAME]"

"[Enter Primary Contact]" :

Pursuant to an investigation and recovery of prevailing wages on the above referenced public works project, "[Enter Awarding Body]" Labor Compliance Program hereby gives you notice of a gross wage distribution.

Upon receipt of your check #"[Enter Check #]" for gross wages owed to worker(s) employed by "[Enter Affected Contractor]" on the "[Enter Project Name]", "[Enter Awarding Body]" has distributed those recovered wages as <outlined below or in the enclosed spreadsheet> which indicates what gross wages have been distributed and to whom. For workers we are unable to locate the funds will be transferred to the State of California Unpaid Wage Fund pursuant to Labor Code 1743 (c).

"[Enter who funds were distributed to (IE: Name, SSN, Address & Amount)]"

"[Enter Awarding Body]" is providing you this information for the purpose of notifying the contractor of the gross wage distribution for tax purposes. You will receive a notification of distribution upon each occurrence until exhausted.

If you should have any questions do not hesitate to contact me.

Respectfully,

"[Enter Name]"

Investigations Supervisor

Enclosure

Cc: "[Enter Awarding Body]"

"[Enter Prime/General Contractor (if necessary)]"



(Insert Awarding Agency Logo)

"[ENTER DATE]"

"[Click here and type Awarding Body Accounting name]"

"[Click here and type Awarding Body address]"

"[Click here and type Awarding Body city, state, zip]"

Project Name: "[Click here and type Project name]"

Prime Contractor: "[Click here and type Prime Contractor name]"

Sub-Contractor: "[Click here and type Subcontractor name]"

To Whom It May Concern:

After an investigation concerning payment of prevailing wages on the "[Click here and type Project name]" project it was found that a worker(s) employed by "[Click here and type Affected Contractor name]" was / were underpaid and penalties were assessed upon the affected contractor.

Enclosed is a check in the amount of \$"[Enter Amount]" for penalties assessed pursuant to California Labor Code section 1775. These funds should be placed in the districts general fund.

If you have any questions do not hesitate to contact me between 8:00am to 5:00pm Monday through Friday at "[Enter #]" .

Respectfully,

"[Enter name]"

Investigations Supervisor

Enclosure

Cc: "[Click here and type Prime Contractor name]"

"[Click here and type Affected Contractor name]"

(Insert Awarding Agency Logo)

"[ENTER DATE]"

State of California  
Department of Industrial Relations  
P.O. Box 420603  
San Francisco, CA 94142

Project Name: "[Click here and type Project name]"  
Prime Contractor: "[Click here and type Prime Contractor name]"  
Sub-Contractor: "[Click here and type Subcontractor name]"

To Whom It May Concern:

After an investigation concerning payment of prevailing wages on the "[Click here and type Project name]" project it was found that training fund contributions by "[Click here and type Affected Contractor name]" were not made in accordance with California Code of Regulations, Title 8, Section 230.2(c).

"[Enter Awarding Body]" Labor Compliance Program collected the required training fund contributions from the affected contractor and hereby enclose a check in the amount of "\$[Enter Amount]". The enclosed check represents "[Enter Number of Hours]" labor hours for workers in the "[Enter Craft]" classification.

If you have any questions do not hesitate to contact me between 8:00am to 5:00pm Monday through Friday at "[Enter #]" .

Respectfully,

"[Enter Name]"  
Investigations Supervisor

Enclosure

Cc: "[Click here and type Prime Contractor name]"  
"[Click here and type Affected Contractor name]"

(Insert Awarding Agency Logo)

**CERTIFIED MAIL**

"[Enter Date]"

"[Enter Affected Worker Name]"

"[Enter Address]"

"[Enter City, State, Zip]"

Awarding Body: "[Enter Awarding Body]"

Project Name: "[Enter Project Name]"

Prime Contractor: "[Enter Prime Contractor]"

Sub-Contractor: "[Enter Sub-Contractor]"

Dear "[Enter Affected Worker Name]" ,

After an investigation concerning payment of prevailing wages on the "[Enter Project Name]" project it was found that you were underpaid.

We are in receipt of the monies owed you and would like to provide you with the unpaid wages in one of two ways:

1. Sign the enclosed release, return the signed original to "[Enter Awarding Body]" Labor Compliance Program with a copy of your photo identification and upon receipt of the two documents we will mail the unpaid wages in form of a check to you by certified mail;

OR

2. Contact us to set up an appointment for you to come into the offices of "[Enter Awarding Body]" Labor Compliance Program to sign the release, provide photo identification and receive your unpaid wages in the form of a check.

If we do not hear from you regarding this matter by "[Enter Date]" the funds will be transferred to the State of California, Division of Labor Standards Enforcement to be held in an Unpaid Wage Trust.

Please contact me as soon as possible between 8:00am to 5:00pm Monday through Friday at "[Enter #]" .

Respectfully,

"[Enter Your Name]"

"[Enter Your Title]"

Enclosure

Cc: "[Enter Affected Contractor]"  
"[Enter Awarding Body]"

(Insert Awarding Agency Logo)

**CERTIFIED MAIL**

"[Enter Date]"

"[Enter Affected Worker Name]"

"[Enter Address]"

"[Enter City, State, Zip]"

Awarding Body: "[Enter Awarding Body]"

Project Name: "[Enter Project Name]"

Prime Contractor: "[Enter Prime Contractor]"

Sub-Contractor: "[Enter Sub-Contractor]"

Estimado "[Enter Affected Worker Name]" ,

Después de una investigación referente al pago de salarios que prevalecen en el "[Enter Project Name]" proyecto fue encontrado que usted era pagó mal.

Estamos en recepción de los dineros le debimos y lo quisiéramos proveer de usted los salarios sin pagar en una de dos maneras:

1. Firme el lanzamiento incluido, vuelva la original firmada a la conformidad del trabajo del estado de oro con una copia de su identificación de la foto y sobre el recibo de los dos documentos enviaremos los salarios sin pagar en forma de un cheque a usted por el correo certificado;

O

2. Éntrenos en contacto con para instalar cita para que usted entre en las oficinas del trabajo del estado de oro La conformidad para firmar el lanzamiento, proporciona la identificación de la foto y la recibe sus salarios sin pagar bajo la forma de cheque.

Si no oímos de usted con respecto a esta materia al lado del "[Enter Date]" los fondos serán transferidos al estado de California, división de la aplicación de los estándares de trabajo que se sostendrá en una confianza sin pagar del salario.

Entre en contacto con por favor a "[Enter Your Name]" o mismo cuanto antes entre 8:00am a 5:00pm lunes a viernes en "[Enter Phone #]" .

Respetuosamente,

"[Enter Your Name]"

"[Enter Your Title]"

Enclosure

Cc: "[Enter Affected Contractor]"  
"[Enter Awarding Body]"



(Insert Awarding Agency Logo)

## PAYMENT APPLICATION HOLD and NOTIFICATION OF TEMPORARY WITHHOLDING

"[Click here and type date]"

"[Click here and type Awarding Body Accounting name]"

"[Click here and type Awarding Body street address]"

"[Click here and type Awarding Body city, state, zip]"

Re: "[Click here and type Project name]" PROJECT  
"[Click here and type Contractor name]" - PAYMENT APPLICATION # "[Enter #]"

"[Click here and type Contact name]" ,

On "[Enter Date]" , "[Enter Awarding Body]" Labor Compliance Program received Payment Application # "[Enter #]" , dated "[Enter Date]" , for the period through "[Enter Date]" .

"[Enter Awarding Body]" Labor Compliance Program has conducted a review of submitted payroll records to determine if the above indicated payment request is suitable for payment pursuant to **Public Contract Code § 20104.50 (c) (1)**.

For the purposes of this document a Payment Application will be considered unsuitable for payment if a contractor and/ or subcontractor has failed to submit certified payroll records as required by the contract documents, California Code of Regulations § 16435 and California Labor Code § 1771.5 (b) (5). **Labor Code Section 1771.5 (b) (5) requires that “The awarding body shall withhold contract payments when payroll records are delinquent or inadequate.”** The contractors listed below have not provided the required payroll records.

### **EXCEPTIONS TO RELEASE OF FUNDS FOR DELINQUENT OR INADEQUATE PAYROLL RECORDS:**

"[Click here and type Contractor(s) name(s)]" -  
“Specify what records are delinquent or inadequate and the estimated amount to hold”

Re: "[Click here and type Project name]"  
"[Click here and type Contractor name]" PAYMENT APPLICATION # "[Enter #]"  
PAGE 2

**Prime Contractor Obligations:** If contract payments are being withheld due to the delinquency or inadequacy of your subcontractor's payroll records, you are required to cease all payments to that subcontractor until "[Enter Awarding Body]" provides notice that the subcontractor has cured the delinquency or deficiency.

**NOTE:** The contractor or subcontractor have the right to request an expedited hearing under California Labor Code section 1742. limited to the issue of delinquent or inadequate payroll records.

A signed original of this Payment Exception will be mailed via USPS on "[Enter Date]" .

If I can be of assistance in this matter, please feel free to contact me, 8:00am to 5:00pm Monday through Friday at "[Enter #]" .

Respectfully,

"[Click here and type name]"  
Labor Compliance Specialist

Cc: "[Click here and type Affected Prime/General]"  
"[Click here and type Affected Sub-contractor]" (Redact other subs from list above)  
"[Click here and type Construction Management Firm]" (if necessary)

Re: "[Click here and type Project name]"  
"[Click here and type Contractor name]" PAYMENT APPLICATION # "[Enter #]"  
PAGE 3

**Notice of Right to Obtain Review – Expedited Hearing**

An affected contractor or subcontractor may request review an expedited hearing to review this Notice of Withholding of Contract Payments under Labor Code §1742. *The only issue in any such review proceeding is whether the specified payroll records are in fact delinquent or inadequate within the meaning of 8 CCR §16435 or whether the Labor Compliance Program has exceeded its authority under 8 CCR §16435. To obtain an expedited hearing, a written request must be transmitted to both "[Enter Awarding Body]" Labor Compliance program and to the Lead Hearing Officer for the Director of the Department of Industrial Relations, as follows:*

"[Enter Awarding Body]"  
Attention: "[Click here and type your name]"  
"[Enter Awarding Body]"  
"[Click here and type address]"  
"[Click here and type city, state, zip]"  
"[Enter Fax #]"

Office of the Director – Legal Unit  
Attention: Lead Hearing Officer  
***Expedited Hearing Request***  
Fax to: (415) 703-4277

The request for expedited hearing should specify the basis for challenging this Notice and include a copy of this Notice as an attachment. The request should also identify and provide contact information for the person who will represent the contractor or subcontractor at the hearing.

**Important Additional Information:** This is a Notice of Temporary Withholding of Contract Payments for Delinquent or Inadequate Payroll Records *only*. This is *not* a determination of liability for wages or penalties under Labor Code §§1775 and 1776 or any other statute. *Contract payments cannot continue to be withheld pursuant to this notice, once the required records have been produced.* However, the contractor and subcontractor may still be subject to the assessment of back wages and penalties and the withholding of contract payments if, upon investigation, a determination is made that the contractor or subcontractor violated the public works requirements of the Labor Code.

This Notice only addresses rights and responsibilities under state law. Awarding bodies, labor compliance programs, and contractors may have other rights or responsibilities under federal or local law, where applicable, and may also have additional rights or remedies under the public works contract.

(Insert Awarding Agency Logo)

## LABOR COMPLIANCE PROGRAM NOTIFICATION PAYMENT APPLICATION RELEASE

"[Click here and type date]"

"[Click here and type Awarding Body Accounting name]"

"[Click here and type Awarding Body street address]"

"[Click here and type Awarding Body city, state, zip]"

Re: "[Click here and type Project name]"

"[Click here and type Contractor name]" PAYMENT APPLICATION # "[Enter #]"

"[Click here and type Contact name]" ,

"[Enter Awarding Body]" Labor Compliance Program has received the payroll records from the above indicated contractor and their known subcontractor(s), as required under the terms of the Awarding Body's labor compliance program, for Payment Application # "[Enter #]" , dated "[Enter Date]" and received on "[Enter Date]" for the period to "[Enter Date]" . Funds on this application may be released.

**All documents are subject to final Audit and acceptance by the program.**

This release does not relieve any obligation on the part of the contractor or their subcontractor(s) to conform to the requirements of the contract documents, Labor Compliance Program or the applicable statutes of the California Labor Code.

A signed original of this Payment Release will be mailed via USPS on "[Enter Date]" .

If I can be of assistance in this matter, please feel free to contact me, 8:00am to 5:00pm Monday through Friday at "[Enter #]" .

Respectfully,

"[Click here and type your name]"

Labor Compliance Specialist

Cc: "[Click here and type Prime/General]"



(Insert Awarding Agency Logo)

"[Enter Awarding Body]"  
"[Click here and type address]"  
"[Click here and type city, state, zip]"  
Phone: "[Enter #]" Fax: "[Enter #]"

### Payroll Certification

I \_\_\_\_\_, the undersigned, am the \_\_\_\_\_  
Print Name Position in Business

with the authority to act for and on behalf of \_\_\_\_\_  
Name of Business/Contractor

certify under penalty of perjury that the records commencing on \_\_\_\_/\_\_\_\_/\_\_\_\_ and ending on \_\_\_\_/\_\_\_\_/\_\_\_\_

submitted herein and consisting of \_\_\_\_\_ pages are the originals, full and correct documents, which depict the payroll  
# of Pages

record(s) of actual disbursements by way of cash, check or whatever form to the individual or individuals named.

- (1) That this employer has complied with the requirements of the California Labor Code Sections 1771, 1811, and 1815 for all work performed on this public works project, and that the classifications set forth therein for each trade rate conform with the work performed.
- (2) That any apprentices employed in the above period are duly registered in a bona fide apprenticeship program registered with the State of California's Division of Apprenticeship Standards

#### PAYROLL/ OTHER DEDUCTIONS

- 1. I herein certify the full and complete Prevailing Wages were paid as currently published and posted by the DIRECTOR of INDUSTRIAL RELATIONS, State of California and only deductions as authorized under the Laws of the State of California or the laws of United States of America have been made from these sums
- 2. All other deductions are clearly listed for each employee on an attachment as required by the Director of Industrial Relation, State of California.

#### OPTIONAL BENEFIT PLANS

I herein certify that all employee deductions for optional benefit plans are authorized and the employee(s) are signed up for the plan(s) and are receiving the benefit(s) of the plan(s) listed

#### WHERE FRINGE BENEFITS ARE PAID TO APPROVED PLANS, FUNDS OR PROGRAMS

In addition to the basic hourly wage rates paid to each laborer or mechanic listed in the above payroll, payment of fringe benefits as listed in the contract have or will be made to the appropriate programs for the benefit of such employees, except as noted below.

#### WHERE FRINGE BENEFITS ARE PAID IN CASH

Each laborer or mechanic listed in the above payroll has been paid as indicated on the payroll, an amount not less than the sum of the applicable basic hourly rate plus the amount of the required fringe benefits as listed in the determination for the craft, except as noted below. Exception(s)

\_\_\_\_\_  
Craft Explanation

\_\_\_\_\_  
Craft Explanation

I herein certify under penalty of perjury that all of the above is true and correct as submitted.

\_\_\_\_\_  
Date Signature (Wet Signature Required) Project Payroll#

(Insert Awarding Agency Logo)

"[Enter Awarding Body]"  
"[Click here and type address]"  
"[Click here and type city, state, zip]"  
Phone: "[Enter #]" Fax: "[Enter #]"

**Payroll Certification**

I, JOHN ATLAS, the undersigned, am the PRESIDENT,  
Print Name Position in Business

with the authority to act for and on behalf of ATLAS CONSTRUCTION CO,  
Name of Business/Contractor

certify under penalty of perjury that the records commencing on 00 / 00 / 0000 and ending on 00 / 00 / 0000

submitted herein and consisting of 1 pages are the originals, full and correct documents, which depict the payroll  
# of Pages

record(s) of actual disbursements by way of cash, check or whatever form to the individual or individuals named.

- (1) That this employer has complied with the requirements of the California Labor Code Sections 1771, 1811, and 1815 for all work performed on this public works project, and that the classifications set forth therein for each trade rate conform with the work performed.
- (2) That any apprentices employed in the above period are duly registered in a bona fide apprenticeship program registered with the State of California's Division of Apprenticeship Standards

**PAYROLL/ OTHER DEDUCTIONS**

- 1. I herein certify the full and complete Prevailing Wages were paid as currently published and posted by the DIRECTOR of INDUSTRIAL RELATIONS, State of California and only deductions as authorized under the Laws of the State of California or the laws of United States of America have been made from these sums
- 2. All other deductions are clearly listed for each employee on an attachment as required by the Director of Industrial Relation, State of California.

**OPTIONAL BENEFIT PLANS**

I herein certify that all employee deductions for optional benefit plans are authorized and the employee(s) are signed up for the plan(s) and are receiving the benefit(s) of the plan(s) listed

**X**

**WHERE FRINGE BENEFITS ARE PAID TO APPROVED PLANS, FUNDS OR PROGRAMS**

In addition to the basic hourly wage rates paid to each laborer or mechanic listed in the above payroll, payment of fringe benefits as listed in the contract have or will be made to the appropriate programs for the benefit of such employees, except as noted below.

**X**

**WHERE FRINGE BENEFITS ARE PAID IN CASH**

Each laborer or mechanic listed in the above payroll has been paid as indicated on the payroll, an amount not less than the sum of the applicable basic hourly rate plus the amount of the required fringe benefits as listed in the determination for the craft, except as noted below. Exception(s)

**LABORER** **\$3.00 FOR TOOLS/UNIFORMS, ETC...**  
Craft Explanation

**CARPENTER** **\$20.00 GARNISHMENT/JUDGEMENT, ETC...**  
Craft Explanation

I herein certify under penalty of perjury that all of the above is true and correct as submitted.

00/00/0000 JOHN ATLAS ABC NEW SCHOOL #1  
Date Signature (Wet Signature Required) Project Payroll#

**PAYROLL CERTIFICATION (STATEMENT OF COMPLIANCE) Form**

**(CLC 1776.(a) (1) & (2) or CCR §16401)**

Each payroll shall have an attached certification. **The certification must contain specific language as established by the Director of Industrial Relations**, The certification shall have an affirmation of a person with the authority to affirm the certification, under the penalty of perjury that the records are originals or are full, true and correct copies of the original.

**CERTIFYING PERSON:** A person with the authority to affirm under penalty of perjury that the records provided, depict truly, fully and correctly the type of work performed, the hours worked, days worked and amounts paid.  
CALIFORNIA CODE OF REGULATIONS, TITLE 8, GROUP 3, ARTICLE 1, 16000 DEFINITIONS.

**PAYROLL PERIOD:** The Payroll period may start and end on any day of the week. Insert the beginning and ending dates of the payroll period. Each payroll report shall not include more that seven consecutive days.

**NUMBER OF PAGES:** Insert the number of pages submitted.

**OTHER DEDUCTIONS:** These may include, but are not limited to, court ordered payment and wage garnishments

**OPTIONAL BENEFIT PLANS:** Deductions for company sponsored programs such as 401k, medical or any other qualifying program which has been acknowledged, in writing, by the employee shall be listed and fully described on the Payroll Certification or an attachment sheet. Provide documentation of the employees' authorization for deductions and/or any court ordered payments or wage garnishments.

**METHOD OF DISTRIBUTING FRINGE BENEFITS:** Check the appropriate box which indicates how the fringe benefits have been disbursed, to Plans or in Cash to the employee and list below any exceptions that are applicable.

**NOTE:** Training Fund Contributions must be paid to an approved Joint Apprenticeship Training Committee or the California Apprenticeship Committee. The only instance where the employee may receive the money as a direct payment is if the Trade or Craft has been determined to be a non-apprenticable trade.

**Sign and Date the certification include the Project name and your payroll #.**

**This certification must be received by "[Enter Awarding Body]" Labor Compliance Program as a wet signature, original document.**



California  
Department of  
Industrial Relations

# PUBLIC WORKS PAYROLL REPORTING FORM

Page \_\_\_\_\_ of \_\_\_\_\_

NAME OF CONTRACTOR: OR SUBCONTRACTOR:				CONTRACTOR'S LICENSE NO.: SPECIALITY LICENSE NO.:				ADDRESS:																		
PAYROLL NO.:			FOR WEEK ENDING:			SELF-INSURED CERTIFICATE NO.:			PROJECT OR CONTRACT NO.:																	
								WORKERS' COMPENSATION POLICY NO.:				PROJECT AND LOCATION:														
(1) NAME, ADDRESS AND SOCIAL SECURITY NUMBER OF EMPLOYEE	(2) NO. OF WITH- HOLDING EXEMPTIONS	(3) WORK CLASSIFICATION	(4) DAY							(5) TOTAL HOURS	(6) HOURLY RATE OF PAY	(7) GROSS AMOUNT EARNED		(8) DEDUCTIONS, CONTRIBUTIONS AND PAYMENTS							(9) NET WGS PAID FOR WEEK CHECK NO.					
			M	T	W	TH	F	S	S					DATE		FED. TAX	FICA (SOC. SEC.)	STATE TAX	SDI	VAC/ HOLIDAY			HEALTH & WELF.	PENSION		
			HOURS WORKED EACH DAY											TRAIING.	FUND ADMIN	DUES	TRAV/ SUBS.	SAVINGS	OTHER*	TOTAL DEDUC- TIONS						
																				0.00						
		S								0.0	THIS PROJECT	ALL PROJECTS														
		O								0.0																
		S								0.0	THIS PROJECT	ALL PROJECTS														
		O								0.0																
		S								0.0	THIS PROJECT	ALL PROJECTS														
		O								0.0																
		S								0.0	THIS PROJECT	ALL PROJECTS														
		O								0.0																

S = STRAIGHT TIME  
O = OVERTIME  
SDI = STATE DISABILITY INSURANCE

\*OTHER - Any other deductions, contributions and/or payments whether or not included or required by prevailing wage determinations must be separately listed. Use extra sheet(s) if necessary

CERTIFICATION **MUST** be completed  
(See reverse side)

**NOTICE TO PUBLIC ENTITY**

**For Privacy Considerations**

**Fold back along dotted line prior to copying for release to general public (private persons).**

(Paper Size then 8-1/2 x 11 inches)

-----

I, \_\_\_\_\_, the undersigned, am the  
(Name – print)

\_\_\_\_\_ with the authority to act for and on behalf of  
(Position in business)

\_\_\_\_\_, certify under penalty of perjury  
(Name of business and/or contractor)

that the records or copies thereof submitted and consisting of \_\_\_\_\_  
(Description, number of pages)

are the originals or true, full, and correct copies of the originals which depict the payroll record(s)  
of the actual disbursements by way of cash, check, or whatever form to the individual or  
individuals named.

Date: \_\_\_\_\_ 1/1/2003 \_\_\_\_\_

Signature: \_\_\_\_\_

A public entity may require a stricter and/or more extensive form of certification.

## PAYROLL REPORT DATA: DLSE (Form A-I-131)

**CERTIFIED PAYROLL RECORDS:** All payrolls are to be submitted to "[Enter Awarding Body]" Labor Compliance Program for review during the course of the contract in conformance with the schedule for submitting payroll as stated within the General Requirements of the contract documents.

1. All payroll reports must be on forms provided by the DLSE (Form A-I-131) or "[Enter Awarding Body]" or in another format which shall contain the following information:

- The name, address, and social security number of each worker, are legible and not blacked out.
- His or her full work classification with description, if necessary, including group #'s and steps/levels of apprentices.
- The rate of pay per hour, including rates of contributions for/or costs assumed to provide fringe benefits. If the basic hourly rate is indicated, then the fringes on the fringe benefit statement need to add up with the total prevailing rate for that classification,
- Regular, overtime and holiday hours indicated daily and the total weekly number of hours worked,
- Deductions made, and actual wages paid,
- Net Wages and Check #
- The contractor's full name and address,
- The project name and location,
- The dates the payroll covers.
- All days for a project MUST be accounted for, including Saturdays, Sundays, & Holidays.

2. Each individual, laborer, or craftsperson working on the Project must appear on the CPRs. Each Contractor who pays a worker must report that individual on its CPRs, including each individual working as an apprentice in an apprenticeable trade.

- This applies as well to Contractors employing owner-operators, sole proprietors, and partners. Owner-operators, sole proprietors, and partners performing labor also must report their wages.
- Similarly, rental companies paying rental equipment operator's wages must report those wages.

3. The contractor must complete a Non-Performance Report Form for all periods of inactivity.

- This form is filled out when no work is performed on the project for a period of time.
- On the form the contractor will state that there was no payroll for that period.
- It does not matter what day the weekly payroll period begins and ends.

4. The final payroll form must be marked "final" by the contractor. When the final payroll is received from each contractor; the log will then be closed out and marked complete.

**CHANGES TO PREVAILING RATE AFTER AWARD:**

**(California Labor Code §1773.6)**

**No effect once the contract notice to bidders is published.** If during any quarterly period the Director of Industrial Relations shall determine that there has been a change in any prevailing rate of per diem wages in any locality he shall make such change available to the awarding body and his determination shall be final. Such determination by the Director of Industrial Relations shall not be effective as to any contract for which the notice to bidders has been published.

**PERSONS REQUIRED TO RECEIVE PREVAILING WAGES:**

**(California Labor Code §1771 and 1774)**

The contractor to whom the contract is awarded, and any subcontractor under him, shall pay not less than the specified prevailing rates of wages to all workmen employed in the execution of the contract.

**The Awarding Body's General Conditions** require all workers not in a prevailing wage classification to be paid the wage most closely related to the craft or trade they are involved with.

**GENERAL PREVAILING RATE OF PER DIEM WAGES INCLUDES:**

- (1) The prevailing basic straight-time hourly rate of pay; and
- (2) The prevailing rate for holiday and overtime work; and
- (3) The prevailing rate of employer payments for any or all programs or benefits.

**GENERAL CONTRACTOR RESPONSIBILITIES FOR SUBCONTRACTORS:**

**(California Labor Code § 1775.)**

Each prime contractor(s) is responsible for ensuring that all its subcontractors of any tier comply with the prevailing wage requirements. The prime contractor must monitor the subcontractors' payment of the specified general prevailing wages to their employees by periodically reviewing the subcontractors' CPRs. Upon becoming aware that a subcontractor has failed to apply the specified prevailing rate of wages, the prime contractor must take corrective action to halt or rectify the failure, including, but not limited to, retaining sufficient funds due the subcontractor for work performed on the public works project.

Prior to making a final payment to the subcontractor for work performed on the public works project, the prime contractor should obtain an affidavit signed under penalty of perjury from the subcontractor that the subcontractor has paid the general prevailing rate of per diem wages to its employees on the public works project, as well as any penalties which may have been imposed for working hour's violations.

(Insert Awarding Agency Logo)

**"[Enter Awarding Body]"**  
**PROJECT**  
**PRE-BID CONFERENCE AND JOB WALK**  
**"[Enter Date]"**

**NOTICE TO ALL BIDDERS**

The California Labor Code authorizes Awarding Bodies to adopt and enforce a Labor Compliance Program on any public works project under their direction or control for the purpose of enforcing prevailing wage and apprenticeship requirements. In addition, various California statutes require Labor Compliance Program enforcement on projects that receive funding from certain source funds or that utilize certain delivery methods.

This project is a public work, subject to the payment of prevailing wages and the employment and training of apprentices. In addition, the District has adopted and is enforcing a Labor Compliance Program for all aspects of the project. "[Enter Awarding Body]" Labor Compliance Program is administering that program. Wage Determinations and a copy of the Labor Compliance Program are on file with the District and are available for viewing by any party.

Wage Determinations in effect for the this Project are those listed on the Dept. of Industrial Relations website ( <http://www.dir.ca.gov/DLSR/DPreWageDetermination.htm> ) as:

- General prevailing wage determinations menu (journeyman)
- and
- General prevailing wage apprentice schedules

Labor compliance is not a hostile process. We are here to help. Should you have any questions, during the bid process or throughout the project, please don't hesitate to call us and to enlist our help. We are here to answer questions, provide clarifications and resolve issues, preferably without intervention by any State agency.

For questions or more information, call:

"[Enter #]"

**Please see the reverse for Helpful Websites**



## HELPFUL WEB SITES

Questions about classifications and scope of work, prevailing wage determinations or special determinations for a specific project:

- **Division of Labor Statistics and Research:** [http://www.dir.ca.gov/DLSR/statistics\\_research.html](http://www.dir.ca.gov/DLSR/statistics_research.html)
- **California Apprenticeship Council:** [www.dir.ca.gov/CAC/cac.html](http://www.dir.ca.gov/CAC/cac.html)
- **Department of General Services Office of Public School Construction:** [www.opsc.dgs.ca.gov](http://www.opsc.dgs.ca.gov).
- **Department of Industrial Relations:** [www.dir.ca.gov](http://www.dir.ca.gov)
- **Division of Labor Standards Enforcement:** [www.dir.ca.gov/DLSE/dlse.html](http://www.dir.ca.gov/DLSE/dlse.html)
- **Division of Apprenticeship Standards:** [www.dir.ca.gov/DAS/das.html](http://www.dir.ca.gov/DAS/das.html)

### Law codes

Law codes must be obtained from the Internet or the Department of Industrial Relations.

- **California Code of Regulations:** <http://ccr.oal.ca.gov/>
- **California Labor Code:** [www.leginfo.ca.gov](http://www.leginfo.ca.gov)

### Forms

- **Public Works Contract Award Form DAS 140:** <http://www.dir.ca.gov/DAS/DASForm140.pdf>
- **Certified Payroll Reporting Form A-1-131:**  
<http://www.dir.ca.gov/dlse/publicWorksPayrollInstructions.htm>
- **Statement of Employer Payments of PW 26:** <http://www.dir.ca.gov/dlse/DLSEForm-PW26.pdf>
- **California Apprenticeship Council Training Fund Contributions:**  
<http://www.dir.ca.gov/DAS/DASCAC2.pdf>

### Labor Compliance Program Questions

- **Golden State Labor Compliance:** <http://www.goldenstatelc.com>

(Insert Awarding Agency Logo)

"[Enter Date]"

"[Enter Contractor]"

"[Enter Street Address]"

"[Enter City, State, Zip]"

Re: "[ENTER AWARDING BODY]" LABOR COMPLIANCE PROGRAM  
PRECONSTRUCTION MEETING

"[Enter Awarding Body]" Labor Compliance Program will be conducting a mandatory Preconstruction Meeting. Each trade contractor indicated above is required to attend this meeting and requested to arrive at "[Enter Time]" to take part in a discussion of labor code and labor compliance topics specific to Prime Contractors. Additionally, each trade contractor, addressed above, must require the attendance of its listed subcontractor(s).

The general meeting will address the requirements of the Department of Industrial Relations approved "[Enter Awarding Body]" Labor Compliance Program (LCP) and is pertinent to all contractors performing work on the project. It is vital for those who attend to be the hands on personnel responsible for the review and submittal of certified payroll records and other documentation required by California Labor Codes and the LCP. A representative from each company will be required to sign forms titled "Contractors Acknowledgement" and "Checklist of Labor Law Requirements" at the close of the meeting.

The meeting will be held on "[Enter Date]" at "[Enter Time]" a.m. – "[Enter Time]" am, at "[Enter Address of Preconstruction Meeting]"

All questions or comments related to this meeting are to be directed to "[Enter Name]" at "[Enter #]" , Monday through Friday between 8:00 a.m. and 5:00 p.m.

Thank you,

"[Enter Name]"

Labor Compliance Officer

**"[Enter Awarding Body]" Labor Compliance Program  
PROJECT CLOSE OUT REPORT**

Awarding Body: \_\_\_\_\_

Project: \_\_\_\_\_

	DATE	ANNUAL	FINAL
REPORT TYPE			

**PROJECT DOCUMENTS**

DOCUMENT	RECEIVED	DATE
BID ADVERTISEMENT		DATE ADVERTISED:
CONTRACT(S)		
PRE-CON SIGN IN SHEET		
JOB POSTINGS		WHERE:
NOTICE OF COMPLETION		RECORDED DATE:

**COMMENTS: ALL OTHER PROJECT RECORDS ARE IN CONTRACTOR'S INDIVIDUAL FILES**

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

<b>LABOR COMPLIANCE SPECIALIST RECOMMENDS:</b>	Close	Keep Open	Fines/Penalties	Investigation
	Notice of Withhold		Full Audit	DAS Complaint
<b>Name:</b>		<b>Signature</b>		

**PROJECT DATA  
AND  
KEY ACTIVITY CHECKLIST**

"[Name of Project]"  
"[Name of Awarding Body]"  
"[Awarding Body Mailing Address]"  
"[City, State, Zip Code]"  
"[Phone #]"  
"[Fax #]"

**PRIOR TO SERVICE AUTHORIZATION**

1. **Full Project Name:** \_\_\_\_\_
2. **Physical Location:**  
Project Name: \_\_\_\_\_  
Street Address: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_
3. **Brief Description of the Work:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
4. **DSA/OPSC Application #:** \_\_\_\_\_ (i.e. 50-XXXX-00-XXX)
5. **Total Project Value: \$** \_\_\_\_\_ (This is the "Total Project Value" shown on the projects SAB Form 50-04, less any site acquisition costs indicated on the "SFP Budget Summary". Both source documents are posted on the OPSC Project Tracking website)
6. **Budgeted Construction Value: \$** \_\_\_\_\_ (Estimated cost of all hard construction costs plus any special inspection, survey or material testing costs not included in the hard construction costs. Do not include "soft costs" such as architectural fees, site acquisition, CM fees, FF&E or Project Inspection fees.)

**NOT LATER THAN 1 MONTH PRIOR TO 1ST ADVERTISEMENT FOR BIDS**

7. **Name of primary Awarding Body contact:** \_\_\_\_\_
8. **Name of authorized Awarding Body signatory:** \_\_\_\_\_
9. **Name and contact data for Project Architect:**  
Firm: \_\_\_\_\_  
Name: \_\_\_\_\_  
Street: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_
10. **Name and contact data for Construction Manager (if any):**  
Firm: \_\_\_\_\_  
Name: \_\_\_\_\_  
Street: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

**NOT LATER THAN 2 WEEKS PRIOR TO 1ST ADVERTISEMENT FOR BIDS**

11. Is a modular manufacturer/provider involved in any aspect of this project? \_\_\_\_\_  
 If "Yes", provide name, address and contact information for the modular provider: Yes \_\_\_\_\_ No \_\_\_\_\_

Provider: \_\_\_\_\_  
 Contact Name: \_\_\_\_\_  
 Street: \_\_\_\_\_  
 City, State, Zip: \_\_\_\_\_  
 Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

12. Confirm that proper language for Bid Advertisement, Notice to Bidders and Supplemental Conditions have been integrated into the bid documents.

	Confirmed By :	Date:
Advertisement language:	_____	_____
Notice to Bidders:	_____	_____
Supplementary Conditions:	_____	_____

13. Obtain Copy(s) of Proof of Publication of Bids (Need one for each separate bid process. If more than three bid processes, enter on separate sheet)

Scope	P.O.P. Obtained & on File	Date of 1 <sup>st</sup> Advertisement
_____	_____	_____
_____	_____	_____
_____	_____	_____

14. Provide a copy of the Project Manual: Received: \_\_\_\_\_  
Initials Date

15. Confirm that Project Inspector's agreement with the Awarding Body includes duty to provide semi-monthly reports that include narrative description of work accomplished and (if inspector is willing) firms on-site and worker "head-counts" on a daily basis. If inspector will not be on-site on a daily basis, firm counts and worker counts may not be possible.  
\_\_\_\_\_  
Initials

16. Confirm that Awarding Body's form of contract with the General Contractor (or CM for Multi-prime CM) contains requirement to produce a Daily Superintendent's Report that contains, at a minimum, what trade contractors are on site, daily, and "head-count" of personnel on-site, by contractor. Ensure that contract requires GC or CM to provide copies of this report to Awarding Body on a weekly basis.  
\_\_\_\_\_  
Initials

**NOT LATER THAN 1 WEEK FOLLOWING AWARD OF CONTRACT(S)**

17. Name and contact data for successful prime contractor(s) (Use separate sheet for multi-prime)

**Prime Contractor #1**  
 Name: \_\_\_\_\_  
 Street: \_\_\_\_\_  
 City, State, Zip: \_\_\_\_\_  
 Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

**Prime Contractor #2**  
 Name: \_\_\_\_\_  
 Street: \_\_\_\_\_  
 City, State, Zip: \_\_\_\_\_  
 Phone: \_\_\_\_\_ Fax: \_\_\_\_\_



(Insert Awarding Agency Logo)

**PROOF OF SERVICE**  
**(Code of Civil Procedures § 1013a, § 2015.5)**

I, [Click here and type name], do hereby certify that I am a resident of or employed in the County of "[Enter county]", over 18 years of age, and not a party to the within action, and that I am employed at and my business address is:

"[Enter Awarding Body]"  
"[Click here and type address]"  
"[Click here and type city, state, zip]"

On, "[Click here and enter date]", I served the within: "[Enter Letter Name]" to "[Enter Contractor Name]" on the "[Enter Project Name]" Project on the parties listed below by placing true copies thereof in sealed envelopes addressed as shown below for service as designated below:

(A) **By First Class Mail:** I am readily familiar with the practice of "[Enter Awarding Body]" for the collection and processing of correspondence for mailing with the United States Postal Service. I caused each such envelope, with first-class postage thereon fully prepared, to be deposited in a recognized place of deposit of the U. S. Mail in "[Enter county]" County, California, for collection and mailing to the office of the addressee on the date shown herein.

(B) **By Certified Mail:** I am readily familiar with the practice of "[Enter Awarding Body]" for the collection and processing of correspondence for mailing with the United States Postal Service. I caused each such envelope, with first-class postage and certified mail fees thereon fully prepared, to be deposited in a recognized place of deposit of the U. S. Mail in "[Enter county]" County, California, for collection and mailing to the office of the addressee on the date shown herein.

(C) **By Personal Service:** I caused each such envelope to be personally delivered to the office of the addressee by a member of the staff of "[Enter Awarding Body]" on the date shown herein.

(D) **By Messenger Service:** I am readily familiar with the practice of "[Enter Awarding Body]" for messenger delivery, and I caused each such envelope to be delivered to an overnight courier, with whom we have a direct billing account, who personally delivered each such envelope to the office of the address at the place and on the date shown herein.

(E) **By Facsimile Transmission:** I caused such document to be served via facsimile electronic equipment transmission (fax) on the parties in this action, pursuant to oral and/or written agreement between such parties regarding service by facsimile by transmitting a true copy to the following fax numbers:

(F) **By Electronic Mail (E-Mail):** I caused such document to be served via electronic mail transmission (E-Mail) on the parties in this action, pursuant to oral and/or written agreement between such parties regarding service by electronic mail by transmitting a true copy to the following electronic mail addresses:

<u>TYPE OF SERVICE</u>	<u>ADDRESSEE AND FAX NUMBER (IF APPLICABLE)</u>
------------------------	---

[A,B,C,D,E]	"[Click here and type affected contractor name]" "[Click here and type address]" "[Click here and type city, state, zip]"
-------------	---

**RE: PROOF OF SERVICE- "[Enter Letter Name]" BY "[ENTER CONTRACTOR NAME]"  
ON THE "[ENTER PROJECT NAME]" PROJECT  
PAGE 2**

[A,B,C,D,E]

"[Click here and type prime contractor name]"

"[Click here and type address]"

"[Click here and type city, state, zip]"

***I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.***

Executed on "[Enter date]" , at "[Enter city]" , County of "[Enter county]" California

---

SIGNATURE



DIVISION USE ONLY:	
TAKEN BY: _____	CASE # _____
DATE TAKEN: _____	ASSIGNED TO: _____
OFFICE: _____	DATE RECEIVED: _____
	DATE ASSIGNED: _____

**PUBLIC WORKS – PUBLIC COMPLAINT**

The following information is important and must be provided.

Complainant Information			
1. FIRST NAME	2. LAST NAME	3. COMPANY NAME	4. WORK/CELLULAR NO
5. CONTACT ADDRESS		6. CITY	7. STATE / ZIP CODE
8. EMAIL ADDRESS			

Project Information
<b>Note: A separate form must be completed for each project in which you are alleging a violation of prevailing wages.</b>
9. PROJECT NAME (If known)
10. LIST ADDRESS(ES) OF PROJECT WHERE WORK WAS PERFORMED:

Complaint Against		
11. NAME OF BUSINESS/CONTRACTOR/EMPLOYER		12. CONTRACTOR'S STATE LIC. NO
13. ADDRESS OF BUSINESS/CONTRACTOR/EMPLOYER (Include Zip Code)		14. BUSINESS TEL. NO
15. EMAIL ADDRESS	16. NAME OF PERSON IN CHARGE	17. TITLE

Awarding Body		
18. NAME OF PUBLIC AGENCY/AWARDED CONTRACT ENTITY		
19. ADDRESS OF AWARDING BODY		20. BUSINESS TEL. NO/
21. EMAIL ADDRESS	22. NAME OF PERSON IN CHARGE / TITLE	23. AMOUNT OF CONTRACT
24. FIRST BID AD DATE	25. DATE PROJECT BEGAN	26. PROPOSED FINISH DATE
		27. DATE OF NOTICE OF COMPLETION

General Contractor (Prime Contractor)		
28. NAME OF GENERAL CONTRACTOR		29. CONTRACTOR'S STATE LIC.
30. ADDRESS		31. BUSINESS TEL. NO
32. EMAIL ADDRESS	33. NAME OF PERSON IN CHARGE	34. TITLE

Prevailing Wage Issues (Attach statements substantiating the allegation)
35. BRIEF EXPLANATION OF ISSUES: (Check all applicable boxes)
<input type="checkbox"/> Non-payment /Underpayment of wages <input type="checkbox"/> Not paid travel and subsistence <input type="checkbox"/> Under reporting of hours <input type="checkbox"/> Unpaid overtime/Sat/Sun/Holiday rate <input type="checkbox"/> Misclassification of worker <input type="checkbox"/> Insufficient fund check <input type="checkbox"/> Fringe benefits not paid <input type="checkbox"/> Other

Apprentice Violations 1777.5 proceed to the next page

**Apprentice Occupation**

36. Trades and Classifications: \_\_\_\_\_

**Apprentice Violations 1777.5**

37. If the contractor is approved to train- Name of the Apprenticeship Committee:  
\_\_\_\_\_

38. Was there a LABOR COMPLIANCE PROGRAM on this project?  Yes  No  
If Yes, Name of the LCP: \_\_\_\_\_ LCP Telephone Number: \_\_\_\_\_

**Apprentice Issues  
( List any documentation attached substantiating the allegation)**

39. BRIEF EXPLANATION OF ISSUES: (Check all applicable boxes)

- Failed to provide Contract award information (DAS 140). California Code of Regulations 230

---

- Failed to request dispatch of apprentices (DAS 142). California Code of Regulations 230.1

---

- Failed to employ registered apprentices in the correct ratio or not at all. California Code of Regulations 230. 1

---

- Failed to make apprenticeship training fund contributions. California Code of Regulations 230.2

---

- Other (give clear concise statement of the facts constituting the basis of your complaint)

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---

---

**Proof of Service**

40.  Check the box if Proof of Service upon affected contractor and the General Contractor is attached.

**I hereby certify that this is a true statement to the best of my knowledge and belief.**

**MY NAME MAY BE USED IN THIS INVESTIGATION.**  Yes  No

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

(Insert Awarding Agency Logo)

**PROOF OF SERVICE**  
(Code of Civil Procedures § 1013a, § 2015.5)

I, [Click here and type name], do hereby certify that I am a resident of or employed in the County of "[Enter county]", over 18 years of age, and not a party to the within action, and that I am employed at and my business address is:

"[Enter Awarding Body]"  
"[Click here and type address]"  
"[Click here and type city, state, zip]"

On, "[Click here and enter date]", I served the within: **PUBLIC WORKS – PUBLIC COMPLAINT** on the parties listed below by placing true copies thereof in sealed envelopes addressed as shown below for service as designated below:

(A) **By First Class Mail:** I am readily familiar with the practice of "[Enter Awarding Body]" for the collection and processing of correspondence for mailing with the United States Postal Service. I caused each such envelope, with first-class postage thereon fully prepared, to be deposited in a recognized place of deposit of the U. S. Mail in "[Enter county]" County, California, for collection and mailing to the office of the addressee on the date shown herein.

<u>TYPE OF SERVICE</u>	<u>ADDRESSEE AND FAX NUMBER (IF APPLICABLE)</u>
A	"[Click here and type affected contractor name]" "[Click here and type address]" "[Click here and type city, state, zip]"
A	"[Click here and type prime contractor name]" "[Click here and type address]" "[Click here and type city, state, zip]"

**CHOOSE APPLICABLE BOFE OFFICE BELOW:**

A (SOUTHERN)	DLSE – BOFE Public Works- Attn: Complaints Unit 300 Oceangate, Suite 850 Long Beach, CA 90802
A (NORTHERN)	DLSE – BOFE Public Works- Attn: Complaints Unit 2031 Howe Avenue, Suite 100 Sacramento, CA 95825

**RE: PROOF OF SERVICE- PUBLIC WORKS – PUBLIC COMPLAINT BY  
"[ENTER CONTRACTOR NAME]" ON THE "[ENTER PROJECT NAME]" PROJECT  
PAGE 2**

***I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.***

Executed on "[Enter date]" , at "[Enter city]" , County of "[Enter county]" California

---

SIGNATURE

(Insert Awarding Agency Logo)

"[Click here and type date]"

"[Click here and type Requesting Agency name]"

"[Click here and type Requesting Agency street address]"

"[Click here and type Requesting Agency city, state, zip]"

RE: Records Request for "[Click here and type Contractor name]"

PROJECT: "[Click here and type Project name]"

"[Click here and type Contact name]" ,

A request for records pertaining to the above indicated public works project, initiated by your organization, dated "[Click here and type date]" addressed to "[Type Addressee name]" was received on "[Click here and type date]" . As administer of the labor compliance program, payroll records and related documents are kept in our office. Please address all future correspondence or questions regarding this request to our Operations Section, Attention:

"[Click here and type contact name]" , to insure that your request is processed in a timely manner.

The information requested, as stated in your letter (copy enclosed), is as follows:

1. "[Enter the requests straight from their request letter]"
2. "[Enter the requests straight from their request letter]"

All the records you have requested are not available. Please be advised that due to the fact that it will be necessary to obtain these documents from the contractor to fulfill your request, pursuant to Government Code § 6253 (c) we hereby give notice to you that the time required to complete your request will exceed the Ten (10) days prescribed by statute. The estimated date that these records will be available for review will be "[Click here and enter date 14 days out]" .

If I can be of any further assistance in this matter please feel free to contact me Monday through Friday, 8:00 am – 5:00 pm, at "[Enter #]" .

Respectfully,

"[Click here and type your name]"

Operations

Cc: "[Click here and type names of anyone copied]"

(Insert Awarding Agency Logo)

"[Click here and type date]"

"[Click here and type Requesting Agency name]"

"[Click here and type Requesting Agency street address]"

"[Click here and type Requesting Agency city, state, zip]"

RE: Records Request for "[Click here and type Contractor name]"

PROJECT: "[Click here and type Project name]"

"[Click here and type Contact name]" ,

A check in the amount of \$ "[Click here and type check amount]" was received in our office on "[Click here and type date]" , by your organization, for a request, received on "[Click here and type date request was received]" , for records pertaining to the above indicated public works project. As administer of the labor compliance program, payroll records and related documents are kept in our office. Please address all future correspondence or questions regarding this request to our Operations Section, Attention: "[Click here and type contact name]" , to insure that your request is processed in a timely manner.

.

The records requested have been compiled and are enclosed as follows:

"[Choose which of the following paragraphs apply]"

The records requested, pursuant to CLC §1776(b) (3). are enclosed as follows:

1. Copies of all Certified Payroll Records for "[Click here and type Contractor name]" From "[Click here and type first payroll date]" through "[Click here and type last payroll date]"
2. Statement of Employer Payments (Fringe Benefits Statement)

The records requested, pursuant to Government Code § 6253 (c): are enclosed as follows:

1. "[Click here and enter all documents included]"
- 2.

If I can be of any further assistance in this matter please feel free to contact me Monday through Friday, 8:00 am – 5:00 pm, at "[Enter #]" .

Respectfully,

"[Click here and type your name]"

Cc: "[Click here and type names of anyone copied]"

(Insert Awarding Agency Logo)

"[Click here and type date]"

"[Click here and type Requesting Agency name]"

"[Click here and type Requesting Agency street address]"

"[Click here and type Requesting Agency city, state, zip]"

RE: Records Request for "[Click here and type Contractor name]"

PROJECT: "[Click here and type Project name]"

"[Click here and type Contact name]" ,

A request for records pertaining to the above indicated public works project, initiated by your organization, dated "[Click here and type date]" addressed to "[Type Addressee name]" was received on "[Click here and type date]" . As administer of the labor compliance program, payroll records and related documents are kept in our office. Please address all future correspondence or questions regarding this request to our Operations Section, Attention: "[Click here and type contact name]" , to insure that your request is processed in a timely manner.

The information requested, as stated in your letter (copy enclosed), is as follows:

1. "[Enter the requests straight from their request letter]"
2. "[Enter the requests straight from their request letter]"

The records you have requested are being compiled and copied. As required by CLC §1776(b) (3), the documents are available at our offices for your review and pick up upon receipt of \$"[Click here and type amount minus postage]" . Or upon your request and receipt of \$"[Click here and type amount including postage]" , in the form of a check or money order, we will forward copies of the documents directly to your office.

If I can be of any further assistance in this matter please feel free to contact me Monday through Friday, 8:00 am – 5:00 pm, at "[Enter #]" .

Respectfully,

"[Click here and type your name]"

Operations

Cc: "[Click here and type names of anyone copied]"

## RELEASE OF STOP NOTICE

TO: \_\_\_\_\_  
(Construction Lender, Public Entity or Owner)

(Address)

**YOU ARE HEREBY NOTIFIED** that the undersigned claimant releases that certain Stop Notice dated \_\_\_\_\_, in the amount of \$ \_\_\_\_\_ against \_\_\_\_\_ as owner or public body and \_\_\_\_\_ as prime contractor in connection with the work or improvement known as \_\_\_\_\_ in the City of \_\_\_\_\_, County of \_\_\_\_\_, State of California.

Name of Claimant: \_\_\_\_\_  
(Company name)

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

By: \_\_\_\_\_  
(Signature)

Dated: \_\_\_\_\_

\_\_\_\_\_  
(Type name and title)

### VERIFICATION

I, the undersigned, state: I am the \_\_\_\_\_ of the claimant named in the foregoing  
(Title)

Release; I have read said Release of Stop Notice and know the contents thereof, and I certify that the same is true of my knowledge.

I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on \_\_\_\_\_, 20\_\_\_\_, at \_\_\_\_\_, State of \_\_\_\_\_.

\_\_\_\_\_  
Signature of Claimant or Authorized Agent



## CESIÓN DE AVISO DE DETENCIÓN

PARA: \_\_\_\_\_  
(PRESTAMISTA DE CONSTRUCCIÓN, ENTIDAD PUBLICA O DUEÑO)

(DIRECCIÓN)

**POR LA PRESENTE ESTÁ USTED NOTIFICADO** que el abajo firmante renuncia

a un cierto Aviso de Detención fechado \_\_\_\_\_, en la cantidad de \$ \_\_\_\_\_

en contra de \_\_\_\_\_

como dueño o entidad publica y \_\_\_\_\_

como contratista primario en conexión con el trabajo o mejoramiento conocido como \_\_\_\_\_

\_\_\_\_\_ en

la Ciudad de \_\_\_\_\_, Condado de \_\_\_\_\_

Estado de California.

Firma del Demandante: \_\_\_\_\_

(Nombre de la Compañía)

Dirección: \_\_\_\_\_

Teléfono: \_\_\_\_\_

Por: \_\_\_\_\_

Fechado: \_\_\_\_\_

(Escriba nombre y titulo)

### VERIFICACIÓN

Yo, el abajo firmante, declaro que: Yo soy el (la) \_\_\_\_\_ del demandante  
(Titulo)

Nombrado en la renuncia previa; E leído el Aviso de Detención y conozco los contenidos de ese, y certifico que de acuerdo a mi conocimiento lo dicho es verdadero.

Yo certifico (o declaro) bajo pena de perjurio bajo las leyes del Estado de California que lo previo es verdadero y correcto.

Ejecutado el \_\_\_\_\_, 20\_\_\_\_, en, \_\_\_\_\_, Estado de \_\_\_\_\_.

\_\_\_\_\_  
(Firma del Demandante o Agente Autorizado)

(Insert Awarding Agency Logo)

BY FAX and FIRST CLASS MAIL: 213-897-6426  
(3 pages total)

"[Enter Date]"

"[Enter Contact]"

Dept. of Industrial Relations  
Division of Labor Standards Enforcement  
320 West 4<sup>th</sup> Street, Room 450  
Los Angeles, CA 90013

RE: CASE NUMBER "[Enter Case #]"

Awarding Body: "[Enter Awarding Body]"  
Project Name: "[Enter Project Name]"  
Affected Contractor: "[Enter Affected Contractor]"

"[Enter Contact Name]" ,

After review of additional evidence provided by "[Enter Affected Contractor]" we request that the forfeiture amount be modified as follows:

Wages from "\$[Enter Amount]" to "\$[Enter Amount]"  
Training from "\$[Enter Amount]" to "\$[Enter Amount]"  
1775 Penalties from "\$[Enter Amount]" to "\$[Enter Amount]"  
1776 Penalties from "\$[Enter Amount]" TO "\$[Enter Amount]"

Total Notice of Withholding from "\$[Enter Amount]" to "\$[Enter Amount]"

Updated underpayment and penalty spreadsheets are enclosed.

The original of this document will be sent by first class mail on "[Enter Date]". If you have any questions do not hesitate to contact me at "[Enter #]" between the hours of 8:00am to 5:00pm.

Sincerely,

"[Enter Name]"  
"[Enter Title]"

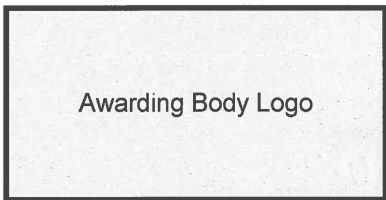
Cc:

"[Enter Affected Contractor]"  
"[Enter Prime Contractor]"

Enclosure

"[Ensure that you attach updated spreadsheets]"

(Awarding Body)  
Labor Compliance Program  
Address  
City, State, Zip



Phone:

Fax:

Date:

In Reply Refer to Case Number: \_\_\_\_\_

To: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Subject: Request for Information - Complainant

Awarding Body:  
Project Name:  
Project Number:  
Prime Contractor:  
Subcontractor:

We are in receipt of your complaint against the above named contractor. However, the information furnished by you is insufficient to make an adequate determination as to whether or not a formal investigation is warranted.

Please complete the enclosed document(s) and return them to our office immediately.

Upon receipt of the requested information, we will process your complaint.

Sincerely,

\_\_\_\_\_  
(Awarding Body) Labor Compliance Officer

(Insert Awarding Agency Logo)

**CERTIFIED MAIL** "[Click here and type Certified Mail #]"

"[Click here and enter date]"

"[Click here and type affected contractor name]"

"[Click here and type address]"

"[Click here and type city, state, zip]"

Awarding Body: "[Click here and type Awarding Body]"

Project Name: "[Click here and type Project]"

Prime Contractor: "[Click here and type Prime Contractor]"

Sub-Contractor: "[Click here and type Sub-Contractor]"

**RE: ASSESSMENT OF UNDERPAYMENT PENALTIES ON THE  
"[ENTER PROJECT NAME]"**

To Whom It May Concern:

After investigation and verification of submitted payroll records, tradesmen employed by your company, in the trade classification of "[Click here and enter classification]", were receiving less than the required prevailing wage, as determined by the Department of Industrial Relations (DIR).

This situation was first brought to your attention via "[Enter type of prior notification]" on "[Click here and enter date]", between labor compliance specialist "[Enter your name]" and "[Enter name]", a member of your staff. On "[Click here and enter date]" you were officially notified via certified mail that the wage underpayment had been identified and that mandatory penalties will be imposed for underpayment of wages and failure to provide payroll records pursuant to California Labor Code § 1775 (a) and 1776 (h). To date no payroll records have been received indicating that the underpayment has been corrected.

**Therefore be advised that as of "[Click here and enter date]" "[Click here and type affected contractor name]" has been incurring an assessment of penalties of two hundred dollars (\$200.00) per calendar day or a portion thereof for each worker paid less than the prevailing wage rates, as well as a penalty assessment of one hundred dollars (\$100.00) per day or portion thereof for each worker until the records are received, pursuant to California Labor Code § 1775(a) (1), and 1776 (h).**

"[Enter Awarding Body]" will immediately proceed with actions to:

1. Withhold an amount from your contract equal to the amount of underpayment and the mandatory penalties prescribed in California Labor Code § 1775 (a) (1) and 1776 (h).
2. Initiate documentation for presentation to the Labor Commissioner for the determination of the amount of penalties to be imposed.

"[CLICK HERE AND TYPE AFFECTED CONTRACTOR NAME]"

**RE: ASSESSMENT OF UNDERPAYMENT PENALTIES ON THE**

"[ENTER PROJECT NAME]"

"[Click here and enter date]"

**Page 2**

A copy of this correspondence copied to "[Click here and type Awarding Body]" will serve as notice that any contractor payment requests submitted by your company for the referenced public works project, subsequent to the date of this letter shall be withheld pending determination of the amount of underpayment and penalty assessment of \$ "[Click here and enter underpayment & penalty amount]" as of the date of this letter. The penalties indicated hereon are subject to increase until all requested corrections have been received by "[Enter Awarding Body]" .

If I can be of assistance in this matter, please feel free to contact me, 8:00am to 5:00pm Monday through Friday at "[Enter Phone Number]" .

Respectfully,

"[Enter your name]"

Labor Compliance Specialist

Cc: "[Click here and type Prime Contractor]" "[Click here and type Certified Mail #]"

# **NOTICE TO WORKERS**

**AS A WORKER ON THIS PUBLIC WORKS PROJECT, YOU ARE TO RECEIVE PREVAILING WAGES FOR THE TYPE OF WORK YOU ARE PERFORMING. IF YOU HAVE ANY QUESTIONS REGARDING WHAT WAGES YOU ARE TO BE PAID, CONTACT "[Enter Awarding Body]" LABOR COMPLIANCE PROGRAM AT: "[Enter #]"**

THE DIRECTORS PREVAILING WAGE DETERMINATIONS ARE ON FILE IN THE PROJECT OFFICE OR OWNERS ADMINISTRATIVE OFFICE FOR YOU TO REVIEW AT ANY TIME.

ALL INQUIRES, QUESTIONS OR COMPLAINTS SHOULD INCLUDE PROJECT IDENTIFICATION, LOCATION AND NAME OF THE PUBLIC AGENCY THAT AWARDED THE CONTRACT.

**SUBMIT WRITTEN INQUIRES, QUESTIONS OR COMPLAINTS TO:**

"[Enter Awarding Body]" LABOR COMPLIANCE PROGRAM

LABOR COMPLIANCE OFFICER

"[Click here and type address]"

"[Click here and type city, state, zip]"

# **NOTICE TO CONTRACTORS**

**THIS PROJECT IS A PUBLIC WORK, SUBJECT TO THE PAYMENT OF PREVAILING WAGES AND THE EMPLOYMENT OF APPRENTICES AS REQUIRED BY LAW.**

THE AWARDING AGENCY HAS ADOPTED AND IS IMPLEMENTING A LABOR COMPLIANCE PROGRAM APPROVED BY THE DEPARTMENT OF INDUSTRIAL RELATIONS ON "[Enter Approval Date]" .

THE LIMITED EXEMPTION TO PAY PREVALING WAGES PURSUANT TO LABOR CODE SECTION 1771.5(a), DOES NOT APPLY TO CONTRACTS ON THIS PROJECT.

  
(Insert Awarding Agency Logo)

# **AVISO A LOS TRABAJADORES**

**COMO UN TRABAJADOR EN ESTE PROYECTO DE OBRAS PUBLICAS, QUE HAN DE RECIBIR LOS SALARIOS QUE PREVALECCEN PARA EL TIPO DE TRABAJO QUE ESTA LLEVANDO A CABO. SI TIENE ALGUNA PREGUNTA CON RESPECTO A LO QUE LOS SALARIOS QUE SE PAGAN, PONGASE EN CONTACTO CON "[Enter Awarding Body]" LABOR COMPLIANCE AL:**

**"[Enter Phone #]"**

LOS DIRECTORES DE LAS DETERMINACIONES SALARIA PREDOMINANTES SE ENCUENTRAN ARCHIVADOS EN LA OFICINA DE PROYECTOS O LOS PROPIETARIOS DE OFICINA ADMINISTRATIVA PARA QUE PUEDA REVISAR LOS EN CUALQUIER MOMENTO.

TODAS LAS CONSULTAS, PREGUNTAS O QUEJAS DEBEN INCLUIR LA IDENTIFICACION, UBICACION Y EL NOMBRE DE LA AGENCIA PUBLICA QUE ADJUDICO EL CONTRATO.

**PRESENTAR POR ESCRITO SUS CONSULTAS, PREGUNTAS O QUEJAS A:**

**"[Enter Awarding Body]" LABOR COMPLIANCE PROGRAM**

**LABOR COMPLIANCE OFFICER**

**"[Click here and type address]"**

**"[Click here and type city, state, zip]"**

# **AVISO A LOS CONTRATISTAS**

**ESTE PROYECTO ES UNA OBRA PUBLICA, SUJETA AL PAGO DE SALARIOS PREVALECCIENTES Y EL EMPLEO DE APRENDICES COMO LO EXIGE LA LEY.**

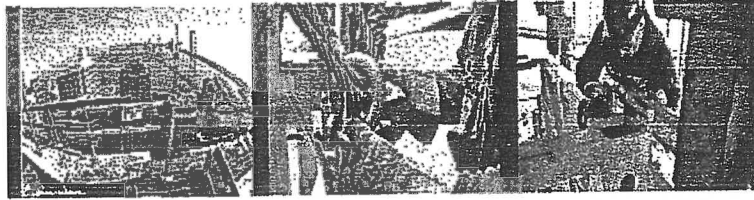
EL ORGANISMO DE ADJUDICACION HA ADOPTADO Y ESTA EJECUTANDO UN PROGRAMA DE TRABAJO DE CUMPLIMIENTO APROBADO POR EL DEPARTAMENTO DE RELACIONES LABORALES A "[Enter Approval Date]" .

LA EXENCION LIMITADA PARA PAGAR LOS SALARIOS PREVALECCIENTES EN VIRTUD DEL CODIGO LABORAL SECCION 1771.5 (a), NO SE APLICA A LOS CONTRATOS EN ESTE PROYECTO.

  
(Insert Awarding Agency Logo)

# Compliance Monitoring Unit (CMU)

## Mandatory State Regulations for Public Works Projects



### CMU

...

This public works project is subject to monitoring and investigative activities by the Compliance Monitoring Unit (CMU) of the Division of Labor Standards Enforcement, Department of Industrial Relations, State of California. This Notice is intended to provide information to all workers employed in the execution of the contract for public work and to all contractors and other persons having access to the job site to enable the CMU to ensure compliance with and enforcement of prevailing wage laws on public works projects.

### PREVAILING WAGE

...

The prevailing wage laws require that all workers be paid at least the minimum hourly wage as determined by the Director of Industrial Relations for the specific classification (or type of work) performed by workers on the project. These rates are listed on a separate job site posting of minimum prevailing rates required to be maintained by the public entity which awarded the public works contract. Complaints concerning nonpayment of the required minimum wage rates to workers on this project may be filed with the CMU at any office of the Division of Labor Standards Enforcement (DLSE).

### COMPLAINTS

...

Complaints should be filed in writing immediately upon discovery of any violations of the prevailing wage laws due to the short period of time following the completion of the project that the CMU may take legal action against those responsible. Complaints should contain details about the violations alleged (for example, wrong rate paid, not all hours paid, overtime rate not paid for hours worked in excess of 8 per day or 40 per week, etc.) as well as the name of the employer, the public entity which awarded the public works contract, and the location and name of the project.

### Local Office Telephone Number:

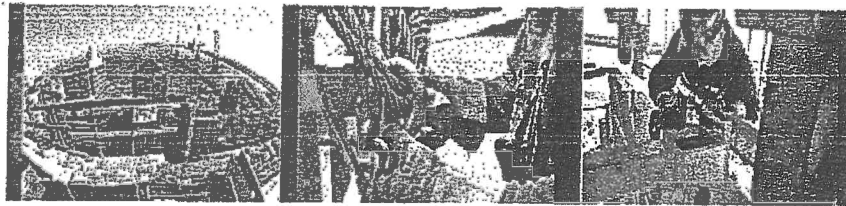
#### Division of Labor Standards Enforcement

For general information concerning the prevailing wage laws and to file a complaint concerning any violation of these prevailing wage laws, contact any DLSE office. Complaint forms are also available at the Department of Industrial Relations website for all DLSE offices at: [www.dir.ca.gov](http://www.dir.ca.gov)



# Documento de la Unidad de Control de Cumplimiento

## Unidad de control de cumplimiento



### CMU

Este proyecto de obras públicas está sujeto a las actividades de vigilancia e investigación de la Unidad de control de cumplimiento (CMU, por sus siglas en inglés), de la División de Aplicación de las Normas Laborales, del Departamento de Relaciones Industriales del Estado de California. Este AVISO tiene el propósito de proveer información a todos trabajadores que están empleados en la ejecución de un contrato de obras públicas y a todos los contratistas y otras personas que tienen acceso al sitio de trabajo, para permitir que la CMU garantice el cumplimiento y la aplicación de las leyes establecidas para salarios en los proyectos de obras públicas.

### SALARIO VIGENTE

Las leyes establecidas para salarios exigen que a todos los trabajadores se les pague por lo menos un salario mínimo por horas como lo ha determinado el Director de Relaciones Industriales, de acuerdo a la clasificación específica (o tipo de trabajo) que desempeñen los trabajadores en el proyecto. Estas tarifas son publicadas en el sitio de trabajo en un lugar único para las tarifas mínimas establecidas; estas deben ser las tarifas exigidas por la entidad pública que adjudicó el contrato de obras públicas. Los reclamos relacionados con el no pago de las tarifas exigidas de salario mínimo a los trabajadores de este proyecto, pueden presentarse ante la CMU en cualquier oficina de la División de Aplicación de las Normas Laborales (DLSE).

### QUEJAS

Los reclamos deben presentarse por escrito, inmediatamente después del descubrimiento de alguna violación a las leyes establecidas para salarios, debido al corto periodo de tiempo que hay después de la terminación del proyecto para que la CMU pueda ejercer acciones legales contra los responsables. Los reclamos deben incluir detalles acerca de las presuntas violaciones (por ejemplo, los pagos con tarifas incorrectas, las horas no pagadas, el no pago de la tarifa de horas extra por las horas trabajadas después de 8 horas diarias o de 40 por semana, etc.), así como el nombre del empleador, la entidad pública que adjudicó el contrato de obras públicas, la ubicación y el nombre del proyecto.

## Número telefónico de la oficina local:

Division of Labor Standards Enforcement

Para obtener información general relacionada con las leyes establecidas para salarios y cómo presentar un reclamo por que el empleador no cumple con las leyes establecidas para salarios, usted puede ponerse en contacto con cualquier oficina de la DLSE. Los formularios de reclamo también están disponibles en el sitio Web de la División de Relaciones Industriales del Estado de California ([www.dir.ca.gov](http://www.dir.ca.gov)).

  
(Insert Awarding Agency Logo)

"[Enter Date]"

"[Enter Worker name]"  
"[Enter Street Address]"  
"[Enter City, State, Zip]"

RE: DISTRIBUTION OF GROSS WAGES FOR THE "[ENTER PROJECT NAME]"

"[Enter Worker name]" :

Pursuant to an investigation and recovery of prevailing wages on the above referenced public works project, "[Enter Awarding Body]" Labor Compliance Program recovered underpayments on your behalf.

The enclosed check represents gross wages owed to you while employed by "[Enter Affected Contractor]" on the "[Enter Project Name]" during the time period of "[Enter Month(s)]" & "[Enter Year(s)]" .

If you should have any questions do not hesitate to contact me.

Respectfully,

"[Enter Name]"  
Investigations Supervisor

Enclosure

Cc:  
"[Enter Prime Contractor]"  
"[Enter Affected Contractor]"

  
(Insert Awarding Agency Logo)

"[Enter Date]"

"[Enter Worker name]"  
"[Enter Street Address]"  
"[Enter City, State, Zip]"

RE: DISTRIBUCIÓN DE LOS SALARIOS GRUESOS PARA  
"[ENTER PROJECT NAME]"

"[Enter Worker name]" :

De conformidad con una investigación y una recuperación de salarios que prevalecen en las obras públicas arriba referidas proyecte, la conformidad del trabajo del estado de oro, "[Enter Awarding Body]" Labor Compliance Program, underpayments recuperados en su favor.

El cheque incluido representa los salarios gruesos debidos a usted mientras que es empleado por "[Enter Affected Contractor]" en "[Enter Project Name]" durante el período de "[Enter Month(s)]" y de "[Enter Year(s)]" ..

Si usted tiene ninguna preguntas no vacilan entrarme en contacto con.

Respetuosamente,

"[Enter Name]"  
Supervisor de las investigaciones

Recinto

Cc:  
"[Enter Prime Contractor]"  
"[Enter Affected Contractor]"

(Insert Awarding Agency Logo)

"[Enter Date]"

By Fax: "[Enter Fax #]"  
Original by First Class Mail

"[Enter Affected Contractor]"

"[Enter Street Address]"

"[Enter City, State, Zip]"

ATTN: "[Enter Primary Contact]"

RE: CASE NUMBER "[Enter Case #]"

AWARDING BODY: "[ENTER AWARDING BODY]"

PROJECT NAME: "[ENTER PROJECT NAME]"

PRIME CONTRACTOR: "[ENTER PRIME CONTRACTOR]"

"[Enter Primary Contact]" ,

This letter is in response to your faxed letter of "[Enter Date]" offering a settlement for records penalties in the amount of "[Enter Amount]" under California Labor Code § 1776 (h) and underpayment of prevailing wage penalties in the amount of "[Enter Amount]" under California Labor Code § 1775 after an informal conference on "[Enter Date]" between "[Enter Affected Contractor]" and "[Enter Awarding Body]" .

The purpose of this conference was to discuss the penalties assessed due to underpayment of prevailing wages and payroll documents requested not received.

Based on the explanations submitted at that conference and the lack of intent on the part of "[Enter Affected Contractor]" , along with "[Enter any other applicable statements]" , I find this offer to be acceptable and reasonable.

"[Enter Awarding Body]" will withhold the sum of "[Enter Amount]" through the issuance of a deductive change order to the prime contractor, "[Enter Prime Contractor]" .

When the change order is signed and returned to "[Enter Awarding Body]" , the associated Notice to Withhold Contract Payments shall cease to have any effect and shall be withdrawn.

Sincerely,

"[Enter Name]"

Investigations Supervisor

Cc:

"[Enter Prime Contractor]"

(Insert Awarding Agency Logo)

BY FAX: "[Enter Fax #]"

"[Enter Date]"

"[Enter Affected Contractor]"

"[Enter Street Address]"

"[Enter City, State, Zip]"

ATTN: "[Enter Primary Contact]"

RE: SETTLEMENT MEETING FOR CASE NUMBER "[Enter Case #]"

Awarding Body: "[ENTER AWARDING BODY]"

Project Name: "[ENTER PROJECT NAME]"

Prime Contractor: "[ENTER PRIME CONTRACTOR]"

"[Enter Primary Contact]" ,

This letter is in response to your letter of "[Enter Date]" requesting a settlement meeting. This is to notify you that a **mandatory** settlement conference is scheduled for "[Enter Time & Date]" at the offices of "[Enter Awarding Body]" Labor Compliance Program , "[Click here and type address]" "[Click here and type city, state, zip]" .

The purpose of this conference is to discuss the penalties assessed due to documents requested not received and underpayment of prevailing wage. An individual having authority to bind and act on behalf of "[Enter Affected Contractor]" must be present.

The original of this document will be sent by first class mail on "[Enter Date]" .

If you have any questions do not hesitate to contact me at "[Enter #]" between the hours of 8:00am to 5:00pm.

Sincerely,

"[Enter Name]"

Investigations Supervisor

Cc:

"[Enter Prime Contractor]"

"[Enter Awarding Body]" Labor Compliance Program

Site Visit Form

Date \_\_\_\_ / \_\_\_\_ / \_\_\_\_

**PROJECT DATA**

Awarding Agency: \_\_\_\_\_

Project Name: \_\_\_\_\_

Site Address: \_\_\_\_\_

**PROJECT MANAGEMENT DATA**

Construction Management: \_\_\_\_\_ Telephone: \_\_\_\_\_

Prime Contractor: \_\_\_\_\_ Telephone: \_\_\_\_\_

Project Superintendent: \_\_\_\_\_ Telephone: \_\_\_\_\_

**REQUIRED POSTINGS AND PREVAILING WAGE DETERMINATIONS PRESENT:**

NOTICE TO WORKERS AND CONTRACTORS OF LCP: Yes \_\_\_\_\_ No \_\_\_\_\_

PREVAILING WAGE DETERMINATIONS AVAILABLE TO VIEW: Yes \_\_\_\_\_ No \_\_\_\_\_

Visitors Notes: \_\_\_\_\_

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

Confirmed By: \_\_\_\_\_ Date: \_\_\_\_\_

Printed Name

Signature: \_\_\_\_\_

"[Enter Awarding Body]" Labor Compliance Program

Site Visit and Interview Form

Date \_\_\_\_ / \_\_\_\_ / \_\_\_\_

**PROJECT DATA**

Awarding Agency: \_\_\_\_\_

Project Name: \_\_\_\_\_

Site Address: \_\_\_\_\_

**PROJECT MANAGEMENT DATA**

Construction Management: \_\_\_\_\_ Telephone: \_\_\_\_\_

Prime Contractor: \_\_\_\_\_ Telephone: \_\_\_\_\_

Project Superintendent: \_\_\_\_\_ Telephone: \_\_\_\_\_

DSA Inspector on Site: Yes \_\_\_\_ No \_\_\_\_ Name: \_\_\_\_\_

**REQUIRED POSTINGS AND PREVAILING WAGE DETERMINATIONS PRESENT:**

NOTICE TO WORKERS AND CONTRACTORS OF LCP: Yes \_\_\_\_ No \_\_\_\_

PREVAILING WAGE DETERMINATIONS AVAILABLE TO VIEW: Yes \_\_\_\_ No \_\_\_\_

**SITE OBSERVATIONS:** Approximate Number of Tradesmen observed during this visit: \_\_\_\_\_

Description of work in Progress \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**EMPLOYEE INTERVIEW DATA:** Company Name \_\_\_\_\_

Employee Name \_\_\_\_\_ SS#: XX/XXX/ \_\_\_\_\_

Classification/Position/Duties: \_\_\_\_\_ Hourly Wage \$ \_\_\_\_\_

Task being performed at time of Interview? \_\_\_\_\_

Did Superintendent/Foreman Accompany you during interviews? Yes \_\_\_\_ No \_\_\_\_

Additional Information Discussed By Employee \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

PROJECT DATA: Page \_\_\_\_\_ of \_\_\_\_\_

Date: \_\_\_\_\_

Awarding Agency: \_\_\_\_\_

Project Name: \_\_\_\_\_

Site Address: \_\_\_\_\_

**EMPLOYEE INTERVIEW DATA:** Company Name \_\_\_\_\_

Employee Name \_\_\_\_\_ SS#: XX/XXX/ \_\_\_\_\_

Classification/Position/Duties: \_\_\_\_\_ Hourly Wage \$ \_\_\_\_\_

Task being performed at time of Interview? \_\_\_\_\_

Did Superintendent/Foreman Accompany you during interviews? Yes \_\_\_\_\_ No \_\_\_\_\_

Additional Information Discussed By Employee \_\_\_\_\_

**EMPLOYEE INTERVIEW DATA:** Company Name \_\_\_\_\_

Employee Name \_\_\_\_\_ SS#: XX/XXX/ \_\_\_\_\_

Classification/Position/Duties: \_\_\_\_\_ Hourly Wage \$ \_\_\_\_\_

Task being performed at time of Interview? \_\_\_\_\_

Did Superintendent/Foreman Accompany you during interviews? Yes \_\_\_\_\_ No \_\_\_\_\_

Additional Information Discussed By Employee \_\_\_\_\_

**EMPLOYEE INTERVIEW DATA:** Company Name \_\_\_\_\_

Employee Name \_\_\_\_\_ SS#: XX/XXX/ \_\_\_\_\_

Classification/Position/Duties: \_\_\_\_\_ Hourly Wage \$ \_\_\_\_\_

Task being performed at time of Interview? \_\_\_\_\_

Did Superintendent/Foreman Accompany you during interviews? Yes \_\_\_\_\_ No \_\_\_\_\_

Additional Information Discussed By Employee \_\_\_\_\_



**PROJECT DATA:** Page \_\_\_\_\_ of \_\_\_\_\_

**Date:** \_\_\_\_\_

Awarding Agency: \_\_\_\_\_

Project Name: \_\_\_\_\_

Site Address: \_\_\_\_\_

---

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Interviewers Notes: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Interview Conducted By: \_\_\_\_\_ Date: \_\_\_\_\_

**\*\*STATEMENT OF NON-PERFORMANCE PAYROLL\*\***

Payroll Report # \_\_\_\_\_

Your Job # \_\_\_\_\_

Company Name:

Address:

Phone:

I do hereby state that our Company did not provide Tradesmen on the Public Work Project listed below:

Name:

Location:

During the period commencing on the \_\_\_\_\_ day of \_\_\_\_\_,  
\_\_\_\_\_

and ending the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name/Title

\_\_\_\_\_  
Contact phone number

STATEMENT OF PAYMENT OF PREVAILING WAGES

I declare: I am \_\_\_\_\_, my address is \_\_\_\_\_ and my social security number is \_\_\_\_\_. I was employed by \_\_\_\_\_ ("Employer") on the \_\_\_\_\_ project ("Project").

My Employer did not pay me the proper prevailing wages I am due for work I performed on the Project for the period from \_\_\_\_\_ to \_\_\_\_\_ as described on the attached Prevailing Wage Underpayment Spreadsheet.

I am receiving a gross wage distribution by "[Enter Awarding Body]" on behalf of "[Click here and type Contractor name]" in compensation for the underpayment to work I performed for my Employer on the Project. The gross wage payment of \$ \_\_\_\_\_ represents full and complete payment for all unpaid wages and other compensation I am due for the time frame and underpayment issues referenced herein on this Project from my Employer.

I understand this is a gross wage distribution and I am responsible to report and pay any applicable income taxes attendant to this payment.

I make this statement voluntarily. I have not been threatened by any person or promised any benefits to which I am not entitled in order to induce me to sign this statement.

I declare under penalty of perjury under the laws of the United States of America and of the State of California that the foregoing is true and correct and that this statement was executed on \_\_\_\_\_, 20\_\_ in \_\_\_\_\_, California.

\_\_\_\_\_  
Signature

DECLARACIÓN DEL PAGO DE SALARIOS QUE PREVALECEN

Declaro: Soy \_\_\_\_\_, mi dirección es \_\_\_\_\_ y mi número de Seguridad Social es \_\_\_\_\_. El \_\_\_\_\_ ("patrón") en el proyecto del \_\_\_\_\_ me empleé ("proyecto").

Mi patrón no me pagó los salarios que prevalecían apropiados que soy debido para el trabajo me realicé en el proyecto para el período del \_\_\_\_\_ al \_\_\_\_\_ según lo descrito en la hoja de balance unida de Underpayment del salario que prevalecía.

Estoy recibiendo una distribución gruesa del salario por la conformidad del trabajo del estado de oro, "[Enter Awarding Body]" "[Click here and type Contractor name]" en la remuneración para que el underpayment trabaje me me realicé para mi patrón en el proyecto. El pago grueso del salario del \_\_\_\_\_ de \$ representa el pago completo y completo para todos los salarios sin pagar y la otra remuneración que soy debido para las ediciones del marco y del underpayment de tiempo referidas adjunto en este proyecto de mi patrón.

Entiendo que que es una distribución gruesa del salario y soy responsable divulgar y pagar cualquier impuesto sobre la renta aplicable en relación a este pago.

Hago esta declaración voluntariamente. A ninguna persona me no he amenazado ni prometí ninguna ventajas a las cuales me no dan derecho en orden a inducirme a que firme esta declaración.

Declaro bajo pena del perjurio bajo leyes de los Estados Unidos de América y del estado de California que el precedente está verdad y correcto y que fue ejecutada esta declaración en \_\_\_\_\_, 20\_\_\_\_ en el \_\_\_\_\_, California.

\_\_\_\_\_  
Su Firma

(Insert Awarding Agency Logo)

"[Enter Date]"

State of California  
Department of Industrial Relations  
Division of Labor Standards Enforcement  
2031 Howe Avenue, Suite 100  
Sacramento, CA 95825  
Attn: Public Works Unit

**RE: WAGES FOR WORKERS WHO CANNOT BE LOCATED**

To Whom It May Concern:

Pursuant to Labor Code 1743 (c) enclosed find check number \_\_\_\_\_ in the amount of \$ \_\_\_\_\_ for wages owed to the below named worker(s) who cannot be contacted after a diligent effort to locate:

**PROJECT NAME:** "[ENTER PROJECT NAME]"  
**PROJECT NO.:** "[ENTER PROJECT NUMBER]"  
**AFFECTED CONTRACTOR:** "[ENTER AFFECTED CONTRACTOR]"  
**AFFECTED WORKER(S):** "[ENTER AFFECTED WORKER]"  
**SOCIAL SECURITY NO.(S):** "[ENTER SS#]"  
**LAST KNOWN ADDRESS:** "[ENTER STREET ADDRESS]"  
"[ENTER CITY, STATE, ZIP]"  
**WAGE AMOUNT DUE:** "[ENTER AMOUNT]"

If you have any questions do not hesitate to contact me at "[Enter #]" Monday through Friday between the hours of 8:00am and 5:00pm.

Sincerely,

"[Enter Name]"  
Investigations Supervisor

Cc: "[Enter Awarding Body]"

Insert Awarding Agency Logo

### Verification of Apprentice and Journeyman Hours

(CLC 1777.5 (e) Within 60 days after concluding work on the contract, each contractor and subcontractor shall submit to the awarding body, if requested, AND to the apprenticeship program a verified statement of the journeyman and apprentice hours performed on the contract. The information under this subdivision shall be public. The apprenticeship committee shall retain this information for 12 months).

I \_\_\_\_\_ declare under penalty of perjury that:

I am the \_\_\_\_\_ of \_\_\_\_\_  
(Owner, officer, partner, etc.) (Company)

responsible for the payment of persons employed by \_\_\_\_\_  
(Company)

who performed work on the \_\_\_\_\_, in the classification of \_\_\_\_\_  
(Name of project)

The labor performed by these workers can be best described as: \_\_\_\_\_

During the payroll period(s) commencing on \_\_\_\_\_ and ending on \_\_\_\_\_

all persons employed by my company on this project have been paid the specified general prevailing rate of per diem wages for the specified craft or classification pursuant to Labor Code 1771. \*

No Apprentices were dispatched in response to my submission(s) of a DAS 142 or "Public Works Contract Award Information" and therefore all workers were classified as Journeymen.

-OR-

Apprentice(s) worked a total of \_\_\_\_\_ hours and \_\_\_\_\_ Journeymen worked a total of \_\_\_\_\_ hours establishing an apprentice/journeyman ratio in hours of \_\_\_\_\_ to \_\_\_\_\_.

Executed this \_\_\_\_\_ day of \_\_\_\_\_ 200\_\_\_\_, at \_\_\_\_\_ in California.

\_\_\_\_\_  
(Signature)

\* Except for public works projects of one thousand dollars (\$1,000) or less, not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the public work is performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work fixed as provided in this chapter, shall be paid to all workers employed on public works. This section is applicable only to work performed under contract, and is not applicable to work carried out by a public agency with its own forces. This section is applicable to contracts let for maintenance work.

STATEMENT OF ECONOMIC INTERESTS  
COVER PAGE

Please type or print in ink.

NAME OF FILER (LAST) (FIRST) (MIDDLE)

1. Office, Agency, or Court

Agency Name (Do not use acronyms)

Division, Board, Department, District, if applicable

Your Position

► If filing for multiple positions, list below or on an attachment. (Do not use acronyms)

Agency: \_\_\_\_\_

Position: \_\_\_\_\_

2. Jurisdiction of Office (Check at least one box)

State

Judge or Court Commissioner (Statewide Jurisdiction)

Multi-County \_\_\_\_\_

County of \_\_\_\_\_

City of \_\_\_\_\_

Other \_\_\_\_\_

3. Type of Statement (Check at least one box)

Annual: The period covered is January 1, 2014, through December 31, 2014.

Leaving Office: Date Left \_\_\_\_/\_\_\_\_/\_\_\_\_\_  
(Check one)

-or-

The period covered is \_\_\_\_/\_\_\_\_/\_\_\_\_\_, through December 31, 2014.

The period covered is January 1, 2014, through the date of leaving office.

Assuming Office: Date assumed \_\_\_\_/\_\_\_\_/\_\_\_\_\_  
and office sought, if different than Part 1: \_\_\_\_\_

The period covered is \_\_\_\_/\_\_\_\_/\_\_\_\_\_, through the date of leaving office.

Candidate: Election year \_\_\_\_\_ and office sought, if different than Part 1: \_\_\_\_\_

4. Schedule Summary

Check applicable schedules or "None."

► Total number of pages including this cover page: \_\_\_\_\_

Schedule A-1 - Investments – schedule attached

Schedule C - Income, Loans, & Business Positions – schedule attached

Schedule A-2 - Investments – schedule attached

Schedule D - Income – Gifts – schedule attached

Schedule B - Real Property – schedule attached

Schedule E - Income – Gifts – Travel Payments – schedule attached

-or-

None - No reportable interests on any schedule

5. Verification

MAILING ADDRESS STREET CITY STATE ZIP CODE  
(Business or Agency Address Recommended - Public Document)

DAYTIME TELEPHONE NUMBER E-MAIL ADDRESS  
( )

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information contained herein and in any attached schedules is true and complete. I acknowledge this is a public document.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date Signed \_\_\_\_\_  
(month, day, year)

Signature \_\_\_\_\_  
(File the originally signed statement with your filing official.)

## Which Schedule Do I Use?

---

### Common Reportable Interests

Schedule A-1	Stocks, including those held in an IRA or a 401K
Schedule A-2	Business entities (including certain independent contracting), sole proprietorships, partnerships, LLCs, corporations, and trusts
Schedule B	Rental property in the jurisdiction
Schedule C	Non-governmental salaries of public official and spouse/registered domestic partner
Schedule D	Gifts from businesses (such as tickets to sporting or entertainment events)
Schedule E	Travel payments from third parties (not your employer)

### Common Non-Reportable Interests

Schedule A-1	Insurance policies, government bonds, diversified mutual funds, certain funds similar to diversified mutual funds (such as exchange traded funds) and investments held in certain retirement accounts. See Reference Pamphlet, page 13, for detailed information. (Regulation 18237)
Schedule A-2	Savings and checking accounts and annuities
Schedule B	A residence used exclusively as a personal residence (such as a home or vacation cabin)
Schedule C	Governmental salary (such as a school district)
Schedule D	Gifts from family members
Schedule E	Travel paid by your government agency

#### Remember:

- ✓ Mark the "No reportable interests" box on Part 4 of the Schedule Summary on the Cover Page if you determine you have nothing to disclose and file the Cover Page only. **Make sure you carefully read all instructions to ensure proper reporting.**
- ✓ The Form 700 is a public document.
- ✓ **Most individuals must consult their agency's conflict of interest code for reportable interests.**
- ✓ Most individuals file the Form 700 with their agencies.
- ✓ When you file your statement, bring a copy to have date stamped for your records.



# SCHEDULE A-1

## Investments

### Stocks, Bonds, and Other Interests

(Ownership Interest is Less Than 10%)

Do not attach brokerage or financial statements.

CALIFORNIA FORM **700**

FAIR POLITICAL PRACTICES COMMISSION

Name \_\_\_\_\_

▶ NAME OF BUSINESS ENTITY \_\_\_\_\_

GENERAL DESCRIPTION OF THIS BUSINESS \_\_\_\_\_

FAIR MARKET VALUE  
 \$2,000 - \$10,000       \$10,001 - \$100,000  
 \$100,001 - \$1,000,000       Over \$1,000,000

NATURE OF INVESTMENT  
 Stock       Other \_\_\_\_\_ (Describe)  
 Partnership       Income Received of \$0 - \$499  
    Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:  
\_\_\_\_/\_\_\_\_/14      \_\_\_\_/\_\_\_\_/14  
ACQUIRED                  DISPOSED

▶ NAME OF BUSINESS ENTITY \_\_\_\_\_

GENERAL DESCRIPTION OF THIS BUSINESS \_\_\_\_\_

FAIR MARKET VALUE  
 \$2,000 - \$10,000       \$10,001 - \$100,000  
 \$100,001 - \$1,000,000       Over \$1,000,000

NATURE OF INVESTMENT  
 Stock       Other \_\_\_\_\_ (Describe)  
 Partnership       Income Received of \$0 - \$499  
    Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:  
\_\_\_\_/\_\_\_\_/14      \_\_\_\_/\_\_\_\_/14  
ACQUIRED                  DISPOSED

▶ NAME OF BUSINESS ENTITY \_\_\_\_\_

GENERAL DESCRIPTION OF THIS BUSINESS \_\_\_\_\_

FAIR MARKET VALUE  
 \$2,000 - \$10,000       \$10,001 - \$100,000  
 \$100,001 - \$1,000,000       Over \$1,000,000

NATURE OF INVESTMENT  
 Stock       Other \_\_\_\_\_ (Describe)  
 Partnership       Income Received of \$0 - \$499  
    Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:  
\_\_\_\_/\_\_\_\_/14      \_\_\_\_/\_\_\_\_/14  
ACQUIRED                  DISPOSED

▶ NAME OF BUSINESS ENTITY \_\_\_\_\_

GENERAL DESCRIPTION OF THIS BUSINESS \_\_\_\_\_

FAIR MARKET VALUE  
 \$2,000 - \$10,000       \$10,001 - \$100,000  
 \$100,001 - \$1,000,000       Over \$1,000,000

NATURE OF INVESTMENT  
 Stock       Other \_\_\_\_\_ (Describe)  
 Partnership       Income Received of \$0 - \$499  
    Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:  
\_\_\_\_/\_\_\_\_/14      \_\_\_\_/\_\_\_\_/14  
ACQUIRED                  DISPOSED

▶ NAME OF BUSINESS ENTITY \_\_\_\_\_

GENERAL DESCRIPTION OF THIS BUSINESS \_\_\_\_\_

FAIR MARKET VALUE  
 \$2,000 - \$10,000       \$10,001 - \$100,000  
 \$100,001 - \$1,000,000       Over \$1,000,000

NATURE OF INVESTMENT  
 Stock       Other \_\_\_\_\_ (Describe)  
 Partnership       Income Received of \$0 - \$499  
    Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:  
\_\_\_\_/\_\_\_\_/14      \_\_\_\_/\_\_\_\_/14  
ACQUIRED                  DISPOSED

▶ NAME OF BUSINESS ENTITY \_\_\_\_\_

GENERAL DESCRIPTION OF THIS BUSINESS \_\_\_\_\_

FAIR MARKET VALUE  
 \$2,000 - \$10,000       \$10,001 - \$100,000  
 \$100,001 - \$1,000,000       Over \$1,000,000

NATURE OF INVESTMENT  
 Stock       Other \_\_\_\_\_ (Describe)  
 Partnership       Income Received of \$0 - \$499  
    Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:  
\_\_\_\_/\_\_\_\_/14      \_\_\_\_/\_\_\_\_/14  
ACQUIRED                  DISPOSED

Comments: \_\_\_\_\_

# SCHEDULE A-2

## Investments, Income, and Assets of Business Entities/Trusts

(Ownership Interest is 10% or Greater)

**CALIFORNIA FORM 700**  
FAIR POLITICAL PRACTICES COMMISSION

Name \_\_\_\_\_

**▶ 1. BUSINESS ENTITY OR TRUST**

Name \_\_\_\_\_

Address (Business Address Acceptable) \_\_\_\_\_

Check one  
 Trust, go to 2     Business Entity, complete the box, then go to 2

GENERAL DESCRIPTION OF THIS BUSINESS

---

FAIR MARKET VALUE	IF APPLICABLE, LIST DATE:
<input type="checkbox"/> \$0 - \$1,999	____/____/14    ____/____/14
<input type="checkbox"/> \$2,000 - \$10,000	ACQUIRED    DISPOSED
<input type="checkbox"/> \$10,001 - \$100,000	
<input type="checkbox"/> \$100,001 - \$1,000,000	
<input type="checkbox"/> Over \$1,000,000	

NATURE OF INVESTMENT  
 Partnership     Sole Proprietorship     \_\_\_\_\_ Other

YOUR BUSINESS POSITION \_\_\_\_\_

**▶ 2. IDENTIFY THE GROSS INCOME RECEIVED (INCLUDE YOUR PRO RATA SHARE OF THE GROSS INCOME TO THE ENTITY/TRUST)**

<input type="checkbox"/> \$0 - \$499	<input type="checkbox"/> \$10,001 - \$100,000
<input type="checkbox"/> \$500 - \$1,000	<input type="checkbox"/> OVER \$100,000
<input type="checkbox"/> \$1,001 - \$10,000	

**▶ 3. LIST THE NAME OF EACH REPORTABLE SINGLE SOURCE OF INCOME OF \$10,000 OR MORE** (Attach a separate sheet if necessary.)

None    or     Names listed below

\_\_\_\_\_

\_\_\_\_\_

**▶ 4. INVESTMENTS AND INTERESTS IN REAL PROPERTY HELD OR LEASED BY THE BUSINESS ENTITY OR TRUST**

Check one box:  
 INVESTMENT     REAL PROPERTY

Name of Business Entity, if Investment, or Assessor's Parcel Number or Street Address of Real Property \_\_\_\_\_

Description of Business Activity or City or Other Precise Location of Real Property \_\_\_\_\_

FAIR MARKET VALUE	IF APPLICABLE, LIST DATE:
<input type="checkbox"/> \$2,000 - \$10,000	____/____/14    ____/____/14
<input type="checkbox"/> \$10,001 - \$100,000	ACQUIRED    DISPOSED
<input type="checkbox"/> \$100,001 - \$1,000,000	
<input type="checkbox"/> Over \$1,000,000	

NATURE OF INTEREST  
 Property Ownership/Deed of Trust     Stock     Partnership

Leasehold \_\_\_\_\_ Yrs. remaining     Other \_\_\_\_\_

Check box if additional schedules reporting investments or real property are attached

**▶ 1. BUSINESS ENTITY OR TRUST**

Name \_\_\_\_\_

Address (Business Address Acceptable) \_\_\_\_\_

Check one  
 Trust, go to 2     Business Entity, complete the box, then go to 2

GENERAL DESCRIPTION OF THIS BUSINESS

---

FAIR MARKET VALUE	IF APPLICABLE, LIST DATE:
<input type="checkbox"/> \$0 - \$1,999	____/____/14    ____/____/14
<input type="checkbox"/> \$2,000 - \$10,000	ACQUIRED    DISPOSED
<input type="checkbox"/> \$10,001 - \$100,000	
<input type="checkbox"/> \$100,001 - \$1,000,000	
<input type="checkbox"/> Over \$1,000,000	

NATURE OF INVESTMENT  
 Partnership     Sole Proprietorship     \_\_\_\_\_ Other

YOUR BUSINESS POSITION \_\_\_\_\_

**▶ 2. IDENTIFY THE GROSS INCOME RECEIVED (INCLUDE YOUR PRO RATA SHARE OF THE GROSS INCOME TO THE ENTITY/TRUST)**

<input type="checkbox"/> \$0 - \$499	<input type="checkbox"/> \$10,001 - \$100,000
<input type="checkbox"/> \$500 - \$1,000	<input type="checkbox"/> OVER \$100,000
<input type="checkbox"/> \$1,001 - \$10,000	

**▶ 3. LIST THE NAME OF EACH REPORTABLE SINGLE SOURCE OF INCOME OF \$10,000 OR MORE** (Attach a separate sheet if necessary.)

None    or     Names listed below

\_\_\_\_\_

\_\_\_\_\_

**▶ 4. INVESTMENTS AND INTERESTS IN REAL PROPERTY HELD OR LEASED BY THE BUSINESS ENTITY OR TRUST**

Check one box:  
 INVESTMENT     REAL PROPERTY

Name of Business Entity, if Investment, or Assessor's Parcel Number or Street Address of Real Property \_\_\_\_\_

Description of Business Activity or City or Other Precise Location of Real Property \_\_\_\_\_

FAIR MARKET VALUE	IF APPLICABLE, LIST DATE:
<input type="checkbox"/> \$2,000 - \$10,000	____/____/14    ____/____/14
<input type="checkbox"/> \$10,001 - \$100,000	ACQUIRED    DISPOSED
<input type="checkbox"/> \$100,001 - \$1,000,000	
<input type="checkbox"/> Over \$1,000,000	

NATURE OF INTEREST  
 Property Ownership/Deed of Trust     Stock     Partnership

Leasehold \_\_\_\_\_ Yrs. remaining     Other \_\_\_\_\_

Check box if additional schedules reporting investments or real property are attached

Comments: \_\_\_\_\_

### SCHEDULE B Interests in Real Property (Including Rental Income)

Name \_\_\_\_\_

▶ ASSESSOR'S PARCEL NUMBER OR STREET ADDRESS \_\_\_\_\_  
CITY \_\_\_\_\_

FAIR MARKET VALUE IF APPLICABLE, LIST DATE:  
 \$2,000 - \$10,000 \_\_\_\_\_ / \_\_\_\_\_ / 14 \_\_\_\_\_ / \_\_\_\_\_ / 14  
 \$10,001 - \$100,000 \_\_\_\_\_ / \_\_\_\_\_ / 14 \_\_\_\_\_ / \_\_\_\_\_ / 14  
 \$100,001 - \$1,000,000 ACQUIRED DISPOSED  
 Over \$1,000,000

NATURE OF INTEREST  
 Ownership/Deed of Trust  Easement  
 Leasehold \_\_\_\_\_  \_\_\_\_\_  
Yrs. remaining Other

IF RENTAL PROPERTY, GROSS INCOME RECEIVED  
 \$0 - \$499  \$500 - \$1,000  \$1,001 - \$10,000  
 \$10,001 - \$100,000  OVER \$100,000

SOURCES OF RENTAL INCOME: If you own a 10% or greater interest, list the name of each tenant that is a single source of income of \$10,000 or more.  
 None  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

▶ ASSESSOR'S PARCEL NUMBER OR STREET ADDRESS \_\_\_\_\_  
CITY \_\_\_\_\_

FAIR MARKET VALUE IF APPLICABLE, LIST DATE:  
 \$2,000 - \$10,000 \_\_\_\_\_ / \_\_\_\_\_ / 14 \_\_\_\_\_ / \_\_\_\_\_ / 14  
 \$10,001 - \$100,000 \_\_\_\_\_ / \_\_\_\_\_ / 14 \_\_\_\_\_ / \_\_\_\_\_ / 14  
 \$100,001 - \$1,000,000 ACQUIRED DISPOSED  
 Over \$1,000,000

NATURE OF INTEREST  
 Ownership/Deed of Trust  Easement  
 Leasehold \_\_\_\_\_  \_\_\_\_\_  
Yrs. remaining Other

IF RENTAL PROPERTY, GROSS INCOME RECEIVED  
 \$0 - \$499  \$500 - \$1,000  \$1,001 - \$10,000  
 \$10,001 - \$100,000  OVER \$100,000

SOURCES OF RENTAL INCOME: If you own a 10% or greater interest, list the name of each tenant that is a single source of income of \$10,000 or more.  
 None  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\* You are not required to report loans from commercial lending institutions made in the lender's regular course of business on terms available to members of the public without regard to your official status. Personal loans and loans received not in a lender's regular course of business must be disclosed as follows:

NAME OF LENDER\* \_\_\_\_\_  
ADDRESS (Business Address Acceptable) \_\_\_\_\_  
BUSINESS ACTIVITY, IF ANY, OF LENDER \_\_\_\_\_  
INTEREST RATE \_\_\_\_\_ TERM (Months/Years) \_\_\_\_\_  
\_\_\_\_\_%  None \_\_\_\_\_  
HIGHEST BALANCE DURING REPORTING PERIOD  
 \$500 - \$1,000  \$1,001 - \$10,000  
 \$10,001 - \$100,000  OVER \$100,000  
 Guarantor, if applicable \_\_\_\_\_

NAME OF LENDER\* \_\_\_\_\_  
ADDRESS (Business Address Acceptable) \_\_\_\_\_  
BUSINESS ACTIVITY, IF ANY, OF LENDER \_\_\_\_\_  
INTEREST RATE \_\_\_\_\_ TERM (Months/Years) \_\_\_\_\_  
\_\_\_\_\_%  None \_\_\_\_\_  
HIGHEST BALANCE DURING REPORTING PERIOD  
 \$500 - \$1,000  \$1,001 - \$10,000  
 \$10,001 - \$100,000  OVER \$100,000  
 Guarantor, if applicable \_\_\_\_\_

Comments: \_\_\_\_\_

**SCHEDULE C**  
**Income, Loans, & Business**  
**Positions**  
 (Other than Gifts and Travel Payments)

**CALIFORNIA FORM 700**  
 FAIR POLITICAL PRACTICES COMMISSION

Name \_\_\_\_\_

1. INCOME RECEIVED	1. INCOME RECEIVED
NAME OF SOURCE OF INCOME _____	NAME OF SOURCE OF INCOME _____
ADDRESS (Business Address Acceptable) _____	ADDRESS (Business Address Acceptable) _____
BUSINESS ACTIVITY, IF ANY, OF SOURCE _____	BUSINESS ACTIVITY, IF ANY, OF SOURCE _____
YOUR BUSINESS POSITION _____	YOUR BUSINESS POSITION _____
GROSS INCOME RECEIVED <input type="checkbox"/> \$500 - \$1,000 <input type="checkbox"/> \$1,001 - \$10,000 <input type="checkbox"/> \$10,001 - \$100,000 <input type="checkbox"/> OVER \$100,000	GROSS INCOME RECEIVED <input type="checkbox"/> \$500 - \$1,000 <input type="checkbox"/> \$1,001 - \$10,000 <input type="checkbox"/> \$10,001 - \$100,000 <input type="checkbox"/> OVER \$100,000
CONSIDERATION FOR WHICH INCOME WAS RECEIVED <input type="checkbox"/> Salary <input type="checkbox"/> Spouse's or registered domestic partner's income (For self-employed use Schedule A-2.)  <input type="checkbox"/> Partnership (Less than 10% ownership. For 10% or greater use Schedule A-2.)  <input type="checkbox"/> Sale of _____ (Real property, car, boat, etc.)  <input type="checkbox"/> Loan repayment  <input type="checkbox"/> Commission or <input type="checkbox"/> Rental Income, list each source of \$10,000 or more _____ (Describe)  <input type="checkbox"/> Other _____ (Describe)	CONSIDERATION FOR WHICH INCOME WAS RECEIVED <input type="checkbox"/> Salary <input type="checkbox"/> Spouse's or registered domestic partner's income (For self-employed use Schedule A-2.)  <input type="checkbox"/> Partnership (Less than 10% ownership. For 10% or greater use Schedule A-2.)  <input type="checkbox"/> Sale of _____ (Real property, car, boat, etc.)  <input type="checkbox"/> Loan repayment  <input type="checkbox"/> Commission or <input type="checkbox"/> Rental Income, list each source of \$10,000 or more _____ (Describe)  <input type="checkbox"/> Other _____ (Describe)

**2. LOANS RECEIVED OR OUTSTANDING DURING THE REPORTING PERIOD**

\* You are not required to report loans from commercial lending institutions, or any indebtedness created as part of a retail installment or credit card transaction, made in the lender's regular course of business on terms available to members of the public without regard to your official status. Personal loans and loans received not in a lender's regular course of business must be disclosed as follows:

NAME OF LENDER* _____	INTEREST RATE _____ % <input type="checkbox"/> None	TERM (Months/Years) _____
ADDRESS (Business Address Acceptable) _____	SECURITY FOR LOAN <input type="checkbox"/> None <input type="checkbox"/> Personal residence  <input type="checkbox"/> Real Property _____ _____ Street address _____ City  <input type="checkbox"/> Guarantor _____  <input type="checkbox"/> Other _____ (Describe)	
BUSINESS ACTIVITY, IF ANY, OF LENDER _____		
HIGHEST BALANCE DURING REPORTING PERIOD <input type="checkbox"/> \$500 - \$1,000 <input type="checkbox"/> \$1,001 - \$10,000 <input type="checkbox"/> \$10,001 - \$100,000 <input type="checkbox"/> OVER \$100,000		

Comments: \_\_\_\_\_

# SCHEDULE D Income – Gifts

Name  
\_\_\_\_\_

▶ NAME OF SOURCE *(Not an Acronym)*

\_\_\_\_\_  
ADDRESS *(Business Address Acceptable)*

\_\_\_\_\_  
BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

▶ NAME OF SOURCE *(Not an Acronym)*

\_\_\_\_\_  
ADDRESS *(Business Address Acceptable)*

\_\_\_\_\_  
BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

▶ NAME OF SOURCE *(Not an Acronym)*

\_\_\_\_\_  
ADDRESS *(Business Address Acceptable)*

\_\_\_\_\_  
BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

▶ NAME OF SOURCE *(Not an Acronym)*

\_\_\_\_\_  
ADDRESS *(Business Address Acceptable)*

\_\_\_\_\_  
BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

▶ NAME OF SOURCE *(Not an Acronym)*

\_\_\_\_\_  
ADDRESS *(Business Address Acceptable)*

\_\_\_\_\_  
BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

▶ NAME OF SOURCE *(Not an Acronym)*

\_\_\_\_\_  
ADDRESS *(Business Address Acceptable)*

\_\_\_\_\_  
BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

Comments: \_\_\_\_\_

**SCHEDULE E**  
**Income – Gifts**  
**Travel Payments, Advances,**  
**and Reimbursements**

Name \_\_\_\_\_

- Mark either the gift or income box.
- Mark the “501(c)(3)” box for a travel payment received from a nonprofit 501(c)(3) organization or the “Speech” box if you made a speech or participated in a panel. These payments are not subject to the \$440 gift limit, but may result in a disqualifying conflict of interest.

▶ NAME OF SOURCE *(Not an Acronym)*

ADDRESS *(Business Address Acceptable)*

CITY AND STATE

501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE(S): \_\_\_\_/\_\_\_\_/\_\_\_\_ - \_\_\_\_/\_\_\_\_/\_\_\_\_ AMT: \$\_\_\_\_\_  
*(If gift)*

TYPE OF PAYMENT: (must check one)  Gift  Income

Made a Speech/Participated in a Panel

Other - Provide Description \_\_\_\_\_

▶ NAME OF SOURCE *(Not an Acronym)*

ADDRESS *(Business Address Acceptable)*

CITY AND STATE

501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE(S): \_\_\_\_/\_\_\_\_/\_\_\_\_ - \_\_\_\_/\_\_\_\_/\_\_\_\_ AMT: \$\_\_\_\_\_  
*(If gift)*

TYPE OF PAYMENT: (must check one)  Gift  Income

Made a Speech/Participated in a Panel

Other - Provide Description \_\_\_\_\_

▶ NAME OF SOURCE *(Not an Acronym)*

ADDRESS *(Business Address Acceptable)*

CITY AND STATE

501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE(S): \_\_\_\_/\_\_\_\_/\_\_\_\_ - \_\_\_\_/\_\_\_\_/\_\_\_\_ AMT: \$\_\_\_\_\_  
*(If gift)*

TYPE OF PAYMENT: (must check one)  Gift  Income

Made a Speech/Participated in a Panel

Other - Provide Description \_\_\_\_\_

▶ NAME OF SOURCE *(Not an Acronym)*

ADDRESS *(Business Address Acceptable)*

CITY AND STATE

501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE(S): \_\_\_\_/\_\_\_\_/\_\_\_\_ - \_\_\_\_/\_\_\_\_/\_\_\_\_ AMT: \$\_\_\_\_\_  
*(If gift)*

TYPE OF PAYMENT: (must check one)  Gift  Income

Made a Speech/Participated in a Panel

Other - Provide Description \_\_\_\_\_

Comments: \_\_\_\_\_

**LABOR COMPLIANCE PROGRAM ANNUAL REPORT**

*Format for Awarding Body that enforces its own Labor Compliance Program for some but not all projects*

Report for the reporting period \_\_\_\_\_ to \_\_\_\_\_  
(mm/dd/yyyy) (mm/dd/yyyy)

1. Name of Labor Compliance Program (LCP) :		
2. LCP I.D. Number (assigned by DIR):	3. Date of Initial Approval:	
4. Contact person (include name, title, address, telephone, fax, and e-mail, if available):		
5. Did LCP perform any LC § 1771.5 enforcement activities during the 12 months in the reporting period? Please check one: <input type="checkbox"/> Yes If Yes, proceed to item 6 on the next page <input type="checkbox"/> No If No, complete the information below, sign the form and submit to DIR, Office of the Director, Attn: LCP Special Assistant, 455 Golden Gate Avenue, 10th Floor, San Francisco CA 94102		
What suggestions do you have for the Department of Industrial Relations to better assist you with your program in the coming year? (attach additional sheets if necessary)		
<b>SUBMITTED BY:</b>		
_____	_____	_____
Signature	Name and Title	Date

**LCP-AR1**

6. LC § 1771.5 enforcement activities (provide all information requested, attaching as many sheets as necessary).

A. List projects handled by LCP within the past 12 months.

Project Name	Bid Advertisement Date	Prime Contractor	Contract Amount
Total			

B. Summary of all wages and penalties assessed and/or recovered.

Project Name	Affected Contractor (who directly employed the worker)	Amount Assessed	Amount Recovered	Approval of Forfeiture Requested from Labor Commissioner?	Description of Violation
				<input type="checkbox"/> Yes <input type="checkbox"/> No	
				<input type="checkbox"/> Yes <input type="checkbox"/> No	
				<input type="checkbox"/> Yes <input type="checkbox"/> No	
				<input type="checkbox"/> Yes <input type="checkbox"/> No	
				<input type="checkbox"/> Yes <input type="checkbox"/> No	
				<input type="checkbox"/> Yes <input type="checkbox"/> No	
				<input type="checkbox"/> Yes <input type="checkbox"/> No	
				<input type="checkbox"/> Yes <input type="checkbox"/> No	
				<input type="checkbox"/> Yes <input type="checkbox"/> No	
Total					



**LCP-AR1**

C. For any amount identified in item B for which approval of forfeiture not requested from the Labor Commissioner, please explain below.

