



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

**WEDNESDAY, SEPTEMBER 19, 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

- Mr. Christopher Waggener, Water Plant Operator IV, hired September 4, 2018, Operations & Maintenance Department

2. PROMOTIONS/RECOGNITIONS

Promotions:

- Mr. Jesse Pompa, Senior Engineer to Deputy Manager of Grants, effective August 27, 2018, External Affairs Department

3. **INDUSTRY RECOGNITION FOR COMPLIANCE FOR CALENDAR YEAR 2017**

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 August 15, 2018 Board Meeting.

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

Staff recommends that the Board approve the total disbursements for the month of July 2018, in the amount of \$19,581,968.95.

C. **BUDGET AMENDMENT FOR FISCAL YEAR 2017/18 CARRY FORWARD OF OPEN ENCUMBRANCES AND NON-ENCUMBERED RELATED BUDGET (Fin/Admin)**

Staff recommends that the Board:

1. Approve the carry forward of open encumbrances and non-encumbered commitment related budgets from FY 2017/18 to FY 2018/19 and amend the budget in the amount of \$16,466,736; and
2. Approve amendments to the adopted FY 2018/19 budget for grant and reimbursement revenues in the amount of \$2,082,068.

D. **ADOPTION OF RESOLUTION NO. 2018-9-1, APPROVING THE AGENCY'S 2018 HAZARD MITIGATION PLAN UPDATE (Fin/Admin)**

Staff recommends that the Board adopt Resolution No. 2018-9-1, approving the Agency's 2018 Hazard Mitigation Plan Update and its inclusion in San Bernardino County's Office of Emergency Services Multi-Jurisdictional Hazard Mitigation Plan.

E. **RESIDENTIAL PRESSURE REGULATION PROGRAM CONTRACT AWARD (Eng/Ops/WR)**

Staff recommends that the Board:

1. Award a one-year contract (\$250,000), with two one-year extension options, to EcoTech Services, Inc., for the implementation and administration of the Residential Pressure Regulation Program for a not-to-exceed amount of \$750,000 (three-year contract term); and
2. Authorize the General Manager to execute the contract, subject to non-substantive changes.

F. WEST VALLEY WATER DISTRICT IMPORTED WATER AGREEMENT
(Eng/Ops/WR)

Staff recommends that the Board authorize the General Manager to execute the contract subject to non-substantive changes.

G. ADOPTION OF RESOLUTION NO. 2018-9-2, ADOPTING THE 2018 UPDATE TO THE RECHARGE MASTER PLAN *(Eng/Ops/WR)*

Staff recommends that the Board:

1. Approve the 2018 Recharge Master Plan Update;
2. Adopt Resolution No. 2018-9-2, adopting the 2018 Update to the Recharge Master Plan; and
3. Approve a Joint Filing, with Chino Basin Watermaster, to the court.

H. RATIFY CONTRACT FOR BROOKS BASIN EARTHWORK SERVICES FOR INFILTRATION RESTORATION *(Eng/Ops/WR)*

Staff recommends that the Board ratify the contract executed by the General Manager to JCE Equipment Inc. for the Brooks Basin Earthwork Services for a not-to-exceed amount of \$246,920.

I. CBWM POMONA EXTENSOMETER FACILITY CONTRACT AWARD
(Eng/Ops/WR)

Staff recommends that the Board:

1. Award a construction contract for the CBWM Pomona Extensometer Facility Construction, Project No. RW19002, to Cascade Drilling, L.P. in the amount of \$1,267,462; and
2. Authorize the General Manager to execute the construction contract subject to non-substantive changes.

5. ACTION ITEM

A. RP-5 RECYCLED WATER PIPELINE BOTTLENECK CONSTRUCTION CONTRACT AWARD *(Eng/Ops/WR) (Fin/Admin)*

Staff recommends that the Board:

1. Award a construction contract for the RP-5 Recycled Water Pipeline Bottleneck, Project No. EN14043, to T.E. Roberts, Inc. in the amount of \$2,023,600; and
2. Authorize the General Manager to execute the contract.