Project Name	Amount Assessed	Amount Recovered	Explanation
Total			

D. For any amount identified in item B for which approval of forfeiture was requested from the Labor Commissioner, please provide the following:

Project Name	Amount Assessed					Amount Recovered				
	LC §1776(g)	LC § 1775	LC § 1813	Wages	Total	LC § 1776(g)	LC § 1775	LC § 1813	Wages	Total
Total										

E. Identify cases that are or were the subject of LC § 1742 proceedings.

Project Name	Contractor	Nature of Violation	ODL Case #	Current Status

F. Did you refer any contractor to the Labor Commissioner for debarment per LC § 1777.1?

Please check one:  Yes  No

If yes, identify affected contractor(s) or subcontractor(s) and date(s) of referral: \_\_\_\_\_

G. Did you refer any apprenticeship violation to the Division of Apprenticeship Standards (DAS)?

Please check one:  Yes  No

If yes, identify affected contractor(s) or subcontractor(s) and date(s) of referral: \_\_\_\_\_

## STATE OF CALIFORNIA – DEPARTMENT OF INDUSTRIAL RELATIONS

TO: California Department of Industrial Relations  
 Division of Apprenticeship Standards  
 P.O. Box 420603  
 San Francisco, CA 94142

AWARDING AGENCY ID NUMBER

--

If you do not have an ID number please contact DAS

FROM:

### EXTRACT OF PUBLIC WORKS CONTRACT AWARD

A CONTRACT TO PERFORM PUBLIC WORKS UNDER LABOR CODE SECTION 1777.5 HAS BEEN AWARDED TO:

1. NAME OF GENERAL CONTRACTOR		2. CONTRACTOR'S LICENSE NO	
3. MAILING ADDRESS (STREET NUMBER OR P.O. BOX)		4. CITY	
		5. ZIP CODE	6. TELEPHONE NUMBER
7. GENERAL CONTRACTOR'S CONTACT EMAIL ADDRESS		8. ADDRESS/LOCATION OF PUBLIC WORKS SITE (INCLUDE CITY AND COUNTY):	
9. NAME OF PROJECT		8a. County	
10. CONTRACT NUMBER	11. PROJECT NUMBER	12. DOLLAR AMOUNT OF CONTRACT AWARD	
13. FIRST ADVERTISED BID DATE MONTH DAY YEAR		14. CONTRACT AWARD DATE MONTH DAY YEAR	
		12a ESTIMATED TOTAL PROJECT COSTS, IF DIFFERENT FROM ITEM 12 (see instructions).	
		15. WHICH STATUTE, IF ANY, APPLIES TO THIS PROJECT?	
16. STATE CONSTRUCTION BONDS YES NO If YES, List the Sources and Dollar Amount of Bond Proceeds: SOURCES DOLLAR AMOUNT		17. WILL YOU OPERATE A DIR-APPROVED LABOR COMPLIANCE PROGRAM (LCP) FOR THIS PROJECT? YES NO	
		18. IS THERE A PROJECT LABOR AGREEMENT (PLA) ASSOCIATED WITH THIS PROJECT? If yes, please email a copy to <a href="mailto:cmupla@dir.ca.gov">cmupla@dir.ca.gov</a> YES NO	
19. STARTING DATE (ESTIMATED OR ACTUAL)  (MM/DD/YYYY)		20. COMPLETION DATE (ESTIMATED OR ACTUAL)  (MM/DD/YYYY)	
21. BRIEF DESCRIPTION OF WORK TO BE PERFORMED		22.  NEW CONSTRUCTION REMODELING ALTERATION, DEMOLITION, REPAIR OR MAINTENANCE	
23. CLASSIFICATION OR TYPE OF WORKER (CARPENTER, PLUMBER, ETC.) THAT WILL BE EMPLOYED BY THE CONTRACTOR(S)			
Please list Sub-contractors and their worker classifications on page 2			
24. Is language included in the Contract Award to effectuate the requirements of sections 1771, 1774, 1775, 1776, 1777.5, 1813, and 1815 of the Labor Code?		YES	NO
25. SIGNATURE	26. TITLE	27. DATE	
28. PRINTED OR TYPED NAME	29. E-MAIL ADDRESS	30. TELEPHONE NUMBERS	
If different from above, name, title, and contact information of person responsible for carrying out Awarding Body's LCP or CMU responsibilities.			
31. NAME	32. TITLE	33. E-MAIL ADDRESS	34. TELEPHONE NUMBER

Duplication of this form is permissible

EXTRACT OF PUBLIC WORKS CONTRACT AWARD (Continued)

Listing of Sub Contractors

Con. Lic. #	Contractor	Classification of workers

Provided for Reference Only.  
 Please use the Web Application  
 to submit your Contract Award information.  
<https://www.dir.ca.gov/PWC100>

State of California  
 Department of Industrial Relations  
 California Apprenticeship Council  
 P.O. Box 511283  
 Los Angeles, CA 90051-7838  
<https://www.dir.ca.gov/DAS/tf/cac2.asp>

## TRAINING FUND CONTRIBUTIONS

### CALIFORNIA APPRENTICESHIP COUNCIL

Online form found at: <https://www.dir.ca.gov/DAS/tf/cac2.asp>  
 Please complete, print and send to the address above.  
 One check payable to the California Apprenticeship Council, may be submitted for all jobsites and/or occupations.  
 Training fund contributions are **not accepted** by the California Apprenticeship Council for federal public works projects, unless the project is administered by a public agency or for non – apprenticeable occupations such as utility technicians, lead abatement worker, etc.

Name and Address of Contractor/Subcontractor making Contribution	Contractors License Number		
	Contract or Project Number		
Name and Address of Public Agency Awarding Contract	Jobsite Location (including County)		
	Period Covered by Contribution From:  To:		
Classification(s) of Workers (Carpenter, Plumber, Electrician, Etc...)	Hours	Contribution Rate per hour	Amount
IF APPRENTICES WERE EMPLOYED, PLEASE LIST THE APPRENTICESHIP PROGRAM AND NUMBER OF APPRENTICE HOURS WORKED BELOW			
TYPE OR PRINT YOUR NAME AND TITLE			Date
E-mail		Area Code & Telephone Number	



# REQUEST FOR DISPATCH OF AN APPRENTICE – DAS 142 FORM

**DO NOT SEND THIS FORM TO DAS**

You may use this form to request dispatch of an apprentice from the Apprenticeship Committee in the craft or trade in the area of the public work. Go to: <http://www.dir.ca.gov/databases/das/pwaddrstart.asp> for information about programs in your area and trade. You may also consult your local Division Apprenticeship Standards (DAS) office whose telephone number may be found in your local directory under California, State of, Industrial Relations, Division of Apprenticeship Standards. **Except for projects with less than 40 hours of journeyman work, you must request and employ apprentices in no less than 8 hour increments.**

<b>Date:</b> _____	<b>Contractor Requesting Dispatch:</b>
<b>To Applicable Apprenticeship Committee:</b>	<b>Name:</b> _____
<b>Name:</b> _____	<b>Address:</b> _____
<b>Address:</b> _____	_____
_____	<b>License No.</b> _____
<b>Tel. No.</b> _____ <b>Fax No.</b> _____	<b>Tel. No.</b> _____ <b>Fax No.</b> _____

### Project Information:

**Contract No.** \_\_\_\_\_

**Name of the Project:** \_\_\_\_\_

**Address:** \_\_\_\_\_

### Dispatch Request Information:

**Number of Apprentice(s) Needed:** \_\_\_\_\_ **Craft or Trade:** \_\_\_\_\_

**Date Apprentice(s) to Report:** \_\_\_\_\_ (72 hrs. notice required) **Time to Report:** \_\_\_\_\_

**Name of Person to Report to:** \_\_\_\_\_

**Address to Report to:** \_\_\_\_\_

\_\_\_\_\_

*You may use this form to make your written request for the dispatch of an apprentice. Requests for dispatch must be in writing and submitted at least 72 hours in advance (excluding weekends and holidays) via first class mail, fax or email. **Proof of submission may be required.** Please take note of California Code of Regulations, Title 8, § 230.1 (a) for all applicable requirements regarding apprenticeship requests and/or visit <http://www.dir.ca.gov/DAS/DASApprenticesOnPublicWorksSummaryOfRequirements.htm>*

*DAS 142 (Revised 04/14)*

## PUBLIC WORKS CONTRACT AWARD INFORMATION

Contract award information must be sent to your Apprenticeship Committee if you are approved to train. If you are not approved to train, you must send the information (which may be this form) to ALL applicable Apprenticeship Committees in your craft or trade in the area of the site of the public work. Go to: <http://www.dir.ca.gov/das/PublicWorksForms.htm> for information about programs in your area and trade. You may also consult your local Division of Apprenticeship Standards (DAS) office whose telephone number may be found in your local directory under California, State of, Industrial Relations, Division of Apprenticeship Standards.

**Do not send this form to the Division of Apprenticeship Standards.**

NAME OF YOUR COMPANY	CONTRACTOR'S STATE LICENSE NO
MAILING ADDRESS- NUMBER & STREET, CITY, ZIP CODE	AREA CODE & TELEPHONE NO.
NAME & ADDRESS OF PUBLIC WORKS PROJECT	DATE YOUR CONTRACT EXECUTED
	DATE OF EXPECTED OR ACTUAL START OF PROJECT
NAME & ADDRESS OF PUBLIC AGENCY AWARDED CONTRACT	ESTIMATED NUMBER OF JOURNEYMEN HOURS
	OCCUPATION OF APPRENTICE
THIS FORM IS BEING SENT TO: (NAME & ADDRESS OF APPRENTICESHIP PROGRAM(S))	ESTIMATED NUMBER OF APPRENTICE HOURS
	APPROXIMATE DATES TO BE EMPLOYED

***This is not a request for dispatch of apprentices.***

*Contractors must make a separate request for actual dispatch, in accordance with Section 230.1(a) California Code of Regulations*

*Check One Of The Boxes Below*

1.  We are already approved to train apprentices by the \_\_\_\_\_  
Apprenticeship Committee. We will employ and train under their Standards.      Enter name of the Committee
  
2.  We will comply with the standards of \_\_\_\_\_  
Apprenticeship Committee for the duration of this job only.      Enter name of the Committee
  
3.  We will employ and train apprentices in accordance with the California Apprenticeship Council regulations, including § 230.1 (c) which requires that apprentices employed on public projects can only be assigned to perform work of the craft or trade to which the apprentice is registered and that the apprentices must at all times work with or under the direct supervision of journeyman/men.

Signature \_\_\_\_\_ Date \_\_\_\_\_

Typed Name \_\_\_\_\_

Title \_\_\_\_\_

**State of California - Department of Industrial Relations DIVISION  
OF APPRENTICESHIP STANDARDS**

**CONSENT  
CALENDAR  
ITEM**

**4G**

**Date:** June 20, 2018

**To:** The Honorable Board of Directors

**From:** Halla Razak, General Manager

HHR

**Committee:**

**Executive Contact:** Kathy Besser, Executive Manager of Ext. Aff. & Policy Dev./AGM

**Subject:** Adoption of a Resolution for the U.S. Department of Interior – Bureau of Reclamation (USBR) WaterSMART Application

---

**Executive Summary:**

In March 2018, the USBR announced the WaterSMART Grants: Water Marketing Strategy Grants for Fiscal Year 2018 to fund projects that supports the development of water marketing strategies that will help prevent water conflicts and will contribute to water supply sustainability. The Grants Department and the Planning Department are working on a grant proposal for the Chino Basin Water Bank Planning Project (Project). The Project is designed to promote and implement water storage and recovery programs within the Chino Groundwater Basin (Chino Basin) in order to achieve local, regional, and statewide benefits. The Project has established a Joint Powers Authority (JPA) to coordinate the delivery, storage, and withdrawal of water from the Chino Basin in order to maximize beneficial use pursuant to the Chino Basin Adjudication. By incorporating a regional water marketing strategy under the framework of a JPA, the Project will enhance long-term water supply sustainability and self-reliance in the Chino Basin. Project completion is expected by June 2020. 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.

---

**Staff's Recommendation:**

1. Adopt Resolution No. 2018-6-10, 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 2018; and
2. Authorize the General Manager to execute the financial assistance agreement, any amendments and any grant related documents thereto.

---

**Budget Impact** *Budgeted (Y/N): Y* *Amendment (Y/N): N* *Amount for Requested Approval:*

*Account/Project Name:*

Chino Basin Water Bank Planning Project, Project No. WR18028

*Fiscal Impact (explain if not budgeted):*

The proposed grant application is requesting funding from USBR for \$400,000. An additional \$150,000 will be funded by Cucamonga Valley Water District, Monte Vista Water District, and Ontario Municipal Utilities Company at \$50,000 each. The remaining balance, or approximately \$50,000, will be funded by Project No. WR18028.

Full account coding (internal AP purposes only):

- - -  
- - -

Project No.: WR18028



**Prior Board Action:**

On November 15, 2017, the Board of Directors approved the Chino Basin Water Bank Planning Authority Joint Powers Authority Agreement, authorizing the General Manager to execute the Agreement, subject to non-substantive changes.

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**Environmental Determination:**

Not Applicable

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**Business Goal:**

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

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**Attachments:**

- Attachment 1 - Background
- Attachment 2 - Resolution No. 2018-6-10
- Attachment 3 - Cost Sharing Letter Agreement
- Attachment 4 - Joint Exercise of Powers Agreement

## Background

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Subject: Adoption of a Resolution for the USBR WaterSMART Application

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### ***USBR Water Marketing Strategy Grant:***

In March 2018, the U.S. Department of Interior – Bureau of Reclamation (USBR) announced the WaterSMART Grants: Water Marketing Strategy Grants for Fiscal Year 2018 to fund projects that supports the development of water marketing strategies that will help prevent water conflicts and will contribute to water supply sustainability.

The Grants Department and the Planning Department are working on a grant proposal for the Chino Basin Water Bank Planning Project (Project). The Project is designed to promote and implement water storage and recovery programs within the Chino Groundwater Basin (Chino Basin) in order to achieve local, regional, and statewide benefits. The Project has established a Joint Powers Authority (JPA) to coordinate the delivery, storage, and withdrawal of water from the Chino Basin in order to maximize beneficial use pursuant to the Chino Basin Adjudication. By incorporating a regional water marketing strategy under the framework of a JPA, the Project will enhance long-term water supply sustainability and self-reliance in the Chino Basin.

The USBR mandates that an official resolution to 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.

### **FISCAL IMPACT (CONTINUED)**

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.

**RESOLUTION NO. 2018-6-10**

**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 2018 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 2018, with the U.S. Department of Interior - Bureau of Reclamation (USBR) for Chino Basin Water Market Plan; and

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

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

**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. 2018-6-10 on this 20<sup>th</sup> day of June, 2018.

\_\_\_\_\_  
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. 2018-6-10 was adopted at a regular  
 meeting on June 20, 2018, 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

July 27, 2016

Mark Kinsey  
Monte Vista Water District (MVWD)  
10575 Central Avenue – P.O. Box 71  
Montclair, CA 91763

Martin Zvirbulis  
Cucamonga Valley Water District (CVWD)  
10440 Ashford Street – P.O. Box 638  
Rancho Cucamonga, California 91729

Al C. Boling  
City of Ontario  
303 E. “B” Street  
Ontario, CA 91764

Re: Cost Sharing Letter Agreement  
Chino Basin Water Bank Feasibility Review and Foundational Document Development

This Cost Sharing Letter Agreement (“Agreement”) sets forth the understanding between the undersigned parties regarding the sharing of costs for legal and consultant support services for the Chino Basin Water Bank (CBWB). This Agreement will cover a variety of feasibility review tasks as well as foundational document development.

The Parties recognize that there are various regional efforts, occurring now and planned for the near future, that relate to storage in the Chino Groundwater Basin. Among these include the Chino Basin Safe Yield Reset, Chino Basin Storage Management Plan, Santa Ana River Conservation and Conjunctive Use Program, and other efforts related to continued implementation of the Optimum Basin Management Plan such as water quality management and planning for Desalter Replenishment. As a result, the Parties desire to initiate certain due diligence and feasibility work to facilitate implementation of these regional efforts.

Inland Empire Utilities Agency, a Municipal Water District, (“IEUA”) and the undersigned parties (collectively referred to as “Parties” and individually as “Party”) hereby agree to equally share the cost of legal and consultant support services pursuant to the provisions set forth below.

#### 1. Scope of Services

As of the date of this Agreement, there are several tasks that have been identified as necessary to complete the feasibility review and foundational document development for the CBWB. It is expected that over the next several months, additional consultant services will be required to complete these tasks. As these services are identified, this Agreement will be amended with revised total Agreement costs for concurrence by all Parties prior to commencing new work.

A summary of the current Scope of Services are as follows:

A. Joint Power Agreement (JPA) Development

This task will involve the drafting of the CBWB JPA – specifically defining JPA governance and the roles/responsibilities of the partners. It is expected that this effort will aid the Parties in determining the best governance for a bank in the Chino Basin.

B. Water Bank Structure Evaluation

This task will include a technical, financial and governance alternatives analysis of water banking mechanics – it is expected that this evaluation will aid the Parties in determining the best structure for a bank in the Chino Basin.

C. Economic Benefit Evaluation

This task will include the evaluation of the anticipated economic benefits to the Parties to this Agreement as well as the regional benefits as a whole.

2. Cost Sharing

Different Parties to this Agreement will serve as the lead agency in contracting with and managing services provided by identified Consultant (as stated below). Cost sharing for each of the items identified below shall be shared (equally) as one fourth of the total cost per party.

A. Joint Power Agreement (JPA) Development

CVWD (Lead Agency) has entered into, or intends to enter into, an agreement with Best Best & Krieger LLP (Consultant) for performance of the Scope with a **not-to-exceed cost of \$20,000.00** (Compensation).

B. Water Bank Structure Evaluation

IEUA (Lead Agency) has entered into an agreement with Sierra Water Group, Inc. (Consultant) for performance of the Scope with a **not-to-exceed cost of \$9,975.00** (Compensation).

C. Economic Benefit Evaluation

IEUA (Lead Agency) intends to enter into an agreement with a consultant for performance of the Scope with a **not-to-exceed cost of \$30,000.00** (Compensation).

D. Cost Sharing Between the Undersigned Parties

The Parties hereto each agree to be responsible for reimbursement of the payments made under the aforementioned agreements with Consultants not to exceed one fourth of the total cost or **\$50,000.00** per party as follows:

- (i) Upon receipt by the Lead Agency of each written statement from Consultant regarding the amount due and owing for the applicable time period (Progress Payment), the Lead Agency shall be responsible for payment to Consultant for the amount due and owing.

(ii) The Parties shall be responsible for payment of an equal share of the amount due and owing under each Progress Payment to be billed by the Lead Agency to each Party, quarterly. None of the Parties shall be responsible for payment of any amounts in excess of its share as set forth herein, without the prior written consent of the Party being requested to pay such additional amount.

(iii) The Lead Agency shall provide a copy of the Progress Payment to each Party along with a cover letter setting forth the calculation of the share due and owing by each Party. Within thirty (30) days of the date of said cover letter (Invoice), each Party shall submit payment to the Lead Agency for its share as set forth in this Agreement.

### 3. Effective Date and Term

This Agreement shall be effective on the date of full execution of this Agreement by all of the Parties (Effective Date). The term of this Agreement shall be from the Effective Date to the date of completion of performance of the Scope under the Consultant Contracts pursuant to the schedule set forth in Exhibit A and other schedules and deadlines as may be determined by the Parties and Consultant, but shall not be later than December 31, 2017. The Parties may elect to extend the term with prior written consent of the Parties by an amendment to this Agreement.

### 4. General Provisions

#### A. Indemnification

Each Party agrees to defend, indemnify and hold harmless the other Parties and its officers, directors, agents, employees, servants and volunteers from any and all liability, judgements, expenses, including defense costs and legal fees, and claims for damages of any nature whatsoever, arising from or connected with the Parties activities under this Agreement.

#### B. Other Parties

Upon concurrence of the parties hereto, other interested parties may be added to this agreement by written amendment. Prior to the addition of any party, the cost allocation shall be agreed-to so that all parties hereto pay an equal share of the total costs incurred as authorized by this Agreement.

#### C. Notices

Written correspondence to be given to any party must be given by personal delivery or by registered or certified mail addressed and delivered as set forth below in the signature blocks for each Party.

#### D. Representation of Authority

Each Party represents to the other that it has the authority to enter into this Agreement and that the individual signing this Agreement on behalf of their respective Party has the authority to execute this Agreement and to bind their respective Party to the terms and conditions of this Agreement.

E. Counterparts

This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

F. Governing Law

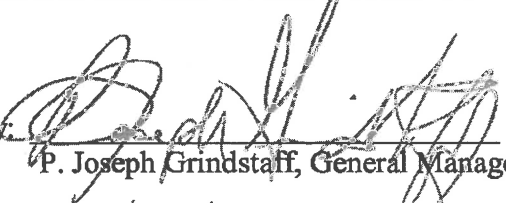
This Agreement shall be governed by and construed in accordance with the laws of the State of California in the County of San Bernardino.

G. Cooperation.

The Parties acknowledge that they are entering into an arrangement in which the cooperation of all of the Parties will be required, and may include the execution of necessary further documents. The Parties agree to cooperate in good faith with each other and review and submit timely documents for the benefit of the CBWB.

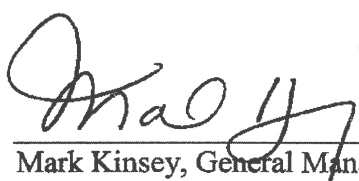
BY SIGNING BELOW, THE PARTIES AGREE TO BE BOUND BY THE PROVISIONS OF THIS AGREEMENT

INLAND EMPIRE UTILITY AGENCY

By:   
P. Joseph Grindstaff, General Manager  
Dated: 8/23/16


P.O. Box 9020  
Chino Hills, CA 91709

MONTE VISTA WATER DISTRICT

By:   
Mark Kinsey, General Manager  
Dated: 8/23/2016


P.O. Box 71  
Montclair, CA 91763

CUCAMONGA VALLEY WATER DISTRICT

By:   
Martin Zvirbulis, General Manager  
Dated: 8/23/16

P.O. Box 638  
Rancho Cucamonga, California 91729

ONTARIO MUNICIPAL UTILITIES COMPANY

By:   
Al C. Boling, City Manager  
Dated: 09/24/16

303 E. "B" Street  
Ontario, CA 91764



**JOINT EXERCISE OF POWERS AGREEMENT  
CREATING AN AGENCY TO BE KNOWN AS  
THE CHINO BASIN WATER BANK PLANNING AUTHORITY**

This JOINT EXERCISE OF POWERS AGREEMENT (the "Agreement") is dated this 13th day of December 2017, for reference purposes only, and is entered into by and between the undersigned parties. The undersigned parties may be referred to herein individually as "Party" or collectively as "Parties."

CUCAMONGA VALLEY WATER DISTRICT, a public agency formed under the County Water District Law set forth in Water Code Section 30000 et seq.;

MONTE VISTA WATER DISTRICT, a public agency formed under the County Water District Law set forth in Water Code Section 30000 et seq.;

CITY OF ONTARIO, by and through the Ontario Municipal Utilities Company, a California municipal corporation; and

INLAND EMPIRE UTILITIES AGENCY, a public agency formed under the Municipal Water District Law set forth in Water Code Section 71000 et seq.

**RECITALS**

WHEREAS, the Parties seek to form an entity that brings together the region's supplemental water provider, parties to the Chino Groundwater Basin ("Basin") adjudication, and owner-operators of the region's groundwater recharge, surface water treatment, and groundwater production facilities to engage in planning activities for potential coordinated storage and recovery programs within the Basin for local, regional and statewide benefits. Subsequent implementation of any coordinated storage and recovery programs which result from the planning activities under this Agreement shall be the subject of a new joint exercise of powers agreement, or an amendment(s) to this Agreement; and

WHEREAS, it is the intent of the Parties to align this Joint Powers Authority with the longstanding vision of Basin parties consistent with the Judgment, Chino Basin Optimum Basin Management Plan ("OBMP"), Court-approved management agreements ("CAMA") and associated contracts and agreements. For example, and not by way of limitation, the Parties will continue to exercise their rights and obligations under the above-mentioned rulings and agreements. Nothing in this Agreement shall be construed to limit, expand, or conflict with the storage priorities, conjunctive use projects and requirements of the "Physical Solution" under the above-mentioned Judgment, rulings and agreements; and

WHEREAS, pursuant to Article 1, Chapter 5, Division 7, Title 1 (Sections 6500, et seq.) of the Government Code, each Party is authorized to execute agreements with other public agencies to jointly exercise powers commonly held by each of the contracting public agencies and other powers applicable to joint powers authorities by law; and

**WHEREAS, the Parties desire to engage in planning activities and to otherwise perform due diligence review to determine the ability for parties/entities to deliver and/or store water on top of water currently stored in the Basin and to provide benefits to all parties involved; and**

**WHEREAS, it is hereby acknowledged and agreed that the intent of this Agreement is to encourage the participation of other Basin parties "Partners" in this planning effort and ultimately, in the implementation of the Chino Basin Water Bank; and**

**WHEREAS, it is anticipated that implementation of the Chino Basin Water Bank may include agreements and arrangements with project Partners. The extent and structure of such participation by Partners will be evaluated as part of the planning activities contemplated under this Agreement. Included in this evaluation is the potential development of "Operational Units" to facilitate the movement of water into and out of the Basin. One example of how Partners could be included is through the formation of Operational Units as illustrated below.**

#### **EASTERN OPERATIONAL UNIT OF THE CHINO GROUNDWATER BASIN**

**Potential Partners with Cucamonga Valley Water District and/or other stakeholders in the Basin who may become Partners and Parties:**

**Fontana Water Company, an investor owned utility  
Jurupa Community Services District, a public agency  
West Valley Water District, a public agency  
Western Municipal Water District, a public agency**

#### **WESTERN OPERATIONAL UNIT OF THE CHINO GROUNDWATER BASIN**

**Potential Partners with Monte Vista Water District, City of Ontario, and/or other stakeholders in the Basin who may become Partners and Parties:**

**City of Chino, a California municipal corporation  
City of Chino Hills, a California municipal corporation  
City of Upland, a California municipal corporation  
City of Pomona, a California municipal corporation  
Three Valleys Municipal Water District, a public agency  
Water Facilities Authority ("WFA"), a joint powers authority**

**WHEREAS, it is hereby acknowledged and agreed that some or all of the Parties have entered into, or may enter into, from time to time, agreements or other arrangements with other entities whereby the Party will plan for the funding, acquisitions, disposition, use and other activities involving water rights and water supplies. It is further acknowledged and agreed that a Party has the right to continue in this fashion separate and apart from this Joint Powers Authority. The planning activities as part of this agreement shall consider how these separate arrangements may interface with the Partners, Operational Units and future implementation of the Chino Basin Water Bank.**

**WHEREAS, the Parties desire to enter into this Agreement in order to facilitate the planning and financing of a water bank that could provide for the following benefits:**

**Local/Regional Benefits:** Water quality, financial, regional economic growth and water supply reliability; and

**External Benefits:** Improved reliability and reduced long term costs; and

**Environmental Benefits:** Opportunities for the State to store water to support Bay Delta fisheries.

WHEREAS, the Parties are each empowered by law with powers including, but not limited to, the following. Said authorities may be beneficial or necessary in order to establish and implement Operational Units.

To furnish sufficient water for any present or future beneficial use and sell water in connection with the provision of water service; and

To store water, conserve water for future use, and appropriate, acquire and conserve water and water rights; and

To operate water rights, works, property, rights and privileges to convey, supply, store or make use of water.

WHEREAS, the Parties have previously entered into a Cost Sharing Letter Agreement, dated July 27, 2016, and amended subsequently on June 20, 2017, which provides for each of the Parties to share one fourth of the total cost per Party for development of a joint powers agreement and a water bank feasibility review. Pursuant to the Cost Sharing Letter Agreement, each Party has contributed and/or committed to, payment of \$150,000; and

WHEREAS, it is the intent and desire of the Parties to establish a public entity, separate and apart from the Parties hereto, as hereinafter described and set forth, which entity shall then set about the task of accomplishing the purpose of this Agreement; and

WHEREAS, the intention of this Agreement and the Authority created herein is to support the protection of the water resources of the Basin for present and future beneficial uses as promulgated in Article X, Section 2 of the California Constitution.

### **AGREEMENT**

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions hereinafter stated the Parties agree as follows:

1. **Recitals.** The Recitals above are true and correct, and are hereby incorporated into the terms of this Agreement as though fully set forth herein.
2. **Term.** The term of this Agreement shall commence as of the date the Parties have fully executed this Agreement and continue until terminated pursuant to the terms of this Agreement.
3. **Definitions.** Except where the context otherwise clearly requires, the following words and phrases shall have the meanings specified below:

“Act” shall mean the Joint Exercise of Powers Act of the State of California, commencing with California Government Code Section 6500, as now existing or as may hereinafter be amended or supplemented.

“Agreement” shall mean this Joint Exercise of Powers Agreement by and between the Parties, as supplemented, amended and/or restated from time to time.

“Authority” shall mean the Chino Basin Water Bank Planning Authority, a joint powers authority created by this Agreement in accordance with the Act.

“Basin” shall mean the Chino Groundwater Basin.

“Board” or “Board of Directors” means the governing body of the Authority as established by this Agreement.

“Fiscal Year” means July 1 of one year through June 30 of the following year.

“OBMP/CAMA” means the Chino Basin Judgment, the Optimum Basin Management Plan, and associated Court-approved management agreements.

#### **4. Creation and Powers of Authority.**

4.1 Purpose of Authority. The purposes of the Authority are to engage in planning activities and to otherwise perform due diligence review to determine the feasibility, financial viability, governance, and various benefits and challenges (collectively referred to as “Planning Activities”) for the potential implementation of projects including, but not limited to, supplemental water transfers/exchanges, lease of Basin storage space, third party agreements for water supplies, and water banking. Subsequent implementation of any of these projects which may result from Planning Activities shall be the subject of a new joint exercise of powers agreement, or amendment(s) to this Agreement.

Such purposes shall be accomplished, and said common powers exercised, in the manner set forth in this Agreement. The Parties each possess the powers necessary or convenient for the accomplishment of such purposes.

4.2 Authorization to Create. This Agreement is authorized by, and entered into pursuant to, the Act and other applicable laws of the State of California.

4.3 Creation of Authority. There is hereby created, pursuant to the Act, a public entity to be known as the “Chino Basin Water Bank Planning Authority” (“Authority”).

4.4 Parties. Any Party of the Authority must be a public agency as defined in Government Code Section 6500, a mutual water company as defined in Public Utilities Code Section 2725, and any other type of entity permitted under the Act, each having powers common to all other Parties. Additional Parties may join in this Agreement and become additional Parties of the Authority only if accepted and approved by the legislative bodies of each Party. The terms and conditions of such joinder must be set forth in an amendment to this Agreement, signed by all of the then-existing and the joining Parties.

**4.5 Separate Entity.** The Authority shall be a public entity separate from the Parties. All property, equipment, supplies, funds and records of the Authority shall be owned by the Authority, except as otherwise provided in this Agreement or the agreement by which such property or other asset is contributed or conveyed to the Authority. The debts, liabilities and obligations of the Authority shall be the debts, liabilities and obligations of the Authority alone and not of one or more of the Parties.

**4.6 Authority Area.** The geographic boundaries of the Authority shall be coextensive with those of the Parties, as currently existing and as may be expanded by the addition of new parties, annexation, or otherwise lawfully changed from time to time.

**4.7 Powers and Responsibilities of Authority.** The Authority shall possess, in addition to the powers common to the Parties, all the powers authorized pursuant to the Act consistent with the terms of this Agreement and as authorized by the Parties. The Authority may exercise such powers in accordance with the provisions of this Agreement and the Act and shall include, but not be limited to, the power of the Authority in its own name to do any of the following Planning Activities in connection with the following:

(a) Plan for the authorization necessary for Parties to move water in and out of a potential water bank.

(b) Develop staffing needs assessment for professional staff, personnel and all other employees who may be necessary or appropriate to the full exercise of the Authority's powers.

(c) Making and entering into such contracts as the Authority deems necessary or appropriate, including, but not limited to, contracts or agreements with federal, state or local government agencies, and contracts or agreements with any private business or non-profit entity.

(d) Contracting for the services of contractors, engineers, attorneys and other consultants, advisors and agents as the Authority deems necessary or appropriate for performance of Planning Activities.

(e) Planning Activities toward the potential acquisition by purchase, trade, contract, eminent domain or otherwise, and the potential holding and disposing of real and personal property, as the Authority deems necessary or appropriate.

(f) Developing water bank rules and regulations, to be considered for possible adoption by future Operational Units and/or or as part of any future joint exercise of powers agreement or an amendment(s) to this Agreement. Such rules and regulations may address policies which will allow for Parties to move water in and out of the proposed water bank independently (for Party-specific funded projects) or in cooperation with other Parties.

(g) Planning Activities toward the potential incurring of debts, liabilities or obligations, issuing bonds, certificates of participation, or other evidence of indebtedness, and borrowing from any source including, without limitation, local governments, the State of California and the federal government.

(h) Planning Activities toward potential leases, installment sale contracts and installment purchase contracts.

(i) To sue and be sued.

(j) Applying for, accepting, and receiving state, federal or local licenses, permits, grants, loans or other aid from any federal, state or local government agency, non-profit or private entity as the Authority deems necessary or appropriate for the purposes of Planning Activities.

(k) Planning Activities toward the potential purchase, maintenance, and disposal of any bonds, insurance, self-insurance and/or insurance pooling as the Authority deems necessary or appropriate.

(l) To exercise any other powers common to all Parties, including, but not limited to, common powers of certain Parties set forth in the County Water District Law set forth in Water Code Section 30000 et seq., as amended from time to time.

(m) Planning Activities toward potential collection of revenue and funding through the assignment or transfer of tax or assessment revenue by the Parties, or collection of revenue and funding by any other means as permitted by law and as determined appropriate by the Authority and the Parties pursuant to this Agreement, and to adopt a budget.

(n) To establish a treasury for the deposit and disbursement of revenue and funding, according to the policies and procedures set forth in this Agreement and as provided by law.

(o) To perform all acts necessary or convenient to carry out fully the purposes of this Agreement.

The listing of the above acts is not intended to indicate any priority of one act over another, nor is such listing intended to be inclusive, and other acts may be done in the accomplishment of the purposes of this Agreement as are authorized by law or otherwise. One or several acts may take place concurrently or in sequence.

4.8 Manner of Exercise of Powers. The powers of the Authority shall be limited only by the terms of this Agreement, the Act, and applicable law, as amended from time to time

## 5. Governing Body and Officers.

### 5.1 Governing Body.

(a) The Authority shall be governed by a governing body known as the "Board of Directors" or "Board". Within thirty (30) days after execution of this Agreement, each Party shall designate one (1) director to serve on the Board and one (1) alternate director. Each Party shall determine, in its sole discretion, the process for making such designations. Upon selection of directors and alternates, each Party shall provide a written statement as to the names and titles of their directors and shall provide an updated document upon any change in directors from time

to time. It is the intent of this Agreement to perform Planning Activities toward potential long-term transactions for water resources. As a result, each Party is encouraged to designate directors with expertise in the areas addressed in this Agreement and that said directors have the opportunity to serve on the Board for more than a sporadic or rotational period. Each director shall hold office immediately upon being designated/appointed by the Party he or she represents, and shall serve until they are replaced by the Party they represent.

(b) All the power and authority of the Authority shall be exercised by the Board, subject, however, to the rights reserved by the Parties as set forth in this Agreement; provided, however, that the Board may delegate such powers and authority to a General Manager or other employee of the Authority as the Board deems appropriate.

(c) The Board may act only by ordinance, resolution or motion passed pursuant to the requirements of this Agreement, the Act, and any other applicable law.

(e) The Board may establish committees or subcommittees. Such committees may include, but are not limited to, a technical advisory committee or some other committee comprised of Party general managers or their designees.

## 5.2 Officers and Staffing.

(a) Chair and Vice Chair. The Board shall appoint a Chair and a Vice Chair from among its directors at the first meeting of the Board and thereafter annually. In the event that the Chair or Vice Chair so appointed resigns from such office or ceases to be a member of the Board, the resulting vacancy shall be filled at the next regular meeting of the Board held after such vacancy occurs. The Chair and Vice Chair shall hold office for a period of one year (during dates determined by the Board) or until a successor is appointed and assumes the office. The Chair and Vice Chair may be appointed to consecutive year-long terms.

(i) The Chair, or in the Chair's absence the Vice Chair, shall preside at and conduct all meetings of the Board and execute agreements and other official instruments on behalf of the Authority. In the absence or inability of the Chair to act, the Vice Chair shall act as Chair.

(b) Secretary. The Board may select, appoint or employ a Secretary, but the Secretary is not required to be a director. The Secretary shall be responsible for preparation and retention of the minutes and other records of the Authority and shall perform such other duties specified by the Board.

(c) Treasurer. The Board shall select, employ or appoint a Treasurer who shall be: (1) the Treasurer of one of the Parties; (2) a certified public accountant; (3) an independent contractor/consultant; or (4) such other officer or employee of one of the Parties as the Board shall deem qualified to act as Treasurer of the Authority. The Treasurer shall perform such duties as are set forth in this Agreement and any other duties specified by the Board or as required by the Act, and shall perform the duties specified in Government Code section 6505.5, as amended from time to time. The Treasurer of the Authority shall be the depository of funds and shall have custody of all money of the Authority, from whatever source.

(d) Auditor/Controller. The Board shall select, employ or appoint an Auditor or Controller who shall be: (1) the auditor or controller of one of the Parties; (2) an independent contractor/consultant; or (3) such other officer or employee of one of the Parties as the Authority shall deem qualified to act as Auditor or Controller of the Authority. The Auditor or Controller shall perform such duties as are set forth in this Agreement and any other duties specified by the Board or as required by the Act.

(e) General Manager. The General Manager shall be the chief administrative officer of the Authority, and shall be responsible to the Board for the proper and efficient administration of the Authority as it may be placed in his or her charge, or under his or her jurisdiction or control, pursuant to the provisions of this Agreement, or of any ordinance, resolution, bylaw or minute order of the Board. It is anticipated, but not required, that the first General Manager will be designated from the staff of one or more of the Parties.

(f) Other Officers and Staff. The Board may select, appoint or employ any other officers, staff or professional and expert services as may be necessary or appropriate to accomplish the purposes of this Agreement, including but not limited to, legal counsel, financial consultants, accountants, engineers, architects, contractors, appraisers and any other consultants and advisors, which may be a corporation, partnership, firm or individual.

(g) Any staff or professional or expert services may be supplied by a Party to this Agreement as a contribution to the operations of the Authority in accordance with Section 7.1. It is anticipated, but not required, that the initial officers, staff or experts will be designated from the officers, staff or experts of one or more of the Parties. It is anticipated that one or more of the Parties may be asked to provide services on behalf of this Agreement. At the request of the Board, services can be provided by any of the Parties through an agreement that defines role and compensation.

(h) Duties. All officers and staff of the Authority shall serve at the pleasure of the Board, unless the employment status of such officers and staff is otherwise determined by applicable law. The duties of the various officers and staff shall be established by Board action or by applicable law.

## 6. Organization and Procedures.

6.1 Principal Office. The initial principal office of the Authority shall be determined by the Board at its first meeting. The Board may change the principal office from time to time from one location to any other within the boundaries of the Authority. Any change shall be noted by the Secretary.

### 6.2 Meetings.

(a) The Board shall meet at the principal office of the Authority or at such other place as may be designated by the Board for its regular, adjourned regular and special meetings; provided, however, that at least one regular meeting shall be held in each year.

(b) The dates upon which, and the hour and place at which, any regular meeting shall be held shall be fixed by resolution of the Board and a copy of such resolution shall be



provided to each member of the Board and to the Parties. Notwithstanding the foregoing, any Party, by a majority vote of its governing body, may call a meeting of the Board so long as reasonable notice is provided to the Authority and the other Parties or as required by law.

(c) Regular, adjourned and special meetings shall be called and held in the manner as provided in the Brown Act (California Government Code title 5, division 2, chapter 9, commencing at section 54950).

(d) The following policy is hereby adopted in accordance with Government Code Section 54956.96:

(1) All information received by the legislative body of a Party in a closed session related to the information presented to the Board in closed session shall be confidential. However, a member of the legislative body of a Party may disclose information obtained in a closed session that has direct financial or liability implications for that Party to the following individuals:

(A) Legal counsel of that Party for purposes of obtaining advice on whether the matter has direct financial or liability implications for that Party.

(B) Other members of the legislative body of the Party present in a closed session of that Party.

(2) Any designated alternate member of the Board who is also a member of the legislative body of a Party and who is attending a properly noticed meeting of the Board in lieu of a Party's regularly appointed member shall be allowed to attend closed sessions of the Board.

(e) The directors of the Board may establish a stipend for Board meeting attendance through Resolution.

### 6.3 Quorum and Votes.

(a) Three (3) directors of the Board shall constitute a quorum for the purpose of transacting business. In the absence of a quorum at any meeting of the Board, a majority of the directors present, or the Secretary in the absence of all directors, may adjourn the meeting from time to time without further notice, but no other business may be transacted. If the number of Board members expands through amendment of this Agreement, a new quorum shall be established by said amendment.

(b) All of the powers and authority of the Authority shall be exercised by the Board, subject, however, to the reserved right of the Parties as herein set forth. Unless otherwise provided herein, each director shall be entitled to one vote, and a vote of three (3) directors of the Board qualified to vote may adopt any motion, resolution or order and take any other action which they deem appropriate to carry forward the objectives of the Authority. However, adoption of the annual budget shall require approval by all four (4) directors of the Board. If the number of Board members expands through amendment of this Agreement, a new voting threshold shall be established by said amendment. Before any such motion or vote, the Board

shall strive to obtain consensus among all directors so that any such vote will be unanimous whenever possible, as determined in the reasonable discretion of each director.

(c) As stated in the Recitals, the intent of this Agreement is to encourage the participation of Basin stakeholders in the Authority through agreements between individual Partners, Operational Units and/or adding said Partners as additional Parties to this Agreement and the Authority. It is hereby acknowledged and agreed that the addition of Parties as contemplated in the Recitals may include the addition of an Operating Unit in place of, or in addition to, other Parties. However, it is the intent of the parties to have a workable governance structure with a membership of the Authority, and composition of the Board, that is conducive to efficient decision-making. For example, and not by way of limitation, at the time of the development of this Agreement it is contemplated that the ultimate structure of the Board would not exceed a five (5) member/director Board comprised of representatives from the Parties.

6.4 Authority to Expend Revenues. The Board shall authorize the expenditure of any and all funds of the Authority. Authorized expenditures shall include, but not be limited to, payments toward Planning Activities and any other obligations authorized by the Board pursuant to the purposes of this Agreement and the powers of the Board.

6.5 Minutes. The Secretary of the Board shall keep or cause to be kept, at the principal office or such other place as the Board may order, a book or electronic copy of minutes of all meetings of the Board and its committees, with the time and place of holding, whether regular or special, and if special how authorized, the notice thereof given, the names of those present at the meetings, and the proceedings thereof. As soon as practicable after each meeting, the Secretary shall cause a copy of the minutes to be forwarded to each director of the Board and to the Parties.

## 7. Financial Provisions.

7.1 Funding. Each Party shall make a contribution to the Authority to pay that Party's proportionate share of expenses under the annual budget, approved by the Board, and any other expenses of the Authority based on the percentages in the table set forth below.

CUCAMONGA VALLEY WATER DISTRICT	25%
MONTE VISTA WATER DISTRICT	25%
CITY OF ONTARIO	25%
INLAND EMPIRE UTILITIES AGENCY	25%

7.2 Budget. Within one year after the first meeting of the Board, and thereafter prior to the commencement of each successive Fiscal Year, the Board shall adopt an annual budget for expenditures and revenues of the Authority under this Agreement for the ensuing Fiscal Year. Each Party shall be provided with a copy of the proposed budget at least thirty (30) days before the Board's approval, and within this period shall have the opportunity to review the proposed budget and submit comments on it to the Authority.

**7.3 Invoicing.** Upon completion of the initial budget, and thereafter at such other intervals as determined appropriate by the Board, the Authority shall determine the amount of the budget expenses payable during the ensuing period pursuant to each Party's share of expenses required by this Agreement, and the budget approved by the Board. The Authority shall submit to each Party an invoice showing the Party's share for the applicable period together with a calculation of the Party's share. Each Party shall pay to the Authority the amount invoiced within thirty (30) days after the date of the invoice. Any amount not paid within sixty (60) days of the date of an invoice shall be delinquent and subject to Section 7.5.

**7.4 Payment of Prior Costs/Potential Reimbursement.** The Board may agree to reimburse any Party for any costs related to this Agreement incurred prior to execution of this Agreement. In addition, the Board may consider reimbursing any of the costs set forth herein in the event any Party, or a Party that later joins the Authority, decides to withdraw or reduce its role in the Authority.

**7.5 Default and Delinquency.** Any Party which defaults in its obligation to pay or advance any amounts due pursuant to this Agreement after such amounts have become delinquent shall be deemed to have waived and relinquished any rights and benefits it may have under this Agreement. Any defaulting Party shall pay to the Authority interest on the unpaid amount at the rate of ten percent (10%) per annum, or the maximum rate allowed by law if it is less than ten percent (10%) per annum, until the overdue invoice amount is paid in full. If the Agreement is terminated pursuant Section 10, then the defaulting Party shall remain liable for payment of its share of debts, liabilities and obligations under this Agreement incurred prior to the date of termination, plus interest.

**7.6 Accounting.** The Authority shall maintain strict accountability of all funds, receipts and expenses, and shall keep and maintain appropriate records and accounts of all funds, receipts and expenses under this Agreement in accordance with generally accepted accounting practices for California public agencies and the requirements of the Act. The Authority shall allow any Party, or any of its employees, accountants, attorneys or agents to review, inspect, copy and audit any such records and accounts.

**7.7 Record of Contributions.** The Authority shall maintain records of all facilities, equipment, and associated property and assets contributed by each Party and by the Authority, including any staff resources contributed to the Authority.

**7.8 Audit.** The records and accounts of the Authority shall be audited annually by an independent certified public accountant and copies of such audit reports shall be filed with the State and each Party pursuant to the requirements of law and the agreement of the Parties.

**7.9 Expenditures.** The Board shall establish and comply with a system and procedure for the review and approval of Authority expenditures and claims and the drawing and signing of Authority warrants or checks. All expenditures shall be consistent with the approved budget, except as otherwise determined by the Board.

**8. Debts, Liabilities, Obligations.**

8.1 Of Authority. Subject to all applicable laws, all debts, liabilities and obligations of the Authority shall be those of the Authority, and do not constitute debts, liabilities or obligations of any one or more of the Parties. The responsibilities and obligations of each Party to this Agreement shall be solely as provided in this Agreement, or as provided in supplemental agreements or amendments as shall be executed by the Parties.

8.2 Prior to Execution. The debts, liabilities and obligations of each Party in existence or accrued as of the full execution of this Agreement shall remain the debts, liabilities and obligations of that Party and shall not be assumed by or transferred to the Authority. After the execution of this Agreement by both Parties, however, any debt, liability or obligation of the Authority must be expressly approved or accepted by the Authority.

**9. Indemnity and Hold Harmless.**

9.1 Indemnification. Each Party ("the Indemnifying Party") shall defend, indemnify and hold harmless the Authority and the other Parties, and their respective elected officials, officers, employees, attorneys, agents and volunteers, from and against any and all claims, demands, causes of action, costs, expenses, liability, loss, damage, or injury, in law or equity, to property or persons, including wrongful death, in any manner arising out of or in connection with the negligent or wrongful acts, errors or omissions of the Indemnifying Party or its elected officials, officers, employees, agents or volunteers.

9.2 Survival. These defense, indemnification and hold harmless obligations shall survive and continue in full force and effect after withdrawal of any Party from this Agreement or termination of this Agreement for any reason with respect to any negligent acts, errors or omissions that occurred before the date of such withdrawal or termination.

**10. Termination, and Withdrawal.**

**10.1 Termination.**

(a) If there are only two Parties to this Agreement, either Party may terminate the Agreement with an effective termination date of June 30 of any Fiscal Year, provided that written notice is provided to, and received by, the Authority and the other Party by the terminating Party no later than June 30 of the prior Fiscal Year, as expressed by vote of the governing body of the terminating Party. Any terminating Party shall be obligated to pay that Party's contributions agreed upon in Section 7.2 of this Agreement for the Fiscal Year ending on the effective date of termination.

(b) The Parties may all jointly agree by written consent to terminate the Agreement, as expressed by resolution of the governing boards of all Parties (passed by vote of the membership of the governing body of each Party). Such termination shall provide for adequate time to wind-up the affairs of the Authority and distribute any assets pursuant to this Agreement. The Parties shall be obligated to pay their contributions agreed upon in Section 7.2 of this Agreement until the effective date of termination.

(c) If there are three or more Parties to this Agreement, this Agreement shall terminate upon the effective date of withdrawal from this Agreement of a Party or Parties pursuant to Section 10.2, if such withdrawal would result in only one Party remaining as a party to the Agreement.

#### 10.2 Withdrawal.

(a) If there are three or more Parties to this Agreement, a Party may withdraw from the Authority with an effective date of June 30 of any Fiscal Year, provided that written notice is provided to, and received by, the Authority and all other Parties by the withdrawing Party no later than June 30 of the prior Fiscal Year, as expressed by vote of the governing body of the withdrawing Party.

(b) Any withdrawing Party shall be obligated to pay that Party's contributions agreed upon in Section 7.1 of this Agreement for the Fiscal Year ending on the effective date of withdrawal.

(c) Any withdrawing Party shall pay its proportional share of the debt of the Authority existing on the date of withdrawal, calculated based on the same proportions of contributions as agreed upon in Section 7.2 of this Agreement. Such payment may be a cash payment of the full amount or periodic payments as the debt becomes due and payable. Should the withdrawing Party choose to pay such amount as the debt becomes due and payable, such Party shall be responsible for all interest and finance costs due in addition to principal payments.

#### 10.4 Dispute Resolution

(a) If a Party to this Agreement believes that another Party has failed to perform any obligation of that Party in accordance with the terms of this Agreement ("Default"), the Party alleging the Default shall provide written notice ("Default Notice") to the Authority, setting forth the nature of the alleged Default.

(b) If the Authority deems the alleged Party to be in default, the Authority shall provide a Default Notice to the alleged Party, and the Party claimed to be in Default shall have: (i) with respect to a Default involving the payment of money, thirty (30) days after its receipt of the Default Notice to completely cure such Default, and (ii) with respect to any other type of Default, thirty (30) days from the receipt of the Default Notice to completely cure such Default or, if such Default cannot reasonably be cured within such thirty (30) day period, to commence the cure of such Default within the thirty (30) day period and diligently prosecute the cure to completion thereafter.

(c) If the Party claimed to be in Default does not cure such Default within the time periods and procedures as set forth herein, the Authority may then pursue all applicable remedies in law and equity.

## 11. General Provisions.

11.1 Integration. This Agreement constitutes the sole, final, complete, exclusive and integrated expression and statement of the terms of this contract among the Parties concerning the subject matter addressed herein, and supersedes all prior negotiations, representations or agreements, either oral or written, that may be related to the subject matter of this Agreement, except those other documents that are expressly referenced in this Agreement.

11.2 Headings. The section and subsection headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

11.3 Consents. Whenever any consent and/or approval is required under this Agreement from any Party, said consent and/or approval shall not be unreasonably withheld.

11.4 Construction and Interpretation. It is agreed and acknowledged by the Parties that this Agreement has been arrived at through negotiation, and that each Party has had a full and fair opportunity to revise the terms of this Agreement. Consequently, the normal rule of construction that any ambiguities are to be resolved against the drafting Party shall not apply in construing or interpreting this Agreement.

11.5 Waiver. The waiver at any time by any Party of its rights with respect to a Default or other matter arising in connection with this Agreement shall not be deemed a waiver with respect to any subsequent Default or matter.

11.6 Remedies Not Exclusive. The remedies provided in this Agreement are cumulative and not exclusive, and are in addition to any other remedies that may be provided by law or equity. The exercise by either Party of any remedy under this Agreement shall be without prejudice to the enforcement of any other remedy.

11.7 Severability. The invalidity, illegality or unenforceability of any provision of this Agreement shall not render the other provisions unenforceable, invalid or illegal.

11.8 Successors and Assigns. Except as otherwise provided by law, the rights and duties of the Parties under this Agreement shall not be assigned or delegated without the prior written consent of the other Party. Any attempt to assign or delegate such rights or duties in contravention of this Agreement shall be null and void. Any approved assignment or delegation shall be consistent with the terms of any contracts, resolutions, indemnities and other obligations of the Authority then in effect, and may be subject to such additional reasonable conditions of approval imposed by the Party approving the assignment or delegation.

11.9 No Third Party Beneficiaries. This Agreement shall not be construed to create any third party beneficiaries. This Agreement is for the sole benefit of the Parties, and their permitted successors, transferees and assignees, and no other person or entity shall be entitled to rely upon or receive any benefit from this Agreement or any of its terms.

11.10 Amendment. This Agreement may be modified or amended only by a subsequent written agreement approved by the governing board of each Party and executed by all then-existing Parties pursuant to the terms and conditions of this Agreement.

11.11 Governing Law and Venue. Except as otherwise required by law, this Agreement shall be interpreted, governed by and construed under the laws of the State of California. The County of San Bernardino shall be venue for any state court litigation and the Central District of California shall be venue for any federal court litigation concerning the enforcement or construction of this Agreement.

11.12 Attorney Fees. In the event any legal action is brought to enforce or construe this Agreement, the prevailing party shall be entitled to an award of reasonable attorney fees, expert witness and consulting fees, litigation costs and costs of suit.

11.13 Notice. Any notice, demand, invoice or other communication required or permitted to be given under this Agreement shall be in writing and either served personally or sent by prepaid, first class United States mail and addressed as follows:

**CUCAMONGA VALLEY WATER DISTRICT**

10440 Ashford Street  
Rancho Cucamonga, CA 91729-0638  
Attn: General Manager

**MONTE VISTA WATER DISTRICT**

10575 Central Avenue  
Montclair, CA 91763  
Attn: General Manager

**CITY OF ONTARIO**

303 East 'B' Street  
Ontario, CA 91764  
Attn: City Manager

**INLAND EMPIRE UTILITIES AGENCY**

6075 Kimball Avenue  
Chino, CA 91708  
Attn: General Manager

Any Party may change its address by notifying the other Party in writing of the change of address. Any notice or other communication served by personal delivery shall be deemed received when actually delivered. Any notice or other communication shall be received three days after deposit in United States mail, postage prepaid, return receipt requested.

11.14 Counterparts. This Agreement may be executed by the Parties in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

[signature page follows]



IN WITNESS WHEREOF, the Parties hereto have executed this Joint Exercise of Powers Agreement as of the date set forth below.

**CUCAMONGA VALLEY WATER DISTRICT**

By 

Title Martin E. Zvirbulis, General Manager/CEO

Dated January 8, 2018

**MONTE VISTA WATER DISTRICT**

By \_\_\_\_\_

Title \_\_\_\_\_

Dated \_\_\_\_\_

**CITY OF ONTARIO**

By \_\_\_\_\_

Title \_\_\_\_\_

Dated \_\_\_\_\_

**INLAND EMPIRE UTILITIES AGENCY**

By \_\_\_\_\_

Title \_\_\_\_\_

Dated \_\_\_\_\_

**IN WITNESS WHEREOF**, the Parties hereto have executed this Joint Exercise of Powers Agreement as of the date set forth below.

**CUCAMONGA VALLEY WATER DISTRICT**

By \_\_\_\_\_

Title \_\_\_\_\_

Dated \_\_\_\_\_

**MONTE VISTA WATER DISTRICT**

By  \_\_\_\_\_

Title: General Manager

Dated: 01/03/2018

**CITY OF ONTARIO**

By \_\_\_\_\_

Title \_\_\_\_\_

Dated \_\_\_\_\_

**INLAND EMPIRE UTILITIES AGENCY**

By \_\_\_\_\_

Title \_\_\_\_\_

Dated \_\_\_\_\_

**IN WITNESS WHEREOF**, the Parties hereto have executed this Joint Exercise of Powers Agreement as of the date set forth below.

**CUCAMONGA VALLEY WATER DISTRICT**

By \_\_\_\_\_

Title \_\_\_\_\_

Dated \_\_\_\_\_

**MONTE VISTA WATER DISTRICT**

By \_\_\_\_\_

Title \_\_\_\_\_

Dated \_\_\_\_\_

**CITY OF ONTARIO**

By  \_\_\_\_\_

Title City Manager

Dated 12/05/17

**INLAND EMPIRE UTILITIES AGENCY**

By \_\_\_\_\_

Title \_\_\_\_\_

Dated \_\_\_\_\_

IN WITNESS WHEREOF, the Parties hereto have executed this Joint Exercise of Powers Agreement as of the date set forth below.

**CUCAMONGA VALLEY WATER DISTRICT**

By \_\_\_\_\_

Title \_\_\_\_\_

Dated \_\_\_\_\_

**MONTE VISTA WATER DISTRICT**

By \_\_\_\_\_

Title \_\_\_\_\_

Dated \_\_\_\_\_

**CITY OF ONTARIO**

By \_\_\_\_\_

Title \_\_\_\_\_

Dated \_\_\_\_\_

**INLAND EMPIRE UTILITIES AGENCY**

By *Flattor Pouch*

Title *General Manager*

Dated *1/23/18*

**CONSENT  
CALENDAR  
ITEM**

**4H**

**Date:** June 20, 2018

**To:** The Honorable Board of Directors

**From:** Halla Razak, General Manager

**Committee:** Engineering, Operations & Water Resources

HR  
06/13/18

**Executive Contact:** Chris Berch, Executive Manager of Engineering/AGM

**Subject:** RP-5 Facility Improvement Construction Contract Award

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**Executive Summary:**

The Regional Water Recycling Plant No. 5 (RP-5) Facility Improvement Project provides an emergency backup of potable water for RP-5 if recycled water becomes unavailable. This backup water source is necessary to ensure the continuous operation of critical equipment that require a constant supply of water. Additionally, the project includes replacement of the concrete joint sealant in the Emergency Storage Basin. This flexible joint sealant has begun to come out of the joints and requires replacement.

On April 26, 2018, IEUA received three construction bids. GSE Construction Co., was the lowest responsive, responsible bidder with a bid price of \$126,500.

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**Staff's Recommendation:**

1. Award a construction contract for the RP-5 Facility Improvement, Project No. EN18028, to GSE Construction Co., in the amount of \$126,500; and
2. Authorize the General Manager to execute the contract subject to non-substantive changes.

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**Budget Impact** *Budgeted (Y/N):* Y *Amendment (Y/N):* N *Amount for Requested Approval:*

*Account/Project Name:*

EN18028/RP-5 Facility Improvement Project

*Fiscal Impact (explain if not budgeted):*

None.

**Prior Board Action:**

None.

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**Environmental Determination:**

Categorical Exemption

CEQA identifies certain categories of projects as exempt from more detailed environmental review because these categories have been deemed to have no potential for significant impact on the environment. This project qualifies for a Categorical Class 1 Exemption, as defined in Section 15301 (b) of the State CEQA Guidelines.

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**Business Goal:**

The RP-5 Facility Rehabilitation 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.

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**Attachments:**

Attachment 1 - PowerPoint

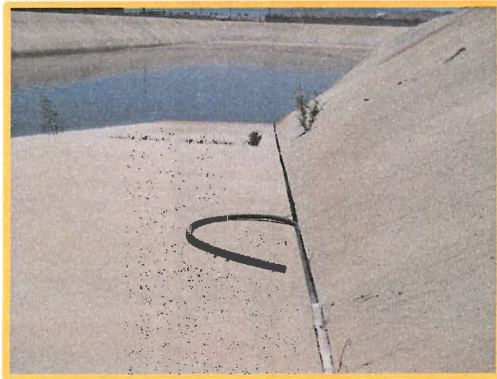
Attachment 2 - Construction Contract

# **Attachment 1**



# RP-5 Facility Improvements Construction Contract Award

Project No. EN18028



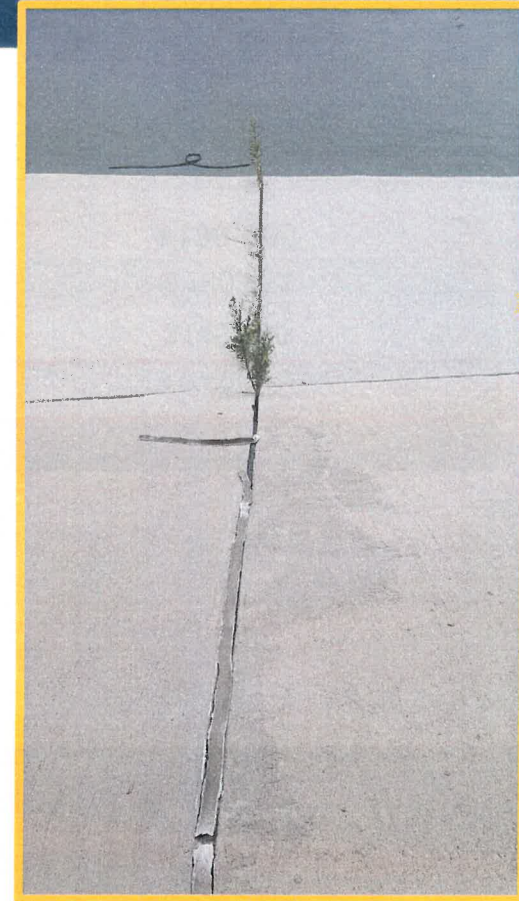
# Project Location



RP-5 Aerial Photograph

# The Project

- Emergency Storage Basin
  - Remove/replace 2,000 lineal feet of expansion joint sealant
- RP-5 Emergency Backup Water Supply
  - Provide connection between in-plant potable and recycled water
  - Reduced pressure backflow preventer
  - Reviewed and approved by the City of Chino



Failed Expansion Joint Sealant

# Contractor Selection

Three bids were received on April 26, 2018:

### Bids Received

Bidder's Name	Total
GSE Construction Co.	\$ 126,500
W.A. Rasic Construction Co.	\$145,000
Ferreira Construction Co.	\$ 160,951
<b>Engineer's Estimate</b>	<b>\$130,000</b>

# Project Budget and Schedule

Description	Estimated Cost
<b>Design Services</b>	<b>\$55,000</b>
IEUA Design Services	\$55,000
<b>Construction Services</b>	<b>\$19,000</b>
IEUA Construction Services (15%)	\$19,000
<b>Construction</b>	<b>\$145,500</b>
Construction Contract (this action)	\$126,500
Contingency (15%)	\$19,000
<b>Total Project Cost:</b>	<b>\$219,500</b>
<b>Total Project Budget:</b>	<b>\$350,000</b>
<b>Remaining Budget:</b>	<b>\$130,500</b>

Project Milestone	Date
<b>Construction</b>	
Construction Contract Award	June 2018
Construction Completion	October 2018

## Recommendation

- Award a construction contract for the RP-5 Facility Improvement, Project No. EN18028, to GSE Construction Co., in the amount of \$126,500; and
- Authorize the General Manager to execute the contract subject to non-substantive changes.

The RP-5 Facility Improvement Project is consistent with *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.

# **Attachment 2**



**CONTRACT NUMBER: 4600002518**  
**FOR**  
**RP-5 FACILITIES IMPROVEMENTS**

THIS CONTRACT (the "Contract") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2018 by and between the Inland Empire Utilities Agency, a Municipal Water District, organized and existing in the County of San Bernardino under and by virtue of the laws of the State of California (hereinafter referred to interchangeably as "IEUA" and "Agency") and G.S.E. Construction Company, Inc., with offices located in Livermore, California (hereinafter referred to as "Contractor"), for the RP-5 Facilities Improvements Project EN18028.

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

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

Project Manager: Matthew Poeske, Construction Project Manager - PE  
Address: 6075 Kimball Avenue, Building "B"  
Chino, CA 91708  
Telephone: (909) 993-1723  
Email: [mposeske@ieua.org](mailto:mposeske@ieua.org)  
Facsimile: (909) 993-1982

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

Project Manager: Ryan Lippincott  
Address: 6950 Preston Avenue  
Livermore, CA 94551  
Telephone: (925) 580-8698  
Email: [rlippincott@gseconstruction.com](mailto:rlippincott@gseconstruction.com)  
Facsimile: (925) 447-0962



3. ORDER OF PRECEDENCE: The documents referenced below represent the Contract Documents. Where any conflicts exist between the General Terms and Conditions, or addenda attached, then the governing order of precedence shall be as follows:
  - A. Amendments to Contract number 4600002518.
  - B. Contract number 4600002518 General Terms and Conditions.
  - C. Agency's Invitation for Bid IFB-RW-18-012 and all germane Addenda, incorporated herein by this reference.
  - D. Contractor's bid dated April 26, 2018 (**Attachment 1**).
4. SCOPE OF WORK AND SERVICES: Contractor services and responsibilities shall include and be in accordance with the Agency's Invitation for Bid IFB-RW-18-012 and all germane Addenda, incorporated herein by this reference.
5. TERM: The term of this Contract shall extend from the date of the Notice to Proceed and terminate upon one (1) year after written acceptance of the project's construction by the Agency's cognizant Project Manager, unless agreed to by both parties, reduced to writing, and amended to this Contract.
6. PAYMENT, INVOICING AND COMPENSATION: The Contractor shall submit once-monthly invoicing, basis materials and labor completed to-date. IEUA shall pay the Contractor's invoice within thirty (30) days following receipt of the approved invoice. Payment will be withheld for any service which does not meet the requirements of this Contract, until such service is revised, the invoice resubmitted and accepted by the Project Manager.

All invoices shall be submitted electronically with all required back-up to [apgroup@ieua.org](mailto:apgroup@ieua.org).

Contractor shall provide with their invoice certified payroll verifying that Consultant has paid prevailing wage in accordance with the Department of Industrial Relations requirements as stipulated in SB-96 and SB-854 [ <http://www.dir.ca.gov/Public-Works/Certified-Payroll-Reporting.html> ].

**Effective January 1, 2015:** The call for bids and contract documents must include the following information:

- A. No contractor or subcontractor may be listed on a bid proposal for a public works project (submitted on or after March 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5 [with limited exceptions from this requirement for bid purposes only under Labor Code section 1771.1(a)].

B. No contractor or subcontractor may be awarded a contract for public work on a public works project (awarded on or after April 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5.

C. This project is subject to compliance monitoring and enforcement by the Department of Industrial Relations. As such, a PWC-100 will be generated.

As compensation for the work performed under this Contract, Agency shall pay Contractor a ***not-to-exceed maximum \$126,500.00*** for all work satisfactorily provided hereunder in accordance with **Attachment 1**, referenced herein, attached hereto, and made a part hereof.

7. **INSURANCE:** During the term of this Contract, the Consultant shall maintain at Consultant's sole expense, the following insurance.

A. **Minimum Scope of Insurance:** Coverage shall be at least as broad as:

1. Commercial General Liability (CGL): Insurance Services Office (ISO) Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than \$1,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
  - a. The insurance shall include coverage for each of the following hazards:

Premises – Operations  
Owners and Contractors Damage  
Broad Form Property Damage  
Contractual for Specific Contract  
Severability of Interests or Cross-Liability  
XCU [Explosion, Collapse and Underground] Hazards  
Personal Injury – with the "Employee" Exclusion Deleted

2. Automobile Liability: ISO Form Number CA 00 01 covering any auto (Code 1), or if Consultant has no owned autos, covering hired, (Code 8) and non-owned autos (Code 9), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
3. Workers' Compensation and Employers Liability: Workers' compensation limits as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.
4. Professional Liability (Errors and Omissions): Insurance appropriate to the Consultant's profession, with limit no less than \$1,000,000 per occurrence or claim, \$2,000,000 aggregate.

5. **Payment, Labor & Material, and Performance Bonds:** Bonding is required, per Public Contract Code Article 121, Section 21565, for public works projects. All construction-related labor for this project is designated as the public works portion of this project and therefore subject to prevailing wage. Contractor and subcontractor shall furnish bonding with the use of IEUA forms as furnished by Project Manager or their designee.
- 
- B. **Deductibles and Self-Insured Retention:** Any deductibles or self-insured retention must be declared to and approved by the Agency. At the option of the Agency, either: the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the Agency, its officers, officials, employees and volunteers; or the Consultant shall procure a bond guaranteeing payment of losses and related investigations, claims administration and defense expenses.
  - C. **Other Insurance Provisions:** The insurance policies are to contain, or be endorsed to contain, the following provisions:
    1. **General Liability and Automobile Liability Coverage**
      - a. **Additional Insured Status:** The Agency, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Consultant including materials, parts or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Consultant's insurance (at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 forms if later revisions used).
      - b. **Primary Coverage:** The Consultant's insurance coverage shall be primary insurance coverage at least as broad as ISO CG 20 01 04 13 as respects the Agency, its officer, officials, employees and volunteers. Any insurance or self-insurance maintained by the Agency, its officers, officials, employees, volunteers, property owners or engineers under contract with the Agency shall be excess of the Consultant's insurance and shall not contribute with it.
      - c. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Agency, its officers, officials, employees or volunteers.
      - d. The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
      - e. The Consultant may satisfy the limit requirements in a single policy or multiple policies. Any such additional policies written as excess

insurance shall not provide any less coverage than that provided by the first or primary policy.

2. Workers' Compensation and Employers Liability Coverage

The insurer hereby grants to Agency a waiver of any right to subrogation which any insurer of said Consultant may acquire against the Agency by virtue of the payment of any loss under such insurance. Consultant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the Agency has received a waiver of subrogation endorsement from the insurer.

3. All Coverages

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

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

E. Verification of Coverage: Consultant shall furnish the Agency with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the Agency before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Consultant's obligation to provide them. The Agency reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

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

Inland Empire Utilities Agency, a Municipal Water District  
Attn: Angela Witte, Risk Specialist  
P.O. Box 9020  
Chino Hills, California 91709  
email [awitte@ieua.org](mailto:awitte@ieua.org)

8. CONTROL OF THE WORK: Contractor shall perform the Work in compliance with the Work Schedule. If performance of the Work falls behind schedule, the Contractor shall accelerate the performance of the Work to comply with the Work Schedule as directed by the Project Manager. If the nature of the Work is such that Contractor is unable to

accelerate the Work, Contractor shall promptly notify the Project Manager of the delay, the causes of the delay, and submit a proposed revised Work Schedule.

9. LEGAL RELATIONS AND RESPONSIBILITIES

- A. Professional Responsibility: The Contractor shall be responsible, to the level of competency presently maintained by other practicing professionals performing the same or similar type of work.
- B. Status of Contractor: The Contractor is retained as an independent Contractor only, for the sole purpose of rendering the services described herein, and is not an employee of the Agency.
- C. Observing Laws and Ordinances: The Contractor shall keep itself fully informed of all existing and future state and federal laws and all county and city ordinances and regulations which in any manner affect the conduct of any services or tasks performed under this Contract, and of all such orders and decrees of bodies or tribunals having any jurisdiction or authority over the same. The Contractor shall at all times observe and comply with all such existing and future laws, ordinances, regulations, orders and decrees, and shall protect and indemnify, as required herein, the Agency, its officers, employees and agents against any claim or liability arising from or based on the violation of any such law, ordinance, regulation, order or decree, whether by the Contractor or its employees.

**Effective July 1, 2014, all Contractors must be registered with the California Dept. of Industrial Relations as required by law SB-854 for public works construction projects:**

<http://www.dir.ca.gov/DIRNews/2014/2014-55.pdf>

D. Confined Space Work:

I. Precautions and Programs:

- a. The Contractor shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the work or the activities of subcontractors, suppliers, and others at the work site.
- b. The Contractors and subcontractors shall comply with the provisions of the Safety and Health Regulations for Construction, promulgated by the Secretary of Labor under Section 107 of the "Contract Work Hours and Safety Standards Act," as set forth in Title 29 C.F.R. If the Agency is notified of an alleged violation of the Occupational Safety and Health Standards referred to in this Section and it is established that there is a violation, the Contractor shall be subject to liquidated damages as provided in the Contract.
- c. The Contractor and all subcontractors shall comply with the provisions of the Occupational Safety and Health Standards, promulgated by the

United States Secretary of Labor under the "Occupational Safety and Health Act of 1970," as set forth in Title 29, C.F.R. Where an individual State act on occupational safety and health standards has been approved by federal authority, then the provisions of said state act shall control.

d. The Contractor shall take all necessary precautions for the safety of, and shall provide the necessary supervision, control, and direction to prevent damage, injury, or loss to:

- 1) All employees on the work or work site and other persons and organizations who may be affected thereby;
- 2) All the work and materials and equipment to be incorporated therein, whether in storage or on or off the work site; and
- 3) All other property at the site.

e. Contract work requiring confined space entry must follow Cal-OSHA Regulation 8 CCR, Sections 5157 - 5158. This regulation requires the following to be submitted to IEUA for approval prior to the start of the project:

- 1) *Proof of training on confined space procedures, as defined in Cal-OSHA Regulation 8 CCR, Section 5157. This regulation also requires the following to be submitted to IEUA for approval prior to the entry of a confined space:*
- 2) *A written plan that includes identification of confined spaces within the construction site, alternate procedures where appropriate, contractor provisions, specific procedures for permit-required and non-permit required spaces, and a rescue plan.*

f. The Contractor must also submit a copy of their Safety Program or IIPP prior to the start of the project for approval by the Safety & Risk Department.

- E. Subcontract Services: Any subcontracts for the performance of any services under this Contract shall be subject to the written approval of the Project Manager.
- F. Hours of Labor: The Contractor shall comply with all applicable provisions of California Labor Code Sections 1810 to 1817 relating to working hours. The Contractor shall, as a penalty to the Agency, forfeit \$25.00 for each worker employed in the execution of the Contract by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight hours in any one calendar day and forty (40) hours in any one calendar week in violation of the provisions of the Labor Code.
- G. Travel and Subsistence Pay: The Contractor shall make payment to each worker for travel and subsistence payments which are needed to execute the work and/or

service, as such travel and subsistence payments are defined in the applicable collective bargaining agreements with the worker.

- H. Liens: Contractor shall pay all sums of money that become due from any labor, services, materials or equipment furnished to Contractor on account of said services to be rendered or said materials to be furnished under this Contract and that may be secured by any lien against the Agency. Contractor shall fully discharge each such lien at the time performance of the obligation secured matures and becomes due.
- I. Indemnification: Contractor shall indemnify IEUA, its directors, employees, agents, and assigns, and shall defend and hold them harmless from all liability, demands, actions, claims, losses, and expenses, including reasonable attorney's fees, which arise out of or are related to the negligence, recklessness or willful misconduct of Contractor, its directors, employees, agents and assigns, in the performance of work under this contract.
- J. Conflict of Interest: No official of the Agency who is authorized in such capacity and on behalf of the Agency to negotiate, make, accept or approve, or to take part in negotiating, making, accepting or approving this Contract, or any subcontract relating to services or tasks to be performed pursuant to this Contract, shall become directly or indirectly personally interested in this Contract.
- K. Equal Opportunity: During the performance of this Contract, the Contractor shall not unlawfully discriminate against any employee or employment applicant because of race, color, religion, sex, age, marital status, ancestry, physical or mental disability, sexual orientation, veteran status or national origin.
- L. Disputes:
  - 1. All disputes arising out of or in relation to this Contract shall be determined in accordance with this section. The Contractor shall pursue the work to completion in accordance with the instruction of the Agency's Project Manager notwithstanding the existence of dispute. By entering into this Contract, both parties are obligated, and hereby agree, to submit all disputes arising under or relating to the Contract which remain unresolved after the exhaustion of the procedures provided herein, to independent arbitration. Except as otherwise provided herein, arbitration shall be conducted under California Code of Civil Procedure Sections 1280, et. seq, or their successor.
  - 2. Any and all disputes during the pendency of the work shall be subject to resolution by the Agency Project Manager and the Contractor shall comply, pursuant to the Agency Project Manager instructions. If the Contractor is not satisfied with any such resolution by the Agency Project Manager, they may file a written protest with the Agency Project Manager within seven (7) calendar days after receiving written notice of the Agency's decision.

Failure by Contractor to file a written protest within seven (7) calendar days shall constitute waiver of protest, and acceptance of the Agency Project Manager's resolution. The Agency's Project Manager shall submit the Contractor's written protests to the General Manager, together with a copy of the Agency Project Manager's written decision, for his or her consideration within seven (7) calendar days after receipt of said protest(s). The General Manager shall make his or her determination with respect to each protest filed with the Agency Project Manager within ten (10) calendar days after receipt of said protest(s). If Contractor is not satisfied with any such resolution by the General Manager, they may file a written request for arbitration with the Project Manager within seven (7) calendar days after receiving written notice of the General Manager's decision.

3. In the event of arbitration, the parties hereto agree that there shall be a single neutral Arbitrator who shall be selected in the following manner:
  - a. The Demand for Arbitration shall include a list of five names of persons acceptable to the Contractor to be appointed as Arbitrator. The Agency shall determine if any of the names submitted by Contractor are acceptable and, if so, such person will be designated as Arbitrator.
  - b. In the event that none of the names submitted by Contractor are acceptable to Agency, or if for any reason the Arbitrator selected in Step (a) is unable to serve, the Agency shall submit to Contractor a list of five names of persons acceptable to Agency for appointment as Arbitrator. The Contractor shall, in turn, have seven (7) calendar days in which to determine if one such person is acceptable.
  - c. If after Steps (a) and (b), the parties are unable to mutually agree upon a neutral Arbitrator, the matter of selection of an Arbitrator shall be submitted to the San Bernardino County Superior Court pursuant to Code of Civil Procedure Section 1281.6, or its successor. The costs of arbitration, including but not limited to reasonable attorneys' fees, shall be recoverable by the party prevailing in the arbitration. If this arbitration is appealed to a court pursuant to the procedure under California Code of Civil Procedure Section 1294, et. seq., or their successor, the costs of arbitration shall also include court costs associated with such appeals, including but not limited to reasonable attorneys' fees which shall be recoverable by the prevailing party.
4. Joinder in Mediation/Arbitration: The Agency may join the Contractor in mediation or arbitration commenced by a contractor on the Project pursuant to Public Contracts Code Sections 20104 et seq. Such joinder shall be initiated by written notice from the Agency's representative to the Contractor.



- N. Workers' Legal Status: For performance against this Contract, Supplier shall only utilize employees and/or subcontractors that are authorized to work in the United States pursuant to the Immigration Reform and Control Act of 1986.
- O. Prevailing Wage Requirements: Pursuant to Section 1770 and following, of the California Labor Code, the Contractor shall not pay less than the general prevailing wage rates, as determined by the Director of the State of California Department of Industrial Relations for the locality in which the work is to be performed and for each craft or type of worker needed to execute the work contemplated under the Contract. The Contractor or any subcontractor performing part of said work shall strictly adhere to all provisions of the Labor Code, including, but not limited to, minimum wages, work days, nondiscrimination, apprentices, maintenance and availability of accurate payroll records and any other matters required under all Federal, State and local laws related to labor [ <http://www.dir.ca.gov/PublicWorks/PublicWorks.html> ].

10. FITNESS FOR DUTY:

- A. Fitness: Consultant and its Subcontractor personnel on the Jobsite:
  - 1. shall report for work in a manner fit to do their job;
  - 2. shall not be under the influence of or in possession of any alcoholic beverages or of any controlled substance (except a controlled substance as prescribed by a physician so long as the performance or safety of the Work is not affected thereby); and
  - 3. shall not have been convicted of any serious criminal offense which, by its nature, may have a discernible adverse impact on the business or reputation of Agency.
- B. Compliance: Consultant shall advise all contractor and subcontractor personnel and associated third parties of the requirements of this Contract ("Fitness for Duty Requirements") before they enter on the Jobsite and shall immediately remove from the Jobsite any employee determined to be in violation of these requirements. Consultant shall impose these requirements on its Subcontractors. Agency may cancel the Contract if Consultant violates these Fitness for Duty Requirements.

11. OWNERSHIP OF MATERIALS AND DOCUMENTS/CONFIDENTIALITY: The Agency retains ownership of any and all partial or complete reports, drawings, plans, notes, computations, lists, and/or other materials, documents, information, or data prepared by the Contractor and/or the Contractor's subcontractor(s) pertaining to this Contract. Said materials and documents are confidential and shall be available to the Agency from the moment of their preparation, and the Contractor shall deliver same to the Agency whenever requested to do so by the Project Manager and/or Agency. The Contractor

agrees that same shall not be made available to any individual or organization, private or public, without the prior written consent of the Agency.

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

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

13. NON-CONFORMING WORK AND WARRANTY: Contractor represents and warrants that the Work shall be in conformance with the specifications provided herein and shall serve the purposes described. For a period of not less than one (1) year after acceptance of the completed Work, Contractor shall, at no additional cost to Agency, correct any and all errors or shortcomings of the Work, regardless of whether any such errors or shortcomings is brought to the attention of the Contractor by Agency, or any other person or entity.

13. NOTICES: Any notice may be served upon either party by delivering it in person, or by depositing it in a United States Mail deposit box with the postage thereon fully prepaid, and addressed to the party at the address set forth below:

Agency: Inland Empire Utilities Agency, a Municipal Water District  
Attn: Mr. Warren T. Green  
Manager of Contracts and Procurement  
P.O. Box 9020  
Chino Hills, California 91709-0902

Contractor: G.S.E. Construction Company, Inc.  
Attn: Ms. Sue Gutierrez  
Secretary and Chief Financial Officer  
6950 Preston Avenue  
Livermore, CA 94551

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

15. SUCCESSORS AND ASSIGNS: All of the terms, conditions and provisions of this Contract shall inure to the benefit of and be binding upon the Agency, the Contractor, and their respective successors and assigns. Notwithstanding the foregoing, no assignment of the duties or benefits of the Contractor under this Contract may be assigned, transferred or otherwise disposed of without the prior written consent of the Agency; and any such purported or attempted assignment, transfer or disposal without the prior written consent of the Agency shall be null, void and of no legal effect whatsoever.
16. INTEGRATION: The Contract Documents represent the entire Contract of the Agency and the Contractor as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered by the Contract Documents. This Contract may not be modified, altered or amended except by written mutual agreement by the Agency and the Contractor.
17. GOVERNING LAW: This Contract is to be governed by and constructed in accordance with the laws of the State of California.
18. TERMINATION FOR CONVENIENCE: The Agency reserves and has the right to immediately suspend, cancel or terminate this Contract at any time upon written notice to the Contractor. In the event of such termination, the Agency shall pay Contractor for all authorized and Contractor-invoiced services up to the date of such termination.
19. RIGHT TO AUDIT: The Agency reserves the right to review and/or audit all Contractor's records related to the Work. The option to review and/or audit may be exercised during the term of the Contract, upon termination, upon completion of the Contract, or at any time thereafter up to twelve (12) months after final payment has been made to Contractor. The Contractor shall make all records and related documentation available within three (3) working days after said records are requested by the Agency.
20. FORCE MAJEURE: Neither party shall hold the other responsible for the effects of acts occurring beyond their control; e.g., war, riots, strikes, natural disasters, etcetera.
21. LIQUIDATED DAMAGES: Liquidated Damages, in the amount of \$500.00 per day, may be assessed by the Agency for each calendar day that the Contractor fails to complete this project in accordance with its final, contractually-committed delivery schedule. Any and all Liquidated Damages assessed by the Agency will be taken as a direct credit against the Contractor's invoice for this project. The Contractor's acceptance of a contract subsequently issued in conjunction with this solicitation, shall serve to indicate acceptance of this Liquidated Damages clause, and the daily assessment of damages expressed herein.
22. CHANGES: The Agency may, at any time, make changes to this Contract's Scope of Work; including additions, reductions and other alterations to any or all of the work. However, such changes shall only be made via written amendment to this Contract. The Contract Price and Work Schedule shall be equitably adjusted, if required, to account for such changes and shall be set forth within the Contract Amendment.

23. NOTICE TO PROCEED: No services shall be performed or furnished under this Contract unless and until this document has been properly signed by all responsible parties and a Notice to Proceed order has been issued to the Contractor.


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

INLAND EMPIRE UTILITIES AGENCY:  
(a Municipal Water District)

G.S.E. CONSTRUCTION COMPANY, INC.:

\_\_\_\_\_  
Halla H. Razak  
General Manager

(Date)

  
\_\_\_\_\_  
L. Orlando Gutierrez  
President

5/10/18  
\_\_\_\_\_  
(Date)

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**CONSENT  
CALENDAR  
ITEM**

**41**

**Date:** June 20, 2018

**To:** The Honorable Board of Directors

**From:** Halla Razak, General Manager

**Committee:** Engineering, Operations & Water Resources

HR  
06/13/18

**Executive Contact:** Chris Berch, Executive Manager of Engineering/AGM

**Subject:** SCADA Enterprise System Consultant Contract Amendment

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**Executive Summary:**

Consistent with IEUA's Supervisory Control and Data Acquisition (SCADA) Master Plan, the third phase of the SCADA Enterprise System Project will migrate all control systems at Regional Water Recycling Plant No. 1 (RP-1) to the Rockwell PlantPax platform. In 2013, Westin was awarded a contract to design all four IEUA facilities to be migrated (RP-1, RP-4, RP-5 and CCWRF). In 2016, initial RP-1 predesign efforts identified a total of 31 control panels to be migrated as part of this project. Twelve additional control panels in the tertiary treatment process were to be migrated as a separate project, but will instead be absorbed by this project to maximize consistency and cost effectiveness.

The effort for this scope augmentation is captured in this contract amendment. This contract amendment, for a not-to-exceed amount of \$87,858, would increase the contract value from \$2,315,669 to \$2,403,527.

---

**Staff's Recommendation:**

1. Approve a contract amendment for the SCADA Enterprise System, Project No. EN13016, to Westin Technology Solutions for a not-to-exceed amount of \$87,858; and
2. Authorize the General Manager to execute the contract subject to non-substantive changes.

---

**Budget Impact** *Budgeted* (Y/N): Y *Amendment* (Y/N): N *Amount for Requested Approval:*

*Account/Project Name:*

EN13016/SCADA Enterprise System (RP-1)

*Fiscal Impact (explain if not budgeted):*

None.

**Prior Board Action:**

On May 17, 2017, the Board of Directors approved an amendment to the consulting engineering services contract for the SCADA Enterprise System, Project No. EN13016, to Westin for a net increase of \$389,020.

On May 15, 2013, the Board of Directors approved the consulting engineering services contract award for the SCADA Enterprise System, Project No. EN13016, to Westin for the not-to-exceed amount of \$1,855,379.

---

**Environmental Determination:**

Categorical Exemption

In June 2014, IEUA filed a Notice of Exemption with San Bernardino County for the SCADA Enterprise System, Project No, EN13016, which included the RP-1 facility.

---

**Business Goal:**

The SCADA Enterprise System Project is consistent with IEUA's Business Goal of Business Practices, specifically the Efficiency and Effectiveness objective that IEUA strives to apply best industry practices in all processes to maintain or improve the quality and value of the services we provide to our member agencies and the public.

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**Attachments:**

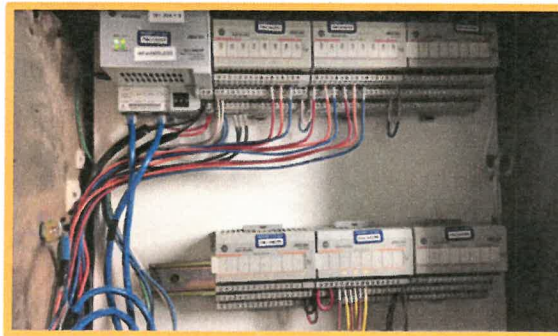
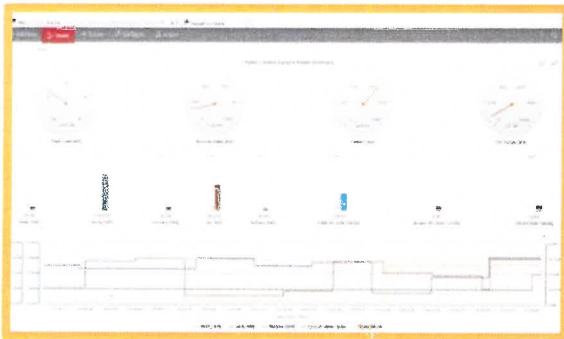
Attachment 1 - PowerPoint

Attachment 2 - Consultant Engineering Services Amendment

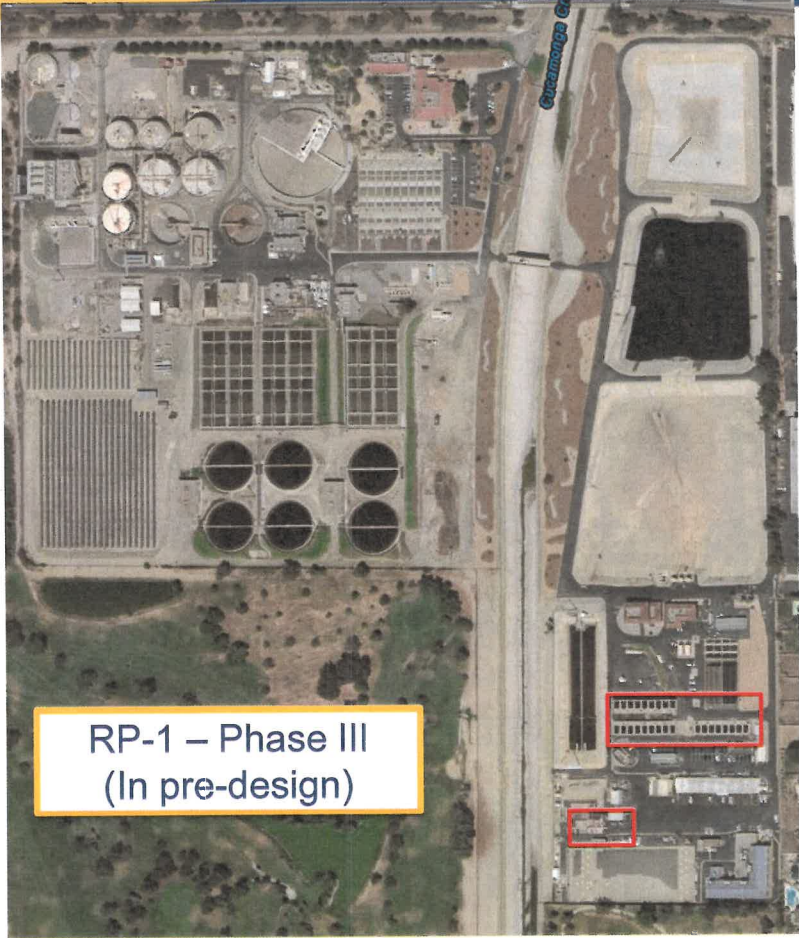
# **Attachment 1**



# SCADA Enterprise System Consultant Contract Amendment Project No. EN13016



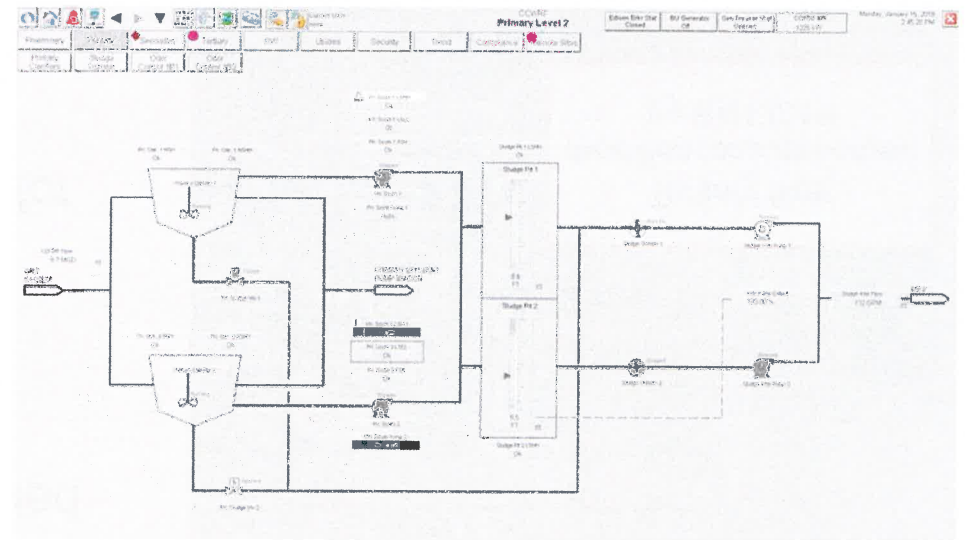
# Project Location and Background



RP-1 – Phase III  
(In pre-design)

# Design Consultant Scope of Work

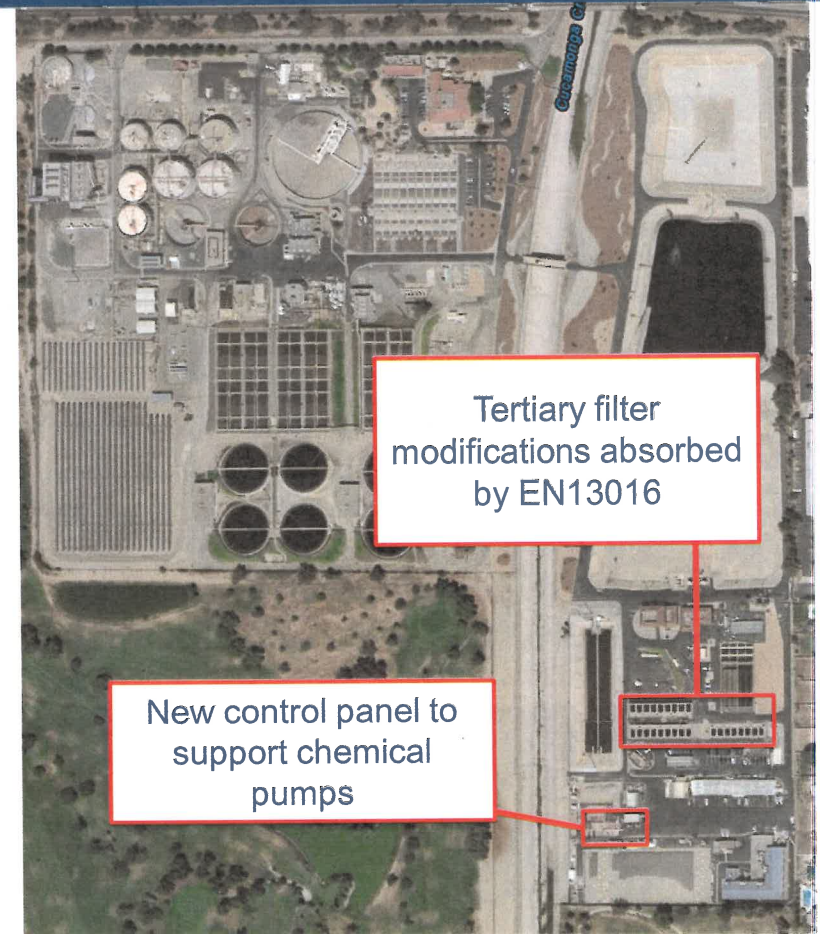
- Review documentation and existing status of all control panels
- Design panel modifications to facilitate migration to PlantPAX
- Develop migration plan and system architecture
- Compile bill of materials and engineer's estimate
- Support IEUA during construction



High-Performance Control Screens (Post-Migration)

# Scope Augmentation

- In 2016, a total of 31 panels were identified for migration
- In 2017, 12 control panels added to this project to save cost
- Amendment will cover increased efforts for 12 additional panels



# Project Budget and Schedule

Description	Estimated Cost
<b>Design Services</b>	<b>\$628,723</b>
Consultant Predesign/Design Contract	\$490,909
Consultant Predesign/Design Contract Amendment (this item)	\$79,814
IEUA Design Services (10%)	\$58,000
<b>Construction Services</b>	<b>\$220,195</b>
Design Consultant Construction Services	\$174,151
Design Consultant Construction Services Amendment (this item)	\$8,044
IEUA Construction Services (10%)	\$19,000
Construction Services Contingency (10%)	\$19,000
<b>Construction</b>	<b>\$3,080,000</b>
Construction (estimate)	\$2,800,000
Contingency (10%)	\$280,000
<b>Total Project Cost (Phase III):</b>	<b>\$3,928,918</b>
<b>Total Project Budget (for all four treatment facilities):</b>	<b>\$15,803,331</b>
<b>Expended to Date (Phase I):</b>	<b>\$5,018,259</b>
<b>Expended to Date (Phase II):</b>	<b>\$6,780,566</b>
<b>Remaining Budget:</b>	<b>\$75,588</b>

Project Milestone	Date
<b>Consultant Contract Amendment</b>	<b>June 2018</b>
<b>Design</b>	
RP-1 Predesign Completion	January 2019
RP-1 Design Completion	February 2020
<b>Construction</b>	
RP-1 Construction Award	May 2020
RP-1 Construction Completion	August 2021

# Recommendation

- Approve a contract amendment for the SCADA Enterprise System, Project No. EN13016, to Westin Technology Solutions for a not-to-exceed amount of \$87,858; and
- Authorize the General Manager to execute the contract subject to non-substantive changes.

The SCADA Enterprise System Project is consistent with the *IEUA's Business Goal of Business Practices*, specifically the Efficiency and Effectiveness objective that IEUA strives to apply best industry practices in all processes to maintain or improve the quality and value of the services we provide to our member agencies and the public.

# **Attachment 2**



**CONTRACT AMENDMENT NUMBER: 4600002438-001**  
**FOR**  
**SCADA ENTERPRISE SYSTEM CONSULTING**

This CONTRACT AMENDMENT ONE is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2018, by and between the Inland Empire Utilities Agency, a Municipal Water District, organized and existing in the County of San Bernardino under and by virtue of the laws of the State of California (hereinafter referred to interchangeably as "IEUA" and "Agency"), and **Westin Technology Solutions, LLC**, a wholly-owned subsidiary of IPS Group, Inc. and affiliated with New Resources Consulting, LLC, with offices in Milwaukee, Wisconsin (hereinafter referred to as "Consultant"), for designing and implementing the SCADA Enterprise Project No. EN13016 as previously exercised on assigned novation Contract Amendment 4600001435-005, and shall revise the Contract as herein amended:

SECTION 3, SCOPE OF WORK AND SERVICES, IS REVISED TO ADD THE FOLLOWING PARAGRAPH: Additional engineering design consulting services are proposed by the Consultant and hereby incorporated into the Contract, attached hereto, referenced herein, and made a part hereof as **Appendix 4**.

SECTION 5, COMPENSATION, IS REVISED TO ADD THE FOLLOWING PARAGRAPH: As compensation for the additional work performed under this Contract Amendment One, Agency shall pay Consultant a **NOT-TO-EXCEED maximum of \$2,403,527.61, which represents an increase of \$87,858.00** as outlined in **Appendix 5**, attached hereto, referenced herein, and made a part hereof.

SECTION 7, GRANT FUNDED PROJECTS, AS FURNISHED IN THE BASE CONTRACT AS APPENDIX 3, REMAINS IN FULL FORCE AND EFFECT.

**BALANCE OF THIS CONTRACT REMAINS UNCHANGED.**

[ Signature Page Immediately Follows ]



Witnesseth, that the parties hereto have mutually covenanted and agreed as per the above Amendment items, and in doing so have caused this document to become incorporated into the Contract documents.

INLAND EMPIRE UTILITIES AGENCY:  
(A Municipal Water District)

WESTIN TECHNOLOGY SOLUTIONS, LLC,;

\_\_\_\_\_  
Halla H. Razak  
General Manager

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
Mr. Mark Grosskopf  
Chief Executive Officer

\_\_\_\_\_  
(Date)

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# Appendix 4

May 23, 2018

Jesse Pompa  
Inland Empire Utilities Agency  
6075 Kimball Ave  
Chino, CA 91708

Subject: Request for Change 005 – RP-1 Revised Scope

The Inland Empire Utility Agency (IEUA) SCADA Replacement Project is to design and replace the existing legacy DCS systems at five (4) facilities; Carbon Canyon Water Reclamation Facility (CCWRF), Regional Plant 1 (RP-1), and Regional Plants 4 & 5 (RP-4 & RP-5) with Rockwell Automation ControlLogix PACs. In addition the entire HMI layer will be replaced with an enterprise wide Rockwell Software Factory Talk View SE system. All PACs will be reprogrammed based on PlantPAx system standards.

This Request for Change covers the following:

- Increase in number of panels from 31 to 43.
  - o In estimating the additional work, Westin took into consideration duplicate panel types. This estimate is based on an additional 5.5 panel types rather than a count of individual panels.
- Increased hours on pre-design tasks for coordination with the disinfection project.
- Increase to Project Management hours relative to the overall increase. PM time is calculated at 10% of total engineering hours.

Assumptions:

- Estimate assumes 1 round of review/revision per deliverable. Additional revisions may require future change orders.
- Significant changes to the RIO structure of the network architecture may require re-vetting of the architecture by Rockwell. This is not covered by the current contract or this RFC and may require a future change order.

These changes result in an increase of 415 hours and \$87,858 to RP-1, and increases the overall contract value of the project to \$2,403,527. A detailed breakdown of the changes in costs/hours is included in the attached spreadsheet.

Thank you for the opportunity to propose these changes. If there are any questions or concerns, please contact the Project Manager Danielle O'Dell at [Danielle.O'Dell@we-inc.com](mailto:Danielle.O'Dell@we-inc.com).

Sincerely,



Dean Ford  
Westin Technology Solutions, LLC  
1000 North Water Street  
Suite 950  
Milwaukee, WI 53202

# Appendix 5

Westin Engineering, Inc.  
 Proposal/Project Costing Spreadsheet

Currency US  
 Selected Rates

Date

5/23/2018

Client Inland Empire Utilities Agency

Project Manager Danielle O'Dell

Project Phase RP-1

Phase #	Phase Name	Labor Category → Billing Rate	Principal Engineer	Senior Engineer 1	Project Manager	CAD	Hours Subtotal by Phase	Labor Subtotal	Travel Subtotal w/MU	Other Direct Costs w/MU	ODCs Subtotal	Subs Subtotal w/MU	Phase Subtotal	Phase Contingency	Phase Total
			\$195	\$169	\$185	\$75									
100	RP-1 Tertiary		64	1097	114	213	1488	\$ 234,938	\$ 7,150	\$ 1,760	\$ 8,910	\$ 19,373	\$ 263,221	\$ 13,161	\$ 276,382
200	RP-1 Flow		62	1162	117	241	1582	\$ 248,188	\$ 3,575	\$ 1,760	\$ 5,335	\$ 19,373	\$ 272,896	\$ 13,645	\$ 286,541
300	RP-1 Dewatering		42	691	68	84	885	\$ 143,849	\$ 3,575	\$ 1,760	\$ 5,335	\$ 17,279	\$ 166,463	\$ 8,323	\$ 174,786
<b>Labor Hours</b>			168	2,950	299	538	3,955	\$ 626,975							
<b>Subtotal \$</b>			32,760	498,550	55,315	40,350		\$ 626,975	\$ 14,300	\$ 5,280	\$ 19,580	\$ 56,025	\$ 702,580	\$ 35,129	\$ 737,709

Approved By:

Project Manager

Date

Practice Vice President

Date

<u>Flow</u>	<u>Pre-Design</u>		<u>75% Design</u>		<u>100%</u>
	<u>Hours</u>	<u>Cost</u>	<u>Hours</u>	<u>Cost</u>	<u>Hours</u>
Hours	475		421		309
Labor		\$ 81,611.00		\$ 61,819.00	
ODC		\$ 880.00		\$ -	
Subcontractor		\$ 6,283.00		\$ 1,571.00	
Travel		\$ 1,705.00		\$ -	
Contingency		\$ 4,524.00		\$ 3,170.00	
<b>Total</b>	<b>475</b>	<b>\$ 95,003.00</b>	<b>421</b>	<b>\$ 66,560.00</b>	<b>309</b>

<u>Dewatering</u>					
	<u>Hours</u>	<u>Cost</u>	<u>Hours</u>	<u>Cost</u>	<u>Hours</u>
Hours	467		159		117
Labor		\$ 80,259.00		\$ 23,417.00	
ODC		\$ 880.00		\$ -	
Subcontractor		\$ 5,236.00		\$ 1,047.00	
Travel		\$ 1,705.00		\$ -	
Contingency		\$ 4,404.00		\$ 1,223.00	
<b>Total</b>	<b>467</b>	<b>\$ 92,484.00</b>	<b>159</b>	<b>\$ 25,687.00</b>	<b>117</b>

<u>Tertiary</u>					
	<u>Hours</u>	<u>Cost</u>	<u>Hours</u>	<u>Cost</u>	<u>Hours</u>
Hours	485		381		281
Labor		\$ 83,463.00		\$ 56,353.00	
ODC		\$ 880.00		\$ -	
Subcontractor		\$ 6,283.00		\$ 1,571.00	
Travel		\$ 4,499.00		\$ -	
Contingency		\$ 4,756.00		\$ 2,896.00	
<b>Total</b>	<b>485</b>	<b>\$ 99,881.00</b>	<b>381</b>	<b>\$ 60,820.00</b>	<b>281</b>

<u>Project Totals</u>					
	<u>Hours</u>	<u>Cost</u>	<u>Hours</u>	<u>Cost</u>	<u>Hours</u>
Hours	1427		961		707
Labor		\$ 245,333.00		\$ 141,589.00	
ODC		\$ 2,640.00		\$ -	
Subcontractor		\$ 17,802.00		\$ 4,189.00	
Travel		\$ 7,909.00		\$ -	
Contingency		\$ 13,684.00		\$ 7,289.00	
<b>Total</b>	<b>1427</b>	<b>\$ 287,368.00</b>	<b>961</b>	<b>\$ 153,067.00</b>	<b>707</b>

<u>Design</u>	<u>Construction</u>		<u>Totals</u>		<u>MU</u>
<u>Cost</u>	<u>Hours</u>	<u>Cost</u>	<u>Hours</u>	<u>Cost</u>	
	377		1582		
\$ 42,003.00		\$ 62,755.00		\$ 248,188.00	
\$ 880.00		\$ -		\$ 1,760.00	10%
\$ 1,571.00		\$ 9,948.00		\$ 19,373.00	10%
\$ 781.00		\$ 1,089.00		\$ 3,575.00	10%
\$ 2,262.00		\$ 3,690.00		\$ 13,646.00	5%
<b>\$ 47,497.00</b>	<b>377</b>	<b>\$ 77,482.00</b>	<b>1582</b>	<b>\$ 286,542.00</b>	
	142		885		
\$ 16,313.00		\$ 23,860.00		\$ 143,849.00	
\$ 880.00		\$ -		\$ 1,760.00	10%
\$ 1,047.00		\$ 9,949.00		\$ 17,279.00	10%
\$ 781.00		\$ 1,089.00		\$ 3,575.00	10%
\$ 951.00		\$ 1,745.00		\$ 8,323.00	5%
<b>\$ 19,972.00</b>	<b>142</b>	<b>\$ 36,643.00</b>	<b>885</b>	<b>\$ 174,786.00</b>	
	341		1488		
\$ 38,357.00		\$ 56,765.00		\$ 234,938.00	
\$ 880.00		\$ -		\$ 1,760.00	10%
\$ 1,571.00		\$ 9,948.00		\$ 19,373.00	10%
\$ 781.00		\$ 1,870.00		\$ 7,150.00	10%
\$ 2,079.00		\$ 3,429.00		\$ 13,160.00	5%
<b>\$ 43,668.00</b>	<b>341</b>	<b>\$ 72,012.00</b>	<b>1488</b>	<b>\$ 276,381.00</b>	
	860		3955		
\$ 96,673.00		\$ 143,380.00		\$ 626,975.00	
\$ 2,640.00		\$ -		\$ 5,280.00	
\$ 4,189.00		\$ 29,845.00		\$ 56,025.00	
\$ 2,343.00		\$ 4,048.00		\$ 14,300.00	
\$ 5,292.00		\$ 8,864.00		\$ 35,129.00	
<b>\$ 111,137.00</b>	<b>860</b>	<b>\$ 186,137.00</b>	<b>3955</b>	<b>\$ 737,709.00</b>	



HOURS								
Phase	Task	New	Original Hours Estimate	Additional Hours	Hours	Justification		
PRE-DESIGN	Project Management	Flow	43	124	7	6	Adjustment to 10% of Phase Total Engineering Hours	
		Solids	43					
		Tertiary	45					
		<b>TOTAL</b>	<b>131</b>					
	Review Existing Doc	Flow	72	128	88	28	Panel count increase from 31 to 43	
		Solids	72					
		Tertiary	72					
		<b>TOTAL</b>	<b>216</b>					
	Field Survey	Flow	60	148	32	60	Disinfection & Flare Project Coordination	
		Solids	60					
		Tertiary	60					
		<b>TOTAL</b>	<b>180</b>					
	Panel Design Considerations Report	Flow	88	200	64	32	Panel count increase from 31 to 43	
		Solids	88					
		Tertiary	88					
		<b>TOTAL</b>	<b>264</b>					
	Migration Plan	Flow	44	100	32	43	Panel count increase from 31 to 43	
		Solids	44					
		Tertiary	44					
		<b>TOTAL</b>	<b>132</b>					
	Architecture	Flow	24	60	14	20	Disinfection & Flare Project Coordination	
		Solids	24					
		Tertiary	26					
		<b>TOTAL</b>	<b>74</b>					
	BOM	Flow	15	40	9	22	Panel count increase from 31 to 43	
		Solids	17					
		Tertiary	17					
		<b>TOTAL</b>	<b>49</b>					
							9	Total Added hours

**75% DESIGN**

Engineers Estimate	Flow	53	132	29	29	Panel count increase from 31 to 43
	Solids	53				
	Tertiary	55				
	<b>TOTAL</b>	<b>161</b>				
Schedule	Flow	18	46	0	0	Total Added hours Panel count increase from 31 to 43
	Solids	12				
	Tertiary	16				
	<b>TOTAL</b>	<b>46</b>				
QA/QC	Flow	23	74	0	0	Total Added hours
	Solids	23				
	Tertiary	28				
	<b>TOTAL</b>	<b>74</b>				
PDR	Flow	33	100	0	0	Total Added hours
	Solids	33				
	Tertiary	34				
	<b>TOTAL</b>	<b>100</b>				
Project Management	Flow	39	95	-7	-7	Adjustment to 10% of Phase Total Engineering Hours
	Solids	14				
	Tertiary	35				
	<b>TOTAL</b>	<b>88</b>				
Draft Specs	Flow	39	80	9	9	Panel count increase from 31 to 36.5
	Solids	15				
	Tertiary	35				
	<b>TOTAL</b>	<b>89</b>				
Design Drawings	Flow	210	436	43	43	Panel count increase from 31 to 36.5
	Solids	79				
	Tertiary	190				
	<b>TOTAL</b>	<b>479</b>				
Engineers Estimate	Flow	39	80	9	9	Panel count increase from 31 to 36.5
	Solids	15				
	Tertiary	35				
	<b>TOTAL</b>	<b>89</b>				
	Flow	94				

<b>100% DESIGN</b>	Design Submittal/Review	Solids	36	216	0	0	<b>Total Added hours</b>
		Tertiary	86				
		<b>TOTAL</b>	<b>216</b>				
	Project Management	Flow	28	65	0	0	<b>Total Added hours</b>
		Solids	11				
		Tertiary	26				
		<b>TOTAL</b>	<b>65</b>				
	Draft Specs & Drawings	Flow	197	408	41	41	<b>Total Added hours</b>
		Solids	74				
		Tertiary	178				
		<b>TOTAL</b>	<b>449</b>				
	Engineers Estimate	Flow	29	60	7	7	<b>Total Added hours</b>
		Solids	11				
		Tertiary	27				
		<b>TOTAL</b>	<b>67</b>				
	Design Submittal/Review	Flow	55	126	0	0	<b>Total Added hours</b>
		Solids	21				
		Tertiary	50				
		<b>TOTAL</b>	<b>126</b>				
	Project Management	Flow	35	100	-21	-21	<b>Total Added hours</b>
Solids		13					
Tertiary		31					
<b>TOTAL</b>		<b>79</b>					
Bid Support	Flow	28	64	0	0	<b>Total Added hours</b>	
	Solids	11					
	Tertiary	25					
	<b>TOTAL</b>	<b>64</b>					
Transition Plans	Flow	89	184	19	19	<b>Total Added hours</b>	
	Solids	33					
	Tertiary	81					
	<b>TOTAL</b>	<b>203</b>					
Submittal Reviews	Flow	39	80	9	9	<b>Total Added hours</b>	
	Solids	15					
	Tertiary	35					
						0	Adjustment to 10% of Phase Total Engineering Hours
						41	Panel count increase from 31 to 36.5
						7	Panel count increase from 31 to 36.5
						-21	Adjustment to 10% of Phase Total Engineering Hours
						19	Panel count increase from 31 to 36.5
						9	Panel count increase from 31 to 36.5

**CONSTRUCTION**

RFI Reviews	<b>TOTAL</b>	<b>89</b>	80	9	<b>9</b>	<b>Total Added hours</b>
	Flow	39			<b>9</b>	Panel count increase from 31 to 36.5
	Solids	15				
	Tertiary	35				
	<b>TOTAL</b>	<b>89</b>			<b>9</b>	<b>Total Added hours</b>
Conformed Plans & Specs	Flow	42	96	0		
	Solids	16				
	Tertiary	38				
	<b>TOTAL</b>	<b>96</b>			<b>0</b>	<b>Total Added hours</b>
Construction Meetings	Flow	28	58	7	<b>7</b>	Panel count increase from 31 to 36.5
	Solids	11				
	Tertiary	26				
	<b>TOTAL</b>	<b>65</b>			<b>7</b>	<b>Total Added hours</b>
FAT/SAT	Flow	20	40	5	<b>5</b>	Panel count increase from 31 to 36.5
	Solids	7				
	Tertiary	18				
	<b>TOTAL</b>	<b>45</b>			<b>5</b>	<b>Total Added hours</b>
Training Coordination	Flow	20	40	5	<b>5</b>	Panel count increase from 31 to 36.5
	Solids	7				
	Tertiary	18				
	<b>TOTAL</b>	<b>45</b>			<b>5</b>	<b>Total Added hours</b>
Standards Compliance	Flow	0	0	0		
	Solids	0				
	Tertiary	0				
	<b>TOTAL</b>	<b>0</b>			<b>0</b>	<b>Total Added hours</b>
Software Test Plans and Forms	Flow	20	40	5	<b>5</b>	Panel count increase from 31 to 36.5
	Solids	7				
	Tertiary	18				
	<b>TOTAL</b>	<b>45</b>			<b>5</b>	<b>Total Added hours</b>
Revise Standards	Flow	17	40	0		
	Solids	7				
	Tertiary	16				
	<b>TOTAL</b>	<b>40</b>			<b>0</b>	<b>Total Added hours</b>

3540

415

**Bill's Estimate Total Hours Summary**

Phase	New Total Hours	Original Total Hours	Additional Hours	% Increase
PRDS	1,425	1,152	273	24%
75% DSN	961	907	54	6%
100% DSN	707	659	48	7%
CONST	860	822	38	5%
<b>TOTAL</b>	<b>3,953</b>	<b>3,540</b>	<b>413</b>	<b>12%</b>

557

Pre-Design Calculation Factors	
10%	PM Percentage
55%	Panel Adjustment
31	Original Panel Count
43	Actual Panel Count
39%	Percent Increase

20

20

60 20 Added time for multiple Reviews & version up

Design Calculation Factors	
10%	PM Percentage
55%	Panel Adjustment
31	Original Panel Count
36.5	Design Panel Count
18%	Percent Increase

5.5 Added Panel Count for Design			
1	Server Room - PAC06499		
1	PO Pump Station/Utility Water - MCC 3A		
-1	Original Tertiary Filter Bank Panel		
2	Tertiary Filter Bank 1	2	1

**Total Hours Summary**

Phase	New Total Hours	Original Total Hours	Additional Hours	% Increase
PRDS	1,427	1,152	275	24%
75% DSN	961	907	54	6%
100% DSN	707	659	48	7%
CONST	860	822	38	5%
<b>TOTAL</b>	<b>3,955</b>	<b>3,540</b>	<b>415</b>	<b>12%</b>

**Total Hours Summary by RP-1 Area & Phase**

Phase	PRDS	75% DSN	100% DSN	CONST	TOTAL
Tert	485	381	281	341	1488
Flow	473	421	309	377	1580
Solids	469	159	117	142	887
<b>TOTAL</b>	<b>1427</b>	<b>961</b>	<b>707</b>	<b>860</b>	<b>3955</b>

**Cost Comparison**

	<b>Original</b>	<b>New</b>	<b>Additional</b>
Travel & ODC	\$16,330.00	\$19,580.00	\$3,250.00
Subconsultant	\$48,291.00	\$56,025.00	\$7,734.00
Contingency	\$34,672.00	\$35,129.00	\$457.00
<b>ODC &amp; SUB TOTAL</b>	<b>\$99,293.00</b>	<b>\$110,734.00</b>	<b>\$11,441.00</b>
Labor	\$565,768.00	\$626,975.00	
PCN credit	-\$15,210.00		
<b>LABOR TOTAL</b>	<b>\$550,558.00</b>	<b>\$626,975.00</b>	<b>\$76,417.00</b>
<b>RP-1 Contract Value</b>	<b>\$649,851.00</b>	<b>\$737,709.00</b>	<b>\$87,858.00</b>

**Current Contract****\$2,315,669.61****New Contract****\$2,403,527.61**

### AMENDMENT 3

	Principal	Senior	PM	CAD	Admin	TOTAL	Avg Rate
Hrs	74	2,576	300	506	84	3,540	
Rate	\$ 226	\$ 169	\$ 185	\$ 75	\$ 60	\$ 550,558	\$ 155.52
Value	\$ 16,724	\$ 435,344	\$ 55,500	\$ 37,950	\$ 5,040	\$ 550,558	

### AMENDMENT 5 (Hours)

	Principal	Senior	PM	CAD	Admin	TOTAL	Avg Rate
Hrs	168	2,950	299	538		3,955	
Rate	\$ 195	\$ 169	\$ 185	\$ 75	\$ -	\$ 626,975	\$ 158.53
Value	\$ 32,760	\$ 498,550	\$ 55,315	\$ 40,350	\$ -	\$ 626,975	

	94	374	(1)	32	(84)	
Increase in Hours		12%		Cost Difference =	\$	76,417
Increase in Avg. Rate	\$	3.00		Hours Difference =		415
				Average Hourly Rate =	\$	184.14



**CONSENT  
CALENDAR  
ITEM**

**4J**

**Date:** June 20, 2018

**To:** The Honorable Board of Directors

**From:** Halla Razak, General Manager

**Committee:** Engineering, Operations & Water Resources

HHR

06/13/18

**Executive Contact:** Randy Lee, Executive Manager of Operations/AGM

**Subject:** Purchase and Installation of RP-1 Nutrient Analyzers

---

**Executive Summary:**

The Agency owns and operates Regional Water Recycling Plant No. 1 (RP-1), which includes an activated sludge process. This process is critical for nutrient removal and permit compliance, but it is also the most energy intensive part of wastewater treatment process. The existing instrumentation and controls for this system were designed and installed over 20 years ago. Recent advancements in instrument technology allows for real time ammonia based aeration control of the activated sludge systems, which can dramatically reduce energy consumption.

In 2016, staff performed a trial of Hach ammonia analyzers at RP-1. The trial was successful and allowed staff to better understand the operation and maintenance of the analyzer and demonstrated energy saving opportunities. The estimated return on investment of these analyzers is approximately three years.

After extensive research, Hach was determined to be the only manufacturer of equipment capable of providing reliable and real-time ammonia monitoring and Southern Contracting Company is Hach's preferred installer of the instruments.

---

**Staff's Recommendation:**

1. Authorize the purchase of four Hach ammonia analyzers with necessary support equipment and services for a not-to-exceed amount of \$139,498 (including tax and delivery);
2. Authorize Southern Contracting Company to install the Hach analyzers and necessary support equipment for the not-to-exceed amount of \$55,715; and
3. Authorize the General Manager to execute the purchase and installation.

---

**Budget Impact** *Budgeted (Y/N): Y Amendment (Y/N): N Amount for Requested Approval:*

*Account/Project Name:*

Project EP18002 North Major Facilities Repair/Replacement

*Fiscal Impact (explain if not budgeted):*

None

**Prior Board Action:**

None

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**Environmental Determination:**

Not Applicable

---

**Business Goal:**

The purchase and installation of the analyzers aligns with the Agency's environmental stewardship goal to enhance and promote environmental sustainability.

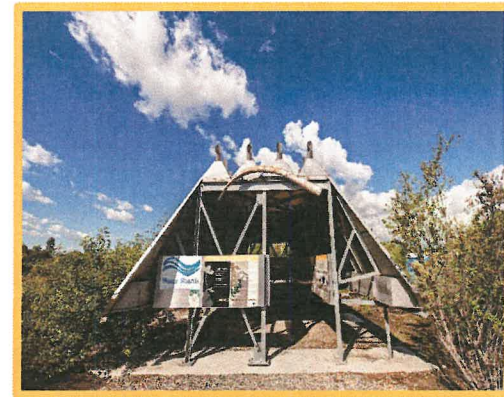
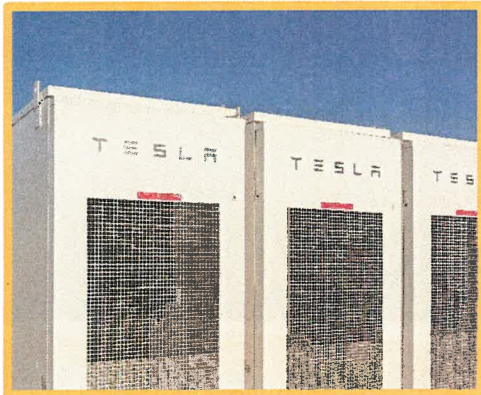
The purchase and installation of the analyzers also aligns with the Agency's goal of providing a reliable and cost effective water supply.

---

**Attachments:**

Attachment 1 - Purchase and Installation of RP-1 Nutrient Analyzers PowerPoint

# Purchase and Installation of RP-1 Ammonia Analyzers





# Secondary System



- Essential to nutrient removal from wastewater
  - Remove organic material from wastewater
  - Convert ammonia to less harmful forms of nitrogen
- Essential to permit compliance
  - Creek discharge permit
  - Groundwater recharge permit
- Accounts for more than 50% of energy used in wastewater treatment process
  - Uses blowers to provide air to promote biological process

# Comparison of Aeration Control Systems

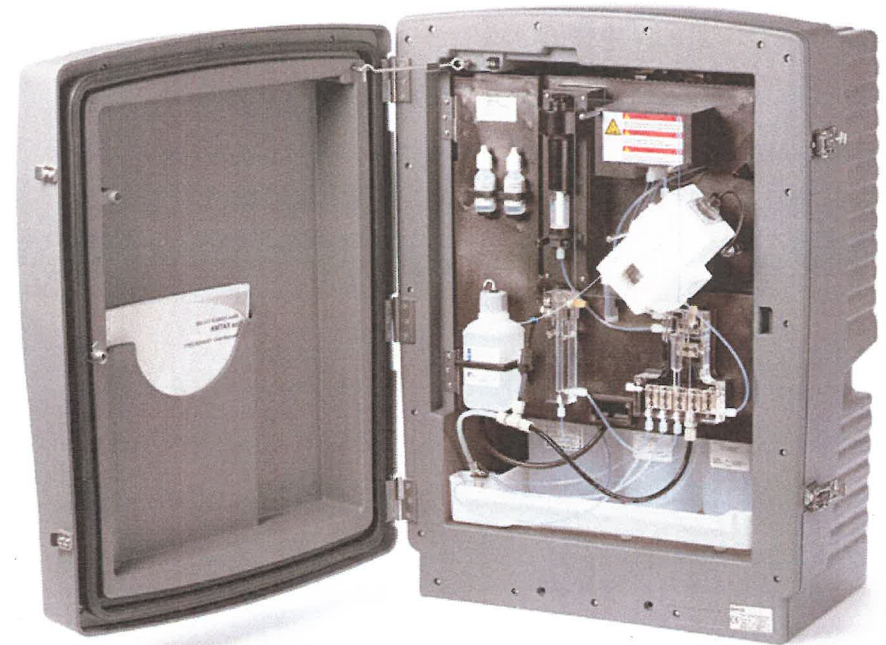
	Current 	Proposed 
Technology	Oxygen sensors	Ammonia sensors
Age of Technology	20-30 years old	Last 10 years
Blower Control Based On	Real-time oxygen sensor feedback	Real-time ammonia sensor feedback
Air Supply	Excess air required	Just the right amount of air is added
Maintenance	Monthly	Monthly and quarterly
Benefit Over Current	-	<ul style="list-style-type: none"> <li>• Maintain same high quality recycled water</li> <li>• Reduce cost by:                             <ul style="list-style-type: none"> <li>○ Reduced energy consumption</li> <li>○ Reduced blower maintenance</li> </ul> </li> <li>• Pay back is approximately 3 years</li> </ul>

# Summary

Request to purchase Hach instruments:

- 4 Ammonia analyzers
- 2 Nitrate probes
- 12-month service agreement

Request for professional installation of all equipment



# Recommendation

- Authorize the purchase of Hach analyzers with necessary support equipment and services for the not-to-exceed amount of approximately \$140,000;
- Authorize Southern Contracting Company to install the Hach analyzers with necessary support equipment for the not-to-exceed amount of \$55,715; and
- Authorize the General Manager to execute the purchase and installation.

*The purchase and installation of these analyzers aligns with the Agency's environmental stewardship goal to enhance and promote environmental sustainability.*

*The purchase and installation of these analyzers also aligns with the Agency's goal of providing a reliable and cost effective water supply.*



**CONSENT  
CALENDAR  
ITEM**

**4K**



**Prior Board Action:**

None.

---

**Environmental Determination:**

Statutory Exemption

CEQA exempts a variety of projects from compliance with the statute. This project qualifies for a Statutory Exemption as defined in Section 15262 of the State CEQA Guidelines. When the project will be implemented will be subject to future environmental evaluation.

---

**Business Goal:**

The Emergency Construction Contractor Awards are consistent with the IEUA's Business Goal of Work Environment, specifically the Staff Safety objective that IEUA IEUA will promote and ensure a safe and healthy work environment, exceeding industry best practices in support of achieving the CalOSHA Star Voluntary Protection Program (CAL/VPP) certification.

---

**Attachments:**

Attachment 1 - Emergency Construction Contracts [Click to Download](#)

**CONSENT  
CALENDAR  
ITEM**

**4L**

**Date:** June 20, 2018

**To:** The Honorable Board of Directors

**From:** Halla Razak, General Manager

HR

**Committee:** Engineering, Operations & Water Resources

06/13/18

**Executive Contact:** Randy Lee, Executive Manager of Operations/AGM

**Subject:** Contract Award for Weed Control Services

---

**Executive Summary:**

The control of the weeds in the various areas of the Agency is time sensitive by mitigating potential flammable material, which endangers the public safety by creating a fire hazard. The work needs to be completed on a monthly basis in order to comply with local fire authority, health, and safety codes. On March 29, 2018, a competitive Request for Proposal (RFP IFB-HD-18-004) to provide weed control and weed abatement services for a total of 28 Agency sites throughout the service area was issued to 11 prospective contractors through the PlanetBids Network. Out of four potential contractors who participated in the mandatory job-walk, only three submitted proposals. The most comprehensive proposal and the lowest bid for the Agency was submitted by Pest Options, Inc. Pest Options, Inc. is currently contracted with the Agency, and has been for over 17 years, and met Agency expectations.

The Weed Control Services Contract No. 4600002537 to Pest Options, Inc. will be for a not-to-exceed amount of \$215,100.

---

**Staff's Recommendation:**

1. Award a three-year service contract, with two one-year extension options, to Pest Options, Inc., for weed control services for a not-to-exceed amount of \$215,100 (five-year contract term); and
2. Authorize the General Manager to execute the service contract.

---

**Budget Impact** Budgeted (Y/N): Y Amendment (Y/N): N Amount for Requested Approval:

Account/Project Name:

Regional Operations and Maintenance (RO) Fund, Professional Fees & Services

*Fiscal Impact (explain if not budgeted):*

**Prior Board Action:**

November 16, 2011 - Awarded a Weed Control and Weed Abatement Service Contract.

---

**Environmental Determination:**

**Statutory Exemption**

The project is statutorily exempt based on the CEQA General Rule found in Section 15061(b)(3) of the State CEQA Guidelines.

---

**Business Goal:**

Fiscal Responsibility - IEUA is committed to safeguarding the Agency's fiscal health to effectively support short term and long term needs, while providing the best value for our customers.

---

**Attachments:**

Attachment 1 - Weed Control Services Contract No, 4600002537 to Pest Options, Inc.

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# Attachment 1



**CONTRACT NUMBER 460002537  
FOR  
WEED CONTROL SERVICES  
FOR  
INLAND EMPIRE UTILITIES AGENCY**

THIS CONTRACT (the "Contract"), is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between the Inland Empire Utilities Agency, a Municipal Water District, organized and existing in the County of San Bernardino under and by virtue of the laws of the State of California (hereinafter referred to as "Agency" or "IEUA"), and Pest Options, Inc., of Anaheim, California (hereinafter referred to as "Contractor"), for the routine surveillance and prevention of weeds; and in the cases where weed growth has occurred, the abatement of such weeds in an efficient and timely manner.

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

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

Project Manager: Lucia Diaz  
Address: 6075 Kimball Avenue  
Chino, CA 91708  
Telephone: 909-993-1600, extension 1631  
Facsimile: 909-993-1987  
Email: [ldiaz@ieua.org](mailto:ldiaz@ieua.org)  
Cell: 909-342-2365

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

Contractor: Ryan Thompson  
Address: 135 North Manchester Avenue  
Anaheim, California 92802  
Telephone: (714) 224-7378  
Facsimile: (714) 224-7378  
Cell: (714) 944-3369

Email: [rtompson@pestoptions.com](mailto:rtompson@pestoptions.com)



3. ORDER OF PRECEDENCE: The documents referenced below represent the Contract Documents. Where any conflicts exist between the General Terms and Conditions the governing order of precedence shall be as follows:
1. Amendments to Contract Number 4600002537.
  2. Contract Number 4600002537 General Terms and Conditions.
  3. Agency Request for Proposal Number RFP-HD-18-004, dated March 29, 2018.
  4. Contractor's Proposal dated April 16, 2018.
4. SCOPE OF WORK AND SERVICES: Contractor services and responsibilities shall include and be in accordance with the following:
- A. Contractor will provide all manpower, equipment, vehicles, and supplies needed to complete the work detailed in the Request for Proposal, RFP-HD-18-004 (a copy of the RFP is attached and incorporated herein by this reference), Exhibit A.
  - B. Contractor will provide all manpower, equipment, vehicles, and supplies needed to complete the work detailed in RFP-HD-18-004 in a manner consistent with the Contractor's proposal (a copy of the proposal is attached and incorporated herein by this reference), Exhibit B.
  - C. Contractor shall provide a Schedule of Work and Services to the Project Manager concisely detailing the anticipated services to be delivered at each site.
  - D. Through the duration of this contract, the Agency and Contractor may identify additional tasks, which on a "time and material" basis, shall be assigned to this contract.
  - E. Method of Inspection:
    1. Work performed under this Contract may be required to undergo performance inspections.
    2. The Project Manager will be responsible for performance of the inspections.
    3. If Contractor fails an inspection, the Project Manager will be responsible for providing a written notice to the Contractor explaining the error and a determination of the urgency for the correction of the error (herein referred to as a "Cure Notice").
  - F. Cure Procedure:
    1. For a Cure Notice deemed by the Agency to be **urgent**, Contractor shall correct any error of the Work within five (5) calendar days after Contractor's receipt of a Cure Notice, as directed by the Project Manager.

2. For a Cure Notice deemed by the Agency to be **important**, Contractor shall correct any error of the Work within ten (10) calendar days after Contractor's receipt of a Cure Notice, as directed by the Project Manager.
  3. If the Project Manager rejects all, or any part of, the Work as unacceptable and agreement to correct such Work cannot be reached without modification to the Contract, Contractor shall notify the Project Manager, in writing, detailing the dispute and the reason(s) for the Contractor's position. Any dispute that cannot be resolved between the Project Manager and Contractor shall be resolved in accordance with the provisions of this Contract.
- G. The Agency may, at any time, make changes to this Contract's Scope of Work; including additions, reductions, and other alterations to any or all of the Work. However, such changes shall only be made via written amendment to this Contract. The Contract compensation and Schedule of Work and Services shall be equitably adjusted, if required, to account for such changes and shall be set forth within the mutually approved Contract Amendment.
5. **TERM:** The term of this Contract shall extend from the date of the Notice to Proceed, and terminate on June 30, 2023, unless agreed upon by both parties, reduced to writing, and amended to this Contract.
  6. **PAYMENT, INVOICING, AND COMPENSATION:**
    - A. The Contractor may submit an invoice not more than once per month during the term of this Contract to the Agency's Accounts Payable Department. Agency shall pay Contractor's properly executed invoice, approved by the Project Manager, within thirty (30) days following receipt of the invoice.
    - B. As compensation for the Work performed under this Contract, Agency shall pay Contractor's monthly invoice, for a total contract price NOT-TO-EXCEED **\$215,100** for all services satisfactorily provided during the term of this Contract.
    - C. Additionally, to qualify for payment, the Contractor shall prominently display, on the first page of the invoice, both:
      1. The Contract Number – 4600002537, and;
      2. The Contract Release Purchase Order Number – 45000\_\_\_\_\_

If Contractor submits invoice by email, such invoice shall be submitted as follows:

[APGroup@ieua.org](mailto:APGroup@ieua.org)

Scan the invoice as a PDF file.

Attach the scanned file to an email.

If Contractor submits invoice by mail, such invoice shall be submitted as follows:

Inland Empire Utilities Agency  
Re: Contract Number: 4600002537  
P.O. Box 9020  
Chino Hills, CA 91709

- D. Concurrent with the submittal of the original invoice to the Agency's Accounts Payable Department, the Contractor shall forward (mail, fax, or email) a copy of the invoice to the designated Project Manager, identified in Section 1, on Page 1 of this Contract.
- E. No Additional Compensation: Nothing set forth in this Contract shall be interpreted to require payment by Agency to Contractor of any compensation specifically for the assignments and assurances required by the Contract, other than the payment of expenses as may be actually incurred by Contractor in complying with this Contract, as approved by the Project Manager.
- F. Commencing on July 1, 2020, and continuing each July 1st thereafter, the Contractor may propose modifications to the prices provided in the Price Schedule of this contract. The Price Schedule may be adjusted, plus or minus, by a sum equal to the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U), within the Los Angeles-Anaheim-Riverside, California index area. The basis for computing the adjustment to the contract prices shall reflect the percentage change for the twelve-month period from May 31st to May 31<sup>st</sup>, starting with the period of May 31, 2019, to May 31, 2020, and continuing every twelve months thereafter. Despite any changes in the CPI-U for any given twelve-month adjustment period, adjustments to the prices provided in the Proposed Price Schedule shall not increase or decrease more than five (5) percent during any single twelve-month adjustment period.

In the event the CPI-U is changed so that the base period differs from 1982-84=100, then the index applied, as provided for above, shall be corrected in accordance with the conversion factor published by the United States Department of Labor, Bureau of Labor Statistics, or their successor. If the CPI-U is discontinued or revised, such other government index or computation with which it is replaced shall be used to obtain, substantially, the same results as would have been obtained if the CPI-U had not been discontinued or revised.

- G. Contractor may request taking advantage of the Agency's practice of offering an expedited payment protocol to a Contractor who has proposed accepting an invoice amount reduction in exchange for early payment; (CONTRACTOR) has proposed, and the Agency has accepted, applying a (3%, 4%, or 5%) discount (invoice amount reduction) to monthly invoices in exchange for payment of all invoices within (20, 15, or 10) days, respectively, of the date the invoice is received at the Agency's [APGroup@ieua.org](mailto:APGroup@ieua.org) email address.

7. CONTROL OF THE WORK: The Contractor shall perform the Work in compliance with the Schedule of Work and Services. If performance of the Work falls behind schedule, the Contractor shall accelerate the performance of the Work to comply with the Schedule of Work and Services as directed by the Project Manager. If the nature of the Work is such that Contractor is unable to accelerate the Work, Contractor shall promptly notify the Project Manager of the delay, the causes of the delay, and submit a proposed revised Schedule of Work and Services.
8. INSURANCE: During the term of this Contract, the Contractor shall maintain, at Contractor's sole expense, the following insurance.
  - A. Minimum Scope of Insurance: Coverage shall be at least as broad as:
    1. Commercial General Liability ("CGL"): Insurance Services Office ("ISO") Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than \$1,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
    2. Automobile Liability: ISO Form Number CA 00 01 covering any auto (Code 1), or if Contractor has no owned autos, covering hired, (Code 8) and non-owned autos (Code 9), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
    3. Workers' Compensation and Employers Liability: Workers' compensation limits as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.
  - B. Deductibles and Self-Insured Retention: Any deductibles or self-insured retention must be declared to and approved by the Agency. At the option of the Agency, either: the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the Agency, its officers, officials, employees and volunteers; or the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.
  - C. Other Insurance Provisions: The insurance policies are to contain, or be endorsed to contain, the following provisions:
    1. Commercial General Liability and Automobile Liability Coverage
      - a. Additional Insured Status: The Agency, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts or equipment supplied in connection

with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10 11 85; or **by either** CG 20 10, CG 20 26, CG 20 33, or CG 20 38 and CG 20 37 forms if later revisions are used).

- b. **Primary Coverage:** The Contractor's insurance coverage shall be primary insurance coverage at least as broad as ISO CG 20 01 04 13 as respects the Agency, its officer, officials, employees and volunteers. Any insurance or self-insurance maintained by the Agency, its officers, officials, employees, volunteers, property owners or engineers under contract with the Agency shall be excess of the Contractor's insurance and shall not contribute with it.
- c. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Agency, its officers, officials, employees or volunteers.
- d. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- e. The Contractor may satisfy the limit requirements in a single policy or multiple policies. Any additional policies written as excess insurance shall not provide any less coverage than that provided by the first or primary policy.

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

Contractor hereby grants to Agency a waiver of any right to subrogation which any insurer of the Contractor may acquire against the Agency by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the Agency has received a waiver of subrogation endorsement from the insurer.

3. **All Coverages**

Each insurance policy required by this Contract shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, or reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the Agency pursuant to Section 14, page 12 of this Contract.

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

- E. Verification of Coverage: Contractor shall provide the Agency with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the Agency before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The Agency reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.
- F. Submittal of Certificates: Contractor shall submit all required certificates and endorsements to the following:

Inland Empire Utilities Agency  
Attn: Angela Witte  
P.O. Box 9020  
Chino Hills, CA 91709

9. FITNESS FOR DUTY:

A. Fitness: Contractor and its Subcontractor personnel on the Jobsite:

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

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

10. LEGAL RELATIONS AND RESPONSIBILITIES:

A. Professional Responsibility: The Contractor shall be responsible, to the level of competency presently maintained by other practicing professionals performing the same or similar type of work.

- B. Status of Contractor: The Contractor is retained as an independent Contractor only, for the sole purpose of providing the services described herein, and is not an employee of the Agency.
- C. Observing Laws and Ordinances: The Contractor shall keep itself fully informed of all existing and future state and federal laws and all county and city ordinances and regulations which in any manner affect the conduct of any services or tasks performed under this Contract, and of all such orders and decrees of bodies or tribunals having any jurisdiction or authority over the same. The Contractor shall at all times observe and comply with all such existing and future laws, ordinances, regulations, orders and decrees, and shall protect and indemnify, as required herein, the Agency, its officers, employees and agents against any claim or liability arising from or based on the violation of any such law, ordinance, regulation, order or decree, whether by the Contractor, its employees, or subcontractors.
- D. Subcontract Services: Any subcontracts for the performance of any services under this Contract shall be subject to the written approval of the Project Manager and shall comply with State of California, Department of Industrial Relations, SB 854 requirements.
- E. Hours of Labor: The Contractor shall comply with all applicable provisions of California Labor Code Sections 1810 to 1815 relating to working hours. The Contractor shall, as a penalty to the Agency, forfeit \$25.00 for each worker employed in the completion of the Contract by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight hours in any one calendar day and forty (40) hours in any one calendar week in violation of the provisions of the Labor Code.
- F. Travel and Subsistence Pay: The Contractor shall make payment to each worker for travel and subsistence payments which are needed to complete the work and/or service, as such travel and subsistence payments are defined in an applicable collective bargaining agreements with the worker.
- G. Liens: Contractor shall pay all sums of money that become due from any labor, services, materials or equipment provided to Contractor on account of said services to be rendered or said materials to be provided under this Contract and that may be secured by any lien against the Agency. Contractor shall fully discharge each such lien at the time performance of the obligation secured matures and becomes due.
- H. Indemnification: Contractor shall indemnify the Agency, its directors, employees, and assigns, and shall defend and hold them harmless from all liabilities, demands, actions, claims, losses and expenses, including reasonable attorneys' fees, which arise out of, or are related to, the negligence, recklessness or willful misconduct of the Contractor, its directors, employees, agents, and assigns, in the performance of work under this contract.

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



3. In the event of arbitration, the parties to this contract agree that there shall be a single neutral Arbitrator who shall be selected in the following manner:
  - a. The Demand for Arbitration shall include a list of five names of persons acceptable to the Contractor to be appointed as Arbitrator. The Agency shall determine if any of the names submitted by Contractor are acceptable and, if so, such person will be designated as Arbitrator.
  - b. In the event that none of the names submitted by Contractor are acceptable to Agency, or if for any reason the Arbitrator selected in Step (a) is unable to serve, the Agency shall submit to Contractor a list of five names of persons acceptable to Agency for appointment as Arbitrator. The Contractor shall, in turn, have seven (7) calendar days in which to determine if one such person is acceptable.
  - c. If after Steps (a) and (b), the parties are unable to mutually agree upon a neutral Arbitrator, the matter of selection of an Arbitrator shall be submitted to the San Bernardino County Superior Court pursuant to Code of Civil Procedure Section 1281.6, or its successor. The costs of arbitration, including but not limited to reasonable attorneys' fees, shall be recoverable by the party prevailing in the arbitration. If this arbitration is appealed to a court pursuant to the procedure under California Code of Civil Procedure Section 1294, et seq., or their successor, the costs of arbitration shall also include court costs associated with such appeals, including but not limited to reasonable attorneys' fees which shall be recoverable by the prevailing party.
4. Association in Mediation/Arbitration: The Agency may join the Contractor in mediation or arbitration commenced by a contractor on the Project pursuant to Public Contracts Code Sections 20104 et seq. Such association shall be initiated by written notice from the Agency's representative to the Contractor.
- L. Workers' Legal Status: For performance against this Contract, Contractor shall only utilize employees and/or subcontractors that are authorized to work in the United States pursuant to the Immigration Reform and Control Act of 1986.
- M. Prevailing Wage Requirements: Pursuant to Section 1770 and following, of the California Labor Code, the Contractor shall not pay less than the general prevailing wage rates, as determined by the Director of the State of California Department of Industrial Relations for the locality in which the work is to be performed and for each craft or type of worker needed to

execute the work contemplated under the Contract. The Contractor or any subcontractor performing part of said work shall strictly adhere to all provisions of the Labor Code, including, but not limited to, minimum wages, work days, nondiscrimination, apprentices, maintenance and availability of accurate payroll records and any other matters required under all Federal, State and local laws related to labor.

N. Contractor shall provide with their invoice certified payroll verifying that Contractor has paid prevailing wage requirements as stipulated in SB-854 (<http://www.dir.ca.gov/DIRNews/2014/2014-55.pdf>).

11. OWNERSHIP OF MATERIALS AND DOCUMENTS/CONFIDENTIALITY: The Agency retains ownership of any, and all, partial or complete reports, drawings, plans, notes, computations, lists, and/or other materials, documents, information, or data prepared by the Contractor and/or the Contractor's subcontractor(s) pertaining to this Contract. Said materials and documents are confidential and shall be available to the Agency from the moment of their preparation, and the Contractor shall deliver them to the Agency whenever requested to do so by the Project Manager and/or Agency representative. The Contractor agrees that all documents shall not be made available to any individual or organization, private or public, without the prior written consent of an Agency representative.

12. TITLE AND RISK OF LOSS:

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

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

C. Disposition: Contractor shall dispose of items to which the Agency has title as directed, in writing, by the Project Manager and/or an Agency representative.

13. PROPRIETARY RIGHTS:

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

1. Proprietary Rights conceived, developed, or reduced to practice by Contractor in the performance of the Work shall be the property of Agency, and Contractor shall cooperate with all appropriate requests to assign and transfer same to Agency.
  2. If Proprietary Rights conceived, developed, or reduced to practice by Contractor prior to the performance of the Work are used in and become integral with the Work, or are necessary for Agency to have complete control of the Work, Contractor shall grant to Agency a non-exclusive, irrevocable, royalty-free license, as may be required by Agency for the complete control of the Work, including the right to reproduce, correct, repair, replace, maintain, translate, publish, use, modify, copy or dispose of any or all of the Work and grant sublicenses to others with respect to the Work.
  3. If the Work includes the Proprietary Rights of others, Contractor shall procure, at no additional cost to Agency, all necessary licenses regarding such Proprietary Rights so as to allow Agency the complete control of the Work, including the right to reproduce, correct, repair, replace, maintain, translate, publish, use, modify, copy, or dispose of any or all of the Work; and to grant sublicenses to others with respect to the Work. All such licenses shall be in writing and shall be irrevocable and royalty-free to Agency.
14. NOTICES: Any notice may be served upon either party by delivering it in person, or by depositing it in a United States Mail deposit box with the postage thereon fully prepaid, and addressed to the party at the address set forth below:

Agency: Warren T. Green  
Manager of Contracts and Procurement  
Inland Empire Utilities Agency  
P.O. Box 9020  
Chino Hills, CA 91709

Contractor: Ryan Thompson  
Pest Options, Inc.  
135 North Manchester Avenue  
Anaheim, California 92802

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

15. SUCCESSORS AND ASSIGNS: All of the terms, conditions and provisions of this Contract shall take effect to the benefit of and be binding upon the Agency, the Contractor, and their respective successors and assigns. No assignment of the

duties or benefits of the Contractor under this Contract may be assigned, transferred, or otherwise disposed of, without the prior written consent of the Agency; and any such purported or attempted assignment, transfer, or disposal without the prior written consent of the Agency shall be null, void, and of no legal effect whatsoever.

16. PUBLIC RECORDS POLICY: Information made available to the Agency may be subject to the California Public Records Act (Government Code Section 6250 et seq.) The Agency's use and disclosure of its records are governed by this Act. The Agency shall use its best efforts to notify Contractor of any requests for disclosure of any documents pertaining to this work. In the event of litigation concerning disclosure of information Contractor considers exempt from disclosure; (e.g., Trade Secret, Confidential, or Proprietary) Agency shall act as a stakeholder only, holding the information until otherwise ordered by a court or other legal process. If Agency is required to defend an action arising out of a Public Records Act request for any of the information Contractor has marked "Confidential," "Proprietary," or "Trade Secret," Contractor shall defend and indemnify Agency from all liability, damages, costs, and expenses, in any action or proceeding arising under the Public Records Act.
17. RIGHT TO AUDIT: The Agency reserves the right to review and/or audit all Contractor's records related to the Work. The option to review and/or audit may be exercised during the term of the Contract, upon termination, upon completion of the Contract, or at any time thereafter up to twelve (12) months after final payment has been made to the Contractor. The Contractor shall make all records and related documentation available within three (3) working days after said records are requested by the Agency.
18. INTEGRATION: The Contract Documents represent the entire Contract made and entered into by and between the Agency and the Contractor as to those matters contained in this contract. No prior oral or written understanding shall be of any force or effect with respect to those matters covered by the Contract Documents. This Contract may not be modified, altered, or amended except by written mutual agreement by the Agency and the Contractor.
19. GOVERNING LAW: This Contract is to be governed by and constructed in accordance with the laws of the State of California, in the County of San Bernardino.
20. TERMINATION FOR CONVENIENCE: The Agency reserves and has the right to immediately suspend, cancel or terminate this Contract at any time upon written notice to the Contractor. In the event of such termination, the Agency shall pay Contractor for all authorized and Contractor-invoiced services up to the date of such termination, as approved by the Project Manager.
21. FORCE MAJEURE: Neither party shall hold the other responsible for the effects of acts occurring beyond their control; e.g., war, riots, strikes, natural disasters, etcetera.

22. **NOTICE TO PROCEED:** No services shall be performed or provided under this Contract unless and until this document has been properly signed by all responsible parties and a notice to proceed has been issued to the Contractor by the Project Manager.
23. **AUTHORITY TO EXECUTE CONTRACT:** The Signatories, below, each represent, warrant, and covenant that they have the full authority and right to enter into this Contract on behalf of the separate entities shown below.
24. **DELIVERY OF DOCUMENTS:** The Parties to this Contract and the individuals named to facilitate the realization of its intent, with the execution of the Contract, authorize the delivery of documents via facsimile, via email, and via portable document format (PDF) and covenant agreement to be bound by such electronic versions.

The parties hereto have caused the Contract to be entered as of the day and year written above.

**INLAND EMPIRE UTILITIES AGENCY:**  
*(\*A MUNICIPAL WATER DISTRICT)*

**PEST OPTIONS, INC.:**

\_\_\_\_\_  
Halla Razak  
General Manager

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
Tracy Thompson  
President

\_\_\_\_\_  
(Date)

CONSENT  
CALENDAR  
ITEM

**4M**

**Date:** June 20, 2018

**To:** The Honorable Board of Directors

**From:** Halla Razak, General Manager

HR

**Committee:** Engineering, Operations & Water Resources

06/13/18

**Executive Contact:** Randy Lee, Executive Manager of Operations/AGM

**Subject:** Contract Amendment for Landscape Services with BrightView Landscapes, LLC

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**Executive Summary:**

Landscape services are required to maintain a clean and safe working environment for staff and the communities we serve. BrightView Landscapes, LLC has been providing landscape services for the Agency through a competitive bid process since 2013. The contract has a five-year term with two, one-year extension options. Over the last five years, BrightView has met Agency expectations and has maintained the landscapes for 15 locations throughout the Agency's service area.

Since contract commencement, some services have been reduced and others have been added. Turf has been removed, lowering lawn mowing service; however, services were added to maintain aspects of the Chino Creek Wetlands and Educational Park. With these extra services and the addition of a consumer price index increase, the cost has increased by 8.5%.

Staff is recommending an amendment to exercise the contract term extension for a fixed pricing of \$17,339/month for 24 months. The total BrightView Landscapes, LLC's seven year contract amount will be \$1,442,538.

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**Staff's Recommendation:**

1. Amend the current Landscape Maintenance Services Contract for BrightView Landscapes, LLC for fixed pricing of \$17,339 a month, exercising the two-year extension option, for a total not-to-exceed amount of \$416,136; and
2. Authorize the General Manager to execute the amendment to the service contracts.

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**Budget Impact** Budgeted (Y/N): Y Amendment (Y/N): Y Amount for Requested Approval:

Account/Project Name:

Regional Operations and Maintenance (RO) Fund, Professional Fees and Services

*Fiscal Impact (explain if not budgeted):*

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**Prior Board Action:**

April 17, 2013 - Awarded Landscape Maintenance Services Contract Award

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**Environmental Determination:**

Statutory Exemption

The project is statutorily exempt based on the CEQA General Rule found in Section 15061(b)(3) of the State CEQA Guidelines.

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**Business Goal:**

Fiscal Responsibility - IEUA is committed to safeguarding the Agency's fiscal health to effectively support short term and long term needs, while providing the best value for our customers.

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**Attachments:**

Attachment 1 - Contract Amendment for Landscape Maintenance Service Contract Number 4600001420-010 to BrightView Landscapes, LLC



# Attachment 1



*Inland Empire Utilities Agency*

A MUNICIPAL WATER DISTRICT

**AMENDMENT NUMBER: 4600001420-010  
FOR  
LANDSCAPE MAINTENANCE SERVICES  
FOR  
INLAND EMPIRE UTILITIES AGENCY**

THIS AMENDMENT NUMBER TEN to Contract Number 4600001420, between the Inland Empire Utilities Agency (IEUA) and The BrightView Landscapes, LLC, of Upland, California, shall increase the term of the contract and re-align the scope of work and re-set the compensation, to be unchanged for the next twenty-four (24) months. The contract will be revised as follows:

**REVISE SECTION 4, SCOPE OF WORK & SERVICES, ADDING A PARAGRAPH "H" TO READ:**

- H. Contractor shall, in accordance with the provisions within Contract Number 4600001420, provide additional work, as required, consistent with Contractor's Proposal, dated March 30, 2018, see Exhibit A. The modified Scope of Work shall be incorporated into the Contract, and made a part of Contract Number 4600001420 with this reference.

**REVISE SECTION 5, TERM, ADDING A PARAGRAPH TO READ:**

The authorized active service term of this Contract shall extend through June 30, 2020, unless agreed to by both Parties, reduced to writing, and amended to this Contract.

**REVISE SECTION 6, COMPENSATION, ADDING A PARAGRAPH TO READ:**

As compensation for the satisfactory performance of the work required under Amendment 4600001420-010, Agency shall pay Contractor, in accordance with properly issued, and approved, invoices, processed in accordance with the payment provisions of Section 6 of Contract Number 4600001420.

This amendment increases the value of the Contract by **\$416,136**.

Execution of Contract Amendment Number 4600001420-010 increases the Contract's total **Not-to-Exceed** value to **\$1,442,538**.



*Inland Empire Utilities Agency*

A MUNICIPAL WATER DISTRICT

**ALL OTHER PROVISIONS OF THIS CONTRACT REMAIN UNCHANGED.**

The parties hereto have mutually covenanted and agreed as per the above amendment item, and in doing so have caused this document to become incorporated into the Contract Documents.

**INLAND EMPIRE UTILITIES AGENCY:**

**BRIGHTVIEW LANDSCAPES, LLC:**

\_\_\_\_\_  
Halla Razak  
General Manager

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
Leon Vitort  
Branch Manager

\_\_\_\_\_  
(Date)

3/30/18

Inland Empire Utilities

6075 Kimball Ave.

Chino, CA 91709

Attn: Lucia Diaz

Regarding: Landscape Contract 2018-2020

Dear Lucia,

Thank you for meeting with me on March 6, 2018 to discuss the contract renewal starting July 1, 2018.

Per our discussion, there were two main areas to look at adjusting the pricing of the contract.

With the recent turf conversions on three sites, and those sites having a lot of rock in them, it was requested to remove the cost of the rock spraying/ maintenance from the contract.

Eric Lesser provided square footage of the areas that were converted from grass to rock which are as follows:

RP 1- 13,000 Sq. Ft.

TP1- 42,000 Sq. Ft.

RP 5- 66,000 Sq. Ft.

TP 5- 32,200 Sq. Ft.

CCWRF- RP- 33,700 Sq. Ft.

CCWRF -TP – 7,800 Sq. Ft.

In reviewing the cost reductions at these six sites and using a figure of \$.005/ Sq. Ft/ month. to maintain the adjusted monthly prices would decrease by the following respectively listed below:

RP 1 -\$65/ month

TP1 - \$210/ month

RP 5- -\$330/ month

TP 5 - \$161/ month

CCWRF- RP - \$168.50/ month

CCWRF- TP - \$39/ month

The new pricing for those six jobs would be as follows:

RP 1 \$1,120.74

TP 1 \$935.93

RP 5 \$807.68

TP 5 \$121.97

CCWRF- RP \$690.57

CCWRF- TP \$820.07

In addition, it was requested that at Chino Creek Park, the annual cattail removal be included in the contract. Based on labor estimates as well 2 dumpsters for debris removal, the additional monthly cost for Chino Creek Park would be 500.00/ month. This would increase the Chino Creek Park monthly contract to \$4981.00 / month.

Brightview is also looking to request for a CPI increase starting 7/1/18 of 2.8% based on the annual rate.

Below is the listing of new pricing (based on CPI) for starting July 2018 and carrying out until June, 30 2020 (2 year guaranteed pricing.) All pricing is rounded to the nearest dollar.

RP 1 \$1,152.00/ month

RP 5 \$831.00/ month

CCWRF- RP \$710.00/ month

Chino Creek Park \$5120.00/ month

TP 1 \$962.00/ month

RP 2 \$340.00/ month

RP 4 \$753.00/ month

TP 4 \$377.00/ month

CCWRF-TP \$843.00/ month

Philadelphia Lift station- \$269.00/ month

Montclair Lift station - \$269.00/ month

IEUA HQ- \$4196.00/month

Mountain Ave. \$306.00/ month

TP 5 \$125.00/ month

930 Zone Reservoir \$811.00/ month

1630 Reservoir \$188.00/ month

San Bernardino Lift station \$87.00/ month

All prices would be guaranteed for two years.

Please let me know if you have any questions or we need to have a conversation regarding this.

Leon Vitort

Branch Manager

***Note by Eric on 5/1/18: this puts the monthly fee for all sites at \$ 17,339 starting July 1, 2018.***

**CONSENT  
CALENDAR  
ITEM**

**4N**

**Date:** June 20, 2018

**To:** The Honorable Board of Directors

**From:** Halla Razak, General Manager

#HR

**Committee:** Engineering, Operations & Water Resources

06/13/18

**Executive Contact:** Chris Berch, Executive Manager of Engineering/AGM

**Subject:** Labor Compliance Master Service Contracts

**Executive Summary:**

IEUA has several active and upcoming grant and State Revolving Fund (SRF) projects that must comply with Davis Bacon and State of California Department of Industrial Relations prevailing wage rate requirements. In accordance with state and federal provisions, IEUA must implement and administer a Labor Compliance Program that ensures that contractors are adhering to labor compliance requirements. Staff issued a Request for Proposal to solicit proposals from labor compliance firms in April 2018. Three proposals were received. The Solis Group has been selected as the most qualified firm. The Solis Group has shown knowledge on all grant and SRF regulations, has good references from other agencies on similar projects, and has expertise on the ever-changing state and federal labor monitoring requirements.

In addition, staff is also recommending a time extension amendment to Golden State Labor Compliance, LLC contract for a two-year term to provide continuity of service on existing projects that they are currently administering for IEUA.

Based on historical expenditures for these services, staff has determined that both contracts share an aggregate not-to-exceed amount of \$500,000.

**Staff's Recommendation:**

1. Award a three-year master service contract for labor compliance to The Solis Group with options for up to four one-year extensions;
2. Approve a two-year extension amendment to Golden State Labor Compliance, LLC;
3. Both contracts shall be limited to a single aggregate not-to-exceed amount of \$500,000; and
4. Authorize the General Manager to execute the contract and amendment subject to non-substantive changes.

**Budget Impact** Budgeted (Y/N): Y Amendment (Y/N): N Amount for Requested Approval:

*Account/Project Name:*

Multiple capital projects and department O&M budget under various program funds.

*Fiscal Impact (explain if not budgeted):*

There is no direct impact on IEUA's fiscal year budget as a result of this action. These contracts are for work which will be required on various projects and department operation and maintenance budgets.



**Prior Board Action:**

On August 20, 2014, the Board of Directors approved a contract amendment to Golden State Labor Compliance, LLC for labor compliance services, for an additional \$300,000.

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**Environmental Determination:**

Statutory Exemption

CEQA exempts a variety of projects from compliance with the statute. This project qualifies for a Statutory Exemption as defined in Section 15262 of the State CEQA Guidelines. When the project will be implemented will be subject to future environmental evaluation.

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**Business Goal:**

The Labor Compliance Contracts are consistent with the IEUA's Business Goal of Business Practices, specifically the Efficiency and Effectiveness objective that IEUA will apply best industry practices in all processes to maintain or improve the quality and value of the services we provide to our member agencies and the public.

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**Attachments:**

- Attachment 1 - Labor Compliance Contract
- Attachment 2 - Labor Compliance Contract Amendment

# **Attachment 1**



**MASTER SERVICES CONTRACT NUMBER: 4600002549**  
**FOR PROVISION OF**  
**LABOR COMPLIANCE PROGRAM SERVICES**

THIS CONTRACT (the "Contract"), is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2018, by and between the Inland Empire Utilities Agency, a Municipal Water District, organized and existing in the County of San Bernardino under and by virtue of the laws of the State of California (hereinafter referred to interchangeably as "IEUA" and "Agency") and TSG Enterprises, Inc. dba The Solis Group with offices located in Pasadena, California (hereinafter referred to as "Consultant"), in order to establish mutually acceptable terms and conditions which shall hold for and govern all "On\_Call" or "Task Order" releases subsequently issued under this Master Services Contract.

**RECITALS**

Whereas Agency anticipates future needs to retain the services of Consultant to provide labor compliance services on an "On-Call or "as-needed" Task Order assignment basis;

Whereas Consultant is willing to undertake performance of such On-Call or Task Order assignments for which the terms and conditions set forth herein shall apply;

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

1. **ORDER OF PRECEDENCE:** The documents referenced below constitute the Agreement Documents and are each hereby incorporated herein. In the event of any conflicts or inconsistencies between any of the Contract Documents, the governing order of precedence shall be as follows:
  - A. Change Orders to Task Order releases under this Master Services Contract.
  - B. Amendments to Task Order releases under this Master Services Contract.
  - C. "On-Call or Task Order releases under this Master Services Contract.
  - D. Amendments to this Master Services Contract.
  - E. Master Services Contract Number 4600002549, General Terms and Conditions.
  - F. IEUA Request for Proposals RFP-RW-18-018, incorporated herein by this reference.
  - G. Consultant's proposal dated April 19, 2018, incorporated herein and made a part hereof as **Attachment 1**.

2. SCOPE OF WORK AND SERVICES: Consultant shall provide all labor, materials, tools, machinery, equipment, and other items and services necessary to properly perform the work (hereinafter referred to interchangeably as the "Scope" or "Work") as set for in each individual On-Call Assignment or Task Order agreed to and released under this Master Services Contract, including exhibits and amendments hereto. The Work shall be carried out in accordance with the Contract Documents in a diligent and workman-like manner, utilizing qualified personnel and good and sufficient materials and equipment. Further, Consultant shall perform only those work assignments authorized by Task Orders issued in conjunction with this Contract, or as directed by the cognizant Project Manager.

A. Ordering Provisions and Understandings:

1. "On-Call" Services: In some cases, on call services (time and material) may be requested by IEUA. The Consultant shall be reimbursed for services on the hourly rates as shown in the Proposal Rate/Fee Schedule (proposal **Attachment A**) to perform services awarded under this solicitation. The fee schedule should indicate hourly rates for project staff and any reimbursable costs. Hourly fee rates and reimbursable costs shall be valid throughout the duration of the contract.
2. Negotiation of Task Orders: Agency and Consultant each reserve and retain the right to negotiate the Work, price, and term of any specific Task Order. However, both parties agree that the various proposed labor and expense rates used to develop each Task Order's price shall be as negotiated between the Consultant and Agency's cognizant Project Manager.
3. Task Order Price: The price for each Task Order shall be addressed and authorized via the content of each specific Task Order.
4. Task Order Format: Each Task Order issued under this Master Services Contract shall be of similar form to the Sample Task Order contained in the Contract which is attached hereto, referenced herein, and made a part hereof as **Attachment 2**.
5. Task Order Protocol: As the need for labor compliance services arises, a stand-alone Request for Proposal (RFP) or similar solicitation shall be forwarded to the Consultant for the purpose of obtaining a bid/proposal. A mandatory job walk may be held as part of any solicitation. If the Consultant desires to propose for the work, the Consultant shall respond, within the requested number of working days from receipt of Agency's solicitation, not to be less than five (5) working days, with submittal of a price and or technical proposal (if applicable), to perform the requested service(s). This proposal shall be reviewed and, if selected by the Agency, negotiated as required to develop mutually-agreed-upon Task Order content and price. Each Task Order shall designate a specific Scope

of work, schedule, firm-fixed or not-to-exceed compensation, and other specifications and terms particular to the work. Upon agreement and execution by both parties, the Task Order shall be released and the Consultant may begin performance of the work provided for under the executed Task Order.

If changes in Scope are needed during the course of the work, an Amendment shall be negotiated.

3. TERM: The term of this Contract shall extend from the date of the full contract execution and terminate on February 26, 2021, unless agreed to by both parties, reduced to writing, and formally incorporated as an amendment to this Contract. Agency hereby reserves the right to exercise optional extensions to the Contract term.
4. SCHEDULE: Consultant shall complete the Work specified by each Task Order in accordance with the schedule established within said Task Order. All Work shall be fully finished no later than the date specified in said Task Order, unless terminated sooner or extended as provided for herein.
5. INVOICING, PAYMENT DISCOUNT & PAYMENT: Consultant's invoices shall be submitted within 90 days of completion of work and based on the Consultant's firm-fixed price bid for each specified Task Order.

Agency shall pay the fully-approved invoice amount within thirty (30) days following receipt of the invoice. Invoicing shall be submitted electronically to [apgroup@ieua.org](mailto:apgroup@ieua.org), referencing Contract 4600002549 and the germane Task Order. Payment shall be withheld for any service which does not meet the requirements of this Contract or the associated Task Order, until such service is revised, the invoice resubmitted, and accepted by the Project Manager.

6. COMPENSATION AND CHANGES: As compensation for the Work satisfactorily performed against Task Order releases under this Contract, Agency shall pay Consultant's firm-fixed price bid for each fully-executed Task Order. As compensation for the Work performed under this Contract, Agency shall pay Consultant as per each Task Order for all services satisfactorily provided during the term of this Contract.

Agency may, at any time, make changes to the Scope of Work, including additions, reductions, and changes to any or all of the Work, as directed in writing via a Task Order Amendment issued by Agency and executed by both Parties. The Task Order Amendment shall, if warranted, convey any associated changes to the established Task Order contents.

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

8. FITNESS FOR DUTY:

A. Fitness: Consultant's personnel:

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

B. Confined Space Work:

1. Precautions and Programs:

a. The Consultant shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the work or the activities of subConsultants, suppliers, and others at the work site.

b. The Consultants and subConsultants shall comply with the provisions of the Safety and Health Regulations for Construction, promulgated by the Secretary of Labor under Section 107 of the "Contract Work Hours and Safety Standards Act," as set forth in Title 29 C.F.R. If the Agency is notified of an alleged violation of the Occupational Safety and Health Standards referred to in this Section and it is established that there is a violation, the Consultant shall be subject to liquidated damages as provided in the Contract.

c. The Consultant and all subconsultants shall comply with the provisions of the Occupational Safety and Health Standards, promulgated by the United States Secretary of Labor under the "Occupational Safety and Health Act of 1970," as set forth in Title 29, C.F.R. Where an individual State act on occupational safety and health standards has been approved by federal authority, then the provisions of said state act shall control.

d. The Consultant shall take all necessary precautions for the safety of, and shall provide the necessary supervision, control, and direction to prevent damage, injury, or loss to:

- 1) All employees on the work or work site and other persons and organizations who may be affected thereby;
- 2) All the work and materials and equipment to be incorporated therein, whether in storage or on or off the work site; and

3) All other property at the site.

e. Contract work requiring confined space entry must follow Cal-OSHA Regulation 8 CCR, Sections 5157 - 5158. This regulation requires the following to be submitted to IEUA for approval prior to the start of the project:

1) *Proof of training on confined space procedures, as defined in Cal-OSHA Regulation 8 CCR, Section 5157. This regulation also requires the following to be submitted to IEUA for approval prior to the entry of a confined space:*

2) *A written plan that includes identification of confined spaces within the construction site, alternate procedures where appropriate, Consultant provisions, specific procedures for permit-required and non-permit required spaces, and a rescue plan.*

f. The Consultant must also submit a copy of their Safety Program or IIPP prior to the start of the project for approval by the IEUA Safety Department.

9. **INSURANCE:** During the term of this Contract, the Consultant shall maintain at Consultant's sole expense, the following insurance.

A. **Minimum Scope of Insurance:** Coverage shall be at least as broad as:

1. Commercial General Liability (CGL): Insurance Services Office (ISO) Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than \$1,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability: ISO Form Number CA 00 01 covering any auto (Code 1), or if Consultant has no owned autos, covering hired, (Code 8) and non-owned autos (Code 9), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
4. Workers' Compensation and Employers Liability: Workers' compensation limits as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.
5. Professional Liability (Errors and Omissions): Insurance appropriate to the Consultant's profession, with limit no less than \$1,000,000 per occurrence or claim, \$2,000,000 aggregate.

- B. Deductibles and Self-Insured Retention: Any deductibles or self-insured retention must be declared to and approved by the Agency. At the option of the Agency, either: the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the Agency, its officers, officials, employees and volunteers; or the Consultant shall procure a bond guaranteeing payment of losses and related investigations, claims administration and defense expenses.
- C. Other Insurance Provisions: The policies are to contain, or be endorsed to contain, the following provisions:
1. General Liability and Automobile Liability Coverage
    - a. Additional Insured Status: The Agency, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Consultant including materials, parts or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Consultant's insurance (at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 forms if later revisions used).
    - b. Primary Coverage: The Consultant's insurance coverage shall be primary insurance coverage at least as broad as ISO CG 20 01 04 13 as respects the Agency, its officer, officials, employees and volunteers. Any insurance or self-insurance maintained by the Agency, its officers, officials, employees, volunteers, property owners or engineers under contract with the Agency shall be excess of the Consultant's insurance and shall not contribute with it.
    - c. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Agency, its officers, officials, employees or volunteers.
    - d. The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
    - e. The Consultant may satisfy the limit requirements in a single policy or multiple policies. Any such additional policies written as excess insurance shall not provide any less coverage than that provided by the first or primary policy.



2. Workers' Compensation and Employers Liability Coverage

The insurer hereby grants to Agency a waiver of any right to subrogation which any insurer of said Consultant may acquire against the Agency by virtue of the payment of any loss under such insurance. Consultant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the Agency has received a waiver of subrogation endorsement from the insurer.

3. All Coverages

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

- D. Acceptability of Insurers: All insurance is to be placed with insurers with a current A.M. Best's rating of no less than A-:VII, and who are admitted insurers in the State of California.
- E. Verification of Coverage: Consultant shall furnish the Agency with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the Agency before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Consultant's obligation to provide them. The Agency reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.
- F. Submittal of Certificates: Consultant shall submit all required certificates and endorsements to the following:

Inland Empire Utilities Agency, a Municipal Water District  
Attn: Angela Witte, Risk Specialist, email [awitte@ieua.org](mailto:awitte@ieua.org)  
P.O. Box 9020  
Chino Hills, California 91709

10. LEGAL RELATIONS AND RESPONSIBILITIES

- A. Professional Responsibility: Consultant shall be responsible, to the level of competency presently maintained by other practicing professionals performing the same or similar type of work.
- B. Status of Consultant: Consultant is retained as an independent Consultant only,

for the sole purpose of rendering the services described herein, and is not an employee of Agency.

- C. Observing Laws and Ordinances: Consultant shall keep itself fully informed of all existing and future state and federal laws and all county and city ordinances and regulations which in any manner affect the conduct of any services or tasks performed under this Contract, and of all such orders and decrees of bodies or tribunals having any jurisdiction or authority over the same. Consultant shall at all times observe and comply with all such existing and future laws, ordinances, regulations, orders and decrees, and shall protect and indemnify, as required herein, Agency, its officers, employees and agents against any claim or liability arising from or based on the violation of any such law, ordinance, regulation, order or decree, whether by Consultant or its employees.
- D. Subcontracted Services: Any subcontracts for the performance of any services under this Contract shall be subject to the prior written approval of the Project Manager.
- E. Grant-Funded Projects: Consultant shall be responsible to comply with all grant requirements or State Revolving Fund ("SRF") conditions related to any Task Order assignments. These may include, but shall not be limited to: Davis-Bacon Act, Endangered Species Act, Executive Order 11246 (Affirmative Action Requirements), Equal Opportunity, Competitive Solicitation, Records Retention and Public Access to Records, and Compliance Review. If a Federally-funded (ARRA) project, or predecessor, Contract Task Order shall have separate, additional reporting accountability on the use of funds.  
  
Consultant and IEUA staff shall establish for each Task Order issued if work is grant-funded.
- F. No Guarantee of Work: Consultant understands that there is no guarantee of subsequent Task Order assignments given or implied by entering into this Master Services Contract.
- G. Liens: Consultant shall pay all sums of money that become due from any labor, services, materials or equipment furnished to Consultant on account of said services to be rendered or said materials to be furnished under this Contract and that may be secured by any lien against Agency. Consultant shall fully discharge each such lien at the time performance of the obligation secured matures and becomes due.
- H. Indemnification, Consultant: Consultant shall indemnify the IEUA, its directors, employees and assigns, and shall defend and hold them harmless from all liabilities, demands, actions, claims, losses and expenses, including reasonable attorneys' fees, which arise out of or are related to the negligence, recklessness or

willful misconduct of the Consultant, its directors, employees, agents and assigns, in the performance of work under this contract.

Indemnification, Design Professional: Consultant's Design Professional agrees to indemnify, including the cost to defend, entity and its officers, officials, employees, and volunteers from and against any and all claims, demands, costs, or liability that arise out of, or pertain to, or relate to the negligence, recklessness, or willful misconduct of Design Professional (Consultant) and its employees or agents in the performance of services under this contract, but this indemnity does not apply to liability for damages arising from the sole negligence, active negligence, or willful acts of the IEUA; and does not apply to any passive negligence of the IEUA unless caused at least in part by the Design Professional (Consultant).

- I. Conflict of Interest: No official of Agency who is authorized in such capacity and on behalf of Agency to negotiate, make, accept or approve, or to take part in negotiating, making, accepting or approving this Contract, or any subcontract relating to services or tasks to be performed pursuant to this Contract, shall become directly or indirectly personally interested in this Contract.
- J. Equal Opportunity: During the performance of this Contract, Consultant shall not unlawfully discriminate against any employee or employment applicant because of race, color, religion, sex, age, marital status, ancestry, physical or mental disability, sexual orientation, veteran status or national origin.
- K. Extra Work: If at any time during the Task Order assignment, Consultant receives either oral or written direction from IEUA personnel which Consultant feels is outside the Task Order's Scope of Work, Consultant shall immediately notify Agency's cognizant Project Manager and obtain written direction. The Consultant shall receive no extra compensation for extra work unless Agency receives timely notification of Consultant's opinion that the work is outside of the contracted Scope. If the nature of the direction is such that an investigation is required to determine if the work is outside Consultant's agreed upon Scope, Consultant must immediately notify Agency's Project Manager that the directed work appears to be outside the Scope. Consultant shall not receive extra compensation for extra work performed. Extra work performed without authorization shall be at Consultant's sole cost.
- L. Non-Conforming Work: Consultant represents that the Work and Documentation shall meet the standard of care of Consultant's profession. For a period of not less than one (1) year after acceptance of the completed Work, Consultant shall, at no additional cost to Agency, correct any and all agreed-to errors in the Work or Documentation, regardless of whether any such errors are brought to the attention of Consultant by Agency, or any other person or entity. Consultant shall within three (3) calendar days, correct any error that renders the Work or Documentation dysfunctional or unusable and shall correct other errors within thirty (30) calendar days after Consultant's receipt of notice of the error. Upon request of Agency,

Consultant shall correct any such error deemed important by Agency in its sole discretion to Agency's continued use of the Work or Documentation within seven (7) calendar days after Consultant's receipt of notice of the error. If the Project Manager rejects all or any part of the Work or Documentation as unacceptable and agreement to correct such Work or Documentation cannot be reached without modification to the Contract, Consultant shall notify the Project Manager, in writing, detailing the dispute and reason for Consultant's position. Any dispute that cannot be resolved between the Project Manager and Consultant shall be resolved in accordance with the provisions of this Contract.

M. Disputes:

1. All disputes arising out of or in relation to this Contract shall be determined in accordance with this section. Consultant shall pursue the work to completion in accordance with the instruction of Agency's Project Manager notwithstanding the existence of dispute. By entering into this Contract, both parties are obligated, and hereby agree, to submit all disputes arising under or relating to the Contract which remain unresolved after the exhaustion of the procedures provided herein, to mediation.
2. Any and all disputes during the pendency of the work shall be subject to resolution by Agency Project Manager and Consultant shall comply, pursuant to Agency Project Manager instructions. If Consultant is not satisfied with any such resolution by Agency Project Manager, they may file a written protest with Agency Project Manager within seven (7) calendar days after receiving written notice of Agency's decision. Failure by Consultant to file a written protest within seven (7) calendar days shall constitute waiver of protest, and acceptance of Agency Project Manager's resolution. Agency's Project Manager shall submit Consultant's written protests to the General Manager, together with a copy of Agency Project Manager's written decision, for his or her consideration within seven (7) calendar days after receipt of said protest(s). The General Manager shall make his or her determination with respect to each protest filed with Agency Project Manager within ten (10) calendar days after receipt of said protest(s). If Consultant is not satisfied with any such resolution by the General Manager, they may file a written request for mediation with the Project Manager within seven (7) calendar days after receiving written notice of the General Manager's decision.
3. In the event of mediation, the parties hereto agree that there shall be a single neutral Mediator who shall be selected in the following manner:
  - a. The Demand for a Mediator shall include a list of five names of persons acceptable to Consultant to be appointed as Mediator. Agency shall determine if any of the names submitted by Consultant are acceptable and, if so, such person shall be designated as Mediator.

- b. In the event that none of the names submitted by Consultant are acceptable to Agency, or if for any reason the Mediator selected in Step (a) is unable to serve, Agency shall submit to Consultant a list of five (5) names of persons acceptable to Agency for appointment as Mediator. Consultant shall, in turn, have seven (7) calendar days in which to determine if one such person is acceptable.
4. Joinder in Mediation/Arbitration: Agency may join Consultant in mediation or arbitration commenced by an agreement mediator on the Project pursuant to Public Contract Code Sections 20104 et seq. Such joinder shall be initiated by written notice from Agency's representative to Consultant.
11. OWNERSHIP OF MATERIALS AND DOCUMENTS / CONFIDENTIALITY: Agency retains ownership of any and all partial or complete reports, drawings, plans, notes, computations, lists, and/or other materials, documents, information, or data prepared by Consultant and/or the Consultant's subConsultant(s) pertaining to this Contract. Said materials and documents are confidential and shall be available to Agency from the moment of their preparation, and Consultant shall deliver same to Agency whenever requested to do so by the Project Manager and/or Agency. Consultant agrees that same shall not be made available to any individual or organization, private or public, without the prior written consent of Agency. Any reuse of such documents for other than the specific purpose, intended as stated herein, shall be at the sole risk of the user, and without liability or legal exposure to Consultant.
- Notwithstanding any provision to the contrary contained in this Contract, Consultant shall retain sole ownership to its preexisting information including but not limited to computer programs, software, standard details, figures, templates and specifications.
- When transferring data in electronic media format, Consultant makes no representation as to long term compatibility, usability, or readability of documents resulting from the use of software application packages, operating systems, or computer hardware differing from those used by Consultant at the beginning of the Project or the Work.
- Because data stored in electronic media format can deteriorate or be modified inadvertently or otherwise without authorization of the data's creator, the party receiving electronic files agrees that it shall perform acceptance tests or procedures within sixty (60) days of receipt, after which Agency shall have deemed to have accepted the data transferred. Any errors detected within the sixty (60) days shall be corrected by Consultant at no additional cost to Agency. Consultant shall not be responsible to maintain documents stored in electronic media format after acceptance by Agency. The original hard copy of the documents containing the professional engineer's seal shall take precedence over the electronic documents.
12. PUBLIC RECORDS POLICY: Information made available to Agency may be subject to the California Public Records Act ("CPRA") Government Code Section 6250 et seq. Agency's use and disclosure of its records are governed by this Act. Agency shall use its best efforts to notify Consultant of any requests for disclosure of any documents pertaining to Consultant.

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

13. TITLE AND RISK OF LOSS:

- A. Documentation: Title to the Documentation shall pass to Agency when prepared; however, a copy may be retained by Consultant for its records and internal use. Consultant shall retain such Documentation in a controlled access file, and shall not reveal, display or disclose the contents of the Documentation to others without the prior written authorization of Agency or for the performance of Work related to the project.
- B. Material: Title to all Material, field or research equipment, and laboratory models, procured or fabricated under the Contract shall pass to Agency when procured or fabricated, and such title shall be free and clear of any and all encumbrances. Consultant shall have risk of loss of any Material or Agency-owned equipment of which it has custody.
- C. Disposition: Consultant shall dispose of items to which Agency has title as directed in writing by the Contract Administrator and/or Agency.

14. PROPRIETARY RIGHTS:

- A. Rights and Ownership: Agency's rights to inventions, discoveries, trade secrets, patents, copyrights, and other intellectual property, including the Information and Documentation, and revisions thereto (hereinafter collectively referred to as "Proprietary Rights"), used or developed by Consultant in the performance of the Work, shall be governed by the following provisions:
  - 1. Proprietary Rights conceived, developed, or reduced to practice by Consultant in the performance of the Work shall be the property of Agency, and Consultant shall cooperate with all appropriate requests to assign and transfer same to Agency.
  - 2. If Proprietary Rights conceived, developed, or reduced to practice by Consultant prior to the performance of the Work are used in and become integral with the Work or Documentation, or are necessary for Agency to have complete enjoyment of the Work or Documentation, Consultant shall grant to Agency a non-exclusive, irrevocable, royalty-free license, as may be required by Agency for the complete enjoyment of the Work and Documentation, including the right to reproduce, correct, repair, replace, maintain, translate, publish, use, modify, copy or dispose of any or all of the Work and Documentation and grant sublicenses to others with respect to the Work and Documentation.

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

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

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

Consultant shall defend, indemnify and hold harmless, Agency, its officers, directors, agents, employees, successors, assigns, servants, and volunteers free and harmless from any and all liability, damages, losses, claims, demands, actions, causes of action, and costs including reasonable attorney's fees and expenses arising out of any claim that use of the Work or Documentation infringes upon any trade secret, trade mark, trade name, copyright, patent, or other Proprietary Rights.

Consultant shall, at its expense and at Agency's option, refund any amount paid by Agency under the Contract, or exert its best efforts to procure for Agency the right to use the Work and Documentation, to replace or modify the Work and Documentation as approved by Agency so as to obviate any such claim of infringement, or to put up a satisfactory bond to permit Agency's continued use of the Work and Documentation.

16. NOTICES: Any notice may be served upon either party by delivering it in person, or by depositing it in a United States Mail deposit box with the postage thereon fully prepaid, and addressed to the party at the address set forth below:

Agency: Warren T. Green  
Manager of Contracts and Procurement  
Inland Empire Utilities Agency, a Municipal Water District  
P.O. Box 9020  
Chino Hills, CA 91709

Consultant: Mike Komsky  
Chief Operating Officer  
TSG Enterprises, Inc. dba The Solis Group  
131 N. El Molino Avenue, Suite 100  
Pasadena, CA 91101

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

17. SUCCESSORS AND ASSIGNS: All of the terms, conditions and provisions of this Contract shall inure to the benefit of and be binding upon Agency, Consultant, and their respective successors and assigns. Notwithstanding the foregoing, no assignment of the duties or benefits of Consultant under this Contract may be assigned, transferred or otherwise disposed of without the prior written consent of Agency; and any such purported or attempted assignment, transfer or disposal without the prior written consent of Agency shall be null, void and of no legal effect whatsoever.
18. RIGHT TO AUDIT: Agency reserves the right to review and/or audit all Consultants' records related to the work assigned by subsequent Task Orders. The option to review and/or audit may be exercised during the term of the Contract, upon termination, upon completion of the Contract, or at any time thereafter up to twelve (12) months after final payment has been made to Consultant. Consultant shall make all records and related documentation available within three (3) working days after said records are requested by Agency.
19. INTEGRATION: The Contract Documents represent the entire agreement of Agency and Consultant as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered by the Contract Documents. This Contract may not be modified, altered or amended except by written mutual agreement by Agency and Consultant.
20. GOVERNING LAW: This Agreement is to be governed by and constructed in accordance with the laws of the State of California.
21. TERMINATION FOR CONVENIENCE: Agency reserves and has the right to immediately suspend, cancel or terminate this Agreement at any time upon written notice to Consultant.



In the event of such termination, Agency shall pay Consultant for all authorized and Consultant-invoiced services up to the date of such termination.

22. **FORCE MAJEURE:** Neither party shall hold the other responsible for the effects of acts occurring beyond their control; e.g., war, riots, strikes, natural disasters, etcetera.
23. **NOTICE TO PROCEED:** No services shall be performed or furnished under this Master Services Contract unless and until a Task Order has been issued, properly signed by the responsible parties, and a Notice to Proceed order has been issued to Consultant.

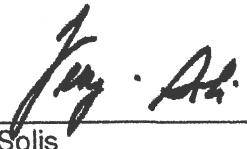
IN WITNESS WHEREOF, the parties hereto have caused this Contract to be entered as of the day and year written above.

**INLAND EMPIRE UTILITIES AGENCY:**  
(a Municipal Water District)

**TSG Enterprises, Inc. dba The Solis  
Group:**

\_\_\_\_\_  
Halla H. Razak  
General Manager

(Date)

  
\_\_\_\_\_  
Terry E. Solis  
Chairman and Secretary of the Board of  
Directors

6/5/2018

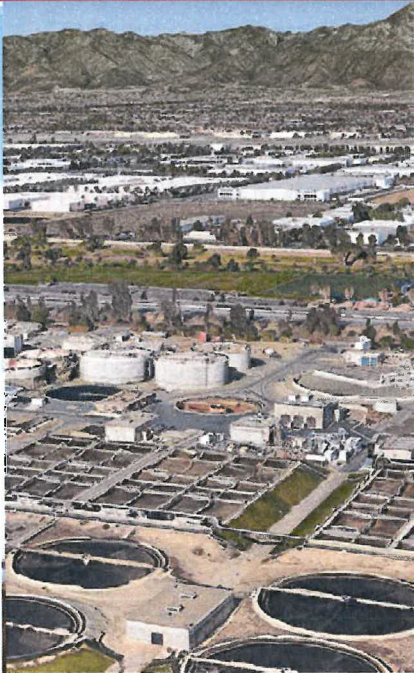
(Date)

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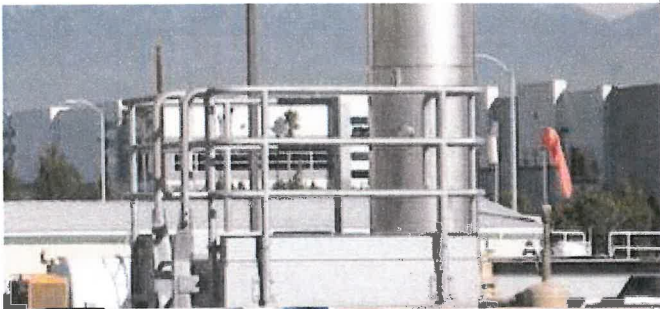
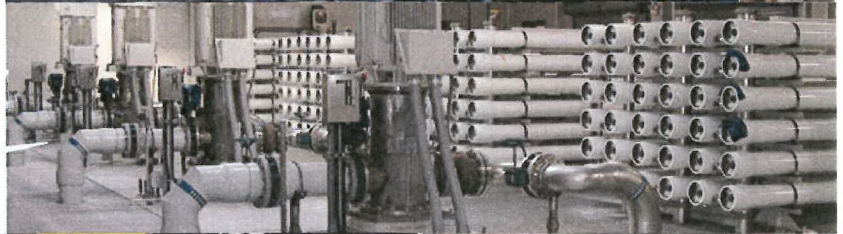
# **Exhibit A**

PROPOSAL

# Proposal for Contract and Labor Compliance Services, RFP No. RFP-RW-18-018



Inland Empire Utilities Agency  
April 19, 2018



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April 19, 2018

Robert Wallin  
Contracts Administrator II  
Inland Empire Utilities Agency  
6075 Building A Kimball Avenue  
Chino Hills, California 91708

RE: **Request for Proposal No. RFP-RW-18-018 for Provision of Contract and Labor Compliance Services**

The Solís Group (TSG) is pleased to submit this proposal to provide Contract and Labor Compliance Services to Inland Empire Utilities Agency (IEUA) in response to the Request for Proposal referenced above.

Our firm is a recognized and trusted leader in the development and implementation of Labor Compliance Programs for California public agencies. We have provided labor compliance consulting services on California public works projects for more than 25 years. **Our clients hire us for our knowledge of the program requirements, our direct past experience, and our ability to replicate our successes.** Our qualifications include:

- ✓ **Secured DIR certification of eight Prop-84 Labor Compliance Programs in the last five years**
- ✓ **DIR-certified as a Third-party Labor Compliance Program (prior to the designation's elimination)**
- ✓ **Direct experience monitoring and enforcing labor compliance programs on projects with federal Davis-Bacon and California prevailing wage requirements**
- ✓ **Principle-in-charge Elizabeth Solís and her team have personal experience ensuring that water agencies, municipalities, and other public agencies stay compliant with their Prop-84 funding sources**

We have obtained DIR certification as an LCP for Prop-84 funded projects, five of which are local water agencies, in the past five years:

- **Orange County Sanitation District**
- **Watershed Conservation Authority**
- **West Basin Municipal Water District**
- **Water Resources Replenishment District**
- **Upper San Gabriel Valley Municipal Water District**

- 
- City of Hesperia
  - City of Monterey Park
  - Orange County Department of Public Works

Our proposal shall remain valid for 120 calendar days from the date of this cover letter.

We appreciate the opportunity to provide this proposal. If you have any questions, you may contact me at (626) 685-6989 or [gamm@thesolisgroup.com](mailto:gamm@thesolisgroup.com).

Sincerely,



Gary A. Hamm  
Senior Vice President

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## Experience, Technical Understanding, and Capabilities

### Experience

Our firm has more than 25 years of experience working with public agencies; developing, monitoring, and enforcing their labor compliance programs. **Our experience with public water agency clients – like Orange County Sanitation District, West Basin Municipal Water District, and Upper San Gabriel Valley Municipal Water District – on similar projects, enables us to understand your real concerns relating to your project’s funding.** Our team has guided agencies through the entire compliance process, from project start to closeout, when they received **state, grant, and federal funding**, many for the first time. We will assist IEUA in navigating the challenges involved when receiving funding from the SRF and Proposition 84, as well as other State, Grant, and Federal funding sources. We will manage your Labor Compliance Program to meet the demands of these unique funding sources ensuring that IEUA stays in compliance with the governing rules and regulations.

#### *The Solís Group - LCP & Prop. 84 Experts*

- **Obtained certification for eight Prop. 84 Labor Compliance Programs in the past five years**
- **DIR-certified as a Third-party Labor Compliance Program (prior to the designation’s elimination)**
- **Direct experience with federal and state-funded projects**
- **Principle-in-Charge with 18+ years Labor Compliance Program experience**

Our staff has developed an effective, balanced, and practical approach to administering and enforcing labor compliance programs. Acting as a **DIR-certified Third-party Labor Compliance Program** has given us the knowledge, skills, and internal protocols to implement an effective, efficient Labor Compliance Program for IEUA. From our years of working with the DIR, our team has developed positive working relationships with DIR staff. IEUA will see a benefit in time and cost savings from our familiarity with the DIR.

Our team, led by Principle-in-Charge Elizabeth Solís, has years of industry experience with labor compliance programs with a variety of funding sources. Elizabeth, herself, has **more than 18 years of experience** supporting public agencies’ labor compliance programs, including Prop. 84 and federally-funded projects, and is currently overseeing a portfolio of Prop. 84-funded projects.

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### Technical Understanding

We understand IEUA seeks a consultant to provide all the necessary services related to the IEUA's Labor Compliance Program. As experts in labor compliance program implementation, monitoring, and enforcement; we will ensure that work on the project is performed in conformance and compliance with all state and city laws, federal regulations, and requirements as applicable.

We understand the scope of work necessary to administer a successful labor compliance monitoring and enforcement program will vary based on project-specific funding source requirements. IEUA's Capital Improvement Program includes several unique funding sources of note including:

1. Clean Water State Revolving Fund (CSWRF), a federal Environmental Protection Agency funding source, triggering the following key requirements:
  - State prevailing wage
  - Apprenticeship requirements
  - Federal Davis-Bacon and Related Acts
2. The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Proposition 84), triggering the following key requirements:
  - Unique Labor Compliance Program requirements that must be implemented on subject projects, including for example:
    - i. Performance of weekly site interviews
    - ii. Performance of monthly payment confirmations
3. State and Grant funding sources, possibly triggering the following key requirements:
  - State prevailing wage requirements under the California Labor Code and related regulations

Based on these funding sources, we will provide staff augmentation services to fulfill the outlined responsibilities and to perform the work tasks promulgated in IEUA's DIR-approved Labor Compliance Program. From the pre-bid meeting through project closeout, our staff provides clear and accurate information to the key stakeholders involved in each IEUA project. Our staff makes it a priority to cultivate the respect of all parties and explain the compliance policies, procedures and submittal requirements. Our team establishes themselves as the "go-to" source for the Labor Compliance Program.

We take a proactive approach to the monitoring of program process and monthly reporting. Our staff makes the process simple and painless for IEUA staff. After many years of working on state and federally-funded projects, our staff knows how to maintain, examine, and



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present data in a way that best prepares us to assess and enforce the contractor's compliance with the project's objectives. Our monthly reports include the following elements:

- Site interviews conducted
- List of current issues and their status
- Project document collection status
- Restitution wages or penalties assessed and/or collected
- Public records requests
- Worker complaints

Our scope of services includes the following tasks:

***Advise Contractors of All Labor Compliance Requirements***

We will conduct the following activities related to pre-construction activities:

- Inform the contractor(s), via pre-bid and/or pre-construction meetings of the following California Labor Code and federal Davis-Bacon requirements:
  - Payment of prevailing wages
  - Fringe Benefit Statement submittal
  - Use of apprenticeships
  - Required submittals (Certified Payroll Records and related documents, Apprenticeship program participation forms (DAS-140 and CAC-2)
  - Non-Discrimination in Employment Practices
  - Placement of required posters
  - Anti-kickback provisions
  - Subcontractor listing requirements
  - Licensing requirements
  - Unfair Competition Requirements
  - Worker's Compensation Insurance requirements
  - Penalties
- Provide the contractor(s) with the applicable prevailing wage determination(s) for the project
- Provide the contractor(s) with appropriate blank forms, document submittal schedule and checklist for submitting applicable documents
- Provide technical assistance to the contractor(s) and awarding body, including contact telephone number for contractors to call for assistance and dedicated email address where contractors and IEUA staff can send or request information

### **Compliance Monitoring**

We will conduct the following activities related to monitoring and enforcement of prevailing wages and apprenticeship requirements:

- Receive, securely store, review and audit Certified Payroll Records (CPR's), Fringe Benefit Statements, Trustee Reports, DAS-140 and CAC-2, and related documents
- Verify payments by conducting regular and timely spot audits and, when necessary complete audits, of compliance documents and cross check the information with related documents
- Request supporting documents including: Inspector Logs, Job Logs, timesheets, sign-in sheets (when available), and contact Trust Funds (if applicable), when required
- Conduct weekly interviews of workers. Interviews will be conducted by bilingual staff, using our Field Survey form, which is available in English and Spanish, and will consist of a representative sample of all crafts involved in the project. This information will be crosschecked against the CPR's and related documents
- We will also review workers compensation and verify with the Contractor's State License Board if the contractor's license is current. Any deficiencies will be promptly reported to IEUA



Weekly site interviews will be performed per federal requirements.

### **Compliance Enforcement**

The following enforcement activities will be conducted:

- Monthly notification of missing or delinquent documents and corrective actions through the use of a Delinquent Documents Form to both the contractor and awarding body
- Notification of wages and penalties due through the use of a Prevailing Wages Audit Worksheet
  - When documents are not received, we will inform the Agency of recommended penalty-related contract amounts to be withheld for contractor(s) failure to submit timely documents
- Provide copies of all related correspondence and notifications to IEUA
- Notification to the contractor(s) of Right to Obtain a Review of Assessment and/or conduct Settlement Meeting
- Collect and distribute wage restitutions to affected employees
- Notify IEUA of underpayment amounts and recommended assessment of liquidated damages and penalties to be withheld
- Collect labor compliance affidavits from the prime and all subcontractors prior to the closeout of the project for release of final payments to the subcontractors

- Provide a final summary at end of project of items due

It is our practice not to recommend assessment of penalties resulting from violations of the California Labor Code until an impasse has been reached with the contractor and the assessment of penalties is the next step in the resolution process.

***Coordination activities with public and private agencies, and IEUA***

Potential project participants (auditors, interested parties) with whom we will coordinate include the following:

- Department of Industrial Relations
- Division of Labor Standards Enforcement
- Division of Apprenticeship Standards
- Joint Labor-Management Committees established pursuant to the federal Labor Management Cooperation Act of 1978, such as the Center for Contract Compliance (or similar interests)

Coordination activities include:

- Provide copies of compliance and enforce action notices and correspondence to IEUA
- Respond to inquiries and request for copies of documents such as Certified Payroll Records. Copies of such records will be redacted according the California Labor Code before release
- Coordinate investigations and enforcement actions (e.g., California Labor Commissioner)
- Coordinate enforcement actions and Settlement Meetings with the Agency's legal Counsel

***Provide Required Reports***

We will provide the following reports:

- A Monthly Activity Report that will include the following:
  - An Executive Summary for the reporting period
  - Identification of enforcement activities taken and results
  - Restitution wages, penalties and liquidated damages assessed and collected
  - A matrix identifying current issues and their status
- An annual report including:
  - An Executive Summary for the year
  - Number and value of contracts awarded subject to the LCP
  - Identification enforcement activities taken and results
  - Restitution wages, penalties and liquidated damages assessed and collected

- Project Close out Report, composed of the elements included in the Annual Report, and including items that may be due but do not affect the completion of the project
- The following databases will be maintained and provided with the reports
  - A database of employees interviewed and findings, wage restitutions, and liquidated damages assessed and collected
- We will provide support, as necessary, to assist IEUA in fulfilling its semi-annual (federal) and annual (state) reporting requirements

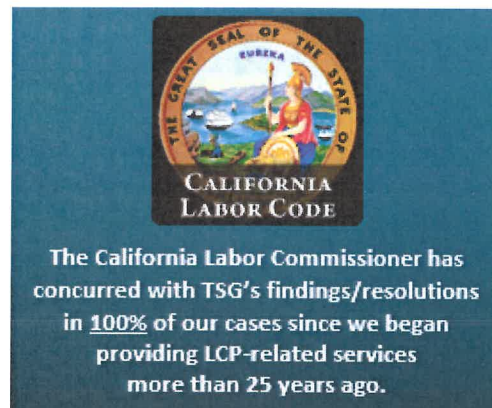
### Capabilities

Established in 1992, our firm is a multi-disciplined consulting company providing labor compliance consulting services for public sector projects in California. Because of our record of meeting project schedules and our commitment to quality service, we have many long-term clients who return to us repeatedly for compliance program management.

We have 29 professionals at our firm available to assist IEUA, ensuring the entire scope of services can be provided without impact to budget or project schedule. Our firm is committed to providing the staff resources proposed and we can provide additional staffing resources, if required, to meet IEUA demands.

Our team maintains internal quality control procedures to ensure a high level of professional service in our advice and our work products. Our quality control system consists of two key elements. The first element of the QC system is our periodic team meetings to review active projects for adherence to budget and project schedule. Project managers and support staff jointly tackle any unresolved issues, and note lessons learned on the project. The lessons learned are disseminated to the entire firm. Our team members and clients benefit from this collaborative effort. The second element is our peer-to-peer review – at the Project Manager level – that is performed for all written work products before they are published.

Our team understands the Agency's document control system requirements and is fully capable of providing the required work and services through IEUA's web-based document tracking system, Capital Improvement Program Office (CIPO).



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## Key Personnel

**Principal-in-Charge Elizabeth Solís** has more than **18 years of managing retroactive and ongoing labor compliance programs for public agencies**, and has directed our firm's success for each of our recent projects requiring DIR-certification of an LCP and/or retroactive labor compliance, including the following projects:

- West Basin Municipal Water District (Prop-84)
- City of Hesperia
- Water Replenishment District of Southern California (Prop-84)
- Upper San Gabriel Valley Municipal Water District (Prop-84)
- Orange County Public Works Department (Prop-84)
- Discovery Science Center (Prop-84)

As our Project Manager and key staff person, **Gonzalo Armijos**, will serve as the principal point of contact with IEUA's Project Manager. He is supported by a team of labor compliance program specialists with hands-on experience providing labor compliance services for both public water agency and Prop. 84-funded projects. We use this proven team-based approach to allow Gonzalo to focus on high-level project management and problem solving, while relying on skilled staff to fulfill day to day requirements of the LCP.

**Analyst Demetra Haloutsos** is detail-oriented with a keen eye for document maintenance and organization. She conducts payment verifications and maintains project files. Demetra works directly with the contractor payroll staff to ensure accuracy and completeness of all required submittals.

**Site Interviewer Jose Ruiz** will conduct bilingual site interviews, serving as our eyes and ears for early identification of potential issues/violations.

**Elizabeth Solís**, in her role as **Vice President of Operations**, is responsible for the allocation of staff resources. She has the authority to assign additional staff to work on the IEUA projects, as needed.

Our staff resumes may be found on the following pages.

## Resumes

### **Elizabeth Solís** Principal-in-Charge

An eighteen-year industry veteran, Elizabeth provides program management oversight for public works projects. She has developed and managed public agency compliance programs; including labor compliance programs, PLA Administration, SBE/DBE programs, and targeted worker programs. Her years of experience have given her a complete understanding of federal, state, and local funding regulations and requirements.

As a Principal-in-Charge, Elizabeth embraces her role as the bridge between the owner and the contractor team. She has developed a unique set of skills that bring a new perspective to compliance program management. Her experience working as a member of the contractor's project team, as well as working as an owner's representative in a program management oversight role, has given her insight into how to manage a compliance program that will be successful and exceed program goals. Her exceptional communication skills enable her to convey the owner's program objective to stakeholders and contractors, and to develop cooperative approaches with the project team that lead to demonstrative program success.

#### **PROJECT EXPERIENCE**

##### **West Basin Municipal Water District**

##### **Portfolio of Prop. 84-funded Construction Projects**

Labor Compliance Program Administration, April 2015 – current

Elizabeth serves as the Principle-in-Charge for this group of projects, with a total budget of more than \$50 million. She is responsible for contractor education and support, monitoring and enforcing all Labor Compliance Program provisions, grievance processing, and facilitating labor-management cooperation.

Due to project's Proposition 84 funding, Elizabeth was responsible for creating the LCP Manual and shepherding the program application through the Department of Industrial Relations (DIR) for the approval of the District's LCP, as well as fully implementing the LCP protocols for the life of the construction projects.



#### **EDUCATION**

- Turner School of Construction Management
- Caltrans Construction Management and Training Program

#### **AFFILIATIONS**

- NAWIC, Board Member
- CMAA, Southern California
- WTS, Los Angeles
- American Public Transportation Association

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**County of Los Angeles Department of Public Works**

**Master Labor Compliance Contract – Tujunga Wash**

Labor Compliance Program Administration, June 2016 – current

TSG has provided labor compliance on more than 25 projects as-needed for the County such as the Sepulveda Feeder, High Desert Multi-Ambulatory Care Center, and Hall of Justice, totaling more than \$517M in construction value. Elizabeth oversees the Project Manager’s work and serves as a point-of-contact for the County on all administrative issues. TSG is currently working on the Tujunga Wash, a Prop 84-funded project.

**Upper San Gabriel Valley Municipal Water District**

**Portfolio of Prop. 84-funded Construction Projects**

Labor Compliance Program Administrator, April 2016 – Dec 2017

Elizabeth serves as the Labor Compliance Program Administrator for this portfolio of Prop. 84-funded recycled water projects. She was responsible for drafting and receiving certification for the District’s LCP Manual. Elizabeth educates contractors on the projects on the California labor laws, ensuring compliance with Federal and State prevailing wage regulations. She is responsible for the uniform monitoring and enforcement of LCP provisions.

**Water Replenishment District of Southern California**

**Leo J. Vander Lans Water Treatment Facility Expansion Project**

Labor Compliance Program Administration; October 2012 - December 2014

Elizabeth served as the Senior Project Manager on this \$33 million project, responsible for contractor education and support, developing, monitoring and enforcing all LCP provisions. The District was required to be certified as an LCP and Elizabeth was responsible for preparing the application and Policies and Procedures Manual for submission to the DIR and implemented the required LCP procedures for the life of the project.

**Orange County Public Works Department**

**Two Prop. 84-funded Construction Projects**

Labor Compliance Program Administrator; November 2012 – July 2014

Elizabeth served as the Labor Compliance Program Administrator for two Prop. 84-funded county projects. She also drafted and received certification for the District’s LCP Manual.

**Gonzalo Armijos**  
**Project Manager**

With more than four years in the industry, Gonzalo manages the TSG labor compliance team and oversees compliance data collection and analysis for use in labor compliance administration. His principal responsibilities include:

- Contractor education and support
- Certified payroll record audit
- Oversight of job site monitoring
- Proactively identifying claims issues
- Grievance processing
- Audits and investigations as needed
- Document control management
- Compliance enforcement
- Accurate, on-time reporting to the agency



**EDUCATION**

Accounting Studies,  
Pasadena Community  
College

**PROJECT EXPERIENCE**

**Orange County Sanitation District**

**Two Prop. 84-funded Construction Projects**

Labor Compliance Program Administrator, November 2017 – current

Gonzalo is the Project Manager for two Prop. 84-funded projects, Plant #1 Sludge Dewatering and Odor Control and Newhope-Placentia Trunk Sewer Replacement. Gonzalo assisted OCSA in developing its LCP in accordance with California Labor Code Section 1771.5. He is now implementing the program by providing retroactive and ongoing labor compliance services. He also oversees the document monitoring and review, audits, investigations, site visits and worker interviews, and monthly reporting.

**City of Hesperia Public Works Department**

**Recycled Water Line Replacement Project**

Labor Compliance Program Administrator, October 2016 – current

Gonzalo is responsible for the labor compliance monitoring, enforcement, and reporting services that fulfill all requirements of the California Labor Code, Prop. 84, and the federal Davis-Bacon and Related Acts. He is also responsible for advising contractors on all labor compliance requirements and coordinating formal enforcement actions among public and private agencies and the awarding body.



**City of Monterey Park Department of Public Works**

**Centralized Groundwater Treatment System Project**

Labor Compliance Program Administration, October 2016 – current

Gonzalo, as the TSG Project Manager, is currently managing this Prop. 84-funded project for the city. He is responsible for the audits of collected data and the in-house document control system. He is also responsible for advising contractors on all labor compliance requirements and coordinating formal enforcement actions among public and private agencies and the awarding body.

**Water Replenishment District of Southern California**

**Leo J. Vander Lans Water Treatment Facility Expansion Project**

Labor Compliance Program Administration; October 2012 - December 2014

On this \$33 million project, Gonzalo was responsible for assisting with contractor education and support, developing, monitoring and enforcing all LCP provisions. The District was required to be certified as an LCP and TSG was responsible for preparing the application and Policies and Procedures Manual for submission to the DIR and implemented the required LCP procedures for the life of the project.

**County of Los Angeles Department of Public Works**

**Master Labor Compliance Contract – Multiple Projects**

Labor Compliance Program Administration, June 2016 – current

TSG has provided labor compliance on more than 25 projects as-needed for the County such as the Sepulveda Feeder, High Desert Multi-Ambulatory Care Center, and Hall of Justice, totaling more than \$517M in construction value. Gonzalo performs audits of collected data and manages the in-house document control system.

**Community Redevelopment Agency – Los Angeles**

**Multiple Projects**

Contract Compliance Program Administration, June 2016 – October 2017

TSG provided labor compliance for more than 10 projects that comprised this \$800M program. Gonzalo was responsible for performing audits of the collected data and managing the in-house document control system.

**Demetra Haloutsos**  
**Analyst**

Demetra is responsible for auditing and tracking contractor document submittals for multiple TSG projects, helping ensure contractor compliance on labor compliance programs. She also assists with the preparation of monthly progress reports. Her organization and attention to detail make her an indispensable member of the team. She assists TSG Project Managers by efficiently completing important day-to-day tasks on schedule.



**PROJECT EXPERIENCE**

**Orange County Sanitation District**  
**Two Prop. 84-funded Construction Projects**

Demetra assists Gonzalo Armijos, the Project Manager on two Prop. 84-funded projects, Plant #1 Sludge Dewatering and Odor Control and Newhope-Placentia Trunk Sewer Replacement. She provides document review and auditing; as well as assisting with the monthly reporting.

**City of Monterey Park Department of Public Works**  
**Centralized Groundwater Treatment System Project**

For this Prop. 84-funded project, Demetra is responsible for filing and tracking contractor document submittals. She helps to ensure contractor compliance for both prevailing wage and targeted worker hiring. She also assists with the preparation of monthly progress reports.

**County of Los Angeles Department of Public Works**  
**Master Labor Compliance Contract – Morris Dam**

For this County of Los Angeles project, Demetra helped audit certified payroll and drafts delinquent document notices to contractors. She also assists with the preparation of monthly progress reports.

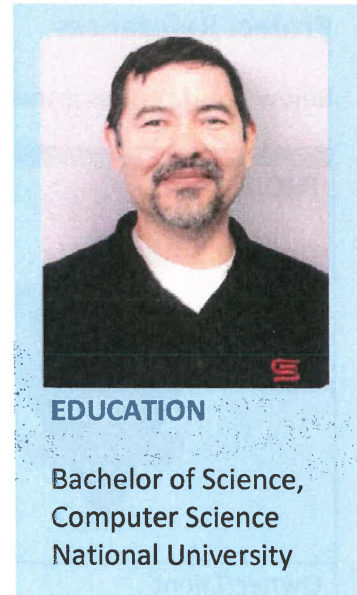
**Community Redevelopment Agency – Los Angeles**  
**Multiple Projects**

Demetra helped maintain the document tracking log in support of TSG’s contract compliance efforts on this \$800M program. She also updated the log with data from on-site worker interviews and was responsible for maintaining the project filing system.

**Jose Ruiz**  
**Field Representative**

José has seven years of direct experience participating in contract compliance investigations including prevailing wage, local-hire and disadvantaged-worker programs. He specializes in the performance of on-site interviews with project workers to identify work classifications, corroborate payment of prevailing wages and aggregate verifiable data relative to the tracking of local/targeted worker and apprentice utilization.

José has wide-ranging experience conducting site visits and field worker interviews (in Spanish or English) and is skilled at identifying potential compliance issues or underpayment issues. He works closely with interviewees to complete the necessary steps in the investigation of disputes in a timely and efficient manner. His responsiveness and concern for issues pertaining to labor compliance enhance his effectiveness as a site interviewer and facilitates the early identification of potential issues.



**PROJECT EXPERIENCE**

**West Basin Municipal Water District**

Portfolio of Prop. 84-funded Construction Projects

**County of Los Angeles Department of Public Works**

Master Labor Compliance Contract – Tujunga Wash, SR-126 Interchange, Morris Dam

**Orange County Sanitation District**

Two Prop. 84-funded Construction Projects

**City of Monterey Park Water Department**

Centralized Groundwater Treatment System

**City of Hesperia**

Reclaimed Water Line Project

**Upper San Gabriel Valley Municipal Water District**



Portfolio of Prop. 84-funded Construction Projects



**Water Replenishment District of Southern California**



Leo J. Vander Lans Water Treatment Facility Expansion Project

## Project References

Below are three assignments comparable in nature to IEUA's projects.

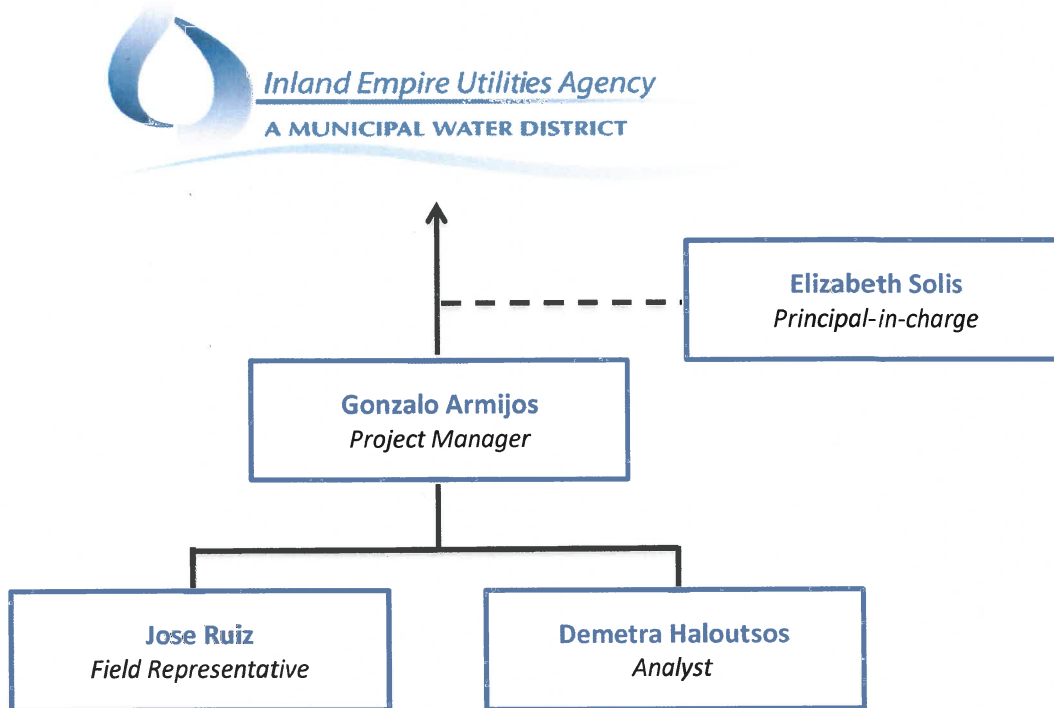
<p><b>PROJECT #1</b></p> 	
<p>Owner/Client</p>	<p><b>City of Hesperia Public Works Department</b> Recycled Water Line Replacement Project</p>
<p>Date of Start/Completion</p>	<p>October 2016 - current</p>
<p>Contact Name/Project Manager</p>	<p>David Burkett</p>
<p>Email Address</p>	<p>dburkett@cityofhesperia.us</p>
<p>Phone Number</p>	<p>760-947-1202</p>
<p>Relevant Services</p>	<p>Prop. 84 and Federal Labor Compliance Coordination Services:</p> <ul style="list-style-type: none"> <li>• Obtained DIR approval of LCP manual</li> <li>• Prepared LCP Policies &amp; Procedures Manual</li> <li>• Contractor education</li> <li>• Full labor compliance monitoring and enforcement</li> <li>• Managed/prepared monthly and closeout reporting</li> </ul>

<p><b>PROJECT #2</b></p> 	
<p>Owner/Client</p>	<p><b>Orange County Sanitation District</b></p> <p>Plant #1 Sludge Dewatering and Odor Control and Newhope-Placentia Trunk Sewer Replacement</p>
<p>Date of Start/Completion</p>	<p>November 2017 – current</p>
<p>Contact Name/Project Manager</p>	<p>Daisy Covarrubias</p>
<p>Email Address</p>	<p>dcovarrubias@ocsd.com</p>
<p>Phone Number</p>	<p>714-593-7119</p>
<p>Relevant Services</p>	<p><b>Prop. 84 Labor Compliance Coordination Services:</b></p> <ul style="list-style-type: none"> <li>• Obtained DIR approval of LCP manual</li> <li>• Prepared LCP Policies &amp; Procedures Manual</li> <li>• Contractor education</li> <li>• Full labor compliance monitoring and enforcement (retroactive and ongoing)</li> <li>• Managed/prepared monthly and closeout reporting</li> </ul>

<p><b>PROJECT #3</b></p> 	
<p>Owner/Client</p>	<p><b>West Basin Municipal Water District</b>  Portfolio of Prop-84 Projects</p>
<p>Date of Start/Completion</p>	<p>April 2015 – current</p>
<p>Contact Name/Project Manager</p>	<p>Eric Owens</p>
<p>Email Address</p>	<p>erico@westbasin.org</p>
<p>Phone Number</p>	<p>310-660-6223</p>
<p>Relevant Services</p>	<p>Labor Compliance Coordination Services:</p> <ul style="list-style-type: none"> <li>• Obtained DIR approval of LCP manual</li> <li>• Prepared LCP Policies &amp; Procedures Manual</li> <li>• Training of District staff on LCP administration</li> <li>• Contractor education</li> <li>• Full labor compliance monitoring and enforcement (retroactive and ongoing)</li> <li>• Managed/prepared monthly and closeout reporting</li> </ul>

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## Organizational Chart



While you have the benefit of a team working for you, you will have one point of contact with TSG. Gonzalo Armijos, your Project Manager, will be your top line contact during the projects. He is supported by a small team of specialists for day-to-day tasks, and through the balance of our 29-person staff should the need arise. We have included the resumes of our proposed team to illustrate their background and the depth of their labor compliance experience.

We will not use any subcontractors for this assignment.

# **Exhibit B**



## Proposal Rate/Fee Schedule

### ATTACHMENT A PROPOSAL RATE/FEE SCHEDULE

Consultants shall fully complete this Proposal Price Schedule and return it with their submittal. All proposed prices and fees shall be held firm-fixed throughout the anticipated three (3) year (January 1, 2018 through December 31, 2020) contract performance period and shall include costs associated with all, equipment, materials, transportation, overhead, travel, profit, insurance, sales and other taxes, licenses, incidentals, and all other related costs necessary to provide the related services.

#### DESCRIPTION PROPOSED UNIT RATE

1. Labor Compliance Manager/Project Manager	\$ <u>159.00</u>
2. Field Representative/Staff	\$ <u>92.75</u>
3. Certified Payroll Administrator/Analyst	\$ <u>98.50</u>
4. Administrative Assistant	\$ <u>71.00</u>
5. DBE Advertisement	\$ <u>No Charge</u>
6. Other (Specify) <u>Principal-in-Charge</u>	\$ <u>No Charge</u>
7. Other (Specify) _____	\$ <u>N/A</u>
8. Other (Specify) _____	\$ <u>N/A</u>
9. Other (Specify) _____	\$ <u>N/A</u>

**Please note any other fees which may be applicable to the services being provided**

Note: DBE Advertisements will not be required; TSG is a certified DBE firm.

**ATTACHMENT A  
PROPOSAL RATE/FEE SCHEDULE**

Consultants shall fully complete a Task Order Basis For Fee Calculations fee schedule formulation and return it with their submittal. All proposed prices and fees shall be held firm-fixed throughout the anticipated three (3) year (May, 2018 through May, 2021) contract performance period and shall include costs associated with all, equipment, materials, transportation, overhead, travel, profit, insurance, sales and other taxes, licenses, incidentals, and all other related costs necessary to provide the related services.

**SAMPLE TASK ORDER BASIS FOR FEE CALCULATIONS**

Fixed Project Initiation Fee	\$ <u>4,500</u>
Consultant Set-up and orientation, per listed Contractor/subcontractor	\$ <u>400</u>
Monthly Administration of Project- Per month per listed Contractor	\$ <u>100</u>
High Value Per Contractor Factor	\$ <u>25</u>
▪ Per 100K of construction value over 1M per month of contract duration	

**Example:**

Fixed Project Initiation Fee	Lump Sum	\$ 200.00
Consultant Set-up and orientation, per listed Contractor/subcontractor		
4-Listed Contractors	\$ 100 X4	\$ 400.00
Monthly Administration of Project- Per month per listed Contractor		
\$50 X 4 (listed Consultants) X 6 mos. (estimated project duration)		\$ 1200.00
High Value Per Contractor Factor		
Construction Value \$ 8M/ 6 mos. (estimated project duration) = 1.3M		
1.3M – 1M= (300K/100K)= 3 X \$15=45 X 6 mos.= 270.00 X 4 (listed Contractors)		\$ 1080.00
<b>Total Fee</b>		<b>\$2880.00</b>

**Please note any other fees which may be applicable to the services being provided**

Note: No other fees are applicable to the services being provided by TSG.

## Optional Tasks

The solicitation is well-written and includes a comprehensive overview of the tasks required to perform the requested services. We have outlined our scope of services to provide IEUA with a complete list of tasks we feel are necessary to ensure compliance with the Agency's wide range of funding sources.

CONSULTANT IDENTIFICATION

- 1. Legal name of Consultant: TSG Enterprises, Inc. dba The Solis Group
- 2. Street Address: 131 N. El Molino Avenue, Suite 100, Pasadena, CA 91101
- 3. Mailing Address: 131 N. El Molino Avenue, Suite 100, Pasadena, CA 91101
- 4. Business Telephone: (626) 685-6989
- 5. Facsimile Telephone: (626) 685-6985
- 6. Email Address: ghamm@thesolisgroup.com

7. Type of Business:

- California Corporation
- Corporation organized under the laws of the State of \_\_\_\_\_, with head offices located at \_\_\_\_\_, and offices in California at \_\_\_\_\_.

Limited Liability Company  
List name of managing member(s):

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

Sole Proprietorship \_\_\_\_\_ proprietor.

Partnership

Limited Liability Partnership

List names of general partners; state which partner or partners are managing partner(s)

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

Other (attach Addendum with explanatory details)

8. Business License number issued by the City where the Consultant's principal place of business is located.

Number: 1459903 Issuing City: Pasadena, California

9. Federal Tax Identification Number: 95-4728049

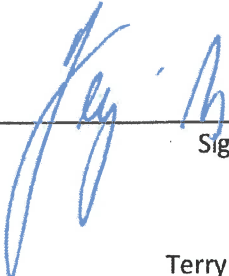
10. Consultant's Project Manager: Gonzalo Armijos
11. Project Manager's E-mail Address: garmijos@thesolisgroup.com
12. Project Manager's Cell Phone No. : (626) 685-6989
13. References: List at least three (3) references for whom you provide a similar service:

Company Name & Address	Contact Person Name & Title	Phone Number, include Area Code and E-mail Address	Services Provided
City of Hesperia Public Works Department 9700 Seventh Ave. Hesperia, CA 92345	David Burkett Project Construction Manager	760-947-1202 dburkett@cityofhesperia.us	Federal and Prop. 84 Labor Compliance Obtained DIR approval of LCP Manual
Orange County Sanitation District 10844 Ellis Ave. Fountain Valley, CA 92708	Daisy Covarrubias Sr. Staff Analyst	714-593-7119 dcovarrubias@ocsd.com	Retroactive and ongoing Prop. 84 Labor Compliance Obtained DIR approval of LCP Manual
West Basin Municipal Water District 17140 S. Avalon Blvd. Suite 210 Carson, CA 90746	Eric Owens Technical Resources Director	310-660-6223 erico@westbasin.org	Prop. 84 Labor Compliance Obtained DIR approval of LCP Manual

**WORKERS' COMPENSATION CERTIFICATE**

The Consultant shall execute this form to acknowledge and comply with the requirements of California Labor Code, Sections 1860 and 1861:

I am aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and on behalf of my Consultant, I will comply with such provisions before commencing the performance of the work of any contract entered into.

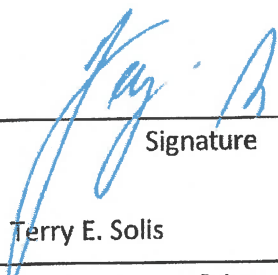
	TSG Enterprises, Inc. dba The Solis Group
Signature	Company Name
Terry E. Solis	1459903
Printed Name	Business License Number
Chairman and Secretary of the Board of Directors	4/11/2018
Title	Date

NON-COLLUSION AFFIDAVIT

State of California )  
County of Los Angeles ) ss.

Terry E. Solis, being first duly sworn, deposes and says

Chairman and Secretary of the Board of Directors of TSG Enterprises, Inc. ("Bidder") the party making the foregoing Proposal that the Proposal is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the Proposal is genuine and not collusive or sham; that the Bidder has not directly or indirectly solicited any other Bidder to put in a false or sham Proposal, and has not directly or indirectly colluded, conspired, connived, or agreed with any Bidder or anyone else to put in a sham Proposal, or that anyone shall refrain from bidding; that the Bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the Proposal fee or the Bidder or any other Bidder, or to fix any overhead, profit, or cost element of the Proposal fee, or of that of any other Bidder, or to secure any advantage against the public body awarding the Contract of anyone interested in the proposed Contract; that all statements contained in the Proposal are true; and, further, that the Bidder has not, directly or indirectly, submitted his or her Proposal fee or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, Proposal depository, or to any member or agent thereof to effectuate a collusive or sham Proposal.


  
Signature  
Terry E. Solis  
Printed Name  
Chairman and Secretary of the Board of Directors  
Title  
TSG Enterprises, Inc. dba The Solis Group  
Company Name  
1459903  
Consultant License Number  
04/11/2018  
Date

**WAIVER / RELEASE OF LIABILITY**

I, the undersigned, on behalf of TSG Enterprises, Inc. dba The Solis Group (hereinafter referred to as Consultant), fully understand that the storage or leaving of any and all Consultant owned equipment, materials, and supplies at the Agency's facilities during the term of the contract, exposes Consultant to the risk of, but not limited to, theft, fire damage, vandalism, water damage, wind damage, and possible personal injury to Consultant's employees. For the privilege of storing/leaving any and all Contract owned equipment, materials, and supplies at the Agency's facilities, Consultant agrees to assume any and all such risks.

In consideration of being able to store/leave said equipment, materials, and supplies at the Agency's facilities, Consultant hereby releases, agrees not to sue, or bring any action against, the Inland Empire Utilities Agency, its officers, employees, agents, representatives, and volunteers for any and all liability, claims, or actions for injury or death to Consultant's employees, or damage or theft of said property arising out of or in connection with the storage or leaving of said item(s) for whatever cause, including the active or passive negligence of the Inland Empire Utilities Agency, its officers, employees, agents, representatives, and volunteers.

I have carefully read this Waiver/Release of Liability and covenant not to sue, and fully understand its contents, and the possible exposures that Consultant is agreeing to assume. I am aware that this Waiver/Release of Liability is a full release of any and all liability. I am signing such as the authorized agent of Consultant, and of my own free will.

By:  04/11/2018  
Representative's signature Date  
Terry E. Solis Chairman and Secretary of the Board of Directors  
Print Name Title

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



**ATTACHMENT E  
REQUIRED FORMS**

**EXCEPTION FORM**

Should your firm take exception to **ANY** of the terms and conditions or other contents provided in the Request for Proposals, submit the following form with your Proposal. If no exception(s) are taken, enter "NONE" for the first item. Make additional copies of this form if necessary.