6. INFORMATION ITEMS

A. FISCAL YEAR 2017/18 FOURTH QUARTER BUDGET VARIANCE, PERFORMANCE GOAL UPDATES, AND BUDGET TRANSFERS (WRITTEN/POWERPOINT)

- B. ENGINEERING AND CONSTRUCTION MANAGEMENT PROJECT UPDATES (POWERPOINT)
- C. STATEWIDE WATER USE EFFICIENCY GOALS UPDATE (WRITTEN/POWERPOINT)
- D. MWD UPDATE (ORAL)
- E. CBWM UPDATE (ORAL)
- F. SAWPA UPDATE (ORAL)

RECEIVE AND FILE INFORMATION ITEMS

- G. TREASURER'S REPORT OF FINANCIAL AFFAIRS (WRITTEN/POWERPOINT)
- H. PUBLIC OUTREACH AND COMMUNICATION (WRITTEN)
- I. LEGISLATIVE REPORT FROM INNOVATIVE FEDERAL STRATEGIES (WRITTEN)
- J. LEGISLATIVE REPORT FROM WEST COAST ADVISORS (WRITTEN)
- K. CALIFORNIA STRATEGIES, LLC MONTHLY ACTIVITY REPORT (WRITTEN)
- L. FEDERAL LEGISLATIVE TRACKING MATRIX (WRITTEN)
- M. STATE LEGISLATIVE TRACKING MATRIX (WRITTEN)
- N. INTERNAL AUDIT DEPARTMENT QUARTERLY STATUS REPORT FOR SEPTEMBER 2018 (WRITTEN)
- O. AGENCY VEHICLE OPERATION FOLLOW-UP AUDIT: AUTOMOBILE INSURANCE REQUIREMENTS AND REVIEW OF VEHICLE SECURITY PROCEDURES (WRITTEN/POWERPOINT)
- P. WAREHOUSE ANNUAL PHYSICAL INVENTORY – INTERNAL AUDIT INVENTORY OBSERVATION REPORT (WRITTEN)
- Q. INTER-FUND TRANSACTIONS AUDIT REPORT (WRITTEN/POWERPOINT)

7. AGENCY REPRESENTATIVES' REPORTS

- A. SAWPA REPORT (WRITTEN)
August 21, 2018 Regular Commission meeting. The September 18, 2018 agenda was not available at time of printing.
- B. MWD REPORT (WRITTEN)
September 11, 2018 Board meeting.

- C. **REGIONAL SEWERAGE PROGRAM POLICY COMMITTEE REPORT (WRITTEN)**
September 6, 2018 Committee meeting.
- D. **CHINO BASIN WATERMASTER REPORT (WRITTEN)**
August 23, 2018 Board meeting.
- E. **CHINO BASIN DESALTER AUTHORITY (WRITTEN)**
September 6, 2018 Board meeting.
- F. **INLAND EMPIRE REGIONAL COMPOSTING AUTHORITY (WRITTEN)**
The next meeting is scheduled for November 5, 2018.

- 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**
Chino Basin Municipal Water District vs. City of Chino, Case No. RCV51010
- B. **PURSUANT TO GOVERNMENT CODE SECTION 54954.5 – PUBLIC EMPLOYMENT**
 - 1. Manager of Internal Audit
 - 2. Board Secretary/Office Manager

- 12. **ADJOURN**

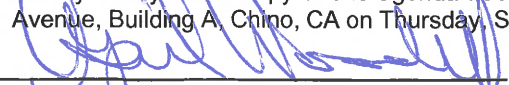
*A Municipal Water District

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.

Declaration of Posting

Proofed by: jk

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, September 13, 2018.



April Woodruff

ITEM

3

Date: September 19, 2018

HHR

To: The Honorable Board of Directors
Committee:

From: Halla Razak, General Manager

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

Subject: Industry Recognition for Compliance for Calendar Year 2017

Executive Summary:

This is a presentation item to recognize fifteen Non-Reclaimable Wastewater System (NRWS) industries, two Inland Empire Brine Line (Brine Line) industries, and ten Regional System Significant Industrial Users (SIUs) for their 100% compliance record in calendar year 2017.

Staff's Recommendation:

Present 27 Certificates of Recognition for Compliance.

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

Account/Project Name:

Fiscal Impact (explain if not budgeted):

Prior Board Action:

None

Environmental Determination:

Not Applicable

Business Goal:

The industry recognition is consistent with the Agency's Business Goal of Environmental Stewardship.