Page Number: \_\_\_\_\_ Section Title: \_\_\_\_\_

Paragraph Number: \_\_\_\_\_ Exception Taken: NONE

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

Page Number: \_\_\_\_\_ Section Title: \_\_\_\_\_

Paragraph Number: \_\_\_\_\_ Exception Taken: \_\_\_\_\_

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

Page Number: \_\_\_\_\_ Section Title: \_\_\_\_\_

Paragraph Number: \_\_\_\_\_ Exception Taken: \_\_\_\_\_

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

PROPOSAL SIGNATURE FORM

**ALL COMPLETED RATE/FEE SCHEDULES MUST BE ACCOMPANIED BY THIS COMPLETE, SIGNED FORM**

Each Consultant shall indicate the availability and the magnitude of any discount related to prompt payment of any or all invoices (i.e. if Net 10, then 2% discount).

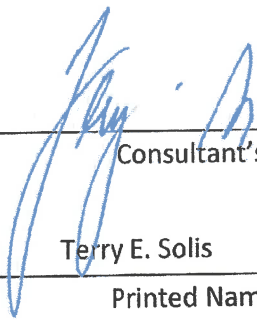
Early Payment Discount, if any (to be considered as part of this proposal):

**Not Applicable**

If Net \_\_\_\_\_, then \_\_\_\_\_ % discount

**PROPOSAL SIGNATURE:** THE UNDERSIGNED AGREES, IF THIS PROPOSAL IS ACCEPTED BY THE AGENCY WITHIN 90 CALENDAR DAYS AFTER THE DATE OF THE PROPOSAL CLOSING, TO EXECUTE A CONTRACT OF SIMILAR TO THAT DISPLAYED UNDER ATTACHMENT D.

Consultant has thoroughly read this RFP and agrees to all the terms and conditions stipulated herein, except as stated within the "EXCEPTIONS FORM" submitted with Consultant's proposal.

	TSG Enterprises, Inc. dba The Solis Group
_____ Consultant's Signature	_____ Company Name
Terry E. Solis	1459903
_____ Printed Name	_____ Business License Number
Chairman and Secretary of the Board of Directors	04/11/2018
_____ Title	_____ Date



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
02/16/2018

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Preferred American Insurance 4740 Green River Road Ste. #304 Corona CA 92880	CONTACT NAME: Customer Service Team	
	PHONE (A/C, No, Ext): (888) 745-0002	FAX (A/C, No): (888) 834-0006
	E-MAIL ADDRESS: customerservice@preferredamerican.com	
INSURED TSG Enterprises, Inc., DBA: The Solis Group 131 N. El Molino Ave., Suite 100 Pasadena CA 91101	INSURER(S) AFFORDING COVERAGE	
	INSURER A: Colony Insurance Company	NAIC # 39993
	INSURER B: Travelers Ins Co	19046
	INSURER C: National Union Fire Insurance Company of Pittsburgh	19445
	INSURER D: Granite State	23809
	INSURER E: Peleus Insurance Company	34118
	INSURER F:	

COVERAGES CERTIFICATE NUMBER: 18-19 Renewal Certs REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:	Y	Y	103 GL 0005702-07	08/20/2017	08/20/2018	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 1,000,000 \$ -
B	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS ONLY	Y	Y	BA-7J080990	07/20/2017	07/20/2018	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Uninsured motorist \$ 1,000,000
C	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB OCCUR <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED RETENTION \$			EBU087711197	08/20/2017	08/20/2018	EACH OCCURRENCE \$ 4,000,000 AGGREGATE \$ 4,000,000 \$ <input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER
D	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory In NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y	N/A	WC 019-39-7213	01/01/2018	01/01/2019	E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
E	Professional Liability			EO41976630	08/20/2017	08/20/2018	Limit: \$5,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER Evidence of Insurance	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE <i>John Davis</i>

**Request for Taxpayer  
Identification Number and Certification**

Give Form to the  
requester. Do not  
send to the IRS.

Go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9) for instructions and the latest information.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.  
TSG Enterprises, Inc.

2 Business name/disregarded entity name, if different from above  
dba The Solis Group

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes.  
 Individual/sole proprietor or single-member LLC  
 C Corporation  
 S Corporation  
 Partnership  
 Trust/estate  
 Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) *▶* \_\_\_\_\_  
Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.  
 Other (see instructions) *▶* \_\_\_\_\_

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):  
 Exempt payee code (if any) \_\_\_\_\_  
 Exemption from FATCA reporting code (if any) \_\_\_\_\_  
(Applies to accounts established outside the U.S.)

5 Address number, street, and apt. or suite no. See instructions.  
131 N. El Molino Avenue, Suite 100

6 City, state, and ZIP code  
Pasadena, CA 91101

7 List account number(s) here (optional)

**Part I Taxpayer Identification Number (TIN)**  
Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.  
 Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number  

			-						
--	--	--	---	--	--	--	--	--	--

 OR  
 Employer identification number  

9	5	-	4	7	2	8	0	4	9
---	---	---	---	---	---	---	---	---	---

**Part II Certification**  
Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here: Signature of U.S. person *[Signature]* Date *▶* 04/11/2018

**General Instructions**  
Section references are to the Internal Revenue Code unless otherwise noted.  
**Future developments.** For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9).

**Purpose of Form**  
An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:  
 • Form 1099-INT (interest earned or paid)  
 • Form 1099-DIV (dividends, including those from stocks or mutual funds)  
 • Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)  
 • Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)  
 • Form 1099-S (proceeds from real estate transactions)  
 • Form 1099-K (merchant card and third party network transactions)  
 • Form 1099 (home mortgage interest), 1099-E (student loan interest), 1099-T (tuition)  
 • Form 1099-C (canceled debt)  
 • Form 1099-A (acquisition or abandonment of secured property)  
 Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.  
 If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding*, later.



**The Solís Group**

131 N. El Molino Ave, Suite 100

Pasadena, CA 91101

(626) 685-6989 telephone

(626) 685-6985 facsimile

[www.thesolisgroup.com](http://www.thesolisgroup.com)

# **Exhibit C**

# Attachment 2

## SAMPLE TASK ORDER

Date: XXXXXXXXXXXX

Task Order Number: XXX

Consultant: XXXXXXXXXXXXX

Contract Number: 460000XXXX

Project / Task Description:

### I. RECITALS

This Task Order is issued for the procurement of services needed in conjunction with Agency Project No. XXXXXXXX .

Agency and Consultant previously entered into Master Services Contract No. 460000XXXX. Except as otherwise specified herein, all terms and conditions of that Agreement are incorporated into this Task Order via this reference.

### II. TASK ORDER AGREEMENTS

1. Scope of Work: Consultant shall furnish the qualified personnel, equipment, materials, and supplies necessary to perform the work described in the attached Statement of Work.
2. Period of Performance: XXXXXXX through XXXXXXX. All work is to be performed in a timely manner and in accordance with the Project Manager's schedule.
3. Compensation: Authorized total payments to Consultant for performance of this time-and-materials Task Order shall sum to a total not-to-exceed price of \$ XXXXXXX. (NOTE: Compensation is based on submitted fees rates included in the Master Services Contract.)
4. Assigned Personnel: The below-listed named personnel are assigned to direct the performance of this Task Order on behalf of the respective Parties.

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

Project Manager: XXXXXXXXXXXXXXXX  
Address: 6075 Kimball Ave, Bldg. X  
Chino, California 91708  
  
Telephone: (909) 993-XXXX  
Facsimile: (909) XXXXXXX  
Email: [XXXXXXXX@ieua.org](mailto:XXXXXXXX@ieua.org)

CONSULTANT ASSIGNMENT: Special inquiries related to this Agreement and the effects of this Agreement shall be referred to the following:

Consultant: XXXXXXXXXXXXXXXX  
Project Manager: XXXXXXXXXXXXXXXX  
Address: XXXXXXXXXXXXXXXX

Telephone: XXXXXXXXXXXXXXXXXXXX  
Facsimile: XXXXXXXXXXXXXXXXXXXX  
Email: XXXXXXXXXXXXXXXXXXXX

- 5. Task Order Modifications: No communication, either written or oral, by other than written and bi-laterally executed change order shall be effective to modify or otherwise affect the provisions of this Task Order.

III. SIGNATURES

Inland Empire Utilities Agency: XXXXXXXXXXXXXXXXXXXX:  
\_\_\_\_\_

Date: \_\_\_\_\_ Date: \_\_\_\_\_

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# **Attachment 2**



**MASTER SERVICES CONTRACT AMENDMENT NUMBER: 4600001503-005  
FOR PROVISION OF  
LABOR COMPLIANCE PROGRAM SERVICES**

This Contract Amendment Five is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2018, by and between the Inland Empire Utilities Agency, a Municipal Water District, organized and existing in the county of San Bernardino under and by virtue of the laws of the state of California (hereinafter referred to interchangeably as "Agency" and "IEUA") and Golden State Labor Compliance, LLC with offices located in Palmdale, California (hereinafter referred to as "Labor Compliance Administrator"), in order to establish mutually acceptable terms and conditions which will hold for and govern all "Task Order" releases subsequently issued, and shall revise the contract as amended:

**SECTION 3., TERM, IS REVISED TO ADD AS FOLLOWS:** Agency hereby exercises its option to extend the Term of this Contract. The term of this Contract shall extend from the date of the Notice to Proceed and terminate on July 31, 2020, unless agreed to by both parties, reduced to writing, and amended to this Contract.

(Note: This Amendment represents no fiscal impact to the Contract.)

**ALL OTHER PROVISIONS OF THIS CONTRACT REMAIN UNCHANGED.**

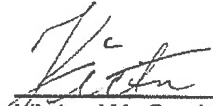
WITNESSETH, that the parties hereto have mutually covenanted and agreed as per the above Amendment item, and in doing so have caused this document to become incorporated into the Contract Documents.

INLAND EMPIRE UTILITIES AGENCY:  
(A Municipal Water District)

GOLDEN STATE LABOR COMPLIANCE, LLC:

\_\_\_\_\_  
Halla H. Razak  
General Manager

(Date)

  5-30-18  
\_\_\_\_\_  
Victor W. Conklin  
Vice President

(Date)

**ACTION  
ITEM**

**5A**

**Date:** June 20, 2018

**To:** The Honorable Board of Directors

**From:** Halla Razak, General Manager

HR

**Committee:**

**Executive Contact:** Chris Berch, Executive Manager of Engineering/AGM

**Subject:** Regional Contract Facilitation Contract Amendment

---

**Executive Summary:**

In September 2017, at the request of the Regional Technical Committee, Inland Empire Utilities Agency (IEUA) entered into a professional services contract with Kearns and West (K&W) to help facilitate the Regional Sewage Service Contract (Contract) negotiations. The initial contract was for \$99,874. Phase 1 was completed and a presentation was made at a joint meeting of the Regional Policy and Technical Committees in February 2018. At the meeting, the Policy Committee discussed options and decided it would be mutually beneficial to continue the discussions currently underway to revise the Contract and use the positive momentum established during Phase 1 to reach a final resolution on the terms for a revised Contract.

In March 2018, the K&W Team held several "Scoping Sessions", called Phase 2A, with the Technical Committee to refine issues for negotiation, develop a list of issues and establish a timeline for resolution. The Phase 2A effort, which cost \$14,971, has been completed. On May 24, 2018, the Technical Committee requested K&W provide a scope and cost for the next phase of actual negotiations, Phase 2B. On May 31 and June 7, the Regional Committees unanimously approved the Phase 2B contract amendment with K&W for a not-to-exceed amount of \$390,000. If approved, the total contract amount with K&W would increase to \$504,845.

---

**Staff's Recommendation:**

1. Approve budget amendment of \$390,000 for the Regional Contract Facilitation, Project No. PL19002;
2. Award a professional services contract amendment to Kearns and West for a not-to-exceed amount of \$390,000; and
3. Authorize the General Manager to execute the contract subject to non-substantive changes.

---

**Budget Impact** Budgeted (Y/N): N Amendment (Y/N): Y Amount for Requested Approval: \$ 390,000

Account/Project Name:

PL19002/Regional Contract Facilitation

*Fiscal Impact (explain if not budgeted):*

A new project will be established and the budget will be supplemented for \$390,000 under the Regional Wastewater O&M Fund.

**Prior Board Action:**

None

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**Environmental Determination:**

Not Applicable

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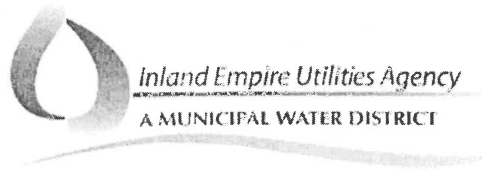
**Business Goal:**

The contract amendment supports the IEUA's Business Goal of Business Practices specifically the Efficiency and Effectiveness objective that IEUA will apply best industry practices in all processes to maintain or improve the quality and value of the services we provide to our member agencies and the public.

---

**Attachments:**

Attachment 1 - Regional Contract Facilitation Contract Amendment



**CONTRACT AMENDMENT NUMBER: 4600002416-002  
FOR PROFESSIONAL SERVICES AS  
REGIONAL CONTRACT FACILITATOR**

THIS CONTRACT AMENDMENT TWO is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2018, by and between the Inland Empire Utilities Agency, a Municipal Water District, organized and existing in the County of San Bernardino under and by virtue of the laws of the State of California (hereinafter referred to interchangeably as "IEUA" and "Agency"), and Kearns & West, Inc. with offices in San Francisco, CA, Davis, CA, and Washington, DC (hereinafter referred to as "Consultant") for professional services related to Local Services as a Regional Contract Facilitator, and shall revise the Contract as herein amended:

**SECTION 2., SCOPE OF WORK AND SERVICES, IS CHANGED TO ADD THE FOLLOWING PARAGRAPH:** Consultant shall be responsible for additional Phase 2B professional services and responsibilities which shall include and be in accordance with Consultant's proposal, attached hereto, referenced herein, and made a part hereof as **Attachment 4**.

**SECTION 3., TERM, IS CHANGED TO READ:** The term of this Contract shall extend from the date of the Notice to Proceed and terminate on June 30, 2019, unless otherwise agreed to by both parties, reduced to writing, and amended to this contract.

**SECTION 3.B., PAYMENT, INVOICING, AND COMPENSATION, ADDS THE FOLLOWING PARAGRAPH:**

B.1 As compensation for the additional Work performed under this Contract Amendment, Agency shall pay Consultant a total **NOT-TO-EXCEED MAXIMUM OF \$504,845.00** for all services satisfactorily provided during the term of this Contract, which is increased by \$390,000.00 in accordance with Consultant's estimate of services, affixed hereto, referenced herein, and made a part hereof as **Attachment 4**.

ALL OTHER PROVISIONS OF THIS CONTRACT REMAIN UNCHANGED.

(Signature Page Immediately Follows)

WITNESSETH, that the parties hereto have mutually covenanted and agreed as per the above amendment items, and in doing so have caused this document to become incorporated into the Contract documents.

**INLAND EMPIRE UTILITIES AGENCY:  
(A MUNICIPAL WATER DISTRICT)**

**KEARNS & WEST, INC:**

\_\_\_\_\_  
Halla H. Razak (Date)  
General Manager

  
\_\_\_\_\_  
J. Michael Harty (Date)  
Principal and Senior Mediator 6/8/18

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# **Attachment 4**



## PROPOSED SCOPE OF WORK – REGIONAL SEWAGE SERVICE CONTRACT NEGOTIATION PROJECT, PHASE 2B

### Introduction

IEUA and the seven Contract Agencies (Agencies) seek to reach agreement on a revised Regional Sewage Service Contract. To this end, the Agencies contracted with the Kearns & West Team to meet with the Agencies and determine the issues, concerns and potential disagreements with the existing contract (Phase 1). The Agencies subsequently contracted with the K&W Team to further refine issues for negotiation, develop a priority list of these issues, and recommend a schedule and process for contract negotiations (Phase 2A). Following a meeting with the K&W Team to discuss Phase 2B options and recommendations, the Technical Committee requested preparation of this Scope of Work (SOW) and related budget to support Phase 2B.

The attached table is a proposed budget for the Phase 2B work effort.

### Project Goals

In general terms the services under this SOW for Phase 2B are intended to provide the Agencies with:

- 1) Neutral, third party expertise in conflict resolution and collaborative problem solving, including process design;
- 2) Neutral, third-party technical expertise related to key issues requiring negotiation;
- 3) A broad spectrum of process support services for structured contract negotiations based on Phase 2A issue scoping, expert advice from the K&W Team, and initial process choices made by the Technical Committee;
- 4) Ongoing communication to support Phase 2B objectives between and among the Technical Committee, K&W Team, and other authorized representatives of the Agencies as appropriate.

The same core K&W Team is proposed for Phase 2B work to maintain continuity and build upon knowledge gained from Phases 1 and 2A. This core team will be augmented as needed by other K&W staff.

### Phase 2B Tasks

Phase 2B involves conducting negotiations in accordance with the process and structure developed in Phase 2A. The Agencies have created the foundation for the negotiations through Phases 1 and 2A, including perspectives on priority issues, linkages, and key interests and needs. This phase builds on that foundation and focuses on systematically building mutually acceptable agreements for identified issues among the Agencies through transparent and collaborative problem solving.

#### Task 1- Prepare Negotiation Terms of Reference Document

The K&W Team will prepare a Terms of Reference document for review and adoption by the Technical Committee (and other Agency representatives as appropriate). This document will describe the basic negotiation process for Phase 2B, the initial schedule, expectations for participation, decision making, confidentiality, the role of the K&W Team, and specific Guidelines for Negotiation. The K&W Team will support the Technical Committee in adopting modifications to this document as necessary.

#### Task 2 – Negotiation Sessions Schedule

The K&W Team will be responsible for preparing and maintaining the schedule for contract negotiations, communicating that schedule to the Technical Committee, advising on modifications and updates, and working with the Technical Committee to address the needs of its members related to scheduling.

#### Task 3 – Negotiation Sessions and Consultation

The K&W Team will have primary responsibility for planning and designing negotiation sessions in Phase 2B. These sessions may take a variety of forms, and may include different participants consistent with the Terms of Reference document. This Task also includes responsibility for planning and scheduling consultation sessions with representatives of one or more Technical Committee members to support contract negotiations.

#### Task 4 – Conflict Resolution and Collaborative Decision Making

The K&W Team will provide a full range of services to support increased understanding of interests and needs, development of options, and building agreements as part of contract negotiations. This Task includes preparing agendas and other background materials to support discussions, in addition to facilitated decision making, conflict resolution, and technical problem solving.

#### Task 5 – Meeting Notes and Summaries

The K&W Team will be responsible for preparing written summaries of negotiation sessions, including the documentation of agreements reached by the Technical Committee. These will be prepared and circulated in draft form for review, and then finalized, consistent with the Terms of Reference document. This Task includes taking notes at negotiation sessions to support preparation of summaries. This task also includes taking notes and preparing summaries of consultations and other discussions, also consistent with the Terms of Reference.

#### Task 6 – Ongoing Communication, Coordination, and Engagement

The K&W Team will communicate, coordinate, and engage with representatives of the Agencies as appropriate to support Phase 2B. This Task includes ongoing communication with the TC Chair and other members, the Policy Committee, the IEUA Board, and staff of the Agencies as needed. This Task also includes internal communications among the K&W team to prepare for negotiation sessions, develop a consistent understanding of input received from the Agencies, and develop potential options that address identified needs and concerns and are mutually acceptable to the Agencies.

### **Phase 2B Schedule**

The Agencies intend that Phase 2B commence as soon as possible, and not later than July 2018, following necessary consultation and approvals for this SOW and associated contract and budget.

June 5, 2018

Via Email

Chris Berch  
Assistant GM  
Inland Empire Utility  
Agency

Subject: Follow up to K&W Contract Negotiation Proposal

Dear Chris,

On behalf of our K&W Team, we are pleased to hear of the Technical Committee's positive response to our Phase 2B proposal to support negotiation of the sewerage services contract from your email yesterday. We appreciate the points raised in your email that emphasize efficiency and cost management and suggest the following specific steps be part of Phase 2B.

*Project plan and schedule.* Task 2 in our proposed approach specifies a negotiation schedule that would include negotiation topics. This schedule would be a joint reference tool for our team and the TC, updated as needed and available to inform progress evaluations and decision making. The time period for the schedule can extend into 2020 or beyond as needed; my experience is that our ability to reliably predict timing for effective problem solving on specific issues will diminish as we look further into an assumed future. We are developing a proposed schedule that includes issue sequencing and plan to deliver that next week.

*Evaluating progress with milestones.* We agree that it's important to step back from time to time, evaluate progress, and create space to consider alternative approaches if desired by the Contract Agencies. The Task 2 schedule would include key milestones developed to match the context for specific negotiation issues. Milestones and associated timelines likely

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www.kearnswest.com

*Strategic Communications and Collaboration*

Los Angeles, CA Portland, OR Riverside, CA Sacramento, CA San Diego, CA San Francisco, CA Washington, DC

would differ for Group A and Group B Issues; we envision setting these with the TC representatives as part of negotiations. Our proposal would be to build in consistent evaluation opportunities on a regular basis, e.g., at least every six months. These could be aligned with the meeting schedule for the Policy Committee as needed.

*Clear off-ramps for the TC.* It is important to establish from the initiation of negotiations that the process will continue as long as it has support from the Contract Agencies, and that the TC may choose to suspend or terminate negotiations if that support is lacking. At the same time, our experience is that a meaningful commitment of time is important to allow for planning and the inevitable shifts in negotiation dynamics. A process that offers frequent “off ramps” is unlikely to be successful in resolving difficult issues.

*Cost saving opportunities and staffing.* Your general description of the roles of our team members aligns with our own: we have technical expertise and experience to deploy for discrete issues, and mediation and process expertise for overall design, process management, and collaborative problem solving. Matching skills to needs is part of our basic approach and that will continue. Our intention is to begin the negotiation process as a complete team in order to ensure alignment and integration with the TC and internally, and then to make our specific decisions once a negotiation structure and schedule are confirmed and roles and needs are clearer.

*Status reports.* As part of issues or steps noted above we agree it will be useful to initiate regular reporting to the TC. Our proposal is to prepare a written summary to the TC every three or four months that would review milestones and characterize progress, and also provide a contract budget update. This type of interval should allow time for negotiators to engage, confer internally, and make progress between reports.



Please let us know what additional information would be useful for your decision making. We look forward to moving forward with the support of the Contract Agencies.

Sincerely,

J. Michael Harty  
*Principal*

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IEUA and Member Agencies - Regional Wastewater Contract Negotiation - Phase 2B Budget

Assumed Period of Work: July 2018-June 2019 (*Items with an asterisk reflect hourly estimates per month.)	Harty	Diemer	Rudinica	KW Associate	KW Project Coordinator	Hours for 1 Month	Hours for 12 Months	TOTAL \$ (for 1 month)	TOTAL \$ (for 12 months)	ASSUMPTIONS
	\$225.00	\$250.00	\$250.00	\$145.00	\$70.00					
Task 1: Prepare Negotiation Terms of Reference Document	15	5	5	10			35		7,325	Includes document drafting, multiple rounds of internal revisions, and time spent reviewing and modifying based on TC feedback.
Task 2: Negotiation Sessions Schedule*	1	1	1	2	4	9	108	1,295	15,540	Includes scheduling (and rescheduling) of meetings and consultation sessions.
Task 3: Negotiation Sessions and Consultation*	24	24	20			67	808	16,236	194,832	Assumes 4 negotiation sessions of 3 hours each + 2 hours travel/prep each; assumes 8 hours of consultation sessions/month; assumes attendance at 1 hr/month for TC and/or PC meetings. Assumes that Mike, Mike, and Dennis each attend 2/3 of all meetings. Assumes 6 hours round trip additional travel time (billed at 1/2 time) for Mike H and Dennis 2 times per month.
Task 4: Conflict Resolution and Collaborative Decision Making*	6	6	6	6	6	30	360	5,640	67,680	This Task includes preparing agendas and other materials/appropriate background to support discussions, research to support increased understanding interests and needs, development of options and technical problem solving.
Task 5: Meeting Notes and Summaries*				38		38	456	5,510	66,120	Assumes notetaking at 4 negotiation sessions of 3 hours each + 2 hours travel/prep each. Assumes 4 hours round trip additional travel time 1 times per month. Assumes production of written summaries for all these negotiation and consultation sessions and serveral rounds of revisions + incorporation of edits for final summaries. Assumes one set of meetings will be staffed by a Northern CA Associate and one set by a Southern CA Associate; assumes 6 hours round trip additional travel time (billed at 1/2 time) for Associate 1 time/month.
Task 6: Ongoing Communication, Coordination, and Engagement *	2	2	2	2	2	10	120	1,880	22,560	Includes ongoing communication with the TC Chair and other members, the Policy Committee, the IEUA Board, and staff of the Agencies as needed. This Task also includes internal communications among the K&W team.
<b>TOTAL HOURS FOR YEAR</b>	408.12	398.12	350.6	586	144		1887			
<b>TOTAL LABOR</b>	\$91,827	\$99,530	\$87,650	\$84,970	\$10,080			\$30,561	\$374,057	
<b>SAVINGS FROM REDUCED MEETING SCHEDULE IN AUG &amp; DEC</b>									-\$30,561	Assumes half the number of meetings in August (vacations) and December (holidays).
<b>TOTAL LABOR - PHASE I</b>									\$343,496	

Other Direct Costs	Quantity	Price/unit	Time (months)			Price/month	Price/year	ASSUMPTIONS:
Mileage @ federal reimbursement rate of .54/mile	720	0.54	12			389	\$4,666	Assumes ~90 miles RT driving from Santa Ana Airport/home to IEUA or other Agency offices. Assumes 1 car for Mike, Mike, and Dennis; and 1 car for notetaker.
Airfares	2.32	\$400	12			928	\$11,136	Assumes one trips per month for notetaker, and 2/3 of 2 trips for Mike and Dennis. Assumes all roundtrip.
Taxis, Uber, Parking, Road tolls, Car rental (as needed)	2.98	\$100	12			298	\$3,576	Assumes \$100 per person/month
Meeting materials	1	\$200.00	12			200	\$2,400	Includes flip charts, printing, and basic equipment cost per month
Per diem meals	9.28	\$64.00	12			594	\$7,127	Assumes 2017 federal GSA per diem rate of \$64/day for 4 people (with three of those attending 2/3 of meetings)
Lodging	3.96	300	12			1188	\$14,256	Lodging will be billed at the actual cost and will not exceed \$300/night without prior approval. Assumes lodging for Mike and Dennis, but not for notetaker. Assumed 3 nights/month to accommodate one day of early morning meetings.
<b>Total ODCs</b>						3597	\$43,161	
<b>SAVINGS FROM REDUCED MEETING SCHEDULE IN AUG &amp; DEC</b>							-\$3,597	Assumes half the number of meetings in August (vacations) and December (holidays).

Total ODCs										\$39,564
Total Labor and ODC for 1 Month Phase 2B, Tasks 2-6										\$34,766
Total Labor and ODC for 1 Year Phase 2B, Tasks 1-6										\$366,657

ADDITIONAL ASSUMPTIONS:

1. Negotiation meetings scheduled WED afternoons 1-4 pm and THU afternoons 1-4 pm
2. Negotiation sessions scheduled every other week around the TC and PC dates, so two blocks of meetings/month
3. Meetings scheduled prior to the scheduled PC meeting from 12:30 to 3:30 - PC meets at 4:00
4. Meet on the same date as the scheduled TC meeting
5. Assumes consultation sessions with Agency reps scheduled as needed on Wednesday mornings prior to negotiation sessions, and Thursday mornings prior to negotiation sessions
6. Assumes a 12 month schedule based on the fiscal year, July 2018 - June 2019, but half the number of meetings in August and December
7. Assumes a notetaker is needed for all negotiation meetings, but labor will be split between one SoCal notetaker and one traveling from Sacramento; Mike or Dennis will take notes at consultation sessions and TC/PC meetings.
8. Assumes Mike, Mike and Dennis will each participate in 2/3 of negotiation sessions.
9. Assumes that all meetings will be in-person, BUT webinars/calls are still an option to reduce travel time and ODCs.



**ACTION  
ITEM**

**5B**

**Date:** June 20, 2018

HR

**To:** The Honorable Board of Directors

**From:** Halla Razak, General Manager

**Committee:** Finance & Administration

06/13/18

**Executive Contact:** Christina Valencia, Executive Manager of Finance & Administration/AGM

**Subject:** Adopt Resolution No. 2018-6-9 for FY 2018/19 Appropriations Limit

**Executive Summary:**

In accordance with State Legislation Proposition 4 and Proposition 111, the Agency annually adopts an appropriations limit, or limit to the amount of property tax proceeds that can be spent each year.

To calculate the annual appropriations limit, the Agency applies population growth and per capita personal income tax (PIT) growth factors to the prior year's appropriations limit. For FY 2018/19, San Bernardino County population increased by 0.91% and the State of California PIT index was 1.0367. As a result, the Agency's total appropriations limit for FY 2018/19 is \$186.2 million, an increase of \$8.2 million, or 4.6 percent, compared to the limit of \$178.0 million for the current fiscal year. The expenses that will utilize anticipated property tax revenue of \$47.9 million are well below the FY 2018/19 calculated appropriations limit.

The calculation of the FY 2018/19 appropriations limit has been affirmed by the external auditors, and the state required minimum 15-day notice of the Agency's intent to adopt the appropriations limit and documentation of staff's determination of the limit has been met.

**Staff's Recommendation:**

Adopt Resolution No. 2018-6-9, establishing the appropriations limit for Fiscal Year 2018/19.

**Budget Impact** Budgeted (Y/N): N Amendment (Y/N): N Amount for Requested Approval:

Account/Project Name:

**Fiscal Impact** (explain if not budgeted):

The appropriations limit will not affect the Agency's proposed spending levels or reserves, as the proposed expenditures are projected to be supported primarily by non-ad valorem tax revenue sources, such as user fees and rates. Expenses that will utilize tax revenue are expected to be well below the FY 2018/19 appropriations limit.

Full account coding (internal AP purposes only):

- - -  
- - -

Project No.:

**Prior Board Action:**

On June 21, 2017, the Board of Directors adopted Resolution No. 2017-6-9, establishing the appropriations limit for FY 2017/18.

---

**Environmental Determination:**

Not Applicable

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**Business Goal:**

Establishing the appropriations limit for FY 2018/19 is consistent with the Agency's business goal of Fiscal Responsibility in funding and appropriation.

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**Attachments:**

Attachment 1 - Background

Attachment 2 - Resolution No. 2018-6-9

## Background

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Subject: Adoption of Resolution No. 2018-6-9, Establishing the Appropriations Limit for Fiscal Year (FY) 2018-19

---

One year after the adoption of Proposition 13 (People's Initiative to Limit Property Taxation), the State Legislature adopted Proposition 4 (Gann Limit Initiative) in November 1979 to place a limit (Appropriations Limit) on the amount of property tax proceeds that the state and local government can authorize to expend (appropriate) during any fiscal year.

The purpose of Proposition 4 (1979), created under Article XI11B of the California Constitution, and later amended by Proposition 111 (1990), was to hold government expenditures at their 1978-79 level, adjusted for changes in cost of living and population. Proposition 111 reset the base year from 1978-79 to 1986-87 and allowed local jurisdictions to choose among measures of population growth, inflation, or per capita personal income tax (PIT) index to calculate appropriations limits.

Accordingly, the Agency's appropriations limit 1978-79 base year calculation was retroactively modified each year for changes in one of two factors. The Agency applies the population and PIT factors to calculate its annual appropriations limit (Exhibit II of Resolution No. 2018-6-9). For FY 2018/19, both factors changed as follows: San Bernardino population increased by 0.91%, and the State of California PIT index was 3.67%.

Based on the change in population and PIT index, the Agency's total appropriations limit for FY 2018/19 is \$186.2 million, an increase of \$8.2 million compared to \$178.0 million for FY 2017/18. The Agency's FY 2018/19 budget subject to the appropriations limit is \$48 million, equal to the projected amount of property tax proceeds. This is well below the FY calculated limit.

**RESOLUTION NO. 2018-6-9**

**RESOLUTION OF THE BOARD OF DIRECTORS OF INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING AN APPROPRIATIONS LIMIT FOR FISCAL YEAR 2018/19**

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

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

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

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

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

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

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

**WHEREAS**, except for data on non-residential assessed valuation due to new construction (since 1986/87), data concerning per capita personal income and population changes necessary for determining the Fiscal Year 2018/19 Appropriation Limits are now available.

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

Section 1. The Board of Directors has determined to select the State of California Per Capita Personal Income as its inflation adjustment factor, in the absence of up-to-date data

on non-residential assessed valuation. The Board reserves the right to change its selection of the inflation adjustment factor once the assessment data are available.

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

Section 3. Appropriations Limit. That pursuant to Section 7910 of the Government Code, the Board of Directors does hereby establish the following Appropriations Limit for Fiscal Year 2018/19 is \$186,218,352.

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

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

Section 6. That upon adoption of this Resolution, Resolution No. 2017-6-9 is hereby rescinded in its entirety.

Adopted this 20<sup>th</sup> day of June, 2018

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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

(SEAL)

\*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. 2018-6-9, was adopted at a regular  
meeting on June 20, 2018, of said Agency by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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

(SEAL)

\* A Municipal Water District



### APPROPRIATIONS LIMIT

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

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

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

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

The legislation also requires a governing body to annually adopt, by resolution, an appropriations limit for the following year, along with a recorded vote regarding which of the annual adjustment factors have been selected. The Inland Empire Utility Agency's appropriation limit and annual adjustment factors are adopted at the same meeting as the budget. The two factors used for the Fiscal Year 2018/19 are the change in the State of California per capita personal income and the change in the San Bernardino County population.

The following table shows the annual appropriations limit and the proceeds from taxes for the last five years and for FY 2018/19. The change in the limit is based upon population change of 0.91% within the county and a per capita personal income change of 3.67%, as provided by the State Department of Finance.

Fiscal Year	Annual Appropriations Limit	Proceeds of Taxes (Appropriations)
2013/14	\$149,385,503	\$ 33,351,677
2014/15	\$150,204,136	\$ 40,203,474
2015/16	\$159,570,580	\$ 41,156,629
2016/17	\$169,703,311	\$ 44,704,800
2017/18	\$178,006,894	\$ 46,046,000
<b>2018/19</b>	<b>\$186,218,352</b>	<b>\$ 47,887,800</b>

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

EXHIBIT II

**INLAND EMPIRE UTILITIES AGENCY**  
 Proposed Budget Fiscal Year 2018/19  
 Appropriations Limit Calculation

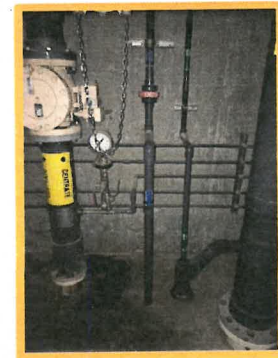
	<b>Agency Total</b>
2017/18 Appropriations Limit	\$178,006,894
2018/19 Change in Per Capital Personal income 1.03670	
2018/19 Change in Population 1.00910	
Ratio of Change (1.03670 x 1.00910)	1.04613
<b>2018/19 APPROPRIATIONS LIMIT</b>	<b>\$186,218,352</b>

	<b>Agency Total</b>
Total Expenses	\$156,824,555
Net Change in Capital Outlay	79,805,130
Debt Service	<u>25,274,546</u>
Subtotal of Appropriations	\$261,904,231
Increase/(Decrease) in Working Capital Reserves	<u>21,821,937</u>
Total Appropriations	\$283,726,168
Less: Non-Tax Proceeds	<u>(235,838,368)</u>
<b>APPROPRIATIONS SUBJECT TO LIMITATION</b>	<b>\$47,887,800</b>

**INFORMATION  
ITEM**

**6A**

# Engineering and Construction Management Project Updates



# EN17080 – Recycled Water System Cathodic Protection Improvements

- **Project Goal:** Perform cathodic protection surveys and soil corrosivity analysis for recycled water pipelines
- **Current Phase:** Predesign
- **Design Engineer:** Corrpro
- **Contract Amount:** \$199 K
  - Amendments: \$0/0.0%
- **Total Project Budget:** \$3.5 M
- **Project Completion:** April 2019
- **Percentage Complete:** 80%
- **Current Activities:**
  - Perform cathodic protection surveys for recycled water reservoirs
  - Collect and analyze field data for the recycled water facilities



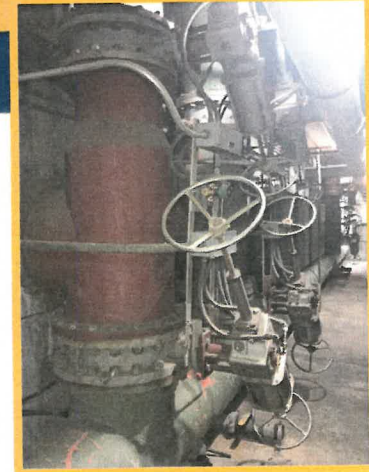
Cathodic Protection Test Stations



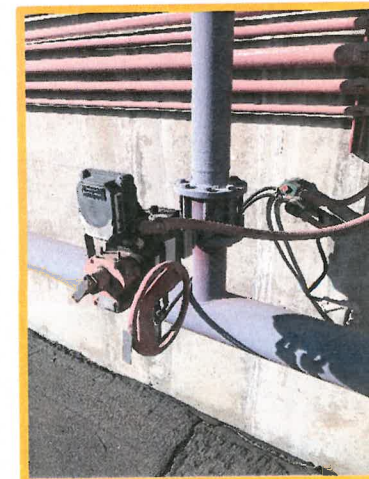
Corrosion Potential Measurement

# EN17045 – RP-1 Filter Valve Replacement

- **Project Goal:** Replace 34 leaking or non operational filter valves
- **Current Phase:** Design
- **Design Engineer:** In-House
- **Contract Amount:** \$0
  - Amendments: \$0/0.0%
- **Total Project Budget:** \$650 K
- **Project Completion:** June 2019
- **Percentage Complete:** 10%
- **Current Activities:**
  - Preparing bid documents for solicitation in August
  - Condition assessment of Filter Bank No. 1 (to confirm additional scope)



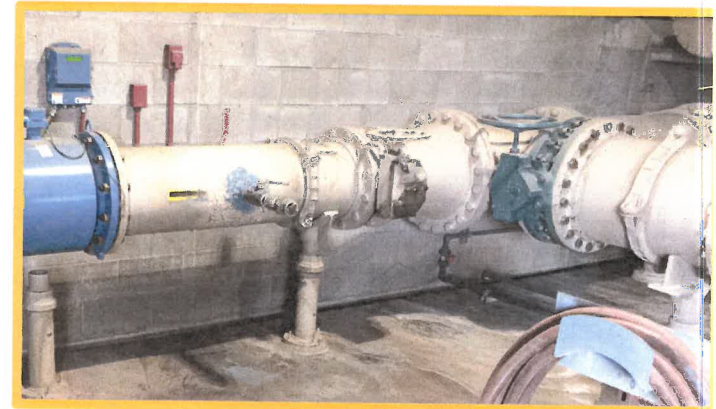
20" Drain Valve/Actuator



4" Backwash Valves

# EN17082 – RP-1 Mechanical Restoration and Upgrades

- **Project Goal:** Upgrade secondary treatment pumping
- **Current Phase:** Design
- **Design Engineer:** Stantec
- **Contract Amount:** \$459 K
  - Amendments: \$10,863/2.37%
- **Total Project Budget:** \$1.5 M
- **Project Completion:** January 2020
- **Percentage Complete:** 85%
- **Current Activities:**
  - Start of 85% design phase
  - Request for qualification and pre-qualify contractors



RAS Pump Station for Secondary Treatment System



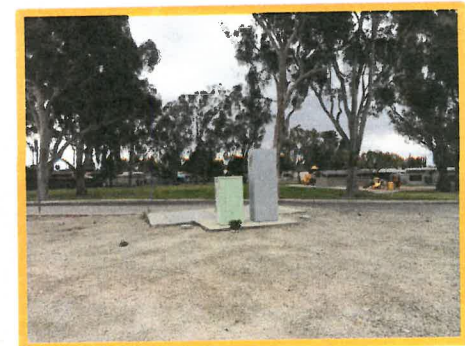
Sludge Transfer Pump at Digester Area

# EN17041 – Orchard Recycled Water Turnout Improvements

- **Project Goal:** Minimize waterfall and leak repair
- **Current Phase:** Design
- **Design Engineer:** Lee & Ro / ESA
- **Contract Amount:** \$35 K
  - Amendments: \$0/0.00%
- **Total Project Budget:** \$125 K
- **Project Completion:** October 2019
- **Percentage Complete:** 90%
- **Current Activities:**
  - 85% design phase
  - Submitted permit application to Army Corps of Engineers, Santa Ana Regional Water Quality Control Board, and California Department of Fish and Wildlife for review



Current Installation - Discharging



Vault with Valve

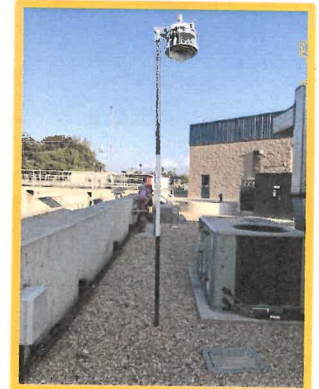


# EN18039 – Agency-Wide Light Pole Upgrades

- **Project Goal:** Replace damaged, corroded, or undersized light poles at RP-1, CCWRF, and RP-4
- **Current Phase:** Bid and Award
- **Design Engineer:** In-House
- **Contract Amount:** \$TBD
  - Agency Requested: \$0/0%
  - Changed Conditions: \$0/0.0%
- **Total Project Budget:** \$220 K
- **Project Completion:** November 2018
- **Percentage Complete:** 0%
- **Current Activities:**
  - Advertising project on PlanetBids
  - Receive and review contractor proposals



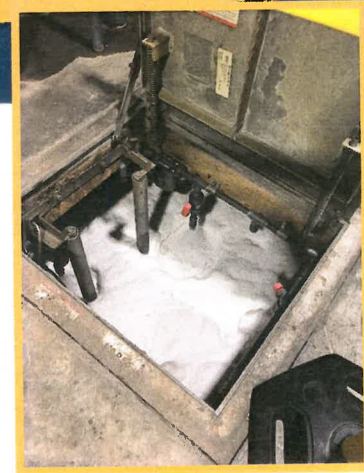
Corroded Light Pole at RP-1



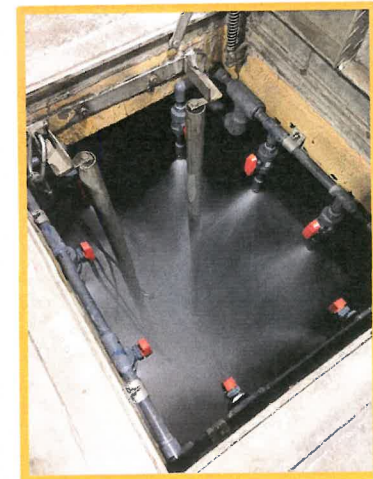
Undersized Light Pole at CCWRF

# EN18052 – RP-1 Foam Suppression System

- **Project Goal:** Reduce foam in the centrate wet well for accurate wet well level readings
- **Current Phase:** Warranty
- **Contractor:** W.A. Rasic
- **Contract Amount:** \$26 K
  - Agency Requested: \$0/0%
  - Changed Conditions: \$5,200/20.0%
- **Total Project Budget:** \$55 K
- **Project Completion:** April 2018
- **Percentage Complete:** 100%
- **Current Activities:**
  - Project closeout completed; in warranty phase



Before

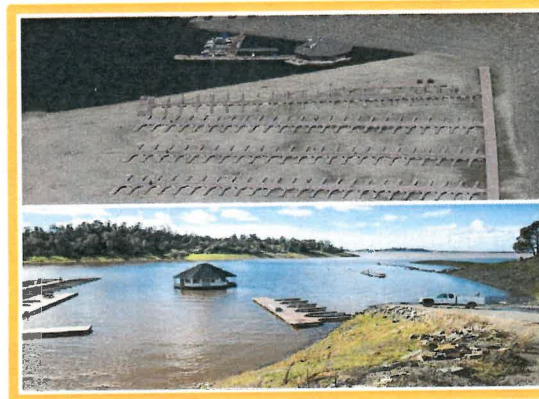


After

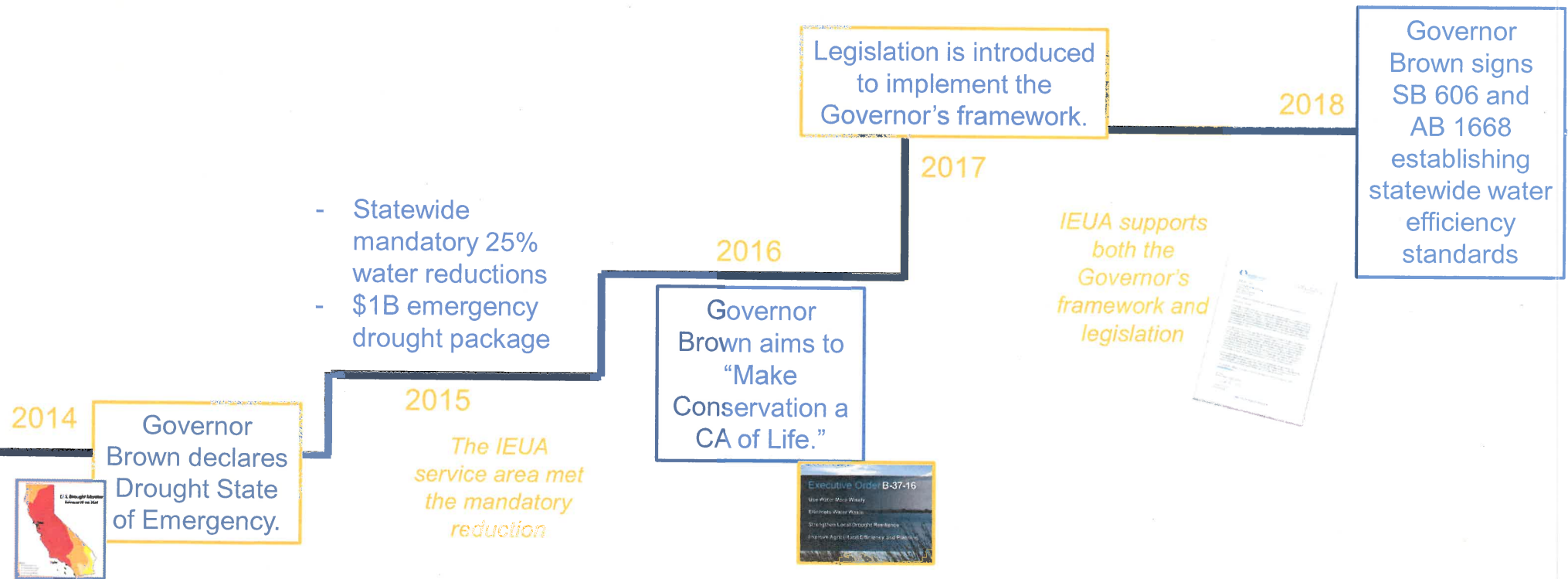
**INFORMATION  
ITEM**

**6B**

# Water Use Efficiency Legislation



# Timeline

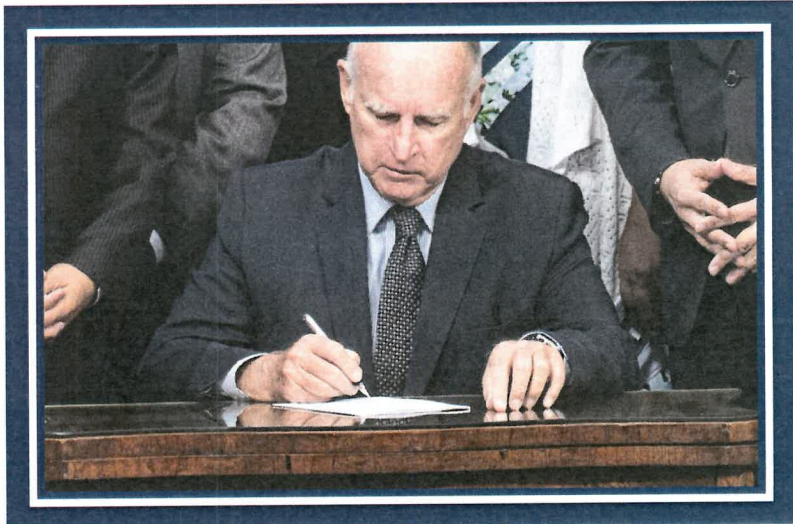


# SB 606 and AB 1668

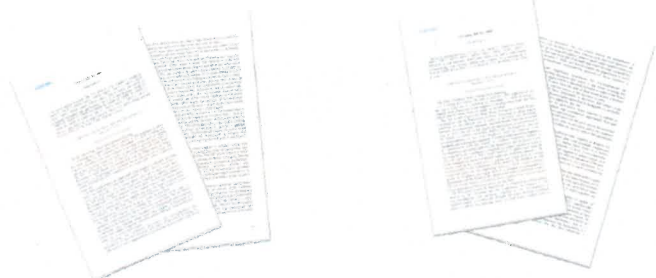
- Establishes an indoor water use goal



- Outdoor water use based on lot size, type of landscaping, and local climate conditions
- Incentives to recycle water
  - 15% for advanced treatment/reverse osmosis
  - 10% for soil augmentation



 Governor Brown signed the bills into law on May 31, 2018



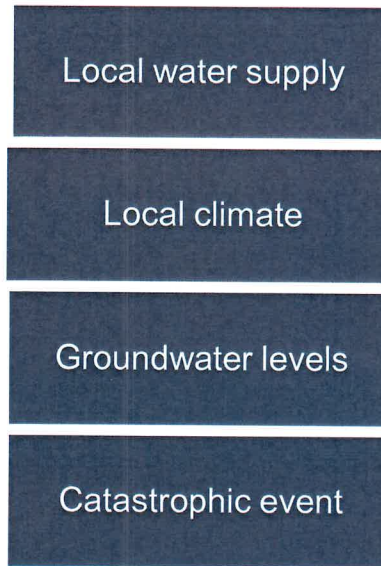
# SB 606 and AB 1668

## • Drought Response

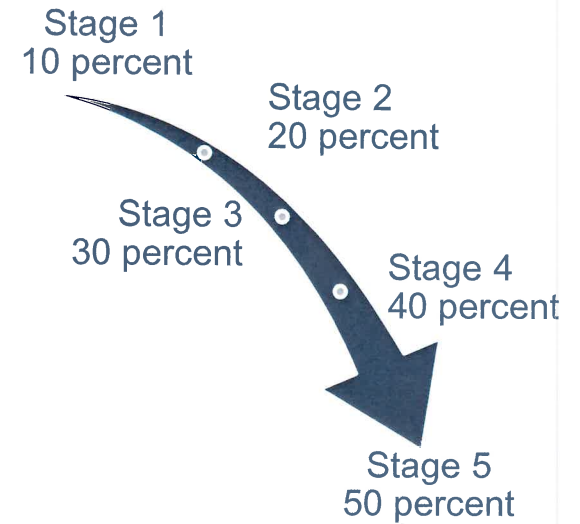
### Minimum Response Actions



### Based on local conditions



### Standard water shortage levels



# SB 606 and AB 1668

- Requires water suppliers to set annual water budgets and prepare for droughts

- Urban Water Management Plans
  - Retailers plan for meeting water needs
  - Drought risk assessment – 5 year drought



- Enforcement
  - State Board can impose fines on the water agencies from \$1,000 to \$10,000 per day



**Association of California Water Agencies  
AB 1668 (Friedman) Summary  
As Chaptered on 5/31/18**

**Urban Water Use Objectives and Water Use Reporting Requirements:**

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AB 1668 establishes urban water use objectives, which encompass standards and reporting requirements for indoor and outdoor residential use, commercial, industrial, and institutional (CII) landscape areas, water losses, and other unique local uses and situations that have a material effect on an urban water supplier's total water use. The bill requires the State Water Resources Control Board (State Water Board) to coordinate with Department of Water Resources (DWR) to recommend and adopt long-term standards for efficient water use, as well as conduct studies and investigations to report to the Legislature.

*How the Urban Water Use Objective is Calculated*

AB 1668 details the provisions included in the urban water use objective while SB 606 provides how the urban water use objective is calculated. Each urban water supplier's urban water use objective will include the sum of aggregate estimated efficient indoor and outdoor residential water use, efficient outdoor irrigation of landscape areas with dedicated irrigation meters (or equivalent technology in connection with CII landscape area water use), efficient water losses, water use in accordance with appropriate variances, and, where allowed, the potable reuse bonus incentive. The estimated efficient water use for each segment uses the standards defined in or directed to be developed by the State Water Board and DWR pursuant to AB 1668.

*Indoor Residential Water Use Standards, Studies and Reporting Requirements*

Once enacted, the bill sets the initial standard to 55 of gallons per capita daily (gpcd) for indoor residential water use. Beginning January 1, 2025, the standard for indoor residential water use will become 52.5 gpcd, and beginning January 1, 2030 the standard will decline to 50 gpcd. The bill requires that DWR and the State Water Board conduct studies, investigations, and recommends to the Legislature a standard for indoor residential water use that more appropriately reflects best practices for indoor residential water use than the standards currently outlined in the bill. The indoor standard will be the greater of the recommendation or the statutorily provided gpcd. A report on the results of the studies and investigations is required to be made to the chairpersons of the relevant policy committees of each house of the Legislature by January 1, 2021. The studies and investigations must include an analysis of the benefits and impacts of how the changing standard for indoor residential water use will affect water and wastewater management, including potable water usage, wastewater, recycling and reuse systems, infrastructure, operations, and supplies. The studies and investigations must include collaboration with, and input from, a broad group of stakeholders.

*Outdoor Residential & CII Water Use Standards, Studies and Reporting Requirements*

The bill requires that DWR recommend, and the State Water Board adopt, long-term standards for outdoor residential water use and CII landscape areas with dedicated irrigation meters or other means of calculating outdoor irrigation use. Both outdoor residential water use and CII landscape area

standards shall be included to incorporate the principles of the model water efficient landscape ordinance (MWELo) by May 20, 2021. The principles of MWELo are defined to include, but are not limited to, evapotranspiration adjustment factors, landscape areas, maximum applied water allowance, reference evapotranspiration, and special landscape areas including the provisions governing evapotranspiration adjustment factors for different types of water used for irrigation. For residential outdoor water use, the standards adopted by the State Water Board will apply to irrigable lands and swimming pools/spas; ornamental water features shall analyzed separately. The bill requires that DWR conduct pilot projects or studies before recommending standards to ensure that the data provided to local agencies is accurate for the data's uses, and considers California's diverse landscapes and community characteristics.

AB 1668 also requires, by June 30, 2022, that DWR and the State Water Board adopt performance measures for CII water use that are consistent with the October 21, 2013 "Report to the Legislature" by the CII Task Force. These performance measures are not included in the urban water use objective and must exclude provisions related to "process water," as defined in the bill. Prior to the recommendations for performance measures for CII water use, DWR is required to solicit broad public participation from stakeholders. The bill also requires the State Water Board, in coordination with DWR, to adopt long-term standards for the efficient use of water by June 30, 2022, for outdoor residential water use, outdoor irrigation of landscape areas with dedicated irrigation meters in connection with CII water use, and a volume for water loss.

#### Water Loss

For purposes of the urban water use objective, AB 1668 provides that the water loss standards set by the State Water Board under SB 555 (Chapter 679, Statutes of 2015) will be the standards used in the urban water use objective calculation.

#### Variations for Water Use Objectives and Unique Uses

By October 1, 2021, the bill requires that DWR recommend, and the State Water Board adopt, variations for unique uses that can affect an urban retail water supplier's urban water use objective. Examples of variations for unique uses include, but are not limited to, significant: populations of horses and other livestock, fluctuations in seasonal populations, use of water for soil compaction and dust control, use of water to supplement ponds and lakes to sustain wildlife, use of water to irrigate vegetation for fire protection, and use of water for commercial or noncommercial agricultural use.

#### Data Sharing and Reporting

The bill also requires that DWR and the State Water Board analyze opportunities to streamline data reporting, as well as how agencies can integrate various data sets in publicly accessible locations. The bill requires DWR, in coordination with the State Water Board, to conduct necessary studies and investigations and recommend, no later than October 1, 2021, guidelines and methodologies for DWR to adopt that identify how an urban retail water supplier calculates its urban water use objective.

#### Fines for Violations

The bill authorizes the State Water Board, after November 1, 2027, to impose fines for violating regulations adopted to implement the provisions of AB 1668. The fines are required to be up to \$1,000 for each day that the violation occurs. If the violation occurs during a critical water year of a multi-year drought or a governor declared drought emergency, the fine could go up to \$10,000 per day of violation.

## **Agricultural Water Management Planning Act Revisions and Water Use Objectives:**

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### Overview of Revisions

AB 1668 revises the Agricultural Water Management Planning Act and establishes agricultural water use objectives and reporting requirements. The bill requires an agricultural management plan (AWMP) to 1) quantify measures to increase the efficiency of agricultural water use efficiency, 2) include an annual water budget, 3) describe the agricultural water supplier's water management strategy with specified elements, and 4) include a drought plan describing the actions of the agricultural water supplier for drought preparedness and management of water supplies and allocations during drought conditions.

### Fines for Failure to Comply and Update AWMPs

The bill requires DWR to review each AWMP. DWR may coordinate its review with the Department of Food and Agriculture (DFA) and the State Water Board. DWR must notify an agricultural water supplier if DWR determines that actions are required to comply with the requirements of the bill or if a supplier fails to update its AWMP. DWR is authorized to take corrective actions and may assess a fine of \$1,000 per day, not to exceed \$25,000, if data necessary for the preparation or completion of a plan is withheld by an agricultural water supplier.

### Reporting Requirements

DWR, in consultation with the State Water Board, must submit a report to the Legislature on the agricultural efficient water management practices that have been implemented and are planned to be implemented by December 31, 2021. The report shall include an assessment of the manner in which the implementation of efficient water management practices has affected and how it will affect agricultural operations, including estimated water use efficiency improvements.

## **Small Water Supplier and Rural Community Requirements:**

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### Identification and Recommendations

AB 1668 requires DWR, by January 1, 2020, in consultation with the State Water Board and other relevant stakeholders, to identify small water suppliers and rural communities that may be at risk of drought and water shortage vulnerability. The bill also requires DWR to propose to the Governor and the Legislature, by January 1, 2020, recommendations and guidance regarding the development and use of countywide drought contingency plans to address drought planning for the identified small water suppliers and rural communities. The recommendations shall include 1) assessment of drought vulnerability, 2) actions to reduce drought vulnerability, 3) response, financing, and local communication and outreach planning efforts that may be implemented in times of drought, 4) data needs and reporting, and lastly, 5) the roles and responsibilities of interested parties and coordination with other relevant water management planning efforts.

## **Definitions:**

---

The bill defines the following for purposes of the standards set forth in SB 606:

**Large landscape:** means a nonresidential landscape as described in the performance measures for CII water use.

**Performance measures:** means actions to be taken by urban retail water suppliers that will result in increased water use efficiency by CII water users. Performance measures may include, but are not limited to, educating CII water users on best management practices, conducting water use audits, and preparing water management plans. Performance measures do not include process water.

**Process water:** means water used by industrial water users for producing a product or product content or water used for research and development. Process water includes, but is not limited to, continuous manufacturing processes, and water used for testing, cleaning, and maintaining equipment. Water used to cool machinery or buildings used in the manufacturing process or necessary to maintain product quality or chemical characteristics for product manufacturing or control rooms, data centers, laboratories, clean rooms, and other industrial facility units that are integral to the manufacturing or research and development process is process water. Water used in the manufacturing process that is necessary for complying with local, state, and federal health and safety laws, and is not incidental water, is process water. Process water does not mean incidental water uses.

## **SB 606 Contingency and Implementation:**

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The bill includes language that the enactment and implementation of AB 1668 are contingent upon the enactment of SB 606 (Hertzberg).

**Association of California Water Agencies  
SB 606 (Hertzberg) Summary  
As Chaptered on 5/31/18**

**Urban Water Use Objectives and Water Use Reporting Requirements:**

---

SB 606 requires the State Water Resources Control Board (State Water Board) and the Department of Water Resources (DWR) to adopt water efficiency regulations, outlines requirements for urban water suppliers, and specifies penalties for violations. The bill also requires annual calculation of the urban water use objective and annual reporting of the previous year's water use that is consistent with the urban water use objective. The bill provides a bonus incentive, up to 15 percent, on top of the urban water use objective for the amount of potable reuse water delivered the previous year.

SB 606 also revises certain provisions related to urban drought planning. Specifically, the bill:

- Revises requirements for urban water management plans;
- Requires the adoption of a water shortage contingency plan (WSCP), which must include certain elements, annual drought risk assessment (drought risk assessment) procedures and standard water shortage levels; and
- Requires urban water suppliers to conduct annual drought risk assessments and to submit an annual report to DWR.

*Urban Use Objectives*

SB 606 establishes urban water use objectives and reporting requirements for urban water suppliers by requiring an urban water supplier to calculate an aggregate urban water use objective each year for the previous calendar year by November 1, beginning November 1, 2023, and by November 1 every year thereafter. If an urban water supplier does not meet its water use objective, the bill authorizes the State Water Board to issue specified orders. Each urban water supplier's urban water use objective will include the sum of aggregate estimated efficient indoor and outdoor residential water use, efficient outdoor irrigation of landscape areas with dedicated irrigation meters (or equivalent technology in connection with commercial, industrial, and institutional (CII) landscape area water use), efficient water losses, and water use in accordance with appropriate variances. The details of each of the standards used to calculate the urban water use objective are included in AB 1668. This bill authorizes urban retail water suppliers to use alternative data in calculating the urban water use objective. Urban water suppliers must demonstrate to DWR that the alternative data is equivalent or superior in quality and accuracy compared to the data provided by DWR. The bill requires an urban water supplier to submit a report to DWR no later than November 1, 2023, and by November 1 every year thereafter, that includes 1) the urban water use objective along with relevant supporting data, 2) the actual urban water use along with relevant supporting data, 3) documentation of the implementation of the performance measures for CII water use, and 4) a description of the progress made towards meeting the urban water use objective.

*Bonus Incentive*

SB 606 establishes a bonus incentive for potable reuse water equal to the volume delivered. This will allow urban retail water suppliers that deliver water from a groundwater basin, reservoir, or other source that is augmented by potable reuse water to adjust its yearly urban water use objective by the bonus incentive. Urban retail water suppliers are eligible for a bonus of up to fifteen percent for any potable reuse water produced at an existing facility. The bonus incentive shall not exceed ten percent for any potable reuse water produced at any facility that does not 1) possess a certified environmental impact report (EIR), mitigated negative declaration (MND), or negative declaration (ND) on or before January 1, 2019, 2) begin producing and delivering potable reuse water on or before January 1, 2022, or 3) use microfiltration and reverse osmosis technologies to produce the potable reuse water.

#### Reporting

SB 606 authorizes the State Water Board to issue a regulation requiring wholesale water suppliers, urban retail water suppliers, or distributors of public water supply to submit information relating to water production, water use, or water conservation. By January 1, 2020, DWR, in coordination with the State Water Board, shall conduct necessary studies and investigations and provide recommendations to the Legislature, on the feasibility of developing and enacting water loss reporting requirements for urban wholesale water suppliers. By January 10, 2024, the Legislative Analyst's Office (LAO) is required to evaluate and report to the Legislature on the implementation of the urban water conservation standards and water use reporting requirements established by the bill. By January 1, 2026, the chair of State Water Board and director of DWR are required to appear before the appropriate policy committees of both houses and report on the implementation of urban water conservation standards and water use reporting.

#### Enforcement

The bill authorizes the State Water Board, on and after November 1, 2023, to issue informational orders pertaining to water production, water use, and water conservation to an urban water supplier that does not meet its urban water use objective. Informational orders are intended to obtain information on supplier activities, water production, and conservation efforts in order to identify technical assistance needs and assist urban water suppliers in meeting their urban water use objectives. The bill authorizes the State Water Board, on and after November 1, 2024, to issue a written notice to an urban water supplier that does not meet its urban water use objective. The written notice may warn the urban water supplier that it is not meeting its urban water use objective and is not making adequate progress in meeting the urban water use objective, and may request that the urban water supplier address areas of concern in its next annual report. In deciding whether to issue a written notice, the State Water Board may consider whether the urban water supplier has received an informational order, the degree to which the urban retail water supplier is not meeting its urban water use objective, information provided in the annual report, and actions the urban water supplier has implemented or will implement in order to help meet its urban water use objective. Finally, the bill authorizes the State Water Board, on and after November 1, 2025, to issue a conservation order to an urban water supplier that does not meet its urban water use objective. A conservation order may consist of, but is not limited to, referral to DWR for technical assistance, requirements for education and outreach, requirements for local enforcement, and other efforts to assist urban retail water suppliers in meeting their urban water use objective. A

conservation order may include requiring actions intended to increase water-use efficiency, but shall not curtail or otherwise limit the exercise of a water right and shall not require the imposition of civil liability pursuant to section 377 of the Water Code.

#### Miscellaneous

The bill provides that an action of the State Water Board taken under the “Urban Water Use Objectives and Water Use Reporting” chapter will be exempt from California Environmental Quality Act (CEQA) review provided that the action does not involve relaxation of existing water conservation or water use standards.

The bill provides that no provision of the “Urban Water Use Objectives and Water Use Reporting” chapter can be construed to 1) determine or alter water rights; that Sections 1010 and 1011 of the water code apply to water conserved through implementation of this bill, 2) authorize the State Water Board to update or revise water use efficiency standards authorized by the “Urban Water Use Objectives and Water Use Reporting” chapter except as explicitly provided by this bill; authorization to update the standards beyond that explicitly provided by this bill will require separate legislation, or 3) limit or otherwise affect the use of recycled water as seawater barriers for groundwater salinity management.

The bill also expands local agency fining authority under Water Code section 377 to include violations of certain regulations adopted by the State Water Board related to the urban water use objective and emergency regulations.

#### **Urban Water Management Planning Act Revisions:**

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SB 606 makes substantive revisions to the Urban Water Management Planning Act and the Water Shortage Contingency Plans (WSCPs) currently required under existing law.

#### Overview of Revisions

New requirements for urban water management plans (UWMPs) include that urban water suppliers provide simple descriptions of the reliability of its water supplies, the agency’s strategy for meeting its water needs, and other information necessary to provide a general understanding of the agency’s plan. UWMPs must contain a drought risk assessment that examines water shortage risks for a drought that will last five years. The bill requires that UWMPs be updated and submitted to DWR by July 1, every five years, and incorporate updated and new information from the five years preceding the UWMP update. An urban water supplier is required to prepare, adopt, and periodically review WSCPs as part of its UWMP. In the UWMP due July 1, 2021, and in each update thereafter, data must be included to show whether the urban water supplier met the distribution loss standards enacted by the State Water Board.

#### Urban Water Management Plans

Urban water suppliers now have a duty to ensure that their UWMP include an assessment of the reliability of its water service to its customers during normal, dry, and multiple dry water years. The UWMP must also include a drought risk assessment to compare the total water supply sources available

to the water supplier with the long-term total projected water use over the next 20 years, in five-year increments, for a normal water year, a single dry water year, and a drought lasting five consecutive water years. By January 1, 2024, each urban retail water supplier shall adopt and submit to DWR a supplement to the adopted plan to meet a targeted 20 percent reduction in per-capita urban water consumption by the year 2020 (2020 plan). The supplement must include information that describes the water demand management measures that the supplier plans to implement to achieve its urban water use objective. The bill specifies that the supplement is not an update or an amendment to the UWMP, so an urban water supplier is not required to comply with the public notice, hearing, and adoption requirements before submitting the information to the DWR.

The bill requires that the UWMP due July 1, 2021, and in each update thereafter, shall include data to show whether the urban retail water supplier met the distribution loss standards enacted by the State Water Board. When updating a UWMP to submit to DWR, urban water suppliers are now required to include, in the description of their UWMPs, social and economic factors that affect their planning. The description shall also include the current and projected land uses within the existing or anticipated service area affecting the supplier's UWMP. Urban water suppliers are required to coordinate with local or regional land use authorities to determine the most appropriate land use information and include land use information obtained from local or regional land use authorities, where appropriate. UWMPs must identify and quantify the existing and planned sources of water available to the supplier over the same five-year increments as the drought risk assessments, and provide supporting and related information that includes:

- 1) A detailed discussion of anticipated supply availability under a normal water year, single dry year, and droughts lasting at least five years, as well as more frequent and severe periods of drought, as described in the drought risk assessment. For each source of water supply, consider any information pertinent to the reliability analysis that is conducted under current law, including changes in supply due to climate change.
- 2) When multiple sources of water supply are identified, a description of the management of each supply in correlation with the other identified supplies.
- 3) For any planned sources of water supply, descriptions of the measures that are being undertaken to acquire and develop those water supplies.
- 4) The distribution system water loss shall be quantified for each of the five years preceding the UWMP update.
- 5) If groundwater is identified as an existing or planned source of water available to the supplier, all of the following information must also be included in the UWMP:
  - a) The current version of any groundwater sustainability plan or adopted alternative and any groundwater management plan adopted by the urban water supplier, including plans adopted or any other specific authorization for groundwater management for basins underlying the urban water supplier's service area.
  - b) For a basin that has not been adjudicated, information as to whether DWR has identified the basin as a high or medium priority basin in the most current official departmental bulletin that characterizes the condition of the groundwater basin. A detailed description of the efforts being undertaken by the urban water supplier to



coordinate with groundwater sustainability agencies or groundwater management agencies to maintain or achieve sustainable groundwater conditions in accordance with a groundwater sustainability plan or adopted alternative.

- c) For an urban retail water supplier, quantify, to the extent records are available, past and current water use, over the same five-year increments as the drought risk assessments and projected water use, based upon the information required and developed in the UWMP description.

Current law requires a description of the supplier's water demand management measures. SB 606 now requires a narrative, in the newly required supplement, that describes the water demand management measures that the supplier plans to implement to achieve its urban water use objective by January 1, 2027. UWMPs must also include information that the urban water supplier can readily obtain relating to the energy used to extract or divert, treat or convey to a treatment plant, distribute, or store water supplies. The bill states that the Legislature finds and declares that energy use is only one factor in water supply planning and shall not be considered independently of other factors.

#### Annual Drought Risk Assessment Procedures

Urban water suppliers must conduct an annual drought risk assessment, and include information for anticipated shortage, triggered shortage response actions, compliance and enforcement actions, and communication actions consistent with their WSCP. Results from the assessment must be submitted to DWR.

DWR must prepare and submit to the State Water Board, by June 1 of each year, a report summarizing the submitted drought risk assessment results and appropriate reported water shortage conditions developed by DWR. Information must also be included in the report regarding various shortage response actions implemented as a result of water budget forecast assessments for the State Water Board to determine if noncompliance enforcement is necessary.

#### Water Shortage Contingency Plans

Every urban water supplier shall prepare and adopt a WSCP as part of its UWMP. WSCPs must include 1) annual drought risk assessment procedures, 2) six standard water shortage levels, 3) shortage response actions, 4) communication protocols and procedures, 5) a description of legal authorities that empower the urban water supplier to implement and enforce its shortage response actions, and 6) a description of the financial consequences of, and response for, drought conditions, among other things. More detail is provided on several of these categories below.

WSCPs must include the following criteria:

- 1) Annual Drought Risk Assessment Procedures: An urban water supplier shall conduct an annual drought risk assessment on or before June 1 of each year and submit the assessment to DWR. An urban water supplier that relies on imported water from the State Water Project or the Bureau of Reclamation shall submit its annual drought risk assessment within 14 days of receiving its final allocations, or by June 1 of each year, whichever is later. The written decision-

making process that an urban water supplier will use annually to determine water supply reliability must be included, along with key data inputs and assessment methodology used to evaluate the urban water supplier's water supply reliability for the current year and one dry year, including all of the following:

- (i) Current year unconstrained demand, considering weather, growth, and other influencing factors, such as policies to manage current supplies to meet demand objectives in future years, as applicable.
  - (ii) Current year available supply, considering hydrological and regulatory conditions in the current year and one dry year. The annual drought risk assessment may consider more than one dry year solely at the discretion of the urban water supplier.
  - (iii) Existing infrastructure capabilities and plausible constraints.
  - (iv) A defined set of locally applicable evaluation criteria that are consistently relied upon for each annual drought risk assessment.
  - (v) A description and quantification of each source of water supply.
- 2) Six Standard Water Shortage Levels: Urban water suppliers shall follow, where feasible and appropriate, the procedures in its WSCP and implement determined shortage response actions or reasonable alternative actions. Descriptions of the alternative actions must be submitted with the annual water shortage assessment report. Six standard water shortage levels corresponding to progressive ranges of up to 10, 20, 30, 40, and 50 percent shortages and greater than 50 percent shortage. Urban water suppliers shall define these shortage levels based on the suppliers' water supply conditions, including percentage reductions in water supply, changes in groundwater levels, changes in surface elevation or level of subsidence, or other changes in hydrological or other local conditions indicative of the water supply available for use. Shortage levels shall also apply to catastrophic interruption of water supplies, including, but not limited to, a regional power outage, an earthquake, and other potential emergency events.
- (i) An urban water supplier with an existing WSCP that uses different water shortage levels may comply with the shortage level requirements by developing and including a cross-reference relating its existing categories to the six standard water shortage levels.
  - (ii) An urban water supplier regulated by the Public Utilities Commission (PUC) shall include its most recent plan and WSCP as part of the supplier's general rate case filings.
- 3) Shortage Response Actions: Urban water suppliers must align with the defined shortage levels and include, at a minimum, all of the following and locally appropriate 1) supply augmentation actions, 2) demand reduction actions to adequately respond to shortages, 3) operational changes, and 4) mandatory prohibitions against specific water use practices that are in addition to state-mandated prohibitions, and appropriate to local conditions. The bill requires that for each action, an estimate of the extent to which the gap between supplies and demand will be reduced by implementation of the action. The bill also requires the governing body of a distributor of a public water supply to declare a water shortage emergency condition whenever it finds that the ordinary demands and requirements of water consumers cannot be satisfied

without depleting the water supply of the distributor to the extent that there would be no water for human consumption, sanitation, and fire protection.

- 4) Communication Protocols and Procedures: Urban water suppliers must make WSCPs available to inform customers, the public, interested parties, and local, regional, and state governments regarding any current or predicted shortages determined by the annual drought risk assessment. Any shortage response actions triggered, or anticipated to be triggered by the annual drought risk assessment, must also be made available to all parties and stakeholders. The bill also revises the funding restrictions on non-compliant water agencies to match that which applies to the agricultural water management plans outlined in AB 1668. The bill makes an urban water supplier ineligible to receive any water grant or loan unless the urban water supplier complies with the requirements relating to UWMPs.
- 5) Descriptions of the Legal Authorities: Must empower the urban water supplier to implement and enforce its shortage response actions that may include, but are not limited to:
  - (i) Statutory authorities, ordinances, resolutions, and contract provisions.
  - (ii) A statement that an urban water supplier shall declare a water shortage emergency.
  - (iii) A statement that an urban water supplier shall coordinate with any city or county within which it provides water supply services for the possible proclamation of a local emergency.
- 6) A Description of the Financial Consequences: Must include responses for drought conditions, including, but not limited to, descriptions of all of the following:
  - (i) Potential revenue reductions and expense increases associated with activated shortage response actions.
  - (ii) Mitigation actions needed to address revenue reductions and expense increases associated with activated shortage response actions.
  - (iii) Cost of compliance.

WSCPs must include monitoring and reporting requirements and procedures that ensure appropriate data is collected, tracked, and analyzed for purposes of monitoring customer compliance and to meet state reporting requirements. Urban water suppliers shall also reevaluate and explore improvement procedures for monitoring and evaluating the functionality of the WSCP in order to ensure shortage risk tolerance is adequate, and appropriate water shortage mitigation strategies are implemented as needed. For purposes of developing the WSCP, an urban water supplier shall analyze and define water features that are artificially supplied with water, including ponds, lakes, waterfalls, and fountains, separately from swimming pools and spas.

The bill states the intent of the Legislature that, upon proclamation by the Governor of a state of emergency under the California Emergency Services Act based on drought conditions, the State Water Board defer to implementation of locally adopted WSCPs to the extent practicable. This bill will not prohibit an urban water supplier from taking actions not specified in its WSCP, if needed, without having to formally amend its UWMP or WSCP. Further, urban water suppliers are required to make the WSCP, no later than 30 days after adoption, available to its customers as well as any city or county in which it

provides water supplies, and if an urban water supplier revises its WSCP, a copy of the updated version must be submitted to DWR no later than 30 days after adoption.

**AB 1668 Contingency and Implementation:**

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The bill includes language that the enactment and implementation of SB 606 are contingent upon the enactment of AB 1668 (Friedman).

INFORMATION  
ITEM

**6F**

**Date:** June 20, 2018

**To:** The Honorable Board of Directors

**Committee:** Finance & Administration

**From:** Halla Razak, General Manager

HR  
06/13/18

**Executive Contact:** Christina Valencia, Executive Manager of Finance & Administration/AGM

**Subject:** Treasurer's Report of Financial Affairs

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**Executive Summary:**

The Treasurer's Report of Financial Affairs for the month ended April 30, 2018 is submitted in a format consistent with the State requirement.

For the month of April 2018, total cash, investments, and restricted deposits of \$221,618,540 reflects an increase of \$14,818,924 compared to the total of \$206,799,616 reported for March 2018. The increase was primarily due to property tax receipts of \$11.7 million. As a result, the average days of cash on hand for the month ended April 30, 2018 increased from 267 days to 280 days.

The Agency's investment portfolio yield in April 2018 was 1.777%, an increase of 0.343% compared to the March yield of 1.434%. The increase can be attributed to more favorable market yields.

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**Staff's Recommendation:**

The Treasurer's Financial Affairs Report for the month ended April 30, 2018 is an informational item for the Board of Director's review.

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**Budget Impact** *Budgeted* (Y/N): N *Amendment* (Y/N): N *Amount for Requested Approval:*

*Account/Project Name:*

**Fiscal Impact** *(explain if not budgeted):*

Interest earned on the Agency's investment portfolio increases the Agency's overall reserves.

**Prior Board Action:**

On May 16, 2018, the Board of Directors approved the Treasurer's Financial Affairs Report for the month ended March 31, 2018.

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**Environmental Determination:**

Not Applicable

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**Business Goal:**

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.

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**Attachments:**

- Attachment 1 - Apr. 18 Financial Affairs - Background
- Attachment 2 - Apr. 18 Financial Affairs - Powerpoint
- Attachment 3 - Apr. 18 Financial Affairs Report

## Background

Subject: Treasurer's Report of Financial Affairs

The Treasurer's Report of Financial Affairs for the month ended April 30, 2018 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. 2018-2-5).

Agency total cash, investments, and restricted deposits for the month ended April 30, 2018 was \$221.6 million, an increase of \$14.8 million from the \$206.8 million reported for the month ended March 31, 2018. The increase was primarily due to receipt of \$11.7 million of property and RDA taxes.

Pursuant to a duly authorized and executed investment advisory contract, Inland Empire Utilities Agency investment manager, PFM Asset Management LLC has been delegated the authority to select, buy and sell investments on IEUA's behalf beginning in April 2018.

Table 1 represents the Agency portfolio, by authorized investment and duration, with total portfolio amount of \$151.4 million. The Agency portfolio excludes restricted deposits in the amount of \$65.5 million held by member agencies and with fiscal agents.

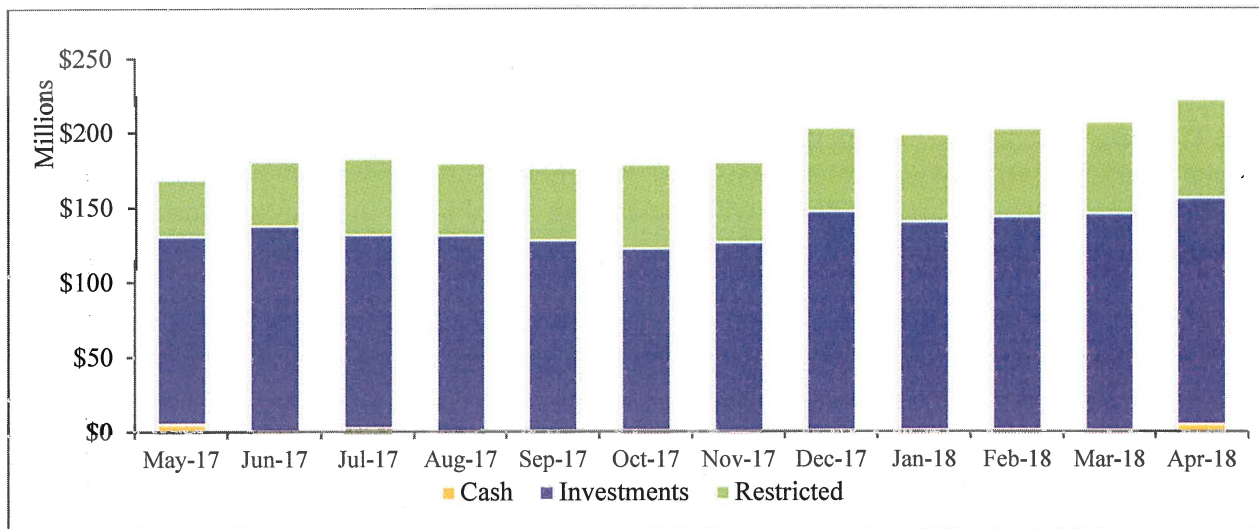
**Table 1: Agency Portfolio**

Authorized Investments	Allowable Threshold (\$ million or %)	Investment Value as of April 30, 2018 (\$ million)				Average Yield	Portfolio % (Unrestricted)
		Under 1 Year	1-3 Years	Over 3 Years	Total		
LAIF	\$65	\$28.51			\$28.51	1.66%	18.83%
CalTrust	n/a	\$0.01			\$0.01	2.10%	0.01%
CAMP	n/a	\$23.40			\$23.40	1.84%	15.46%
Citizens Business Bank – Sweep	40%	\$23.00			\$23.00	0.70%	15.20%
Brokered Certificates of Deposit	30%	\$0.97	\$0.24		\$ 1.21	1.73%	0.80%
Medium Term Notes	30%	\$7.57	\$2.31	\$9.25	\$19.13	2.29%	12.64%
Municipal Bonds	10%		\$1.00		\$ 1.00	1.75%	0.66%
US Treasury Notes	n/a		\$7.13	\$11.16	\$18.29	2.46%	12.08%
US Gov't Securities	n/a	\$8.00	\$27.21	\$1.60	\$36.81	1.90%	24.32%
<b>Total</b>		<b>\$91.46</b>	<b>\$37.89</b>	<b>\$22.01</b>	<b>\$151.36</b>	<b>1.78%</b>	<b>100.00%</b>

For the month of April 2018, total cash, investments, and restricted deposits reflects an increase of \$14.8 million compared to the March 2018 total, as reported in Figure 1. Unrestricted cash and cash equivalents increased by \$10.4 million from the prior month, and restricted cash increased by \$4.4 million.

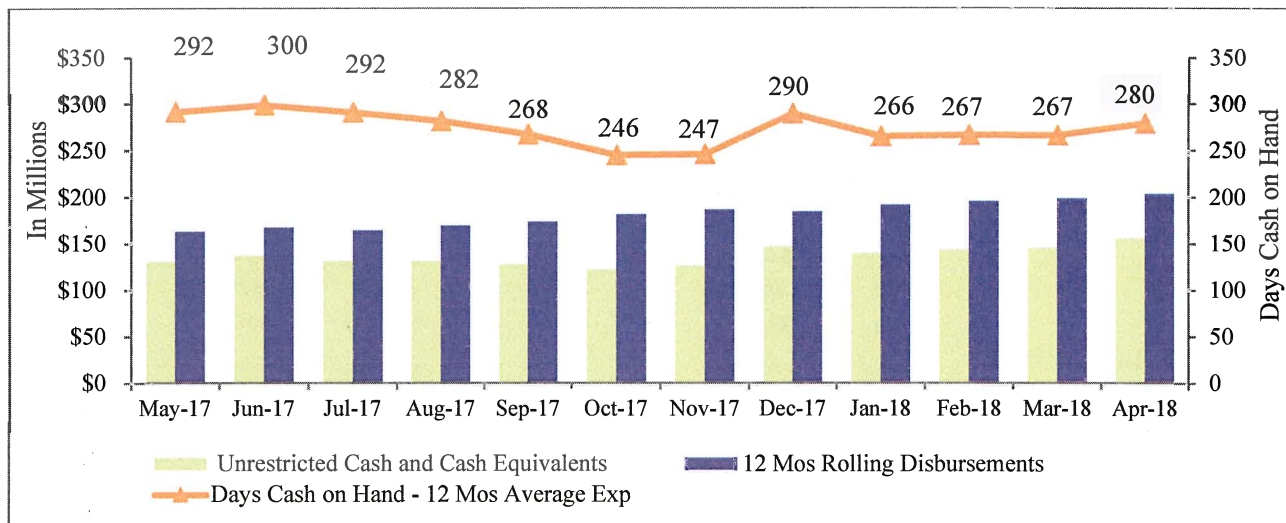


**Figure 1: Cash, Investments, and Restricted Deposits**



Average days 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. The average days of cash on hand for the month ended April 30, 2018 increased from 267 days to 280 days as shown in Figure 2.

**Figure 2: Days Cash on Hand – 12 Month Rolling Average**



Monthly cash and investment summaries are available on the Agency’s website at [www.ieua.org/fy-2017-18-cash-and-investment/](http://www.ieua.org/fy-2017-18-cash-and-investment/).

# Treasurer's Report of Financial Affairs for April 30, 2018



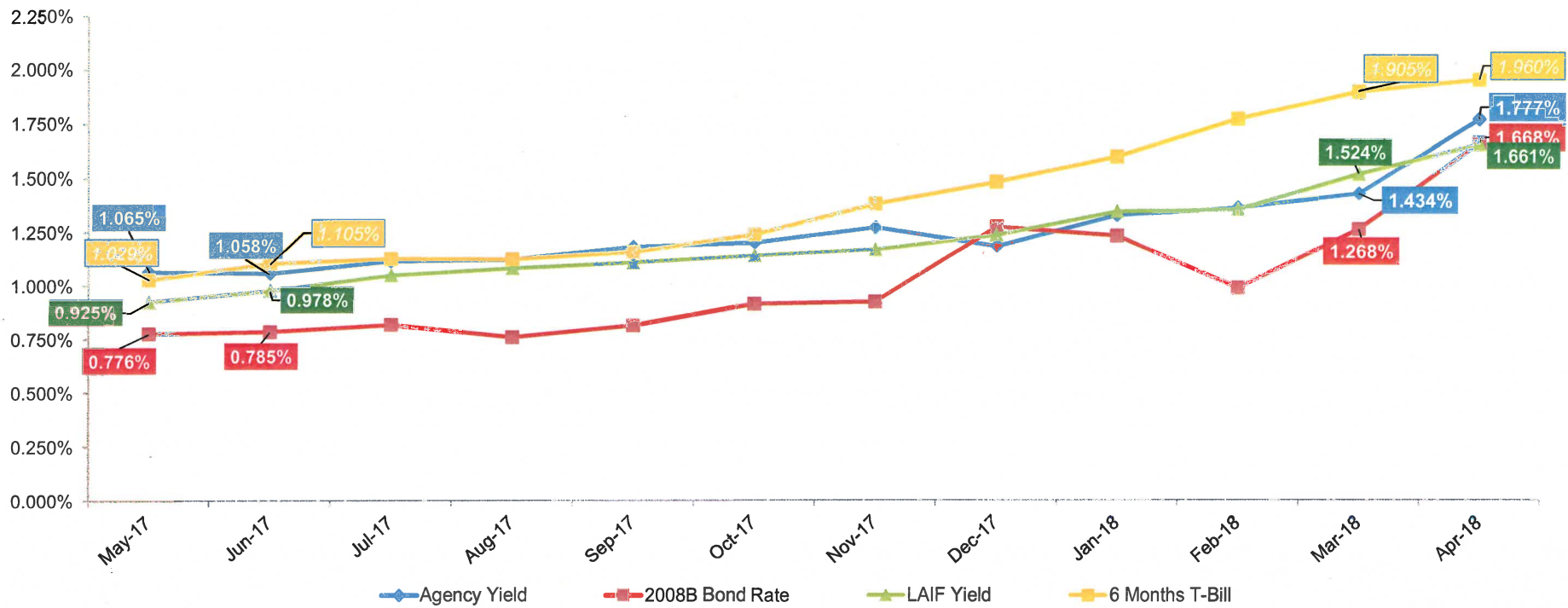
# Agency Liquidity

- Increase in total portfolio is mainly due to property tax receipts.

Liquidity			
Description	April (\$ million)	March (\$ million)	Increase/ (Decrease) (\$ million)
Total Cash, Investments, and Restricted Deposits	\$221.6	\$206.8	\$14.8
Total Investment Portfolio	\$151.4	\$144.8	\$6.6
Investment Portfolio Yield	1.777%	1.434%	0.343%
Weighted Average Duration (Years)	1.08	0.63	0.45
Average Cash on Hand (days)	280	267	13

Monthly cash and investment summaries available at: [www.ieua.org/fy-2017-18-cash-and-investment/](http://www.ieua.org/fy-2017-18-cash-and-investment/)

# Month End Portfolio Yield Comparison



# Questions



The Treasurer's Report of Financial Affairs is consistent with the Agency's business goal of fiscal responsibility.

## TREASURER'S REPORT OF FINANCIAL AFFAIRS

For the Month Ended April 30, 2018



All investment transactions have been executed in accordance with the criteria stated in the Agency's Investment Policy (Resolution No. 2018-2-5) adopted by the Inland Empire Utilities Agency's Board of Directors during its regular meeting held on February 21, 2018.

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  
April 30, 2018

	<u>April</u>	<u>March</u>
<b><u>Cash, Bank Deposits, and Bank Investment Accounts</u></b>	<u>\$4,789,085</u>	<u>\$905,270</u>
<b><u>Investments</u></b>		
Citizens Business Bank (CBB) Repurchase (Sweep)	\$22,996,141	\$22,281,616
Local Agency Investment Fund (LAIF)	28,507,436	42,371,018
CalTrust	12,680	21,269,741
California Asset Management Program (CAMP)	23,399,528	23,364,198
Certificates of Deposit	1,205,000	1,205,000
Municipal Bonds	998,315	998,222
Medium Term Notes	19,126,503	11,073,015
U.S. Treasury Notes	18,293,035	1,994,799
U.S. Government Sponsored Entities	36,820,177	20,238,204
<b>Total Investments</b>	<u>\$151,358,815</u>	<u>\$144,795,813</u>
<b>Total Cash and Investments Available to the Agency</b>	<u>\$156,147,900</u>	<u>\$145,701,083</u>
<b><u>Restricted Deposits</u></b>		
Debt Service Accounts	\$4,110,675	\$2,556,978
Capital Capacity Reimbursement Account (CCRA) Deposits Held by Member Agencies	48,403,565	45,643,746
California Employers' Retirement Benefit Trust Account - CERBT (Other Post Employment Benefits - OPEB)	12,130,563	12,114,537
Escrow Deposits	825,837	783,272
<b>Total Restricted Deposits</b>	<u>\$65,470,640</u>	<u>\$61,098,533</u>
<b>Total Cash, Investments, and Restricted Deposits</b>	<u><u>\$221,618,540</u></u>	<u><u>\$206,799,616</u></u>

**INLAND EMPIRE UTILITIES AGENCY**  
**Cash and Investment Summary**

Month Ended  
April 30, 2018

**Cash, Bank Deposits, and Bank Investment Accounts**

CBB Demand Account (Negative offset by CBB Sweep Balance)	\$470,632
CBB Payroll Account	-
CBB Workers' Compensation Account	36,337
Subtotal Demand Deposits	<u>\$506,969</u>

**Other Cash and Bank Accounts**

Petty Cash	\$2,250
Subtotal Other Cash	<u>\$2,250</u>

**US Bank Pre-Investment Money Market Account**

\$4,279,866

***Total Cash and Bank Accounts***

\$4,789,085

**Investments**

**CBB Repurchase (Sweep) Investments**

Small Business Administration Pass-Through	\$12,539,810
Freddie Mac Bond	10,456,331
Subtotal CBB Repurchase (Sweep)	<u>\$22,996,141</u>

**Local Agency Investment Fund (LAIF)**

LAIF Fund	\$28,507,436
Subtotal Local Agency Investment Fund	<u>\$28,507,436</u>

**CalTrust**

Short Term	\$8,782
Medium Term - Restricted	3,898
Subtotal CalTrust	<u>\$12,680</u>

**California Asset Management Program (CAMP)**

Pool	\$23,399,528
Subtotal CAMP	<u>\$23,399,528</u>



**INLAND EMPIRE UTILITIES AGENCY**  
**Cash and Investment Summary**

Month Ended  
April 30, 2018

**Investments Continued**

**Brokered Certificates of Deposit**

Brokered Certificates of Deposit	\$1,205,000
Subtotal Brokered Certificates of Deposit	<u>\$1,205,000</u>

**Municipal Bonds**

State and Local Municipal Bonds	\$998,315
Subtotal Municipal Bonds	<u>\$998,315</u>

**Medium Term Notes**

JP Morgan Chase & Co	999,986
Johnson & Johnson	2,005,790
Microsoft	2,055,645
Exxon Mobil	2,508,594
Wells Fargo Bank	1,504,265
UPS of America Inc	800,651
American Honda Finance	767,370
Boeing Co	804,375
Toyota Motor	978,852
Bank of NY Mellon	1,371,312
American Express	785,617
Walt Disney Company	798,837
Visa Inc	795,636
Bank of America	769,495
Oracle Corp	1,389,214
Burlington North Santa Fe Corp	790,864
Subtotal Medium Term Notes	<u>19,126,503</u>

**U.S. Treasury Notes**

Treasury Note	\$18,293,035
Subtotal U.S. Treasury Notes	<u>\$18,293,035</u>

# INLAND EMPIRE UTILITIES AGENCY

## Cash and Investment Summary

Month Ended  
April 30, 2018

### Investments Continued

#### **U.S. Government Sponsored Entities**

Fannie Mae Bank	\$7,856,326
Freddie Mac Bank	9,503,178
Federal Farm Credit Bank	7,999,457
Federal Home Loan Bank	11,461,216
Subtotal U.S. Government Sponsored Entities	<u>\$36,820,177</u>

#### ***Total Investments***

\$151,358,815

### Restricted Deposits

#### **Debt Service**

2008B Debt Service Accounts	\$2,558,488
2010A Debt Service Accounts	3
2017A Debt Service Accounts	1,552,184
Subtotal Debt Service	<u>\$4,110,675</u>

#### **CCRA Deposits Held by Member Agencies**

City of Chino	\$9,177,626
Cucamonga Valley Water District	5,573,344
City of Fontana	7,148,939
City of Montclair	1,147,507
City of Ontario	15,649,144
City of Chino Hills	7,675,578
City of Upland	2,031,427
Subtotal CCRA Deposits Held by Member Agencies	<u>\$48,403,565</u>

#### **CalPERS**

CERBT Account (OPEB)	<u>\$12,130,563</u>
Subtotal CalPERS Accounts	\$12,130,563

**INLAND EMPIRE UTILITIES AGENCY**  
**Cash and Investment Summary**

Month Ended  
April 30, 2018

**Restricted Deposits Continued**

**Escrow Deposits**

Kemp Brothers Construction

\$818,349

Subtotal Escrow Deposits

\$825,837

***Total Restricted Deposits***

\$65,470,640

***Total Cash, Investments, and Restricted Deposits as of April 30, 2018***

\$221,618,540

Total Cash, Investments, and Restricted Deposits as of 4/30/18

\$221,618,540

Less: Total Cash, Investments, and Restricted Deposits as of 3/31/18

206,799,616

***Total Monthly Increase (Decrease)***

\$14,818,924

# INLAND EMPIRE UTILITIES AGENCY

## Cash and Investment Summary

Month Ended  
April 30, 2018

	Credit Rating @ Purchase		CHANGES IN Credit Rating		Par	Cost Basis	Term	April	%	%	Maturity	Market
	S&P	Moody's	S&P	Moody's	Amount	Amount	(Days)	Value	Coupon	Yield to Maturity	Date	Value
<b><u>Cash, Bank Deposits, and Bank Investment Accounts</u></b>												
<b>Citizens Business Bank (CBB)</b>												
Demand Account*					\$470,632	\$470,632	N/A	\$470,632		N/A	N/A	\$470,632
Payroll Checking					0	0	N/A	0		N/A	N/A	0
Workers' Compensation Account					36,337	36,337	N/A	36,337		N/A	N/A	36,337
Subtotal CBB Accounts					\$506,969	\$506,969		\$506,969				\$506,969
<b>US Bank (USB)</b>												
Federated Automated MMA					\$4,279,866	\$4,279,866	N/A	\$4,279,866	1.22%		N/A	\$4,279,866
Subtotal USB Account					\$4,279,866	\$4,279,866		\$4,279,866	1.22%			\$4,279,866
<b>Petty Cash</b>					\$2,250	\$2,250	N/A	\$2,250		N/A	N/A	\$2,250
<b>Total Cash, Bank Deposits and Bank Investment Accounts</b>					<b>\$4,789,085</b>	<b>\$4,789,085</b>		<b>\$4,789,085</b>				<b>\$4,789,085</b>
<i>*Negative demand checking balance is offset by the Daily Repurchase (Sweep) Account balance</i>												
<b><u>Investments</u></b>												
<b>CBB Daily Repurchase (Sweep) Accounts</b>												
Small Business Administration Pass-Through					\$12,539,810	\$12,539,810	N/A	\$12,539,810	0.70%		N/A	\$12,539,810
Freddie Mac Bond					\$10,456,331	\$10,456,331		\$10,456,331	0.70%			\$10,456,331
Subtotal CBB Repurchase Accounts					\$22,996,141	\$22,996,141		\$22,996,141	0.70%			\$22,996,141
<b>LAIF Accounts</b>												
Non-Restricted Funds					\$28,507,436	\$28,507,436	N/A	\$28,507,436	1.661%		N/A	\$28,507,436
Subtotal LAIF Accounts					\$28,507,436	\$28,507,436		\$28,507,436	1.661%			\$28,507,436
<b>CALTRUST Accounts</b>												
Short-Term					\$8,782	\$8,782	N/A	\$8,782	1.96%		N/A	\$8,782
Medium-Term (Self Insurance Reserves)					3,898	3,898	N/A	3,898	2.43%		N/A	3,898
Subtotal CalTrust Accounts					\$12,680	\$12,680		\$12,680	2.104%			\$12,680
<b>CAMP Accounts</b>												
Short-Term					\$23,399,528	\$23,399,528	N/A	\$23,399,528	1.84%		N/A	\$23,399,528
Subtotal CAMP Accounts					\$23,399,528	\$23,399,528		\$23,399,528	1.84%			\$23,399,528
<b>Brokered Certificates of Deposit (CDs)</b>												
American Express Bank	N/A				240,000	240,000	1097	240,000	1.70%	1.70%	07/16/18	239,901
American Express Centurion	N/A				240,000	240,000	1097	240,000	1.70%	1.70%	07/16/18	239,901
Ally Bank	N/A				243,000	243,000	722	243,000	1.45%	1.45%	03/11/19	241,689
Wells Fargo Bank	N/A				242,000	242,000	729	242,000	1.55%	1.55%	03/15/19	240,883
Synchrony Bank	N/A				240,000	240,000	1827	240,000	2.25%	2.25%	10/02/20	237,427
Subtotal Brokered CDs					\$1,205,000	\$1,205,000		\$1,205,000	1.73%			\$1,199,801

# INLAND EMPIRE UTILITIES AGENCY

## Cash and Investment Summary

Month Ended  
April 30, 2018

	Credit Rating @ Purchase		CHANGES IN Credit Rating		Par Amount	Cost Basis Amount	Term (Days)	April Value	% Coupon	% Yield to Maturity	Maturity Date	Market Value
	S&P	Moody's	S&P	Moody's								
<b>Investments (continued)</b>												
<b>US Treasury Note</b>												
US Treasury Note					\$2,000,000	\$1,990,000	808	1,995,145	1.125%	1.35%	05/31/19	\$1,974,532
US Treasury Note					\$3,000,000	\$2,937,305	819	2,938,289	1.500%	2.46%	07/15/20	\$2,933,673
US Treasury Note					\$2,225,000	\$2,201,012	1019	2,201,315	2.125%	2.53%	01/31/21	\$2,196,144
US Treasury Note					\$2,615,000	\$2,588,544	1201	2,588,848	2.250%	2.57%	07/31/21	\$2,580,372
US Treasury Note					\$2,555,000	\$2,480,346	1323	2,481,112	1.750%	2.60%	11/30/21	\$2,472,162
US Treasury Note					\$2,500,000	\$2,418,750	1436	2,419,073	1.875%	2.75%	03/31/22	\$2,421,680
US Treasury Note					\$2,550,000	\$2,476,090	1474	2,476,772	1.875%	2.64%	04/30/22	\$2,467,324
US Treasury Note					\$1,260,000	\$1,191,980	1778	1,192,481	1.500%	2.69%	02/28/23	\$1,187,008
Subtotal US Treasuries					\$18,705,000	\$18,284,027		\$18,293,035		2.46%		\$18,232,895
<b>U.S. Government Sponsored Entities</b>												
Federal Home Loan Bank	AA+	Aaa			1,000,000	1,000,380	713	1,000,138	1.25%	1.23%	01/18/19	993,443
Federal Farm Credit Bank	AA+	Aaa			3,000,000	3,000,000	1,079	3,000,000	1.15%	1.15%	02/22/19	2,972,892
Federal Home Loan Bank	AA+	Aaa			1,000,000	1,003,132	1,023	1,000,986	1.25%	1.14%	03/15/19	991,438
Federal Farm Credit Bank	AA+	Aaa			1,500,000	1,499,410	720	1,499,726	1.40%	1.42%	03/27/19	1,487,992
Federal Farm Credit Bank	AA+	Aaa			1,500,000	1,499,401	720	1,499,731	1.40%	1.42%	03/27/19	1,487,992
Federal Home Loan Bank	AA+	Aaa			2,000,000	1,997,600	801	1,998,838	1.375%	1.43%	05/24/19	1,979,738
Federal Farm Credit Bank	AA+	Aaa			2,000,000	2,000,000	1,460	2,000,000	1.52%	1.52%	06/24/19	1,980,626
Freddie Mac Bond	AA+	Aaa			1,500,000	1,500,000	1,080	1,500,000	1.15%	1.15%	07/26/19	1,477,695
Fannie Mae Step Bond	AA+	Aaa			1,500,000	1,500,000	1,080	1,500,000	1.25%	1.33%	07/26/19	1,484,153
Fannie Mae Bond	AA+	Aaa			900,000	899,460	1,153	899,460	1.25%	1.27%	08/23/19	886,461
Fannie Mae Bond	AA+	Aaa			1,350,000	1,350,000	1,157	1,350,000	1.25%	1.25%	08/26/19	1,329,533
Freddie Mac Bond	AA+	Aaa			3,000,000	2,972,928	1,359	2,989,507	1.25%	1.50%	10/02/19	2,950,293
Federal Home Loan Bank	AA+	Aaa			5,000,000	4,965,250	657	4,965,571	2.13%	2.52%	02/11/20	4,965,890
Federal Home Loan Bank	AA+	Aaa			2,500,000	2,495,600	712	2,495,683	2.38%	2.47%	03/30/20	2,493,305
Freddie Mac Bond	AA+	Aaa			2,500,000	2,485,350	1,036	2,485,549	2.38%	2.59%	02/16/21	2,479,488
Freddie Mac Bond	AA+	Aaa			2,550,000	2,527,994	1,028	2,528,122	2.38%	2.70%	02/16/21	2,529,077
Fannie Mae Bond	AA+	Aaa			2,510,000	2,502,671	1,092	2,502,764	2.50%	2.60%	04/13/21	2,495,254
Fannie Mae Bond	AA+	Aaa			1,655,000	1,603,678	1,632	1,604,102	2.00%	2.74%	10/05/22	1,596,436
Subtotal U.S. Gov't Sponsored Entities					\$36,965,000	\$36,802,854		\$36,820,177		1.90%		\$36,581,706
(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	998,315	1.625%	1.75%	09/01/19	\$988,820
Subtotal State and Local Municipal Bonds					\$1,000,000	\$996,800		\$998,315		1.75%		\$988,820

# INLAND EMPIRE UTILITIES AGENCY

## Cash and Investment Summary

Month Ended  
April 30, 2018

	Credit Rating @ Purchase		CHANGES IN Credit Rating		Par	Cost Basis	Term	April	% Coupon	% Yield to Maturity	Maturity	Market
	S&P	Moody's	S&P	Moody's	Amount	Amount	(Days)	Value			Date	Value

### Investments (continued)

#### Medium Term Notes

JP Morgan Chase & Co	A-	A3			1,000,000	999,000	1,037	999,986	1.625%	1.66%	05/15/18	999,710
Johnson & Johnson	AAA	Aaa			2,000,000	2,027,480	1,044	2,005,790	1.65%	1.16%	12/05/18	1,991,642
Microsoft	AAA	Aaa			2,050,000	2,076,691	1,045	2,055,645	1.625%	1.16%	12/06/18	2,042,200
Exxon Mobil	AA+	Aaa			1,000,000	1,005,750	763	1,002,309	1.708%	1.43%	03/01/19	995,049
Exxon Mobil	AA+	Aaa			1,500,000	1,506,285	712	1,506,285	1.819%	1.60%	03/15/19	1,492,395
Wells Fargo Bank	A+	Aa2			1,500,000	1,511,655	1,061	1,504,265	1.75%	1.48%	05/24/19	1,485,768
UPS of America Inc	A+	A1			725,000	802,046	714	800,651	8.38%	2.75%	04/01/20	799,002
American Honda Finance	A+	A2			800,000	767,016	1,181	767,370	1.65%	3.00%	07/12/21	764,071
Boeing Co	A	A2			680,000	805,678	1,215	804,375	8.75%	2.88%	08/15/21	801,294
Toyota Motor	AA-	Aa3			1,000,000	978,790	1,355	978,852	2.60%	3.21%	01/11/22	979,015
Bank of NY Mellon	A	A1			1,400,000	1,371,048	1,391	1,371,312	2.60%	3.18%	02/07/22	1,367,528
American Express	A-	A2			800,000	785,488	1,415	785,617	2.70%	3.20%	03/03/22	782,934
Walt Disney Company	A+	A2			815,000	798,692	1,416	798,837	2.45%	3.00%	03/04/22	794,269
Visa Inc	A+	A1			825,000	795,407	1,611	795,636	2.15%	3.03%	09/15/22	790,785
Bank of America	A-	A3			800,000	769,264	1,647	769,495	2.50%	3.43%	10/21/22	764,889
Oracle Corp	AA-	A1			1,420,000	1,389,001	1,763	1,389,214	2.63%	3.11%	02/15/23	1,379,375
Burlington North Santa Fe Corp	A+	A3			800,000	790,800	1,792	790,864	3.00%	3.26%	03/15/23	785,457
<b>Subtotal Medium Term Notes</b>					<b>\$19,115,000</b>	<b>\$19,180,091</b>		<b>\$19,126,503</b>		<b>2.28%</b>		<b>\$19,015,383</b>
<b>Total Investments</b>					<b>\$151,905,785</b>	<b>\$151,384,557</b>		<b>\$151,358,815</b>				<b>\$150,934,390</b>

(Source of Investment Market Value: US Bank)

#### Restricted Deposits

##### Debt Service and Arbitrage Accounts

2008B Debt Service Accounts		\$2,558,488	\$2,558,488	N/A	\$2,558,488	1.12%	\$2,558,488
2010A Debt Service Accounts	3		3	N/A	3	0.39%	3
2017A Debt Service Accounts		1,552,184	1,552,184	N/A	1,552,184	0.25%	1,552,184
<b>Total Debt Service Accounts</b>		<b>\$4,110,675</b>	<b>\$4,110,675</b>		<b>\$4,110,675</b>	<b>0.79%</b>	<b>\$4,110,675</b>

##### CCRA Deposits Held by Member Agencies

City of Chino		\$9,177,626	\$9,177,626	N/A	\$9,177,626	N/A	\$9,177,626
City of Chino Hills		7,675,578	7,675,578	N/A	7,675,578	N/A	7,675,578
Cucamonga Valley Water District		5,573,344	5,573,344	N/A	5,573,344	N/A	5,573,344
City of Fontana		7,148,939	7,148,939	N/A	7,148,939	N/A	7,148,939
City of Montclair		1,147,507	1,147,507	N/A	1,147,507	N/A	1,147,507
City of Ontario		15,649,144	15,649,144	N/A	15,649,144	N/A	15,649,144
City of Upland		2,031,427	2,031,427	N/A	2,031,427	N/A	2,031,427
<b>Subtotal CCRA Deposits Held by Member Agencies</b>		<b>\$48,403,565</b>	<b>\$48,403,565</b>		<b>\$48,403,565</b>		<b>\$48,403,565</b>

Reported total as of March 2018 except Ontario

**INLAND EMPIRE UTILITIES AGENCY**  
**Cash and Investment Summary**

Month Ended  
 April 30, 2018

	Credit Rating @ Purchase		CHANGES IN Credit Rating		Par	Cost Basis	Term	April	%	%	Maturity	Market
	S&P	Moody's	S&P	Moody's	Amount	Amount	(Days)	Value	Coupon	Yield to Maturity	Date	Value
<b>Restricted Deposits (continued)</b>												
<b>CalPERS Deposits</b>												
CERBT Account (OPEB)					\$11,000,000	\$11,000,000	N/A	\$12,130,563		N/A	N/A	\$12,130,563
Subtotal CalPERS Deposits					\$11,000,000	\$11,000,000		\$12,130,563				\$12,130,563
As of March 31st, the 1 year net return is 5.68%												
<b>Escrow Deposits</b>												
Kemp Brothers Construction Escrow					\$818,349	\$818,349	N/A	\$818,349		N/A	N/A	\$818,349
Genesis Construction Escrow					\$7,488	\$7,488	N/A	\$7,488		N/A	N/A	\$7,488
Subtotal Escrow Deposits					\$825,837	\$825,837		\$825,837				\$825,837
<b>Total Restricted Deposits</b>					<b>\$64,340,077</b>	<b>\$64,340,077</b>		<b>\$65,470,640</b>				<b>\$65,470,640</b>
<b>Total Cash, Investments, and Restricted Deposits as of April 30, 2018</b>					<b>\$221,034,947</b>	<b>\$220,513,719</b>		<b>\$221,618,540</b>				<b>\$221,194,115</b>

# INLAND EMPIRE UTILITIES AGENCY

## Cash and Investment Summary

Month Ended  
April 30, 2018

### April Purchases

No.	Date	Transaction	Investment Security	Type	Par Amount Purchased	Investment Yield
1	04/17/18	Purchase	US TREASURY	US Treasury	\$2,555,000	2.60%
2	04/17/18	Purchase	US TREASURY	US Treasury	2,615,000	2.57%
3	04/17/18	Purchase	US TREASURY	US Treasury	1,260,000	2.69%
4	04/17/18	Purchase	US TREASURY	US Treasury	2,550,000	2.64%
5	04/17/18	Purchase	FREDDIE MAC	Federal Agency	2,500,000	2.59%
6	04/17/18	Purchase	FANNIE MAE	Federal Agency	2,510,000	2.60%
7	04/17/18	Purchase	FANNIE MAE AGENCY	Federal Agency	1,655,000	2.74%
8	04/18/18	Purchase	UNITED PARCEL SERVICE CORP	Medium Term Note	725,000	2.75%
9	04/18/18	Purchase	VISA INC	Medium Term Note	825,000	3.03%
10	04/18/18	Purchase	BURLINGTON NORTH SANTA FE CORP	Medium Term Note	800,000	3.26%
11	04/18/18	Purchase	BOEING CO CORP	Medium Term Note	680,000	2.88%
12	04/18/18	Purchase	AMERICAN EXPRESS CREDIT	Medium Term Note	800,000	3.20%
13	04/18/18	Purchase	AMERICAN HONDA FINANCE	Medium Term Note	800,000	3.00%
14	04/18/18	Purchase	BANK OF AMERICA CORP	Medium Term Note	800,000	3.43%
15	04/18/18	Purchase	BANK OF NY MELLON CORP	Medium Term Note	1,400,000	3.18%
16	04/18/18	Purchase	WALT DISNEY COMPANY CORP	Medium Term Note	815,000	3.00%
17	04/18/18	Purchase	US TREASURY	US Treasury	2,225,000	2.53%
18	04/18/18	Purchase	FEDERAL HOME LOAN BANKS	Federal Agency	2,500,000	2.47%
19	04/18/18	Purchase	US TREASURY	US Treasury	3,000,000	2.46%
20	04/19/18	Purchase	ORACLE CORP CORP	Medium Term Note	1,420,000	3.11%
21	04/25/18	Purchase	US TREASURY	US Treasury	2,500,000	2.75%
22	04/25/18	Purchase	FHLB	Federal Agency	5,000,000	2.52%
23	04/25/18	Purchase	FREDDIE MAC	Federal Agency	2,550,000	2.70%
24	04/27/18	Purchase	TOYOTA MOTOR CREDIT CORP	Medium Term Note	1,000,000	3.21%
<b>Total Purchases</b>					<b><u>\$ 43,485,000</u></b>	

### April Investment Maturities, Calls & Sales

No.	Date	Transaction	Investment Security	Type	Par Amount Matured/Sold	Investment Yield to Maturity
1	04/25/18	Maturity	TOYOTA MOTOR CREDIT CORP	Medium Term Note	\$2,000,000	1.10%
<b>Total Maturities, Calls &amp; Sales</b>					<b><u>\$ 2,000,000</u></b>	



**INLAND EMPIRE UTILITIES AGENCY**  
**Cash and Investment Summary**

Month Ended  
April 30, 2018

**Directed Investment Category**

	<b>Amount Invested</b>	<b>Yield</b>
CBB Repurchase (Sweep)	\$22,996,141	0.700%
LAIF	28,507,436	1.661%
CalTrust	12,680	2.104%
CAMP	23,399,528	1.840%
Brokered Certificates of Deposit	1,205,000	1.729%
Medium Term Notes	19,126,503	2.276%
Municipal Bonds	998,315	1.753%
US Treasury Notes	18,293,035	2.463%
U.S. Government Sponsored Entities	36,820,177	1.900%
<b>Total Investment Portfolio</b>	<b>\$151,358,815</b>	

***Investment Portfolio Rate of Return***

**1.777%**

**Restricted/Transitory/Other Accounts**

	<b>Amount Invested</b>	<b>Yield</b>
CCRA Deposits Held by Member Agencies	\$48,403,565	N/A
CalPERS OPEB (CERBT) Account	\$12,130,563	N/A
US Bank - 2008B Debt Service Accounts	\$2,558,488	1.120%
US Bank - 2010A Debt Service Accounts	\$3	0.390%
US Bank - 2017A Debt Service Accounts	\$1,552,184	0.250%
US Bank - Pre-Investment Money Market Account	\$4,279,866	1.220%
Citizens Business Bank - Demand Account	\$470,632	N/A
Citizens Business Bank - Workers' Compensation Account	\$36,337	N/A
Other Accounts*	\$2,250	N/A
Escrow Account	\$825,837	N/A
<b>Total Restricted/Transitory/Other Accounts</b>	<b>\$70,259,725</b>	

***Average Yield of Other Accounts***

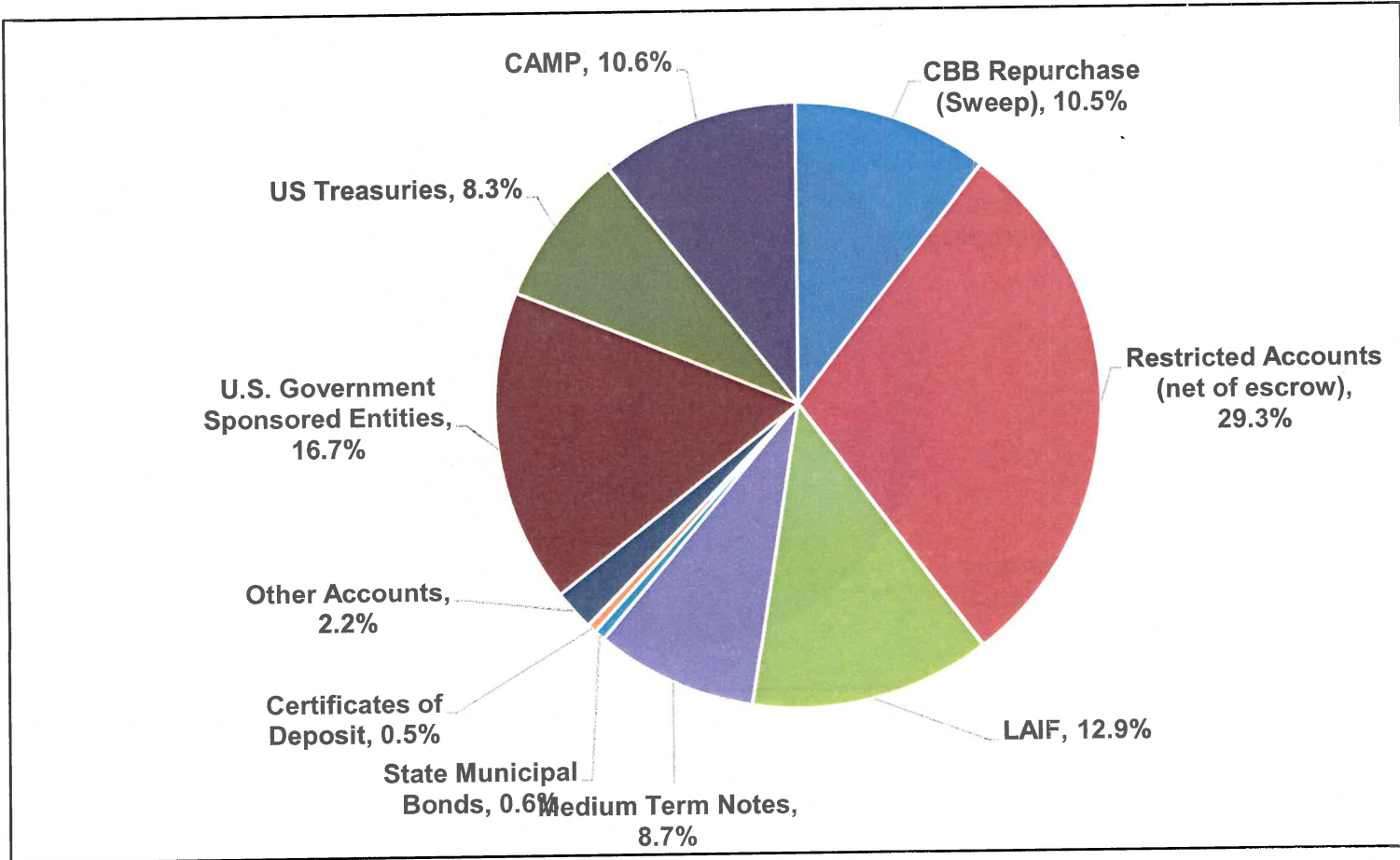
**1.239%**

**Total Agency Directed Deposits**

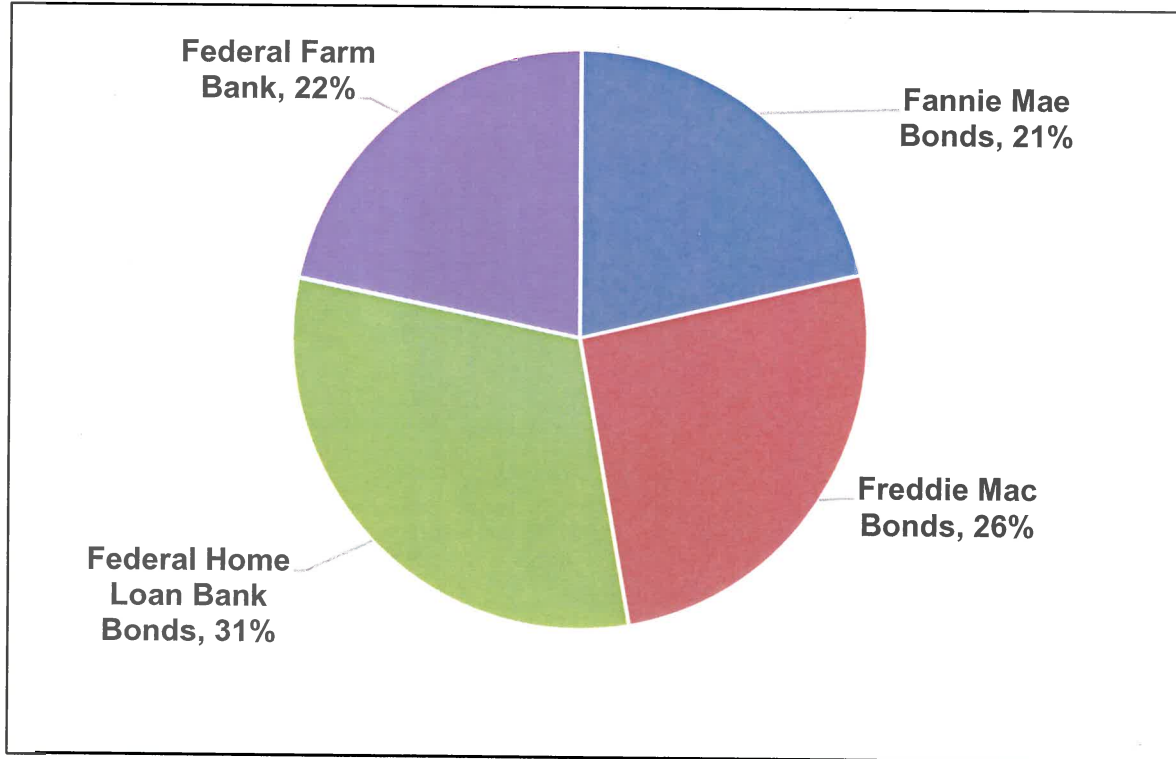
**\$221,618,540**

\*Petty Cash

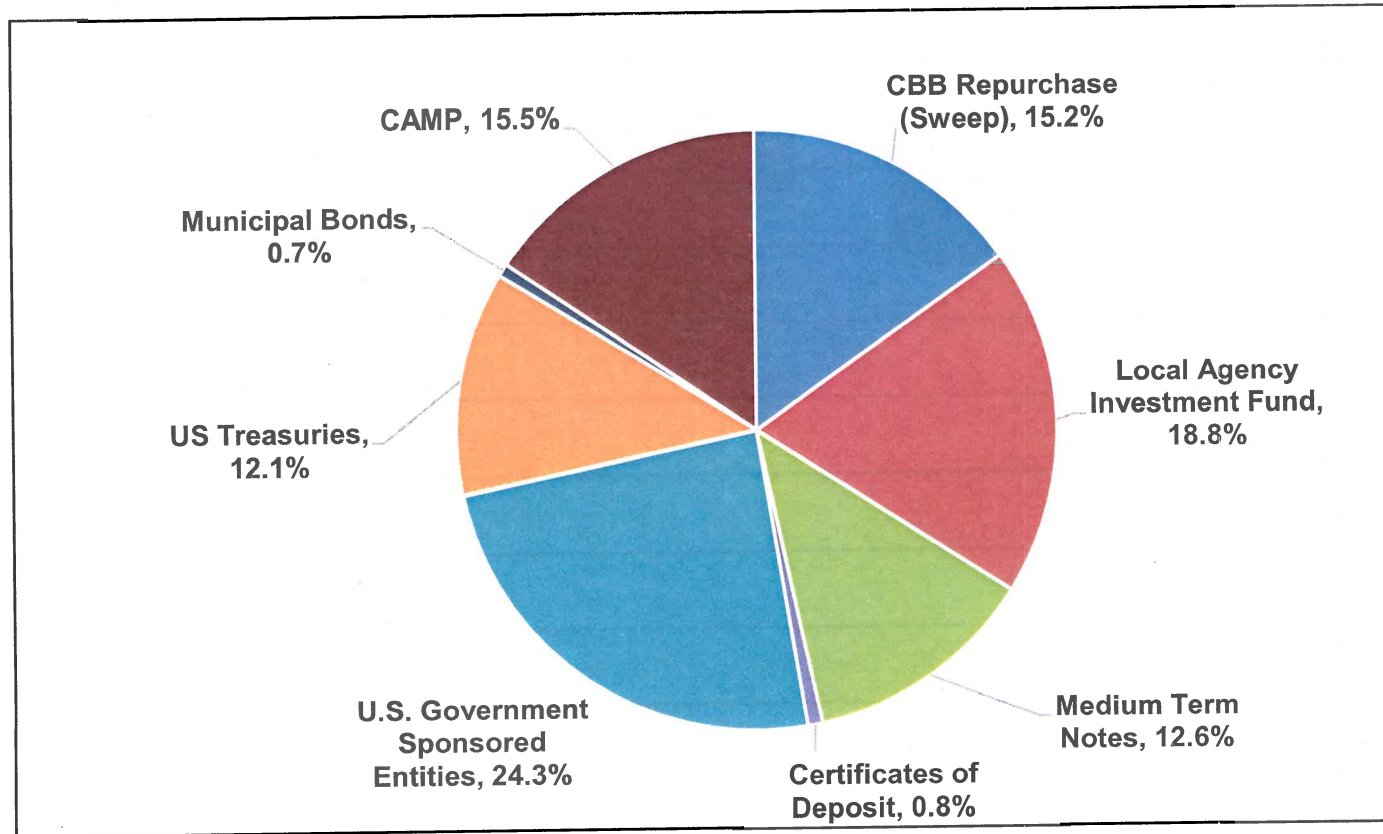
**Inland Empire Utilities Agency**  
**Treasurer's Report of Financial Affairs**  
For the Month Ended April 30, 2018  
Agency Investment Portfolio (Net of Escrow Accounts)  
**\$220,792,703**



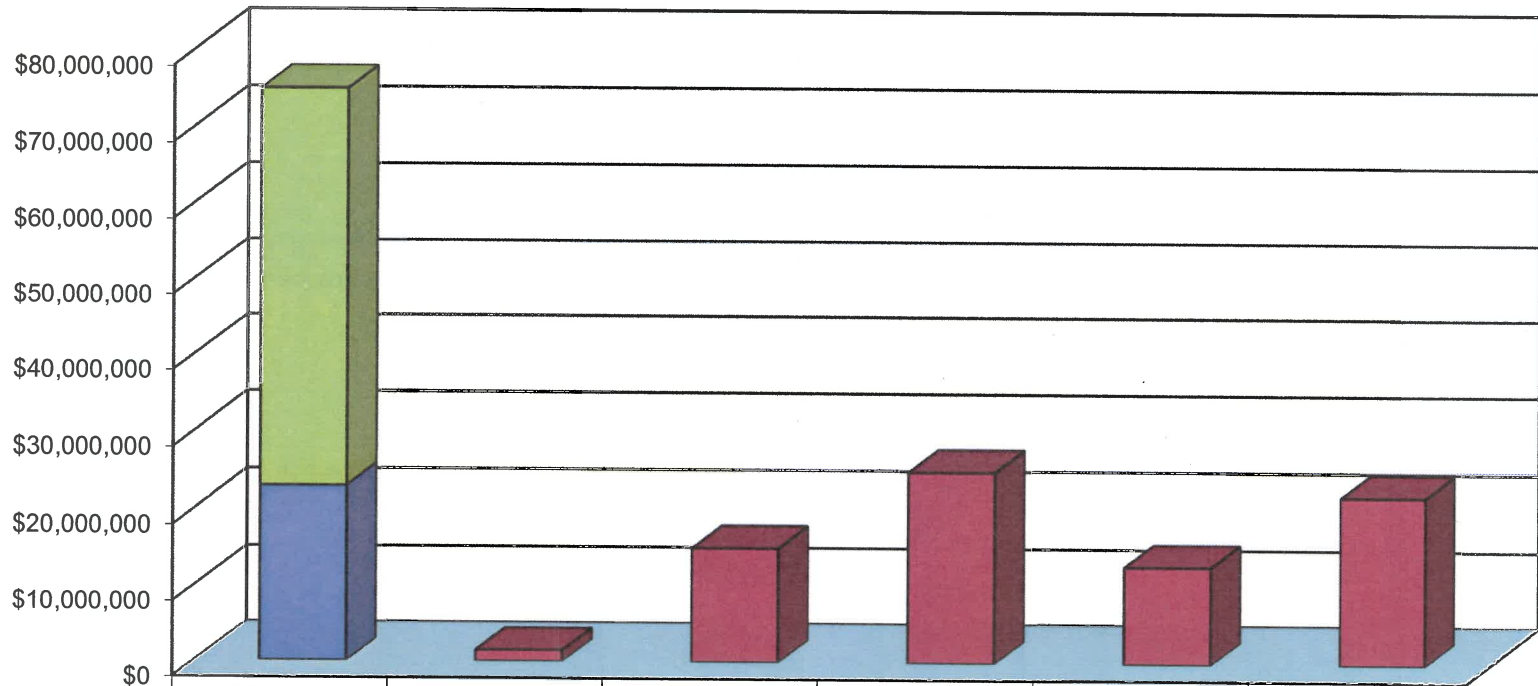
**Inland Empire Utilities Agency**  
**Treasurer's Report of Financial Affairs**  
For the Month Ended April 30, 2018  
U.S. Government Sponsored Entities Portfolio  
**\$36,820,177**



**Inland Empire Utilities Agency**  
**Treasurer's Report of Financial Affairs**  
For the Month Ended April 30, 2018  
Unrestricted Agency Investment Portfolio  
**\$151,358,815**

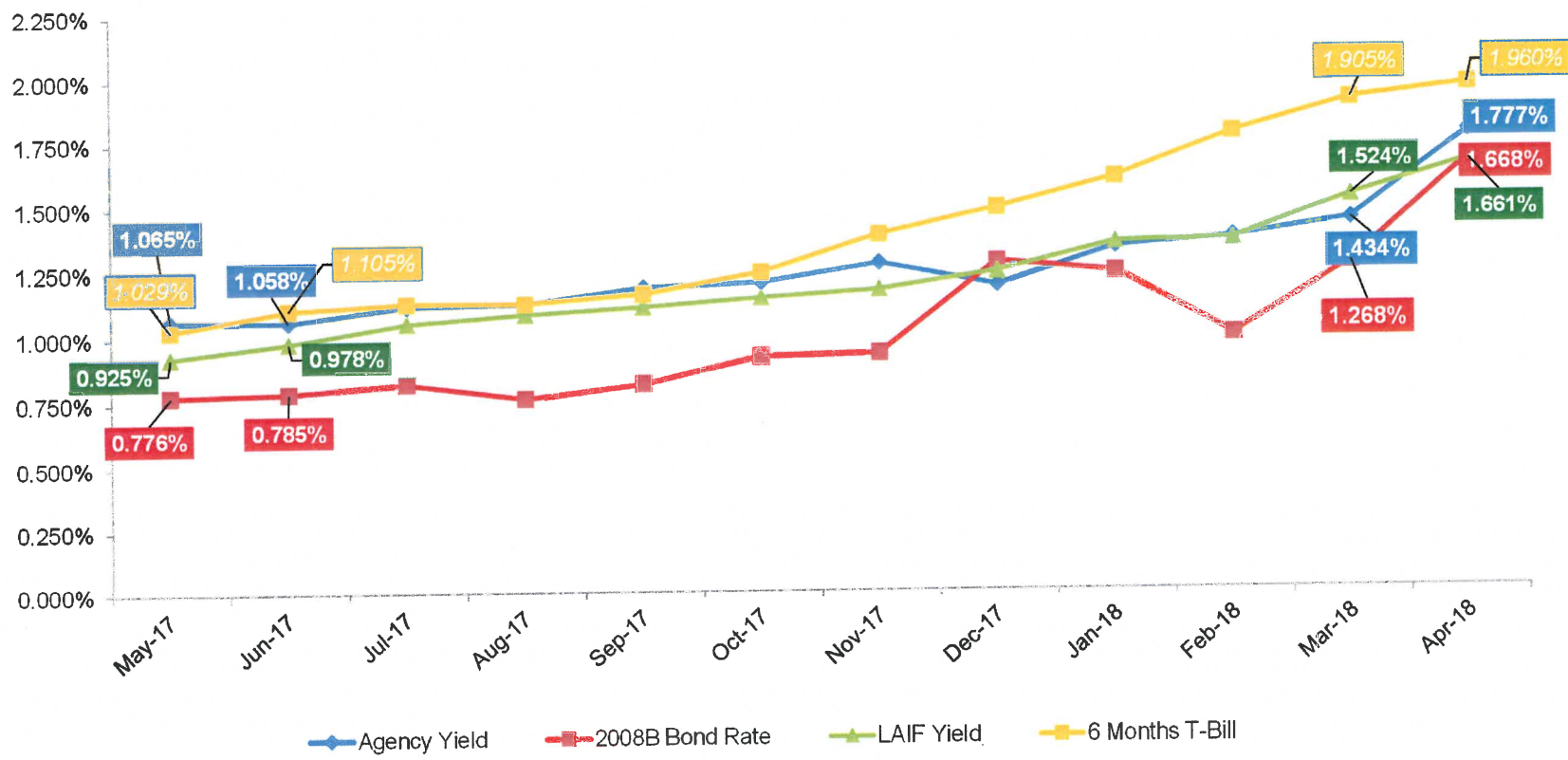


**Inland Empire Utilities Agency**  
**Treasurer's Report of Financial Affairs**  
For the Month Ended April 30, 2018  
**Agency Investment Portfolio Maturity Distribution (Unrestricted)**  
**\$151,358,815**



	0-30 Days	31-180 Days	181-365 Days	366-730 Days	2 to 3 Years	Over 3 Yrs
■ LAIF+CalTrust+CAMP	\$51,919,644					
■ CBB Repurchase (Sweep)	\$22,996,141					
■ GSE+CD+MTN+MUNI	\$0	1,479,986	15,055,610	24,997,435	12,896,039	22,013,960
□ Percent	49.5%	1.0%	10.0%	16.5%	8.5%	14.5%

**Inland Empire Utilities Agency  
Treasurer's Report of Financial Affairs  
For the Month Ended April 30, 2018  
Agency Investment Portfolio Yield Comparison**



INFORMATION  
ITEM

**6G**

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**Date:** June 20, 2018

HHR

**To:** The Honorable Board of Directors

**From:** Halla Razak, General Manager

**Committee:** Community & Legislative Affairs

06/13/18

**Executive Contact:** Kathy Besser, Executive Manager of Ext. Aff. & Policy Dev./AGM

**Subject:** Public Outreach and Communication

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**Executive Summary:**

This is an informational item that provides highlights of the External Affairs team's monthly outreach, education and communication programs and updates.

- June 8, World Oceans Day (The Ocean Project)

A Water Awareness Month targeted email ran on May 22 promoting ways to save water as well as the social media contest to 125,986 total emails. Emails were targeted to residents residing in the IEUA Service Area-32,756 emails were opened (26%) and 3,930 residents (12%) clicked through to the Kick the Habit website.

The 16th annual Solar Cup competition was a success. All three sponsored high schools received honors: Chino High School (Veteran Team), Los Osos High School (Veteran Team), and Upland High School (Rookie Team).

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**Staff's Recommendation:**

This is an informational item for the Board of Directors to receive and file.

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**Budget Impact:** N    *Budgeted (Y/N):* N    *Amendment (Y/N):* N    *Requested Amount:*

*Account/Project Name:*

*Fiscal Impact (explain if not budgeted):*



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**Prior Board Action:**

N/A

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**Environmental Determination:**

Not Applicable

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**Business Goal:**

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

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

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**Attachments:**

Attachment 1 - Background

# Background

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Subject: Public Outreach and Communication

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## June

- June 8, World Oceans Day (*The Ocean Project*)

## July

- July, Smart Irrigation Month
- July 18, IEUA Employee Recognition Picnic, IEUA (behind Building A), 11:30 a.m. – 3:00 p.m.

## August

- August 1, Blood Drive, IEUA HQB Event Room, 8:00 a.m. – 1:00 p.m.
- August 10, San Bernardino County Water Conference, DoubleTree Hotel, 222 N. Vineyard Ave., Ontario, 91764, 9:00 a.m. – 1:00 p.m.

## Media and Outreach

- A Compost Giveaway targeted email ran on May 8 promoting the Agency's compost giveaway - 128,412 emails were sent to families, people who have shown an interest in landscaping and the environment, and homeowners residing in the IEUA service area - 39,807 emails were opened (31%) and 8,359 (21%) of the recipients clicked through to get more information about the 2018 Compost Giveaway.
- A Water Awareness Month targeted email ran on May 22 promoting ways to save water as well as the social media contest to 125,986 total emails. Emails were targeted to residents residing in the IEUA Service Area - 32,756 emails were opened (26%), 3,930 residents (12%), clicked through to the *Kick the Habit* website.
- External Affairs staff is working with Agency department leads to update the Agency's external website.
- Staff continues to run banner ads with *Fontana Herald News*.
- Staff launched a social media contest for the month of May encouraging users to post a water saving picture to be entered into a drawing for a water saving swag bag. Social media reach and engagement increased by approximately 30%.
- May: 27 posts were published to the IEUA Facebook page and 27 tweets were sent on the @IEUAWater Twitter handle.
  - The top three Facebook posts, based on reach and engagement, in the month of May were:
    - 5/8: Social Media Contest
    - 5/9: Compost Giveaway Happening Now
    - 5/9: Compost Giveaway Flyer Post
  - The top three tweets, based on reach and engagement, in the month of May were:
    - 5/23: Los Osos Solar Cup Congratulations
    - 5/22: Upland HS Solar Cup Congratulations
    - 5/19: #DrinkingWaterWeek #ProtecttheSource

## Education and Outreach Updates

- The 16<sup>th</sup> annual Solar Cup competition was a success. All three sponsored high schools received honors:

- Chino High School (**Veteran**)
    - 1st Place Public Service Message – Inland Region
    - 2nd Place Sprint Race – Inland Region
    - 6th Place Overall – Veterans and Rookies
  - Los Osos High School (**Veteran**)
    - 1st Place for Technical Reports – Foothill Region
    - 2nd Place Endurance Race – Foothill Region
    - 15th Place Overall – Veterans and Rookies
  - Upland High School (**Rookie**)
    - Overall “Hottest Looking Boat” – Rookie Division
    - 1st Place Endurance Race – Rookie Division
    - 2nd Place Overall – Rookie Division
    - 11th Place Overall – Veterans and Rookies
- Presentations have been made to all winners of the Agency’s *Water is Life* poster contest. Winners were presented with a book store gift card and certificate. Teachers of the winning students received a school supply gift card. All winning posters will be sent to MWD to be entered into their regional contest.

#### Association Membership Activities

- On April 24, 2018, Eddie Lin attended a Southern California Alliance of Publicly Owned Treatment Works (SCAP) Air Committee meeting.
- On April 25, 2018, Craig Proctor attended the Southern California Salinity Coalition Directors’ Strategic Planning Retreat.
- On April 26, 2018, Pietro Cambiaso attended the California Association of Sanitation Agencies (CASA) Air Quality, Climate Change, and Energy Workgroup Meeting.
- On May 22, 2018, Eddie Lin attended a SCAP Air Committee meeting.
- On May 24, 2018, Pietro Cambiaso and Eddie Lin attended the CASA Air Quality, Climate Change, and Energy Workgroup Meeting.
- On May 29, 2018, IEUA hosted the SCAP Energy Committee meeting.

**INFORMATION  
ITEM**

**6H**

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Comprehensive Government Relations

## MEMORANDUM

**To: Halla Razak and Kathy Besser**

**From: Letitia White, Jean Denton, Shavenor Winters, Drew Tatum**

**Date: June 1, 2018**

**Re: May Monthly Legislative Update**

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### *FY19 Infrastructure Updates*

While the Trump administration has not highlighted the push for a large infrastructure package in recent months, Congress has been using additional funding included in the two-year budget agreement and traditional reauthorization measures to boost transportation and infrastructure funding and authorizations. Below are key bills that are currently moving through the House and Senate.

#### FY19 Transportation-HUD Appropriations

On Wednesday, May 16, the House Transportation, Housing, and Urban Development Appropriations Subcommittee advanced its annual appropriations bill to the full committee level. The full committee advanced the legislation to the floor on Wednesday, May 23. The measure includes annual funding for grant programs within the Department of Transportation.

The legislation seeks to cut BUILD infrastructure grants, which were previously known as TIGER grants, to \$750 million in fiscal 2019, which is approximately half of the \$1.5 billion included in the Consolidated Appropriations Act, 2018. However, this year's funding measure includes what the Ranking Member of the T-HUD Appropriations Subcommittee calls an "appropriate balance between rural and urban projects."

The committee report language specifies that \$250 million will go toward seaports and \$250 million toward rural infrastructure, leaving \$250 million for urban projects. As you may recall, Congress increased the funding for BUILD grants last year after a two-year bipartisan budget agreement was reached. In FY17, TIGER grants were funded at only \$500 million. According to the T-HUD Appropriations Subcommittee Chairman Mario Diaz-Balart, the subcommittee is now trying to find a balanced approach to funding the program in subsequent fiscal years, noting that he does not ascribe to the notion that just because lawmakers approved a certain amount, that is the right amount forever.

The Committee also recommends a total of \$3.365 billion for the Community Development Fund account, which is equal to the fiscal year 2018 enacted level and \$3.365 billion above the budget request. Of that \$3.3 billion is for the Community Development Block Grant (CDBG) formula

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program. This is equal to the fiscal year 2018 enacted level and \$3.3 billion above the President's budget request. As you may recall, the Trump administration has requested that Congress zero or substantially reduce funding for many activities, including CBDGs. Thus far, the House Appropriations Committee has not followed those recommendations and has continued to fund the programs at, near, or above the FY18 enacted levels.

### Water Resources Development Legislation

On Friday, May 18, Chairman Bill Shuster (R-PA) of the House Transportation and Infrastructure Committee introduced H.R. 8, the Water Resources Development Act, in the House, with Ranking Member Peter DeFazio (D-OR), Water Resources and Environment Subcommittee Chairman Garret Graves (R-LA), and Ranking Member Grace Napolitano (D-CA).

The bill is designed to move quickly through the chamber, with lawmakers omitting controversial provisions that could have held it up. There were rumors that the Chairman was aiming to include a provision that would have started the process of transferring the Army Corps of Engineers to another federal agency, but the final bill as introduced only included language requiring a study of the future of the Corps.

The bill totals 58 pages and includes a list of almost a dozen major dam, flood control, and other projects on which the Army Corps of Engineers can move forward but does not provide additional funding outside the fiscal year 2019 appropriations process. The Committee marked and reported the legislation on Wednesday, May 23 at the full committee level. The House is expected to take up the measure the week of June 4. Currently, 97 amendments have been filed to the legislation with the Rules Committee.

The Senate's version was introduced earlier in May and was marked and reported favorably out of committee on Tuesday, May 22, 2018.

As of now, the bipartisan bill shies away from the more contentious items in the Administration's plan—specifically its calls to speed up the permitting process for big federal infrastructure projects by stripping some environmental review requirements. Senator James Inhofe (R-OK) told reporters the committee has already accomplished much on this issue, but that he may use the water resources bill as a vehicle to push further.

Senator Inhofe's plans to amend the bill with environmental permitting measures could jeopardize its bipartisan support. Democrats have strongly opposed legislation in the past that sought to remove federal agencies' obligations to study the ecological impacts of their decisions. Both Senator Borrasso (R-WY), the Chairman of the Senate Environment and Public Works Committee, and Senator Inhofe said they were committed to following Congress' traditional biennial timeline for passing a water resources bill, which gives the Army Corps of Engineers the go-ahead to move forward on dozens of flood control and reservoir projects across the country. These bills also typically make significant policy changes for the Environmental Protection Agency's (EPA) drinking water and wastewater programs.

This year's bill received bipartisan praise at the hearing before the committee, signaling that its chances of advancing through the Senate are good. "We don't want to spike the football too

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early, but this is a day to celebrate,” Senator Tom Carper (D-DE), the top Democrat on the committee, said.

The Senate bill would allow the EPA to continue operating its new subsidized infrastructure loan program, the Water Infrastructure Finance and Innovation Act (WIFIA), through the 2021 fiscal year. It also would allow water utilities to use portions of EPA grants to clean up the lakes and rivers that serve as the sources of their drinking water, something currently outside the scope of the EPA's main water grant program.

For the Army Corps, the legislation would require the White House's Office of Management and Budget to re-examine the way it conducts cost-benefit analysis for the Corps' projects. The bill would also change Army Corps rules on outside parties sharing in the cost of a project.

### ***House and Senate Appropriators Moving FY19 Bills***

The Senate has joined the House in reporting fiscal year 2019 appropriations bills to the floor, beginning with the Senate Appropriations Committee's approval of the Agriculture and Energy and Water Appropriations bills on Thursday, May 24.

During the first Senate Appropriations Committee markup, Senate Majority Leader Mitch McConnell (R-KY) noted that he planned to devote floor time to the consideration of two appropriations measures during the month of June. We anticipate that may mean two bills are packaged together and considered at the same time on the floor in an appropriations minibuss. Leader McConnell also indicated he had been working with Speaker Paul Ryan (R-WI) on a plan to pass minibuss appropriations measures (3-4 appropriations bills packaged together) to move as many bills as possible before the end of the fiscal year.

The Agriculture Appropriations bill advanced by the Senate Appropriations Committee would increase discretionary funding to \$23.2 billion, \$225 million more than fiscal 2018. This increase covers increased support to nutrition programs and rural development.

The Senate FY19 Energy and Water Appropriations bill totaled \$43.8 billion, \$566 million more than in fiscal 2018 and \$7.24 billion more than the request. The Army Corps of Engineers would receive \$6.93 billion, a \$100 million increase and \$2.14 billion more than requested and the Bureau of Reclamation, part of the Interior Department, would get \$1.49 billion.

As you may recall, the House Appropriations Committee approved their FY19 Energy and Water appropriations bill on Wednesday, May 16 that would provide \$44.8 billion in discretionary funding, \$1.53 billion more than enacted for FY18 and \$8.41 billion more than president's budget request. In addition to the funding, the bill contains policy provisions that would repeal the 2015 Waters of the U.S. rule, allow firearms on Army Corps project sites, and bar funding from being used to remove federal dams without congressional authorization.

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Included below are highlights of several priority programs within the Bureau of Reclamation which show a side-by-side comparison of the FY18 enacted levels, the President's budget request for FY19, and the House and Senate Committee recommendations for FY19.

Program	FY18 Enacted	FY19 PB Request	FY19 House Recommendation	FY19 Senate Recommendation
WaterSMART Program:				
WaterSMART Grants	\$34 million	\$10 million	\$34 million	\$34 million
Cooperative Watershed Management	\$2.25 million	\$0.25 million	\$2.25 million	\$2.25 million
Water Conservation Field Services Program	\$4.179 million	\$1.75 million	\$4.179 million	\$4.179 million
Basin Studies	\$5.2 million	\$2.0 million	\$5.2 million	\$5.2 million
Title XVI - Water Recycle and Reuse Program	\$54.406 million	\$3.0 million	\$65 million **	\$54.406 million **
Resilient Infrastructure				
Drought Response		\$2.901		
**\$20 million is for water recycling and reuse projects authorized in the WIIN Act.				

The House Appropriations Committee also approved the Transportation-HUD bill at the full committee level on May 23 and the Financial Services-General Government Appropriations bill at the subcommittee level on May 24. While the House had originally scheduled to mark the Interior-Environment bill on May 22, the full committee markup was postponed because the Chairman had the flu.

The House Financial Services Appropriations bill would provide the IRS \$11.6 billion, including a boost to implement 2017 tax reform law. The bill also included provisions to bar use of funds to deny tax-exempt status to politically active churches.

As was mentioned above, the House Transportation-HUD Appropriations bill, would provide \$71.8 billion in discretionary funds, \$1.5 billion more than the enacted FY18 level and \$23.8 billion more than requested in the President's Budget. Highlights of from the House Transportation-HUD Appropriations bill are below.

Program	FY18 Enacted	FY19 PB Request	FY19 House Recommendation
Community Development Fund:			
Community Development Block Grant formula	\$3.3 billion	\$0.00	\$3.3 billion
Indian CDBG	\$65 million	\$0.00	\$65 million
Community Development Loan Guarantees (Sec. 108):			
HOME Investment Partnership Program	\$1.362 billion	\$0.00	\$1.2 billion
Homeless Assistance Grants	\$2.513 billion	\$2.383 billion	\$2.546 billion



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### ***Senate Votes on Net Neutrality***

On Wednesday, May 16 the Senate utilized a tool under the Congressional Review Act (CRA), known as a Congressional resolution of disapproval in an effort to overturn the Federal Communications Commission's (FCC) repeal of the Obama-era net neutrality rule that would have prevented internet service providers from throttling their services.

The resolution of disapproval passed the senate by a vote of 52-47. While a step forward for net neutrality supporters, the resolution has not yet passed the House and faces a near impossible challenge to be signed by President Trump. Given the President's strong push for the repeal of the Obama-era rule, if passed by the Senate, a veto is likely. Since the Senate vote lacked a two-thirds majority, it is unlikely Congress would be able to override a veto.

### ***Immigration Discussion Continues to Unfold, Farm Bill to Receive New Vote***

On Thursday, May 17, Attorney General Jeff Sessions issued a directive ending a common tactic used by immigration judges to pause or suspend cases before them while waiting for new evidence.

The directive ends the power of immigration judges, who fall under the purview of the Department of Justice, to put a case on hold using administrative cloture, which judges have used in the past to suspend cases for immigrants awaiting a visa application or the appeal of their criminal conviction.

The move could reopen hundreds of thousands of cases, will likely not reopen cases already closed under administrative cloture. Attorney General Sessions wrote in his directive that such a change would overwhelm the administration's already-backlogged immigration case system.

House Majority Whip Steve Scalise (R-LA) announced that the farm bill will get a second vote Friday, June 22. The announcement comes after conservative members of the conservative House Freedom Caucus withheld their support on the legislation on Friday, May 18, which caucused Republicans to come up short on final passage. Members of the House Freedom Caucus were attempting to force Republican leaders to hold a vote on a conservative immigration bill before Democrats and moderate Republicans could force a vote on other immigration legislation through a discharge petition. A vote on the immigration legislation is now scheduled to take place the week of June 18 before lawmakers reconsider the farm bill.

The immigration legislation introduced by House Judiciary Chairman Bob Goodlatte (R-VA) and Homeland Security Chairman Michael McCaul (R-TX) includes border wall funding, security and enforcement provisions, cuts to legal immigration and a process for Deferred Action for Childhood Arrivals program recipients to obtain three-year renewals of their work permits. Chairman Mark Meadows (R-NC) of the House Freedom Caucus said he and his fellow members could not accept GOP leaders' original offer to schedule a vote on the Goodlatte-McCaul bill in June because leadership wanted to appease moderate Republicans who were pushing for a rule that would have tied that measure to a second one still being negotiated.

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With the Goodlatte-McCaul bill currently short the votes needed to pass the House, Majority Whip Steve Scalise acknowledged that there is still an effort underway to try to come up with another immigration measure that could find support of Republicans and Democrats.

### ***Mnuchin says NAFTA negotiations could slide into 2019***

The Trump administration missed an informal deadline Thursday, May 17 that had been set by House Speaker Paul Ryan to get a revamped North American Free Trade Agreement (NAFTA) to Congress in time for lawmakers to vote on it in a midterm election year.

United States Trade Representative Robert Lighthizer warned the three nations are "nowhere near close to a deal" as some members of Congress urged the Trump administration not to abandon negotiations. Ryan had encouraged the administration to transmit proposed changes to the NAFTA agreement before a deadline that would allow the House and Senate to consider the agreement under Trade Promotion Authority granted to the President of the United States. Based on the legislative calendar, consideration of any agreement reached this year would likely roll into the 116th Congress set to convene in January.

**INFORMATION  
ITEM**

**61**



**June 1, 2018**

**To:** Inland Empire Utilities Agency

**From:** Michael Boccadoro  
Beth Olhasso  
Maddie Dunlap

**RE:** May Report

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Overview:

Despite mediocre winter precipitation and rapidly melting snowpack, California's major reservoirs continue to hover around capacity, prompting both the Bureau of Reclamation and the Department of Water Resources to increase allocations for Central Valley Project and State Water Project contractors.

In a continued effort to ensure higher allocations in the future through improved Delta conveyance, Metropolitan Water District of Southern California has pulled yet another trick out of their hat. This time, the agency has revived the two-tunnel plan by voting to front roughly two-thirds of the project cost. This vote set off a chain reaction of events that seems to have given the project a more promising future than it has enjoyed in months.

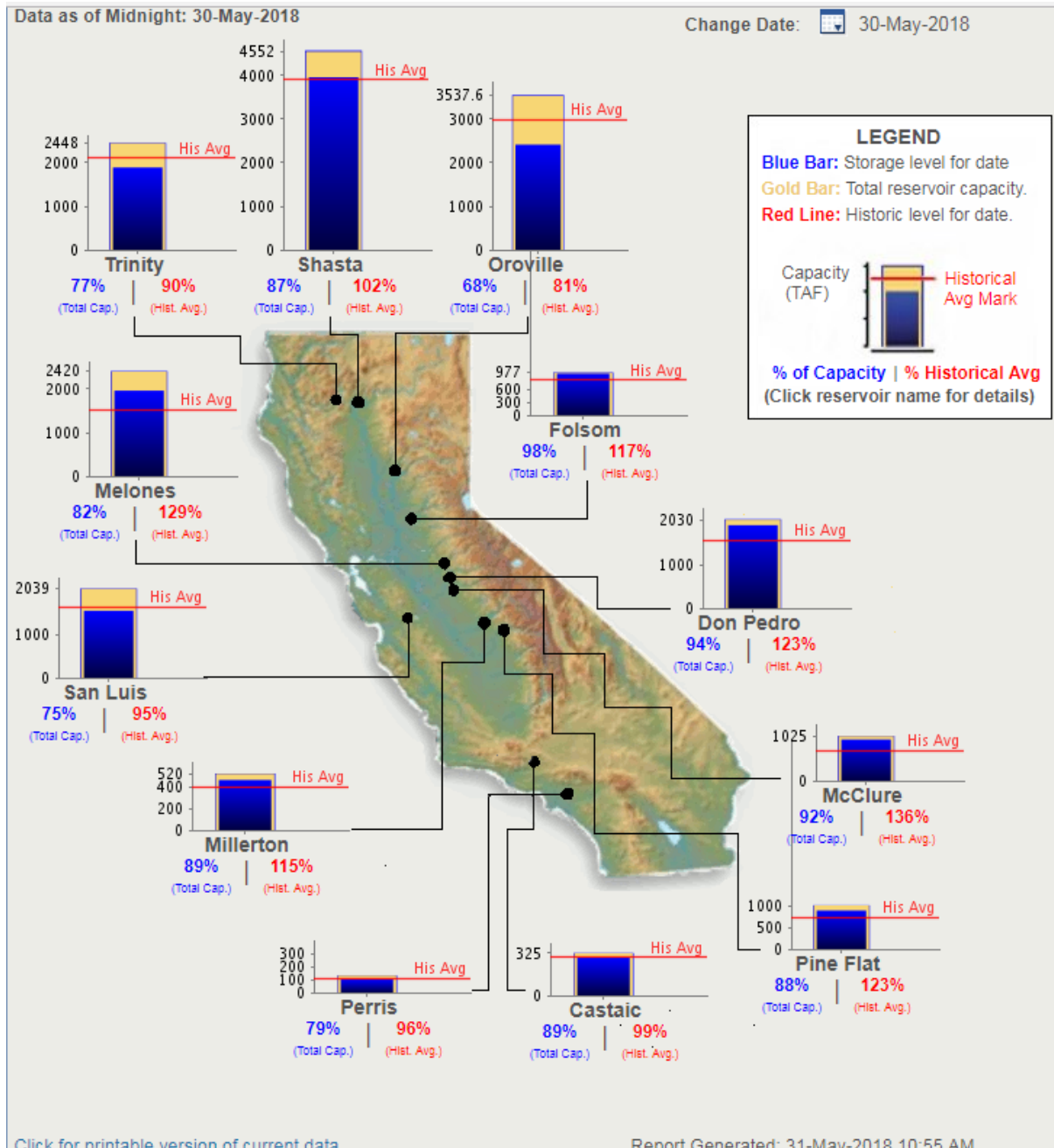
In energy news, the California Independent System Operator (CAISO) has issued a warning that it expects "challenging summer operating conditions" and tight capacity based on the current resource mix and increasing renewable generation. CAISO is predicting a 50 percent probability that it will need to declare a Stage 2 emergency for at least one hour during the season—a declaration that has not occurred since 2007.

The California Energy Commission (CEC) recently unanimously voted to adopt new building efficiency standards that would increase solar generation even further. The controversial new standards include requirements for new homes to be constructed with solar power starting in 2020.

The Legislature stayed on track meeting key deadlines in the month of May, including the June 1<sup>st</sup> house of origin deadline just ahead of the June 15<sup>th</sup> budget deadline. Additionally, Governor Brown released his final May revision to his proposed budget on May 11th.

# Inland Empire Utilities Agency Status Report – May 2018

## Water Supply Conditions



As spring temperatures heat up, snowpack levels have predictably fallen off in recent weeks. It is typical for this mountain reserve to dwindle as the year goes on, but currently the snowpack is

only at 6 percent of average statewide. While this low number is concerning, major reservoirs around the state continue to hover near capacity as snowpack melts and the effects of last year's historically wet winter linger.

In light of continued high reservoir conditions, the Department of Water Resources increased the State Water Project allocation to 30 percent – up from 20 percent in January and 15 percent in December.

### ***California WaterFix Update***

The status of the California WaterFix projects continues to evolve as the Brown Administration's remaining months wind down. After the Metropolitan Water District of Southern California (MWD) voted to fund \$10.8 billion of the \$16.7 billion two-tunnel project, the remaining project beneficiaries are considering whether or not they want to join in this most recent proposal.

The first agency to do so was the Santa Clara Valley Water District (SCVWD), who originally voted last October to contribute, at most, \$200 million only if the project followed a "phased in" approach. Following MWD's most recent proposal, SCVWD voted 4-3 to contribute up to \$650 million to the project.

At a recent oversight hearing, Karla Nemeth, Director of DWR, presented on the status of the project along with Eileen Sobeck, Executive Director of the State Water Resources Control Board, who provided an update on the status of the water rights proceeding at the state water board. Jeffrey Kightlinger, General Manager of MWD, and Jennifer Pierre, General Manager of the State Water Contractors, presented on the proposed operation of the project and the benefitting agencies roll. Doug Obegi with the Natural Resources Defense Council, Don Natoli with the Delta Counties Coalition, and Osha Meserve on behalf of Delta area agencies and wildlife interests presented the opposition's side.

The remaining project beneficiaries are expected to vote on this most recent proposal in the coming weeks. Meanwhile, MWD, SCVWD and Zone 7 Water Agency in Livermore announced their formation of the [Delta Conveyance Design and Construction Joint Powers Authority](#) (DCA). Under the Department of Water Resources' (DWR) oversight, the DCA, as a public agency, will provide a means for the beneficiaries of the project to pool expertise and resources to "safely design, construct and deliver the project on time, on budget and in accordance with approved specifications, while managing risk prudently and ensuring compliance with all applicable laws."

The DCA's responsibilities will be as follows:

- Implement final planning and design, construction and all financial accounting
- Develop the program's strategic spending and business plans
- Let and manage construction contracts
- Select and supervise the Executive Director, Engineering Design Manager and other staff/consultants
- Develop and implement a program-wide safety policy and approach to risk management
- Ensure compliance with construction specifications and mitigation measures
- Provide regular updates and reports to DWR

- Maintain transparency through the DCA Board and public information programs
- Finalize remaining permits and ensure compliance with terms

Construction of California WaterFix will begin once all the necessary permits are complete, which is anticipated to be toward the end of this year. The DCA will deliver the project to DWR after construction is complete. To oversee and facilitate this process, DWR has created the [Delta Conveyance Office](#) (DCO). The State will retain authority and oversight of WaterFix regulatory obligations, environmental mitigation and quality assurance. Gary Lippner was appointed on February 20, 2018 as the Deputy Director of Delta Conveyance, to manage the DCO.

Lastly, in yet another surprise, Rep. Ken Calvert (R-Riverside County) released a [142-page draft spending bill](#) for the Interior Department's 2019 fiscal year that included a brief provision prohibiting state or federal lawsuits against "the Final Environmental Impact Report/Final Environmental Impact Statement for the Bay Delta Conservation Plan/California Water Fix ... and any resulting agency decision, record of decision, or similar determination."

Calvert argues that after years and hundreds of thousands of pages of analysis, the project has been properly reviewed. Environmentalists of course have already raised vocal opposition to the provision. The bill has only just been introduced in the House and will still need to pass through the Senate as well.

### ***CAISO Concerned About Summer Grid Operations***

The California Independent System Operator (CAISO) has issued a warning that it expects "challenging summer operating conditions" and tight capacity based on the current resource mix and increasing renewable generation. The conditions will be felt mostly on hot nights when solar power dissipates. CAISO notes that diminished hydro supplies and less natural gas generation and supply constraints are contributing factors to the complicated grid management.

CAISO is predicting a 50 percent probability that it will need to declare a Stage 2 emergency for at least one hour during the season—a declaration that has not occurred since 2007. A Stage 2 emergency occurs when the reserve margin has fallen to less than five percent. Rotating power outages could only be initiated during a Stage 3 emergency, and involves CAISO forcing utilities to shut off electricity to certain blocks to prevent large-scale outages.

CAISO projects that 51,947 MW of generation capacity will be available to serve demand this summer with "normal" peak demand projected at 46,625 MW, and also noted that the peak load reached 50,116 MW last summer.

### ***CEC Requires Solar on New Homes by 2020***

The California Energy Commission (CEC) recently unanimously voted to adopt new building efficiency standards. The new standards include requirements for new homes to be constructed with solar power starting in 2020. The new policy is in response to the state's energy efficiency targets outlined in SB 530 (de Leon, 2016).

The new policy in the state's Energy Efficiency Strategic Plan calls for all new residential construction to be zero net energy by 2020 and all new commercial construction to be zero net energy by 2030. All new measures must meet cost-effectiveness tests on a life-cycle basis. The

analysis by CEC consultant, Energy and Environment Economics, estimated the measure would reduce statewide electricity use by 323 GWh in 2030.

### *Legislative Update*

The Legislature stayed on track meeting key deadlines in the month of May, including the June 1<sup>st</sup> house of origin deadline just ahead of the June 15<sup>th</sup> budget deadline.

Governor Brown released his final [May revision](#) to his proposed budget on May 11<sup>th</sup>. As to be expected by the fiscal conservative, Brown's proposal was marked by warnings of impending economic downturn, overspending and precautionary saving.

Assembly and Senate budget committees have wrapped up their hearings and the Budget Conference Committee has convened to reconcile the differences between the two budgets, while taking into consideration the Governor's proposal. Once a single prevailing budget emerges, the full Senate and Assembly will vote on the budget, requiring only a majority vote, by June 15<sup>th</sup>. The Governor will review the budget, with the ability to "red-line" any items he does not approve of, before signing it.

### *Administrative Hearing Office Proposed for State Water Resources Control Board*

As part of the May revise, the Brown administration has proposed an Administrative Hearing Office within the State Water Resources Control Board (SWRCB) that would, in theory, provide a neutral, fair and efficient adjudication process.

In response to AB 313 (Gray), that was vetoed last year, Brown has released this budget trailer bill to address some of the concerns that inspired the original bill and to work through the backlog of water rights issues currently pending at the SWRCB. The proposal includes nine staff positions that would provide "qualified, impartial" hearing officers to ensure that water right matters, and cannabis enforcement matters are resolved in a timely manner. Board members would also have the flexibility to assign hearing officers to permits, licenses and change petitions.

### *Water Use Efficiency*

After a year and a half of negotiations, the proponents of SB 606 (Skinner) and AB 1668 (Friedman) related to water use efficiency have finalized language with stakeholders, the authors, other interested legislators, and the Brown Administration. Most of the final concerns from urban water retailers were addressed, the bills have been amended, and a final vote awaits. Key Legislators who were leading the opposition movement ended up in support of the bills which helped both bills pass out of both houses and onto the Governor's desk for signature.

Highlights of the final language include a requirement for a process for variances, as well as clarification that lowering the gallons per capita daily (GPCD) standards beyond those outlined in the legislation can only be done by the Legislature. The language will codify a 55 indoor GPCD until 2025, 52.5 indoor GPCD from 2025-2030 and 50 indoor GPCD after 2030. The compromise between stakeholders and legislators also addressed how to treat recycled water. Current potable reuse projects using advanced treatment will receive up to 15 percent "bonus incentive" on top of their total water usage, depending on the amount of advanced treated potable reuse water in their portfolio. New projects and soil aquifer potable reuse projects will get a 10 percent "bonus incentive."



The bills are being hailed as a great compromise, allowing for efficiency standards to be created while protecting water agencies from broad conservation demands like those seen in 2016. Not all stakeholders are happy, but the balance between getting water agencies to look at their local conditions and allowing implementation of local solutions is considered the most important part of this legislation. The Governor will still have authority in a drought situation to call for further emergency reductions, but the hope is that this legislation will help water agencies develop a plan for critically dry years, to implement before the emergency is declared.

Most of the opposition has either moved to support or neutral and the Governor signed both measures on May 31.

#### *Clean Drinking Water Fund*

The conversation around SB 623 (Monning) continues, especially after the Brown Administration released a budget trailer bill with their proposal for implementing a Safe Drinking Water Fee. The language is consistent with SB 623 which would establish the Safe and Affordable Drinking Water Fund to provide operating and maintenance funds for disadvantaged communities with contaminated groundwater sources. The account would be funded by fees from all water users with an exemption for low income customers, an assessment on fertilizer, and an assessment on livestock operations.

Both Assembly and Senate budget subcommittees heard presentations on the issue and voted to send the trailer bill language to the full budget committee. Opposition continues to be strong from urban water districts who continue to be adamantly opposed to a water tax and hardline environmentalists who believe that ag is getting let off the hook with a marginal fee and legal protections. Many agricultural groups expressed their support along with several environmental justice groups who have been developing the proposal.

It isn't clear yet which vehicle will move, but the Brown Administration isn't interested in a prolonged fight at the end of session over this issue. Opposition from a significant number of urban water agencies and ACWA remains very strong. With a 2/3 vote required for whichever vehicle ends up as the main safe drinking water fee vehicle, and a number of Democratic vacancies, it is unlikely the bill will move anytime soon. Activity and discussion is likely to pick up after the June 5<sup>th</sup> primary election, when the Democratic majority will be replenished.

Eastern Municipal Water District and the California Municipal Utilities Association have introduced AB 2050 (Caballero, D-Salinas) as an alternative to SB 623. Their bill looks at how to consolidate failing water agencies under a larger umbrella to provide cost effective technical, managerial and financial support. The bill is supported by Metropolitan Water District of Southern California, the Association of California Water Agencies, the Santa Ana Watershed Project Authority and many local water agencies. The measure has passed onto the Senate.

#### *SB 998 (Dodd)*

A coalition of opponents to SB 998, Senator Dodd's (D-Napa) bill regarding water shutoffs, continue to meet with the author's staff to present an initial list of amendments. Currently, the bill prohibits a water agency from shutting off water service to a residential customer, under certain conditions. Concerns among stakeholders remain on how the whole shutoff process would work including any Proposition 218 issues that would arise as other customers have to assume the cost of service to any residential property that does not pay their bill. The bill has been making its way through three different policy committees with members wanting to support

access to clean drinking water for all Californians, but also understanding the issues with Proposition 218 water agencies face. Negotiations look to be reaching a stalemate with the author not willing to take amendments proposed by a coalition of water interests. ACWA, CMUA and others will all consider moving to a straight oppose position in the coming weeks.

*SB 831 (Wieckowski)*

This bill looks to make it easier for accessory dwelling units to be permitted and constructed as one part of a package of bills aiming to ease California's lack of affordable housing. Many water agencies are concerned that they would not be able to charge to add a second meter, monthly or capacity charges to the accessory dwelling unit. The author seems to have agreed to amendments that would remove this provision and allow water agencies to charge the second unit.

Amendments are not in print, so final confirmation is necessary.

*AB 1876 (Frazier)*

The annual attempt to stack the Delta Stewardship Council membership with in-delta representatives has once again failed in its first committee without a single "aye" vote. A strong coalition, led by MWD, worked hard to successfully kill the bill. This type of legislation has cropped up every year recently and has always met the same fate. WCA will continue to look for similar legislation and work with MWD to defeat any repeat attempt this year.

*AB 3037 (Chiu)*

AB 3037 (Chiu, D-San Francisco) was an initial effort to re-instate redevelopment agencies (RDA), which were dissolved in 2012. WCA worked with IEUA staff and the California Special Districts Association (CSDA) to secure amendments that would protect "passthrough" property tax revenue, to ensure that IEUA would continue to receive those funds. The bill did not make it out of appropriations committee. The author made it very clear that he was not expecting the bill to pass this year, because Governor Brown was the one who called for the end of RDAs in 2012. The bill was meant to start the conversation about reestablishing RDAs and will very likely come back next year when a new governor is in place. WCA will continue to monitor the issue and work with IEUA and CSDA as the proposal is reintroduced in 2019.

INFORMATION  
ITEM

**6J**



CALIFORNIA STRATEGIES, LLC

Date: June 01, 2018  
To: Inland Empire Utilities Agency  
From: John Withers, Jim Brulte  
Re: May Activity Report

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1. This month Senator Brulte and John Withers held their monthly meeting on May 7th with the senior staff of the agency to discuss various District activities.
2. Regional Contract
  - A scoping meeting with the parties and consultant team is scheduled
  - Proposal scheduled for end of May
3. Proposition One Grant Application
  - Reviewed preliminary funding recommendations and strategies to increase recommended funding allocation
  - Funding to be awarded by June
4. Chino Basin Water Bank
  - First Board meeting scheduled for May 30.
  - Budget to be established
5. SB LAFCO
  - Foxborough LAFCO issue discussed
  - Legal Counsel to draft memo and forward to County Supervisors

INFORMATION  
ITEM

**6K**

*Federal Legislation of Significance*

<b>Bill Number</b>	<b>Sponsor</b>	<b>Title and/or Summary</b>	<b>Summary/Status</b>
H.R. 8	Rep. Bill Shuster(R-PA)	Water Resources Development Act	<p>The bill authorizes proposed U.S. Army Corps of Engineers civil works activities and provides reforms to the Corps. WRDA authorizes locally driven, but nationally vital, investments in the Nation’s water resources infrastructure. It strengthens economic growth and competitiveness, helps move goods throughout the country and abroad, and protects our communities.</p> <p>The legislation was marked and passed on Wednesday, May 23, 2018 and is currently waiting to be brought to the floor.</p>
S.2975	Sen. Lamar Alexander (R-TN)	Energy and Water Development and Related Agencies Appropriations Act	<p>Provides FY2019 appropriations for U.S. Army Corps of Engineers civil works projects, the Department of the Interior's Bureau of Reclamation, the Department of Energy (DOE), and independent agencies such as the Nuclear Regulatory Commission.</p> <p>The legislation was reported out of the Senate Appropriations Committee, favorably, on Tuesday, June 22, 2018.</p>
H.R.5895	Rep. Mike Simpson (R-ID)	Energy and Water Development and Related Agencies Appropriations Act	<p>Provides FY2019 appropriations for U.S. Army Corps of Engineers civil works projects, the Department of the Interior's Bureau of Reclamation, the Department of Energy (DOE), and independent agencies such as the Nuclear Regulatory Commission.</p> <p>The legislation was passed through the House Appropriations Committee Thursday, June 1, 2018 and is likely to be considered as part of a package, alongside other appropriations bills, and brought to the House floor.</p>
	Rep. Ken Calvert(R-CA)	Interior and Environment Appropriations Act	<p>he legislation includes funding for the Department of the Interior, the Environmental Protection Agency (EPA), the Forest Service, the Indian Health Service, and various independent and related agencies. These funds are targeted to important investments in the nation’s natural resources, including \$3.4 billion for the Department of the Interior and U.S. Forest Service to prevent and combat devastating wildfires.</p> <p>The legislation also contains several policy provisions to rein in unnecessary regulations at the EPA and other agencies.</p>

			The legislation was passed favorably in subcommittee on Tuesday, May 15, 2018. Full committee mark postponed.
S.2800	Sen. John Barrasso (R-WY)	America's Water Infrastructure Act of 2018	<p>The bill provides for the conservation and development of water and related resources, to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States. This is the Senate counterpart to the House's Water Resources Development Act.</p> <p>The legislation was marked and reported favorably out of committee on Tuesday, May 22, 2018</p>
H.R. 5609	Rep. Keith Ellison (D-MN)	Water Affordability, Transparency, Equity, and Reliability Act of 2018	<p>The legislation would establish a trust fund to provide for adequate funding for water and sewer infrastructure, and for other purposes.</p> <p>The bill was referred to the Subcommittee on Commodity Exchanges, Energy, and Credit on Tuesday, June 22, 2018 and no further action has been taken.</p>
H.R. 5003	Rep. Randy Hultgren (R-IL)	To amend the Internal Revenue Code of 1986 to reinstate advance refunding bonds	The legislation was referred to the House Committee on Ways and Means on Tuesday, February 23, 2018 and no further action has been taken.
H.R.4902	Rep. John Katko (R-NY)	Securing Required Funding for Water Infrastructure Now Act	<p>The legislation would amend the Water Infrastructure Finance and Innovation Act of 2014 to provide to State infrastructure financing authorities additional opportunities to receive loans under that Act to support drinking water and clean water State revolving funds to deliver water infrastructure to communities across the United States.</p> <p>The bill was introduced on Tuesday, January 30, 2018 and referred to the Committee on Transportation and Infrastructure, and in addition to the Committee on Energy and Commerce.</p>
S 2364	Sen. John Boozman	Securing Required Funding for Water Infrastructure Now Act	<p>The intention of the bill is to amend the Water Infrastructure Finance and Innovation Act of 2014 to provide to State infrastructure financing authorities additional opportunities to receive loans under that Act to support drinking water and clean water State revolving funds to deliver water infrastructure to communities across the United States, and for other purposes.</p> <p>The legislation was introduced on Tuesday, January 30, 2018 and referred to the Committee on Environment and Public Works.</p>

S.2329	Sen. John Hoeven (R-ND)	Water Infrastructure Finance and Innovation Reauthorization Act of 2018	<p>This measure is designed to spur investments in water project development across the nation by supplementing federal funding of water infrastructure projects — including wastewater treatment, flood control and storm water management — with long-term, low-cost loans and loan guarantees, reauthorize and amend the Water Infrastructure Finance and Innovation Act of 2014, and double the Environmental Protection Agency’s fiscal year 19 WIFIA authorization to \$90 million and extend the program for five years, through 2024.</p> <p>The legislation was introduced Tuesday, January 23, 2018 was referred to the Committee on Environment and Public Works</p>
H.R.4492	Rep. Brian Mast (R-FL)	Water Infrastructure Finance and Innovation Reauthorization Act of 2017	<p>H.R. 4492 is a companion bill to S.2329 and would spur investments in water project development across the nation by supplementing federal funding of water infrastructure projects.</p> <p>This bill was introduced Thursday, November 30, 2017 and was referred to the Committee on Transportation and Infrastructure, and in addition to the Committee on Energy and Commerce.</p>
H.R. 5127	Rep. Grace Napolitano (D-CA)	Water Recycling Investment and Improvement Act	<p>The legislation would assist water agencies with the expansion, planning, designing, and building of water recycling plants and modernizing water infrastructure by making changes to the WIIN Act Title XVI water recycling and reuse program by removing the requirement of funding projects that are in drought or disaster areas, increasing the authorization from \$50 million to \$500 million, making the program permanent rather than sun-setting in 2021, and taking away the requirement that the projects need to be designated in an appropriations legislation.</p> <p>The bill was introduced on Tuesday, February 27, 2018 and referred to the Committee on Natural Resources, and in addition to the Committee on Transportation and Infrastructure.</p>
S.1	Sen. Mike Enzi	Tax Cuts and Jobs Act	<p>This bill provides for the reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2018. Tax rates would be reduced, dozens of breaks would be eliminated, and the individual mandate from the Affordable Care Act would be eliminated. The corporate income tax rate would be set at 20 percent. Related to H.R. 1.</p> <p>S.1 was introduced by the Senate Budget Committee on Tuesday, November 28, 2017. It was placed on the Senate Legislative Calendar under General Orders.</p>



H.R. 3711	Reps. Lamar Smith (R-TX)/Ken Calvert (R-CA) /Bob Goodlatte (R-VA)	Legal Workforce Act	<p>A bill that would require all U.S. employers to use the E-Verify electronic employment verification system. The requirement would be phased over a two-year period, starting with the largest employers. The agriculture industry would have an additional six months (or 30 months total) to come into compliance.</p> <p>H.R. 3711 was referred to the Committee on the Judiciary, and in addition to the Committees on Ways and Means, and Education and the Workforce on Friday, September 8<sup>th</sup>. On Wednesday, September 27<sup>th</sup>, H.R.3711 was referred to Judiciary Subcommittee on Immigration and Border Security. Judiciary Committee Consideration and Mark-up Session was held on Wednesday, October 25<sup>th</sup>. H.R. 3711 was ordered and reported (amended) by the yeas and nays: 20-10 on October 25, 2017.</p>
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 and make changes to the state's Central Valley and State Water projects and streamline permitting processes. The bill included provisions from multiple other bills previously passed by the House that sought to increase the flow of water to areas of California that have experienced drought over the past five years. The measure was referred to the House Committee on Natural Resources and the Committee on Agriculture.</p> <p>By a vote of 230-190, the House passed H.R. 23, as amended, on July 12, 2017. H.R. 23 was received in Senate, read twice and referred to the Committee on Energy and Natural Resources on July 18, 2017.</p>
H.R. 4	Rep. Bill Shuster (R-PA)	FAA Reauthorization Act of 2018	<p>Among other issues this legislation would reauthorizes the Federal Aviation Administration for five years. Among other things the FAA reauthorization funds aviation programs, Airport Planning and Development and Noise Compatibility Planning and Programs and authorizes FAA's Airport Improvement Program (AIP) account at \$3.350 billion annually for each of fiscal years 2018-2023.</p> <p>By a vote of 393 – 13, the House passed H.R.4, the Senate has yet to take up the House version of the bill.</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</p>

			<p>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> <p>The bill has been introduced in the House Committee on Natural Resources and referred to the Subcommittee on Water, Power and Oceans on March 27, 2017.</p>
H.R. 497/ S.357	Rep. Paul Cook (R-CA)/ Sen. Dianne Feinstein (D-CA)	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>On April 27<sup>th</sup> H.R. 497 passed through the House Natural Resources Committee by unanimous consent and was scheduled for the House Floor Consideration on June 2<sup>nd</sup>.</p> <p>This bill was passed by the House on June 27<sup>th</sup> by a vote of 424-0. The bill was referred to the Senate Committee on Energy and Natural Resources on June 28<sup>th</sup> and no further action has been taken.</p> <p>The Senate Environment and Public Works Committee held a hearing on S. 357 on July 26, 2017.</p> <p>On May 15, 2018 the Senate Committee on Energy and Natural Resources ordered H.R. 497 to be reported without amendment favorably.</p>
S. 32	Sen. Dianne Feinstein (D-CA)	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> </ul>

			<ul style="list-style-type: none"> <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> <p>The Senate Environment and Public Works Committee held a hearing on S.32 on July 26, 2017.</p> <p>H.R. 857, California Off-Road Recreation and Conservation Act, is a similar bill and largely aims to address similar issues.</p>
H.R. 2510	Rep. Peter DeFazio (D-OR)	Water Quality Protection and Job Creation Act of 2017	<p>This bill would amend the Federal Water Pollution Control Act to authorize appropriations for State water pollution control revolving funds.</p> <p>This bill has been introduced to the House Transportation and Infrastructure subcommittee on Water resources and Environment on May 19, 2017.</p>
H.R. 1654	Rep. Tom McClintock (R-CA)	Water Supply Permitting Coordination Act	<p>This bill would allow water project sponsors the opportunity to use an expedited permitting process for new or expanded surface non-federal storage facilities through the Bureau of Reclamation, which would be the lead and central agency coordinating the review process.</p> <p>The House Natural Resources Committee approved the bill by a vote of 24-16 on April 27. The House Rules Committee on June 20<sup>th</sup> dictated final amendments for passage on the House Floor; this bill passed the House on June 22 by a vote of 233-180. H.R. 1654 was referred to the Senate Committee on Energy and Natural Resources on June 26 and not further action has been taken.</p>

INFORMATION  
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**6L**

*State Legislation*

Bill Number	Sponsor	Title and/or Summary	Summary/Status	IEUA Position
AB 1668	Friedman	An Act Relating to Water	This bill would state the intent of the Legislature to enact legislation necessary to help make water conservation a California way of life.	SUPPORT  Signed by Governor
AB 1654	Rubio	An Act Relating to Water	This bill would state the intent of the Legislature to enact legislation necessary to help make water conservation a California way of life.	WATCH  Senate Natural Resources and Water
AB 1876	Frazier	Sacramento-San Joaquin Delta: Delta Stewardship Council	The Sacramento-San Joaquin Delta Reform Act of 2009 establishes the Delta Stewardship Council, which consists of 7 members, and requires the council to develop, adopt, and commence implementation of a comprehensive management plan for the Delta, known as the Delta Plan. This bill would increase the membership of the council to 13 members, including 11 voting members and 2 nonvoting members, as specified.	OPPOSE  DEAD
AB 869	Rubio	Sustainable water use and demand reduction: recycled water	Excludes, from the calculation of any water use or water efficiency target established after 2020, recycled water, as specified, delivered within the service area of an urban retail or wholesale water supplier	WATCH  Senate Natural Resources and Water
AB 3037	Chiu	Community Redevelopment Law of 2018	Would authorize a city or county to propose the formation of a redevelopment housing and infrastructure agency by adoption of a resolution of intention that meets specified requirements, and providing that resolution to each affected taxing entity. The bill would require the city or county that adopted that resolution to hold a public hearing on the proposal to consider all written and oral objections to the formation, as well as any recommendations of the affected taxing entities, and would authorize that city or	WATCH, and work with CSDA  Died on Suspense

			county to adopt a resolution of formation at the conclusion of that hearing.	
SB 606	Skinner/Hertzberg	An Act Relating to Water	This bill would state the intent of the Legislature to enact legislation necessary to help make water conservation a California way of life.	SUPPORT  Signed by Governor
SB 623	Monning	Water Quality: Safe and Affordable Drinking Water Fund	Would establish the Safe and Affordable Drinking Water Fund in the State Treasury and would provide that moneys in the fund are continuously appropriated to the State Water Resources Control Board. The bill would require the board to administer the fund to secure access to safe drinking water for all Californians, while also ensuring the long-term sustainability of drinking water service and infrastructure. The bill would authorize the state board to provide for the deposit into the fund of federal contributions, voluntary contributions, gifts, grants, bequests, and settlements from parties responsible for contamination of drinking water supplies.	WATCH  Assembly Rules Committee
AB 2697	Gallagher	Wildlife, bird, and waterfowl habitat: idled agricultural lands	Would require the Wildlife Conservation Board to establish a program, which may include direct payments or other incentives, to encourage landowners to voluntarily cultivate or retain cover crops or other upland vegetation on idled lands to provide waterfowl, upland game bird, and other wildlife habitat cover for purposes, including, but not limited to, encouraging the use of idle agricultural lands for wildlife habitat. The bill would also authorize the department to provide incentives pursuant to the program for the creation or enhancement of waterfowl brood habitat, and to develop guidelines and criteria for the program as it deems appropriate.	WATCH  Senate Desk  5/25 Amends removed opposition.

AB 1778	Holden	Transit-Oriented Redevelopment Law of 2018	Current law dissolved redevelopment agencies as of February 1, 2012, and designates successor agencies to act as successor entities to the dissolved redevelopment agencies. This bill, the Transit-Oriented Redevelopment Law of 2018, would authorize a city or county to propose the formation of a redevelopment agency by adopting a resolution of intention that meets specified requirements, and submitting that resolution to each affected taxing entity and to each owner of land within the district.	WATCH  Asm. Local Gov.  Never heard in policy committee  DEAD
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**INFORMATION  
ITEM**

**6M**





# Grants Strategic Plan

Inland Empire Utilities Agency

Jason Gu, Manager of Grants

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## List of Abbreviations

<b>AF</b>	Acre-Feet
<b>AFY</b>	Acre-Feet Per Year
<b>AIS</b>	American Iron and Steel
<b>BIA</b>	Building Industry Association
<b>BIS</b>	Business Information Services
<b>CAL/EPA</b>	California Environmental Protection Agency
<b>CBWM</b>	Chino Basin Watermaster
<b>CCWRF</b>	Carbon Canyon Wastewater Recycling Facility
<b>CADC</b>	California Data Collaborative
<b>CDA</b>	Chino Desalter Authority
<b>CEQA</b>	California Environmental Quality Act
<b>CWA</b>	Clean Water Act
<b>CWAP</b>	California Water Action Plan
<b>CWC</b>	California Water Commission
<b>DAC</b>	Disadvantaged Community
<b>DBE</b>	Disadvantaged Business Enterprise
<b>DCAA</b>	Defense Contract Audit Agency
<b>DOE</b>	United States Department of Energy
<b>DWR</b>	California Department of Water Resources
<b>EMWD</b>	Eastern Municipal Water District
<b>F&amp;A</b>	Facilities and Administration
<b>FOA</b>	Funding Opportunity Announcement
<b>FY</b>	Fiscal Year
<b>GRAB-IT</b>	Project Identification Tool

<b>GSP</b>	Grants Strategic Plan
<b>HP</b>	Horsepower
<b>IEUA</b>	Inland Empire Utilities Agency
<b>IRP</b>	Integrated Water Resources Plan
<b>JCSD</b>	Jurupa Community Services District
<b>LF</b>	Linear Feet
<b>LID</b>	Low Impact Development
<b>LOI</b>	Letter of Interest
<b>MGD</b>	Million Gallons Per Day
<b>MVWD</b>	Monte Vista Water District
<b>NRCS</b>	Natural Resources Conservation Service
<b>OCWD</b>	Orange County Water District
<b>O&amp;M</b>	Operations and Maintenance
<b>OWOW</b>	One Water One Watershed
<b>PDR</b>	Preliminary Design Report
<b>PDT</b>	Portfolio Development Tool
<b>PF</b>	Principal Forgiveness
<b>RFP</b>	Request for Proposal
<b>RMPU</b>	Groundwater Recharge Master Plan Update
<b>RWPS</b>	Recycled Water Program Strategy
<b>RP</b>	Regional Water Recycling Plant
<b>RWQCB</b>	Regional Water Quality Control Board
<b>RWPS</b>	Recycled Water Program Strategy
<b>SAWPA</b>	Santa Ana Watershed Project Authority
<b>SARCCUP</b>	Santa Ana River Conservation and Conjunctive Use Program
<b>SBVMWD</b>	San Bernardino Valley Municipal Water District

<b>SCADA</b>	Supervisory Control and Data Acquisition
<b>SCWC</b>	Southern California Water Committee
<b>SCWG</b>	Small Community Wastewater Grant
<b>SOP</b>	Standard Operating Procedure
<b>SRF</b>	Clean Water State Revolving Fund
<b>SWG</b>	Stormwater Grant Program
<b>SWP</b>	California State Water Project
<b>SWRCB</b>	State Water Resources Control Board
<b>TCE</b>	Trichloroethylene
<b>TYCIP</b>	Ten-Year Capital Improvement Plan
<b>UWMP</b>	Urban Water Management Plan
<b>USBR</b>	United States Bureau of Reclamation
<b>USDA</b>	United States Department of Agriculture
<b>USEPA</b>	United States Environmental Protection Agency
<b>VOC</b>	Volatile Organic Compound
<b>WFMP</b>	Wastewater Facilities Master Plan
<b>WSIP</b>	Water Storage Investment Program
<b>WVWD</b>	West Valley Water District
<b>WIFIA</b>	Water Infrastructure Finance and Innovation Act

## Introduction

The Inland Empire Utilities Agency (IEUA) is a regional wastewater treatment agency and wholesale distributor of imported water, responsible for serving approximately 875,000 people in western San Bernardino County. By collecting and treating wastewater, securing and supplying imported water, producing high-quality renewable products, and promoting the sustainable use of groundwater and development of local water supplies, IEUA provides essential services in a regionally planned and cost-effective manner while safeguarding public health, promoting economic development, and protecting the environment. In order to support the economic growth of the region, reduce the burden on its rate payers, and remain on the cutting edge of technology and policy, IEUA relies on a dedicated Grants Department to secure grants and low-cost financing. The Grants Department employs a six-step management process to identify and successfully pursue funding opportunities vital to IEUA's capital improvement programs and long-term vision.

The Grants Strategic Plan (GSP) has been prepared as a roadmap to institutionalize IEUA's grant management process and provide clear direction for the Agency's future strategic alignment. Intended as a tool for staff, the GSP looks in depth at each stage of the grant management process in order to identify opportunities to improve IEUA's strategic position, which from a financial standpoint, involves securing grants and low-cost financing for essential services, and from an organizational standpoint, involves strengthening inter-departmental linkages, bolstering partnerships with local and regional stakeholders, and aligning IEUA's creativity and innovation with its core values. The process outlined in the GSP lies at the nexus of smart, structured growth and the organizational values necessary for IEUA to continue its regional leadership in water management and environmental stewardship.

## Background

Over the past the 15 years, the Grants Department has evolved as IEUA’s centralized unit responsible for identifying, securing, and managing low-cost financing in support of IEUA’s programs and business objectives. Funding secured through the Grants Department supports IEUA’s Ten-Year Capital Improvement Plan (TYCIP), which outlines a strategy for the rehabilitation, replacement, and expansion of facilities owned or operated by the Agency, and integrates with critical planning documents involved in the formation of capital improvements. Since 2000, the Grants Department has secured over \$425 million in awards through a combination of local, state, and federal grant and loan programs, including the Clean Water State Revolving Fund (SRF). These funding sources support projects across seven program areas: water storage; water recycling; wastewater treatment; groundwater recharge and surface water management; safe drinking water; water conservation; and renewable energy, and have been instrumental in bolstering IEUA’s strategic position.

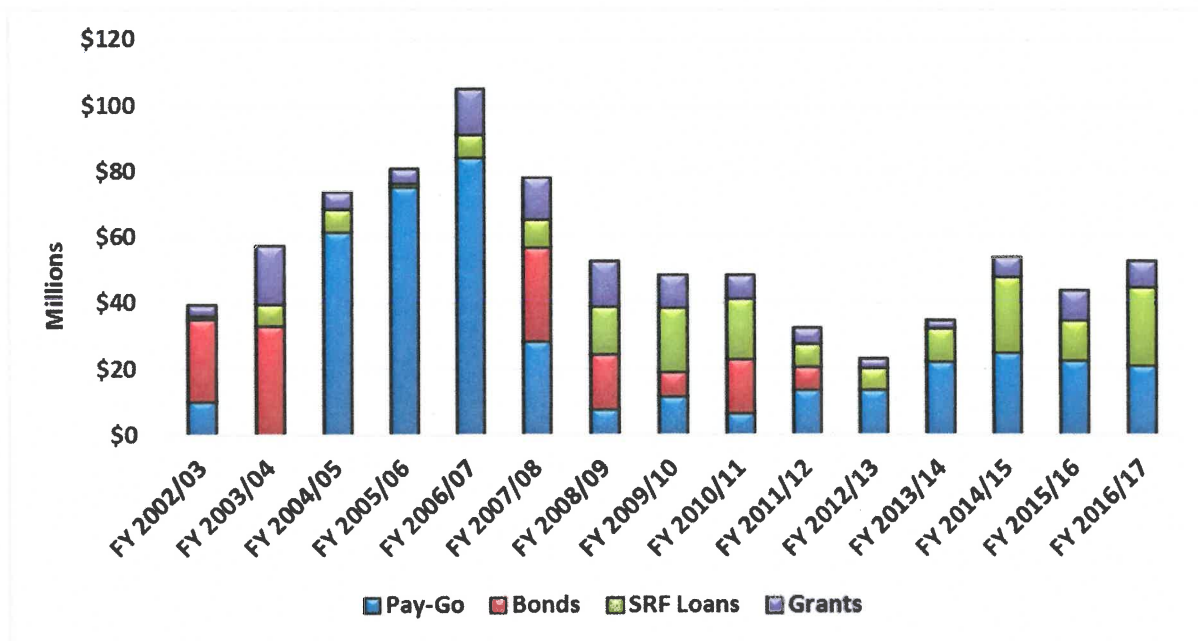
*Table 1. IEUA Program Funding Summary 2000-2016*

IEUA Program	Grants (Local, State, Federal)	Loans (SRF)	Total
Water Storage	--	--	--
Water Recycling	\$64,216,105	\$107,487,531	\$171,703,636
Wastewater Treatment	\$5,809,387	\$44,534,811	\$50,344,198
Groundwater Recharge and Surface Water Management	\$59,282,203	--	\$59,282,203
Safe Drinking Water	\$123,971,027	--	\$123,971,027
Water Conservation	\$10,173,537	--	\$10,173,537
Renewable Energy	\$10,346,101	--	\$10,346,101
<b>Total</b>	<b>\$273,798,360</b>	<b>\$152,022,342</b>	<b>\$425,820,702</b>

Grants and loans currently support more than half of IEUA’s annual funding for capital improvement programs and provide the crucial link between the region’s growing water demands, wastewater needs, and IEUA’s ability to deliver high-quality, reliable services in a cost-effective manner. IEUA’s timely implementation of capital improvement projects is essential for achieving its regional commitments.



Figure 1. FY 2000-2017 Capital Improvement Funding Sources



In addition to ensuring the capital improvement priorities of the TYCIP, grant and loan-supported projects integrate with IEUA’s critical planning documents, such as the Integrated Water Resources Plan (IRP), Recycled Water Program Strategy (RWPS), Wastewater Facilities Master Plan (WFMP), and Groundwater Recharge Master Plan Update (RMPU), to enhance the growth of key program areas, allowing IEUA to achieve regional and statewide environmental priorities while retaining its leadership role in the community.

During the recent California drought, grant and SRF loan investments prepared IEUA to reduce its reliance on water imports from the State Water Project (SWP). A wide array of grant and loan-supported projects has enabled the expansion of water recycling, groundwater recharge, conservation, and groundwater contamination clean-up programs without constraining new development or economic growth in the Inland Empire. Grant and loan-supported projects have enhanced regional self-reliance by reducing the need for emergency response actions during drought, improving water supply reliability, increasing groundwater storage, improving water quality, and increasing water use efficiency. Since 2000, funding benefits have resulted in regional investments of over \$617 million in recycled water, groundwater recharge, brackish groundwater desalination, conservation, and dry-year conjunctive use programs, with over \$273

million funded through grants alone. With the help of IEUA's Grants Department, local water sources have increased by over 80,000 acre-feet (AF); regional water use efficiency and conservation programs have kept the demand for imported water flat during a period of increasing population; and, IEUA has strengthened its relationships with local and regional stakeholders.

## Strategic Objectives

The GSP has been prepared as a roadmap to institutionalize IEUA's grant management process and provide clear direction for the Agency's future strategic alignment.

The Grants Department's primary objective is to help finance IEUA's essential water and wastewater services. In furtherance of this objective, the GSP identifies a suite of core funding opportunities that span each of the key program areas. These core funding opportunities, many of which have already been identified and are currently in the project development, application, or award negotiation process, form the foundation of the Grants Department's near-term vision. The bulk of project development and application preparation for these projects is planned for fiscal years (FYs) 2017 to 2020, with project implementation spanning the next decade. These opportunities will allocate essential funding for capital improvements and enable IEUA's water and wastewater services to keep pace with future demands. While numeric goals offer useful projections, successfully securing funds is constrained by competition, backlog, and the fluctuating availability of public funds. Despite this uncertainty, allocations for core funding opportunities from state and federal governments remain central to IEUA's business strategy, which support the TYCIP and other key planning documents.

A second priority of the Grants Department's strategy is to reach beyond core funding sources to pursue supplemental sources as opportunities arise. This approach allows IEUA to expand its role in key program areas, pilot original projects, diversify areas of expertise, and remain on the cutting edge of new technologies, giving the Agency the ability to innovate and pave the way for local and regional stakeholders who seek to implement similar programs. While many of these supplemental funding opportunities cannot be quantified until specific funding announcements become available, pre-defining the strategy for their identification allows IEUA to take advantage of real-time opportunities and establish early collaboration between ongoing and future projects.

*Table 2. Near-Term Funding Opportunities by Program*

IEUA Program	Grants (Local, State, Federal)	Loans	Total
Water Storage	\$480,400,000	--	\$480,400,000
Water Recycling	\$33,177,500	\$146,660,917	\$179,838,417
Wastewater Treatment	\$1,000,000	\$780,949,180	\$781,949,180
Groundwater Recharge and Surface Water Management	\$12,870,310	\$13,843,250	\$26,713,560
Safe Drinking Water	\$23,776,554	--	\$23,776,554
Water Conservation	\$135,000	--	\$135,000
Renewable Energy	--	--	--
<b>Total</b>	<b>\$551,359,364</b>	<b>\$941,453,347</b>	<b>\$1,492,812,711</b>

Finally, the GSP defines the Grants Department’s organizational objectives as a function of its integrated management process. By understanding the factors that influence how knowledge is shared among professionals and how decisions are made, the Grants Department plans to leverage each stage of the grant management process to improve collaboration across departments, with agencies, and among local partners and regional stakeholders in broad support of IEUA’s mission. This approach in turn will enhance IEUA’s relationships with various state and federal grantor agencies. The Grants Department keeps governments engaged and committed to IEUA’s projects, which brings the region together and provides credibility and accountability for all stakeholders.

## Grant Management Process

IEUA's Grants Department is a centralized management unit responsible for the internal controls of all local, state, and federal government or subsidized funding, including grants, loans, and rebates. As part of its responsibilities, the Grants Department oversees a six-step funding cycle, which consists of identifying potential funding opportunities, project development, the application process, award negotiation, implementation and compliance, and closeout and reporting.

Figure 2. IEUA's Grant Management Process



By breaking down and analyzing each of the six steps, the GSP uses the grant management process as a structural template to address the Grants Department's strategic objectives. The six steps lay the foundation for recommendations that will enable IEUA to move closer to its long-term vision. While the Grants Department's day-to-day tracking, reporting, payment, auditing, and compliance activities remain crucial to its success, recommendations contained within the 2018 GSP emphasize the early stages of the grant management process, in particular the identification of potential funding opportunities and project development. In this regard, the GSP remains a working document that builds upon and institutionalizes best practices as they continue to evolve over time. The GSP underscores an integrated and collaborative management

approach, and recommendations are intended to supplement Standard Operating Procedures (SOP) currently in development.

### Step 1. Identify Funding Opportunities

The first step of the grant management process is to identify potential funding opportunities. Grants Department staff monitor local, state, and federal agency programs and webpages, sign up for alerts, and receive electronic solicitation notices. Prior to initiating any action, Grants Department staff evaluate each funding opportunity announcement (FOA) in order to determine whether IEUA or its Member Agency partner is eligible to apply. Eligibility requirements vary by local, state, and federal program, but typically key opportunities are reserved for special districts, municipal governments, and participants in local projects, such as the Santa Ana Watershed Project Authority's (SAWPA) One Water One Watershed (OWOW) program. Certain FOAs prescribe quantifiable environmental benefits based on California Environmental Quality Act (CEQA) requirements, and others give priority consideration or reduced match share requirements to projects benefitting disadvantaged communities (DACs), some of which are located within IEUA's service area. It is important to note that in order to qualify for certain state grant opportunities, key planning documents such as the Urban Water Management Plan (UWMP) and Stormwater Management Plans must be filed with state agencies.

Upon completing its review of eligibility requirements, the Grants Department prepares a summary sheet to assist management in evaluating the suitability of potential projects based on known project lists, cost-share requirements, and their integration with IEUA's core mission. Grants Department staff evaluate how matching a FOA with a potential project will contribute to IEUA's strategic objectives and determine whether the project's expected benefits justify an allocation of financial and organizational resources. In some cases, pilot funding for a relatively low-value grant may be desirable if IEUA can capitalize on an opportunity to test an innovative material or experimental technology. In all cases, Grants Department staff consider the amount of personnel time needed to track and report on a potential grant or loan award, the project's overall value to the Agency, and whether the timeline for project implementation is realistic given funding constraints.

In order to evaluate the suitability of specific projects, Grants Department staff draw on known project lists contained in the TYCIP and other relevant planning documents. Project managers and Planning Department staff are regularly consulted to determine whether FOA criteria can be integrated with the scope of an upcoming project based on the feasibility of merging FOA priorities with project objectives. Recommendations for improving inter-departmental collaboration during this stage of the process, such as the roll-out of the Project Identification Tool (GRAB-IT), are detailed below.

*Table 3. IEUA Steering Documents for Capital Improvement Projects*

IEUA Steering Document
IEUA Business Goals
IEUA Strategic Plan
Urban Water Management Plan
Facilities Master Plan Program Environmental Impact Report
Asset Management Plan
Ten-Year Capital Improvement Plan
Operating and Capital Program Budget
Long-Range Plan of Finance
Integrated Water Resources Plan
Recycled Water Program Strategy
Groundwater Recharge Master Plan Update

### Step 1A. Core Funding Opportunities

IEUA’s core funding opportunities allocate essential funding for capital improvements, enabling the Agency’s water and wastewater services to keep pace with future demands. The categories of core funding opportunities, described in Tables 4 and 5, come from a variety of federal and state-run government programs. Many of these programs, in particular federal programs managed by the United States Bureau of Reclamation (USBR) and state programs managed by the State Water Resources Control Board (SWRCB), are integral to cost-effectively funding essential services. Table 9 describes IEUA’s FY 2017-20 near-term objectives, intended to leverage specific funding opportunities for projects already identified in the TYCIP or through relevant planning documents. As part of its approach, IEUA recognizes the need to pursue

mutually beneficial grants and loans, which work together to form coherent funding plans. If a grant is substantiated, the portion of loan funding for any particular project is proportionally reduced to reflect a fixed total project cost. In this way, IEUA streamlines the creation of project-specific funding plans while reducing its reliance on high-interest loans.

Many of the core funding programs reflect an wide array of potential benefits across IEUA’s key program areas. Continuing to better align federal and state priorities with project-specific objectives will allow IEUA to remain competitive across diverse investment opportunities and improve relationships at all levels of governance.

*Table 4. Core Funding Programs by Federal Agency*

Government Agency	Program Description	IEUA Opportunity
<p><b>United States Bureau of Reclamation (USBR)</b></p>	<p>USBR is the largest wholesaler of water in the country, bringing water to more than 31 million people and providing one out of every five Western farmers with irrigation water for 10 million acres of farmland that produce 60 percent of the nation’s vegetables and 25 percent of its fruits and nuts. Through the WaterSMART Grants program, USBR provides 50 percent cost-share funding to irrigation and water districts, tribes, states, and other entities with water or power delivery authority for projects seeking to conserve and use water more efficiently, increase the use of renewable energy, protect endangered species, or facilitate water markets. A competitive process leads to the selection of projects that can be completed within two years and contribute to sustainable water supplies in the western United States. The WaterSMART program focuses on strategies that conserve water, help water resource managers make sound decisions about water use, and identify adaptive measures to address climate change and its impact on future water demands.</p> <p>The WaterSMART Grants program is an umbrella for a variety of programs including the Title XVI Water Reclamation and Reuse program (Title XVI). Through the Title XVI program, USBR identifies opportunities to reclaim and reuse wastewater and naturally impaired groundwater and surface water in the western United States. The Title XVI program funds the planning, design,</p>	<p>In 2008, USBR awarded \$26 million to IEUA for the Lower Chino Dairy Area Desalination and Reclamation Project, of which the final \$5,199,536 was recently awarded in FY 17/18. IEUA will continue to take advantage of USBR’s WaterSMART grants program as opportunities arise for drought-proofing, energy efficiency, conservation, and water marketing. Part of IEUA’s core funding strategy for upcoming water recycling projects will be to pursue Title XVI funding. Title XVI gives USBR authority to provide up to 25 percent, or the \$20 million federal appropriations ceiling, for the cost of planning, designing, and constructing specific water recycling projects. Recycled water projects potentially eligible for Title XVI funding are outlined in Table 9.</p>



Government Agency	Program Description	IEUA Opportunity
United States Environmental Protection Agency (USEPA)	<p>and construction of water recycling and reuse projects conducted in partnership with local governments. Since 1992, Title XVI programs have leveraged approximately \$639 million in federal cost-share funding and more than \$2.4 billion in non-federal funding for the design and construction of water recycling projects. The Title XVI grant program annually authorizes 25 percent federal cost-sharing grants through a competitive process to projects that reclaim and reuse wastewater.</p>	
	<p>The mission of USEPA is to protect human health and to safeguard the natural environment upon which life depends. Although the USEPA is divided throughout the country, the span of its funding opportunities reaches across each state to meet the needs of its applicants. The Clean Water State Revolving Fund (SRF) program was established by the 1987 amendments to the Clean Water Act (CWA) as a financial assistance program for a range of water infrastructure projects. The program, further discussed below as a state program delegated to the California SWRCB, is a powerful partnership between USEPA and the states that replaced USEPA's Construction Grants program. Additionally, USEPA's 2014 Water Infrastructure Finance and Innovation Act (WIFIA) established a federal credit program administered by USEPA for eligible water and wastewater infrastructure projects. WIFIA and the WIFIA implementation rule outline eligibility requirements for prospective borrowers.</p>	<p>IEUA will monitor and pursue USEPA funding announcements as opportunities arise. Refer to Table 5 for SWRCB funding opportunities.</p>
United States Department of Energy (DOE)	<p>The mission of the DOE is to ensure America's security and prosperity by addressing its energy, environmental, and nuclear challenges through transformative science and technology solutions. The DOE supports a number of grant, loan, and financing programs, including funding to advance a clean energy economy and reduce greenhouse gases as part of climate change preparedness. In 2016, DOE awarded nearly \$35 million in grants. \$20 million was provided to the National Science Foundation for extreme climate impact studies, including impacts on watershed, infrastructure, and water quality; \$8.5 million to the United States Department of Agriculture (USDA) to evaluate agricultural and rural impacts; and, \$3.3 million to the USEPA.</p>	<p>IEUA will monitor and pursue DOE funding announcements as opportunities arise. At this time, no concrete funding opportunities have been identified for FY 2017-20.</p>

Table 5. Core Funding Programs by State Agency

Government Agency	Program Description	IEUA Opportunity
State Water Resources Control Board (SWRCB)	<p>The SWRCB seeks to preserve, enhance, and restore the quality of California’s water resources and drinking water for the protection of the environment, public health, and all beneficial uses, and to ensure proper water resource allocation and efficient use for the benefit of present and future generations. The SWRCB administers Proposition 1 funds for five programs including small community wastewater, water recycling, drinking water, stormwater, and groundwater sustainability. California Proposition 1 authorized \$7.545 billion in general obligation bonds for water projects including surface and groundwater storage, ecosystem and watershed protection and restoration, and drinking water protection.</p> <p>Additionally, between 1988 and 2015, the SWRCB closed 716 SRF agreements totaling \$8.2 billion. Eleven types of projects are eligible to receive SRF assistance: publicly-owned treatment works, nonpoint source projects, national estuary program projects, decentralized wastewater treatment systems, stormwater projects, water conservation projects, watershed projects, energy conservation projects, water reuse projects, security measures at publicly-owned treatment works, and technical assistance to owners and operators of small and medium-sized publicly-owned treatment works to plan, develop, and obtain financing for SRF eligible projects and to assist each treatment works in achieving compliance with the CWA.</p>	<p>IEUA will continue to aggressively pursue direct and low-cost SWRCB funding in FY 2017-20. In the past, IEUA has had great success with the SRF loan program, having secured over 20 SRF loan agreements totaling more than \$150 million (Table 1). IEUA recognizes the mutual benefit of both loans and grants to strategically finance a wide range of infrastructure projects and plans to pursue upwards of \$450 million for critical upcoming improvements (Table 3). Proposition 1 grant funding will continue to support groundwater recharge, surface water management, and safe drinking water projects.</p>
California Department of Water Resources (DWR)	<p>Working with both agencies and the public, DWR develops strategic goals, and near-term and long-term actions to conserve, manage, develop, and sustain California's watersheds, water resources, and management systems. DWR works to prevent and respond to floods, droughts, and catastrophic events that threaten public safety, water resources, water management systems, property, and the environment. DWR’s goal is to manage California’s water resources in cooperation with other agencies to benefit its people and protect, restore, and enhance the natural and human environments.</p>	<p>Through collaboration with its regional partners, IEUA will continue to pursue Proposition 84 funding offered through DWR for planning and implementation projects designed to reduce and prevent stormwater contamination of rivers, lakes, and streams. Since 2015, SAWPA has successfully secured DWR Proposition 84 funding for the Santa Ana River Conservation and Conjunctive Use Program (SARCCUP).</p>
California Water	<p>The CWC has expertise related to the control, storage, and beneficial use of water. The CWC</p>	<p>In FY 2017, IEUA will pursue WSIP funding through the CWC for the Chino Basin</p>

Government Agency	Program Description	IEUA Opportunity
Commission (CWC)	provides a public forum for discussing water issues, advises DWR, and takes appropriate statutory actions to further the development of policies that support the integrated and sustainable management of water resources. The CWC's statutory duties include advising the Director of DWR, approving rules and regulations, monitoring and reporting on the construction and operation of the SWP, and administering the California Proposition 1 Water Storage Investment Program (WSIP).	Conjunctive Use Environmental Water Storage Exchange Program, designed to promote and implement water storage and recovery programs within the Chino Basin in order to achieve local, regional, and statewide benefits.
California Energy Commission (CEC)	The CEC is the State's main energy policy and planning agency. CEC's top responsibilities include forecasting future energy needs; promoting energy efficiency and conservation through appliance and building efficiency standards; supporting energy research to advance energy science and technology; developing renewable energy sources; advancing alternative and renewable transportation fuels and technologies; certifying large thermal power plants; and, planning for and directing California's response to energy emergencies.	IEUA will monitor and pursue CEC funding announcements as opportunities arise. At this time, no concrete funding opportunities have been identified for FY 2017-20.
California Environmental Protection Agency (Cal/EPA)	The 2016 California Water Action Plan Update (CWAP), created by Cal/EPA, the California Natural Resources Agency, and published by Governor Brown's office, establishes the framework for California's water resources for the next two to five years. Key areas of focus include: making conservation a way of life; increasing regional self-reliance and integrated water management across government; achieving the co-equal goals of Delta protection and restoring ecosystems; managing and preparing for dry periods; expanding water storage capacity and improving groundwater management; providing safe drinking water to communities; enhancing flood protection; improving operational and regulatory efficiency; and, identifying sustainable and integrated financing opportunities.	IEUA will continue to monitor Cal/EPA funding announcements. No concrete funding opportunities have yet been identified for FY 2017-20, but IEUA has identified strategic alignment with CWAP objectives and plans to integrate demand management opportunities in investment and conservation programs; develop new conservation programs in partnership with local agricultural groups; and explore interchange opportunities with groups in the Central Valley, among a variety of other value-based projects that will enhance IEUA's regional and statewide leadership.

## Step 1B. Supplemental Funding Opportunities

The Grants Department anticipates the availability of additional state and federal grants and loans to support core funding opportunities within the next three years. It is therefore important for IEUA to strategically position itself to leverage these opportunities as they become available.

Supplemental funding opportunities serve a dual purpose: supporting key program areas in order to enable sound infrastructure investments and increase the reliability of local water resources; and, pushing IEUA onto the cutting edge of state policy, requiring a flexible approach that allows the Agency to capitalize on rapidly changing technologies.

In the past, IEUA has pursued innovative initiatives such the Chino Basin Water Bank, Organics Initiative, and pilot programs, and it will continue to aggressively pursue these types of initiatives in order to better understand and serve the needs of its community. Innovative initiatives force IEUA to design and implement more sophisticated projects that keep the Agency relevant to a diverse range of community and political leaders; however, they come with increased risk, and Grants Department staff need to remain focused on the Agency's mission and aware of on-the-ground priorities in order to balance a portfolio that is both realistic and diverse.

Grant funding removes barriers to change for communities in the Inland Empire. As such, IEUA should seek to target funding sources that are designed to support both government agencies and the public in pursuit of broad regional goals, efforts that build upon the groundwork laid down by IEUA and SAWPA; efforts that integrate groundwater cleanup projects with salt and nutrient management plans, such as the innovative strategy adopted to address the South Archibald TCE Plume to achieve multiple benefits; efforts that expand low-impact development (LID); and, efforts that incorporate innovative project components that align with federal and state priorities. The process of choosing and pursuing supplemental funding opportunities requires engaged, inter-departmental discussions concerning what projects will best serve IEUA and its Member Agencies and how best to engage community stakeholders to build bridges of value across multiple constituencies.

The TYCIP and suite of IEUA planning documents, notably the IRP, RWPS, WFMP, and RMPU, have identified over 500 potential projects worth pursuing over the next decade. With such a large number of projects to potentially support, the Grants Department recognizes the need to prioritize its efforts. Part of this process involves engaging project managers. To this end, the Manager of Grants routinely participates in workshops and stakeholder meetings to encourage dialogue across departments and stay up-to-date with current priorities.

While inter-departmental communication is important for integrating potential projects with supplemental funding opportunities, information technology tools have the potential to support the process. The goal of the Grab-IT tool is to develop a framework that empowers management, project managers, and Grants Department staff by bridging project lists with potential funding opportunities. The Grab-IT tool establishes a means of identifying, tagging, and organizing projects to help sort, bundle, and prioritize projects during the early stages of the grant management process. In order to describe how Grab-IT will function within the Agency, it is useful to first discuss the Portfolio Development Tool (PDT).

The PDT was developed by the RAND Corporation as a decision support tool to help IEUA and member agencies assemble different portfolios of water management supply projects. The PDT was developed using Tableau, a business analytics and visualization software package, chosen for its easy configuration and user-friendly interactive interface. Originally developed to support IEUA's IRP Phase 1, the tool was designed to select near-term and long-term water supply projects. A list consisting of approximately 100 projects was added to the tool with input fields for project description, water supply type, estimated costs, yield, and project benefits, known as attributes. Attribute fields were assigned to each project through a collaborative process with member agencies. Positive, neutral, or negative responses were assigned to each attribute, indicating, for example, whether a particular project would potentially increase stormwater capture, increase groundwater storage, or decrease net energy consumption.

A second tab within the PDT displays the same attributes across the top of the screen while separating all of the projects into water supply categories, quickly providing users with a snapshot of how many projects within each supply category have positive, neutral, or negative impacts for any particular attribute. This is helpful to determine which categories contain the most projects for achieving a certain objective. A third tab within the PDT allows users to select individual projects for inclusion in different water supply portfolios. The purpose of this tab is to provide easy access to information in order to enable users to select projects that meet desired criteria.

The Grab-IT tool will modify the existing PDT framework to reflect Grants Department priorities. For example, each attribute will be modified and ranked to reflect relevance to key project

components and program benefits. Specific tagging identifiers, developed in conjunction with the Grants Department, will serve as a crosswalk between project planning descriptors and funding opportunity descriptors. The Grab-IT tool will be modified to cross-check project objectives by identifying areas where IEUA’s project objectives overlap with grantor priorities, thereby streamlining project development. In addition, the Grab-IT will enable project sorting based on multiple criteria in order to simplify general management decisions.

*Figure 3. Grab-IT Tool Modifications*

Portfolio Development Tool	Grab-IT Tool Modifications
<ul style="list-style-type: none"> <li>• Attributed by project description, water supply type, estimated costs, yield, and project benefits.</li> <li>• Tagged by positive, neutral, and negative responses to attributes.</li> <li>• Can sort by attribute responses.</li> </ul>	<ul style="list-style-type: none"> <li>• Attributed by relevance to key project components and program benefits.</li> <li>• Tagged with consistent project planning and funding opportunity descriptors.</li> <li>• Can sort by multiple criteria and sub-criteria.</li> </ul>

Projects entered into the Grab-IT tool should be updated alongside evolving project lists. At the end of FY 16/17, the TYCIP moved to a bi-annual schedule to alternate with the budget process. Projects that are included in the final TYCIP will be added to the Grab-IT tool once the TYCIP is finalized by IEUA’s Board of Directors. This update will occur after project request forms have been entered, and will exclude general fund projects and recurring operations and maintenance (O&M) project funds. Tool development will be coordinated with the Engineering and Business Information Services (BIS) Departments to align attribute tagging and project uploads with the current project request form process. The IRP is currently on a 5-year cycle, with the next IRP Update scheduled for 2020. As part of the project list update process, projects will be requested from member agencies, regional partners, and from the Agency’s long-range regional planning documents (Table 3). After this list has been compiled, projects will be uploaded into the Grab-IT tool. Successful Implementation of the tool will require staff training.

## Step 2. Project Development

Project development largely consists of three components: identifying grantor priorities, building project partnerships, and establishing metrics and supporting documents.

The first major component is determining what the grantor is looking to accomplish with its program. This helps Grants Department staff and project managers collaboratively shape project scopes around core concepts that align grant application language with grantor priorities. Understanding grantor priorities as early as possible in the management process leads to maximal funding eligibility by ensuring that all benefits associated with existing and future projects are clearly listed with key terms, often buzz words that local, state, and federal agencies are looking to highlight (Table 6). Thinking in terms of multiple benefits allows planners to strengthen and integrate project components around core values that prioritize a basin-wide approach with emphasis on serving communities, partners, and the environment. By using key terms to guide project development, IEUA can reach across departments to achieve strategic alignment with state-wide CWAP objectives. This is one reason why having a collaborative approach that takes into account long-term infrastructure priorities is critical to strategic positioning.

*Table 6. Grantor Priorities: Key Terms*

Key Terms		
Agricultural conservation	Flood management and protection	Stormwater
Biofuel	Greenhouse gas reduction	Water banking
Carbon sequestration	Healthy soils	Water quality remediation
Stakeholder collaboration and community engagement	Infrastructure improvement	Water storage
Conjunctive use	Innovative and multi-benefit projects	Water transfers
Resource conservation	Low impact development	Water-energy nexus
Disadvantaged communities	Recycled water	Water use efficiency
Drought adaptive management	Resiliency and climate change	Wetlands
Ecosystem health and habitat restoration	Groundwater	Drinking water

Both historically and based on the requirements of current state and federal documents, agencies place a premium on collaborative projects. In this regard, IEUA has provided leadership by garnering support and collaborating on regional projects such as SARCCUP, which features partners from all of SAWPA’s member agencies. To expand the relevance and competitiveness of projects, it is recommended that projects include a strong basis beyond the water world. Local community groups, such as planning departments, Building Industry Association (BIA), NGOs with an interest in habitat conservation, school groups, environmental organizations, and energy agencies may all have an interest in specific projects and, if they become a partner, can strengthen grant applications. Building partnerships that extend beyond the water community will help gain broad traction and avoid the demand management challenges that typically lead to a stalemate of conflicting interests. In order to strengthen this outreach message, the Grants Department has been moved under the umbrella of the External Affairs & Policy Development Division.

Figure 4. Building Project Partnerships



IEUA currently has strong ties and partnerships with the local, regional, and state water community. As a result of these partnerships, many exciting opportunities have come to fruition, such as the collaborative planning efforts for the Santa Ana River Multiple Species Habitat Conservation Plan and SARCCUP. However, opportunities to expand the network beyond these groups exist and should be explored to further strengthen community relationships and build



multiple-benefit projects and programs. IEUA has been proactive in the past with developing such relationships, and it is important that these relationships continue to strengthen and grow. For example, past relationships with regional water agency wholesalers, the BIA, and the Water Resources Institute led to the “Inland Empire Garden Friendly” plant program with local Home Depot stores.

Grants Department staff works directly with local, state, and federal grantors, and their grantor management staff to develop and administrate funding opportunities. These individualized relationships are key to IEUA’s success, and it is important that grantor management staff participate during project development to ensure that project ideas actually work with what an agency has in mind, a crucial step that helps gain traction through early familiarization and establishes a mutual understanding with the metrics guiding project success.

To ensure that IEUA can meet the initiatives set forth in the grant proposal, measurable metrics must be established. In establishing the metrics necessary to verify project performance, availability and consistency are important. IEUA has certain measurement tools, listed in IEUA and Member Agency planning documents and studies, to help accomplish this task (Table 7). Using these tools ensures consistency among various funding applications. It is valuable to note that once the priorities and metrics are established for any particular project, contractors and subcontractors must be made aware and reminded of their importance.

*Table 7. Sources for Developing Project Performance Metrics*

Project Development Source
The PDT tool developed by RAND for the 2015 IRP.
ETo and turf removal calculations available through the California Data Collaborative (CaDC).
BIA studies.
Demographic studies.
The land-use water demand model developed by ARCADIS for the 2016 UWMP.
The econometric future-use demand model developed by A&N for the 2014 IRP.
IEUA GIS layers.
Member Agency reports on annual production and recycled water deliveries.

### Step 3. Application Process

Following project development, if management determines that IEUA should pursue a funding opportunity, a grant application team, consisting of staff from a variety of departments including Grants, Planning, Environmental Compliance, Engineering, Construction Management, Contracts, Facilities Management, and Operations, is formed. Together, they identify the lead Grants Administrator and Project Manager, and assign tasks for the application process, such as who will be responsible for establishing timelines and deadlines, project scope, and budgetary requirements.

During the application process, it is not unusual to have to estimate amounts of water or energy savings associated with a particular project. Better data means better decision-making and a stronger ability to quantify project and program benefits. In the past five years, energy consumption and greenhouse gas offsets have also become a regular feature on grant applications. In order to build trust with grantor agencies, building databases that house reliable information is essential.

IEUA currently has data from the wastewater treatment plants' SCADA system. IEUA's SCADA system is designed to monitor and store historical operational information (i.e. "historized") for all of its treatment plant processes. Each treatment plant contains thousands of data points, including metered flow, pressure readings, and production values that are used to inform the Agency's Operations, Maintenance, and Compliance departments. SCADA data is continuously historized and can be accessed for any time period requested. Electricity generated by IEUA's renewable installations is also historized in the Agency's SCADA system. Information on the solar and battery storage systems can be accessed through web-based monitoring portals maintained by third parties. This energy information is analyzed in the Energy Management Plan and utilized for various compliance reports. IEUA is also a founding member of CaDC. This group is dedicated to developing an open source, cloud-based data collaborative to help standardize water agency data. As the CaDC evolves, it will continue to run analytics on water agency programs, such as how much water is saved across various programs across the state and what makes programs successful and cost-effective. Dashboards and tools that compare agencies across the state will

help to establish pre- and post-impact metrics that are commonly requested in grant applications.

Incorporating consistent language that supports anticipated grantor priorities and aligns with Agency positions can strengthen applications. In many cases, this has the added benefit of reflecting an implied, but not clearly stated Agency objective. For example, although stormwater capture and the promotion of strategic LID opportunities are implied through various planning documents, partnerships, and IEUA’s involvement with CBWM and the Southern California Water Coalition (SCWC) Stormwater Task Force, it does not appear explicitly in IEUA’s goals and objectives. Similarly, IEUA has an implied commitment to watershed planning through its long-standing membership and participation in SAWPA committees, the Multiple Species Habitat Conservation Plan, Prado Basin Adaptive Management Plan, and Chino Creek Integrated Master Plan. In addition, there is a strong environmental culture as demonstrated through its building headquarters receiving LEED building, Chino Creek Wetland & Educational Park, and public outreach and education events such as Earth Day programs. Below is a list of suggestions that could clarify IEUA’s commitment to these key initiatives which would, in turn, help strengthen its competitiveness.