Attachments:

Attachment 1 - Background

Background

Subject: Industry Recognition for Compliance for Calendar Year 2017

Inland Empire Utilities Agency (IEUA) jointly permits industries with the Los Angeles County Sanitation Districts (LACSD) and Santa Ana Watershed Project Authority (SAWPA), fifty-one (51) industries discharging to the Non-Reclaimable Waste System (NRWS) and Inland Empire Brine Line (Brine Line). Thirty-nine (39) of these industries are classified as Significant Industrial Users (SIUs). IEUA provides wastewater collection services for these industries. IEUA also permits twenty-four (24) SIUs that discharge to the Regional System, providing both collection services and treatment at the regional water recycling plants.

An SIU is defined as an industry that: (1) is a federally regulated categorical industry, (2) discharges 25,000 gallons or more per day of process wastewater, (3) contributes a process waste stream which makes up 5% or more of the average dry weather hydraulic or organic capacity of the treatment plant, or (4) has a reasonable potential to adversely affect the treatment plant. The discharge requirements for SIUs are specified in the Code of Federal Regulations and are more stringent than the local discharge limits, which apply to other industries. In addition, many of these SIUs must successfully operate pretreatment systems to achieve satisfactory treatment and maintain consistent compliance.

IEUA's Pretreatment and Source Control group, in collaboration with the LACSD, SAWPA, and our member agencies wish to recognize those SIUs for their 100% permit compliance record. The fifteen NRWS, two Brine Line, and ten Regional SIUs listed below have been selected for the 2017 Recognition for Compliance.

SIUs Selected to Receive Certificates of Recognition for Compliance Calendar Year 2017

NRWS Industries

California Steel Industries

Cintas Corporation

City of Chino

Coca Cola Company, Ontario Syrup Plant

Inland Empire Regional Compost Facility

K Pure Waterworks

Metal Coaters, Inc.

New-Indy Ontario

NRWS Industries continued

Niagara Bottling

Pacific Forge

Praxair

Regional Plant No. 1

Sierra Aluminum

Steelscape

TI Wire

Brine Line Industries

OLS Energy

Repet

Regional System Industries

Amphastar Pharmaceuticals

Cliffstar California

Coca Cola Company, Ontario Syrup Plant

Nestle Waters North America

Nong Shim Foods

O.W. Lee

PAC Rancho

Parco

Parallel Products

Schlosser Forge

**CONSENT
CALENDAR
ITEM**

4A



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

**WEDNESDAY, AUGUST 15, 2018
9:30 A.M.**

DIRECTORS PRESENT:

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

DIRECTORS ABSENT:

None

STAFF PRESENT:

Halla Razak, General Manager
Chris Berch, Executive Manager of Engineering/AGM
Kathy Besser, Executive Manager of External Affairs & Policy Development/AGM
Michael Barber, Senior Pretreatment & Source Control Inspector
Jerry Burke, Deputy Manager of Engineering
Nel Groenveld, Manager of Laboratories
Jason Gu, Manager of Grants
Branden Hodges, Senior Pretreatment & Source Control Inspector
Elizabeth Hurst, Environmental Resources Planner II
Rick Mykitta, Manager of Operations & Maintenance
Scott Oakden, Deputy Manager of Operations
Craig Proctor, Source Control/Environmental Resources Supervisor
Supriti Shrestha, Laboratory Scientist I
Shaun Stone, Manager of Engineering
Mario Velarde, Water Plant Operator III
Teresa Velarde, Manager of Internal Audit
Rocky Welborn, Senior Associate Engineer
April Woodruff, Board Secretary/Office Manager

OTHERS PRESENT:

Tressy Capps
Jean Cihigoyenette, JC Law Firm
Kimberly Mosley
Greg Tross, JC Law Firm

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 9:35 a.m. and Manager of Engineering Shaun Stone led the Pledge of Allegiance to the flag. A quorum was present.

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

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

- Supriti Shrestha, Laboratory Scientist I, hired August 13, 2018, Laboratory Department

The Board of Directors welcomed Ms. Shrestha to the IEUA team.

PROMOTIONS

- Michael Barber, Pretreatment & Source Control Inspector II to Senior Pretreatment & Source Control Inspector, effective July 29, 2018, Source Control Department
- Branden Hodges, Pretreatment & Source Control Inspector II to Senior Pretreatment & Source Control Inspector, effective July 29, 2018, Source Control Department

The Board congratulated Mr. Barber and Mr. Hodges on their promotion.

RECOGNITIONS

- Mario Velarde, Water Plant Operator III, was honored on June 13, by the San Bernardino County Board of Supervisors, as an Action Hero who promotes health and wellness in the County. Mr. Velarde offered a free weekly summer youth running program to the children of Chino Valley.