*Table 8. Grant Applications: Citing Key Initiatives*

Priority Area	Existing Initiative	Recommendation
Greenhouse Gases & Renewable Energy	Energy Management Plan; WFMP; Asset Management Plan.	Highlight initiatives where IEUA has taken the lead such as building LEED facilities and committing to upgrades; renewable energy and waste management projects. Reinforce and highlight these initiatives throughout facilities and planning documents. Integrate energy efficiency and renewable energy practices into IEUA facilities, fleet vehicles, and operations.
Water-Energy Nexus	UWMP; IRP; RWPS; SARCCUP.	Implement water use efficiency measures to reduce current urban demand by at least 10 percent. Develop and support the use of data analytics to better manage valuable water resources and to promote transparent communication with constituents and the people within the IEUA service area and federal and state legislators. Strategically maximize the purchase of supplemental water for recharge or in-lieu when available for storage in the groundwater basin. Work with Member Agencies and partners in order to develop water banking facilities. Maximize stormwater recharge projects, including rainwater capture and infiltration and strategic use of LID techniques to improve groundwater infiltration and offset hardscaping impacts. Continue to manage, monitor, and

Priority Area	Existing Initiative	Recommendation
Climate Change & Resiliency		strive to reduce salinity in water resources by optimizing source water deliveries and local salt management initiatives.
	IRP; Drought Plan; RAND climate change whitepaper; SAWPA OWOW; 2008 RAND study; Prado Basin AMP; Upper SAR HCP.	Advocate for resiliency and climate change preparedness. Work with regional partners for habitat and wildlife preservation to achieve stream flow and water quality objectives. Promote renewable waste management programs. Continue to support, partner, and manage local resources as part of the larger Santa Ana River watershed and Chino Groundwater Basin. Minimize greenhouse gas emissions through carbon offsets, renewable energy initiatives, and resource efficiency programs.
Organics Diversion	--	For future organics diversion projects, include an evaluation and discussion of how organics can be used in combination with other initiatives such as energy (i.e. food waste digesters for methane production), to reduce landfill deliveries. Tie together the benefits of carbon sequestration and soil conditioning to help landscapes retain water.

#### Step 4. Award Negotiation

Upon being awarded funds, the Manager of Grants and management review and negotiate each project’s scope of work and contract terms with the grantor. Most grant programs have a requirement where a certain percentage of total project costs must come from other non-grant sources. Cost sharing or matching is the portion of a project costs not borne by the grantor and is the responsibility of the funding recipient. The recipient share can be made up of either a cash match or in-kind contributions. Expenses incurred by recipient to meet the project goals and objectives that are not part of the grantor share may be considered match. Match share costs must meet the same standards of allowability as the reimbursable costs. IEUA has frequently obtained multiple grants or loans for the same project, where a federal grant can be considered match share for a state grant and vice-a-versa.

#### Step 5. Implementation and Compliance

Grants Department staff manage grant and loan awards from the time each contract is executed until full compliance is met, which can continue for years after project completion. Collaboration between departments is critical during this phase of the post-award process, effort which includes the timely preparation of compliance documents, deliverables, progress reports, invoices, financial closeout reports, and all other required documents, including post-project

reports. It is critical to review and monitor the successes and challenges of project development assumptions during this stage.

IEUA as the recipient of state and federal grants and loans is responsible for establishing and maintaining the necessary processes to monitor compliance with state and federal regulations, and terms and conditions specific to each financial contract. The Grants Department ensures that all post-award compliance takes place for each project that is funded by a grant or SRF loan contract. Each contract may include standard and special conditions including any specific requirements from the FOA.

Financial awards are based on the application submitted to, and as approved by, the grantor and are subject to the terms and conditions incorporated either directly or by reference in the agreement. State and federal financial agreements have compliance requirements within the agreements that must be met by IEUA staff, or consultants and contractors working on the project. Financial agreements include language that must be included in all contracts related to the grant or loan. Cross-cutters are federal laws, executive orders and government-wide policies that apply to projects and activities receiving federal financial assistance regardless of whether the statute authorizing the assistance makes them applicable. The cross-cutters are applicable to federal grants and California SRF loans. They include sections regarding environmental, economic, social policy and miscellaneous cross-cutters for which IEUA is responsible for meeting. Grants staff is also required to meet the requirements of the federal Office of Management and Budget Circulars on Administrative Requirements, Cost Principles, and Audit Requirements for all federal awards which are found in Title 2 of the Code of Federal Regulations Part 200 Subparts A-F. All parts of these regulations must be met. Failure to meet conditions, both standard and special, will be taken into consideration if future applications are submitted to the same grantor.

IEUA is required to have financial systems in place to monitor its grant expenditures. In addition to the SAP system accumulating the costs for a specific project, every cost is reviewed by the Grant Accountants to make sure it is an allowable cost for the project pursuant to the financial agreement, state and federal regulations, and incurred solely to advance the work under the

grant or loan. The Grant Accountants make sure that all budgetary requirements are met including the maximum allowed for each budget category and any match share requirement. In addition, each cost is reviewed in order to make sure that the proper supporting documentation is included in each invoice or pay estimate. The Grant Accountant then prepares a reimbursement request in the format required by the funding agency. This reimbursement request includes both the reimbursable costs and the match share costs if match share is required by the financial agreement. If multiple grants and loans are funding the same project, all rules and regulations and contract requirements under one financial agreement applies to all costs for the project, not just those costs that are being reimbursed by a particular grant or loan. When multiple agreements fund the same project, the Grant Accountants ensure that no double dipping occurs between the finance agreements.

Direct costs are those costs which can, with relative ease and a high degree of accuracy, be specifically identified with a particular project. By contrast, facilities and administration (F&A) costs are those costs that are incurred for a common or joint objective. They cannot be readily identified readily with a specific project or activity. F&A costs involve resources used mutually by different individuals or departments making it difficult to precisely assess each user's share. Costs associated with F&A are called indirect costs or overhead. There are strict categories of allowed F&A costs and rules for allocating a fraction of these costs to IEUA's grant and loan related projects. Every relevant expense is accounted for, put in the appropriate cost category, or cost pool, and then allocated to every project, not just federally sponsored projects. The Grant Accountants work together with the Budget group in order to prepare the incurred cost schedules that are required for calculating the indirect cost rate that will be charged to each project. These schedules are then submitted to the Defense Contract Audit Agency (DCAA) for review and a determination of the indirect cost rate that is to be utilized for each project. The Senior Grant Accountant interfaces with the DCAA during the review process, responding to any questions DCAA may have. The rate is based on a percentage regarding costs divided by use per project. This rate is then charged to the project to account for the project's fair share of the indirect costs.

Entities that receive federal funds, including IEUA, are subject to audit requirements commonly referred to as “single audits” under the Single Audit Act of 1984, as amended in 1996. The Single Audit Act was enacted to standardize the requirements for auditing federal programs. The Act provides that grantees are subject to one audit of all of their federal programs versus separate audits of each federal program, hence the term “single audit.” The audit is performed by an independent certified public accountant and encompasses both financial and compliance components. The Senior Accountant plays a major role in the single audit process at IEUA by acting as the management lead and intermediary during the audit. This liaison must have extensive knowledge of state and federal statutes, regulations, and IEUA financial procedures.

California's prevailing wage laws ensure that the ability to get a public works contract is not based on paying lower wage rates than a competitor. All bidders are required to use the same wage rates when bidding on a public works project. Twice a year, California Department of Industrial Relations determines the general prevailing rate of per diem wages for a particular craft, classification, or type of worker by county. All public works construction projects are required to meet the prevailing wage requirement. When a project is a public works project, a contractor must be registered with the California Department of Industrial Relations in order to be eligible to bid or be awarded the project. In addition, if the project is a federally funded project, including those funded by a SRF loan, IEUA must make sure that the construction project meets the requirements of the Davis-Bacon Act.

Davis-Bacon applies to contractors and subcontractors performing on federally funded or assisted contracts in excess of \$2,000 for the construction, alteration, or repair of public buildings or public works. The Davis-Bacon Act requires contractors and subcontractors to pay their laborers and mechanics employed under the contract no less than the locally prevailing wages and fringe benefits for corresponding work on similar projects in the area. The rates that are used are based on a wage determination by county and type of work issued by the U.S. Department of Labor. When there is a difference between the California prevailing wage and the Davis-Bacon wage determination, the highest rate must be paid. Grants staff provides the wage determination to project managers for their request for bids so that all bidders are aware that in addition to the California prevailing wage, they must ensure that the Davis-Bacon rates are met.

The American Iron and Steel (AIS) provision requires SRF assistance recipients to use iron and steel products that are produced in the United States. The AIS provision is a permanent requirement for all SRF projects. “Iron and steel products” means the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials. This requirement applies to projects for the construction, alteration, maintenance, or repair of a public water system or treatment works. AIS has specific certification requirements for all AIS products that are permanently incorporated into the project. In rare instances, waivers can be authorized by the USEPA.

Another facet of compliance is the Disadvantaged Business Enterprise (DBE) Six Good Faith Efforts. Disadvantaged businesses include the Women Business Enterprise, Small Business Enterprise, Minority Business Enterprise, the Small Business in Rural Area, and the Labor Surplus Area Firm. Recipients of financing that are subject to the DBE requirements must seek, and are encouraged to use, DBEs for their procurement needs. Both state and federal funders require that these six good faith efforts are met by IEUA and any contractors or subcontractors that the organization hires.

The Grants Department has reached out to other departments within the organization for input on how best to make sure compliance requirements are met. The “RFP Compliance Checklist” is an example of one of the processes that the Grants Department is putting in place to ensure that other departments are aware of the importance of compliance, and where and when to involve the Grants Department. The checklist alone wouldn’t work without a collaborative approach across all areas of the organization. The Grants Department recognizes the importance of building upon and maintaining good relationships both internally and externally and will continue to develop SOPs, communicate its role to internal customers, and develop educational workshops on compliance issues.

## Step 6. Closeout and Reporting

Grant staff close out grant activities when all project work, administrative, fiscal, legal, compliance and any audit issues have been resolved. Post-project data should be compared with



the qualitative and quantitative goals established during project development. Accurate close-out and reporting should inform future decision-making in order for IEUA to maintain both a realistic and diverse project portfolio.

Each grant and loan has different reporting requirements that must be met in order to maintain compliance for those funds. Reporting requirements include, but are not limited to: quarterly or semi-annual performance reports, financial reports, monitoring reports, environmental reports, as needed reports, annual reports, final reports, and post-performance reports. Reporting requirements are designed to hold the Agency accountable for the work agreed upon by the Agency and the funding agency. Failure to comply with the reporting requirements may be considered a material non-compliance with the terms and conditions of the award. Non-compliance may result in withholding of payments pending receipt of required reports, denying both the use of funds and matching credit for all or part of the cost of the activity or action not in compliance, whole or partial suspension or termination of the agreement, recovery of funds paid under the agreement, withholding of future awards, or other legal remedies. The funding agency expects IEUA to expeditiously provide, during the term of the Agreement, such reports, data, and information as may be reasonably required by the funding agency. IEUA is responsible for establishing accounts and maintaining records as may be necessary to fulfill its reporting requirements. Reports should meet generally accepted professional standards for technical reporting and should be proofread for content, numerical accuracy, spelling, and grammar prior to submittal to the funding agency.

## Strategic Recommendations

In order to translate objectives into concrete action, the GSP lays out strategic recommendations that consist of two components: a financial plan for securing funding for near-term opportunities across key program areas for FY 2017-2020 (Table 9); and an organizational plan for improving each stage of the grant management process (Table 10). The strategic recommendations assist the Grants Department by identifying specific and actionable steps to best support IEUA's core business strategy in a three- to five-year time frame. Recommendations will guide the Grants Department's short-term investment in order to improve inter-departmental collaboration and strengthen the grant management process.

Near-term funding opportunities, organized by key program areas, are broken down by project name, grantor agency, award request amount, and project description. The projects listed in Table 9 form the bulk of the funding opportunities projected for FY 2017-2020. Many of these funding opportunities have already been identified and are currently in the project development, application, or award negotiation process. Pursuing the projects listed in Table 9 are essential to achieving the Grants Department's near-term vision. It is important to keep in mind that the financial targets are based on the availability of public funds, where project acceptability is often the result of evolving federal and state priorities.

Near-term organizational opportunities, organized by area of improvement, strategic recommendations, implementation parties, timeframe, and level of priority, are summarized in Table 10. While the Grants Department's day-to-day tracking, reporting, payment, auditing, and compliance activities remain crucial to its success, recommendations contained within the 2018 GSP emphasize the early stages of the grant management process, in particular the identification of potential funding opportunities and project development. Presented below are recommendations to serve as the foundation of IEUA's future implementation strategy to help prioritize initiatives and align Grants Department resources.

## Conclusion

The process and recommendations outlined in the GSP lie at the nexus of smart, structured growth and the organizational values necessary for IEUA to continue its leadership in water management and environmental stewardship. Improving each stage of the grant management process will allow IEUA to leverage federal and state funding sources while putting the Agency in close contact with government staff who manage and regulate vital infrastructure. Financing agreements ensure that government agencies stay engaged and committed to IEUA's projects, and they provide credibility and accountability for all stakeholders. Future funding and organizational opportunities pursued through the Grants Department will allow IEUA to continue to build partnerships that extend beyond the water community and reinforce its leadership in the Inland Empire and beyond.

Table 9: Funding Opportunities FY 2017-20 by Program

IEUA Program	#	Project	Grantor Agency	Grant Award Request	Loan Award Request	Fiscal Year	Status	Project Description
Water Storage	1	Chino Basin Water Bank Project	CWC	\$480,000,000	--	FY 17/18	Application submitted	The Project is designed to promote and implement water storage and recovery programs within the Chino Basin in order to achieve local, regional, and statewide benefits. Formation of the Chino Basin Water Bank will bring together the region's water providers, owners and operators of surface water treatment and groundwater recharge and production facilities, and Chino Basin Adjudication parties, in order to maximize the beneficial use of available water supplies in the Chino Basin and beyond. As part of this Project, the Agency is pursuing California Proposition 1 funding allocated to the California Water Commission (CWC) for the Water Storage Investment Program (WSIP).  SARCCUP is a watershed-scale program for banking imported water to enhance water supply reliability and increase available dry year supplies in the Santa Ana River watershed. Developed by five regional water agencies in a collaborative effort to target California Proposition 84 funding, SARCCUP assists in developing conservation-based rates, creating habitat for the Santa Ana Sucker fish, removing non-native Arundo donax from along the Santa Ana River, and developing a water bank to store water in wet years and provide new supply during drought and emergencies. The five participating regional water agencies include the IEUA, Eastern Municipal Water District, Orange County Water District, San Bernardino Valley Municipal Water District, and West Valley Water District.
			USBR	\$400,000	--	FY 17/18	Application submitted	
	2	Santa Ana River Conservation and Conjunctive Use Program (SARCCUP)	DWR	\$16,000,000	--	FY 17/18	Award received	
Water Recycling	3	San Sevaine Basin Improvements	SWRCB	\$2,500,000	\$3,585,000	FY 15/18	Award received	In 2013, IEUA adopted the Amendment to the 2010 Groundwater Recharge Master Plan Update (RMPU) recommending a suite of yield enhancement projects for the purpose of groundwater replenishment. In 2014, IEUA initiated the Recycled Water Program Strategy (RWPS) with the purpose of developing a long-term strategy to maximize the beneficial reuse of recycled water through infrastructure improvements and system expansions. These documents identified several deficiencies and system enhancements needed to optimize IEUA's regional recycled water system, components which have since been flagged and grouped together under the 2015 Drought Relief Recycled Water Supply Optimization Project. Implementation of these components is projected to lessen the effect of current and future drought conditions by delivering at least 2,581 acre-feet per year (AFY) of recycled water back to the Chino Basin. All Project components are eligible for construction-implementation loans under the Clean Water State Revolving Fund (SRF), with total principal forgiveness (PF) funding equal to \$13,802,500. In addition, project components may be considered for funding under USBR's Title XVI Feasibility Study program (Group 1 FY 2017-19), which could potentially provide up to 25 percent of total project costs in federal cost-sharing.
			USBR	\$375,000	--			
	4	Napa Lateral	SWRCB	\$2,500,000	\$3,550,000		Award received	
	5	RP-1 1158 Recycled Water Pump Station Upgrades	SWRCB	\$2,500,000	\$5,500,000			
	6	RP-5 Recycled Water Pipeline Bottleneck	SWRCB	\$1,377,500	\$1,377,500			
	7	Recycled Water Pressure Sustaining Valve Installation	SWRCB	\$425,000	\$425,000			
	8	RP-1 Parallel Outfall Pipeline	SWRCB	\$2,500,000	\$3,200,000			
	9	Baseline Extension Project	SWRCB	\$2,500,000	\$2,917,417			
	10	City of Ontario Euclid/Riverside Recycled Water Pipeline Project	SWRCB	\$2,500,000	\$18,500,000			
	11	MVWD Raw Water Pipeline	SWRCB	--	\$3,250,000		FY 17/19	

Table 9: Funding Opportunities FY 2017-20 by Program

IEUA Program	#	Project	Grantor Agency	Grant Award Request	Loan Award Request	Fiscal Year	Status	Project Description
	12	Joint IEUA-JCSD Recycled Water Intertie Project	SWRCB	--	\$52,460,000	FY 18/20	Application submitted	The Project is a collaboration among three regional water agencies including IEUA, Jurupa Community Services District (JCSD), and WMWD, intended to deliver 6,000 AFY of recycled water for groundwater recharge, provide a direct-use irrigation source for multiple public lands (e.g. parks, schools, etc.) that currently use potable water, and provide additional non-potable water for private agricultural enterprises throughout the region. The Project entails the planning, design, and construction of a 750 horsepower (HP) booster station at the Western Riverside County Regional Wastewater Authority's Treatment Plant; 31,600 linear feet (LF) of 24-inch diameter transmission pipeline; an "in-line" 750 HP booster station; a 47,800 LF of 18-inch diameter and 12-inch diameter distribution pipeline system; and, pressure reducing stations. Implementation of the Project may be considered for funding under USBR's Title XVI Feasibility Study program (Group 2), which could potentially provide up to 25 percent of total project costs in federal cost-sharing.
	13	City of Pomona, MVWD, and IEUA Recycled Water Intertie Project	SWRCB	--	\$51,896,000	FY 18/20	Application submitted	The Project is a collaborative effort between the City of Pomona, Monte Vista Water District (MVWD), and IEUA, intended to deliver 1,100 AFY of recycled water for groundwater recharge, address land subsidence concerns, and provide a direct-use irrigation source for industries in the region. The Project entails the construction of approximately 38,000 LF of 12-inch pipeline, a booster station, and an advanced treatment plant facility. Recycled water and groundwater will be transmitted from the city of Pomona to the advanced water treatment facility, and treated water will be conveyed to IEUA's groundwater recharge basin to replenish the aquifer. Implementation of the Project may be considered for funding under USBR's Title XVI Feasibility Study program (Group 3), which could potentially provide up to 25 percent of total project costs in federal cost-sharing.
Wastewater Treatment	14	RP-1 and RP-5 Expansion Project	USEPA	--	\$223,599,180	FY 17/20	Application declined	As part of IEUA's Wastewater Facilities Master Plan (WFMP), CH2M Hill and Carollo Engineers conducted an analysis of the influent wastewater flow and water quality data for all regional water recycling plants (RPs) in order to establish current average and peak influent flows, concentrations, and loads for the purpose of developing flow and load projections through the 2035 planning year. Their analysis confirmed the need to expand RP-1 Liquids, RP-1 Solids, RP-5 Liquids, and relocate RP-2 to RP-5 to meet the region's future demands. To investigate the current systems and detail system requirements, IEUA completed the Preliminary Design Report (PDR) in March 2017. The PDR establishes the project management plan and requirements for future expansions, develops the preliminary design for the expansion of RP-1, RP-5 and the decommissioning required at RP-2, and details a Project budget and schedule. Implementation of the Project over the next 10 years is imperative so that the influent wastewater flows at the RPs never exceed treatment or conveyance capacities.
			SWRCB	\$500,000	--	FY 17/20	Award received	
			SWRCB	--	\$533,350,000	FY 17/20	Application submitted	
	15	Carbon Canyon Water Recycling Facility Improvements	SWRCB	--	\$24,000,000	FY 17/20	Application submitted	

Table 9: Funding Opportunities FY 2017-20 by Program

IEUA Program	#	Project	Grantor Agency	Grant Award Request	Loan Award Request	Fiscal Year	Status	Project Description
	16	Sewer Service to IEUA Septic Users Project	SWRCB	\$500,000	--	FY 17/18	Application pending	The Project is intended to leverage the Small Community Wastewater Grant (SCWG) program, which provides grants to small disadvantaged communities for the planning, design, and construction of publicly-owned wastewater treatment and collection facilities. The Project will build upon the results of a Feasibility Study, developed to evaluate the areas located within IEUA's service area that would most benefit from the conversion from septic to sewer service. The Feasibility Study analyzed cost effectiveness; the potential to mitigate the impact of groundwater contamination; available sewer capacity; associated costs for connections from homes to local agency sewer systems; costs of improvements to curbs and gutters; benefits to IEUA's Recycled Water program; and, the overall economic benefits for the identified regions.
Groundwater Recharge and Surface Water Management	17	Wineville Basin, Jurupa Basin, RP-3 Basin Improvements, and Pumping and Conveyance System Project	SWRCB	\$9,800,000	--	FY 17/18	Award received	Project funding received through California's Proposition 1 Stormwater Grant Program (SWGPP).
			USBR	\$726,500	--	FY 17/18	Award received	The Jurupa Basin Groundwater Recharge Improvement Project is a three-year infrastructure improvement project for the design and installation of a new diversion structure for the Jurupa groundwater recharge basin. Successful implementation of the proposed Project will result in an estimated 663 AFY of recharged water resources that would otherwise be lost as stormwater or dry-weather runoff.
			USBR	\$750,000	--	FY 17/18	Application submitted	The Wineville Basin and Distribution System Groundwater Recharge Improvement Project is an infrastructure project for the design and construction of a new groundwater recharge basin and pump and pipe distribution system. By facilitating the capture and storage of stormwater and dry-weather runoff, the Project will directly offset 2,133 AFY of SWP imports. The Project is part of the Bay-Delta Restoration Program: CALFED Water Use Efficiency Grants.
			USBR	\$300,000	--	FY 17/18	Award received	
			SWRCB	--	\$11,281,350	FY 17/18	Application submitted	Project funding will be requested through California's SRF loan program.
	18	Victoria Basin	USBR	\$168,810	--	FY 17/18	Application pending	
	19	Lower Day Basin	DWR	\$750,000	--	FY 17/18	Award received	
			USBR	\$375,000	--	FY 17/18	Award received	
			SWRCB	--	\$1,355,000	FY 17/18	Application pending	
20	Montclair Basin	SWRCB	--	\$1,206,900	FY 17/18	Application pending	Project funding will be requested through California's SRF loan program.	

Table 9: Funding Opportunities FY 2017-20 by Program

IEUA Program	#	Project	Grantor Agency	Grant Award Request	Loan Award Request	Fiscal Year	Status	Project Description
Safe Drinking Water	21	Chino Basin Improvement and Groundwater Clean-up Project	SWRCB	\$11,377,018	--	FY 17/20	Award received	The Proposition 1 Groundwater Quality Grant funding Project takes advantage of a unique opportunity to simultaneously address two inter-related groundwater issues in the Chino Groundwater Basin: groundwater that is high in nitrate and salts resulting from century-long dairy and agricultural practices; and, groundwater that is impaired with volatile organic compounds (VOCs), particularly trichloroethylene (TCE), resulting from past industrial operations. With the SA-RWQCB's adoption of the Stipulated Settlement and Cleanup and Abatement Order No. R8-2016-0016 on September 16, 2016, implementation of the Project is currently proceeding with legal and regulatory authority.
	22	Lower Chino Dairy Area Desalination and Reclamation Project	USBR	\$7,200,000	--	FY 17/20	Award received	The Project entails the construction and development of three supply wells and two primary raw water transmission pipelines to tie into the existing Chino II Desalter in order to provide 8,520 AFY of treated groundwater to local communities. The Project will reduce salts and improve water quality; will substantially reduce federal and state water imports, thereby increasing the reliability of the local water supply; will protect susceptible downstream water supplies from salt and nutrient loading; and, will stabilize groundwater levels in Chino Basin Management Zone 3 without the recharge of imported water.
USBR			\$5,199,536	--	FY 17/20	Award received		
Water Conservation	23	Regenerative Farming Demonstration Project	USBR	\$135,000	--	FY 17/18	Application submitted	The Project is a two-year implementation project with on-farm components aimed at substantiating the economic and water conservation benefits of regenerative, or "healthy soil," farming practices. IEUA hopes that a grant award from the USBR will lead to an invitation from the National Resources Conservation Service (NRCS) to apply for additional on-farm funding.
Renewable Energy	--	--	--	--	--	--	--	--

Table 10. Organizational Opportunities FY 2017-20

IEUA Grant Management Process	Area of Improvement	Strategic Recommendation	Implementation Parties	General Timeframe	Priority Level
Step 1. Identify Funding Opportunities	In order to support the economic growth of the region, reduce the burden on its rate payers, and remain on the cutting edge of technology and policy, IEUA relies on a dedicated Grants Department to continuously secure grants and low-cost financing.	Aggressively pursue the core funding opportunities outlined in Table 9: Funding Opportunities FY 2017-20 by Program, to ensure funding for IEUA's essential water and wastewater services.	Grants Department Staff	2017-2020	High
	IEUA's schedule for essential water and wastewater projects may not conveniently sync up with the timing for grant opportunities. This could potentially lead to a lack of stakeholder support, eligibility issues, construction delays, budget shortages for matching funds, or an expedited application process.	Develop grants management repository software to store and document grant history and related information. Enable Grants Department staff to see grant funding opportunities from an Agency management approach. The database software should provide a platform for Grants Department staff to understand trends at the federal and state level and integrate these funding opportunities with IEUA's capital project needs.	Grants Department and BIS Department	September 2018	High
	Pursuit of supplemental funding opportunities should be balanced with the Agency's core mission.	Target supplemental funding opportunities that are designed to support both government agencies and the public in pursuit of broad regional goals, keeping IEUA on the cutting edge of policy, while supporting a realistic and diverse project portfolio. Supplemental funding opportunities should be evaluated against administrative costs, cost-matching availability, and the Agency's mission and objectives.	Grants Department Staff	Ongoing	Medium
	Employ a systematic approach to link potential future grant opportunities to IEUA capital improvement projects.	Leverage the Grab-IT tool to empower Grants Department staff, Project Managers, and Management by bridging known project lists with potential funding opportunities.	Grants Department and BIS Department	June 2018	Medium
Step 2. Project Development	Streamline and improve each stage of the grants management process by initiating project development before grant opportunities are announced.	Develop and update the Grants Strategic Plan. Build the grant application team as a routine part of Agency management. Pre-establish the process necessary to verify project performance using the measurement tools listed in IEUA and Member Agency planning documents and studies. Metrics should include project performance information in addition to service descriptions and legislative information required by and used for future grant applications.	Grants Department Staff and Agency Management	January 2018	High
	Cultivate the Grants Department's involvement in the Agency's core meetings for TYCIP planning and budgeting.	The Grants Department should have timely access to meetings and information to plan strategic actions and hear and discuss future Agency external grant funding needs. Routinely engage a diverse grant application team, consisting of department staff from External Affairs, Planning, Engineering, Environmental Compliance, Contracts, Facilities Management, Construction Management, and Operations. Project Managers should regularly apply their thinking as to how projects can best integrate with business goals, community partnerships and other grant assessment criteria.	Department Managers	Ongoing	Medium



Table 10. Organizational Opportunities FY 2017-20

IEUA Grant Management Process	Area of Improvement	Strategic Recommendation	Implementation Parties	General Timeframe	Priority Level
	Cultivate the Grants Department's involvement in regional capital project planning and financing.	Use grant and loan funding to foster partnerships within the water community and build partnerships that extend beyond the water community to gain broader support and avoid getting caught in stalemates of conflicting interests. Such partnerships may include relationships in non-water areas of municipalities, school districts, chambers of commerce, service clubs, and various levels of local, state, and federal government.	External Parties	Ongoing	Medium
Step 3. Application Process	Bridge grant application and critical planning document language.	Incorporate consistent language that both anticipates grantor priorities and aligns with the core values and objectives laid out in the TYCIP and other critical planning documents. This involves translating IEUA's implied values into decisive language with clear imperative. Maximize project funding eligibility by ensuring that all benefits associated with existing and future programs are clearly listed with key terms.	Grants Department Writing Staff	Ongoing	Medium
	Currently, Project Managers are asked to assist with the technical portion of the grant application when a grant opportunity becomes known. Grant application support may cause unplanned increases in a Project Manager's workload.	Build databases to inform quantitative project goals and reduce Project Manager workload. This includes leveraging IEUA's SCADA system, designed to monitor and store historical operational information for treatment plant processes, and supporting the CaDC, dedicated to developing an open source, cloud-based data collaborative to help standardize water agency data. Engage Project Managers as early as possible during project development to smoothen workload and provide clear and achievable deadlines.	Department Managers and Agency Management	Ongoing	Medium
	Grant announcements often come with tight deadlines.	Streamline the application process by developing templates for standardized submittals, including formatted reports, Agency background summaries, funding plans, and letters of support. Pre-assemble grant administrative templates allowing Grants Department staff to easily respond to tight deadlines.	Grants Department Staff	Ongoing	Medium
Step 4. Award Negotiation	Maintain strong relationships with grantor agencies.	Maintain routine and strong relationships with state and federal grantor agencies in order to strengthen the Agency's position with current and future grant activities. Implementing favorable and easy to understand grant agreement terms and conditions will increase the rate of successfully negotiating a grant agreement and passing a grant audit.	Grants Department Staff	Ongoing	Medium
	Project schedule delays may result from delays in responding to grantor requests for technical information.	Provide a timely response to grantor information requests in order to enhance the Agency's long-term relationship with grantors.	Inter-Departmental Project Managers	Ongoing	Medium
	Bridge grant application and Request for Proposal (RFP) language.	Standardize the RFP process by drawing directly from the grant application to pattern project requirements and specifications.	Department Managers	2018	Medium

Table 10. Organizational Opportunities FY 2017-20

IEUA Grant Management Process	Area of Improvement	Strategic Recommendation	Implementation Parties	General Timeframe	Priority Level
Step 5. Implementation and Compliance	Complying with Davis-Bacon, AIS, and DBE requirements often require coordination at every level of the bid and construction process.	A detailed Grants Management SOP should be established and implemented to supplement the RFP Compliance Checklist. Incorporate all SOPs and checklists into the Grants Management Relational Database.	Grants Department Administrators and Accountants	2018	Medium
	Potential contract bidders may not always understand the importance of adhering to compliance requirements.	A detailed Grants Management checklist, used to evaluate potential bids, should be circulated to potential bidders. Project managers and potential bidders should properly trained with regard to all compliance requirements.	Grants Department Staff	2018	Medium
	SAP accounting software supports general accounting needs but may not cover the diverse requirements for grantor programs.	Grants Management Database Software is needed. A Grants Management Relational Database should be established in order to support the Agency grants administration daily accounting activities.	Grants Department and BIS Department	Ongoing	Medium
Step 6. Closeout and Reporting	Reporting activities should be built into each stage of a project's lifecycle in order to interpret project performance.	Use post-project data to hone future project expectations or retool project assumptions, particularly as they relate to achieving grantor priorities. Post-project data should be continuously compared with the qualitative and quantitative goals established during project development. Accurate close-out and reporting should inform future decision-making to maintain a realistic and diverse project portfolio. To encourage efficiency, mandatory close-out audit items should be accumulated along each step of the grant management process, ensuring that grants administration resources are focused on critical issues.	Grants Department Administrators and Accountants	Ongoing	Medium

**INFORMATION  
ITEM**

**6 N**

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**Date:** June 20, 2018

**To:** The Honorable Board of Directors

**From:** Teresa Velarde, Manager of Internal Audit

**Committee:** Audit

06/11/18

**Manager Contact:** Teresa Velarde,  Manager of Internal Audit

**Subject:** FY 2018/19 Financial Audit - Communications Required by SAS 114

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**Executive Summary:**

Statement on Auditing Standards No. 114 (SAS 114) requires the financial statement auditors to communicate the planned scope and timing of the audit. SAS 114 also describes the auditor's responsibility to inquire of the Audit Committee information that should be considered in the auditor's risk assessment. The Agency's external auditors are Lance, Soll & Lunghard, LLP (LSL), an independent CPA firm. This year will be LSL's third year performing the financial audit of the Agency. Attached is the required communication letter under SAS 114. During the Audit Committee meeting, Ms. Deborah Harper, partner with LSL will provide a presentation related to the audit scope and approach, as well as the required communications.

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**Staff's Recommendation:**

This is an information item.

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**Budget Impact** *Budgeted* (Y/N): N *Amendment* (Y/N): N *Amount for Requested Approval:*

*Account/Project Name:*

N/A

*Fiscal Impact (explain if not budgeted):*

N/A

**Prior Board Action:**

On March 16, 2016, the Board approved Contract Number 4600002079, in the amount of \$100,820, with Lance, Soll and Lunghard, LLP, to provide Annual Financial and Single Audit Services for the Inland Empire Utilities Agency, and also Contract Number 4600002081, in the amount of \$12,450, both, to complete the required audits for the three (3) fiscal years ending 2015/16, 2016/2017 and 2017/18 with the option for an additional two (2) fiscal years.

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**Environmental Determination:**

Not Applicable

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**Business Goal:**

The annual financial statement audit of the Agency is a requirement per the Agency's approved Fiscal Ordinance and other regulatory requirements and is consistent with the Agency's Business Goals of Fiscal Responsibility, Workplace Environment and Business Practices by ensuring that the financial audit evaluate and promote a strong control environment and assist management in achieving organizational goals.

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**Attachments:**

Attachment 1 - FY 2018/19 Financial Audit - Communications Required by SAS 114 Letter  
Attachment 2 - PowerPoint

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May 31, 2018

To the Honorable Chair and Members of the Board  
Inland Empire Utilities Agency

We are engaged to audit the financial statements of each major fund and the aggregate remaining fund information of the Inland Empire Utilities Agency (Agency), the financial statements of the Chino Basin Regional Financing Authority (Authority), and the Single Audit for the year ended June 30, 2018. Professional standards require that we provide you with the following information related to our audit. We would also appreciate the opportunity to meet with you to discuss this information further since a two-way dialogue can provide valuable information for the audit process.

**Our Responsibilities under U.S. Generally Accepted Auditing Standards, *Government Auditing Standards*, and the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance**

As stated in our engagement letter, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement. As part of our audit, we will consider the internal control of the Agency. Such considerations will be solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control. We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters. We will also consider internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance.

As part of obtaining reasonable assurance about whether the Agency's financial statements are free of material misstatement, we will perform tests of its compliance with certain provisions of laws, regulations, contracts, and grants. However, providing an opinion on compliance with those provisions is not an objective of our audit. Also in accordance with Uniform Guidance, we will examine, on a test basis, evidence about the Agency's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement applicable to each of its major federal programs for the purpose of expressing an opinion on the Agency's compliance with those requirements. While our audit will provide a reasonable basis for our opinion, it will not provide a legal determination on the Agency's compliance with those requirements.

We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.





To the Honorable Chair and Members of the Board  
Inland Empire Utilities Agency

Generally accepted accounting principles provide for certain required supplementary information (RSI) to supplement the basic financial statements. Our responsibility with respect to the management's discussion and analysis, the schedule of changes in net pension liability and related ratio, the schedule of plan contributions related to pensions, schedule of change in net OPEB liability and related ratios, schedule of contributions related to OPEB and schedule of investment returns related to OPEB which supplement the basic financial statements, is to apply certain limited procedures in accordance with generally accepted auditing standards. However, the RSI will not be audited and, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance, we will not express an opinion or provide any assurance on the RSI.

We have been engaged to report on the combining and individual fund statements and schedules which accompany the financial statements but are not RSI. Our responsibility for this supplementary information, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

We have not been engaged to report on the introductory and statistical sections which accompany the financial statements but are not RSI. Our responsibility with respect to this other information in documents containing the audited financial statements and auditor's report does not extend beyond the financial information identified in the report. We have no responsibility for determining whether this other information is properly stated. This other information will not be audited and we will not express an opinion or provide any assurance on it.

#### **Planned Scope and Timing of the Audit**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. We will generally communicate our significant findings at the conclusion of the audit. However, some matters could be communicated sooner, particularly if significant difficulties are encountered during the audit where assistance is needed to overcome the difficulties or if the difficulties may lead to a modified opinion. We will also communicate any internal control related matters that are required to be communicated under professional standards.

We expect to issue our report on approximately December 1, 2018.

This information is intended solely for the use of the governing board and management and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

*Lance, Solt & Loughard, LLP*



Inland Empire Utilities Agency  
June 11, 2018



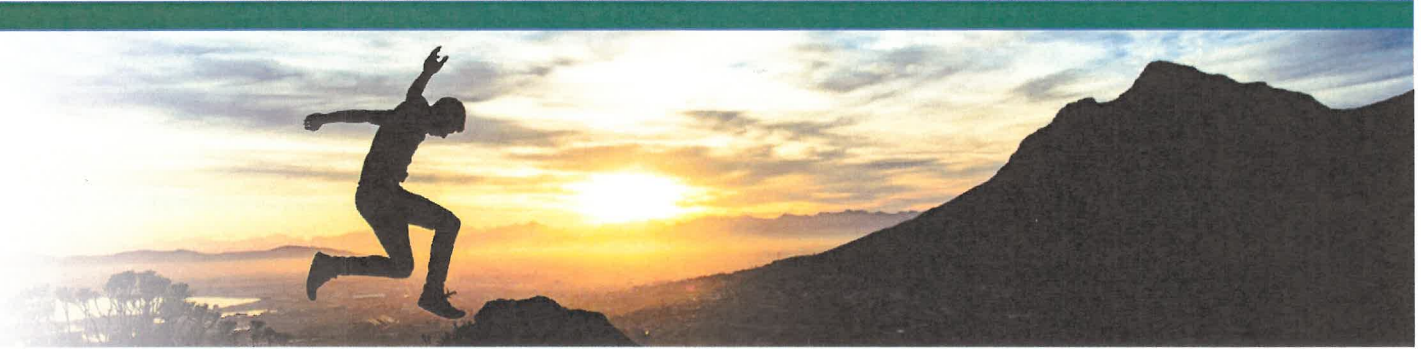
# Audit Planning Communication

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## FY 2018/2019

Focused  
on YOU





## Audit Team:



Debbie Harper, CPA  
Engagement Partner



Ryan Domino, CPA  
Engagement Manager



Geoff Horita  
Engagement Senior



## Engaged to perform audit of financial statements

- Inland Empire Utilities Agency
- Chino Basin Regional Financing Authority
- Inland Empire Regional Composting Authority
- Single Audit



## Standards used to perform these audits

- U.S. Generally Accepted Auditing Standards
- Government Auditing Standards
- Single Audit Act under the provisions of the Uniform Guidance



## Purpose of the audit

- Express opinions about whether your Financial Statements are fairly stated in all material respects:
  - The Financial Statements are prepared by Management with Members of the Board oversight



## Auditor responsibility

- Plan and Perform the audit to obtain reasonable, not absolute, assurance the financial statements are free of material misstatements
- Consider the internal controls of the Agency
- Our understanding of internal controls is used to determine audit procedures each year
- We do not audit internal controls or provide assurance on your controls



## In addition

- We consider internal control over compliance with the requirements of material major federal programs
- We will test and report on significant matters that have come to our attention



## Comprehensive Annual Financial Report

- Introductory Section – not audited
- Basic Financial Statements - audited
- Required Supplementary Information – not audited, limited procedures performed
  - MD&A
  - Supplemental Schedules Pension & Other Post-Employment Benefits
- Supplemental Information – not audited, but presentation evaluated and tied to supporting financial information
- Statistical Section – not audited



## Planning communication

- We are in planning stages
- Feedback from audit committee included
- Perform interim testing on internal control evaluations week of 5/29
- Recommendations provided throughout audit to management
- Significant deficiencies will be reported to board at conclusion unless something merits immediate attention





**Questions or Comments?**

**Thank you**

**INFORMATION  
ITEM**

**60**

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**Date:** June 20, 2018

**To:** The Honorable Board of Directors

**From:** Teresa Velarde, Manager of Internal Audit

**Committee:** Audit

06/11/18

**Manager Contact:** Teresa Velarde,  Manager of Internal Audit

**Subject:** Report of Open Audit Recommendations

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**Executive Summary:**

The Internal Audit Department Charter and professional standards require the Internal Audit Department (IA) staff to follow-up on the status of open audit recommendations to determine if corrective action efforts have been made. The Charter also requires IA to annually provide, to the Audit Committee and the Board, a report listing all outstanding recommendations with action plans and expected resolution dates. Executive Management supports the implementation efforts of the recommendations previously provided or the development of alternate controls to address the original risks identified. Follow-up reviews will be scheduled according to the proposed Annual Audit Plan or sooner if requested by Management, the Audit Committee or Board.

As of the date of this report, there are 110 total open audit recommendations. IA plans to follow-up on 12 recommendations by June 2019. Currently, there are 31 recommendations related to the Regional Contract Review where the plan is to address those recommendations through renegotiation of the Regional Contract. The IA website accessible through the Agency's Intranet and available to all employees, provides the audit reports that have been issued. Attached is a detailed report showing the actual recommendations and the current status of each one.

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**Staff's Recommendation:**

This is an information item.

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**Budget Impact** *Budgeted* (Y/N): N *Amendment* (Y/N): N *Amount for Requested Approval:*

*Account/Project Name:*

N/A

*Fiscal Impact (explain if not budgeted):*

Only when additional outside auditing or consulting services are required to provide assistance to IA or fulfill the responsibilities of the Audit Committee, a proposal with proposed fees will be submitted through the Audit Committee for appropriate action. Additionally, some audit projects are intended to identify opportunities for cost containment.

Full account coding (internal AP purposes only):

- - -  
- - -

Project No.:

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**Prior Board Action:**

In December 20, 2017, the Board of Directors reconfirmed the approved Audit Committee and the Internal Audit Department Charters. Both Charters require the Manager of IA to complete and present the Annual Audit Plan.

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**Environmental Determination:**

Not Applicable

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**Business Goal:**

The Report on Open Audit Recommendations is consistent with the Agency's Business Goals of Fiscal Responsibility, Workplace Environment and Business Practices. IA's ongoing monitoring activities are to follow-up on the status of open audit recommendations to determine if the Agency has taken corrective action to address issues identified and to assist the Agency in achieving organizational goals.

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**Attachments:**

Attachment 1 - Report of Open Audit Recommendations

**Outstanding Audit Recommendations  
as of June 1, 2018**

Audit Performed	Rec #	Internal Audit Recommendation	Target for Implementation & Comment
Payroll Audit August 24, 2010	4	HR and FMD should work together to revise and update the Agency's Resolution No. 2005-2-9 and clarify which employees are required to sign a Confidentiality Agreement, based on their job duties and responsibilities, specifically those whose roles involve handling sensitive and confidential information. Having employees sign a Confidentiality Agreement reinforces that confidential and sensitive information is being handled, the Confidentiality Agreement also provides the expectations and consequences for sharing or misusing confidential information.	The Executive Management Team and HR continue to work closely with legal counsel to determine the need for updates to the Resolution and the practice requiring that certain employees sign the Confidentiality Agreement. Recently, the Board approved a Handbook; however, it does not cover the Confidentiality Agreement. IA will continue to follow-up on this item.
Intercompany Receivables - Watermaster August 30, 2011	1	Fiscal Management Department should establish procedures to prepare and submit invoices to Watermaster prior to the beginning of the quarter to allow payment by Watermaster before the quarter begins.	Finance and Accounting stated they will implement the billing requirement to bill in advance of each quarter as required by the contract. The Department requires additional time to implement this recommendation. IA will verify that this process has been implemented during follow-up evaluation planned for FY 2018/2019.
SCE Utility Payments Audit August 28, 2013	1	P&EC and Maintenance Management should work with the City of Chino and SCE to adequately transfer the electricity expense related to City of Chino property. The street lights in front of IEUA's HQ-A building have been identified by the Agency and SCE as the financial responsibility of the City of Chino. It was noted that over \$900.00 a year is paid for the street lights expense. P&EC and Maintenance previously identified this issue and had initiated discussions to transfer the account and related expense to the City of Chino. It is anticipated that by the end of calendar year 2013 this will be resolved.	In process. City of Chino has already initiated steps to resolve. Agency staff continues to work closely with the City of Chino to transfer the Utility account and related expense from IEUA to the City. IA will verify during FY 2018/19.
Accounts Payable Follow-Up Audit August 29, 2013	1	AFM and BIS need to work together to ensure users have appropriate access within SAP based on job responsibilities and remove/modify access privileges that are not necessary to reduce the risk of unauthorized transactions and SOD conflicts. All user access should be immediately removed when an employee resigns his/her position with the Agency.	IA to verify during follow-up evaluation.
Accounts Payable Follow-Up Audit August 29, 2013	2	Access to the Vendor Master File (VMF) should only be granted to one Manager/Supervisor for AFM and CAP department with only one back up employee, if necessary, due to Segregation of Duties conflict. This is a standard best practice across many industries. Furthermore, we recommend access be removed from all other current and past employees.	IA to verify during follow-up evaluation.
Accounts Payable Follow-Up Audit August 29, 2013	3	AFM department should institute controls to ensure payment of invoices by the due date.	IA to verify during follow-up evaluation.
Accounts Payable Follow-Up Audit August 29, 2013	4	AFM should work with the appropriate Agency personnel to update Agency policies and remind employees of the requirements of Agency Policy A-12, Employee Personal Computer Purchase Program; Policy A-37, Reimbursement for Attendance at a Conference, Seminar or Meeting; Policy A-50, Non-Purchase-Order Invoice Approval Procedures; Policy A-55, Agency Credit Cards; and Agency Policy A-14 Vehicle Use.	IA to verify during follow-up evaluation.
Accounts Payable Follow-Up Audit August 29, 2013	5	Human Resources department, in conjunction with Information Support Systems, should ensure that loans for personal computers are not approved for items not covered by the loan program as described in Agency Policy A-12. Additionally, consider revising Agency Policy A-12 to clarify the applicability of the computer loan program to tablet computers and operating systems other than Microsoft Windows.	IA to verify during follow-up evaluation.
Accounts Payable Follow-Up Audit August 29, 2013	6	AFM department should strengthen Vendor Master File procedures to establish uniformity in entering, altering and deleting vendors, and to provide guidelines for the maintenance of vendors, to ensure vendors are authorized, including the requirement that a supervisor or manager in FMD CAP approve additions, deletions, or changes to vendors.	IA to verify during follow-up evaluation.
Accounts Payable Follow-Up Audit August 29, 2013	7	AFM department should ensure all new vendors provide a current, physical business address for the Vendor Master File. Additionally, AFM should establish a plan to update the master file for all active vendors that do not currently have a physical address on file.	IA to verify during follow-up evaluation.

**Outstanding Audit Recommendations  
as of June 1, 2018**

Audit Performed	Rec #	Internal Audit Recommendation	Target for Implementation & Comment
Accounts Payable Follow-Up Audit August 29, 2013	8	AFM department should work with BIS to test the features of SAP related to purging inactive vendors. Upon successful completion of the testing, AFM should identify vendors with no activity in the previous three to five years and deactivate or delete from the Vendor Master File as appropriate.	IA to verify during follow-up evaluation.
Accounts Payable Follow-Up Audit August 29, 2013	9	AFM department should update all SOPs to reflect business process changes resulting from the implementation of the Agency's ERP SAP system.	IA to verify during follow-up evaluation.
Automobile Insurance Requirements March 3, 2014	1	IA recommends that the Contracts and Facilities Department: Take the lead to review and update and/or consolidate the existing Agency Policy A-14 "Vehicle Use Policies and Procedures" and A-36 "Automobile Insurability and Driver's License Requirements for Current and Prospective Employees." The policies should define and specify the requirements for employees to maintain personal automobile insurance, clarify the coverage limits and any other responsibilities and provisions. Ensure policy updates and requirements are communicated to all employees.	IA to verify during follow-up evaluation. IA to verify during the Fleet Management & Voyager Fuel Audit planned for FY 2018/19.
Automobile Insurance Requirements March 3, 2014	2	IA recommends that the Contracts and Facilities Department: Consider developing an appropriate "Acknowledgment Statement" form or other verification/certification document or process that outlines and verifies the requirements of the Agency's policies related to personal automobile insurance coverage and driver's license. Determine the need to require all employees sign the acknowledgement/verification document each year as a certification that the employee understands and accepts responsibilities when driving a personal or Agency vehicle.	IA to verify during follow-up evaluation. IA to verify during the Fleet Management & Voyager Fuel Audit planned for FY 2018/19.
Vehicle Security Procedures March 3, 2014	1	CAP should take the lead to properly inventory and account for all assigned and unassigned gate transmitters. CAP should continuously work with department managers who request gate transmitters to monitor and revise access based on staff duties and responsibilities. CAP should promptly deactivate any improperly assigned/unassigned gate transmitters or for those employees and contractors that separate employment from the Agency.	IA to verify during follow-up evaluation. IA to verify during the Fleet Management & Voyager Fuel Audit planned for FY 2018/19.
Vehicle Security Procedures March 3, 2014	2	CAP should ensure the appropriate signed gate transmitter form is maintained on file for all issued gate transmitters. Additionally, CAP should ensure the employee/contractor who is issued a gate transmitter understands the requirements of Agency Policy A-24 "Issuance and Inventorying of Gate Transmitters and Keys to Agency Facilities, Vehicles and/or Equipment." This can be done at the time the employee/contractor is issued the gate transmitter via the signed form and is provided a copy of the Agency policy.	IA to verify during follow-up evaluation. IA to verify during the Fleet Management & Voyager Fuel Audit planned for FY 2018/19.
Vehicle Security Procedures March 3, 2014	3	IA recommends CAP staff inventory all Certificates of Title and work to locate or replace the missing titles for Agency vehicles. Additionally, CAP should implement and communicate the proper procedure to ensure that all Certificates of Title are promptly submitted to Records Management for filing and retention.	IA to verify during follow-up evaluation. IA to verify during the Fleet Management & Voyager Fuel Audit planned for FY 2018/19.
Vehicle Inventory Procedures March 12, 2014	1	Maintenance Department and HR Department should work together to develop and/or consolidate into one updated policy, the proper procedures for refueling Agency vehicles in order to streamline processes and clearly define the procedures for refueling Agency vehicles. Specifically, the policy should include: payment method, when to fuel, and specify if the requirement applies to assigned, pool or all vehicles. Take the lead to review and update and/or consolidate the existing Agency Policy A-14 "Vehicle Use Policies and Procedures" and A-36 "Automobile Insurability and Driver's License Requirements for Current and Prospective Employees." The policies should define and specify the requirements for employees to maintain personal automobile insurance, clarify the coverage limits and any other responsibilities and provisions. Ensure policy updates and requirements are communicated to all employees.	IA to verify during follow-up evaluation. IA to verify during the Fleet Management & Voyager Fuel Audit planned for FY 2018/19.

**Outstanding Audit Recommendations  
as of June 1, 2018**

<b>Audit Performed</b>	<b>Rec #</b>	<b>Internal Audit Recommendation</b>	<b>Target for Implementation &amp; Comment</b>
Vehicle Inventory Procedures March 12, 2014	2	Maintenance Department should take the lead to update Agency Policy A-86, "Refueling Agency Vehicles" to include a clear definition of a "pool" versus an "assigned" vehicle and these definitions should be carried across all Agency policies that relate to Agency vehicle procedures.	IA to verify during follow-up evaluation. IA to verify during the Fleet Management & Voyager Fuel Audit planned for FY 2018/19.
Vehicle Inventory Procedures March 12, 2014	3	Maintenance Department should revise Agency Policy A-86 to specifically address how Voyager fuel cards for Agency "pool" vehicles will be issued and used by employees in order to establish separate guidelines for Agency "pool" vehicles.	IA to verify during follow-up evaluation. IA to verify during the Fleet Management & Voyager Fuel Audit planned for FY 2018/19.
Vehicle Inventory Procedures March 12, 2014	4	Maintenance Department should work with Business Information Systems (BIS) to develop an online/electronic "vehicle reservation and approval process." Approval should be obtained through the online/electronic process by either the employee's supervisor or manager. If the travel in an Agency "pool" vehicle will be for the calendar day only, online/electronic approval obtained from the employee's direct supervisor is sufficient. If travel utilizing an Agency "pool" vehicle will be overnight or several nights, or outside the service area, the employee should obtain online approval from the responsible manager and/or a member of Executive Management.	IA to verify during follow-up evaluation. IA to verify during the Fleet Management & Voyager Fuel Audit planned for FY 2018/19.
Vehicle Inventory Procedures March 12, 2014	5	Maintenance Department should work with the HR Department to incorporate mileage limitations and/or geographic boundaries (i.e. out-of-state) for Agency vehicles in updated Agency policies.	IA to verify during follow-up evaluation. IA to verify during the Fleet Management & Voyager Fuel Audit planned for FY 2018/19.
Vehicle Inventory Procedures March 12, 2014	6	Maintenance Department should evaluate the overall purpose of the VIF, to determine what elements are necessary to be reported by employees after use of an Agency vehicle, as well as determine what elements to hold the employee accountable for. Additionally, fewer incomplete forms may be returned if wording is revised to require only exceptions (an example might be: "Indicate damage to vehicle, if any").	IA to verify during follow-up evaluation. IA to verify during the Fleet Management & Voyager Fuel Audit planned for FY 2018/19.
Vehicle Inventory Procedures March 12, 2014	7	Maintenance Department should determine the need to require that the VIF include an area for the employee's direct supervisor/manager to approve and sign, specifically acknowledging where the vehicle will be used and permitting the use of the Agency vehicle, prior to checking out the vehicle as an added control and accountability measure for the vehicle and the employee.	IA to verify during follow-up evaluation. IA to verify during the Fleet Management & Voyager Fuel Audit planned for FY 2018/19.
Vehicle Inventory Procedures March 12, 2014	8	Maintenance Department should ensure the recipients of the VIF (currently, the receptionists) no longer accept incomplete VIF forms from an employee upon the return of the vehicle to Headquarters. The receptionist should return the form to the employee and request they fill out the VIF completely before checking-in the vehicle.	IA to verify during follow-up evaluation. IA to verify during the Fleet Management & Voyager Fuel Audit planned for FY 2018/19.
Vehicle Inventory Procedures March 12, 2014	9	Maintenance Department should continue to work with "Voyager Fleet Systems" and U.S. Bank to review the card issuer's reporting capabilities, in order to develop the reports needed with the appropriate inputs (e.g. odometer readings, date of purchase, amount, credit card number, cardholder name, number of gallons purchased at point-of-sale) so that the Agency can perform a thorough analysis of fuel consumption monthly.	IA to verify during follow-up evaluation. IA to verify during the Fleet Management & Voyager Fuel Audit planned for FY 2018/19.
Vehicle Inventory Procedures March 12, 2014	10	Maintenance Department should develop one policy or update the existing policy (ies) to outline the proper procedures for washing Agency vehicles.	IA to verify during follow-up evaluation. IA to verify during the Fleet Management & Voyager Fuel Audit planned for FY 2018/19.
Vehicle Inventory Procedures March 12, 2014	11	Maintenance Department should perform a routine inventory as well as regular safety/maintenance inspections for all Agency vehicles at least annually and ensure necessary safety and emergency equipment is available and operational. Issues identified should be addressed and corrected timely. Specifically, items required for safety reasons such as fire extinguishers, insurance information and accident instructions, etc. should be current and readily available in the vehicle. Documented maintenance and safety inspection results should be retained and placed in the vehicle's file as evidence of examination.	IA to verify during follow-up evaluation. IA to verify during the Fleet Management & Voyager Fuel Audit planned for FY 2018/19.
Vehicle Inventory Procedures March 12, 2014	12	Maintenance Department should consider including a vehicle bumper sticker on all Agency vehicles that display the Agency's logo and a hotline or contact phone number where issues may be reported by any member of the public.	IA to verify during follow-up evaluation. IA to verify during the Fleet Management & Voyager Fuel Audit planned for FY 2018/19.

**Outstanding Audit Recommendations  
as of June 1, 2018**

<b>Audit Performed</b>	<b>Rec #</b>	<b>Internal Audit Recommendation</b>	<b>Target for Implementation &amp; Comment</b>
Vehicle Inventory Procedures March 12, 2014	13	Periodic reconciliations for fleet (vehicles and equipment) should be performed by the Maintenance Department between any report(s) or system databases that are utilized by management to ensure accuracy when reporting fleet information and making decisions regarding fleet.	IA to verify during follow-up evaluation. IA to verify during the Fleet Management & Voyager Fuel Audit planned for FY 2018/19.
Regional Contract Review - Final Report December 16, 2015	Overall	Consider legal, political and financial impacts of governing by ordinance vs. contract	Recommendation to be addressed as part of the Renegotiation of the Regional Contract. IA will follow-up at that time.
Regional Contract Review - Final Report December 16, 2015	Overall	Review and revise EDU formula	Recommendation to be addressed as part of the Renegotiation of the Regional Contract. IA will follow-up at that time.
Regional Contract Review - Final Report December 16, 2015	Overall	Resolve identified differences of over/under collected amounts of Connection fees and identified differences of over/under collected amounts of unreported monthly sewerage fees	Recommendation to be addressed as part of the Renegotiation of the Regional Contract. IA will follow-up at that time.
Regional Contract Review - Final Report December 16, 2015	1	<b>Connection Fees:</b> Centralize the permitting process OR IEUA provides final sign-off and plumbing permit approval for all nonresidential entities.	Recommendation to be addressed as part of the Renegotiation of the Regional Contract. IA will follow-up at that time.
Regional Contract Review - Final Report December 16, 2015	2	<b>Connection Fees:</b> IEUA should establish monitoring program to inspect random facilities and those were there is a suspected discrepancy	Recommendation to be addressed as part of the Renegotiation of the Regional Contract. IA will follow-up at that time.
Regional Contract Review - Final Report December 16, 2015	3	<b>Connection Fees:</b> Contract should include IEUA inspection, verification and recourse rights for under-collected/under-reported Connection Fees	Recommendation to be addressed as part of the Renegotiation of the Regional Contract. IA will follow-up at that time.
Regional Contract Review - Final Report December 16, 2015	4	<b>Connection Fees:</b> Contract should include IEUA right to audit, full cooperation and access to records and documents upon request	Recommendation to be addressed as part of the Renegotiation of the Regional Contract. IA will follow-up at that time.
Regional Contract Review - Final Report December 16, 2015	5	<b>Connection Fees:</b> Two tier connection fees process that distinguishes between common features and unique features (i.e., a toilet always costs the same regardless of type of business)	Recommendation to be addressed as part of the Renegotiation of the Regional Contract. IA will follow-up at that time.
Regional Contract Review - Final Report December 16, 2015	6	<b>Connection Fees:</b> Update Exhibit J regularly to include new/evolving business types	Recommendation to be addressed as part of the Renegotiation of the Regional Contract. IA will follow-up at that time.
Regional Contract Review - Final Report December 16, 2015	7	<b>Connection Fees:</b> Update & clarify Fixture Unit descriptions of Exhibit J regularly	Recommendation to be addressed as part of the Renegotiation of the Regional Contract. IA will follow-up at that time.
Regional Contract Review - Final Report December 16, 2015	8	<b>Connection Fees:</b> Standardize calculation worksheet to ensure it is consistent with Exhibit J and consistent region-wide	Recommendation to be addressed as part of the Renegotiation of the Regional Contract. IA will follow-up at that time.
Regional Contract Review - Final Report December 16, 2015	9	<b>Connection Fees:</b> IEUA should require copies of calculation worksheets for all nonresidential customers along with the monthly Building Activity Reports.	Recommendation to be addressed as part of the Renegotiation of the Regional Contract. IA will follow-up at that time.
Regional Contract Review - Final Report December 16, 2015	10	<b>Connection Fees:</b> Regular workshops, meetings, plant tours, etc. with staff in Building, Plan Check and Utility Billing/Financial Departments	Recommendation to be addressed as part of the Renegotiation of the Regional Contract. IA will follow-up at that time.
Regional Contract Review - Final Report December 16, 2015	11	<b>Connection Fees:</b> IEUA develop fixture count expertise and provide regular/ongoing training for Contracting Agencies - Building Departments	Recommendation to be addressed as part of the Renegotiation of the Regional Contract. IA will follow-up at that time.
Regional Contract Review - Final Report December 16, 2015	12	<b>Connection Fees:</b> Contracting Agency internal review of Connection Fees as part of preparing the Building Activity Report	Recommendation to be addressed as part of the Renegotiation of the Regional Contract. IA will follow-up at that time.



**Outstanding Audit Recommendations  
as of June 1, 2018**

<b>Audit Performed</b>	<b>Rec #</b>	<b>Internal Audit Recommendation</b>	<b>Target for Implementation &amp; Comment</b>
Regional Contract Review - Final Report December 16, 2015	1	<b>Monthly Sewerage:</b> Collect monthly sewerage fees for the entire region through County's property tax roll	Recommendation to be addressed as part of the Renegotiation of the Regional Contract. IA will follow-up at that time.
Regional Contract Review - Final Report December 16, 2015	2	<b>Monthly Sewerage:</b> Evaluate methodology used for billing monthly sewerage fees (residential and commercial) and consider alternatives by water consumption, EDUs purchased or other methodology	Recommendation to be addressed as part of the Renegotiation of the Regional Contract. IA will follow-up at that time.
Regional Contract Review - Final Report December 16, 2015	3	<b>Monthly Sewerage:</b> Standardize monthly report to provide IEUA automated, itemized listings of non-residential monthly sewerage charges	Recommendation to be addressed as part of the Renegotiation of the Regional Contract. IA will follow-up at that time.
Regional Contract Review - Final Report December 16, 2015	4	<b>Monthly Sewerage:</b> Establish contract for monthly sewerage payments from Contracting Agencies rather than IEUA issuing monthly invoices	Recommendation to be addressed as part of the Renegotiation of the Regional Contract. IA will follow-up at that time.
Regional Contract Review - Final Report December 16, 2015	5	<b>Monthly Sewerage:</b> IEUA exercise inspection, verification and recourse rights for under-collected/under-reported monthly sewerage fees	Recommendation to be addressed as part of the Renegotiation of the Regional Contract. IA will follow-up at that time.
Regional Contract Review - Final Report December 16, 2015	6	<b>Monthly Sewerage:</b> Contract should include IEUA right to audit, full cooperation and access to records and documents upon request	Recommendation to be addressed as part of the Renegotiation of the Regional Contract. IA will follow-up at that time.
Regional Contract Review - Final Report December 16, 2015	7	<b>Monthly Sewerage:</b> Update 1997 billing memorandum regularly for new business types to provide detailed definitions and descriptions	Recommendation to be addressed as part of the Renegotiation of the Regional Contract. IA will follow-up at that time.
Regional Contract Review - Final Report December 16, 2015	8	<b>Monthly Sewerage:</b> Create a correlation between monthly sewerage fees and Connection Fees	Recommendation to be addressed as part of the Renegotiation of the Regional Contract. IA will follow-up at that time.
Regional Contract Review - Final Report December 16, 2015	9	<b>Monthly Sewerage:</b> Add billing guidance for locations with multiple types of businesses serviced by a master meter	Recommendation to be addressed as part of the Renegotiation of the Regional Contract. IA will follow-up at that time.
Regional Contract Review - Final Report December 16, 2015	10	<b>Monthly Sewerage:</b> Bill commercial businesses at least a minimum of one EDU per month	Recommendation to be addressed as part of the Renegotiation of the Regional Contract. IA will follow-up at that time.
Regional Contract Review - Final Report December 16, 2015	1	<b>Public Service Facility:</b> Consider legal, political and financial impacts of excluding Public Service Facilities from Connection Fees and monthly sewerage charges.	Recommendation to be addressed as part of the Renegotiation of the Regional Contract. IA will follow-up at that time.
Regional Contract Review - Final Report December 16, 2015	2	<b>Public Service Facility:</b> Consider legal, political and financial impacts of IEUA assuming responsibility for Connection Fees calculations, collections and CCRA accounts	Recommendation to be addressed as part of the Renegotiation of the Regional Contract. IA will follow-up at that time.
Regional Contract Review - Final Report December 16, 2015	3	<b>Public Service Facility:</b> Contract should include IEUA inspection, verification and recourse rights for under-collected/under-reported Connection Fees	Recommendation to be addressed as part of the Renegotiation of the Regional Contract. IA will follow-up at that time.
Regional Contract Review - Final Report December 16, 2015	4	<b>Public Service Facility:</b> Contract should include IEUA right to audit, full cooperation and access to records and documents upon request	Recommendation to be addressed as part of the Renegotiation of the Regional Contract. IA will follow-up at that time.
Regional Contract Review - Final Report December 16, 2015	5	<b>Public Service Facility:</b> Address difference between "Publicly Owned" vs. "Publicly Used"	Recommendation to be addressed as part of the Renegotiation of the Regional Contract. IA will follow-up at that time.
Regional Contract Review - Final Report December 16, 2015	6	<b>Public Service Facility:</b> Consider cross-departmental approach to the development review process as a regional model	Recommendation to be addressed as part of the Renegotiation of the Regional Contract. IA will follow-up at that time.

**Outstanding Audit Recommendations  
as of June 1, 2018**

Audit Performed	Rec #	Internal Audit Recommendation	Target for Implementation & Comment
IT Equipment August 21, 2012 (February 29, 2016 Follow-Up)	3	ISS implement appropriate tracking systems that include relevant information on IT purchases (i.e., serial numbers, etc.), are updated timely and are complete and accurate. ISS should establish procedures to enter, modify, and delete information in the tracking systems that address areas such as timeliness for updates, responsibilities for maintaining the systems, and the types of items included in the tracking system.	Additional time is required for full implementation. IA will re-verify during follow-up evaluation.
IT Equipment November 14, 2012 (February 29, 2016 Follow-Up)	1	ISS should ensure that any services procured with P-cards are expressly authorized by the Manager of CAP, CFO, AGM, or GM prior to committing to services.	Additional time is required for full implementation. IA will re-verify during follow-up evaluation.
Master Trade Contracts September 1, 2016	1	IA recommends that even in instances where a difference department has primary responsibility for the proposal evaluation process, CFS work with the end-user department to ensure the information is communicated to the Board of Directors accurately reflects the signed contract terms. Additionally, CFS should determine the need to request from the evaluating department the evaluation documentation, or a staff memo summarizing the selection process and have it available/filed.	Both CAP and CM stated they would begin steps to implement. IA to verify during a future follow-up evaluation.
Master Trade Contracts September 1, 2016	2	IA recommends that CFS work with BIS to research built-in tools within SAP to implement automated controls necessary to ensure that spending on contracts and groups of contracts do not exceed Board approved limits and determine the cost benefit of implementing those monitoring tools.	Both CFS and BIS stated they would work together to evaluate implementation. IA to verify during a future follow-up evaluation.
Master Trade Contracts September 1, 2016	3	IA supports and encourages the initiative to fully implement the Agency's Enterprise Content Management System (ECMS) - Laserfiche. CFS should continue to work closely with BIS to implement the Agency's ECMS - Laserfiche to assist with the organization and centralizing of contract documents, facilitate research and access to information, streamline recordkeeping and eliminate multiple copies of the same documents.	Both CFS and BIS stated they would work together to evaluate implementation. IA to verify during a future follow-up evaluation.
Master Trade Contracts September 1, 2016	4	IA recommends that CFS enhance communications about the Agency's ethical procurement responsibilities and expectations to all Agency employees as well as Agency vendors and contractors to actively foster an ethical procurement environment. CFS should consider creating an ethics outreach plan and developing an approach with Agency Executive Management and Human Resources about reinforcing the "tone at the top" to actively remind employees and contractors/ vendors about the Agency's ethical expectations including once again providing annual notifications of ethical guidelines to vendors and staff. Agency management may also want to incorporate references to the Agency's Ethics Hotline and Ethics Point "FAQs" in that communication.	CFS stated they would research the best approach and begin steps for implementation. IA to verify during a future follow-up evaluation.
Master Trade Contracts September 1, 2016	5	IA recommends CFS staff attend annual training related to ethics in their respective procurement activities.	CFS reported that all staff attended ethics training related to procurement activities shortly after the audit and will plan to attend training annually. IA to verify during a future follow-up evaluation.
Master Trade Contracts September 1, 2016	6	In addition to the cross-training that is already occurring, IA suggests that CFS consider the potential benefits of job rotation within the CFS department as a training and internal control technique with multiple benefits.	CFS stated that they would evaluate and determine the need for rotation since currently there have been various retirements and changes. IA to verify during a future follow-up evaluation.
IT Equipment August 21, 2012 (December 5, 2016 Follow-Up)	15	FMD should implement adequate controls to ensure that the stated capitalization policy for IT equipment is consistently followed to ensure that all items meeting the capitalization threshold are capitalized and to ensure that items not meeting the capitalization threshold are not capitalized.	Additional time is required for full implementation. IA will re-verify during follow-up evaluation.
IT Equipment August 21, 2012 (December 5, 2016 Follow-Up)	17	FMD should implement adequate controls to ensure that asset records established in SAP are accurate and complete, such as ensuring that all data fields in SAP are completed and ensuring that only those items allowed by the capitalization policy are capitalized.	Additional time is required for full implementation. IA will re-verify during follow-up evaluation.

**Outstanding Audit Recommendations  
as of June 1, 2018**

<b>Audit Performed</b>	<b>Rec #</b>	<b>Internal Audit Recommendation</b>	<b>Target for Implementation &amp; Comment</b>
IT Equipment August 21, 2012 (December 5, 2016 Follow-Up)	19	FMD should return incorrect or incomplete Project Closure Authorization Forms to the Project Manager for proper completion. FMD should also provide training to Project Managers on the importance of proper completion and instructions on completing the form.	Additional time is required for full implementation. IA will re-verify during follow-up evaluation.
IT Equipment August 21, 2012 (December 5, 2016 Follow-Up)	22	FMD should document Standard Operating Procedures to address the functions of setting up capital assets such as procedures for completing the SAP asset information, compliance with stated capitalization thresholds, and processing of Project Closure Authorization Forms.	Additional time is required for full implementation. IA will re-verify during follow-up evaluation.
Follow-Up Review - Information Technology Equipment Audit December 5, 2016	1	FAD should take the lead to ensure a physical inventory and inspection of the Agency's IT fixed assets is completed on a periodic basis to verify existence, location, and working condition of assets.	FAD agrees with IA and the External Auditors recommendation and would evaluate implementation. IA to verify during a future follow-up evaluation.
Follow-Up Review - Information Technology Equipment Audit December 5, 2016	2	FAD should evaluate the Agency's current capitalization thresholds for IT equipment and determine if these need to be increased to ensure current practice meets policy and are consistent with current trends.	IA to verify during a future follow-up evaluation.
Audit of Master Service Contracts December 5, 2016	1	Emergency projects are classified according to three levels. Level 3 emergencies are the least urgent and the work can be scheduled on a time-table set by the Agency. E&CM and CFS should consider establishing clear criteria that differentiate between a "Level 3" emergency procurement and routine minor construction and repairs procurements and/or determine and document whether the "Level 3" designation is necessary.	CM stated they would begin implementation. IA to verify during a future follow-up evaluation.
Audit of Master Service Contracts December 5, 2016	2	To ensure that the Agency communicates sufficient information about emergency procurement activity, E&CM and CFS should consider developing and providing a comprehensive monthly update of emergency procurements for the Board. The information to consider could include the current month emergency procurement activity and a year-to-date total. It may also be useful to compare current year-to-date emergency procurement activity in dollars and numbers of task orders to prior years and to the total budget. Trends can be analyzed and comparisons can be made to ensure that the Agency's infrastructure is well maintained and emergency procurements are kept to a minimum.	CM stated they would begin implementation. IA to verify during a future follow-up evaluation.
Audit of Master Service Contracts December 5, 2016	3	To ensure that contracts for Repairs and Minor Construction operate as intended, E&CM and CFS should consider developing specific criteria and/or additional guidance and definitions about what constitutes repairs or minor construction as compared to projects for prequalified contractors for contracts less than \$2 million. An additional control would be to consider establishing dollar maximums within the contract or the group of contractors to provide assurance that the contracts are being utilized as intended and spending is constrained.	CM stated they would begin implementation. IA to verify during a future follow-up evaluation.
2017 Petty Cash Audit & Follow-up Review June 5, 2017	1	FAD should reinforce the guidelines of the petty cash fund, including custodian responsibilities and internal controls over petty cash accountability and record-keeping.	IA to verify during a future follow-up evaluation.
2017 Petty Cash Audit & Follow-up Review June 5, 2017	2	FAD should consider updating the "Monthly Mileage Log and Reimbursement Request" to add a designated signature area for when the petty cash funds are utilized as a reimbursement for mileage.	IA to verify during a future follow-up evaluation.
2017 Petty Cash Audit & Follow-up Review June 5, 2017	3	FAD should take the lead to communicate changes to the Petty Cash policy and forms immediately after implementation, to ensure employees understand the policy and utilize the updated forms.	IA to verify during a future follow-up evaluation.
2017 Petty Cash Audit & Follow-up Review June 5, 2017	4	Petty cash custodians should only accept the appropriate forms and inform the requestor of the most appropriate procurement methods if the requestor's petty cash request does not conform to Agency policies.	IA to verify during a future follow-up evaluation.
2017 Petty Cash Audit & Follow-up Review June 5, 2017	5	FAD should take the lead to review and determine if the Petty Cash limit of \$50 is adequate or if it should be updated (increased or decreased), or determine if there is a threshold that will require Executive Manager/General Manager authorization (i.e., anything over \$50).	IA to verify during a future follow-up evaluation.

**Outstanding Audit Recommendations  
as of June 1, 2018**

Audit Performed	Rec #	Internal Audit Recommendation	Target for Implementation & Comment
2017 Petty Cash Audit & Follow-up Review June 5, 2017	6	Human Resources and FAD should work together to formally document or communicate the policy on the purchase and gifting of Gift Cards to ensure compliance with Federal requirements. The policy should be communicated to all Agency employees and be reminded periodically.	IA to verify during a future follow-up evaluation.
2017 Petty Cash Audit & Follow-up Review June 5, 2017	7	Human Resources and FAD should continue to work with the appropriate personnel in making revisions and updates to the following Agency policies that relate to cash reimbursements and controls: A-75 Employee Recognition Rewards Program, A-68 Meal Reimbursement and Unscheduled Overtime, and A-34 Vehicle Maintenance.	IA to verify during a future follow-up evaluation.
Water Use Efficiency Programs Audit June 5, 2017	1	<p><b><u>Turf Removal Programs</u></b> While many retail customers received rebates, the range of customers could have been broader. Outreach to customers about WUE measures is a primary responsibility of member agencies, but IEUA may want to consider establishing a forum to discuss the goals and results of WUE Programs. The purpose of the discussions would be to evaluate and develop approaches to help (or consider joint efforts to) publicize, target and follow-up with entities in IEUA's service area when WUE opportunities become available, and tailor outreach towards specific and/or different entities in the region that match those characteristics and/or potentially maintain a database of the region's entities by unique characteristics (schools, churches, large lots, etc.).</p>	IA to verify during a future follow-up evaluation.
Water Use Efficiency Programs Audit June 5, 2017	2	<p>Finance and Accounting (FAD) staff have already taken several practical measures to review and reduce the amounts included in Work in Process (WIP) to ensure only capital projects are capitalized. FAD may want to consider prioritizing additional efforts to ensure that prior period adjustments are eliminated, such as:</p> <ul style="list-style-type: none"> <li>• Developing a cross-departmental team including representatives from Engineering, Operations and FAD to approve items in advance for capitalization in WIP.</li> <li>• Establishing an automated log, register or report to be reviewed regularly that tracks project codes, amounts and purpose for FAD review to ensure accurate accounting of projects.</li> <li>• Engaging an outside consultant, accounting firm or additional temporary resources to make a thorough examination of WIP to: <ul style="list-style-type: none"> <li>o Ensure only capital projects are included</li> <li>o Recommend policies and procedures for establishing projects to ensure only capital projects are capitalized</li> <li>o Develop written examples and guidelines of what constitutes a capital project and what constitutes an O &amp; M project.</li> </ul> </li> </ul>	IA to verify during a future follow-up evaluation.
Water Use Efficiency Programs Audit June 5, 2017	3	The Agency may want to consider utilizing the Annual Water Use Efficiency Programs Report as an evaluative tool to compare actual results to those projected in the Regional WUE (five year) Business Plan. The Annual WUE Programs Report could discuss reasons for variances from that plan, document changes being made to the plan and describe progress on any other initiatives that expect to yield water savings in future years.	IA to verify during a future follow-up evaluation.
Water Use Efficiency Programs Audit June 5, 2017	4	IEUA may want to consider providing additional documentation, descriptions or informative information in the body of the Annual WUE Programs Report to describe the differing sources of information used to provide member agency information vs. statewide information or alternatively (and/or in addition), presenting both the summary and member agency information on the same basis.	IA to verify during a future follow-up evaluation.
Water Use Efficiency Programs Audit June 5, 2017	5	IEUA may want to consider expanding the "Highlights" commentary and providing subheadings and organizing the section to match the order of the Summary Charts to align the descriptions to the charts that follow.	IA to verify during a future follow-up evaluation.
Water Use Efficiency Programs Audit June 5, 2017	6	WR staff may want to consider developing a desk procedure or other document to guide the preparation of the Annual WUE Programs Report for internal staff to follow.	IA to verify during a future follow-up evaluation.

**Outstanding Audit Recommendations  
as of June 1, 2018**

Audit Performed	Rec #	Internal Audit Recommendation	Target for Implementation & Comment
Contracts and Procurement Follow-Up August 30, 2017	1	CAP should review the SAP assigned roles and transaction codes and ensure that good internal controls are followed and no conflicts exist. IA recommends CAP consider eliminating or reducing the ability to Create PRs and Receive Goods, for CAP buyers in order to strengthen internal controls and further reduce risks.	IA to verify during a future follow-up evaluation.
Payroll Operations Audit August 30, 2017	1	<p>IA recommends that HR consider evaluating alternatives to the manual files used to maintain employee information, for example:</p> <p>--Working with Business Information Systems (BIS) to develop or acquire a self-service portal for employees to make updates and changes to certain information that currently requires a hard-copy document, such as withholding information, beneficiary information, address changes, or for adding or deleting a family member from their policies, and contribution amounts to various accounts.</p> <p>--The Agency is in the process of implementing ECMS. HR may want to consider whether the new ECMS would provide an automated approach to maintaining and updating employee information or whether another automated approach would be possible.</p>	IA to verify during a future follow-up evaluation.
Payroll Operations Audit August 30, 2017	2	As part of the Agency's disaster preparedness effort, IA recommends that HR consider maintaining manual/hard-copy files in fire proof/water proof cabinets.	IA to verify during a future follow-up evaluation.
Payroll Operations Audit August 30, 2017	3	FAD should update Standard Operating Procedure No. CR PR-08 to reflect the new payroll bank reconciliation process, communicate the procedure to all department employees and ensure the SOP is in the format outlined in accordance with Agency Policy A-51.	IA to verify during a future follow-up evaluation.
Payroll Operations Audit August 30, 2017	4	FAD should ensure bank reconciliations are prepared monthly and supervisory review occurs in a timely manner to ensure all outstanding and reconciling items are researched, investigated and resolved.	IA to verify during a future follow-up evaluation.
Payroll Operations Audit August 30, 2017	5	As part of moving into a paperless, automated environment, HR should take the lead to promote and encourage having all payments made more efficiently through direct deposits instead of manually writing paper checks.	IA to verify during a future follow-up evaluation.
Payroll Operations Audit August 30, 2017	6	Both HR and FAD should encourage employees with payroll related functions to attend ethics/fraud awareness training specific to their job responsibilities to stay informed about new developments, risks and safeguards (for example, safeguards for potential payroll fraud, safeguarding personnel files and employee confidential information, etc.)	IA to verify during a future follow-up evaluation.
Procurement Card Audit March 1, 2018	1	Agency Policy A-89, Procurement Card Program should be updated to reflect desired internal controls and provide clearer guidelines about the proper use of P-Cards. The policy should provide greater clarity about the purchases that are allowed or not allowed (i.e.: food, restaurant, meals, training registrations, membership payments, etc.). Additionally, the policy should provide instructions for users to follow when there are situations that are unusual and note the additional written justification that is necessary. Lastly, A-89, should direct users to seek CAP's guidance when there is a unique need, keeping the Agency's need in mind and ensuring adequate controls are maintained.	IA to verify during a future follow-up evaluation.

**Outstanding Audit Recommendations  
as of June 1, 2018**

<b>Audit Performed</b>	<b>Rec #</b>	<b>Internal Audit Recommendation</b>	<b>Target for Implementation &amp; Comment</b>
Procurement Card Audit March 1, 2018	2	The P-Card Administrator role should be clarified in Policy A-89 and expanded to include greater oversight responsibilities to ensure compliance. The role should include duties to fully utilize the various on-line tools available through US Bank for reports, alerts, training and other controls for reviewing and monitoring activity. Additionally, the P-Card Administrator should provide assistance and give advice on the best procurement method and periodically review statements and identify purchases and transactions that are not aligned with policy and request additional information.	IA to verify during a future follow-up evaluation.
Procurement Card Audit March 1, 2018	3	CAP should update Department-specific SOP CAP-0012 to incorporate any changes in Agency Policy A-89 Procurement card Program, including any updates to the P-Card Administrator's role and responsibilities. Additionally, CAP should ensure the SOP CAP-0012 complies with the guidelines and format set forth in Agency Policy A-51.	IA to verify during a future follow-up evaluation.
Procurement Card Audit March 1, 2018	4	CAP and FAD should work together to utilize any in-house tools and/or online tools available through US Bank to make the review, approval, reconciliation and upload of P-Card purchases more efficient with adequate oversight.	IA to verify during a future follow-up evaluation.
Procurement Card Audit March 1, 2018	5	CAP should take the lead to evaluate the benefits of consolidating credit card programs to utilize P-Cards for all purchases (other than fuel) and to eliminate other vendor-specific credit card or credit programs. At a minimum, the Agency should ensure all Credit Card programs are governed by an approved Agency Policy.	IA to verify during a future follow-up evaluation.
Procurement Card Audit March 1, 2018	6	CAP should maximize the use of the US Bank online tools for downloading/reviewing reports, creating blocks and alert notices for unusual activity, streamlining the approval, reconciliation and upload/posting process and training end users and approvers.	IA to verify during a future follow-up evaluation.
Procurement Card Audit March 1, 2018	7	FAD should evaluate ways for the Agency to increase and/or maximize any rebates received.	IA to verify during a future follow-up evaluation.
Wire Transfers Audit March 1, 2018	1	As the Agency moves towards automated recordkeeping using Laserfiche and possibly other tools, the Agency should consider utilizing electronic signature technology and implementing digital approval documentation.	IA to verify during a future follow-up evaluation.
Wire Transfers Audit March 1, 2018	2	FAD should finalize the new SOPs in the format provided in Agency Policy A-51.	IA to verify during a future follow-up evaluation.
Wire Transfers Audit March 1, 2018	3	The Agency should evaluate the cost/benefit of obtaining additional coverage and consider a per occurrence limit greater than \$2 million to ensure the Agency has adequate insurance coverage to address the Agency's risk tolerance. In addition, to address potential uncovered losses, the Agency should consider reducing the threshold for a bank call-back to any amounts that exceed the Agency's chosen limit for Fraud Transfer Insurance.	IA to verify during a future follow-up evaluation.
Wire Transfers Audit March 1, 2018	4	FAD should develop standards for documentation of transactions in SAP and a process of reviewing transactions once posted to ensure that the information in the accounting records is consistent and complete.	IA to verify during a future follow-up evaluation.
Wire Transfers Audit March 1, 2018	5	FAD should document or revise a separate SOP that describes the steps in the wire transfer process for investment transactions to provide guidelines for the processing of investment transactions.	IA to verify during a future follow-up evaluation.

**INFORMATION  
ITEM**

**6P**

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**Date:** June 20, 2018

**To:** The Honorable Board of Directors

*Teresa Velarde*  
**From:** Teresa Velarde, Manager of Internal Audit

**Committee:** Audit

06/11/18

**Manager Contact:** Teresa Velarde, Manager of Internal Audit

**Subject:** Internal Audit Department Quarterly Status Report

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**Executive Summary:**

The Audit Committee Charter requires that a written status report be prepared and submitted each quarter. The Internal Audit (IA) Department Quarterly Status Report includes a summary of significant internal and external audit activities for the reporting period. During this quarter, IA staff worked primarily on the Garden In Every School® program review and participated in over 20 school site visits to meet with school administrators and evaluate the gardens installed as part of the conservation fund. For this review, IA also met with various Agency staff and others. The report attached provides the results of our review.

The report attached highlights other on-going audit projects.

IA continues to assist with any requests for audit work, review of Agency policies and procedures and recommendations for internal controls as well as work on routine audit projects as specified in the Annual Audit Plan. The attached report provides details and information.

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**Staff's Recommendation:**

This is an information item.

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**Budget Impact** *Budgeted (Y/N):* N *Amendment (Y/N):* N *Amount for Requested Approval:*

*Account/Project Name:*

N/A

*Fiscal Impact (explain if not budgeted):*

N/A



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**Prior Board Action:**

On March 15, 2017, the Board of Directors reconfirmed the approved Audit Committee and the IA Department Charter

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**Environmental Determination:**

Not Applicable

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**Business Goal:**

The Status Report is consistent with the Agency's Business Goals of Fiscal Responsibility, Workplace Environment and Business Practices by describing IA's progress in providing independent evaluations and audit services of Agency financial and operational activities and making recommendations for improvement and to assist the Agency in achieving organizational goals.

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**Attachments:**

Attachment 1 - Internal Audit Department Status Report for June 2018

Attachment 2 - The Institute of Internal Auditors Position Paper: The Three Lines of Defense In Effective Risk Management and Control, January 2013

## Internal Audit Department Status Report for June 2018

### Future Audit Committee Meetings:

- Monday, September 10, 2018 – Regularly Scheduled Audit Committee Meeting
- Monday, December 10, 2018 – Regularly Scheduled Audit Committee Meeting
- Monday, March 11, 2019 – Regularly Scheduled Audit Committee Meeting

### Projects Completed This Period

**Project:** Garden in Every School® Program

**Status:** Completed

**Scope:**

The objectives of the evaluation were to determine whether the gardens are being used as intended, evaluate whether students are receiving value from the gardens and identify opportunities to improve the program.

Overall, IA found that most gardens originally installed are operating and to some degree used as intended. Staff invests resources and time to operate the program in a professional manner and encourage water conservation. The report is provided under a separate cover with details of the observations and recommendations. The complete report also provides detailed information and pictures showing the status and use of each of the gardens installed. IA provides 7 recommendations for Agency staff to consider for improving the effectiveness of the program. The recommendation most emphasized, is to consider reevaluating and documenting the GIES's program goals and objectives, align them with the Agency's vision, mission and goals, and determine if the program is the best use of Agency resources, and determine a method for measuring how the program is achieving those goals. The complete report is under separate cover.

**Project:** FY 2018/19 Annual Audit Plan

**Status:** Completed

**Scope:**

According to the Board-approved Internal Audit Department Charter, IA must annually submit a documented plan of proposed audit projects. The Annual Audit Plan is prepared in accordance with recommendations and best practices provided by the Institute of Internal Auditors. The Plan allows the Manager of IA to carry out the responsibilities of the Internal Audit function by prioritizing projects and allocating necessary resources. The audit projects proposed are selected and scheduled based on a risk assessment to target the areas of highest risk in terms of impact and likelihood. The audits, and resulting recommendations are intended to assist Agency management and the Board in achieving organizational goals and objectives.

For the FY 2018/19 Annual Audit Plan, IA proposes the following audit projects: Reserve Obligations and Interfund Transfers Audit, Fleet Management Audit and Fuel Card Audit along with follow-up evaluations to determine the status of outstanding recommendations. These projects are proposed for completion, along with on-going and required projects. The Annual Audit Plan is considered a flexible plan and projects can change or other projects with higher risks can take greater priority. Any changes or amendments to the Plan are communicated to the Audit Committee through the status report or other amendment document.

**Project:** Report on Outstanding Recommendations as of June 2018

**Status:** Completed - This is a status report – Recommendations that are outstanding; and where on-going monitoring/evaluation by IA is required or anticipated

**Scope:**

The Internal Audit Department Charter requires the Internal Audit Department (IA) to follow-up on the status of outstanding recommendations to determine if corrective actions have been implemented. The follow-up reviews are scheduled through the Board-approved Annual Audit Plan. Executive Management supports the implementation efforts of the recommendations previously provided and/or the development of alternative controls to address the original risks identified.

## Internal Audit Department Status Report for June 2018

The table below provides the number of recommendations outstanding as of this Status Report. Additional details about each of the outstanding recommendations is submitted with the Annual Audit Plan in June each year. This summary is to provide an update on the status of follow up audits and the related outstanding recommendations. This summary includes new recommendations provided during this calendar year as well as considers any recommendations cleared during the year. Follow up reviews are part of the on-going monitoring activities IA performs according to the requirements of the IAD Charter. Follow up review is typically scheduled between 12 – 18 months from the date of the original audit, to allow time for full implementation. If a recommendation is deemed not to be implemented, the recommendation remains outstanding or alternate controls to mitigate any risks are evaluated to determine if the risk has been addressed and the recommendation is no longer applicable. Follow up review is also scheduled if requested sooner by the Audit Committee or Executive Management. The audited business units are encouraged to submit additional information for IA review if they determine the recommendation has been satisfied.

Area Audited	Report Issued Date	No. of Recs. Remaining to be Verified by IA	Planned Follow-Up
Payroll Audit	August 24, 2010	1	Annually
Intercompany Receivables - Watermaster	August 30, 2011	1	FY2019
SCE Utility Payments	August 28, 2013	1	FY2019
Accounts Payable Follow-Up	August 29, 2013	9	FY2019
Automobile Insurance Requirements	March 3, 2014	2	FY2019
Vehicle Security Procedures	March 3, 2014	3	FY2019
Vehicle Inventory Procedures	March 12, 2014	13	FY2019
Follow-Up – IT Equipment Audit – ISS	February 29, 2016	2	FY2020
Master Trade Contracts	September 1, 2016	6	FY2020
Follow-Up – IT Equipment Audit – FAD	December 5, 2016	6	FY2020
Audit of Master Services Contracts	December 5, 2016	3	FY2020
2017 Petty Cash Audit & Follow-Up Review	June 5, 2017	7	FY2020
Water Use Efficiency Programs Audit	June 5, 2017	6	FY2020
Contracts and Procurement Follow-Up Audit	August 30, 2017	1	FY2020
Payroll Operations Audit	August 30, 2017	6	FY2020
Procurement Card Audit	March 1, 2018	7	FY 2021
Wire Transfers Audit	March 1, 2018	5	FY 2021
<b>Total Outstanding Audit Recommendations</b>		<b>79</b>	
<b>Recommendations related to the Regional Contract Review</b> (these recommendations are planned for full implementation with the renegotiation of the Regional Contract IA will not follow up on these items until the renegotiation has been finalized)			
Regional Contract Review – Final Audit Report	December 16, 2015	31	Pending – Renegotiation of the Regional Contract

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### ***Planned/Future/Additional Projects***

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**Project:** Reserves and Interfund Transfers Review

**Status:** Initial Research in Progress

**Scope:** To evaluate whether the Agency's Inter-Fund Transfers and Reserve Obligations and Balances comply with Agency policies and legal and regulatory requirements and whether they are documented appropriately and recorded accurately in the Agency's accounting records and financial statements.

Preliminary work began in March and was halted to perform the fieldwork and prepare the report for the Garden in Every School Program® Review. Fieldwork will resume in mid-June 2018. A final report is anticipated September 2018.

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## Internal Audit Department Status Report for June 2018

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### On-going Projects

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**Project:** FY 2017/18 Financial Audit by External Auditors & IA Quality Control Review of CAFR

**Status:** In Progress

**Scope:**

The CPA firm Lance, Soll and Lunghard, CPAs (LSL) are engaged by IEUA to complete the financial audit of the Agency's operations. IEUA's Fiscal Ordinance requires that a financial audit be completed by a CPA by December 31<sup>st</sup> (6 months after the close of the fiscal year).

LSL have been working closely with Agency staff to prepare for the FY 2018 Financial Audit. They were in-house conducting preliminary fieldwork during the last week of May 2018. They plan to return in September/October to complete fieldwork and finalize the audit. IA stays involved and has on-going communication and coordination with LSL and Accounting staff working directly with the auditors. As required by the IA Charter, IA performs a quality control review of the Comprehensive Annual Financial Report (CAFR) documents and financial documents prior to finalizing the audit and the CAFR for Board approval.

LSL will be attending the Audit Committee Meeting on June 11 and on December 10 to discuss the audit. This is the third year, LSL will perform the required financial audit. The current contract allows for two optional years. The optional years will be discussed during the September Audit Committee Meeting.

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**Project:** Management Requests

**Scope:**

Assist Agency Management with requests for analysis, evaluations and verification of information, assist with the interpretation of policies and procedures, and/or provide review and feedback on new policies or procedures. These services are provided according to the IA Charter, the Annual Audit Plan, and best practices. The management request projects are short-term projects, typically lasting no more than 60 – 75 hours each where IAD determines it has the necessary staff, skills and resources to provide the requested assistance without having to delay/defer scheduled audits and priority projects. The scope of each review is agreed upon between the department manager requesting the evaluation/review/analysis/assistance and the Manager of IA and when deemed appropriate by Executive Management.

During this quarter, IA was working on the following "Management Requests":

- Participated in Meetings related to the Network Security/Vulnerability Assessment, specifically, during this quarter IA worked closely with BIS and IT to determine, evaluate and rank the different types of Agency systems and data to evaluate the potential impact.
  - Continued to assist with policy language interpretation.
  - Participated in IT Security Committee
  - Participated in the Safety Committee and safety inspection of RP-5
  - Participated in the Agency's Earth Day Event.
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**Project:** Special Projects

**Scope:**

Perform special reviews and projects including analyzing transactions, evaluating documents and policies, verifying information, assisting with interpretation of Agency Policies or other required procedures, and providing recommendations and feedback on results of the analysis, engaging necessary assistance if and/or when necessary, reporting to the General Manager and the Audit Committee. These services are provided according to the IA and Audit Committee Charters, the Annual Audit Plan, and/or best practices.

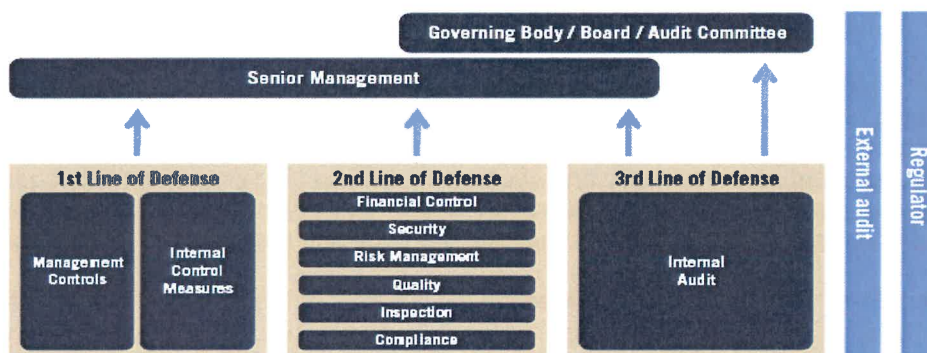
Special Projects can be short or long-term projects, typically requiring more than 80 hours of staff time and requiring setting aside or delaying work on scheduled audit projects. The scope of the review is not generally known and the work must be handled with the highest degree of confidentiality and care, as with all audit projects. Special Projects are usually considered highly confidential.

## Internal Audit Department Status Report for June 2018

### Current Trends in Internal Audit

For reference: The attached Institute of Internal Auditors' position paper is titled: *The Three Lines of Defense in Effective Risk Management and Control* (January 2013). This guidance provides an overview of a model to assist organizations with risk management and control processes. Best practices recommend that all organizations adopt the three lines of defense. Each line of defense should exist in some form and has its own role within the organization's governance framework. The model is described as:

### The Three Lines of Defense Model



Adapted from ECIIA/FERMA *Guidance on the 8th EU Company Law Directive, article 41*

The guidance emphasizes the importance of communication and coordination to ensure that the roles and duties are properly clarified and assigned among all parties involved in risk management and control systems. The roles of each group in the risk management process are:

FIRST LINE OF DEFENSE	SECOND LINE OF DEFENSE	THIRD LINE OF DEFENSE
<b>Risk Owners/Managers</b>	<b>Risk Control and Compliance</b>	<b>Risk Assurance</b>
<ul style="list-style-type: none"> <li>operating management</li> </ul>	<ul style="list-style-type: none"> <li>limited independence</li> <li>reports primarily to management</li> </ul>	<ul style="list-style-type: none"> <li>internal audit</li> <li>greater independence</li> <li>reports to governing body</li> </ul>

Specifically, the model discusses Internal Audit as the 3rd line of defense which provides the governing body, (through its "independence") with assurance on the effectiveness of governance, risk management and control. The level of assurance provided by Internal Audit is not available in the first or second lines of defense because those functions are by their nature primarily related to management. Additional reference information is in the full document attached. The IIA's position paper is provided for your review.

### Internal Audit Department Staffing:

The Internal Audit Department is staffed as follows:

- 1 Full-time Manager of Internal Audit
- 2 Full-time Senior Internal Auditors

### Internal Audit Staff Professional Development Activities:

As required by the *International Standards for the Professional Practice of Internal Auditing*, and the IA Charter, auditors should continue to enhance their knowledge, skills, and other competencies through continuing professional development.

During the past quarter, IA staff has continued to stay abreast of industry developments through review of industry periodicals and participation in free IIA sponsored, on-line webinars. Two auditors attended LSL's financial updates seminar. The IA staff attended the local IIA Inland Empire Chapter All-day Fraud Seminar in March 2018 and Ethics training in May. One senior auditor attended training through CSMFO on Intermediate Governmental Accounting. All three IA members are preparing for the third exam of the 3-part Certified Internal Auditor (CIA) certification examination. The CIA is the only globally-recognized certification for internal audit professionals and is the highest certification that can be attained by an internal auditor.

IIA Position Paper:

# THE THREE LINES OF DEFENSE IN EFFECTIVE RISK MANAGEMENT AND CONTROL

JANUARY 2013

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# IIA POSITION PAPER: THE THREE LINES OF DEFENSE IN EFFECTIVE RISK MANAGEMENT AND CONTROL

## INTRODUCTION

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In twenty-first century businesses, it's not uncommon to find diverse teams of internal auditors, enterprise risk management specialists, compliance officers, internal control specialists, quality inspectors, fraud investigators, and other risk and control professionals working together to help their organizations manage risk. Each of these specialties has a unique perspective and specific skills that can be invaluable to the organizations they serve, but because duties related to risk management and control are increasingly being split across multiple departments and divisions, duties must be coordinated carefully to assure that risk and control processes operate as intended.

It's not enough that the various risk and control functions exist — the challenge is to assign specific roles and to coordinate effectively and efficiently among these groups so that there are neither “gaps” in controls nor unnecessary duplications of coverage. Clear responsibilities must be defined so that each group of risk and control professionals understands the boundaries of their responsibilities and how their positions fit into the organization's overall risk and control structure.

The stakes are high. Without a cohesive, coordinated approach, limited risk and control resources may not be deployed effectively, and significant risks may not be identified or managed appropriately. In the worst cases, communications among the various risk and control groups may devolve to little more than an ongoing debate about whose job it is to accomplish specific tasks.

The problem can exist at any organization, regardless of whether a formal enterprise risk management framework is used. Although risk management frameworks can effectively identify the types of risks that modern businesses must control, these frameworks are largely silent about how specific duties should be assigned and coordinated within the organization.

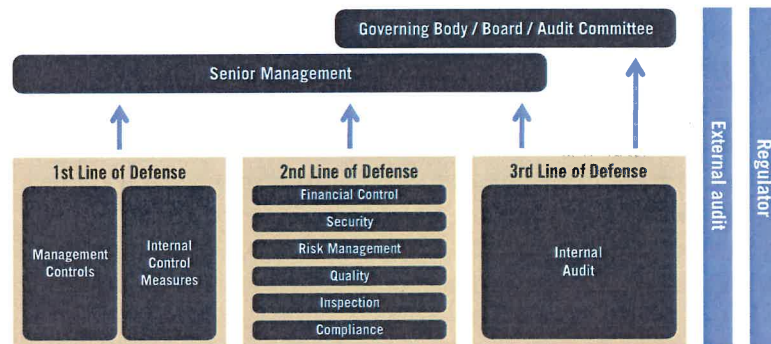


Fortunately, best practices are emerging that can help organizations delegate and coordinate essential risk management duties with a systematic approach. The Three Lines of Defense model provides a simple and effective way to enhance communications on risk management and control by clarifying essential roles and duties. It provides a fresh look at operations, helping to assure the ongoing success of risk management initiatives, and it is appropriate for any organization — regardless of size or complexity. Even in organizations where a formal risk management framework or system does not exist, the Three Lines of Defense model can enhance clarity regarding risks and controls and help improve the effectiveness of risk management systems.

## BEFORE THE THREE LINES: RISK MANAGEMENT OVERSIGHT AND STRATEGY-SETTING

In the Three Lines of Defense model, management control is the first line of defense in risk management, the various risk control and compliance oversight functions established by management are the second line of defense, and independent assurance is the third. Each of these three “lines” plays a distinct role within the organization’s wider governance framework.

### The Three Lines of Defense Model



Adapted from ECIIA/FERMA *Guidance on the 8th EU Company Law Directive, article 41*

Although neither governing bodies nor senior management are considered to be among the three “lines” in this model, no discussion of risk management systems could be complete without first considering the essential roles of both governing bodies (i.e., boards of directors or equivalent bodies) and senior management. Governing bodies and senior management are the primary stakeholders served by the “lines,” and they are the parties best positioned to help ensure that the Three Lines of Defense model is reflected in the organization’s risk management and control processes.

Senior management and governing bodies collectively have responsibility and accountability for setting the organization's objectives, defining strategies to achieve those objectives, and establishing governance structures and processes to best manage the risks in accomplishing those objectives. The Three Lines of Defense model is best implemented with the active support and guidance of the organization's governing body and senior management.

## **THE FIRST LINE OF DEFENSE: OPERATIONAL MANAGEMENT**

The Three Lines of Defense model distinguishes among three groups (or lines) involved in effective risk management:

- Functions that own and manage risks.**
- Functions that oversee risks.**
- Functions that provide independent assurance.**

As the first line of defense, operational managers own and manage risks. They also are responsible for implementing corrective actions to address process and control deficiencies.

Operational management is responsible for maintaining effective internal controls and for executing risk and control procedures on a day-to-day basis. Operational management identifies, assesses, controls, and mitigates risks, guiding the development and implementation of internal policies and procedures and ensuring that activities are consistent with goals and objectives. Through a cascading responsibility structure, mid-level managers design and implement detailed procedures that serve as controls and supervise execution of those procedures by their employees.

Operational management naturally serves as the first line of defense because controls are designed into systems and processes under their guidance of operational management. There should be adequate managerial and supervisory controls in place to ensure compliance and to highlight control breakdown, inadequate processes, and unexpected events.

## THE SECOND LINE OF DEFENSE: RISK MANAGEMENT AND COMPLIANCE FUNCTIONS

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In a perfect world, perhaps only one line of defense would be needed to assure effective risk management. In the real world, however, a single line of defense often can prove inadequate. Management establishes various risk management and compliance functions to help build and/or monitor the first line-of-defense controls. The specific functions will vary by organization and industry, but typical functions in this second line of defense include:

- A risk management function (and/or committee) that facilitates and monitors the implementation of effective risk management practices by operational management and assists risk owners in defining the target risk exposure and reporting adequate risk-related information throughout the organization.
- A compliance function to monitor various specific risks such as noncompliance with applicable laws and regulations. In this capacity, the separate function reports directly to senior management, and in some business sectors, directly to the governing body. Multiple compliance functions often exist in a single organization, with responsibility for specific types of compliance monitoring, such as health and safety, supply chain, environmental, or quality monitoring.
- A controllership function that monitors financial risks and financial reporting issues.

Management establishes these functions to ensure the first line of defense is properly designed, in place, and operating as intended. Each of these functions has some degree of independence from the first line of defense, but they are by nature management functions. As management functions, they may intervene directly in modifying and developing the internal control and risk systems. Therefore, the second line of defense serves a vital purpose but cannot offer truly independent analyses to governing bodies regarding risk management and internal controls.

The responsibilities of these functions vary on their specific nature, but can include:

- **Supporting management policies, defining roles and responsibilities, and setting goals for implementation.**
- **Providing risk management frameworks.**
- **Identifying known and emerging issues.**
- **Identifying shifts in the organization's implicit risk appetite.**
- **Assisting management in developing processes and controls to manage risks and issues.**

- ❑ **Providing guidance and training on risk management processes.**
- ❑ **Facilitating and monitoring implementation of effective risk management practices by operational management.**
- ❑ **Alerting operational management to emerging issues and changing regulatory and risk scenarios.**
- ❑ **Monitoring the adequacy and effectiveness of internal control, accuracy and completeness of reporting, compliance with laws and regulations, and timely remediation of deficiencies.**

### **THE THIRD LINE OF DEFENSE: INTERNAL AUDIT**

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Internal auditors provide the governing body and senior management with comprehensive assurance based on the highest level of independence and objectivity within the organization. This high level of independence is not available in the second line of defense. Internal audit provides assurance on the effectiveness of governance, risk management, and internal controls, including the manner in which the first and second lines of defense achieve risk management and control objectives. The scope of this assurance, which is reported to senior management and to the governing body, usually covers:

- A broad range of objectives, including efficiency and effectiveness of operations; safeguarding of assets; reliability and integrity of reporting processes; and compliance with laws, regulations, policies, procedures, and contracts.
- All elements of the risk management and internal control framework, which includes: internal control environment; all elements of an organization's risk management framework (i.e., risk identification, risk assessment, and response); information and communication; and monitoring.
- The overall entity, divisions, subsidiaries, operating units, and functions — including business processes, such as sales, production, marketing, safety, customer functions, and operations — as well as supporting functions (e.g., revenue and expenditure accounting, human resources, purchasing, payroll, budgeting, infrastructure and asset management, inventory, and information technology).

Establishing a professional internal audit activity should be a governance requirement for all organizations. This is not only important for larger and medium-sized organizations but also may be equally important for smaller entities, as they may face equally complex environments with a less formal, robust organizational structure to ensure the effectiveness of its governance and risk management processes.

Establishing a professional internal audit activity should be a governance requirement for all organizations. This is not only important for larger and medium-sized organizations but also may be equally important for smaller entities, as they may face equally complex environments with a less formal, robust organizational structure to ensure the effectiveness of its governance and risk management processes.

Internal audit actively contributes to effective organizational governance providing certain conditions — fostering its independence and professionalism — are met. Best practice is to establish and maintain an independent, adequately, and competently staffed internal audit function, which includes:

- ❑ **Acting in accordance with recognized international standards for the practice of internal auditing.**
- ❑ **Reporting to a sufficiently high level in the organization to be able to perform its duties independently.**
- ❑ **Having an active and effective reporting line to the governing body.**

## EXTERNAL AUDITORS, REGULATORS, AND OTHER EXTERNAL BODIES

External auditors, regulators, and other external bodies reside outside the organization's structure, but they can have an important role in the organization's overall governance and control structure. This is particularly the case in regulated industries, such as financial services or insurance. Regulators sometimes set requirements intended to strengthen the controls in an organization and on other occasions perform an independent and objective function to assess the whole or some part of the first, second, or third line of defense with regard to those requirements. When coordinated effectively, external auditors, regulators, and other groups outside the organization can be considered as additional lines of defense, providing assurance to the organization's shareholders, including the governing body and senior management. Given the specific scope and objectives of their missions, however, the risk information gathered is generally less extensive than the scope addressed by an organization's internal three lines of defense.

## COORDINATING THE THREE LINES OF DEFENSE

Because every organization is unique and specific situations vary, there is no one "right" way to coordinate the Three Lines of Defense. When assigning specific duties and coordinating among risk management functions, however, it can be helpful to keep in mind the underlying role of each group in the risk management process.

FIRST LINE OF DEFENSE	SECOND LINE OF DEFENSE	THIRD LINE OF DEFENSE
<b>Risk Owners/Managers</b>	<b>Risk Control and Compliance</b>	<b>Risk Assurance</b>
<ul style="list-style-type: none"> <li>• operating management</li> </ul>	<ul style="list-style-type: none"> <li>• limited independence</li> <li>• reports primarily to management</li> </ul>	<ul style="list-style-type: none"> <li>• internal audit</li> <li>• greater independence</li> <li>• reports to governing body</li> </ul>

All three lines should exist in some form at every organization, regardless of size or complexity. Risk management normally is strongest when there are three separate and clearly identified lines of defense. However, in exceptional situations that develop, especially in small organizations, certain lines of defense may be combined. For example, there are instances where internal audit has been requested to establish and/or manage the organization's risk management or compliance activities. In these situations, internal audit should communicate clearly to the governing body and senior management the impact of the combination. If dual responsibilities are assigned to a single person or department, it would be appropriate to consider separating the responsibility for these functions at a later time to establish the three lines.

Regardless of how the Three Lines of Defense model is implemented, senior management and governing bodies should clearly communicate the expectation that information be shared and activities coordinated among each of the groups responsible for managing the organization's risks and controls. Under the *International Standards for the Professional Practice of Internal Auditing*, chief audit executives are specifically required to "share information and coordinate activities with other internal and external providers of assurance and consulting services to ensure proper coverage and minimize duplication of efforts."

#### RECOMMENDED PRACTICES:

- Risk and control processes should be structured in accordance with the Three Lines of Defense model.
- Each line of defense should be supported by appropriate policies and role definitions.
- There should be proper coordination among the separate lines of defense to foster efficiency and effectiveness.
- Risk and control functions operating at the different lines should appropriately share knowledge and information to assist all functions in better accomplishing their roles in an efficient manner.
- Lines of defense should not be combined or coordinated in a manner that compromises their effectiveness.
- In situations where functions at different lines are combined, the governing body should be advised of the structure and its impact. For organizations that have not established an internal audit activity, management and/or the governing body should be required to explain and disclose to their stakeholders that they have considered how adequate assurance on the effectiveness of the organization's governance, risk management, and control structure will be obtained.

All three lines should exist in some form at every organization, regardless of size or complexity. Risk management normally is strongest when there are three separate and clearly identified lines of defense.

## About the Institute

Established in 1941, The Institute of Internal Auditors (IIA) is an international professional association with global headquarters in Altamonte Springs, Fla., USA. The IIA is the internal audit acknowledged leader, chief advocate, and principal educator.

## Position Papers

Position Papers are part of The IIA's International Professional Practices Framework (IPPF), the conceptual framework that organizes authoritative guidance promulgated by The IIA. A trustworthy, global, guidance-setting body, The IIA provides internal audit professionals worldwide with authoritative guidance organized in the IPPF as mandatory guidance and strongly recommended guidance. Position papers are part of the Strongly Recommended category of guidance, compliance is not mandatory, but it is strongly recommended, and the guidance is endorsed by The IIA through formal review and approval processes.

Position Papers assist a wide range of interested parties, including those not in the internal audit

profession, in understanding significant governance, risk, or control issues, and delineating the related roles and responsibilities of internal auditing.

For other authoritative guidance materials provided by The IIA, please visit our website at [www.globaliia.org/standards-guidance](http://www.globaliia.org/standards-guidance).

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**INFORMATION  
ITEM**

**6Q**



**Date:** June 20, 2018

**To:** The Honorable Board of Directors

*Teresa Velarde*  
**From:** Teresa Velarde, Manager of Internal Audit

**Committee:** Audit

06/11/18

**Manager Contact:** Teresa Velarde, Manager of Internal Audit

**Subject:** Garden in Every School® Evaluation Report

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**Executive Summary:**

Internal Audit (IA) completed a review of the Garden in Every School® program to evaluate whether gardens are being used as intended, determine whether students are receiving value from the gardens and identify observations and opportunities to improve the program. IA collaborated with Agency staff, school administrators and others. The report includes seven recommendations to consider:

1. Reevaluate, update and confirm the goals and objectives of the program.
2. Determine how best to coordinate the responsibilities for the program to ensure greater coordination and stronger authority and accountability over the program.
3. Provide an annual written and oral report to the Board assessing the status of the program and how the program is meeting its goals with recommendations and/or new goals for the program.
4. Continue to oversee and monitor the gardens installed by scheduling follow-up site visits, providing schools with requirements and expectations, and ensuring hands-on activities.
5. Consider a communication tool to create a support network to share ideas and resources.
6. Consider providing each garden with a permanent identifying information to post in the garden, such as a sign or plaque about the garden with the Agency's contact information.
7. Consider a post-implementation evaluation of gardens with all parties involved in installation.

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**Staff's Recommendation:**

This is an information item.

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**Budget Impact** *Budgeted* (Y/N): N *Amendment* (Y/N): N *Amount for Requested Approval:*

*Account/Project Name:*

N/A

*Fiscal Impact (explain if not budgeted):*

N/A

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**Prior Board Action:**

On June 21, 2017, the Board approved the IA Annual Audit Plan and then reviewed subsequent Quarterly Status Reports with updates about audit projects.

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**Environmental Determination:**

Not Applicable

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**Business Goal:**

IA evaluation of the Garden in Every School® program is consistent with the Agency's Business Goals of Fiscal Responsibility, Workplace Environment and Business Practices by ensuring that IA's evaluations provide recommendations for improving and safeguarding the Agency's fiscal health, promoting a strong control environment and assisting management in achieving organizational goals.

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**Attachments:**

Attachment 1 - Garden in Every School® Evaluation Report  
Attachment 2 - PowerPoint



*Inland Empire Utilities Agency*

A MUNICIPAL WATER DISTRICT

# *Garden in Every School<sup>®</sup>*

## *Evaluation Report*



Prepared by:  
Internal Audit Department  
May 31, 2018

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## **Executive Summary**

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### **Business Goal**

*The Garden in Every School® program is consistent with the Agency's Business Goals of Environmental Stewardship, Water Reliability, and Business Practices by the installation of water wise gardens at schools (grades K-12) that engage and promote environmental responsibility, water use efficiency and reliability, and further the Agency's Vision to enhance and preserve the quality of life throughout the region by engaging in public outreach through education programs that benefit the community.*

*The Internal Audit Department's (IA) evaluation of the Garden in Every School® program is consistent with the Agency's Business Goals of Fiscal Responsibility, Workplace Environment and Business Practices by ensuring objective, independent evaluations provide recommendations for improving and safeguarding the Agency's fiscal health, promote a strong control environment and assist management in achieving organizational goals.*

### **Authority**

At the request of the Audit Committee Chair and with direction from the General Manager, IA collaborated with External Affairs (EA) and the Planning and Environmental Resources (Planning) Departments to perform an evaluation of the Garden in Every School® (GIES) program. Since its inception in 2004, the program has led to the installation of gardens at 62 schools within IEUA's service area.

### **Scope**

The objectives of the evaluation were to:

- Evaluate if the gardens are being used as intended
- Evaluate whether students are receiving value from the garden
- Identify observations and opportunities to improve the program

### **Audit Procedures Applied**

- Interviews of Agency staff
- Interviews of school administration
- Interviews of Chino Basin Water Conservation District staff
- Physical observations of gardens
- Review of supporting information
- Review of prior evaluation reports for the program

### **Summary of IA Observations**

IA observations include (additional information and details are included in the full report):

- The GIES program began in 2004/05
- It costs between \$12,000 and \$50,000 a year to implement the GIES program (not including staff time and other indirect costs to manage the program)
- 62 gardens have been installed since the inception of the program
- 47 (76%) of the gardens are still in existence, although some of these have been abandoned or serve only as landscape features
- 15 (24%) have been removed for various reasons (construction, closure, other)
- 12 of the 47 gardens still in place, were awarded a \$1,000 “mini-grant” during this fiscal year (2017/18)
  - 5 of the 12, previously received a mini-grant in 2013/14
  - 4 of the 12, installed their original garden last year (2016/17) and were awarded a mini-grant the following year
- 35 (74%) of the 47 gardens still in existence, were physically observed by either IA or EA (those that did not receive a “mini-grant” this fiscal year).
- 6 (17%) of the 35 gardens observed, are not actively used by the school (drought tolerant landscape) and 11 (31%) get “minimal” use for education purposes
- IEUA’s EA and Planning staff spend significant time working to select the gardens, provide training to schools, coordinating the installation of gardens, providing curriculum material and reviewing budget and other information to ensure the program is implemented.

### **Summary of IA Recommendations**

IA provides the following recommendations for staff’s consideration. Additional background and detailed information about each observation and recommendation is provided in the attached report, External Affairs’ responses have also been incorporated throughout the report.

1. Reevaluate, update and document the goals and objectives for the GIES program to ensure that the program is aligned with the Agency’s vision, mission, goals and objectives. The Agency should consider whether the GIES program is the most effective means to meet Agency goals and evaluate whether the program ensures those goals are addressed.
2. Determine how best to coordinate the various responsibilities for the GIES program. Currently two different Agency departments are responsible for different functions to manage the program, one (Planning) manages the contract with Chino.

Basin Water Conservation District and the related fund and budget for the program. The other (EA) manages the program implementation. Additionally, CBWCD acts as the outside contractor and completes the garden installations. The Agency should consider what efficiencies could be achieved, through either consolidating or at minimum, scheduling periodic progress meetings or workshops with all parties to discuss the program goals, achievement of those goals, lessons learned, things that need to be changed, and how best to provide greater authority and accountability to effectively manage the program.

3. Provide an annual written and oral report to the Board of Directors about the GIES program, that includes:
  - The program's goals and objectives and how those align with Agency goals,
  - how the program addressed and met those goals,
  - funding, costs/expenses, and resources,
  - participating school information,
  - school selection process,
  - number of students who potentially benefit and/or participate in the program
  - updated pictures showing the conditions of the gardens
  - program participant survey results, and
  - program assessment and recommendations
  
4. Continue to oversee and monitor installed gardens at schools, including:
  - conducting periodic follow-up site-visits and evaluations to ensure that both, the Agency's and the GIES program, goals and objectives are carried out,
  - providing school administrators with additional, well-defined guidelines, requirements and expectations,
  - ensuring gardens are used as intended and students participate in hands-on learning activities.
  
5. Employ a proactive method to remain in close contact and communication with the schools that have installed gardens, ideas include:
  - Ensuring adequate professional staffing for this function,
  - obtaining up-to-date contact information each fall for each school that has participated in the GIES program, including verifying the current Principal from a review of School District information and the school's website and confirming by making in-person, e-mail and/or telephonic contact with appropriate school personnel to ensure contact information is up to date,
  - providing and regularly updating a blog, newsletter or other on-going correspondence to ensure continuous and consistent communication with schools throughout the school year, and
  - creating and providing to all participating schools an up-to-date directory of past and current GIES school participants so that schools can network with one another and share resources and information.

6. Provide each school with permanent identifying information to post in the garden such as a sign or plaque that includes information about the garden's sponsors (IEUA, member agency and other) including the Agency's website and contact information so that future school administrators and garden visitors are aware of IEUA, including who and where to contact if the garden requires attention.
7. Develop a post-implementation evaluation of gardens after they have been in existence for an agreed upon amount of time. The purpose would be to gather feedback and information about the materials and equipment used for installing the garden and ensure this meets both the goals of the program and needs of the schools; or if anything needs to change. All parties involved in the installation, including Agency staff and most importantly the contractor, CBWCD should observe and discuss the following:
  - best materials for garden creation,
  - irrigation effectiveness and how to best demonstrate water-use efficiency,
  - timer systems effectiveness and access to electricity,
  - programmatic implications for the school's curriculum, and
  - proportion of the students with access or involvement with the garden.

In discussions with school principals and teachers who have participated in the GIES program, many are very happy and excited about their gardens. They indicated that they believe in and appreciate the GIES program and the opportunity; however, they do not always have the time or resources to make the gardens a high priority given the constraints of the regular school schedule, education requirements and sometimes the lack of support and/or funding. However, several gardens appear to be in great shape and are fully utilized for students to engage in hands-on learning activities.

Of the 62 gardens installed through the Garden in Every School® program, 15 have been removed, 6 consist of drought tolerant landscaping features and 11 receive only minimal use, leaving 30 (48%) that are still in existence and being actively used for educational purposes. Moving forward with the GIES program, staff should evaluate the program and consider implementing the recommendations made in this report, or determine alternate approaches to address the observations identified through this review.

### **External Affairs Department's Response**

The GIES program has many opportunities to continue to grow and evolve. The program acts as a valuable resource to students, educators, administrators and the community about water-use efficiency and provides a communication opportunity to discuss incorporating State educational standards and opens the door to other Agency-offered water education programs while making water-use efficiency connections.

It is important to consider the educational trends that include STEM (Science, Technology, Engineering and Math) and NGSS (Next Generation Science Standards) within the school curriculum. The GIES program and related curriculum development and training from Project WET (Water Education for Teachers) allows educators an opportunity to implement these standards into their everyday curriculum.



## **Internal Audit's Report of the Garden in Every School® Program**

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### **GIES Program Background**

At the request of the Audit Committee Chair and with direction from the General Manager, the Internal Audit Department (IA) collaborated with the External Affairs Department (EA) and the Planning and Environmental Resources Department (Planning) to perform an evaluation of the Garden in Every School® (GIES) program.

Since its inception in 2004 the GIES program has installed school gardens at 62 K-12 schools within IEUA's service area. Of the 62 gardens, 15 (24%) gardens have been removed. Of the 62, 12 (19%) gardens are current year recipients of mini-grants where the schools received additional funding (up to \$1,000) to spruce up their existing gardens and purchase tools and equipment ("mini-grants" are explained in more detail later in this report). Those 12 gardens were not physically evaluated as part of this review under the expectation that current garden work is underway. For this evaluation, IA participated in site visits and the assessment of the remaining 35 gardens (56%). This report, provides observations and recommendations based on the evaluation of the 35 gardens.

The GIES program is operated by EA, which is responsible for the Agency's community relations, public outreach and education programs. EA performs outreach, works closely with schools and provides information and an educational seminar and are responsible for monitoring the application and selection process for new gardens and mini-grants. Planning is responsible for determining available funding, monitoring expenses of the program and securing the contract and working closely with the Chino Basin Water Conservation District (CBWCD). CBWCD is contracted by IEUA for the design and installation of the school gardens, including building the vegetable beds, installing the irrigation system and controllers, planning the selected plants and trees and providing advice on the garden needs to the school. CBWCD bills IEUA for labor for installation of the gardens. The individual schools are responsible for the on-going success of their garden and using it for hands-on student educational activities.

### **Garden in Every School® Program Information**

IEUA implemented the GIES program in the 2004-2005 fiscal year with the selection of seven schools as the initial recipients of garden installations. Since then, a total of 62 gardens have been installed throughout the IEUA service area. The goal of the program is described in the purpose statement in the application form that prospective schools are provided and must complete. The purpose statement has remained consistent over the life of the program. The description states:

**The purpose of the GIES program is to educate school-age children and their families, school staff, and other community members about the efficient use of water through the establishment of thematic school gardens that feature climate appropriate plants and more efficient irrigation methods that are coordinated with provision state-aligned curriculum materials.**

Over the years, the program has evolved while maintaining the goal of promoting water conservation education programs. The program now cycles between years when new gardens are installed (generally up to four gardens a year) and years when mini-grants are provided to 12 to 14 schools to help improve existing gardens. Mini-grants were provided in the 2013/14 and 2017/18 program years. Mini-grants are additional funding, up to \$1,000 to help the school spruce up their existing garden and to purchase needed tools and supplies.

**Funding for the GIES program**

Funding for the GIES program is provided primarily from the Meter Equivalent Unit (MEU) charges paid by the Agency’s member water agencies (Chino, Chino Hills, Fontana Water Company, Monte Vista Water District, Ontario, Upland and Cucamonga Valley Water District). These funds are intended to support the Agency’s water fund and water conservation projects and provide the Agency between \$4 million and \$5 million in revenues annually. The funds target projects that include water conservation program efforts including the GIES program. IEUA staff discuss potential water conservation efforts with the member agencies annually including the funding for the GIES program. Total projects undertaken are based on an annual consensus between IEUA and its member agencies.

IEUA’s GIES program currently provides a \$4,500 grant to each school (up to 4 schools per fiscal year) for direct costs of plants, materials and supplies needed for the installation of the garden in the selected schools, all located within the Agency’s service area. The grant is used directly for the necessary, garden-related items at the school. In addition, the GIES program separately funds the labor costs for designing and installing the gardens through a contract between CBWCD and the Agency. These labor costs are paid through the GIES program in addition to the schools’ \$4,500 grant amount. The CBWCD contracting costs are billed to the Agency directly by CBWCD, according to agreed-upon contract terms.

In some years, instead of establishing new gardens, the Agency has offered support grants (mini-grants) of up to \$1,000 to existing school gardens to be used to rehabilitate and improve existing GIES gardens.

**Number of Gardens Installed in the recent Fiscal Years:  
 (IEUA costs funded from the Meter Equivalent Unit charges from member agencies)**

<b>Year</b>	<b>Grant</b>	<b>Total Schools</b>	<b>Total Given to Schools</b>
2011/12	Gardens (\$4,500 each)	4 Schools	\$18,000
2012/13	Gardens (\$4,500 each)	4 Schools	\$18,000
2013/14	Mini-Grants (\$1,000 each)	14 Schools	\$14,000
2014/15	Gardens (\$4,500 each)	3 Schools	\$13,500
2015/16	Gardens (\$4,500 each)	6 Schools	\$27,500
2016/17	Gardens (\$4,500 each)	4 Schools	\$18,000
2017/18	Mini-Grants (\$1,000 each)	12 Schools	\$12,000
2018/19	Gardens (\$4,500 each)	4 Schools (*in progress)	\$18,000

The design and labor for the gardens is provided by CBWCD through a subcontract with IEUA. The amounts shown below are totals paid to CBWCD also paid for out of the Meter Equivalent Unit charges. The budgeted contractual amount for these services in recent years has been as follows:

2016-2017: \$ 27,470  
 2017-2018 (mini-grant year, no new gardens installed): \$ 0  
 2018-2019: \$ 33,000

Therefore, the total spent to install gardens in the most recent 3 fiscal years is:

Year	Activity	Grant Monies Given to Schools	CBWCD (Costs for Design & Installation Labor)	Total Direct Costs	Additional Indirect Costs not calculated or included as part of Total Direct Costs
2016/17	4 new garden installations \$4,500/ea	\$18,000	\$27,470	\$45,470	IEUA staff time: Supervise CBWCD contract, school application/selection process, dedication ceremony, Project WET implementation, etc.
2017/18	12 mini-grants \$1,000/ea	\$12,000	\$0	\$12,000	IERCF staff time for evaluation of mini-grant school sites. IEUA staff time: School mini-grant application/selection process, dedication ceremony, Project WET implementation, etc.
2018/19	4 new garden installations \$4,500/ea	\$18,000	\$33,000	\$51,000	IEUA staff time: Supervise CBWCD contract, school application/selection process, dedication ceremony, Project WET implementation, etc.

Although these dollar-amounts may not appear to be material or significant when compared to the Agency's overall expenses, programs and budgeted activities, the question to be answered is whether the funds and staff time are being utilized in the most effective ways to meet the intended overall Agency goals.

**Process for Installing a Garden**

EA hosts an annual Project WET (Water Education for Teachers) workshop for educators in IEUA's service area using educational curriculum developed by the Project WET Foundation. This full-day workshop, organized, hosted and taught by EA staff, provides hands-on water education training. Attendance is mandatory for any school applying for the installation of a new garden or a mini-grant to sustain existing gardens.

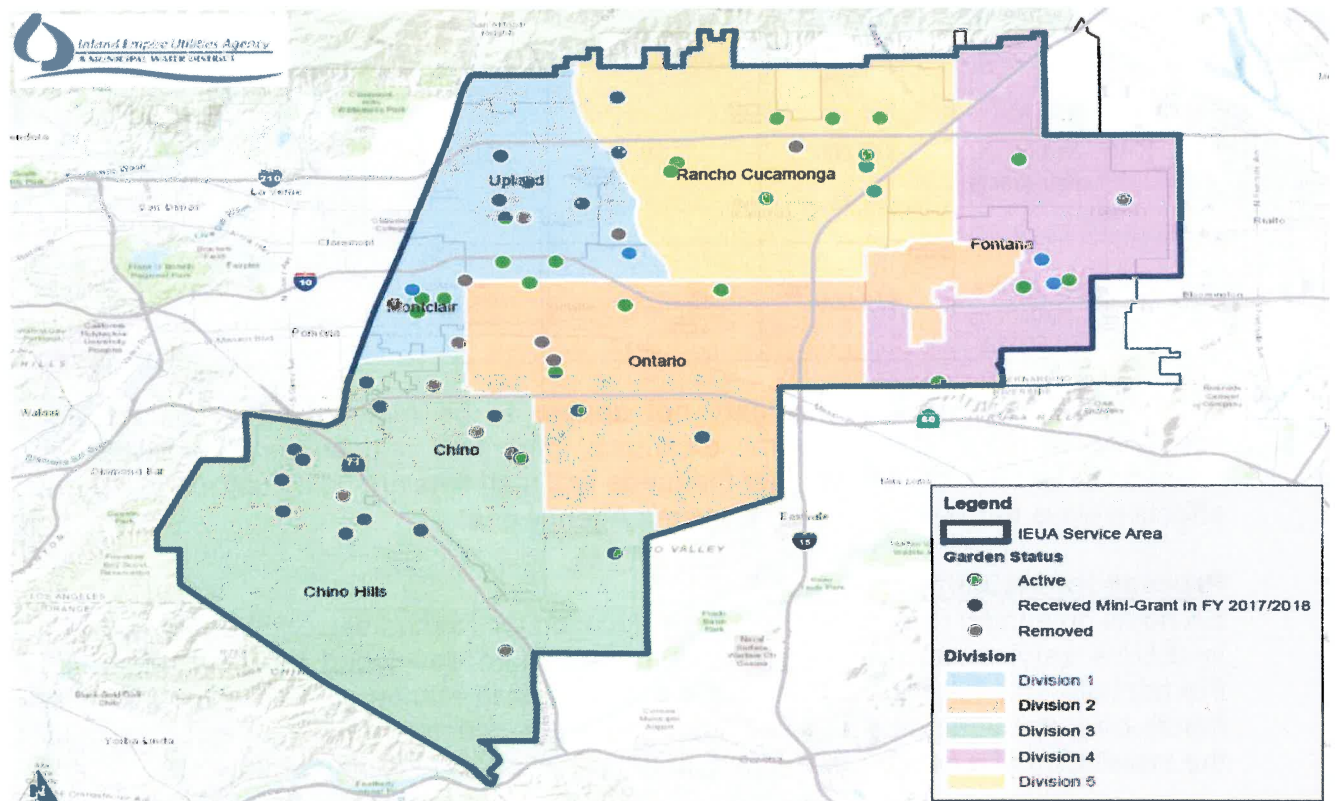
Each year various factors are taken into consideration to determine which type of grant to offer. These include interest shown in new gardens versus interest in maintenance of gardens and whether member agency representatives believe it is a good time to offer mini-grants versus new gardens.

The actual planning, design and installation of the gardens is contracted to the Chino Basin Water Conservation District (CBWCD). CBWCD works with schools to plan and design their gardens during the spring after the schools have been selected. Schools are then responsible for clearing their sites and ensuring and providing access to water and

electricity. In the fall and winter the final design is agreed upon and installation of the garden is performed by CBWCD. This requires several days of manual labor on the part of CBWCD. Once the garden has been installed and the planting done, the school and IEUA host a dedication ceremony, generally in conjunction with an already existing school event, inviting IEUA Board members, local elected officials, school district administrators and community members. Once responsibility for the garden has been transferred to the school site, there is little to no additional follow-up by IEUA or CBWCD, although both organizations are available as a resource. The intention is for the school site to develop ownership of the garden and take responsibility for its ongoing success. Periodically, IEUA makes site visits/inspections to review the condition of the school gardens.

### **IEUA Service Area – GIES Map**

The map below that shows the location and the status of the 62 gardens, by Division.



## Internal Audit's Observations and Recommendations

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### **Observation 1: Program Goals and Objectives**

***The GIES program should be reevaluated to formally document the goals and objectives of the program. The goals should be measurable so that these can be evaluated periodically. The Agency should consider whether the GIES program is the most effective means to meet Agency goals and evaluate whether the program ensures those goals are addressed. Additionally, the Agency should ensure the goals of the program are aligned with the Agency's overall vision, mission, goals and objectives.***

Once measurable program goals and objectives are established and documented, the Agency can measure the program's effectiveness and its achievements. The Agency should evaluate the GIES program in the context of all outreach efforts that promote water-use efficiency and consider the most effective use of the Agency's and its member agencies' time and resources to achieve the overall program goals.

The introduction to the GIES grant application that schools read and complete states the program's purpose as:

*"The purpose of the GIES program is to educate school-age children and their families, school staff, and other community members about the efficient use of water through the establishment of thematic school gardens that feature climate appropriate plants and more efficient irrigation methods that are coordinated with provision state-aligned curriculum materials."*

Since its inception in 2004, the GIES program has installed 62 gardens in various schools in grades K-12 within IEUA's service area. The gardens are created and utilized as the school's administration determines best. For that reason, the gardens vary greatly from site to site; some are drought tolerant gardens and consist mainly of a landscaped area at the school, other gardens are fully utilized for vegetables, fruits and other flowers where hands-on activities are taught. Other gardens have been neglected and are not used for any purpose due to staff changes and turnover, a lack of staff time and school resources or a lack of knowledge, interest or commitment. Of the 62 gardens installed through the GIES program, 15 have been removed, 6 consist of drought tolerant landscaping features and 11 receive only minimal use, leaving 30 (48%) that are still in existence and being actively used for educational purposes.

CBWCD, the Agency's contractor responsible for the installation of gardens, indicated that they work to install any type of garden that the schools believe would be best to meet their requirements (with final discussion and approval from IEUA, who ensures gardens should be low water-use). The original garden design is a collaboration mostly between school administration and teachers with input from CBWCD. Some schools have installed gardens that provide learning opportunities about planting crops and the crop lifecycle rather than specifically promoting water-use efficiency. Also, the Agency's contractor, CBWCD generally prefers to use low-flow sprinkler heads in most school gardens rather

than teaching about water-use efficiency through drip irrigation out of concern that children digging around in the planting beds could damage drip irrigation systems.

The new *Next Generation Science Standards for California Public Schools, Kindergarten through Grade Twelve* (CA NGSS or NGSS) as required by California *Education Code* 60605.85 are currently in the implementation phase throughout the state. These new standards emphasize hands-on learning and exploration. This seems to have prompted GIES schools to take another look at their gardens and build curriculum using these standards. Thus, planting beds, butterfly/bee habitat gardens and other more interactive uses are being explored. The question is whether such use is consistent with the original purpose of the garden installation and the grant requirements.

During site visits and observations, IA noted instances not consistent with the original garden installation or the original requirements of the grant. The grant application and process do not provide for continuing involvement with IEUA that would ensure that schools continue to support the Agency's goals and/or the original purpose of the GIES:

- Of the original 62 gardens, 47 (76%) of the gardens are still in place and used in one way or another.
- 15 (24%) have been removed entirely for reasons such as making room for new construction or due to school closures, etc.
- Six (10% of 62 total) of the 47 gardens were purely displays of drought-tolerant landscaping with no need for active student involvement. In several others, a portion of the garden was set aside to demonstrate drought tolerant landscaping.
- 11 (18% of 62 total) of the 47 gardens receive only minimal use.
- At least six schools (10%) were not aware of IEUA or of IEUA's involvement in the establishment of their school garden.
- Irrigation system issues were common. At various sites where a timer was in use, no one knew how to operate it. At other sites, battery operated timers had been set aside because of the cost of regularly changing batteries. And, at other sites, the school district maintenance staff had either set all the irrigation areas on the same watering schedule or converted the watering schedule to the school-wide schedule. And finally, at yet other sites, all watering was being done manually, because there was no awareness of any prior automated system.
- All sites had issues with summer breaks. Solutions ranged from letting the garden die and starting fresh in the fall to having a dedicated teacher come to the school regularly on their own time to weed and water and everything in between. In two instances the on-site custodian would try to maintain the garden during the summer.

Gardens that were successful, fully operational and used by students for educational purposes, had either a committed and passionate teacher/administrator or an involved principal that ensured the use of the gardens for hands-on learning opportunities and enjoyment. If a garden had been abandoned, it required a new passionate teacher or principal to restore the abandoned garden. Restoration efforts included a creative teacher with the desire to refurbish the garden through grant writing to Home Depot and other sources, former students or relatives of teachers renovating a garden as their Eagle Scout project, and/or committed parent support or donations. Generally, passionate teachers, principals and/or their families also invested their own time and resources.

**Recommendation #1:**

***The goals and objectives for the GIES program should be reevaluated, updated and documented to ensure that the program aligns with the Agency's overall vision, mission, goals and objectives and/or the program's original purpose. Goals should be measurable and a formal evaluation of the program and whether the goals were achieved should be performed. The Agency should consider if the GIES program is the most effective means to meet those goals.***

**External Affairs' Response**

The GIES program is ever-evolving based on school curriculum, needs and trends. Building this relationship with schools is significantly important to IEUA and its partners. Through GIES, participating schools, school boards, and maintenance districts are introduced to water-use efficiency opportunities through new irrigation techniques, low water use plants, and curriculum.

The GIES program offers the school community an opportunity to learn about water-wise gardening, irrigation and curriculum. This program has a positive impact on participants and can reach not only school staff and students, but parents and the community. The program aligns with the Agency's values and vision and business goals and has been supported by member agencies since its inception in 2004. We recommend continuing the program and continuing to evolve the program based on trends and school needs.

**Observation 2: Effective Oversight & Accountability over all GIES Responsibilities**

***The Agency should evaluate and consider the various responsibilities for the GIES program. Currently two different Agency departments are responsible for different functions to manage the program, one (Planning) manages the contract with Chino Basin Water Conservation District and the related fund and budget for the program. The other (EA) manages the program implementation. Additionally, CBWCD acts as the outside contractor and completes the garden installations. The Agency should consider what efficiencies would be achieved through consolidation of responsibilities or at a minimum scheduling on-going meetings or workshops and ensure all team members share ideas and discuss the program goals, achievement of those goals, lessons learned, and how best to provide greater oversight and accountability to effectively manage all aspects of the GIES program.***

The Agency should determine how best to coordinate the various responsibilities for the GIES program. Currently two different Agency departments are responsible for different

functions to manage the program, one (Planning) manages the contract with Chino Basin Water Conservation District and the related fund and budget for the program. The other (EA) manages the program implementation. Additionally, CBWCD acts as the outside contractor and completes the garden installations. The Agency should consider what efficiencies could be achieved, through either consolidating or at minimum, scheduling periodic progress meetings or workshops with all parties to discuss the program goals, achievement of those goals, lessons learned, things that need to be changed, and how best to provide greater authority and accountability to effectively manage the program.

The process of installing school gardens includes input and work by two different IEUA departments (EA and Planning), as well as CBWCD, sometimes IERCF staff and school administration. IA recommends that all IEUA departments work together through meetings and on-going workshops to discuss the program, its goals and ideas or information about the program. With the decentralization of responsibilities, there is no single comprehensive oversight for whether the program is meeting its objectives and no overall analysis or accountability for the indirect costs incurred by the Agency.

**GIES Program Distribution of Responsibilities and Oversight**

IEUA External Affairs Department	IEUA Planning & Environmental Resources Department	Chino Basin Water Conservation District	Schools
<ul style="list-style-type: none"> <li>• Handle day-to-day operations of the GIES program, including:                             <ul style="list-style-type: none"> <li>○ Liaison for the GIES program</li> <li>○ Responsible for all GIES outreach and administrative activities</li> <li>○ Selection of recipients to receive a new garden or mini grant</li> <li>○ Coordinates and attends initial site evaluations with the school and CBWCD</li> <li>○ Review the supporting documentation and approve payment to grant recipients</li> <li>○ Purchase all materials needed for the garden <b>(No longer applicable after 2016/2017)</b></li> <li>○ Coordination of the dedication ceremony</li> </ul> </li> <li>• Provide additional curriculum and resources when available</li> <li>• Host the annual Project WET and GIES Workshop for new grants or mini-grants</li> <li>• Reports on the GIES program through the Community and Legislative Affairs Committee</li> <li>• Coordinate with Planning, schools and CBWCD</li> </ul>	<ul style="list-style-type: none"> <li>• Manages funds for the Water Conservation Fund and GIES program</li> <li>• Handles contractual agreements with CBWCD</li> <li>• Approves invoices and payments to CBWCD</li> <li>• Reports on the GIES program in the Regional Water Use Efficiency Programs Report</li> <li>• Review grant applications with External Affairs</li> <li>• Coordinates with External Affairs and CBWCD</li> </ul>	<ul style="list-style-type: none"> <li>• Design and construct school gardens, including:                             <ul style="list-style-type: none"> <li>○ Site visits and evaluations</li> <li>○ Landscape design plans</li> <li>○ Site and raised bed construction</li> <li>○ Installation of controller and irrigation system</li> <li>○ Planting Support</li> <li>○ Troubleshooting</li> <li>○ Equipment Rental, if needed <b>(effective 2018/2019)</b></li> </ul> </li> <li>• Evaluate initial sites for the upcoming school year with External Affairs (if applicable)</li> <li>• Coordinate with schools and IEUA</li> <li>• Procurement of all necessary materials and provide receipts, invoices, and any purchase documentation as required <b>(effective 2018/2019)</b></li> </ul>	<ul style="list-style-type: none"> <li>• Responsible for Site prep, including:                             <ul style="list-style-type: none"> <li>○ Clean-up</li> <li>○ Grading</li> <li>○ Electrical and water connections</li> </ul> </li> <li><b>Effective 2018/2019:</b> <ul style="list-style-type: none"> <li>○ Turf or other plant removal</li> <li>○ Any issues pertaining to master irrigation valves</li> <li>○ Underground utilities in the project area have been located and marked prior to any construction</li> <li>○ Coordinate with CBWCD that site preparation has been completed</li> </ul> </li> <li>• Responsible for on-going maintenance of the garden</li> <li>• Utilize the garden for on-going learning activities</li> </ul>



In this past year, IERCF staff has also been utilized to perform the site inspections for the mini-grant program resulting in indirect costs being incurred there.

**Recommendation #2:**

***The Agency should evaluate and consider the various responsibilities for the GIES program. Currently two different Agency departments are responsible for different functions to manage the program, one (Planning) manages the contract with Chino Basin Water Conservation District and the related fund and budget for the program. The other (EA) manages the program implementation. Additionally, CBWCD acts as the outside contractor and completes the garden installations. The Agency should consider what efficiencies would be achieved through consolidation of responsibilities or at a minimum scheduling on-going meetings or workshops and ensure all team members share ideas and discuss the program goals, achievement of those goals, lessons learned, and how best to provide greater oversight and accountability to effectively manage all aspects of the GIES program.***

**External Affairs' Response**

Currently, multiple departments are responsible for different functions to manage the program, but lack of authority and accountability create challenges to effectively managing the Agency's efforts.

**Observation 3: Annual Written and Oral Report about the GIES Program**

***There is currently no regular reporting of the results of the GIES program. Agency staff should consider providing both, an annual written and oral report to the Board of Directors and Executive Management about the GIES program.***

An annual evaluation communicates the goals and objectives of the program, provides information on the progress or status of the gardens and compares to how the program goals were achieved/measured. It also provides a way to ensure that the program is administered consistently from year to year, evaluations and updates are made to the program, that IEUA has a process for obtaining and maintaining a complete list of schools in the service area and their contact information, that the school selection process is administered impartially and that IEUA's outreach efforts are consistent and complete.

Without a formal documented report, there is no information or record about the purpose and progress of the program, how it was administered, what schools were involved, the future goals of the program, how the program is measured against its program goals and additional details about how the program supports the overall Agency mission. This can lead to inconsistencies in the administration of the program and no documented measurement tool or feedback mechanism about where the program is headed in the future.

**Recommendation #3:**

***Staff should provide an annual written and oral report to the Board of Directors about the GIES program, that includes:***

- ***The program's goals and objectives and how those align with Agency goals***
- ***How the program addressed and met those goals***
- ***Funding, costs/expenses, and resources***
- ***Participating school information***
- ***Schools selection process***
- ***Number of students who potentially benefit and/or participate in the program***
- ***Updated pictures of garden conditions***
- ***Program participant survey results***
- ***Program assessment and recommendations***

**Observation 4: Continuing Involvement: Monitoring, Oversight and Follow-up**

***The Agency should determine an effective method for IEUA staff to continue to be involved with the gardens installed at each of the individual schools, including providing monitoring, oversight and follow-up site-visits/observations or evaluations to ensure the Agency's mission and goals and objectives of the GIES program are emphasized and carried out.***

IEUA should determine whether it would be effective to continue to be involved to some degree with the school administration regarding the gardens after they have been installed. The purpose would be to ensure the Agency's mission, goals and objectives, as well as the GIES program goals and objectives are emphasized and carried out by the schools and to ensure the gardens are maintained and used for student hands-on educational activities. Currently there is no contractual obligation that a school has with IEUA for executing the goals of the program. The original application signed by the school includes a list of "qualifications" to be awarded the funding for the garden; however, these are not considered "contractual requirements" that IEUA can enforce to ensure the gardens are maintained and utilized as intended by the program.

Agency staff should determine the intent and goals of the program and determine the Agency's role with regards to the garden after installation. Based in IA's evaluation of various documents and information, it is undetermined what IEUA's role should be after the garden has been installed at the school. However, there may be two different approaches that the Agency may want to consider/take or determine a different role. One approach may be that schools take the lead role and take ownership of their garden after installation and operate it as intended for their school's purpose without IEUA having to monitor, follow-up, evaluate or enforce the intended goals and objectives of the program that funded it. IEUA and/or CBWCD can provide additional advice and counsel if needed or asked for by the school, but the primary responsibility for the future success of the garden is dependent on the school and not on IEUA's on-going monitoring and oversight. The second approach may be that IEUA works actively as a facilitator and stays involved and conducts periodic site visits to follow-up, monitor, keep current with communication and outreach efforts with the school's administration to ensure the garden and the intended goals continue to be promoted and implemented. This would be strongly dependent on IEUA's on-going monitoring and oversight efforts.

IAs observations were that where school gardens continue to grow, and be cared for, there is adequate support from the school's administration to see the success of the garden due to a passionate staff member, support from parents and the overall culture of the school. However, IA noted that many of the school gardens take a similar path over several years. The initial interest and passion that was necessary to create a successful grant application and then garden installation lasts for a few years before some form of disruption occurs. Most often the teacher or principal that initially championed the garden retires or moves to another school and interest in the garden fades away. The school district or the school's local maintenance staff take over a minimal amount of maintenance and the garden remains dormant. At some point a new teacher or principal discovers the abandoned garden and develops an interest. By this time there is no remaining institutional memory of IEUA or CBWCD's involvement. Generally, the new teacher or other school administrator solicits some assistance from either parents, teachers or other community groups to help reestablish the garden. This leads to a renewal of interest in the garden and it once again becomes a focal point at the school.

Agency staff should determine what role it should take after the garden has been installed. If the Agency would like to see that all schools fully utilize the gardens to demonstrate the Agency's goals and priorities, it will require additional time and resources by Agency staff to assist in ensuring a strong education program is carried out and continuous monitoring and oversight is carried out.

**Recommendation #4:**

***Staff should continue to oversee and monitor gardens at schools, including:***

- ***conducting periodic follow-up site-visits and evaluations to ensure that both, the Agency's and the GIES program, goals and objectives are carried out,***
- ***providing school administrators with additional, well-defined guidelines, requirements and expectations,***
- ***ensuring gardens are used as intended and students participate in hands-on learning activities.***

**External Affairs' Response**

Every year the External Affairs team reaches out to all past GIES participants for whom EA still has contact information and invites them to attend the Project W.E.T. (Water Education for Teachers) Workshop, which provides water education curriculum to educators. This curriculum training workshop explains the curriculum guide – the guide correlates with State standards, STEM and Next Generation Science Standards. The workshop provides opportunities for educators that have participated in GIES to network with other participants while also providing a platform for questions and answers/problem-solving.

**Observation 5: On-going Communication and Connection**

***Agency staff should employ a proactive method to remaining in close contact and communication with the schools that have installed gardens.***

Although IEUA's education programs are intended to provide opportunities for schools through-out the Agency's service area, when some schools in the Agency's service area are not aware of these educational programs, this results in missed opportunities for the Agency's goals to be shared. Of the 35 schools visited by IA or EA at least six and most likely more, had no knowledge of IEUA and no recollection of IEUA's involvement in the initial establishment of their garden. These school representatives also were unaware of the other programs that IEUA offers for schools such as Earth Day, the Water Discovery fieldtrips and Project WET.

IA noted the following observations:

- At one school, there had been a complete turnover of those originally involved in the installation of the garden. The original sponsoring teacher had retired since the garden's installation in 2008/2009 school year and the principal was only in her 4th year at the campus. As a result, there was no institutional memory of the garden's founding, no awareness of IEUA's original involvement and the garden had fallen into disrepair. The new principal believed in the importance of school gardens and the school community engaged in a fundraising and grant-seeking effort that led to the refurbishment of the garden and its inclusion in the school's curriculum.
- At another site, the original teacher had passed away and the garden was not used for two years. A new teacher at the school revived the garden and it was dedicated in honor of the teacher that had passed, but the school staff had no recollection of IEUA's involvement.
- Another site's garden is situated in front of the school office and consists of foliage (some of which is drought tolerant) and a water feature. The school's custodian provides occasional maintenance of the water feature, but there is no awareness at the school of IEUA's original funding.
- Finally, another garden had been abandoned after a teacher had transferred. A young man who had attended the school helped revive the garden as part of his Boy Scout eagle project requirement and the school had a nice plaque documenting his efforts, but again, no recollection of IEUA's original involvement.

Due to high turnover, changes in staff and changes in school administration, teachers and principals; awareness of IEUA's programs is sometimes lost. The schools mentioned above and others in the service area did not participate in IEUA's mini-grant programs in 2013/2014 and 2017/2018 or in IEUA's other outreach/education programs. Although EA staff tries to reach out to all schools and school districts, teacher and school administrative turnover create an on-going obstacle. If the Agency would like to see that participating schools and teachers remain engaged and establish networks with other schools and teachers that participate in the program to share ideas and resources to ensure their

gardens thrive and continue, it will require additional time and resources from Agency staff to assist in ensuring a strong garden community network is up to date, informed and on-going among the various schools.

**Recommendation #5:**

***Agency staff should employ a proactive method to remaining in close contact and communication with the schools that have installed gardens, including:***

- ***Ensuring adequate professional staffing for this function,***
- ***Obtaining up-to-date contact information each fall for each school that has participated in the GIES program, including verifying the current Principal from a review of School District information and the school's website and confirming by making in-person, e-mail and/or telephonic contact with appropriate school personnel to ensure contact information is up to date,***
- ***Providing and regularly updating a blog, newsletter or other on-going correspondence to ensure continuous and consistent communication with schools throughout the school year.***
- ***Creating and providing to all participating schools an up-to-date directory of past and current GIES school participants so that schools can network with one another and share resources and information.***

**Recommendation #6:**

***IA also recommends that the Agency provide each school with permanent identifying information to post in the garden such as a sign or plaque that includes information about the garden's sponsors (IEUA, member agency and other) including the Agency's website and contact information so that future school administrators and garden visitors are aware of IEUA, including who and where to contact if the garden requires attention.***

**External Affairs' Response**

Over 1/3 of school educators leave every five years. External Affairs requires that a contingency plan be explained within the GIES application to address this staff turnover. The contract is always evolving based on school needs, trends, etc. Once the garden has been created a dedication is held where IEUA staff and Board members can speak on behalf of the Agency and a framed certificate is presented to the school with the IEUA logo. IEUA representation is on site during the program for pre-site evaluations, planning meetings and the dedication. IEUA is the main point of contact for the program.

EA believes there are opportunities to establish additional relationships and program commitments with our partner schools' PTAs/parent groups. IEUA can also establish a quarterly workshop that acts as a networking opportunity (like Project WET, etc.). Some of these workshops can be held in our GIES Demonstration Garden that is located by the Pipe Garden in the Chino Creek Wetlands and Educational Park. IEUA can enhance networking opportunities by providing a quarterly newsletter to schools featuring water-wise gardening tips and water saving tips.

Additionally, EA feels that there is an opportunity to grow the program and add to the outreach element. There is an opportunity to require weather-proof signage at the garden site featuring IEUA, which provides a resource to school administration and staff, especially with school staff turnover rates.

**Observation 6: Post-Implementation Evaluation**

***The Agency contracts with CBWCD for the design and installation of the GIES program gardens. CBWCD works with the school to ensure that the garden meets the needs of that school's program and efforts. Once the installation is complete, CBWCD has no further continuing involvement with the school.***

Since CBWCD does not perform any post-implementation evaluation, no changes are made to the way gardens are designed and installed. As previously noted, teachers and principals had shared a variety of concerns about their gardens with IA. These included:

- a. The wooden edges of the raised beds tend to deteriorate in three to four years. One teacher noted that recycled poly-wood lasts much longer and that the cost of refurbishing the beds on a regular basis is more than the school can afford. In at least four other gardens that had been refurbished for Eagle Scout projects or other parent/teacher efforts the schools had chosen to use recycled poly-wood due to its resiliency.
- b. The timers for the sprinklers are complicated and teachers do not know how to program them. In other instances, the school district has removed the timers and converted the garden irrigation systems to the same cycle used for the rest of the schools' plantings. And in other instances, all the different watering cycles programmed into the timer have been moved to just one watering cycle.
- c. The long summer break creates problems for the school gardens. Either the watering cycle continues and the garden is overgrown with weeds when school starts again in August, or the garden is not watered over the summer and everything has died when school starts.
- d. One school noted that the decomposed granite walkways in their school garden led to water puddling during rain storms, so the school district eventually paved over the pathways with concrete.
- e. Two or three schools mentioned that no anti-weed barrier was installed in the base of the garden and that the most difficult issue that they face is the constant need for weeding to make room for the plants that they want to have in the garden.

Without an evaluation one, two or three years after the garden has been installed, there is no opportunity to discover improvements and new ideas for future garden installations. A "lessons-learned" exercise with existing sites would provide insights.

**Recommendation #7:**

***Agency staff should develop a post-implementation evaluation of gardens after they have been in existence for an agreed upon amount of time. The purpose would be to gather feedback and information about the materials and equipment used for installing the garden and ensure these meet the school's needs or if anything needs to change. All parties involved in the installation, including Agency staff and most importantly the contractor, CBWCD should observe and discuss the following:***

- ***Best materials for garden creation***
- ***Irrigation effectiveness and how to best demonstrate water-use efficiency***
- ***Timer systems effectiveness and access to electricity***
- ***Programmatic implications for the school's curriculum***
- ***Proportion of the students with access or involvement with the garden***

**Garden In Every School® Participants by Year Since the Program Inception:**

Year	School	City	Mini-Grant 2017/2018	Mini-Grant 2013/2014	Removed
2004/2005	Alta Loma Elementary	Alta Loma		X	
2004/2005	Butterfield Ranch Elementary	Chino Hills			Removed
2004/2005	Edwin Rhodes Elementary	Chino			
2004/2005	Euclid Elementary	Ontario			Removed
2004/2005	Grant Elementary	Fontana			
2004/2005	Lakish Elementary	Montclair		X	Removed
2004/2005	Magnolia Elementary	Upland			
2005/2006	Covote Canyon Elementary	Rancho Cucamonga			
2005/2006	Football Knolls Elementary	Upland			
2005/2006	Hidden Trails Elementary	Chino Hills	X	X	
2005/2006	Newman Elementary	Chino		X	
2005/2006	North Tamarind Elementary	Fontana		X	Removed
2005/2006	Ranch View Elementary	Ontario		X	
2006/2007	Buena Vista Arts-Integrated	Montclair			Removed
2006/2007	El Rancho Elementary	Chino			Removed
2006/2007	Gerald F. Lital Elementary	Chino Hills			Removed
2006/2007	Liberty Elementary	Ontario			
2006/2007	Poplar Elementary	Fontana			
2006/2007	Sycamore Elementary	Upland			
2006/2007	Victoria Groves Elementary	Alta Loma			
2007/2008	Chaparral Elementary	Chino Hills		X	
2007/2008	E.J. Marshall Elementary	Chino			Removed
2007/2008	Linda Vista Elementary	Ontario			Removed
2007/2008	Los Angeles Elementary	Rancho Cucamonga			Removed
2007/2008	Oak Park Elementary	Fontana		X	
2007/2008	Our Lady of Lourdes	Montclair			
2007/2008	Pepper Tree Elementary	Upland	X	X	
2008/2009	Glennmeade Elementary	Chino Hills			
2008/2009	Grapeland Elementary	Etiwanda	X	X	
2008/2009	Jasper Elementary	Alta Loma			
2008/2009	Perdew Elementary	Etiwanda		X	
2008/2009	The Ontario Center	Ontario			
2009/2010	Baldy View Elementary	Upland			
2009/2010	Floyd M. Stork Elementary	Alta Loma	X	X	
2009/2010	Howard Cattle Elementary	Chino			Removed
2009/2010	Marinosa Elementary	Ontario			
2010/2011	Lyle S. Briggs Fundamental	Chino	X	X	
2010/2011	Mission Elementary	Ontario			Removed
2010/2011	Montera Elementary	Montclair			
2010/2011	Oxford Preparatory Academy	Chino			Removed
2010/2011	Rancho Cucamonga High	Rancho Cucamonga		X	Removed
2011/2012	Los Osos High	Rancho Cucamonga			
2011/2012	Monte Vista Elementary	Montclair			
2011/2012	Redeemer Lutheran	Ontario			
2011/2012	Upland High	Upland			Removed
2012/2013	Edison Elementary	Ontario			
2012/2013	Etiwanda Intermediate	Etiwanda			
2012/2013	Sultana Elementary	Ontario			
2012/2013	Vina Danka Middle	Ontario			
2014/2015	Cal Aero Preserve Academy	Chino			
2014/2015	Countryside Springs Elementary	Chino Hills	X		
2014/2015	Cypress Elementary	Fontana			
2015/2016	Alicia Cortez Elementary	Chino			
2015/2016	Citrus Elementary	Fontana	X		
2015/2016	Eagle Canyon Elementary	Chino Hills			
2015/2016	Etiwanda Colony Elementary	Etiwanda			
2015/2016	John L. Golden Elementary	Etiwanda			
2015/2016	Truman Middle	Fontana	X		
2016/2017	Arroyo Elementary	Ontario	X		
2016/2017	Montclair High	Montclair	X		
2016/2017	Robert Townsend Junior High	Chino Hills	X		
2016/2017	Rolling Ridge Elementary	Chino Hills	X		
<b>TOTALS</b>	<b>62 schools</b>		<b>12</b>	<b>14</b>	<b>15</b>



**35 Gardens Physically Observed/Evaluated for this Review:**

Program Year	School	City	Garden Type	Aware of IEUA	Other Support	Usage
2004/2005	Alta Loma Elementary	Alta Loma	Vegetable/Fruit	not asked	None	Minimal
2004/2005	Edwin Rhodes Elementary	Chino	Drought Tolerant	not asked	Parent/Teacher	Minimal
2004/2005	Grant Elementary	Fontana	Multiple	not asked	Grants/Sales	Curricular/Classroom
2004/2005	Magnolia Elementary	Upland	Multiple	not asked	Custodians	Minimal
2005/2006	Coyote Canyon Elementary	Rancho Cucamonga	Drought Tolerant	not asked	Maintenance	Minimal
2005/2006	Newman Elementary	Chino	Multiple	NO	Parent/Teacher	Minimal
2005/2006	Ranch View Elementary	Ontario	Drought Tolerant	not asked	Parent/Teacher	Minimal
2005/2006	Foothill Knolls Elementary	Upland	Vegetable/Fruit	not asked	Parent/Teacher	Weekly
2006/2007	Victoria Groves Elementary	Alta Loma	Drought Tolerant	NO	Custodian	None
2006/2007	Liberty Elementary	Ontario	Vegetable/Fruit	not asked	Grants	Elective/Class
2006/2007	Poplar Elementary	Fontana	Abandoned	not asked	None	None
2006/2007	Sycamore Elementary	Upland	Drought Tolerant	NO	None	None
2007/2008	Chaparral Elementary	Chino Hills	Vegetable/Fruit	not asked	Parent/Teacher	Weekly - one grade
2007/2008	Oak Park Elementary	Fontana	Multiple	YES	Parent/Teacher	Curricular/Classroom
2007/2008	Our Lady of Lourdes	Montclair	Abandoned	NO	None	None
2008/2009	Jasper Elementary	Alta Loma	Vegetable/Fruit	YES	Eagle Scout	Moderate
2008/2009	Glenmeade Elementary	Chino Hills	Vegetable/Fruit	NO	Eagle Scout	Garden Club
2008/2009	The Ontario Center	Ontario	Multiple	NO	Memorial Fund	Garden Club
2008/2009	Perdew Elementary	Etiwanda	Vegetable/Fruit	not asked	Student Donations	Minimal
2009/2010	Mariposa Elementary	Ontario	Vegetable/Fruit	not asked	Maintenance	Minimal
2009/2010	Baldy View Elementary	Upland	Drought Tolerant	not asked	Grants	Minimal
2010/2011	Montera Elementary	Montclair	Abandoned	NO	Teacher/Custodian	None
2011/2012	Los Osos High	Rancho Cucamonga	Vegetable/Fruit	not asked	Student Donations	Elective/Class
2011/2012	Monte Vista Elementary	Montclair	Vegetable/Fruit	YES	Parent/Teacher	Moderate
2011/2012	Redeemer Lutheran	Ontario	Vegetable/Fruit	NO	Parent Volunteer	Garden Club
2012/2013	Etiwanda Intermediate	Etiwanda	Multiple	not asked	Principal/Custodian	Elective/Class
2012/2013	Edison Elementary	Ontario	Vegetable/Fruit	NO	School support	Garden Club
2012/2013	Sultana Elementary	Ontario	Multiple	YES	School/Teacher	Curricular/Classroom
2012/2013	Vina Danks Middle	Ontario	Abandoned	Not asked	None	None
2014/2015	Cal Aero Preserve Academy	Chino	Drought Tolerant	YES	Parent/Teacher	Minimal
2014/2015	Cypress Elementary	Fontana	Multiple	YES	Teacher/Custodian	Curricular/Classroom
2015/2016	Alicia Cortez Elementary	Chino	Multiple	YES	Eagle Scout	Curricular/Classroom
2015/2016	Eagle Canyon Elementary	Chino Hills	Multiple	YES	Parent/Teacher	Minimal
2015/2016	Etiwanda Colony Elementary	Etiwanda	Multiple	YES	Girl Scouts/Lowe's	Moderate
2015/2016	John L. Golden Elementary	Etiwanda	Multiple	YES	Parent/Teacher	Garden Club

**Gardens removed since original installation:**

<b>Program Year</b>	<b>School</b>	<b>City</b>	<b>Reason Given</b>
2004/2005	Butterfield Ranch Elementary	Chino Hills	Unknown
2004/2005	Euclid Elementary	Ontario	Unknown
2004/2005	Lehigh Elementary	Montclair	Unknown
2005/2006	North Tamarind Elementary	Fontana	Unknown
2006/2007	Gerald F. Litel Elementary	Chino Hills	Unknown
2006/2007	Buena Vista Arts-Integrated	Montclair	Unknown
2006-2007	El Rancho Elementary	Chino	School Closed
2007/2008	E.J. Marshall Elementary	Chino	Unknown
2007/2008	Los Amigos Elementary	Rancho Cucamonga	School Remodeled
2007/2008	Linda Vista Elementary	Ontario	School Closed
2009/2010	Howard Cattle Elementary	Chino	Unknown
2010/2011	Rancho Cucamonga High	Rancho Cucamonga	School Remodeled
2010/2011	Mission Elementary	Ontario	Unknown
2010/2011	Oxford Preparatory Academy	Chino	School Closed
2011/2012	Upland High	Upland	Unknown

## Alicia Cortez Elementary School, Chino, CA

Year Garden Completed: 2015/2016 Inspection Completed by: Internal Audit & External Affairs



- 1) How are you using the garden?
  - Water-wise demonstration, grow vegetables/flowers and a butterfly garden
- 2) In a typical month, how often are students in the garden or lessons taught in the classroom related to the garden?
  - Used for structured lessons and daily by students, includes a bench for reading
- 3) Do you have any support for the garden? If so, how is it supported?
  - Yes, free mulch available - City of Chino, Teacher-provided plants, Parent Faculty Association provided greenhouse, and assistance from Scout Organizations – Two Eagle Scout Projects
- 4) Have you done any fundraising or applied for additional grants to supplement the garden?
  - Yes, won a prize for their project on how to conserve water at the Water Conservation Contest - Los Angeles County Fairgrounds. School would like to participate in IEUA's mini-grant to earn funding.
- 5) What kind of additional support (Workshops, etc.) would be useful to you?
  - Assistance with permanent signage - to place on the fence to show the water cycle and conservation
- 6) Additional Comments:
  - Primary teacher was disappointed by the interactions with Chino Basin Water Conservation District. Examples provided relate to: design of the garden, material used for raised beds, and fencing/wire mesh lining was requested but not provided.
  - No fencing/wire mesh lining was provided, as a result the garden suffered gopher infestation that resulted in crops and flowers being destroyed.
  - Water Line broken & shut down – resulted in teacher having to water over spring break, along with additional watering by students.
  - Summer months – Teacher and her spouse commit their own time to overseeing and watering the garden to ensure it survives and ready for the next school year
  - Teacher provided cuttings and/or plants for the 2<sup>nd</sup> year of the garden, no other funding was available

## Alta Loma Elementary School, Rancho Cucamonga, CA

Year Garden Completed: 2004/2005    Inspection Completed by: External Affairs



- 1) How are you using the garden?
  - Vegetables
- 2) In a typical month, how often are students in the garden or lessons taught in the classroom related to the garden?
  - Not often
- 3) Do you have any support for the garden? If so, how is it supported?
  - No, supported by teacher or teacher's budget
- 4) Have you done any fundraising or applied for additional grants to supplement the garden?
  - No
- 5) What kind of additional support (Workshops, etc.) would be useful to you?
  - Enlarge the garden, plant donations, and relocation of the garden to provide greater access to older-grade level students
- 6) Additional Comments:
  - School would like:
    - To add more to the garden, a compost bin, and if IEUA supplied plants for the garden every so often.
    - Still have the large trees from the original grant.

## Baldy View Elementary School, Upland, CA

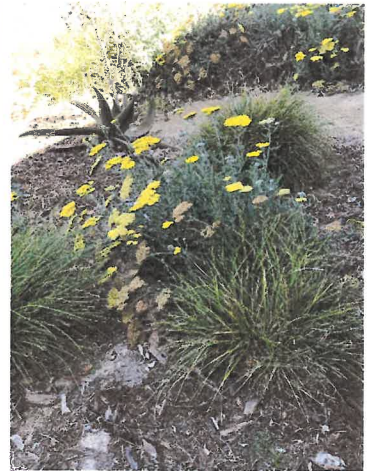
Year Garden Completed: 2009/2010    Inspection Completed by: External Affairs



- 1) How are you using the garden?
  - Education, reading garden, 6<sup>th</sup> grade learning. This is primarily an example of a drought tolerant garden
- 2) In a typical month, how often are students in the garden or lessons taught in the classroom related to the garden?
  - 8 times per month
- 3) Do you have any support for the garden? If so, how is it supported?
  - Yes, 48<sup>th</sup> LAC District Agricultural Association (DAA)
- 4) Have you done any fundraising or applied for additional grants to supplement the garden?
  - Yes, State grant
- 5) What kind of additional support (Workshops, etc.) would be useful to you?
  - Educational programs
- 6) Additional Comments:
  - Project WET was helpful
  - 5<sup>th</sup> graders recycle to provide the garden with money

## Cal Aero Preserve Academy, Chino, CA

Year Garden Completed: 2014/2015    Inspection Completed by: Internal Audit



- 1) How are you using the garden?
  - Drought-tolerant and water-wise plants with a drip irrigation system.
- 2) In a typical month, how often are students in the garden or lessons taught in the classroom related to the garden?
  - Garden is not typically used for garden lessons in the traditional sense, but more as an example related to California native and drought-tolerant plants. Released butterflies here.
- 3) Do you have any support for the garden? If so, how is it supported?
  - Yes, Parent Teacher Organization (PTO) is supportive. Principal may request the PTO for assistance to obtain benches. Parents with landscape experience may also provide their assistance.
- 4) Have you done any fundraising or applied for additional grants to supplement the garden?
  - None, thus far. Initial grant provided for all the necessary resources to establish the garden. Plaque hangs in the school office.
- 5) What kind of additional support (Workshops, etc.) would be useful to you?
  - School is familiar with IEUA and Chino Basin Water Conservation District. Principal receives emails about IEUA's sponsored programs and events.
- 6) Additional Comments:
  - School administration is interested in establishing a 2<sup>nd</sup> garden in the matching landscape area on the other side of the office and plans to put different type of plantings, but no vegetables or fruits because of the critters that would be attracted.

# Chaparral Elementary School, Chino Hills, CA

Year Garden Completed: 2007/2008    Inspection Completed by: External Affairs



- 1) How are you using the garden?
  - Vegetables, flowers, observe animals, and science
- 2) In a typical month, how often are students in the garden or lessons taught in the classroom related to the garden?
  - 1 per week, while other grades 1 per month
- 3) Do you have any support for the garden? If so, how is it supported?
  - Yes, Parent-Teacher Organization (PTO) for \$1,000 and volunteers
- 4) Have you done any fundraising or applied for additional grants to supplement the garden?
  - Yes, Home Depot grant
- 5) What kind of additional support (Workshops, etc.) would be useful to you?
  - Lessons on how to integrate the garden into the classroom
- 6) Additional Comments:
  - Benches would be nice, so the students can sit and draw

# Coyote Canyon Elementary School, Rancho Cucamonga, CA

Year Garden Completed: 2005/2006 Inspection Completed by: External Affairs



- 1) How are you using the garden?
  - Meditation, class parties, and pictures; includes both drought tolerant and other plantings.
- 2) In a typical month, how often are students in the garden or lessons taught in the classroom related to the garden?
  - 1 per month
- 3) Do you have any support for the garden? If so, how is it supported?
  - Yes, Maintenance Department helps.
- 4) Have you done any fundraising or applied for additional grants to supplement the garden?
  - Parent-Teacher Organization (PTO) would help if needed
- 5) What kind of additional support (Workshops, etc.) would be useful to you?
  - Donations – plants and benches
- 6) Additional Comments:
  - Would like to see certain areas with more plants and look more “tranquil”



## Cypress Elementary School, Fontana, CA

Year Garden Completed: 2014/2015    Inspection Completed by: Internal Audit



- 1) How are you using the garden?
  - Garden Club and each grade level has a dedicated garden bed
- 2) In a typical month, how often are students in the garden or lessons taught in the classroom related to the garden?
  - As needed, based on individual teacher
- 3) Do you have any support for the garden? If so, how is it supported?
  - Yes, custodial & maintenance staff tend to the garden. Financial support from school administration – materials/landscape equipment, teacher- provided plants. Parent Teacher Association (PTA) is not involved
- 4) Have you done any fundraising or applied for additional grants to supplement the garden?
  - No additional funds. Teacher pursuing grant opportunities to purchase new plants.
- 5) What kind of additional support (Workshops, etc.) would be useful to you?
  - Workshops – geared towards real life application of gardening
- 6) Additional Comments:
  - Dedication Ceremony was a huge school event, plaque located in the office, not near the garden.
  - Summer Months - custodial & maintenance staff will assist when school is out of session
  - GIES related activities – informed School about Project WET, Earth Day, Mini-Grant, compost
  - Drought-Tolerant Garden – located near the front entrance of the school (not from IEUA)

# Eagle Canyon Elementary School, Chino Hills, CA

Year Garden Completed: 2015/2016 Inspection Completed by: Internal Audit



- 1) How are you using the garden?
  - Garden Club – Parent Teacher Association(PTA) sponsored and work in the garden once per month
- 2) In a typical month, how often are students in the garden or lessons taught in the classroom related to the garden?
  - Rarely, if ever. Occasionally, teacher will hold class in the garden, but the lesson is unrelated
- 3) Do you have any support for the garden? If so, how is it supported?
  - Yes, PTA support. Sponsored murals, purchased plants and other garden related tools
- 4) Have you done any fundraising or applied for additional grants to supplement the garden?
  - Yes, arranged for discounts with Home Depot and Lowes.
- 5) What kind of additional support (Workshops, etc.) would be useful to you?
  - None, currently. Unaware of Project WET workshop but will consider it in the future.
- 6) Additional Comments:
  - School Administration is pleased with the support received for the garden project from IEUA.
  - No signage/plaque that indicates IEUA's involvement with the garden.
  - Recognition - Rocks were available for purchase to put family names in exchange for a donation to the garden

## Edison Elementary School, Ontario, CA

Year Garden Completed: 2012/2013 Inspection Completed by: Internal Audit



- 1) How are you using the garden?
  - Garden Club – Students rotate out every 2-3 months.
- 2) In a typical month, how often are students in the garden or lessons taught in the classroom related to the garden?
  - On-going; incorporated through Garden Club (i.e. plant vegetables of the season – fall, spring, herbs, and for salsa; butterfly garden, performed soil science tests, etc.).
- 3) Do you have any support for the garden? If so, how is it supported?
  - Yes, School support – Administration, Teachers – assigned “Committee”, Groundskeeper and students. Financial support – School budget and donation received for stepping stones and bench. Parent Faculty Organization - not involved, focus on other school activities.
- 4) Have you done any fundraising or applied for additional grants to supplement the garden?
  - Yes, applied for grant from the “Fertilizer Foundation”. Received donations for mulch.
- 5) What kind of additional support (Workshops, etc.) would be useful to you?
  - Financial support – if there are budget cutbacks and child-size gloves
- 6) Additional Comments:
  - Summer months – No maintenance. Must re-start the garden new each school year
  - Current School Administration – never heard of IEUA and its Community Outreach programs & GIES activities (i.e., Project Wet, Earth Day, or the Composting Facility, etc.).
  - Harvest of the month – brings local and Central Valley farmers to the school to discuss farming, produce and other related topics

## Edwin Rhodes Elementary School, Chino, CA

Year Garden Completed: 2004/2005    Inspection Completed by: External Affairs



- 1) How are you using the garden?
  - Have something nice to look at; primarily drought-tolerant and perennials.
- 2) In a typical month, how often are students in the garden or lessons taught in the classroom related to the garden?
  - 1/week
- 3) Do you have any support for the garden? If so, how is it supported?
  - Yes, Parent Faculty Association
- 4) Have you done any fundraising or applied for additional grants to supplement the garden?
  - Color run, step up (\$1,000/year)
- 5) What kind of additional support (Workshops, etc.) would be useful to you?
  - Advertisements of the grants/mini-grants ahead of time
- 6) Additional Comments:
  - The school pays a gardener to care for their garden and that's how it's so well taken care of.

# Etiwanda Colony Elementary School, Rancho Cucamonga, CA

Year Garden Completed: 2015/2016 Inspection Completed by: Internal Audit



- 1) How are you using the garden?
  - Garden provides maintenance and planting activities for TK class and day care program. Other teachers use the Garden on an ad-hoc basis for outdoor lessons or occasional planting.
- 2) In a typical month, how often are students in the garden or lessons taught in the classroom related to the garden?
  - Garden used frequently, but activities are not garden-related. Occasionally, Teachers will teach class outside in the garden. Teachers & students enjoy spending time in the space.
- 3) Do you have any support for the garden? If so, how is it supported?
  - Yes, recipient of IEUA's Mini-Grant. Lowe's Discount – 50% off all purchases, Girls Scout Troop project, Parent support – Garden refurbishment, and Teacher financial support.
- 4) Have you done any fundraising or applied for additional grants to supplement the garden?
  - Noted above under # 3, other support is parent donations. Parent Teacher Association (PTA) is not involved but would be supportive if asked.
- 5) What kind of additional support (Workshops, etc.) would be useful to you?
  - Any financial support is appreciated. Garden could also always use gardening gloves and tools for students to use.
- 6) Additional Comments:
  - Summer months – Overseeing teacher will be on campus on own time to ensure garden does not deteriorate.
  - Garden's Success: driven by Teacher's (and spouse) passion. Garden has been inspirational to the student body. Teacher is 4-5 years away from retirement and is confident that continuity of the garden will continue by other teachers in her absence.
  - Irrigation system – installed by Teacher's spouse

# Etiwanda Intermediate School, Rancho Cucamonga, CA

Year Garden Completed: 2012/2013    Inspection Completed by: External Affairs



- 1) How are you using the garden?
  - Elective Class
- 2) In a typical month, how often are students in the garden or lessons taught in the classroom related to the garden?
  - Every day (5 days per week)
- 3) Do you have any support for the garden? If so, how is it supported?
  - Yes, principal, custodian, and teacher assistants
- 4) Have you done any fundraising or applied for additional grants to supplement the garden?
  - No
- 5) What kind of additional support (Workshops, etc.) would be useful to you?
  - Identifying the plants that already exist in the garden. Donations needed: supplies, soil, and seeds.
- 6) Additional Comments:
  - Would like to know about field trips and Project WET Workshop

# Foothill Knolls Elementary School, Upland, CA

Year Garden Completed: 2005/2006 Inspection Completed by: External Affairs



- 1) How are you using the garden?
  - Education, plants, vegetables, teach responsibility, teach about littering and trash, education on loving nature, and education about drought issues
- 2) In a typical month, how often are students in the garden or lessons taught in the classroom related to the garden?
  - 1 per week
- 3) Do you have any support for the garden? If so, how is it supported?
  - Yes, Parent Teacher Association (PTA), Watchdog dads help build fences, principal helped donate a budget to build the garden beds
- 4) Have you done any fundraising or applied for additional grants to supplement the garden?
  - No
- 5) What kind of additional support (Workshops, etc.) would be useful to you?
  - Workshops on Compost, Turn Soil and Garden Refurbishment. Donations of garden tools/plants
- 6) Additional Comments:
  - "Harvest of the month" Club – local farmers bring fresh vegetables. Students learn about how the vegetable was harvested and what it tastes like. Meets once per month.

## Glenmeade Elementary School, Chino Hills, CA

Year Garden Completed: 2008/2009 Inspection Completed by: Internal Audit



- 1) How are you using the garden?
  - Garden club, recently 4<sup>th</sup> graders planted one bed full of crops plants (tomato, herb, and other)
- 2) In a typical month, how often are students in the garden or lessons taught in the classroom related to the garden?
  - Garden Rehabilitated in December 2017. Used as a teaching garden on a weekly basis for garden club.
- 3) Do you have any support for the garden? If so, how is it supported?
  - Yes, Eagle Scout project generated donations of materials and resources and helped stock the garden shed with tools, gloves, and plastic pots. Teacher has applied for Fertilizer grant. Challenge is having on-going and continuous support.
- 4) Have you done any fundraising or applied for additional grants to supplement the garden?
  - Yes, see response to # 3.
- 5) What kind of additional support (Workshops, etc.) would be useful to you?
  - Participated in Project WET Workshop, Connection with other school garden teachers, Information about Earth Day and possible resources for plants and other garden needs.
- 6) Additional Comments:
  - School Administration had no idea who IEUA was and no knowledge that IEUA had been involved with the establishment of the garden. Unaware of IEUA's mini-grant program.
  - Garden refurbished through an Eagle Scout Project.



## Grant Elementary School, Fontana, CA

Year Garden Completed: 2004/2005 Inspection Completed by: External Affairs



- 1) How are you using the garden?
  - Vegetables, succulents – grown and sold by the Garden Club for profit, greens, composting, education, sitting (to enjoy), and study in. Includes both drought tolerant features and planting beds.
- 2) In a typical month, how often are students in the garden or lessons taught in the classroom related to the garden?
  - Garden Club uses the garden daily, STEAM Academy uses the garden several days a week, Other classes use the garden up to 20 days a year.
- 3) Do you have any support for the garden? If so, how is it supported?
  - Yes, 3 teachers, Inland Empire Conservatory (Grant), and buy/sell succulents
- 4) Have you done any fundraising or applied for additional grants to supplement the garden?
  - Inland Empire Conservatory (Grant), succulents have raised \$700+ and will raise another \$400+ in the future.
- 5) What kind of additional support (Workshops, etc.) would be useful to you?
  - Lessons for students, how can we get/grow more food, more funds, more sales/farmer's market
- 6) Additional Comments:
  - Teacher open to participating in future grant programs. Replacements needed: control box for sprinkler system, drip irrigation hoses and water pump (for the water feature).

## Jasper Elementary School, Rancho Cucamonga, CA

Year Garden Completed: 2008/2009 Inspection Completed by: Internal Audit



- 1) How are you using the garden?
  - Garden has evolved over time. It has been a vegetable/salsa, plant, or bird/butterfly garden. This school year a Special Education class has been working in the garden.
- 2) In a typical month, how often are students in the garden or lessons taught in the classroom related to the garden?
  - Varies, depends on the teacher. Lessons are not taught in the garden, but students are encouraged to visit.
- 3) Do you have any support for the garden? If so, how is it supported?
  - Yes, School support from maintenance department, Eagle Scout Project, and parent support.
- 4) Have you done any fundraising or applied for additional grants to supplement the garden?
  - Due to the support of the District's Maintenance department, fundraising has not been needed.
- 5) What kind of additional support (Workshops, etc.) would be useful to you?
  - No support needed. School is grateful for IEUA's initial support to establish the garden.
- 6) Additional Comments:
  - Continuity – No turnover in School's Administration; therefore, they were aware of IEUA
  - Plaque – there is a plaque in the garden for the contributions by the Eagle Scout project, but no mention of IEUA's involvement.
  - Outreach – Consider additional outreach to inform the school about other IEUA programs.

# John L. Golden Elementary School, Rancho Cucamonga, CA

Year Garden Completed: 2015/2016 Inspection Completed by: Internal Audit  
1<sup>st</sup> Garden – IEUA Sponsored



2<sup>nd</sup> Garden – Separate garden - Sponsorship unknown



- 1) How are you using the garden?
  - Garden Club is overseen by 3 teachers and has 40 students that meet once a week for 30 minutes. It is located on the far side of the playground behind several storage containers and adjacent to a parking circle.
- 2) In a typical month, how often are students in the garden or lessons taught in the classroom related to the garden?
  - None, the 3 teachers try to bring their classes on a regular basis, but visits to the garden have been sporadic because of all the academic standards they are trying to complete.
- 3) Do you have any support for the garden? If so, how is it supported?
  - Yes, Parent Teacher Association (PTA) support provided funds for gravel/rocks that line the path of the garden. Teacher provided irrigation sprinklers and seeds.
- 4) Have you done any fundraising or applied for additional grants to supplement the garden?
  - Not yet, interested in participating in IEUA's program.
- 5) What kind of additional support (Workshops, etc.) would be useful to you?
  - Assistance with timer and sprinklers since School District does not provide any landscape support. Information on irrigation improvement. Collaboration on implementation of the Next Generation Science Standards (NGSS).
- 6) Additional Comments:
  - Teacher would like to create more of an outdoor classroom area with additional benches and shade (using a canopy).
  - School has a separate garden and believed to have been established when the school was founded. Located next to classrooms and there is one raised bed for each grade level. No information is available on the installation of the 2<sup>nd</sup> garden.

## Liberty Elementary School, Ontario, CA

Year Garden Completed: 2006/2007 Inspection Completed by: External Affairs



- 1) How are you using the garden?
  - Education, Vegetables, project-based learning (growing their own garden and at Open House Event they will be serving a dinner at their "restaurant" for their parents).
- 2) In a typical month, how often are students in the garden or lessons taught in the classroom related to the garden?
  - STEM 2-6 times per month and Saturday school every 1-3 months
- 3) Do you have any support for the garden? If so, how is it supported?
  - Yes, grant, donations (garden tools and hose reel), and Montclair Water Basin gave free mulch and compost
- 4) Have you done any fundraising or applied for additional grants to supplement the garden?
  - Yes
- 5) What kind of additional support (Workshops, etc.) would be useful to you?
  - Lessons on composting, lessons for the kids to be involved in, and pruning lessons
- 6) Additional Comments:
  - Assistance needed for the following repairs: sprinklers (previously broken 3 times), water fixture (School District refused to fix it), drip irrigation system in place, but broken, and pump.
  - Donations for a border/fence, mulch, and plant donations (early in the school year).

# Los Osos High School, Rancho Cucamonga, CA

Year Garden Completed: 2011/2012 Inspection Completed by: External Affairs



- 1) How are you using the garden?
  - Grow crops and herbs
- 2) In a typical month, how often are students in the garden or lessons taught in the classroom related to the garden?
  - 1 per day
- 3) Do you have any support for the garden? If so, how is it supported?
  - Yes, students
- 4) Have you done any fundraising or applied for additional grants to supplement the garden?
  - Garden Club, fundraisers, donations from students, and wish to have a farmer's market to sell their own crops that will eventually sustain the garden financially.
- 5) What kind of additional support (Workshops, etc.) would be useful to you?
  - Donations: shed, raised beds, seating, better hoses and repair kits.
- 6) Additional Comments:
  - The students want to be able to make a large enough garden to sustain a homeless population.

# Magnolia Elementary School, Upland, CA

Year Garden Completed: 2004/2005    Inspection Completed by: External Affairs



- 1) How are you using the garden?
  - Citrus day, peter rabbit garden is used to teach younger kids about growth and plants, Science, and garden-of-the-month club
- 2) In a typical month, how often are students in the garden or lessons taught in the classroom related to the garden?
  - Non-applicable
- 3) Do you have any support for the garden? If so, how is it supported?
  - Yes, Custodians. Previously, there was a garden club and kids would come once a week to tend and learn. The person that ran the garden is no longer with the school and they want to bring the program back and have it supported by the Parent Teacher Association (PTA).
- 4) Have you done any fundraising or applied for additional grants to supplement the garden?
  - No
- 5) What kind of additional support (Workshops, etc.) would be useful to you?
  - No answer provided.
- 6) Additional Comments:
  - No answer provided.

# Mariposa Elementary School, Ontario, CA

Year Garden Completed: 2009/2010    Inspection Completed by: External Affairs



- 1) How are you using the garden?
  - Vegetables
- 2) In a typical month, how often are students in the garden or lessons taught in the classroom related to the garden?
  - 10 minutes, 1 per month
- 3) Do you have any support for the garden? If so, how is it supported?
  - No
- 4) Have you done any fundraising or applied for additional grants to supplement the garden?
  - No
- 5) What kind of additional support (Workshops, etc.) would be useful to you?
  - Plants, anything and everything
- 6) Additional Comments:
  - There is one teacher assigned per box, and
  - There was one box growing vegetables, but the other two had nothing in them

# Monte Vista Elementary School, Montclair, CA

Year Garden Completed: 2011/2012    Inspection Completed by: External Affairs



- 1) How are you using the garden?
  - Science lessons, vegetables, harvest, sample vegetables, teach health lessons, science observation, animals, high needs kids utilize, and community garden days.
- 2) In a typical month, how often are students in the garden or lessons taught in the classroom related to the garden?
  - 1 per week
- 3) Do you have any support for the garden? If so, how is it supported?
  - Yes, community days – Parents come out on the weekend and help weed/care for the garden.
- 4) Have you done any fundraising or applied for additional grants to supplement the garden?
  - Yes, IEUA mini-grant.
- 5) What kind of additional support (Workshops, etc.) would be useful to you?
  - Lessons related to: How to be a better gardener, keeping the weeds away, pruning, and compost.
- 6) Additional Comments:
  - Participate in garden of the month club.



## Montera Elementary School, Montclair, CA

Year Garden Completed: 2010/2011 Inspection Completed by: External Affairs & Internal Audit



- 1) How are you using the garden?
  - Garden has been abandoned. Previously, garden was integral part of the school activities. With staff turnover, classroom logistics and no stipends; no one is available to manage the garden.
- 2) In a typical month, how often are students in the garden or lessons taught in the classroom related to the garden?
  - None; one teacher planted some flowers in one raised bed.
- 3) Do you have any support for the garden? If so, how is it supported?
  - No, when the program was active the garden teacher would bring cuttings from her home garden for students to plant and care for.
- 4) Have you done any fundraising or applied for additional grants to supplement the garden?
  - None
- 5) What kind of additional support (Workshops, etc.) would be useful to you?
  - To support the garden, an interested teacher and financial support is needed. School does not have Parent Teacher Association (PTA) and the parent culture does not support of donations.
- 6) Additional Comments:
  - School Administration was unaware of IEUA's Mini-Grant program, Earth Day activities, or composting facility. Initial teacher attended Project WET workshop 8 years ago.
  - School became aware of the Garden in Every School Program through a reference.

# Newman Elementary School, Chino, CA

Year Garden Completed: 2005/2006    Inspection Completed by: Internal Audit



- 1) How are you using the garden?
  - After-school program is currently using 4 of the raised beds and crops have been planted. There are 2 plastic composting bins (not in use) and a garden shed with tools, gloves and other equipment.
- 2) In a typical month, how often are students in the garden or lessons taught in the classroom related to the garden?
  - None, only the after-school program. The goal is to obtain additional seating, so classes can come out and learn about the garden, along with independent reading time and other projects.
- 3) Do you have any support for the garden? If so, how is it supported?
  - Yes, school staff and parents plan and/or volunteer to refurbish the garden and drip irrigation system. Home Depot donated soil for 4 of the 13 raised beds in the garden. School District maintenance department assists with weed removal in the raised beds and along the pathway.
- 4) Have you done any fundraising or applied for additional grants to supplement the garden?
  - Home Depot provided free soil for 4 raised beds. Volunteer staff and parents restored the drip irrigation system. There are plans to request donations from the City of Chino for wood chips.
- 5) What kind of additional support (Workshops, etc.) would be useful to you?
  - Drip irrigation system that is working and dependable. Lessons plans and professional development to incorporate the Next Generation Science Standards (NGSS) and connection to the garden.
- 6) Additional Comments:
  - School administration had no idea who IEUA was, no knowledge that IEUA had been involved with the initial establishment of the garden, and unaware of IEUA's sponsored programs.

# Oak Park Elementary School, Fontana, CA

Year Garden Completed: 2007/2008 Inspection Completed by: External Affairs



- 1) How are you using the garden?
  - Poetry stimulus, insect trap project (science), Scientific observation, imitate microscope images, decompose pumpkin, monarch butterfly garden, sketch audubon style, and scavenger hunts (find certain plants).
- 2) In a typical month, how often are students in the garden or lessons taught in the classroom related to the garden?
  - 4 times per week
- 3) Do you have any support for the garden? If so, how is it supported?
  - Yes, volunteers and Parent Teacher Association (PTA)
- 4) Have you done any fundraising or applied for additional grants to supplement the garden?
  - Yes, IEUA mini-grant and Kellogg company gave 40 bags of garden soil
- 5) What kind of additional support (Workshops, etc.) would be useful to you?
  - Donations: mulch, soil, drip irrigation repair kit, and plant name stakes galvanized metal.
- 6) Additional Comments:
  - School would like Lessons on "How to" use the garden for education.

# Our Lady of Lourdes School, Montclair, CA

Year Garden Completed: 2007/2008    Inspection Completed by: Internal Audit



- 1) How are you using the garden?
  - Garden is not being used at all, it is more of a nature area between the church and the school with a few drought tolerant plants and uses recycled water for irrigation.
- 2) In a typical month, how often are students in the garden or lessons taught in the classroom related to the garden?
  - None
- 3) Do you have any support for the garden? If so, how is it supported?
  - No, the groundskeeper maintains the garden as part of their maintenance area.
- 4) Have you done any fundraising or applied for additional grants to supplement the garden?
  - No
- 5) What kind of additional support (Workshops, etc.) would be useful to you?
  - Unaware of the activities and resources that are available through IEUA (Project WET workshop, Earth Day activities, composting facility, etc.).
- 6) Additional Comments:
  - School Administration was unaware of who IEUA is but had knowledge of Chino Basin Water Conservation District.

# Perdew Elementary School, Rancho Cucamonga, CA

Year Garden Completed: 2008/2009 Inspection Completed by: External Affairs



- 1) How are you using the garden?
  - Garden Club, cycles through different grade levels.
- 2) In a typical month, how often are students in the garden or lessons taught in the classroom related to the garden?
  - 4 per month
- 3) Do you have any support for the garden? If so, how is it supported?
  - Yes
- 4) Have you done any fundraising or applied for additional grants to supplement the garden?
  - Kona Ice fundraiser – sell during lunch and after school to support garden.
- 5) What kind of additional support (Workshops, etc.) would be useful to you?
  - Lessons for Teachers and Kids on “How to plant”
- 6) Additional Comments:
  - School is removing the current tree and adding a mulberry in the center of the garden.

## Poplar Elementary School, Fontana, CA

Year Garden Completed: 2006/2007 Inspection Completed by: Internal Audit



- 1) How are you using the garden?
  - Garden is currently being used for planting and outdoor space for students to enjoy and read. There are 4 raised beds that have roses only, there are no vegetables or drought-tolerant plants. Also, there are 2-3 benches and a compost bin.
- 2) In a typical month, how often are students in the garden or lessons taught in the classroom related to the garden?
  - None, garden-related lessons are not taught in the classroom. In the next school year, there are plans to incorporate the Next Generation Science Standards (NGSS) and use the garden and other materials (binoculars, child size gardening gloves and tools, microscopes, bird house/feeder, seeds, etc.) purchased by the school.
- 3) Do you have any support for the garden? If so, how is it supported?
  - Yes, school district landscape department. They set the timer to water the garden and perform on-going needed maintenance (such as removal of weeds, add soil, etc.)
- 4) Have you done any fundraising or applied for additional grants to supplement the garden?
  - No, school is interested in applying for grants.
- 5) What kind of additional support (Workshops, etc.) would be useful to you?
  - Expand the garden and add more beds, benches, trees, and shade with water misters. School would also like to add a butterfly garden.
- 6) Additional Comments:
  - Garden was recently re-done; Cal Poly Pomona students painted the murals as part of volunteer community service project.
  - School administration was unaware of who IEUA was but had heard of Chino Basin Water Conservation District.
  - For the summer months, the landscape department will take care of the garden needs.
  - Informed school administration of IEUA's sponsored programs (Earth Day, Project WET, composting facility)

## Ranch View Elementary School, Ontario, CA

Year Garden Completed: 2005/2006    Inspection Completed by: External Affairs



- 1) How are you using the garden?
  - Kindergarten grows vegetables and Photo opportunities.
- 2) In a typical month, how often are students in the garden or lessons taught in the classroom related to the garden?
  - 2 – 3 times
- 3) Do you have any support for the garden? If so, how is it supported?
  - No, parents volunteer to help with the garden. Also, church that is there on Sundays helps maintain the garden.
- 4) Have you done any fundraising or applied for additional grants to supplement the garden?
  - Not recently, but they have in the past.
- 5) What kind of additional support (Workshops, etc.) would be useful to you?
  - Donations: native plant, soil, and mulch. Drought tolerant plant lecture.
- 6) Additional Comments:
  - Sprinklers do not always work.

## Redeemer Lutheran Christian School, Ontario, CA

Year Garden Completed: 2011/2012 Inspection Completed by: Internal Audit



- 1) How are you using the garden?
  - Garden is a “farming” style garden with the following: squash, lettuce, snap peas, etc. There are 12 raised beds, drip irrigation system, compost bin (not used) and a white picket fence.
- 2) In a typical month, how often are students in the garden or lessons taught in the classroom related to the garden?
  - None, Garden Club is run by a parent volunteer, has 6-7 members, and meets once a week during the school day and after school. The school is appreciative of the parent volunteer.
- 3) Do you have any support for the garden? If so, how is it supported?
  - Yes, parent volunteer donated plants and their time to the Garden Club. No other donations have been received.
- 4) Have you done any fundraising or applied for additional grants to supplement the garden?
  - No, school administration is new and there are plans to close elementary and middle school programs and leave the preschool in operation.
- 5) What kind of additional support (Workshops, etc.) would be useful to you?
  - Information on varying the plantings for the different raised beds, establishment of a butterfly garden, plants/gardens that are native to Southern California’s ecosystem, and deterrence of pests. Ideas and suggestions on how to keep the garden viable during the summer months, and signage about the purpose and nature of the plants.
- 6) Additional Comments:
  - School administration had no idea who IEUA was, no knowledge that IEUA had been involved with the initially establishment of the garden and unaware of IEUA’s sponsored programs such as mini-grant, Project WET, Earth Day, etc.
  - Plaque or other identifying information would be helpful to memorialize the IEUA assistance in establishment of the garden.



## Sultana Elementary School, Ontario, CA

Year Garden Completed: 2012/2013    Inspection Completed by: Internal Audit  
1<sup>st</sup> Garden – IEUA Sponsored



2<sup>nd</sup> Garden – Sponsored by a separate grant



- 1) How are you using the garden?
  - Drought-tolerant/sensory garden. IEUA started the garden design process but never finished; the school completed the garden.
- 2) In a typical month, how often are students in the garden or lessons taught in the classroom related to the garden?
  - Varies by month. Garden is used regularly by students to incorporate Next Generation Science Standards (NGSS) curriculum and located near the front entrance of the school, which has a lot of visibility.
- 3) Do you have any support for the garden? If so, how is it supported?
  - Yes, students from the University of La Verne spend a community service day each year at the school to improve the garden.
- 4) Have you done any fundraising or applied for additional grants to supplement the garden?
  - Donation boxes at school events, parent workdays and teachers donated plants. School would like to create a farmer's market to sell plants, fruits, vegetables, etc.
- 5) What kind of additional support (Workshops, etc.) would be useful to you?
  - Information on IEUA sponsored events: field trips, Earth Day activities, and Project WET.
- 6) Additional Comments:
  - School is aware of IEUA but has not been in contact with IEUA in several years.
  - School had their own dedication ceremony, there was never an event with IEUA and the school never received a plaque or recognition of any kind.
  - School has a separate vegetable and fruit garden with 8 planting beds from a separate grant.

# Sycamore Elementary School, Upland, CA

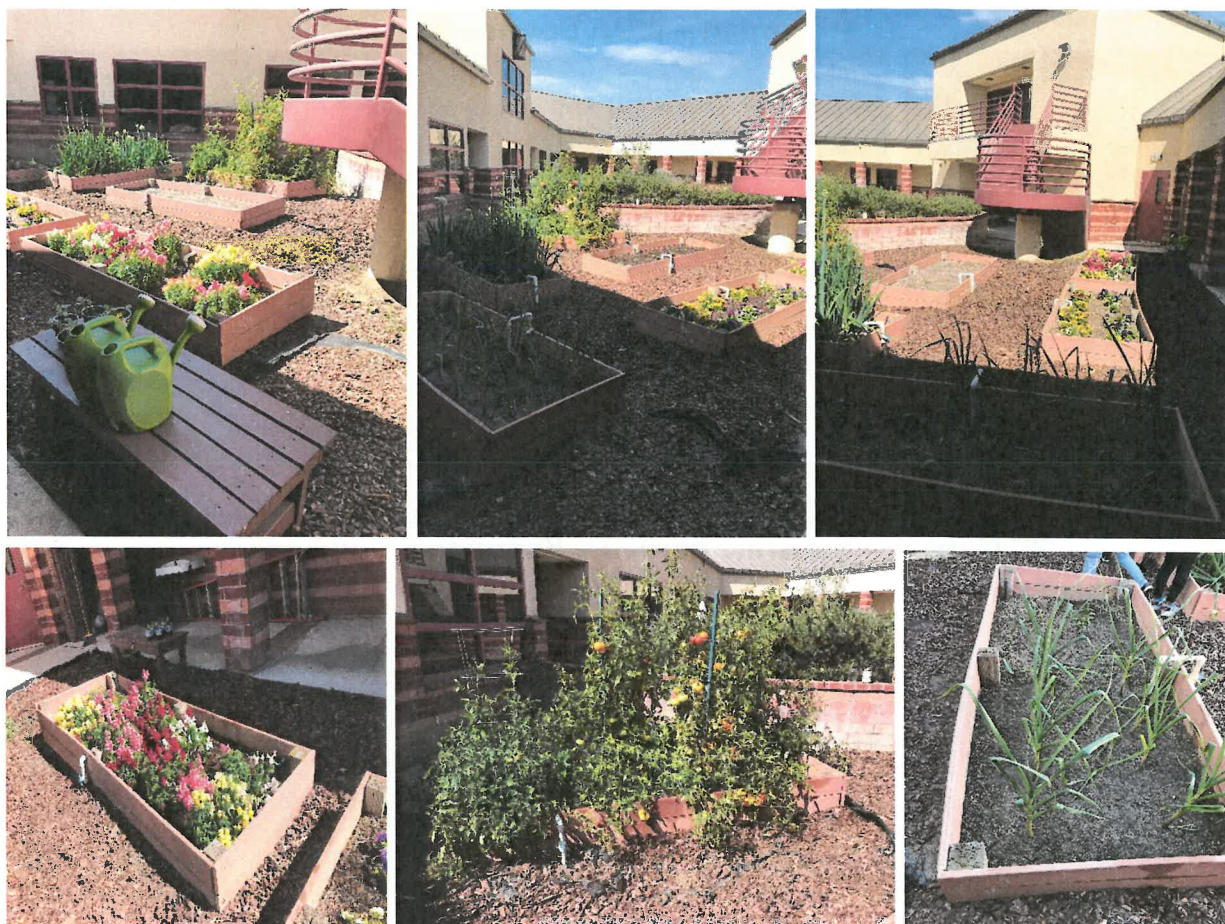
Year Garden Completed: 2006/2007    Inspection Completed by: External Affairs



- 1) How are you using the garden?
  - Not used. Garden has both drought tolerant features and raised planting beds.
- 2) In a typical month, how often are students in the garden or lessons taught in the classroom related to the garden?
  - Zero (0)
- 3) Do you have any support for the garden? If so, how is it supported?
  - No
- 4) Have you done any fundraising or applied for additional grants to supplement the garden?
  - No
- 5) What kind of additional support (Workshops, etc.) would be useful to you?
  - Non-applicable
- 6) Additional Comments:
  - There has been a recent turnover in School Administration, who has limited knowledge on the garden's history. Garden is in good condition because of the type of plants currently planted. Overall, the garden has great potential with the two garden beds for vegetables.
  - Occasionally, Girl Scouts use the garden for educational purposes.

## The Ontario Center School, Ontario, CA

Year Garden Completed: 2008/2009 Inspection Completed by: Internal Audit



- 1) How are you using the garden?
  - Garden Club, it is managed by 1 teacher and currently has 22-23 members, grades 3 -5. The club meets after school once a week for 1 hour. The club has grown significantly since it was initially reestablished at the beginning of the school year.
- 2) In a typical month, how often are students in the garden or lessons taught in the classroom related to the garden?
  - None, garden not used as part of curriculum. Garden Club does cover academic related topics such as photosynthesis, plant growth and life cycle.
- 3) Do you have any support for the garden? If so, how is it supported?
  - Yes, the memorial fund helped re-established the garden this school year. Teacher has used own funds to provide materials for the garden.
- 4) Have you done any fundraising or applied for additional grants to supplement the garden?
  - No fundraising has been done. Primary teacher unexpectedly passed away and garden was untended for 2 years. A new teacher has taken over the garden this school year.
- 5) What kind of additional support (Workshops, etc.) would be useful to you?
  - Greater variety of plantings, larger space to expand the garden and room for a greenhouse, student supplies, outdoor spigot, automatic watering system, and summer garden program.
- 6) Additional Comments:
  - School Administration was unaware of who IEUA was, but they had some awareness of Chino Basin Water Conservation District. Teacher was aware of Project WET but unable to attend.
  - The next phase is to connect the garden to the curriculum.
  - "Harvest of the month" program brings local and central valley farmers to the schools to discuss and highlight the growth of seasonal crops and provide samples.

# Victoria Groves Elementary School, Rancho Cucamonga, CA

Year Garden Completed: 2006/2007 Inspection Completed by: Internal Audit

## 1<sup>st</sup> Garden – IEUA Sponsored



## 2<sup>nd</sup> Garden – Separate garden – Sponsorship unknown



- 1) How are you using the garden?
  - Garden is purely decorative, serves no educational function, and enhances School's landscaping. It contains a water feature with water running down a bed of rocks and a wire-mesh sculpture of the school mascot along with drought tolerant plantings.
- 2) In a typical month, how often are students in the garden or lessons taught in the classroom related to the garden?
  - None, garden is located at the front entrance of the school near the office. Parents and students see the garden when entering and leaving the campus.
- 3) Do you have any support for the garden? If so, how is it supported?
  - No, only support required is on-going maintenance from the custodian. School District maintenance department will assist if required.
- 4) Have you done any fundraising or applied for additional grants to supplement the garden?
  - No, not applicable.
- 5) What kind of additional support (Workshops, etc.) would be useful to you?
  - School has another separate garden on the edge of the school's playground. It is in a large open area with 6 planting beds filled with crops and plants, several citrus trees, grape vines, and sprinklers. This garden is maintained by the Day Care program.
- 6) Additional Comments:
  - No information is available on the installation of the 2<sup>nd</sup> garden.
  - For the summer months, school district maintenance department or custodian will assist with weed removal.

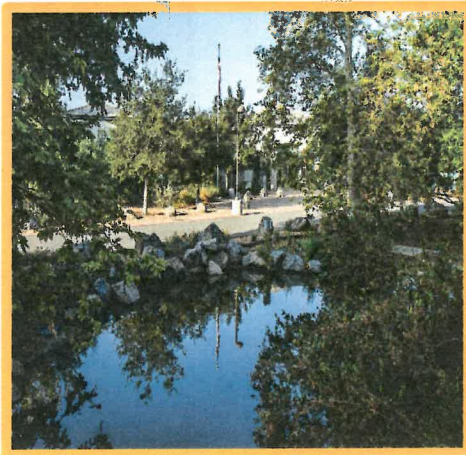
## Vina Danks Middle School, Ontario, CA

Year Garden Completed: 2012/2013 Inspection Completed by: External Affairs



- 1) How are you using the garden?
  - Not used/empty beds
- 2) In a typical month, how often are students in the garden or lessons taught in the classroom related to the garden?
  - 1-2 (classroom)
- 3) Do you have any support for the garden? If so, how is it supported?
  - No, not yet, hopefully Associated Student Body (ASB) or Advancement Via Individual Determination (AVID).
- 4) Have you done any fundraising or applied for additional grants to supplement the garden?
  - No
- 5) What kind of additional support (Workshops, etc.) would be useful to you?
  - Teach the school and teachers what they could use the gardens for.
- 6) Additional Comments:
  - School has a home economics class – recommended consider incorporation of the garden into this class
  - School Administration said to grow food that can be turned into salads, baked goods and sales.

# Garden in Every School® Program Evaluation



*The Garden in Every School® Program Evaluation/Audit is consistent with the Agency's Business Goals of Fiscal Responsibility, Workplace Environment and Business Practices by having the Internal Audit Department provide an independent evaluation and provide recommendations for improving and management in achieving organizational goals.*

# Program Costs for prior 3 fiscal years

Year	Activity	Grant Monies Given to Schools	CBWCD (Costs for Design & Installation Labor)	Total Direct Costs	Additional Indirect Costs not calculated or included as part of Total Direct Costs
2016/17	4 new garden installations \$4,500/ea	\$18,000	\$27,470	\$45,470	IEUA staff time: Supervise CBWCD contract, school application/selection process, dedication ceremony, Project WET implementation, etc.
2017/18	12 mini-grants \$1,000/ea	\$12,000	\$0	\$12,000	IERCF staff time for evaluation of mini-grant school sites. IEUA staff time: School mini-grant application/selection process, dedication ceremony, Project WET implementation, etc.
2018/19	4 new garden installations \$4,500/ea	\$18,000	\$33,000	\$51,000	IEUA staff time: Supervise CBWCD contract, school application/selection process, dedication ceremony, Project WET implementation, etc.

# Garden in Every School® Program

- Program began: 2004/05
- 62 Gardens installed to date
- 47 (76%) of the gardens are still in existence
- 15 (24%) have been removed for various reasons
- 12 of the 47 in place, were awarded a \$1,000 “mini-grant” during this fiscal year
  - 5 of the 12, previously received a mini-grant in 2013/14
  - 4 of the 12, installed their original garden last year (2016/17)
- Of the 47 gardens still in existence, IA and/or External Affairs evaluated the 35 (74%) that did not receive a “mini-grant” this fiscal year.
- 6 (17%) of the 35 gardens observed, are not actively used by the school (drought tolerant landscape) and 11 (31%) get “minimal” use for education purposes, leaving 30 (48% of total 62 gardens) actively used for educational purposes.



# Garden in Every School<sup>®</sup> Program

## Attributes for a.....

### Successful Garden

- Gardens used for “educational purposes
- Motivated school administrator and overall school culture
- Creative/resourceful staff
- Garden Club and/or used for science curriculum
- Parent or Parent-Teacher Association (PTA) involvement and support
- Other groups of students or volunteers (Boys/Girls Scouts, colleges)
- Donations from parents or teachers of supplies
- Effective irrigation system in place
- Socio-Economic factors

### Un-Successful Garden

- Lack of knowledge or purpose for the garden
- Un-motivated school administration/ culture
- No support for maintenance, weeding and upkeep (hostility or indifference from District Maintenance Department)
- Not used for science curriculum
- No Parent and/or no Parent-Teacher Association involvement and support
- No irrigation system in place or not working
- Socio-Economic factors

# Garden in Every School® Program: Pictures

## Additional Pictures of Successful Gardens



Jasper Elementary School  
Rancho Cucamonga, CA



Etiwanda Colony Elementary School  
Rancho Cucamonga, CA



Foothill Knolls Elementary School



Santa Anita Elementary School



Santa Anita Elementary School

# Internal Audit Recommendations:

Number	Recommendations
1	<p>The Agency should reevaluate, update and document the goals and objectives for the GIES program to ensure that the program is aligned with the Agency's vision, mission, goals and objectives. The Agency should consider whether the GIES program is the most effective means to meet Agency goals and evaluate whether the program ensures those goals are addressed.</p>
2	<p>The Agency should determine how best to coordinate the various responsibilities for the GIES program. The Agency should consider what efficiencies could be achieved, through either consolidating or at minimum, scheduling periodic progress meetings or workshops with all parties to discuss the program goals, achievement of those goals, lessons learned, things that need to be changed, and how best to provide greater authority and accountability to effectively manage the program.</p>
3	<p>Agency staff should provide an annual written and oral report to the Board &amp; Executive Management about the GIES program.</p>
4	<p>Agency staff should continue to oversee and monitor gardens at schools, including: conducting periodic follow-up site-visits and evaluations, providing school administrators with additional, well-defined guidelines, requirements and expectations, and ensuring gardens are used as intended and students participate in hands-on learning activities.</p>

# Internal Audit Recommendations:

Number	Recommendations
5	Agency staff should employ a proactive method to remain in close contact and communication with the schools that have installed gardens
6	IEUA should provide each school with permanent identifying information to post in the garden such as a sign or plaque that includes information about the garden's sponsors (IEUA, member agency and other) including the Agency's website and contact information so that future school administrators and garden visitors are aware of IEUA, including who and where to contact if the garden requires attention.
7	IEUA staff should develop a post-implementation evaluation of gardens after they have been in existence for an agreed upon amount of time.

**INFORMATION  
ITEM**

**6R**

EXHIBIT A



**AMENDMENTS TO  
RECORDS RETENTION SCHEDULE**

Office of Record	New Record Series No.	Record Series Title	ADD	CHANGE	DELETE	DESCRIPTION OF RECORD AMENDMENT REQUESTS
		<b>RECORDS RETENTION SCHEDULE DEPARTMENT SPECIFIC</b>		X		Office of Record.
		<b>DELETE ALL PREVIOUS RECORDS SERIES NUMBERS</b>			X	
Agency-Wide (AW)	001	<b>AGENCY MEMORABILIA</b>	X			Add New Record Series Number. Add New Records Series Title. Add Remarks/Citations "Separate memorabilia with historical value and label it 'Permanent'."
Agency-Wide (AW)	002	<b>AGENCY POLICIES AND PROCEDURES</b>	X			Add New Record Series Number. Add new Category.
Agency-Wide (AW)	003	<b>CORRESPONDENCE - Department Specific</b> (Correspondence that pertains to department specific document classifications with retentions between 4 – 10 years. Does contain significant information about office policies or programs.)	X			Add New Record Series Number. Add new Category.
Agency-Wide (AW)	004	<b>CORRESPONDENCE - General</b> (also called Letters, Memoranda, Email, etc. Correspondence that pertains to routine tasks or matters handled in accordance with Existing policies and procedures. Does not contain significant information about office policies or programs.)	X			Add New Record Series Number. Add new Category.
Agency-Wide (AW)	005	<b>CORRESPONDENCE - Policy</b> (Correspondence which state or form the basis of policy, set important precedents or record important events in the operational and organizational history of the Agency)	X			Add New Record Series Number. Add new Category.
Agency-Wide (AW)	006	<b>CORRESPONDENCE - Project Related</b> (Correspondence that pertains to work related projects that will have a short-term duration. Does contain significant information about office policies or programs.)	X			Add New Record Series Number. Add new Category.
Agency-Wide (AW)	007	<b>CORRESPONDENCE - Transitory</b> (Documents of short-term interest that have no documentary or evidentiary value, which are not include in another record series)	X			Add New Record Series Number. Add new Category.
Agency-Wide (AW)	008	<b>PROGRAMS, PLANS, AND PROJECTS (Not Grant-Funded)</b>	X			Add New Record Series Number.
Agency-Wide (AW)	009	<b>REFERENCE MATERIALS AND PUBLICATIONS -</b> (Documentation published by manufacturers, Government agencies, and other organizations used for reference purposes.)	X			Add New Record Series Number. Add new Category.

Office of Record	New Record Series No.	Record Series Title	ADD	CHANGE	DELETE	DESCRIPTION OF RECORD AMENDMENT REQUESTS
Accounting (ACCT)	010	ACCOUNTS PAYABLE		X		Change Record Series Number.
Accounting (ACCT)	011	ACCOUNTS RECEIVABLE		X		Change Record Series Number.
Accounting (ACCT)	012	CANCELLED CHECK FILES		X		Change Record Series Number.
Accounting (ACCT)	013	TRANSACTIONAL DETAIL BY ACCOUNT		X		Change Record Series Number.
Accounting (ACCT)	014	FIXED ASSET FILES		X		Change Record Series Number.
Accounting (ACCT)	015	GENERAL LEDGER/ ACCOUNT ANALYSIS		X		Change Record Series Number.
Accounting (ACCT)	016	JOURNAL VOUCHERS/ENTRIES		X		Change Record Series Number.
Accounting (ACCT)	017	PAYROLL PERSONNEL FILES		X		Change Record Series Number.
Accounting (ACCT)	018	PAYROLL REPORTS		X		Change Record Series Number.
Accounting (ACCT)	019	STORES INVENTORY FILES - Warehouse		X		Change Record Series Number.
Accounting (ACCT)	020	TAX ASSESSMENT & COLLECTIONS		X		Change Record Series Number.
Accounting (ACCT)	021	ANNUAL REPORTS		X		Change Record Series Number.
Accounting (ACCT)	022	REPORTS - Financial/State		X		Change Record Series Number.
Accounting (ACCT)	023	RDA TAX BILLINGS WORKPAPERS		X		Change Record Series Number.
Accounting (ACCT)	024	AUDIT WORKPAPERS		X		Change Record Series Number.
Accounting (ACCT)	025	TAXPAYERS' IDENTIFICATION NUMBER FORMS		X		Change Record Series Number.
		DEPARTMENT SPECIFIC & PERMANENT EMAIL RECORDS				Delete Existing Record Series Number.
		CORRESPONDENCE - General		X	X	Delete Existing Record Series Number. Merge with New Records Series No. 003 "Correspondence - General."
		ATTORNEY CORRESPONDENCE FILES Correspondence - General		X	X	Delete Existing Record Series Number. Merge with New Records Series No. 006 "Correspondence - Project Related."



Office of Record	New Record Series No.	Record Series Title	ADD	CHANGE	DELETE	DESCRIPTION OF RECORD AMENDMENT REQUESTS
Agency Management (AM)	026	REPORTS/STUDIES/MANUALS		X		Change Record Series Number.
Agency Management (AM)	027	AGENCY (State, Federal, City, County)		X		Change Record Series Number.
		CORRESPONDENCE - OUTGOING (Copies) Chief Executive Manager/GM			X	Delete Existing Record Series Number. Merge with New Records Series No. 006 "Correspondence - Project Related."
Agency Management (AM)	028	LEGAL ISSUES		X		Change Record Series Number.
Agency Management (AM)	029	MEMBERSHIPS/SUBSCRIPTIONS		X		Change Record Series Number.
Agency Management (AM)	030	ORGANIZATIONAL CHANGES		X		Change Record Series Number.
Agency Management (AM)	031	CERTIFIED MAIL LOGS		X		Change Record Series Number.
		VISITORS LOGS		X	X	Delete Existing Record Series Number. Merge with new Records Series No. 050 "Facilities Management Logs."
		DEPARTMENT SPECIFIC & PERMANENT EMAIL RECORDS				Delete Existing Record Series Number.
Business Information Systems (BIS)	032	CONTRACT MANAGEMENT FILES		X		Change Record Series Number.
Business Information Systems (BIS)		PROGRAMS, PLANS, AND PROJECTS (Not Grant-Funded)		X	X	Delete Existing Record Series Number. Merge new Record Series No. 008 "Programs, Plans, and Projects (Not Grant-Funded)."
		DEPARTMENT SPECIFIC & PERMANENT EMAIL RECORDS				Delete Existing Record Series Number.
Board of Directors (BOD)	033	BOARD/COMMITTEE AGENDA PACKETS		X		Change Record Series Number.
Board of Directors (BOD)	034	CAMPAIGN STATEMENTS/ELECTION FORMS		X		Change Record Series Number.

Office of Record	New Record Series No.	Record Series Title	ADD	CHANGE	DELETE	DESCRIPTION OF RECORD AMENDMENT REQUESTS
Board of Directors (BOD)	035	MEETING RECORDINGS (Cassette Tapes)C63:H63		X		Change Record Series Number.
Board of Directors (BOD)	036	MINUTES / ORDINANCES / RESOLUTIONS		X		Change Record Series Number.
Board of Directors (BOD)	037	PUBLIC HEARING FILES		X		Change Record Series Number.
Board of Directors (BOD)	038	STATEMENT OF ECONOMIC INTEREST - Form 700		X		Change Record Series Number.
		BOARD CORRESPONDENCE		X	X	Delete Existing Record Series Number. Merge with new Records Series No. 003 "Correspondence - Department Specific."
		CORRESPONDENCE - GENERAL		X	X	Delete Existing Record Series Number. Merge with new Records Series No. 003 "Correspondence - Department Specific."
Board of Directors (BOD)	039	APPROPRIATIONS LIMITATIONS FILINGS		X		Change Record Series Number.
		DEPARTMENT SPECIFIC & PERMANENT EMAIL RECORDS				Delete Existing Record Series Number
Contracts & Procurements (CAP)	040	CONTRACT PROJECT FILES		X		Change Record Series Number.
Contracts & Procurements (CAP)	041	PURCHASE ORDERS / REQUISITIONS		X		Change Record Series Number.
Contracts & Procurements (CAP)	042	SUBJECT AND CORRESPONDENCE	X	X	X	Add New Records Series Title "Facilities Administrative Files." Change Existing Record Series Number. Delete Records Series Title "Subject and Correspondence."
Contracts & Procurements (CAP)	043	RECOGNITION AWARDS		X		Change Record Series Number.
Contracts & Procurements (CAP)	044	CLAIMS (Liability)		X		Change Record Series Number.
Contracts & Procurements (CAP)	045	INSURANCE CERTIFICATIONS		X		Change Record Series Number.
Contracts & Procurements (CAP)	046	INSURANCE FILES		X		Change Record Series Number.
Contracts & Procurements (CAP)	047	DEPARTMENT OF MOTOR VEHICLES (DMV)		X		Change Record Series Number.

Office of Record	New Record Series No.	Record Series Title	ADD	CHANGE	DELETE	DESCRIPTION OF RECORD AMENDMENT REQUESTS
Contracts & Procurements (CAP)	048	RISK MANAGEMENT PLANS		X		Change Record Series Number.
Contracts & Procurements (CAP)	049	PERFORMANCE AND PAYMENT BONDS		X		Change Record Series Number.
Contracts & Procurements (CAP)	050	FACILITIES MANAGEMENT LOGS		X		Change Record Series Number.
Contracts & Procurements (CAP)	051	PROGRAM / PROJECT FILES (Grant-Related)		X		Change Record Series Number.
Contracts & Procurements (CAP)	052	RECORDS RETENTION PROGRAM		X		Change Record Series Number.
Contracts & Procurements (CAP)	053	PUBLIC RECORDS REQUESTS		X		Change Record Series Number.
Contracts & Procurements (CAP)	054	AGENCY GOVERNANCE		X		Change Record Series Number.
Contracts & Procurements (CAP)	055	RECORDS MANAGEMENT INDICES		X		Change Record Series Number.
Contracts & Procurements (CAP)	056	PC LOAN APPLICATIONS - Employee		X		Change Record Series Number.
		AGENCY POLICIES AND PROCEDURES		X	X	Delete Existing Record Series Number. Merge with new Records Series No. 003 "Correspondence - Department Specific."
Contracts & Procurements (CAP)	057	VEHICLE RECORDS		X		Change Record Series Number.
Contracts & Procurements (CAP)	058	CONTRACTS (Originals)		X		Change Record Series Number.
Contracts & Procurements (CAP)	059	SECURITY SERVICE INCIDENT REPORTS		X		Change Record Series Number.
Contracts & Procurements (CAP)	060	LITIGATION FILES		X		Change Record Series Number.
		PROGRAM / PROJECT FILES (Not Grant-Related)		X	X	Delete Existing Record Series Number. Merge with new Records Series No. 072 "External Affairs Administrative Files."
Contracts & Procurements (CAP)	061	FIRE SUPPRESSION SYSTEMS		X		Change Record Series Number.

Office of Record	New Record Series No.	Record Series Title	ADD	CHANGE	DELETE	DESCRIPTION OF RECORD AMENDMENT REQUESTS
		DEPARTMENT SPECIFIC & PERMANENT EMAIL RECORDS				Delete Existing Record Series Number.
Engineering & Construction Management (ECM)	062	AGENCY FACILITIES ATLAS		X		Change Record Series Number.
Engineering & Construction Management (ECM)	063	DRAWINGS		X		Change Record Series Number.
		PROJECT FILES (Not Grant-Funded)***		X	X	Delete Existing Record Series Number. Merge with new Records Series No. 008 "Programs, Plan, and Projects (Not Grant-Funded)."
Engineering & Construction Management (ECM)	064	RIGHT OF WAY FILES		X		Change Record Series Number.
Engineering & Construction Management (ECM)	065	UTILITY CONFLICT ISSUES		X		Change Record Series Number.
Engineering & Construction Management (ECM)	066	REIMBURSABLE PROJECTS		X		Change Record Series Number.
Engineering & Construction Management (ECM)	067	ENGINEERING REPORTS & STUDIES		X		Change Record Series Number.
		CORRESPONDENCE		X	X	Delete Existing Record Series Number. Merge with New Records Series No. 003 "Correspondence - Department Specific."
Engineering & Construction Management (ECM)	068	MINOR CONSTRUCTION & EMERGENCY CONTRACTS		X		Change Record Series Number.
Engineering & Construction Management (ECM)	069	DIG ALERTS		X		Change Record Series Number.
Engineering & Construction Management (ECM)	070	PROJECT FILES (Grant-Funded)		X		Change Record Series Number.
		DEPARTMENT SPECIFIC & PERMANENT EMAIL RECORDS				Delete Existing Record Series Number.

Office of Record	New Record Series No.	Record Series Title	ADD	CHANGE	DELETE	DESCRIPTION OF RECORD AMENDMENT REQUESTS
External Affairs (EA)	071	PUBLICATIONS		X		Change Record Series Number.
External Affairs (EA)	072	EXTERNAL AFFAIRS ADMINISTRATIVE FILES	X	X	X	Add New Records Series Title "External Affairs Administrative Files." Change Existing Record Series Number. Delete Records Series Title "Subject and Correspondence."
External Affairs (EA)	073	FPPC - FAIR POLITICAL PRACTICE COMMISSION		X		Change Record Series Number.
External Affairs (EA)	074	BOND PROPOSITIONS		X		Change Record Series Number.
		AGENCY MEMORABILIA		X		Delete Existing Record Series No. Merge with New Records Series No. 001 "Agency Memorabilia"
External Affairs (EA)	075	LEGISLATIVE ISSUES		X		Change Record Series Number.
		DEPARTMENT SPECIFIC & PERMANENT EMAIL RECORDS				Delete Existing Record Series Number.
Grants (GNT)	076	GRANT/LOAN (CONTRACTS/PROJECTS)		X		Change Record Series Number.
Grants (GNT)	077	GRANT/LOAN REIMBURSEMENT REQUESTS		X		Change Record Series Number.
Grants (GNT)	078	GRANT/LOAN CLOSEOUT SUMMARIES		X		Change Record Series Number.
		ADMINISTRATIVE CORRESPONDENCE		X	X	Delete Existing Record Series Number. Merge with New Records Series No. 004 "Correspondence - General."
Financial Planning (FIN)	079	BOND FILES		X		Change Record Series Number.
Financial Planning (FIN)	080	MANAGEMENT/PREPARATION FILES	X	X		Change Record Series Number. Add Examples: Budget Preparation, Year End Encumbrance Carryover, Budget Workshop, Long-Range Plan of Finance Correspondence.
Financial Planning (FIN)	081	BANK FILES		X		Change Record Series Number.
Financial Planning (FIN)	082	BUDGET - ADOPTED		X		Change Record Series Number.
Financial Planning (FIN)	083	INVESTMENT FILES		X		Change Record Series Number.
Financial Planning (FIN)	084	CAPITAL PROJECTS		X		Change Record Series Number.

Office of Record	New Record Series No.	Record Series Title	ADD	CHANGE	DELETE	DESCRIPTION OF RECORD AMENDMENT REQUESTS
		DEPARTMENT SPECIFIC & PERMANENT EMAIL RECORDS				Delete Existing Record Series Number.
Human Resources (HR)	085	DEFERRED COMPENSATION FILES		X		Change Record Series Number.
Human Resources (HR)	086	GRIEVANCE AND INVESTIGATION		X		Change Record Series Number.
Human Resources (HR)	087	EQUAL EMPLOYMENT OPPORTUNITY - 4 REPORTS		X		Change Record Series Number.
Human Resources (HR)	088	EMPLOYMENT ELIGIBILITY VERIFICATION FORMS (I-9)		X		Change Record Series Number.
Human Resources (HR)	089	INSURANCE FILES		X		Change Record Series Number.
Human Resources (HR)	090	JOB APPLICANT FILES/RECRUITMENT		X		Change Record Series Number.
Human Resources (HR)	091	PERSONNEL FILES		X		Change Record Series Number.
Human Resources (HR)	092	MEDICAL FILES		X		Change Record Series Number.
Human Resources (HR)	093	EMPLOYEE PLANS AND PROGRAMS		X		Change Record Series Number.
Human Resources (HR)	094	TEMPORARY SERVICE FILES		X		Change Record Series Number.
Human Resources (HR)	095	EMPLOYEE TRAINING FILES		X		Change Record Series Number.
Human Resources (HR)	096	EMPLOYMENT DEVELOPMENT DEPARTMENT RECORDS		X		Change Record Series Number.
Human Resources (HR)	097	LABOR NEGOTIATIONS		X		Change Record Series Number.
Human Resources (HR)	098	PC LOAN APPLICATIONS - Employee		X		Change Record Series Number.
		AGENCY POLICIES AND PROCEDURES		X	X	Change Record Series Number. Merge with New Records Series No. 002 "Agency Policies and Procedures."

Office of Record	New Record Series No.	Record Series Title	ADD	CHANGE	DELETE	DESCRIPTION OF RECORD AMENDMENT REQUESTS
Human Resources (HR)	099	WAGE GARNISHMENTS		X		Change Record Series Number.
Human Resources (HR)	100	LITIGATION FILES		X		Change Record Series Number.
Human Resources (HR)	101	REPORTS		X		Change Record Series Number.
Human Resources (HR)	102	SAFETY DATA SHEETS		X		Change Record Series Number.
Human Resources (HR)	103	SAFETY FILES AND FACILITY SAFETY FILES		X		Change Record Series Number.
Human Resources (HR)	104	SAFETY COMMITTEE RECORDS		X		Change Record Series Number.
Human Resources (HR)	105	BUSINESS EMERGENCY PLANS		X		Change Record Series Number.
Human Resources (HR)	106	SAFETY/RISK MANAGEMENT MANUALS		X		Change Record Series Number.
Human Resources (HR)	107	WORKERS COMPENSATION CLAIMS		X		Change Record Series Number.
		DEPARTMENT SPECIFIC & PERMANENT EMAIL RECORDS				Delete Existing Record Series Number.
Internal Audit (IA)	108	AUDIT REPORTS		X		Change Record Series Number.
		ADMINISTRATIVE CORRESPONDENCE - GENERAL		X	X	Delete Existing Record Series Number. Merge with New Records Series No. 004 "Correspondence - General."
		SPECIAL PROJECTS (Not Grant-Related)			X	Delete Records Series Number. Delete Records Series Title.
		DEPARTMENT SPECIFIC & PERMANENT EMAIL RECORDS				Delete Existing Record Series Number.
Laboratory (LAB)	109	LABORATORY EQUIPMENT FILES				Change Record Series Number.
Laboratory (LAB)	110	LABORATORY FILES				Change Record Series Number.
Laboratory (LAB)	111	CHEMICAL INVENTORY				Change Record Series Number.

Office of Record	New Record Series No.	Record Series Title	ADD	CHANGE	DELETE	DESCRIPTION OF RECORD AMENDMENT REQUESTS
		DEPARTMENT SPECIFIC & PERMANENT EMAIL RECORDS				Delete Existing Record Series Number.
Maintenance (MA)	112	MAINTENANCE/EQUIPMENT FILES		X		Change Record Series Number.
Maintenance (MA)	143	MANUALS		X	X	Change Record Series Number.
Maintenance (MA)	113	WAREHOUSE MATERIALS REQUISITIONS		X		Change Record Series Number.
		PROJECTS, PROGRAMS AND PLANS (Not-Grant-funded)		X	X	Delete Existing Record Series Number. Merge with New Records Series No. 008 "Programs, Plans, and Projects (Not-
Maintenance (MA)	114	VEHICLE/EQUIPMENT FILES		X		Change Record Series Number.
Maintenance (MA)	115	INFORMATION TECHNOLOGY ASSET FORMS		X		Change Record Series Number.
Maintenance (MA)	116	DOMESTIC WASTE HAULER DUMP STATION FILES		X		Change Record Series Number.
Maintenance (MA)	117	EMPLOYEE SAFETY PERMITS	X			Add New Record Series Number. Add new Category.
		PROJECT, PROGRAMS AND PLANS (Not Grant-Related)		X	X	Delete Existing Record Series Number. Merge with new Records Series No. 072 "External Affairs Administrative Files."
Planning & Environmental Compliance (PEC)	118	AGENCY FILES		X		Change Record Series Number.
Planning & Environmental Compliance (PEC)	119	REGIONAL CONTRACTING AGENCIES		X		Change Record Series Number.
Planning & Environmental Compliance (PEC)	120	GENERAL REPORTS		X		Change Record Series Number.
Planning & Environmental Compliance (PEC)	121	BUILDING ACTIVITY REPORTS		X		Change Record Series Number.
Planning & Environmental Compliance (PEC)	122	ENVIRONMENTAL COMPLIANCE		X		Change Record Series Number.
		SUBJECT AND CORRESPONDENCE		X	X	Delete Records Series Title "Subject and Correspondence."



Office of Record	New Record Series No.	Record Series Title	ADD	CHANGE	DELETE	DESCRIPTION OF RECORD AMENDMENT REQUESTS
Planning & Environmental Compliance (PEC)	123	TEN-YEAR CAPITAL IMPROVEMENT		X		Change Record Series Number.
Planning & Environmental Compliance (PEC)	124	PROJECT, PROGRAMS AND PLANS (Grant-Related)		X		Change Record Series Number.
Planning & Environmental Compliance (PEC)	125	WATER CONSERVATION/ REBATE PROGRAMS		X		Change Record Series Number.
Planning & Environmental Compliance (PEC)	126	MWD BILLINGS		X		Change Record Series Number.
Planning & Environmental Compliance (PEC)	127	WATER RESOURCES		X		Change Record Series Number.
Planning & Environmental Compliance (PEC)	128	REGULATORY REPORTS		X		Change Record Series Number.
Planning & Environmental Compliance (PEC)	129	REGULATORY REPORTS (Backup)		X		Change Record Series Number.
Planning & Environmental Compliance (PEC)	130	PRETREATMENT FILES		X		Change Record Series Number.
Planning & Environmental Compliance (PEC)	131	INDUSTRIAL CLIENT FLOW METER CHARTS		X		Change Record Series Number.
Planning & Environmental Compliance (PEC)	132	PRETREATMENT REFERENCE RECORDS		X		Change Record Series Number.
Planning & Environmental Compliance (PEC)	133	RECYCLED WATER CUSTOMERS		X		Change Record Series Number.
		DEPARTMENT SPECIFIC & PERMANENT EMAIL RECORDS				Delete Existing Record Series Number.
Technical Services (TS)	134	REPORTS AND STUDIES		X		Change Record Series Number.

Office of Record	New Record Series No.	Record Series Title	ADD	CHANGE	DELETE	DESCRIPTION OF RECORD AMENDMENT REQUESTS
Technical Services (TS)	135	COST CONTROL		X		Change Record Series Number.
		CORRESPONDENCE - GENERAL		X	X	Delete Existing Record Series Number. Merge with New Records Series No. 003 "Correspondence - Department Specific."
		REFERENCE MANUALS		X	X	Delete Existing Record Series Number. Merge with New Records Series No. 009 "Reference Materials and Publications."
		PROGRAMS AND PLANS (Not Grant-Funded)		X	X	Delete Existing Record Series Number. Merge with new Records Series No. 008 "Programs, Plans, and Projects (Not-Grant Funded)."
		DEPARTMENT SPECIFIC & PERMANENT EMAIL RECORDS				Delete Existing Record Series Number.
Operations (OPS)	136	AGENCY FILES (Federal, State, County, Local)		X		Change Record Series Number.
Operations (OPS)	137	FACILITY OPERATIONS LOGS /REPORTS/CHARTS		X		Change Record Series Number.
		SUBJECT AND CORRESPONDENCE		X	X	Delete Existing Record Series Number. Merge with New Records Series No. 003 "Correspondence - Department Specific."
		VISITORS LOGS		X	X	Delete Existing Record Series Number. Merge with New Records Series No. 050 "Facilities Management Logs."
Operations (OPS)	138	EMPLOYEE SAFETY		X		Change Record Series Number.
Operations (OPS)	139	ENVIRONMENTAL COMPLIANCE REPORTS & STUDIES		X		Change Record Series Number.
Operations (OPS)	140	BOARD MEETINGS - IERCF		X		Change Record Series Number.
		DEPARTMENT SPECIFIC & PERMANENT EMAIL RECORDS				Delete Existing Record Series Number.
Agency-Wide (AW)	141	CERTIFICATIONS	X			Add New Record Series Number. Add new Category.
Agency-Wide (AW)	142	NETWORK DIAGRAMS	X			Add New Record Series Number. Add new Category.

Board of Directors, Approved:



Date: 6-6-2018

Legal Counsel, Approved:



Date: 6-4-18

**EXHIBIT B**



**RETENTION PERIOD LEGEND**

A = ACTIVE AS = AFTER SETTLEMENT AU = AUDIT  
C = COMPLETION CL = CLOSURE E = EXPIRATION  
P = PERMANENT PT = PLAN TERMINATION SA = SALE  
S = SUPERSEDED T = TERMINATION

By (Board of Directors)

*April W...*

Date

6-6-2018

By (Legal Counsel)

*[Signature]*

Date

6-4-18

**RECORDS RETENTION SCHEDULE**

Office of Record	NEW RECORD SERIES NO.	RECORD SERIES TITLE	EXAMPLES	RETENTION PERIOD (Years)	Vital	Historical	Confidential	REMARKS/CITATIONS
Agency-Wide (AW)	001	AGENCY MEMORABILIA	Pictures Videos	P		X		Separate memorabilia with historical value and label it "Permanent."  GC §60201 - 2 years. If there is historical value, keep permanent.
Agency-Wide (AW)	002	AGENCY POLICIES AND PROCEDURES		P		X		Submit originals to Records Management for retention. GC §60201 (d)(1) - Permanent
Agency-Wide (AW)	003	CORRESPONDENCE - Department Specific (Correspondence that pertains to department specific document classifications with retentions between 4 – 10 years. Does contain significant information about office policies or programs.)	Administration Analyses Conferences Letters Memberships Memoranda Notes Presentations Public Information Reports Staff Meetings Studies Training Travel/Seminars Workshops	10				CCP §337 - 4 years CCP §337.15 - 10 years
Agency-Wide (AW)	004	CORRESPONDENCE - General (also called Letters, Memoranda, Email, etc. Correspondence that pertains to routine tasks or matters handled in accordance with existing policies and procedures. Does not contain significant information about office policies or programs.)	Acknowledgments Attachments Budget Preparation Enclosures Letters Memoranda Meetings Notes Notices Requests for Information or Publications Training Webinars Year End Encumbrances Carryover	2				GC §60201 - 2 years

Office of Record	NEW RECORD SERIES NO.	RECORD SERIES TITLE	EXAMPLES	RETENTION PERIOD (Years)	Vital	Historical	Confidential	REMARKS/CITATIONS
Agency-Wide (AW)	005	CORRESPONDENCE - Policy (Correspondence which state or form the basis of policy, set important precedents or record important events in the operational and organizational history of the Agency.)	Letters Memoranda Notes Reports Studies	P				
Agency-Wide (AW)	006	CORRESPONDENCE - Project Related (Correspondence that pertains to work related projects that will have a short-term duration. Does contain significant information about office policies or programs.)	Acknowledgments Attachments Attorney Correspondence Board Correspondence (conference/travel) Enclosures Letters Memoranda Notes Notices Requests for Information or Publications	4				CCP §337 - 4 years
Agency-Wide (AW)	007	CORRESPONDENCE - Transitory (Documents of short-term interest that have no documentary or evidentiary value, which are not include in another record series.)	Holiday Notices Upcoming Events Unsolicited Vendor Solicitations	None				
Agency-Wide (AW)	008	PROGRAMS, PLANS, AND PROJECTS (Not Grant-funded)	(See separate Eng-Proj Doc Examples tab for list)	C+10				CCP §337 - 4 years after expiration of contract subject. CCP §337.15 - 10 years if project involves real property.  NOTE: Grant-funded project records are filed with record series 070 for proper retention.
Agency-Wide (AW)	009	REFERENCE MATERIALS AND PUBLICATIONS (Documentation published by manufacturers, government agencies, and other organizations used for reference purposes.)	Advisories (from outside IEUA) Maintenance Manuals Notices (from outside IEUA) Operating Manuals Publications (external) Vendor Manuals/Publications	S				
Accounting (ACCT)	010	ACCOUNTS PAYABLE	Cancelled Checks Check Processing Forms Check Registers Check Requests Construction Pay Estimates Invoices Monthly Summary Reports Outstanding Reports Petty Cash Reimbursements Receiving Slips Supporting Documents Vendor History Records Vendor Payee Reports Vendor Status Reports Workers Compensation Claims Payments	4				CCP §337 - 4 years

Office of Record	NEW RECORD SERIES NO.	RECORD SERIES TITLE	EXAMPLES	RETENTION PERIOD (Years)	Vital	Historical	Confidential	REMARKS/CITATIONS
Accounting (ACCT)	011	ACCOUNTS RECEIVABLE FILES	A/R Transaction Listings Billing Work Sheets Cash Distribution Registers Cash Receipt Files Customer Statement Incoming Receipts Log Invoices Postings Revenue Schedules Supporting Documents	4	X			CCP §337 - 4 years GC §60201 - 2 years
Accounting (ACCT)	012	CANCELLED CHECK FILES	Bank Statements Cancelled Checks	4				26 CFR 31.6001-1(e)(2) - 4 years
Accounting (ACCT)	013	TRANSACTIONAL DETAIL BY ACCOUNT	For General Ledger For Job Ledger	P	X	X		GC §60201 - Permanent
Accounting (ACCT)	014	FIXED ASSET FILES	Asset Listings and Support Project Closure	4				CCP §337 - 4 years Review originals prior to destruction.
Accounting (ACCT)	015	GENERAL LEDGER/ACCOUNT ANALYSIS	Bank Reconciliations Chart of Accounts Cost Ledgers Individual Account Analyses Pay Estimate Analyses Trial Balances WIP Reconciliations	P	X	X		GC §60201 (d)(10) - Permanent
Accounting (ACCT)	016	JOURNAL VOUCHERS/ENTRIES	Journal Vouchers Recurring Journal Entries	10				GC §60201 - 2 years
Accounting (ACCT)	017	PAYROLL PERSONNEL FILES	Payroll History Timecards Tax Forms W-2 and 1099	7			X	GC §60201 (d)(12) - 7 years 29 USC §211 (c) - 5 years 29 USC §436 - 5 years
Accounting (ACCT)	018	PAYROLL REPORTS	Contribution Reports Detailed Payroll Earnings Director's Payroll Reports ICMA-Deferred Compensation Paycheck Stubs (copies) Payroll Check Run Control Reports Payroll Deductions PC Loans Prelist Report	7	X		X	GC §60201 (d)(12) - 7 years 26 CFR 31.6001-1 (e)(2) - 4 years 29 USC §436 - 5 years
Accounting (ACCT)	019	STORES INVENTORY FILES - Warehouse	Annual Reconciliation of Inventory	6				GC §60201 - 2 years
Accounting (ACCT)	020	TAX ASSESSMENT & COLLECTIONS		P				CCP §338 - 3 years
Accounting (ACCT)	021	ANNUAL REPORTS	Actual vs. Budget Reports	2				GC §60201 - 2 years

Office of Record	NEW RECORD SERIES NO.	RECORD SERIES TITLE	EXAMPLES	RETENTION PERIOD (Years)	Vital	Historical	Confidential	REMARKS/CITATIONS
Accounting (ACCT)	022	REPORTS - Financial/State	Comprehensive Annual Financial Report (CAFR) State Controller's Report Calif. State Mandated Filing	P				GC §60201 (d)(10) - Permanent
Accounting (ACCT)	023	RDA TAX BILLINGS WORKPAPERS		P				GC §60201 (d)(10) - Permanent
Accounting (ACCT)	024	AUDIT WORKPAPERS	Auditors Trial Balance	P				GC §60201 (d)(10) - Permanent
Accounting (ACCT)	025	TAXPAPERS' IDENTIFICATION NUMBER FORMS	W-9 Forms	A+2				26 CFR 1.1446-1 - Active
Agency Management (AM)	026	REPORTS/STUDIES/MANUALS		2				GC §60201 - 2 years
Agency Management (AM)	027	AGENCY (State, Federal, City, County)	Agenda Packages Agreements Correspondence	4				CCP §337 - Retain for 4 years due to "agreements."
Agency Management (AM)	028	LEGAL ISSUES	Pending Litigation	2				Original documents with legal counsel. GC §60201 (d)(4) - 2 years after pending litigation/settlement resolved.
Agency Management (AM)	029	MEMBERSHIPS/SUBSCRIPTIONS		2				GC §60201 - 2 years
Agency Management (AM)	030	ORGANIZATIONAL CHANGES		P				GC §60201 (d)(1) - Permanent
Agency Management (AM)	031	CERTIFIED MAIL LOGS		2				GC §60201 - 2 years
Business Information Systems (BIS)	032	CONTRACT MANAGEMENT FILES (Service Contracts)	Correspondence Software Licenses Specifications	E+4				CCP §337 - 4 years after completion on contract work.
Board of Directors (BOD)	033	BOARD/COMMITTEE AGENDA PACKETS	Meeting Agendas	P				GC §60201 - 2 years
Board of Directors (BOD)	034	CAMPAIGN STATEMENTS/ELECTION FORMS	Form 410	T+7				GC §81009 (c) - 7 years
Board of Directors (BOD)	035	MEETING RECORDINGS (Cassette Tapes)		30 days				Board Secretary erases cassette tapes at the end of retention period. GC §54953.5 (b) - 30 days/Per Brown Act
Board of Directors (BOD)	036	MINUTES/ORDINANCES/RESOLUTIONS	IEUA/IERCA/RFA	P	X	X		GC §60201 (d)(2-3) - Permanent
Board of Directors (BOD)	037	PUBLIC HEARING FILES		2				GC §60201 - 2 years. Minutes retained permanently.
Board of Directors (BOD)	038	STATEMENT OF ECONOMIC INTEREST - Form 700	Board of Directors Chief Executive Officer/General Manager	P				GC §81009 (d) - Permanent
Board of Directors (BOD)	039	APPROPRIATIONS LIMITATIONS FILINGS		2				GC §60201 - 2 years

Office of Record	NEW RECORD SERIES NO.	RECORD SERIES TITLE	EXAMPLES	RETENTION PERIOD (Years)	Vital	Historical	Confidential	REMARKS/CITATIONS
Contracts & Procurement (CAP)	040	CONTRACT PROJECT FILES	Contracts (copies) Correspondence Insurance/Bonds Proposals Quotes Requests for Proposals Specifications	10	X			Original Contracts are sent to Records Management for retention. CCP §337 - 4 years after expiration of contract subject. CCP §337.15 - 10 years if related to real property.
Contracts & Procurement (CAP)	041	PURCHASE ORDERS/REQUISITIONS	Purchase Order Requisitions Purchase Orders Working Files Vehicle Working Files	4				Send original vehicle title certificates and registration information to RM for retention. CCP §337 / GC §60201 - 4 years after expiration of purchase order.
Contracts & Procurement (CAP)	042	FACILITIES ADMINISTRATIVE FILES	Audits Facilities Management Meetings Project Working Files Security Training	4				CCP §337 - 4 years 29 CFR 1627.3 - 3 years
Contracts & Procurement (CAP)	043	RECOGNITION AWARDS	Achievement in Excellence Supplier of the Year	2				GC §60201 - 2 years
Contracts & Procurement (CAP)	044	CLAIMS (Liability)		AS+2				GC §60201 (d)(4) - 2 years after resolution.
Contracts & Procurement (CAP)	045	INSURANCE CERTIFICATIONS		P	X			GC §60201 - Permanent
Contracts & Procurement (CAP)	046	INSURANCE FILES		P				GC §60201 - Permanent
Contracts & Procurement (CAP)	047	DEPARTMENT OF MOTOR VEHICLES (DMV)		3			X	29 CFR 1627.3 - 3 years GC § 60201- 3 years if record contains info detailed under 29 CFR 1627.3 (a)(1-6); otherwise, 2 years.
Contracts & Procurement (CAP)	048	RISK MANAGEMENT PLANS		C+7				GC §34090 - 2 years
Contracts & Procurement (CAP)	049	PERFORMANCE AND PAYMENT BONDS		10				CCP 337.5 - 10 years
Contracts & Procurement (CAP)	050	FACILITIES MANAGEMENT LOGS	Key Forms Visitors Logs	2				GC §60201 - 2 years
Contracts & Procurement (CAP)	051	PROGRAM/PROJECT FILES (Grant-Related)		36				CCP §337.15 -10 years; SRF Loan Agreement Recordkeeping requirements - sections XV and 2.18 (b) - 36 years.



Office of Record	NEW RECORD SERIES NO.	RECORD SERIES TITLE	EXAMPLES	RETENTION PERIOD (Years)	Vital	Historical	Confidential	REMARKS/CITATIONS
Contracts & Procurement (CAP)	052	RECORDS RETENTION PROGRAM	Certificates of Destruction Destruction Authorizations Inventories/Audits Retention Schedules Retention Compliance Forms/Packages Transfer Forms	6				CCP §343 - 4 years GC §60201 - 2 years
Contracts & Procurement (CAP)	053	PUBLIC RECORDS REQUESTS		2				GC §60201 (d)(5) - 2 years after request was granted or notice of denial.
Contracts & Procurement (CAP)	054	AGENCY GOVERNANCE	Board/Committee Agenda Minutes Ordinances Permits Recorded Documents Resolutions	P	X	X		GC §60201 (d)(2-3) - Permanent
Contracts & Procurement (CAP)	055	RECORDS MANAGEMENT INDICES		P				Kept electronically in Access Database. GC §60201 (d)(2-3) Permanent
Contracts & Procurement (CAP)	056	PC LOAN APPLICATIONS - Employee		C+4				Originals sent by Human Resources. CCP §337 - 4 years
Contracts & Procurement (CAP)	057	VEHICLE RECORDS	Title Certifications Registration Information	10				CCP §337, GC §60201 - 4 years if vehicle was sold via written contract; otherwise 2 years.
Contracts & Procurement (CAP)	058	CONTRACTS (Originals)		E+10				CCP §337 - 4 years after expiration of contract subject. CCP §337.15 - 10 years if Real Property
Contracts & Procurement (CAP)	059	SECURITY SERVICES INCIDENT REPORTS		7				29 CFR 1904.33 - 5 years 8 CCR 14300.33 - 5 years following end of calendar year that these records cover.
Contracts & Procurement (CAP)	060	LITIGATION FILES		AS+2				GC §60201 (d)(4) - 2 years after pending litigation/settlement resolved.
Contracts & Procurement (CAP)	061	FIRE SUPPRESSION SYSTEMS		5				29 CFR 1910.157 - 5 years
Engineering & Construction Management (ECM)	062	AGENCY FACILITIES ATLAS		P				GC §60201 (d)(8) - Permanent
Engineering & Construction Management (ECM)	063	DRAWINGS	700.5 As-Built Drawings	P				Drawings are scanned into Engineering Database for permanent retention. Originals are filed with their respective project files. GC §60201 (d)(8) - Permanent

Office of Record	NEW RECORD SERIES NO.	RECORD SERIES TITLE	EXAMPLES	RETENTION PERIOD (Years)	Vital	Historical	Confidential	REMARKS/CITATIONS
Engineering & Construction Management (ECM)	064	RIGHT OF WAY FILES	20 Easements (Right-of-Way) 500.2 Construction Right-of-Ways 500.3 Construction Easements OLD ENGINEERING FILING STRUCTURE B.5 Predesign Right of Way C.50 Design Right of Ways 500.2 Construction Right of Ways 500.3 Construction Easements	P	X			Send Originals to Records Management for permanent retention. File duplicates with their respective project files. GC §60201 (d)(8) - Permanent
Engineering & Construction Management (ECM)	065	UTILITY CONFLICT FILES	Correspondence Drawings Notification Notices Tract Maps	4				CCP 337 - 4 years after completion of contract work.
Engineering & Construction Management (ECM)	066	REIMBURSABLE PROJECTS	Connection Files Pipeline Modifications	4				CCP 337 - 4 years after reimbursement.
Engineering & Construction Management (ECM)	067	ENGINEERING REPORTS & STUDIES	Recycled Water Usage Reports	P				GC §60201 (d)(8) - Permanent
Engineering & Construction Management (ECM)	068	MINOR CONSTRUCTION & EMERGENCY CONTRACTS	100-800 Series All Construction Phase Task Orders	E+10				Original executed contracts are sent to RM for retention after completion. CCP §337/§337.15 - 4 years after expiration of contract subject, 10 years if project involves real property.
Engineering & Construction Management (ECM)	069	DIG ALERTS	100 Series Construction Related Correspondence	2				GC §60201 - 2 years
Engineering & Construction Management (ECM)	070	PROJECT FILES (Grant-Funded)	(See separate Eng-Proj Doc Examples tab for list)	C+36				CCP §337.15 - 10 years SRF Loan Agreement Recordkeeping Requirements-sections XV and 2.18 (b) 36 years.
External Affairs (EA)	071	PUBLICATIONS	Brochures Bulletins Newsletters Newspaper Clippings Press Releases Reports Social Media	2				GC §60201 - 2 years  NOTE: Two copies will be sent to the Historical Archive.
External Affairs (EA)	072	EXTERNAL AFFAIRS ADMINISTRATIVE FILES	Conferences - Backup Dedications Events Inspection Tours Meeting Agendas Presentations Projects (not grant-related)	4				CCP §337 - 4 years GC §60201 - 2 years
External Affairs (EA)	073	FPPC - FAIR POLITICAL PRACTICES COMMISSION		4				GC §81009 (f) - 4 years

Office of Record	NEW RECORD SERIES NO.	RECORD SERIES TITLE	EXAMPLES	RETENTION PERIOD (Years)	Vital	Historical	Confidential	REMARKS/CITATIONS
External Affairs (EA)	074	BOND PROPOSITIONS		10				CCP §337.15 - 10 years
External Affairs (EA)	075	LEGISLATIVE ISSUES	Correspondence Legislative Bills Propositions Reports	2				GC §60201 - 2 years
Grants (GNT)	076	GRANT/LOAN (CONTRACTS/PROJECTS)	<b>Applications</b> Recommendation Letter/Support Letter Guidelines/Funding Opportunity Announcement (FOA) Internal Announcements/Analysis Final Application Application - Attachments Congressional/Senate/ Assembly Districts Resumes Applications/Opportunities Supporting Documents <b>Contracts</b> Grantor Contracts Vendor Contractor Contracts Contracts Supporting Documents Interagency Agreements MOU <b>Correspondence</b> <b>Reports</b> Public Reports Non-public Reports Proof that Contractor/Consultant is not Debarred Davis Bacon Vendor Certification Deliverables Compliance/Reports Supporting Documents DBE Buy American/AIS Signage Federal Conditions and Crosscutters Drug-free Certification Language for Contractor/Consultant Anti Discrimination Laws/Regulations/Bills Project Photos Uniform Grant Guidance (UGG) Repayment Schedule	C+36	X			CCP §337 - 4 years 29 CFR 1470.42 - 3 years 24 CFR 85.42 - 3 years SRF Loan Agreement Recordkeeping Requirements sections XV and 2.18 (b) 36 years.
Grants (GNT)	077	GRANT/LOAN REIMBURSEMENT REQUESTS	Invoices Reports/Summaries Reimbursement Request/Invoices Supporting Documents	C+36			X	29 CFR 1470.42 - 3 years 24 CFR 85.42 - 3 years SRF Loan Agreement Recordkeeping Requirements sections XV and 2.18 (b) 36 years.

Office of Record	NEW RECORD SERIES NO.	RECORD SERIES TITLE	EXAMPLES	RETENTION PERIOD (Years)	Vital	Historical	Confidential	REMARKS/CITATIONS
Grants (GNT)	078	GRANT/LOAN CLOSEOUT SUMMARIES	Grantor Interim Program Audit Grantor Close-Out Audit Audits/CloseOut Summaries Supporting Documents Single Audit Indirect Cost Proposal Audit	P				GC §60201 (d)(10) - Permanent
Financial Planning (FIN)	079	BOND FILES	Arbitrage Calculations Bid Information (Request for Proposals) Billings (Cost of Issuance) Bank Statements Bonds Drawn Schedule Correspondence Debt Service Schedules Installment Purchase Agreement Letter of Credit Agreement Master Resolutions Official Statement/Bond Indenture Remarketing Agreement	C+10				CCP §337.5 - 10 years
Financial Planning (FIN)	080	MANAGEMENT/PREPARATION FILES	Budget Amendments/Variance Budget Computer Reports/Correspondence/Estimates O&M Budget - Labor Distribution Quarterly Call Reports Working Papers/Correspondence Work Papers/Backup Budget Preparation Year End Encumbrance Carryover Budget Workshop Long-Range Plan of Finance Corres.	2				GC §60201 - 2 years
Financial Planning (FIN)	081	BANK FILES	Bank Analysis Statements Cash Transactions Bank Signatory Cards	4				CCP §337 - 4 years
Financial Planning (FIN)	082	BUDGET - ADOPTED	Long Range Plan of Finance (LRPF) O&M Annual - Adopted/Amended Budget Rate Resolution Regional Program Quarterly Capital Call Summaries TYCIP Ten-Year Capital Improvement Program	P				GC §60201 (d)(10) - Permanent GC §60201 - 2 years
Financial Planning (FIN)	083	INVESTMENT FILES	Financial Affairs Reports Investment Agreements Investment Policy	P				GC §60201 (d)(10) - Permanent
Financial Planning (FIN)	084	CAPITAL PROJECTS	Project Changes Project Requests	C+10				CCP §337.15 - Closure plus 10 years

Office of Record	NEW RECORD SERIES NO.	RECORD SERIES TITLE	EXAMPLES	RETENTION PERIOD (Years)	Vital	Historical	Confidential	REMARKS/CITATIONS
Human Resources (HR)	085	DEFERRED COMPENSATION FILES	Contracts Enrollment Information Separated/Retired	PT+4			X	CCP §337 - 4 years 29 CFR 1627.3 - 1 year after termination of plan or system.
Human Resources (HR)	086	GRIEVANCE AND INVESTIGATION	Complaints - Department of Fair Employment and Housing (DFEH) - Equal Employment Opportunity Commission (EEOC) Employee Hearings Employment Lawsuits	CL+2	X		X	GC §12946 - 2 years GC §60201 - 2 years
Human Resources (HR)	087	EQUAL EMPLOYMENT OPPORTUNITY-4 REPORTS		3				29 CFR 1602.30 - 3 years
Human Resources (HR)	088	EMPLOYMENT ELIGIBILITY VERIFICATION FORMS (I-9)		T+3				The later of 3 years from hire or 1 year from termination (State Guidelines). GC §60201/12946 - 2 years
Human Resources (HR)	089	INSURANCE FILES		E+2			X	GC §60201 - 2 years
Human Resources (HR)	090	JOB APPLICANT FILES/RECRUITMENT	Advertisements Applications EEO Data Forms Interview Schedules Job Descriptions Questions Posting Forms Request to Fill Positions	2			X	GC §12946 - 2 years GC §60201 - 2 years
Human Resources (HR)	091	PERSONNEL FILES	Benefit Information Commendations/Disciplinary Actions Employee Training Certificates Employment Information (checklist) Fact Sheets, Appraisals General Information Payroll Changes	T+7	X		X	29 CFR 1627.3 (a)(1-6)/GC §60201 3 years if the record contains information detailed under 29 CFR 1627.3 (a)(1-6); otherwise 2 years.
Human Resources (HR)	092	MEDICAL FILES	Family Leave Information Medical History Forms Physicians/Hospital Correspondence Pre-employment Medical Files	T+30			X	8 CCR 3204 (d)(1)(A) - 30 years
Human Resources (HR)	093	EMPLOYEE PLANS AND PROGRAMS	Correspondence Employee Assistance Program Rideshare Program Succession Plan Surveys and Studies Wellness Program	4			X	CCP §334 - 4 years GC §60201 - 2 years
Human Resources (HR)	094	TEMPORARY SERVICE FILE		3				29 CFR 1627.3 - 3 years
Human Resources (HR)	095	EMPLOYEE TRAINING FILES	Personal/Professional Development Safety	3				29 CFR 1627.3 - 3 years

Office of Record	NEW RECORD SERIES NO.	RECORD SERIES TITLE	EXAMPLES	RETENTION PERIOD (Years)	Vital	Historical	Confidential	REMARKS/CITATIONS
Human Resources (HR)	096	EMPLOYMENT DEVELOPMENT DEPARTMENT RECORDS	Employer Account Statements Forms Unemployment Claims	4			X	22 CCR §1085-2 (c) - 4 years
Human Resources (HR)	097	LABOR NEGOTIATIONS	Correspondence Cost Data Memorandums of Understanding (MOUs) Personnel Manuals Salary Matrices Surveys and Studies	5	X		X	29 CFR 516.5 - 3 years Title 2 of CCR §570.5 - 5 years
Human Resources (HR)	098	PC LOAN APPLICATIONS - Employee		C+4				Submit originals to Records Management for retention. CCP §337 - 4 years
Human Resources (HR)	099	WAGE GARNISHMENTS		2			X	CCP §337 - 4 years
Human Resources (HR)	100	LITIGATION FILES		AS+2				GC §60201 (d)(4) - 2 years after pending litigation/settlement resolved.
Human Resources (HR)	101	REPORTS	Accident/Incident - Complaint - Property Theft/Damage - Vehicle Damage Cal/OSHA Log & Summary (Form 300)	5				29 CFR 1904.33 - 5 years 8 CCR 14300.33 - 5 years following end of calendar year that these records cover.
Human Resources (HR)	102	SAFETY DATA SHEETS		S+30				8 CCR 3204 (d)(1)(B) - 30 years Image retained for 30 years. Copies in various departments.
Human Resources (HR)	103	SAFETY FILES AND FACILITY SAFETY FILES	Confined Space Permits Hazard Reports Inspection Followup Records Inspection Reports (County, OSHA, Safety Department) Lockout/Tagout Logs	2				GC §60201 - 2 years
Human Resources (HR)	104	SAFETY COMMITTEE RECORDS	Meeting Agendas and Minutes	2				GC §60201 - 2 years
Human Resources (HR)	105	BUSINESS EMERGENCY PLANS		P				29 CFR 1910.38 - Permanent
Human Resources (HR)	106	SAFETY/RISK MANAGEMENT MANUALS	Department of Transportation Random Testing - (Drug and Alcohol Testing) Summary Logs Emergency Response Manuals National Incident Management System Guidelines -(Standardized Emergency Management System -SEMS) Spill Prevention Controls/Measures	P				GC §60201 - Permanent

Office of Record	NEW RECORD SERIES NO.	RECORD SERIES TITLE	EXAMPLES	RETENTION PERIOD (Years)	Vital	Historical	Confidential	REMARKS/CITATIONS
Human Resources (HR)	107	WORKERS COMPENSATION CLAIMS		T+30			X	8 CCR 10102/15400.2 - latest of 5 years from date of injury, 1 year from date of last provided compensation, or after audit findings have become final. 29 CFR 1910.1020 - Duration of employment plus 30 years.
Internal Audit (IA)	108	AUDIT REPORTS	Audit Reports/Corrective Actions/Responses Supporting Documents and Workpapers	P				GC §60201 (d)(10) - Permanent
Laboratory (LAB)	109	LABORATORY EQUIPMENT FILES	Operating Manuals Maintenance Manuals	S+1				22 CCR 64815 - 3 years
Laboratory (LAB)	110	LABORATORY FILES	Analytical Results Bacti-analysis Reports Bench Data Summary Laboratory Bioassay Results Chromatographic Analysis Reports Chain of Custody Forms (Laboratory copy) Water Sample Laboratory Reports Quality Assurance Logs Correspondence	5				California Regional Water Quality Control Board Recordkeeping Requirements Order No. R8-2009-0021, NPDES No. CA8000409 - 5 years
Laboratory (LAB)	111	CHEMICAL INVENTORY	Annual Inventory List Employee Exposure Report - Methylene Chloride	30				8 CCR 3204 (c)(5)(D) - 30 years
Maintenance (MA)	112	MAINTENANCE/EQUIPMENT FILES	Corrective Maintenance Work Orders Preventative Maintenance Work Orders	2				GC §60201 - 2 years
Maintenance (MA)	113	WAREHOUSE MATERIALS REQUISITIONS	Goods Issued Receipt Activity Records Reorder Reports	4				CCP §337 - 4 years
Maintenance (MA)	114	VEHICLE/EQUIPMENT FILES	Maintenance/Mileage Report Files Vehicle Information Forms (VIF)	4				CCP §337 - 4 years
Maintenance (MA)	115	INFORMATION TECHNOLOGY ASSET FORMS		C+2				GC §60201 - 2 years
Maintenance (MA)	116	DOMESTIC WASTE HAULER DUMP STATION FILES	Billing Logs Correspondence Daily Reports Discharge Reports Septic Tank and Cesspool Manifests Rejection Loads Violations	3				14 CCR 18808.4 - 3 years
Maintenance (MA)	117	EMPLOYEE SAFETY PERMITS	Confined Space Entry Hotwork	2				Send copies to Human Resources. GC §60201 - 2 years

Office of Record	NEW RECORD SERIES NO.	RECORD SERIES TITLE	EXAMPLES	RETENTION PERIOD (Years)	Vital	Historical	Confidential	REMARKS/CITATIONS
Maintenance (MA)	143	MANUALS	Operating Manuals Maintenance Manuals Vendors	S+2				GC §60201 - 2 years
Planning & Environmental Compliance (PEC)	118	AGENCY FILES (City, State, County, Federal)	Annexations LAFCO Tract Maps	P				GC §60201 (d)(8) - Permanent
Planning & Environmental Compliance (PEC)	119	REGIONAL CONTRACTING AGENCIES	Analytical/Monthly/Quarterly/Annual Reports Correspondence Enforcements Inspections Monitoring	5				40 CFR 403.12 - 3 years
Planning & Environmental Compliance (PEC)	120	GENERAL REPORTS	Environmental Impact Reports - Other Agencies	2				Do not include reports related to this Agency's Environmental Compliance (See record series #16-PLN). GC §60201 - 2 years
Planning & Environmental Compliance (PEC)	121	BUILDING ACTIVITY REPORTS	Building Recharge Replenishment	10				CCP § 337.15 - 10 years after completion
Planning & Environmental Compliance (PEC)	122	ENVIRONMENTAL COMPLIANCE	Permit Files/Management Files - NPDES - SCAQMD (Permit to Operate) - NRW Industrial Waste Discharge - Regional NRW Client/Permit Drawings Recorded Documents Reports and Studies	P	X			Send Originals to Records Management for permanent retention. Copies of permits issued to IEUA are located at various sites of the Agency. GC §60201 (d)(1)(8)(10) - Permanent CEQA Guidelines - Permanent 40 CFR 122.28 - Permanent
Planning & Environmental Compliance (PEC)	123	TEN-YEAR CAPITAL IMPROVEMENT - Backup (Calculations)		P				GC §60200/GC §60200 (d) (1). If duplicates, then retain for 2 years. Otherwise, keep permanent.
Planning & Environmental Compliance (PEC)	124	PROJECTS, PROGRAMS AND PLANS (Grant-Related)	Dry Year Yield Program Groundwater Recharge Plan Recycled Water Program Strategy Urban Water Management Plan, etc.	C+36				CCP §337 - 4 years after completion. GC §60201 (d)(10) - Permanent SRF Loan Agreement Record Keeping Requirements-sections XV and 2.18 (b) - 36 years.
Planning & Environmental Compliance (PEC)	125	WATER CONSERVATION/REBATE PROGRAMS	Applications	36				GC §60201 - 2 years SRF Loan Agreement Record Keeping Requirements-sections XV and 2.18 (b) - 36 years.
Planning & Environmental Compliance (PEC)	126	MWD BILLINGS		36				GC §60201 - 2 years SRF Loan Agreement Record Keeping Requirements-sections XV and 2.18 (b) - 36 years.



Office of Record	NEW RECORD SERIES NO.	RECORD SERIES TITLE	EXAMPLES	RETENTION PERIOD (Years)	Vital	Historical	Confidential	REMARKS/CITATIONS
Planning & Environmental Compliance (PEC)	127	WATER RESOURCES	Agricultural Certifications Allocations of Building Activity Billing Service Connections Capacity Charges MWD Deliveries Recharge Activities Replenishments	2				GC §60201 - 2 years
Planning & Environmental Compliance (PEC)	128	REGULATORY REPORTS	Annual Emission Groundwater Recharge NPDES SCAQMD Stormwater Testing Results Violations Water Supply	P				Official copies of reports submitted by IEUA. GC §60201 (d)(10) - Permanent+135
Planning & Environmental Compliance (PEC)	129	REGULATORY REPORTS (Backup)	Drafts Notes Working Papers	2				GC §60201 - 2 years
Planning & Environmental Compliance (PEC)	130	PRETREATMENT FILES	Chain of Custody Correspondence Enforcement Data Inspections Manifest Monitoring O&M Manuals Production Monitoring Data Self-Monitoring Report (SMR) Requirement Slug Discharge Control	5				Drawings are filed with record series #16-PLN for permanent retention.  CCP §337 - 4 years after completion on contract work
Planning & Environmental Compliance (PEC)	131	INDUSTRIAL CLIENT FLOW METER CHARTS	Circular and Strip Charts	3				Stored on Compact Flash Disks 40 CFR 122.41 - 3 years
Planning & Environmental Compliance (PEC)	132	PRETREATMENT REFERENCE RECORDS	Baseline Monitoring Reports (BMR) Fact Sheets Pipeline Condition Assessments (CCTV) Process Diagram Regulatory Agencies Agreements/Contracts Slug Discharge Control	20				Records are needed for administrative purposes when issuing or renewing permits. 30 CFR 403.12 - 3 years
Planning & Environmental Compliance (PEC)	133	RECYLED WATER CUSTOMERS	Correspondence	4				CCP §337 - 4 years
Technical Services (TS)	134	REPORTS AND STUDIES		P				GC §60201 (d)(10) - Permanent

Office of Record	NEW RECORD SERIES NO.	RECORD SERIES TITLE	EXAMPLES	RETENTION PERIOD (Years)	Vital	Historical	Confidential	REMARKS/CITATIONS
Technical Services (TS)	135	COST CONTROL	Cost Reduction Measures Cost Savings Efficiency Project UPC	2				GC §60201 - 2 years
Operations (OPS)	136	AGENCY FILES (Local, State, County, Federal)	Correspondence	2				GC §60201 - 2 years
Operations (OPS)	137	FACILITY OPERATIONS LOGS/REPORTS/CHARTS	Flow Log Books - CCWRF, RP-1, RP-2, RP-4, RP-5 - Chino Desalters Inbound Biosolids Tickets/Sales Invoices - IERCF Process Monitoring Charts - CCWRF, RP-1, RP-2, RP-4, RP-5 - Chino Desalters - Tertiary Round Sheets - CCWRF, RP-1, RP-2, RP-4, RP-5 - Chino Desalters - Tertiary Solids Log Books - Tertiary	5				40 CFR 503.17 - 5 years
Operations (OPS)	138	EMPLOYEE SAFETY	Permit Logs Reports Training Meetings - Process - Safety/Tailgate	3				Send copies of permits to Human Resources. GC §60201 - 2 years 29 CFR 1627.3 - 3 years
Operations (OPS)	139	ENVIRONMENTAL COMPLIANCE REPORTS & STUDIES	Biosolids Monitoring Reports California Environmental Quality Act (CEQA) Operations and Compliance Summaries	P				Send CEQA records to Planning and Environmental Compliance for retention. GC §60201 (d)(10) - Permanent retention for Environmental Compliance. GC §60201 (d)(1) and CEQA Guidelines - Permanent
Operations (OPS)	140	BOARD MEETINGS - IERCF	INLAND EMPIRE REGIONAL COMPOSTING FACILITY - Agenda Packets - Minutes	P				Send records to Records Management for retention. GC §60201 - 2 years GC §60201 (d)(2-3) - Permanent
Agency-Wide (AW)	141	CERTIFICATIONS	ELAP Certifications	S				
Agency-Wide (AW)	142	NETWORK DIAGRAMS		4				

**AGENCY  
REPRESENTATIVES'  
REPORTS**

**7A**



# S A W P A

SANTA ANA WATERSHED PROJECT AUTHORITY

11615 Sterling Avenue, Riverside, California 92503 • (951) 354-4220

## REGULAR COMMISSION MEETING TUESDAY, JUNE 19, 2018 – 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: JUNE 5, 2018**  
**Recommendation:** Approve as posted.
5. **NEW BUSINESS**
  - A. **2018 NOVEMBER WATER BOND ACT INITIATIVE – REPORT AND PRESENTATION**  
**Presenter:** Jerry Meral, Ph.D., Director, California Water Program Natural Heritage Institute  
**Recommendation:** Receive and file.
  - B. **STATEMENT OF INVESTMENT POLICY (CM#2018.64)**  
**Presenter:** Karen Williams  
**Recommendation:** Adopt Resolution No. 2018-7, approving the Statement of Investment Policy and delegating authority to the Chief Financial Officer to invest or reinvest funds consistent with the Statement of Investment Policy.
  - C. **SARCCUP PROJECT MANAGEMENT SERVICES – CONSULTANT SUPPORT (CM#2018.65)**  
**Presenter:** Ian Achimore  
**Recommendation:** Approve Task Order No. 3 in an amount not to exceed \$224,485 with Woodard & Curran (formerly RMC Water & Environment Inc.) for project management services to support the Santa Ana Riverside Conservation Conjunctive Use Program (SARCCUP).

6. **INFORMATIONAL REPORTS**

**Recommendation:** Receive for information.

A. **CASH TRANSACTIONS REPORT – APRIL 2018**

**Presenter:** Karen Williams

B. **INTER-FUND BORROWING – APRIL 2018 (CM#2018.61)**

**Presenter:** Karen Williams

C. **PERFORMANCE INDICATORS/FINANCIAL REPORTING – APRIL 2018  
(CM#2018.62)**

**Presenter:** Karen Williams

D. **BUDGET VS ACTUAL VARIANCE REPORT – FYE 2018 THIRD QUARTER - ENDING  
MARCH 31, 2018 (CM#2017.63)**

**Presenter:** Karen Williams

E. **FINANCIAL REPORT FOR THE THIRD QUARTER ENDING MARCH 31, 2018**

- Inland Empire Brine Line
- SAWPA

**Presenter:** Karen Williams

F. **THIRD QUARTER FYE 2018 EXPENSE REPORTS**

- General Manager
- Staff

**Presenter:** Karen Williams

G. **GENERAL MANAGER REPORT**

H. **SAWPA GENERAL MANAGERS MEETING NOTES**

- June 12, 2018

I. **STATE LEGISLATIVE REPORT**

**Presenter:** Rich Haller

J. **CHAIR'S COMMENTS/REPORT**

K. **COMMISSIONERS' COMMENTS**

L. **COMMISSIONERS' REQUEST FOR FUTURE AGENDA ITEMS**

7. **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)

8. **ADJOURNMENT**

Americans with Disabilities Act: If you require any special disability related accommodations to participate in this meeting, please call (951) 354-4230 or email [kberry@sawpa.org](mailto:kberry@sawpa.org). Notification at least 48 hours 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, June 13, 2018, a copy of this agenda has been uploaded to the SAWPA website at [www.sawpa.org](http://www.sawpa.org) and posted at the SAWPA office, 11615 Sterling Avenue, Riverside, California.

/s/

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Kelly Berry, CMC

**2018 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.)

<p><b>January</b> 1/2/18    <del>Commission Workshop</del> [cancelled] 1/16/18    Regular Commission Meeting</p>	<p><b>February</b> 2/6/18    Commission Workshop 2/20/18    Regular Commission Meeting</p>
<p><b>March</b> 3/6/18    Commission Workshop 3/20/18    Regular Commission Meeting</p>	<p><b>April</b> 4/3/18    Commission Workshop 4/17/18    Regular Commission Meeting</p>
<p><b>May</b> 5/1/18    Commission Workshop 5/8 – 5/11/18 ACWA Spring Conference, Sacramento 5/15/18    Regular Commission Meeting</p>	<p><b>June</b> 6/5/18    Commission Workshop 6/19/18    Regular Commission Meeting</p>
<p><b>July</b> 7/3/18    <del>Commission Workshop</del> [cancelled] 7/17/18    Regular Commission Meeting</p>	<p><b>August</b> 8/7/18    Commission Workshop 8/21/18    Regular Commission Meeting</p>
<p><b>September</b> 9/4/18    Commission Workshop 9/18/18    Regular Commission Meeting</p>	<p><b>October</b> 10/2/18    Commission Workshop 10/16/18    Regular Commission Meeting</p>
<p><b>November</b> 11/6/18    Commission Workshop 11/20/18    Regular Commission Meeting 11/27 – 11/30/18 ACWA Fall Conference, San Diego</p>	<p><b>December</b> 12/4/18    Commission Workshop 12/18/18    Regular Commission Meeting</p>

**AGENCY  
REPRESENTATIVES'  
REPORTS**

**7B**



THE METROPOLITAN WATER DISTRICT  
OF SOUTHERN CALIFORNIA

MWD MEETING  
AGENDA

**REVISED AGENDA**

**Board Meeting**

**June 12, 2018**

**12:00 p.m. – Boardroom**

June 12, 2018 Meeting Schedule		
9:00 a.m.	L&C	Rm. 2-145
10:00 a.m.	C&LR	Rm. 2-456
11:00 a.m.	OP&T	Rm. 2-145
12:00 p.m.	Board Mtg	Boardroom

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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: Arman Motavvef, Assistant Engineer,  
Engineering Services
- (b) Pledge of Allegiance: Director John W. Murray, Jr.,  
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 May 8, 2018  
(A copy has been mailed to each Director)  
Any additions, corrections, or omissions
- B. Report on Directors' events attended at Metropolitan expense for  
month of May 2018
- C. Approve committee assignments
- D. Chairman's Monthly Activity Report



## 6. DEPARTMENT HEADS' REPORTS

- A. General Manager's summary of activities for the month of May 2018
- B. General Counsel's summary of activities for the month of May 2018
- C. General Auditor's summary of activities for the month of May 2018
- D. Interim Ethics Officer's summary of activities for the month of May 2018

## 7. CONSENT CALENDAR ITEMS — ACTION

- 7-1 Adopt CEQA determination and approve up to \$1.176 million to purchase insurance coverage for Metropolitan's Property and Casualty Insurance Program. (F&I)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination that the proposed action is not defined as a project, and is not subject to CEQA; and**

**Approve up to \$1.176 million to renew all the expiring excess liability and specialty insurance policies, and maintain the same retentions and coverage limits.**

- 7-2 Adopt CEQA determination and appropriate \$450,000 for the Water Ordering and Energy Scheduling System (Appropriation No. 15501.) (OP&T)

**Recommendation:**

**Option #1:**

**Adopt CEQA determination that the proposed action is not defined as a project and is not subject to CEQA, and**

- a. **Appropriate \$450,000; and**
- b. **Replace the Energy Management System with the Water Ordering and Energy Scheduling System, incorporating additional scheduling and reporting functionality.**

Moved to  
Action

7-3

~~Adopt CEQA determination and authorize payment of up to \$708,800 for support of the Colorado River Board and Colorado River Authority for fiscal year 2018/19. (WP&S)~~

**Recommendation:**

**Option #1:**

~~Adopt the CEQA determination that the proposed action is not defined as a project and is not subject to CEQA and, by a two-thirds vote,~~

~~Authorize the General Manager to make payment of up to \$708,800 for the Colorado River Board/Six Agency Committee and Authority for FY 2018/19.~~

**END OF CONSENT CALENDAR**

**8. OTHER BOARD ITEMS — ACTION**

8-1 Adopt CEQA determination and approve Metropolitan's Statement of Investment Policy for fiscal year 2018/19, and delegate authority to the Treasurer to invest Metropolitan's funds for fiscal year 2018/19. (F&I)

**Recommendation:**

**Option #1:**

Adopt the CEQA determination that the proposed action is not defined as a project; and

- a. Approve the Statement of Investment Policy for fiscal year 2018/19 (Attachment 1 of the board letter); and
- b. Delegate authority to the Treasurer to invest Metropolitan's funds for fiscal year 2018/19.

8-2 Adopt CEQA determination and appropriate \$7.7 million; and award \$5,553,669 contract to Henkels & McCoy, Inc. to replace the 2.4 kV power line at Intake Pumping Plant (Appropriation No. 15438.) (E&O)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination that the proposed action was previously determined to be categorically exempt, and that no further environmental analysis or documentation is required, and**

- a. Appropriate \$7.7 million;**
- b. Award \$5,553,669 million contract to Henkels & McCoy, Inc. to replace the 2.4 kV power line at Intake Pumping Plant.**

- 8-3** Adopt CEQA determination and appropriate \$10 million; and authorize capital program for projects costing less than \$400,000 for fiscal years 2018/19 and 2019/20 (Appropriation No. 15504.) (E&O)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination that the proposed actions are not defined as a project or are categorically exempt from CEQA, and**

- a. Appropriate \$10 million;**
- b. Authorize the General Manager to initiate capital projects costing less than \$400,000 and perform all required work including the preparation of necessary environmental documentation; and**
- c. Designate the General Manager as the decision-making body for purposes of reviewing, approving, and certifying any environmental documentation that may be required for such projects.**

**Moved from  
Consent**

- 8-4** Adopt CEQA determination and authorize payment of up to \$708,800 for support of the Colorado River Board and Colorado River Authority for fiscal year 2018/19. (WP&S) **(Two-thirds vote required)**

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination that the proposed action is not defined as a project and is not subject to CEQA and, by a two-thirds vote,**

- Authorize the General Manager to make payment of up to \$708,800 for the Colorado River Board/Six Agency Committee and Authority for FY 2018/19.**

## **BOARD INFORMATION ITEMS**

- 9-1 Update on Conservation Program
- 9-2 Information on the proposed State Water Project Contract Extension Amendment (WP&S)

## **10. FOLLOW-UP ITEMS**

## **11. FUTURE AGENDA ITEMS**

## **12. ADJOURNMENT**

**NOTE:** At the discretion of the Board, all items appearing on this agenda and all committee agendas, whether or not expressly listed for action, may be deliberated and may be subject to action by the Board.

Each agenda item with a committee designation will be considered and a recommendation may be made by one or more committees prior to consideration and final action by the full Board of Directors. The committee designation appears in parentheses at the end of the description of the agenda item e.g., (E&O, F&I). Committee agendas may be obtained from the Board Executive Secretary.

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**

**7C**



Inland Empire Utilities Agency  
A MUNICIPAL WATER DISTRICT

## Regional Sewerage Program Policy Committee Meeting

### AGENDA

Thursday, June 7, 2018

4:00 p.m.

#### Location

Inland Empire Utilities Agency  
Boardroom  
6075 Kimball Avenue  
Chino, CA 91708

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#### Call to Order

#### Pledge of Allegiance

#### Public Comment

#### Changes/Additions/Deletions to the Agenda

1. **Technical Committee Report (Oral)**
2. **Action Item**
  - A. Meeting Minutes for May 3, 2018
  - B. RP-1 Primary Effluent Conveyance Improvements Construction Contract Award
  - C. FY 2018/19 Regional Programs Budget Amendment
  - D. Regional Contract Update and Facilitation Contract Amendment
3. **Informational Items**
  - A. Grants Semi-Annual Update
  - B. Legislative Update
4. **Receive and File**
  - A. Building Activity Update
  - B. Recycled Water Distribution – Operations Summary
5. **Other Business**
  - A. Committee Member Requested Agenda Items for Next Meeting
  - B. Committee Member Comments
  - C. IEUA General Manager's Update
  - D. Next Meeting – August 30, 2018

(Continued)

6. Adjournment

**DECLARATION OF POSTING**

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 to the IEUA Website at [www.ieua.org](http://www.ieua.org) and posted in the foyer at the Agency's main office at 6075 Kimball Avenue, Building A, Chino, CA, on Monday, June 4, 2018.



Laura Mantilla

**AGENCY  
REPRESENTATIVES'  
REPORTS**

**7D**



**CHINO BASIN WATERMASTER  
WATERMASTER BOARD MEETING**

11:00 a.m. – May 24, 2018

**WITH**

*Mr. Robert DiPrimio – Chair*

*Mr. Jeff Pierson – 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**

Receive and file as presented:

1. Minutes of the Watermaster Board Meeting held April 26, 2018

**B. FINANCIAL REPORTS**

Receive and file as presented:

1. Cash Disbursements for the month of March 2018
2. Watermaster VISA Check Detail for the month of March 2018
3. Combining Schedule for the Period July 1, 2017 through March 31, 2018
4. Treasurer's Report of Financial Affairs for the Period March 1, 2018 through March 31, 2018
5. Budget vs. Actual Report for the Period July 1, 2017 through March 31, 2018

**C. WATER TRANSACTIONS**

Approve the proposed transactions:

1. The transfer of 2,500.000 acre-feet of water from City of Pomona to Fontana Water Company. This transfer is made from City of Pomona's Excess Carryover Account. Date of application: February 20, 2018.
2. The transfer of 62.086 acre-feet of water from San Antonio Water Company to City of Ontario. This transfer is made from San Antonio Water Company's Local Supplemental Storage Account. Date of application: March 1, 2018.
3. The transfer of 9.000 acre-feet of water from Nicholson Trust to Fontana Water Company. This transfer is made from Nicholson Trust's Annual Production Right/Operating Safe Yield. Date of application: March 18, 2018.

**II. BUSINESS ITEMS**

**A. WATERMASTER FISCAL YEAR 2018/19 PROPOSED BUDGET**

Adopt the proposed FY 2018/19 budget as presented.

**B. PREEMPTIVE REPLENISHMENT AGREEMENT**

Approve and give the General Manager authority to execute on behalf of Watermaster.

**III. REPORTS/UPDATES**

**A. LEGAL COUNSEL REPORT**

1. Appeal of April 28, 2017 Order
2. June 22, 2018 Court Hearing

**B. ENGINEER REPORT**

1. Storage Framework
2. Recharge Master Plan Update
3. Prado Basin Habitat Sustainability Committee
4. Reporting

**C. CFO REPORT**

None

**D. GM REPORT**

1. SGMA Update
2. Other

**IV. INFORMATION**

1. Cash Disbursements for April 2018

**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 Board meeting for the purpose of discussion and possible action.

1. Appeal of April 28, 2017 Order
2. GM Performance Evaluation

**VIII. FUTURE MEETINGS AT WATERMASTER**

5/22/18	Tue	9:00 a.m.	Groundwater Recharge Coordinating Committee (Held at CBWCD)
5/24/18	Thu	11:00 a.m.	Watermaster Board
6/14/18	Thu	9:00 a.m.	Appropriative Pool
6/14/18	Thu	11:00 a.m.	Non-Agricultural Pool
6/15/18	Fri	11:00 a.m.	Agricultural Pool*
6/21/18	Thu	8:00 a.m.	Appropriative Pool Strategic Planning (Confidential Session Only)
6/21/18	Thu	9:00 a.m.	Advisory Committee
6/21/18	Thu	9:30 a.m.	2018 RMPU Steering Committee #5 and Recharge Investigations and Projects Committee (meetings will be combined)
6/28/18	Thu	11:00 a.m.	Watermaster Board

\*Rescheduled from 6/14/18 at 1:30pm

**ADJOURNMENT**

**AGENCY  
REPRESENTATIVES'  
REPORTS**

**7E**

**SPECIAL BOARD MEETING OF  
THE BOARD OF DIRECTORS  
CHINO BASIN DESALTER AUTHORITY**

**June 7, 2018  
2:00 p.m.**

Council Chambers, of the City of Ontario  
303 E. "B" Street, Ontario, CA

*All documents available for public review are on file with the Authority's secretary located at  
2151 S. Haven Avenue, Suite 202, Ontario, CA 91761.*

## **AGENDA**

### **Call to Order**

### **Flag Salute**

**Public Comment:** Members of the public may address the Board at this time on any non-agenda matter. *Please complete a Comment Card and give it to the Secretary. Comments are limited to three (3) minutes per individual. State your name and address for the record before making your presentation. This request is optional, but very helpful for the follow-up process.*

*Under the provisions of the Brown Act, the CDA Board is prohibited from taking action on oral requests. However, Board Members may respond briefly or refer the communication to staff. The CDA Board may also request the Secretary to calendar an item related to your communication at a future CDA Board meeting.*

### **ACTION ITEMS**

*Prior to action of the CDA Board, any member of the audience will have the opportunity to address the CDA Board on any item listed on the agenda, including those on any consent calendar. Please submit a comment card to the secretary with the agenda item number noted.*

**1. MINUTES OF MAY 3, 2018 SPECIAL BOARD MEETING**

**2. ADOPTION OF FY2018/19 CAPITAL AND O&M BUDGET**

Report by: Jose Garcia, CDA Principal Accountant

1. Approve the proposed FY2018/19 Capital and O&M Budget in accordance with the Authority's Joint Powers Authority Agreement.

### **Staff Comments:**

- (i) Deputy CDA General Counsel, Allison Burns
- (ii) CDA CFO/Treasurer, Michael Chung
- (iii) CDA General Manager/CEO, Curtis Paxton

## **CLOSED SESSION**

*The Authority may adjourn to a Closed Session to consider litigation matters, personnel matters, or other matters as provided for in the Ralph M. Brown Act (Section 54950 et seq., of the Government Code).*

3. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:  
SIGNIFICANT EXPOSURE TO LITIGATION PURSUANT TO GOVERNMENT CODE  
SECTION 54956.9(D)(2)  
(TWO POTENTIAL CASES)**
  
4. **CONFERENCE WITH REAL PROPERTY NEGOTIATORS  
Property: APN 0218-231-13, 15, City of Ontario  
CDA Negotiators: Curtis Paxton, Allison Burns  
Negotiating parties: SC Ontario Development Company  
Under negotiation: Price and terms of payment**
  
5. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:  
CONSIDERATION OF INITIATION OF LITIGATION PURSUANT TO GOVERNMENT  
CODE SECTION 54956.9(D)(4)  
(ONE POTENTIAL CASE)**

**Directors Comments:**

**ADJOURNMENT – To the Special Meeting on July 12, 2018**

### ***Declaration of Posting***

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I, Casey Costa, Executive Assistant to the Chino Basin Desalter Authority, hereby certify that a copy of this agenda has been posted by 2:00 p.m. at the Chino Basin Desalter Authority's main office, 2151 S. Haven Ave., Ontario, CA on Monday, June 4, 2018.

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Casey Costa, Executive Assistant

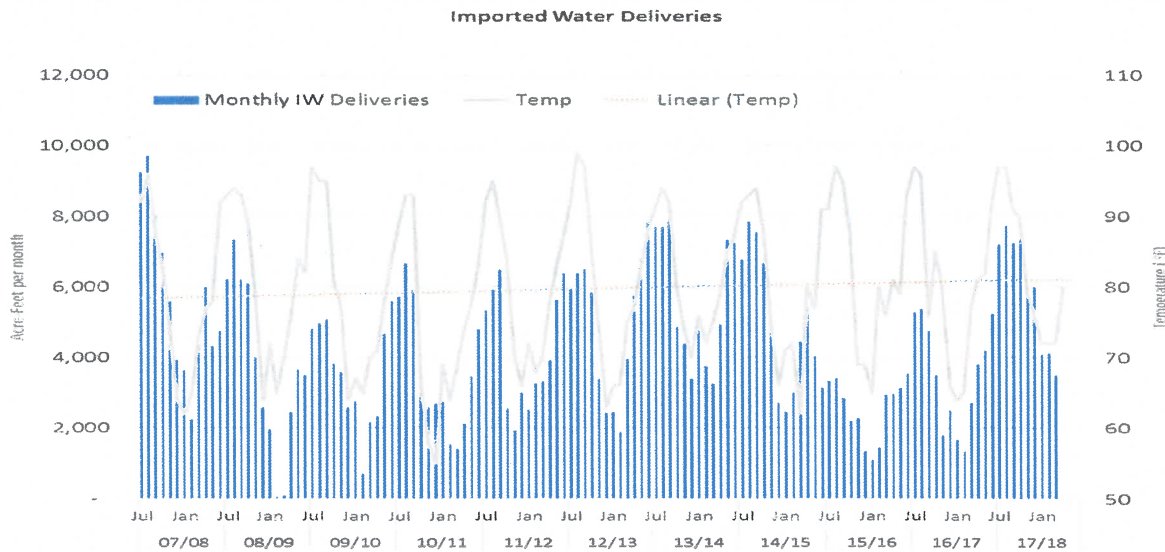
**GENERAL  
MANAGER'S  
REPORT**



Date: June 20, 2018  
 To: The Honorable Board of Directors  
 From: Halla Razak, General Manager *HR*  
 Subject: General Manager's Report Regarding Agency Activities

**PLANNING & ENVIRONMENTAL RESOURCES**

**Imported Water**



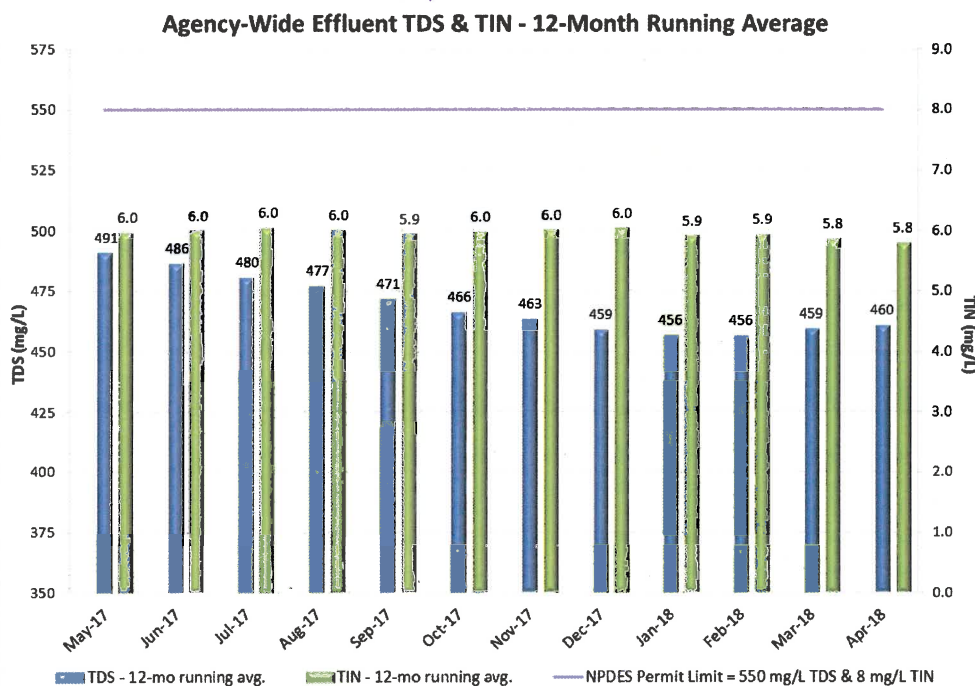
**Reclamation System**

Regional Plants 1, 4, 5 and Carbon Canyon Water Recycling Facility met all the NPDES requirements and effluent/recycled water limitations during the month of April 2018.

1. The Agency-wide average sewer influent flow for the month of April 2018 was 47.1 million gallons per day (mgd), which is a 0.1 mgd decrease from the March 2018 total influent flow.

INFLUENT FLOW	RP-1	RP-4	RP-5	CCWRF	ALL FACILITIES
<b>Monthly Total (mgm)</b>	629	282	264	238	<b>1,413</b>
<b>Daily Average (mgd)</b>	21.0	9.4	8.8	7.9	<b>47.1</b>

2. The discharge permit effluent limit for total dissolved solids (TDS) is 550 mg/L. The 12-month running average TDS value for April 2018 was 460 mg/L.
3. The discharge permit effluent limit for total inorganic nitrogen (TIN) is 8 mg/L. The 12-month running average TIN value for April 2018 was 5.8 mg/L.



**Air Quality**

There were no reportable incidents relating to air quality compliance during the month of May 2018. IEUA is awaiting notices from the South Coast Air Quality Management District (SCAQMD) Legal department for the Violations received in December 2017.

**INLAND EMPIRE REGIONAL COMPOSTING FACILITY – UPDATE**

**Operational Comments** – Facility throughput for May averaged approximately 95% of permitted capacity at an average of 425 tons per day of biosolids and 119 tons per day of amendments (based on the 31-day month-to-date). The facility is operating well with no violations or lost-time incidents.

**Facility Biosolids Throughput**

SOURCE	WET TONS MONTH	WET TONS YEAR TO DATE
Los Angeles County Sanitation District	6,344.66	27,834.67
Inland Empire Utilities Agency	5,754.02	27,592.24
Orange County Sanitation District	1,086.85	6,186.82
<b>TOTAL</b>	<b>13,185.53</b>	<b>61,613.73</b>



**Compost Sales** – Sales remained strong in May with a slight increase in revenue resulting in the highest revenue of the fiscal year. Some material has been relocated to the storage facility to enable repairs to the completed in the load out room. Sales volumes kept pace with monthly production and are anticipated to do so through fall of this year. Compost inventory in the storage facility is 2,427 cubic yards.

**Monthly Sales Summary**

CUBIC YARD	\$/CUBIC YARD	TOTAL REVENUE
18,089.26	\$2.07	\$37,370.59

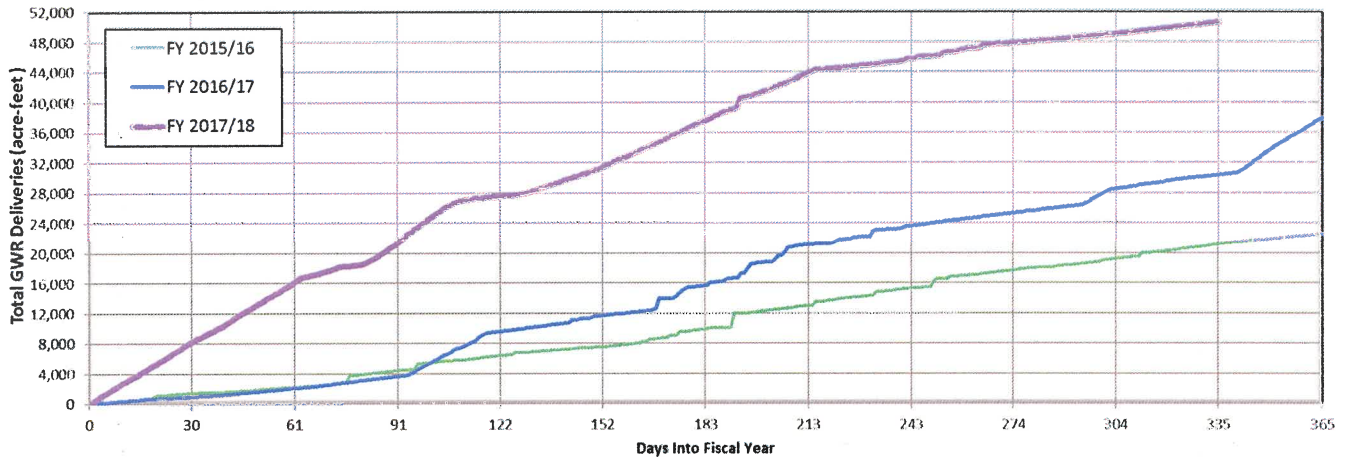
**Fiscal Year-To-Date Sales Summary**

MONTH	TOTAL YARDS 2017/2018	TOTAL YARDS 2016/2017	TOTAL REVENUE 2017/2018	TOTAL REVENUE 2016/2017
<b>July</b>	21,518.61	14,898.82	\$31,737.00	\$27,554.05
<b>August</b>	19,226.62	13,973.73	\$37,071.78	\$32,185.36
<b>September</b>	16,170.64	28,277.42	\$35,038.33	\$25,161.07
<b>October</b>	25,631.94	33,118.70	\$34,569.24	\$30,402.44
<b>November</b>	24,481.44	36,746.25	\$30,053.63	\$26,452.12
<b>December</b>	16,420.31	27,866.97	\$34,860.10	\$26,088.79
<b>January</b>	18,881.17	7,965.39	\$31,911.26	\$11,934.94
<b>February</b>	17,041.52	14,371.47	\$30,291.21	\$20,070.21
<b>March</b>	18,773.56	22,580.72	\$27,869.46	\$36,895.88
<b>April</b>	16,738.65	14,887.63	\$35,643.29	\$36,561.10
<b>May</b>	18,089.26	19,121.35	\$37,370.59	\$39,387.11
<b>TOTAL</b>	<b>212,973.72</b>	<b>233,808.45</b>	<b>\$366,415.89</b>	<b>\$312,693.07</b>
<b>AVERAGE</b>	<b>19,361.25</b>	<b>21,255.31</b>	<b>\$33,310.54</b>	<b>\$28,426.64</b>

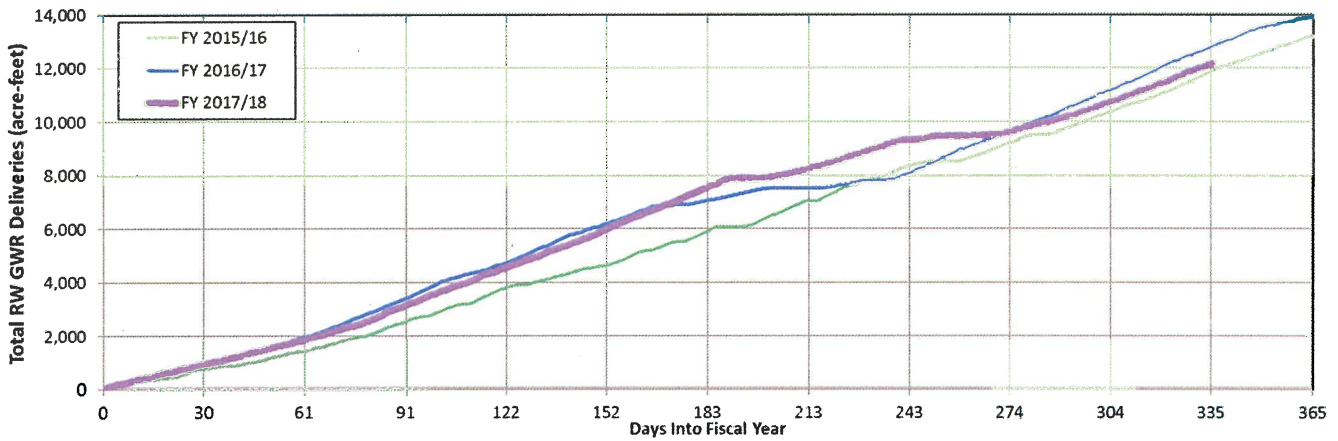
**Groundwater Recharge – May 2018 (preliminary)**

During May 2018, recycled water delivered for recharge was approximately 1,447 acre-feet. The 8<sup>th</sup> Street and Victoria Basins were out of service to initiate infiltration restoration work. No Imported water deliveries occurred for any basins during the month. Three days of light rain and miscellaneous dry weather flows resulted in the diversion of approximately 122 acre-feet from stormwater, local runoff, and well discharges. For May, supplemental water deliveries (imported and recycled), Chino Basin Watermaster will remove 4.2% for evaporation losses. Total recharge for the month was 1,569 acre-feet.

**Total Groundwater Recharge – through May 2018**

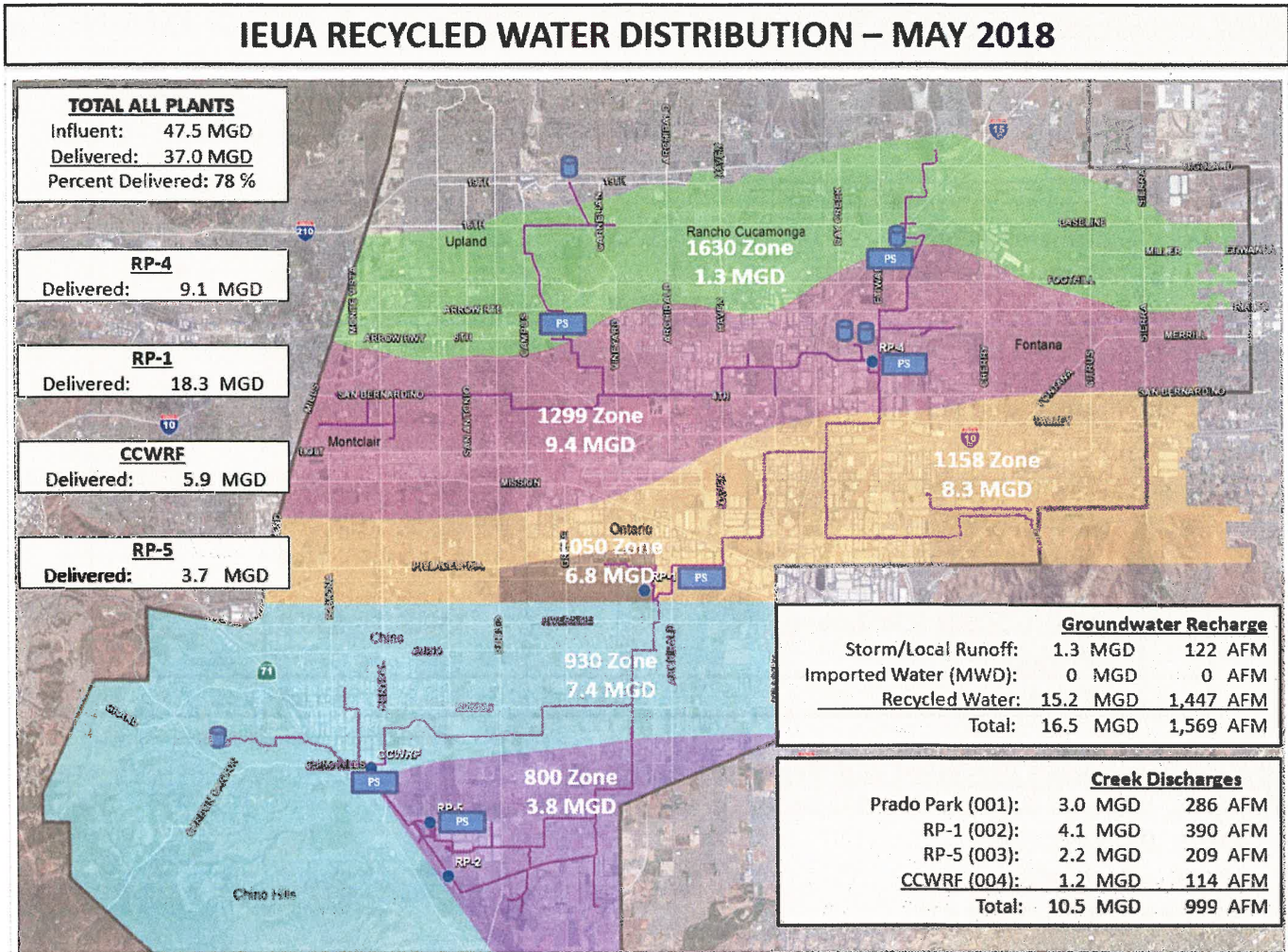


**Recycled Water Delivered to Groundwater Recharge – through May 2018**



**RW Distribution – May 2018**

During May 2018, 78% (37.0 MGD) of IEUA recycled water supply (47.5 MGD) was delivered into the distribution system for both direct use customers (21.8 MGD) and groundwater recharge (15.2 MGD). Plant discharge to creeks feeding the Santa Ana River averaged 10.5 MGD.



**GRANTS UPDATE**

**Grant/Loan Applications Submitted:**

None for this period.

**Grant/Loan Applications in Process:**

1. SRF Loan Application for the RP-5 Expansion Project
2. SRF Loan Application for the Monte Vista Water District (MVWD) Recycled Water Project
3. SRF Loan Application for the Montclair Basin Improvement Project
4. SRF Loan Application for the Lower Day Basin Improvement Project
5. SRF Loan Application for the Wineville/Jurupa Basin/RP-3 Basins Improvement Project
6. EPA WIFIA Loan Application for the RP-5 Expansion Project
7. Title XVI Grant Application for the IEUA-Pomona-MVWD Recycled Water Intertie Project
8. Title XVI Grant Application for the IEUA-JCSD Recycled Water Intertie Project
9. USBR WaterSmart 2018 Grant Application for the Water Bank Planning Project

**Grant/Loan Agreement Negotiation:**

1. SWRCB Prop 1 Groundwater Quality Grant (\$11.4M) for the TCE Plume Cleanup Project
2. SWRCB Prop 1 Stormwater Grant (\$9.8M) Agreement has been received

**Executed Grant/Loan Agreements Received and SRF Loan Applications in SWRCB Fundable Project List:**

	Project	State Grant/P F*	SRF Loan	Total	Agreement Received
1	San Sevaine Basin Improvements	\$2.5	4.0	\$6.5	✓
2	Napa Lateral Project	\$2.5	3.6	\$6.1	✓
3	RP-1 1158 Pump Station Upgrade	\$2.5	5.4	\$7.9	
4	RP-5 RW Pipeline Bottleneck	\$1.4	1.4	\$2.8	
5	Pressure Sustaining Valve Installation	\$0.4	0.4	\$0.8	
6	Baseline Extension (Village of Heritage)	\$2.5	2.9	\$5.4	
7	IEUA-JCSD RW Intertie Project	\$2.5	\$30.5	\$33.0	
	<b>Total</b>	<b>\$14.8</b>	<b>\$48.2</b>	<b>\$62.5</b>	

\* PF – Principle Forgiveness

**Grant Reimbursements Processed and Reporting Activities:**

The following amounts were claimed this period on various grants and loans:

- SWRCB – \$1,016,893
- USBR – \$152,466
- SAWPA/DWR – \$334,621

**Other Department Activities:**

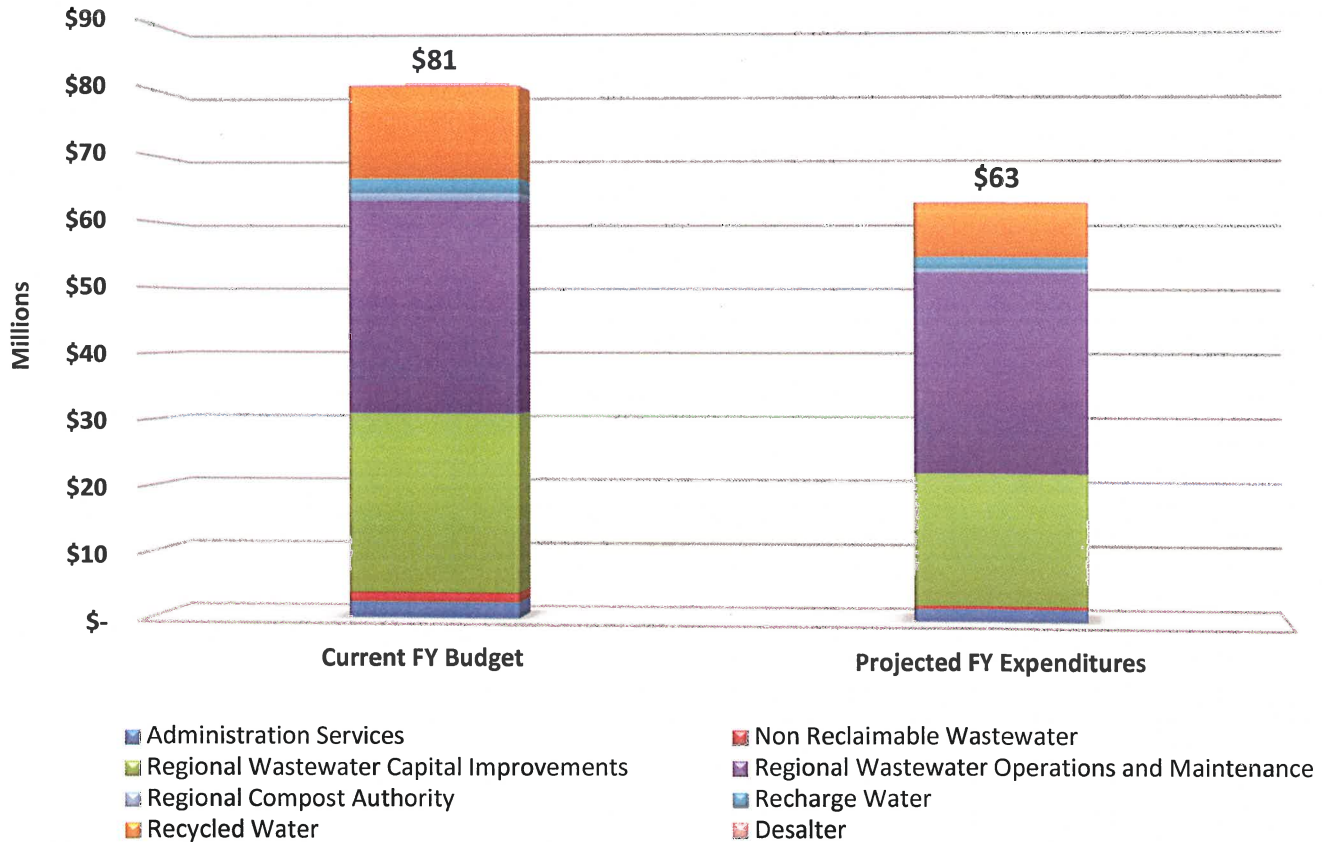
In May, staff participated in the following additional activities:

- **Site Visit** – On Tuesday, May 8, 2018, IEUA and Chino Basin Watermaster staff provided a site visit tour for the new USBR Deputy Regional Director. The USBR visited the San Sevaine Basin Improvement Project construction site, a \$6.46 million project which is 100% funded by a combination of a USBR WaterSMART grant, a SAWPA /DWR Proposition 84 grant and a SRF loan. IEUA staff also reviewed the \$48 million USBR grant awards that the Agency has received from WaterSMART and Title XVI programs in the past 15 years.

**ENGINEERING CONSTRUCTION MANAGEMENT DEPARTMENT UPDATE**

Engineering and Construction Management's current FY 2017/18 budget is \$80,690,100. Based on forecasts anticipated for May and June, staff has projected to spend \$62,899,445 (~78%), of which \$50,962,047 has been expended to date.

*Engineering and Construction Management FY 2017/18 Budget Status Update*



The accompanying attachments have detailed information for IEUA's capital improvement program.

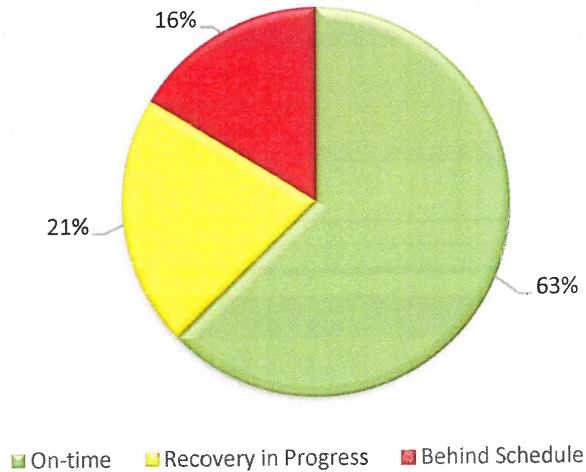
- Attachment A: Bid and Award Look Ahead Schedule
- Attachment B: Active Capital Improvement Project Status
- Attachment C: Emergency Projects

Attachment A  
 Bid and Award Look Ahead Schedule

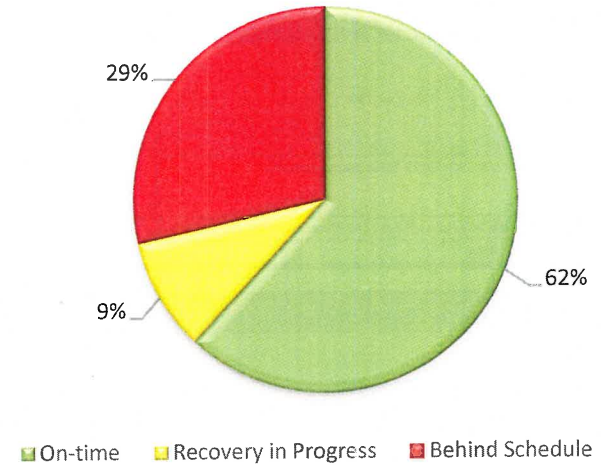
Bid and Award Look Ahead Schedule			
	Project Name	Projected Bid Opening Date	Projected Bid Award Date
	Jul-18		
1	EN15012.00 RP-1 Primary Effluent Conveyance Improvements	7-Jun-18	18-Jul-18
2	EN17039.00 8th St. Basin RW Turnout Discharge Retrofit	29-May-18	18-Jul-18
3	EN18039.00 Agency-Wide Lighting Pole Replacements and Upgrades	31-May-18	18-Jul-18
	Aug-18		
4	EN14043.00 RP-5 RW Pipeline Bottleneck	10-Jul-18	15-Aug-18
5	EN17044.00 RP-1 12 kV Switchgear and Generator Control Upgrades	12-Sep-17	15-Aug-18
	Sep-18		
6	EN18015.00 Collection System Upgrades 17/18	4-Sep-18	19-Sep-18
	Oct-18		
7	RW15003.02/03 Victoria & Montclair Basin Improvements	8-Aug-18	17-Oct-18
8	EN17042.00 Digester 6 and 7 Roof Repairs	5-Sep-18	17-Oct-18
	Nov-18		
9	EN17045.00 RP-1 Filter Valve Replacement	23-Oct-18	21-Nov-18
10	EN17049.00 Baseline RWPL Extension	27-Sep-18	21-Nov-18
11	RW15003.06 Wineville/Jurupa/Force Main Improvements	12-Sep-18	21-Nov-18
12	RW15004.00 Lower Day Basin Improvements	3-Oct-18	21-Nov-18
13	EN17082.00 Mechanical Restoration and Upgrades	18-Sep-18	21-Nov-18
14	EN14042.00 1158 RWPS Upgrades	28-Sep-18	21-Nov-18
	Dec-18		
15	EN18038.00 RP-4 Operations and Maintenance Building	31-Oct-18	19-Dec-18
	Jan-19		
16	EN18006.00 RP-1 Flare Improvements	29-Nov-18	16-Jan-19
	Mar-19		
17	EN17050.00 Septic Conversion PDR	23-Jan-19	20-Mar-19
18	EN22002.00 NRW East End Flowmeter Replacement	25-Jan-19	20-Mar-19
	Apr-19		
19	EN17041.00 Orchard Recycled Water Turnout Improvements	7-Mar-19	17-Apr-19
	May-19		
20	EN19010.00 RP-4 Influent Screen Replacement	17-May-19	17-May-19
	Jun-19		
21	EN18036.00 CCWRF Asset Management and Improvements - Package III	9-Apr-19	19-Jun-19
22	EN18037.00 CCWRF Asset Management and Improvements - Package II	12-Apr-19	19-Jun-19

Attachment B  
 Active Capital Improvement Project Status

Design Schedule Performance



Construction Schedule Performance



Agency-Wide							
No.	Project ID	Project Title	Total Expenditures thru 5/31/2018 (\$)	Total Project Budget (\$)	Project Schedule Performance	Status	Schedule Recovery Plan
1	EN13016.05	SCADA Enterprise System - RP-1 Tertiary (Costs are in EN13016)			Recovery in Progress	Pre-Design	Project will be rebaselined when consultant submits a revised project schedule.
2	EN17080	System Cathodic Protection Improvements	161,448	3,510,000	On-time	Pre-Design	
3	EN13016	SCADA Enterprise System (EN13016.03, 04)	7,988,098	15,803,331	On-time	Construction	
Totals			8,149,546	19,313,331			

Carbon Canyon Wastewater Regional Facility (CCWRF)							
No.	Project ID	Project Title	Total Expenditures thru 5/31/2018 (\$)	Total Project Budget (\$)	Project Schedule Performance	Status	Schedule Recovery Plan
4	EN17006	CCWRF Odor Control and Headworks Replacements	1,703,437	23,421,951	Recovery in Progress	Pre-Design	An updated baseline schedule will be created to reflect the added time during the peer review.
5	EN18036	CCWRF Asset Management and Improvements - Package III	87,627	2,420,000	On-time	Pre-Design	
6	EN18037	CCWRF Asset Management and Improvements - Package II	41,209	950,000	On-time	Pre-Design	
7	EN0000000017	CCWRF Battery Storage	17,838	10,000	Behind Schedule	Design	Delays on this project were due to contractor agreements with Shell Energy that modified the system sizing and the desire to use second generation Tesla inverters, which were recently released. No recovery is possible; a new baseline will be generated based on the updated schedule.
Totals			1,850,112	26,801,951			

Chino Desalter Authority (CDA)						
No.	Project ID	Project Title	Total Expenditures thru 5/31/2018 (\$)	Total Project Budget (\$)	Project Schedule Performance	Status
8	EN16021	TCE Plume Cleanup	12,498,614	17,294,171	Recovery in Progress	Design
There are currently issues concerning property acquisition that will affect the project timeline. It is possible that time can be made up in either the design or construction phases.						
Totals						
12,498,614						
17,294,171						
Collections						
No.	Project ID	Project Title	Total Expenditures thru 5/31/2018 (\$)	Total Project Budget (\$)	Project Schedule Performance	Status
9	EN23002	Philadelphia Lift Station Force Main Improvements	-	6,000,000	On-time	Consultant Contract Award
10	EN22002	Non Reclaimable Wastewater East End Flowmeter Replacement	179,475	1,986,985	On-time	Design
11	EN13028	Preserve Lift Station	70,100	335,190	On-time	Construction
Totals						
12,498,614						
17,294,171						
Groundwater Recharge						
No.	Project ID	Project Title	Total Expenditures thru 5/31/2018 (\$)	Total Project Budget (\$)	Project Schedule Performance	Status
12	RW18001	GWR Montclair Basin Gate Rehab	-	75,000	On-time	Project Evaluation
13	RW15003	Recharge Master Plan Update Projects (RW15003.02,03,06)	2,538,275	7,490,500	On-time	Design
14	RW15004	Lower Day Basin RMPU	438,034	4,008,000	On-time	Design
15	RW15003.05	RP-3 Basin Improvements (Costs are in RW15003)			On-time	Bid and Award
16	EN13001	San Savaine Basin Improvements	4,038,705	6,460,001	On-time	Construction
17	EN17067	Declx Monitoring Well Project	324,402	400,000	Behind Schedule	Construction
18	EN14047	Groundwater Recharge and Recycled Water SCADA Control Upgrades	760,036	932,000	Behind Schedule	Construction
Since the project modifies programming screens and controllers, it is critical that the contractor completes their work without impacting the Agency's ability to connect and control the basins remotely. The contractor has been facing constant delays due to loss of support staff. They have made a strong commitment to complete the scope as contracted but with the request of extending the contract date. Staff will continue to monitor progress and provide any support to minimize further delays.						
Totals						
8,099,451						
19,290,501						
Headquarters						
No.	Project ID	Project Title	Total Expenditures thru 5/31/2018 (\$)	Total Project Budget (\$)	Project Schedule Performance	Status
19	EN15008	Water Quality Laboratory	20,855,142	24,645,000	On-time	Construction
20	EN18055	Headquarters Roofing Replacement	582,872	1,266,447	On-time	Construction
Totals						
21,438,014						
25,911,447						



Recycled Water							
No.	Project ID	Project Title	Total Expenditures thru 5/31/2018 (\$)	Total Project Budget (\$)	Project Schedule Performance	Status	Schedule Recovery Plan
21	EN15002	1158 Reservoir Site Cleanup	29,777	1,300,000	Recovery in Progress	Project Evaluation	Once SCE provides a firm schedule, the project will be re-baselined to show the revised completion date. It is possible to recover some time lost when the consultant's scope of work is reduced due to the SCE completing the geotechnical investigation.
22	EN16034	Recycled Water Pressure Sustaining Valve Installation	36,768	850,000	Recovery in Progress	Project Evaluation	Due to the delayed notification of the Proposition 1 SRF award, the project baseline schedule is also delayed. The recovery plan is to revise the baseline schedule with an updated schedule dependent on the anticipated award date of the Proposition 1 grant which is currently in 2018.
23	EN17041	Orchard Recycled Water Turnout Improvements	93,411	125,000	On-time	Design	
24	EN17049	Baseline Recycled Water Pipeline Extension	179,125	4,950,000	Behind Schedule	Design	The Bid period will be extended from the original 30 days to 60 days to accommodate the anticipated SRF GFE requirements. No recovery is possible; a new baseline will be generated based on the updated schedule
25	WR15021	Napa Lateral	180,743	6,050,000	On-time	Design	
26	EN17039	8th St. Basin Recycled Water Turnout Discharge Retrofit	74,610	275,000	Behind Schedule	Bid and Award	A second design submittal to SBCFCD was required and was not accounted for in the baseline schedule. Due to the permitting delays, the construction would be starting during bird nesting season (March 15 - September 15). In order to mitigate construction delays and increased project costs, the board award was postponed to July 2018. Project schedule will be re-baselined once the project is awarded.
Totals			594,435	13,550,000			
IERCF							
No.	Project ID	Project Title	Total Expenditures thru 5/31/2018 (\$)	Total Project Budget (\$)	Project Schedule Performance	Status	Schedule Recovery Plan
27	RA19002	IERCF Trommel Screen Improvements	4,626	1,600,000	On-time	Project Evaluation	
			4,626	1,600,000			
Regional Water Recycling Plant No. 1 (RP-1)							
No.	Project ID	Project Title	Total Expenditures thru 5/31/2018 (\$)	Total Project Budget (\$)	Project Schedule Performance	Status	Schedule Recovery Plan
28	EN17077	San Bernardino Lift Station Emergency Diversion	294,994	525,000	On-time	Project Evaluation	
29	EN17042	Digester 6 and 7 Roof Repairs	1,345,040	3,800,000	Recovery in Progress	Pre-Design	The addition of Digester No. 1 cleaning to the scope pushed out the start of Digester 6 or 7 cleaning. The lost time will be recovered during subsequent phases including detailed design and cleaning of Digester 7 with early mobilization.
30	EN24001	RP-1 Liquid Treatment Capacity Recovery	732,852	182,050,000	On-time	Pre-Design	
31	EN24002	RP-1 Solids Treatment Expansion	252,842	48,050,000	On-time	Pre-Design	
32	EN11039	TP-1 Disinfection Pump Improvements	951,229	5,660,367	Behind Schedule	Design	The project is currently behind schedule as the 50% design was received late and the 85% design was rejected as incomplete. Some of this delay is due to the delay in physically locating some utilities in the field. Some of the delay is due to value engineering needed to bring cost in-line with the budget. Finally, delays related to SCADA migration make slippage necessary to coordinate these two projects. Based on when the work is scheduled to be completed, the Agency will delay bidding until late January to facilitate bids outside of the Thanksgiving Christmas holiday period. No recovery is possible; a new baseline will be generated based on the updated schedule
33	EN14042	RP-1 1158 Recycled Water Pump Station Upgrades	629,228	4,000,000	Recovery in Progress	Design	The consultant contract Amendment No. 2 will delay the project by two months; however, the project schedule is in the process of being re-baselined due to the increase in scope items from contract amendment #2. In addition, the SRF loan and grant funds have been delayed to the beginning of fall 2018 (estimate) and may encounter another delay in the future. A longer delay in securing the SRF funding will cause this project to be pushed back until the funds can be secured.
34	EN15012.01	RP-1 Plant No. 2 Effluent Conveyance Improvements (Costs are in EN15012)			On-time	Design	
35	EN17045	RP-1 Filter Valve Replacement	41,148	650,000	On-time	Design	
36	EN17082	RP-1 Mechanical Restoration and Upgrades	336,007	1,515,000	Behind Schedule	Design	IEUA delivered PDR comments late to Stantec. No recovery is possible; a new baseline will be generated based on the updated schedule
37	EN18006	RP-1 Flare Improvements	281,078	5,380,000	Recovery in Progress	Design	The project is slightly behind schedule due to extensive effort applied during the Predisign phase searching of flare manufacturers who can meet the strict regulatory requirements set forth by South Coast Air Quality Management District. Schedule delay will be recovered during the detailed design phase.

No.	Project ID	Project Title	Total Expenditures (\$) thru 5/31/2018	Total Project Budget (\$)	Project Schedule Performance	Status	Schedule Recovery Plan
38	EN18042	RP-1 Civil Restoration and Upgrades	46,889	500,000	On-time	Design	
39	EN15012	RP-1 Primary Effluent Conveyance Improvements	668,339	3,015,598	On-time	Bid and Award	
<b>Regional Water Recycling Plant No. 1 (RP-1) (Cont.)</b>							
No.	Project ID	Project Title	Total Expenditures (\$) thru 5/31/2018	Total Project Budget (\$)	Project Schedule Performance	Status	Schedule Recovery Plan
40	EN17044	RP-1 Power Reliability Building Controls Upgrades	301,731	1,500,000	Behind Schedule	Bid and Award	No recovery is possible; a new baseline will be generated based on the updated schedule
41	EN18039	RP-1 Lighting Pole Replacements	24,930	220,000	Behind Schedule	Award	No recovery is possible; a new baseline will be generated based on the updated schedule
42	EN0000000015	RP-1 Battery Storage	55,016	-	Behind Schedule	Construction	The delays on this project were due to contractor agreements with Shell Energy that modified the system sizing and the desire to use second generation Tesla inverters, which were recently released. No recovery is possible; a new baseline will be generated based on the updated schedule
43	EN13048	RP-1 Power System Upgrades	615,908	1,599,000	On-time	Construction	The project schedule will be re-baselined following contractor construction award and approval of the contractor's project control schedule
44	EN14019	RP-1 Headworks Primary and Secondary Upgrades	2,624,758	9,750,000	Behind Schedule	Construction	
45	EN18040	RP-1 Maintenance Building HVAC Replacement	31,575	650,000	On-time	Construction	
46	EN18056	RP-1 Lagoon No. 3 Outfall Pipe	95,804	115,000	On-time	Construction	
47	EP17003	RP-1 Training Room	340,687	425,000	On-time	Construction	
48	EN16024	RP-1 Mixed Liquor Return Pumps	6,900,868	7,236,000	Recovery in Progress	Construction	Project scheduled for completion in May 2018. Start-up, training, and close-out activities are ongoing. Staff is negotiating and finalizing time extension request and will be issuing a time extension change order shortly.
49	EN17040	RP-1 Aeration Basin Panel Repairs	307,087	3,226,269	Recovery in Progress	Construction	Same Recovery Plan as EN16024 above (Projects are running concurrently)
50	EN17059	RP-1 Iron Sponges Installation	498,421	600,000	On-time	Project Acceptance	
51	EN18054	RP-1 Recycled Water Valve Replacement Phase II	110,134	115,000	On-time	Project Acceptance	
<b>Totals</b>							
			17,081,440	279,942,234			
<b>Regional Water Recycling Plant No. 4 (RP-4)</b>							
No.	Project ID	Project Title	Total Expenditures (\$) thru 5/31/2018	Total Project Budget (\$)	Project Schedule Performance	Status	Schedule Recovery Plan
52	EN17110.02	RP-4 Pilot Project Ammonia Control (Costs are in EN17110)			On-time	Project Development	
53	EN19010	RP-4 Influent Screen Replacement	593	40,000	On-time	Project Evaluation	
54	EN17043	RP4 Primary Clarifier Rehabilitation	212,441	6,520,900	On-time	Pre-Design	
55	EN17110	RP-4 Process Improvements (EN17110.00, 03)	1,699,763	17,281,763	On-time	Pre-Design	
56	EN18038	RP-4 Operations and Maintenance Building	52,675	450,000	On-time	Pre-Design	
57	EN00000000016	RP-4 Battery Storage	90,205	-	Behind Schedule	Construction	The delays on this project were due to negotiations related to adding additional solar to the roof of the IERCF in parallel with the battery storage installation. No recovery is possible; a new baseline will be generated based on the updated schedule.
58	EN17110.01	RP-4 Trident Filters Rehabilitation and Replacement (Costs are in EN17110)			On-time	Construction	
			2,055,677	24,292,663			
			<b>Totals</b>				

**Regional Water Recycling Plant No. 5 (RP-5)**

No.	Project ID	Project Title	Total Expenditures thru 5/31/2018 (\$)	Total Project Budget (\$)	Project Schedule Performance	Status	Schedule Recovery Plan
59	EN14043	RP-5 Recycled Water Pipeline Bottleneck	429,714	2,756,637	Recovery in Progress	Design	The schedule was extended by about 5 months due to additional and modified scope items, and requirements of construction contractors prequalification as required by the SRF Loan guidelines. Part of the lost time may be recovered during the construction phase. Construction is not expected to take one year as originally allocated.
60	EN19001	RP-5 Expansion to 30 mgd	3,450,095	175,000,000	On-time	Design	
61	EN19006	RP-5 Biosolids Facility	2,848,804	165,000,000	On-time	Design	
62	EN18028	RP-5 Facilities Improvements	58,831	350,000	On-time	Bid and Award	
63	EN11031	RP-5 Flow Equalization and Effluent Monitoring	2,000,741	3,397,200	Behind Schedule	Construction	The Chemical pumps are experiencing signal interference. An RFD has been generated to add a remote I/O control panel at the Tertiary Chemical Facility. No recovery is possible, IEUA is working with the Contractor on a non-compensable time extension.
64	PA17006	Agency-Wide Aeration (PA17006.02 Cost is for all of PA17006)	2,993,514	8,240,000	On-time	Construction	
		Totals	11,781,699	354,743,837			
Overall Totals			83,803,189	791,062,310			

Attachment C

FY 17/18 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 5/31/2018	Date of Award	Status
<b>Agencywide</b>									
1	EN18019.01	W.A. Rasic Construction	Replace a manhole ring at 7400 block of Kimball Ave	Agency-Wide	TO-054	8,500	10,162	7/17/2017	Closed
2	EN18019.02	W.A. Rasic Construction	Sink Hole over the 30" Montclair Int. Sewer	Agency-Wide	TO-056	18,500	17,202	7/31/2017	Closed
3	EN18019.09	W.A. Rasic Construction	Manhole Frame & Cover Repair - Chino Ave. @ Chino Creek	Agency-Wide	TO-065	10,000	6,642	2/6/2018	Active
4	EN18017.02	W.A. Rasic Construction	14-inch Pipe & Valve Replacement	Agency-Wide	TO-058	50,000	38,607	8/16/2017	Closed
5	EN18017.04	Ferreira Construction	Eucalyptus Ave. Valve Adjustments and Concrete Bollard Adds	Agency-Wide	TO-024	9,293	14,904	9/20/2017	Closed
6	EN18017.05	W.A. Rasic Construction	Marlay & Industry Blowoff Repair	Agency-Wide	TO-061	8,900	7,119	12/7/2017	Closed
7	EN18017.06	W.A. Rasic Construction	Grove Ave Valve Can Repair	Agency-Wide	TO-068	5,000	708	4/12/2018	Active
<b>CCWRF</b>									
8	EN18019.07	W.A. Rasic Construction	CCWRF Lagoon Bottom Repairs	CCWRF	TO-063	24,600	24,796	12/12/2017	Closed
9	EN18019.08	W.A. Rasic Construction	CCWRF Bleach Pipeline Repairs	CCWRF	TO-064	10,000	9,281	1/3/2018	Closed
10	SIO-EN32	Big Sky Electric	CCWRF Back Up Generator Emergency	CCWRF	n/a	15,000	1,282	2/14/2018	Active
<b>NRWS</b>									
11	EN18016.01	W.A. Rasic Construction	Francis and Bonview NRW 18" Line	NRWS	Paid by City	50,000	27,263	2/15/2018	Active
12	EN18016.02	W.A. Rasic Construction	Emergency Sewer Repair for Turner and Mission	NRWS	TO-067	12,500	2,472	3/26/2018	Active
13	EN18016.03	KVAC	NRW Philadelphia Line	NRWS	N/A	24,400	0	4/26/2018	Active
14	EN18017.01	W.A. Rasic Construction	Prologis RW Leak	RW	TO-055	47,966	54,901	7/19/2017	Closed
<b>RP-1</b>									
15	EN18019.03	Ferreira Construction	RP-1 Sodium Hypochlorite Tank Leak	RP-1	TO-023	25,000	22,268	8/22/2017	Closed
16	EN18017.03	W.A. Rasic Construction	RP-1 RW Hose Bib Riser Repairs	RP-1	TO-060	48,000	61,882	9/13/2017	Closed
17	EN18019.04	Trautwein Construction	RP-1 12" Hot Water Loop Leak/Repair- CO for EN17019.08	RP-1	CO-0001	40,000	30,989	6/1/2017	Closed
18	EN18019.05	Ferreira Construction	RP-1 Potable Water Leak	RP-1	TO-025	29,500	10,895	10/25/2017	Closed
19	EN18019.06	W.A. Rasic Construction	RP1 Lagoon No. 3 Outfall Pipe (42" dia)	RP-1	TO-052	50,000	0	12/7/2017	Active
20	EN18019.10	W.A. Rasic Construction	RP-1 Headworks Screw Conveyor	RP-1	TO-066	19,800	4,505	3/12/2018	Active
21	EN18019.12	W.A. Rasic Construction	RP-1 Daft 3 Beach Repair	RP-1	TO-070	7,100	116	5/10/2018	Active
22	EN18019.13	Ferreira Construction	RP-1 Hot Water Leak	RP-1	TO-028	15,911	0	5/30/2018	Active
<b>RP-4</b>									
23	EN18019.11	W.A. Rasic Construction	RP-4 Headworks Screw Conveyor Liner Replacement	RP-4	TO-069	15,200	3,543	4/19/2018	Active
<b>Totals</b>						545,170	349,535		

May 2018 Emergency Projects						
Contractor	Task Order Description	Details of the Circumstances/Cause of Emergency	Scope of Repair	Location	Date of Award	Not-to-Exceed /Estimate
W.A. Rasic Construction	RP-1 Daft 3 Beach Repair	The thickened sludge metal beach detached from its anchor bolts and floated to the surface. The DAFT was taken out of service to make necessary repairs to get the system online as soon as possible, due to the reduced capacity of the solids thickening system.	The contractor shall be responsible for removing sandy material collected on the bottom of the thickener tank, replace anchor nuts/washers for the thickened sludge metal beach, re-secure it to the original anchor bolts, and finally weld/coat nuts in place, so they will not loosen in the future	RP-1	5/10/2018	7,100
Ferreira Construction	RP-1 Hot Water Leak	RP-1 Personnel noticed hot water coming up through the asphalt.	Saw cut, excavate and expose area to verify location of leak (Depth is approximately 5'-6'). Verify pipe material and diameter to repair as determined in the field. Backfill/compact and replace asphalt/base in kind.	RP-1	5/30/2018	15,911
Total						23,011