The Board thanked Mr. Velarde for his healthy community contributions and congratulated him on his recognition.

ELECTION YEAR RULES PRESENTATION

General Counsel Jean Cihigoyenette stated he was asked to go over some of the key rules related to election year procedures and protocols. He stated that Mr. Greg Tross, an attorney from the JC Law Firm, will present the basics of the issues of conflict of interest, as well as, what a government agency such as IEUA can and cannot do during an election year or election term. He also emphasized that the nature of running as a candidate for office is a personal and private endeavor.

Director Hofer entered the meeting at 9:55 a.m.

Mr. Greg Tross gave a brief presentation on campaign and election rules and regulations. He gave an overview of the sources of election laws, campaign contributions, disclosure under the Fair Political Practices Commission, relevant government codes, endorsements, local election laws, public agencies during elections, mass mailings by public agencies, improper use of public funds, and the use of the IEUA Board discretionary account.

CONSENT ITEMS

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

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

M2018-8-2

MOVED, to approve the Consent Calendar.

A. The Board approved the minutes from the July 18, 2018 Board Meeting and the August 1, 2018 Board Workshop/Meeting.

B. The Board approved the total disbursements for the month of June 2018, in the amount of \$18,474,647.05.

C. The Board:

1. Awarded an engineering services contract amendment to GEI Consultants, Inc., for a not-to-exceed amount of \$235,085; and
2. Authorized the General Manager to execute the contract subject to non-substantive changes.

D. The Board:

1. Adopted Resolution No. 2018-8-1, establishing a fee covering IEUA's services for review of applications, plans, and inspections of construction for development; and

RESOLUTION 2018-8-1

RESOLUTION OF THE BOARD OF DIRECTORS OF INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING A FEE COVERING IEUA'S SERVICES FOR REVIEW OF APPLICATIONS, PLANS, AND INSPECTIONS OF CONSTRUCTION FOR DEVELOPMENT (for full text, see Resolution Book)

2. Authorized the General Manager to review and adjust the fee schedule as necessary to maintain cost coverage.

E. The Board:

1. Approved Contract No. 4600002591 to Olin, establishing a three-year contract for the supply of 12.5% bulk sodium hypochlorite with options with two additional one-year extensions, for a potential contract term of five years; and
2. Authorized the General Manager to execute contract with two potential contract extensions.

Continued...

M2018-8-2 continued.

F. The Board:

1. Adopted Resolution No. 2018-8-9, approving the Memorandum of Understanding (MOU) for the Operators' Association; and

RESOLUTION 2018-8-9
RESOLUTION OF THE BOARD OF DIRECTORS OF INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, APPROVING THE MEMORANDUM OF UNDERSTANDING FOR OPERATORS' ASSOCIATION EMPLOYEES (for full text, see Resolution Book)

2. Adopted Resolution No. 2018-8-10, approving the Salary Schedule/Matrix for all employees.

RESOLUTION 2018-8-10
RESOLUTION OF THE BOARD OF DIRECTORS OF INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, APPROVING THE AMENDMENT TO THE AGENCY'S SALARY SCHEDULE/MATRIX FOR ALL EMPLOYEE GROUPS (for full text, see Resolution Book)

ACTION ITEM

RP-1 SWITCHGEAR AND GENERATOR CONTROL UPGRADES

Manager of Engineering Shaun Stone gave an overview of the project's background, location, contractor selection, budget and schedule, and staff's recommendation.

Discussion ensued regarding the time frame of the completion of the project, the risks involved, and staff's plans to mitigate such risks. Director Hofer commended staff for being proactive in this matter.

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

M2018-8-3

MOVED, to:

1. Award a construction contract for the design-build contract for the RP-1 12kV Switchgear and Generator Control Upgrades, Project No. EN17044, to Big Sky Electric in the amount of \$4,427,000;
2. Approve a contract amendment to Black and Veatch Corporation for engineering services during construction for the not-to-exceed amount of \$189,644; and
3. Authorize the General Manager to execute the contract and contract amendment subject to non-substantive changes.

INFORMATION ITEMS

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: EN18036-CCWRF Asset Management and Improvements-III; WR15021-Napa Lateral; RW15003.03-Montclair Basin Improvements; EN14019.00-RP-1 Headworks; PA17006.02-RP-5 Aeration Panel Replacement; and EN18055-Headquarters Roofing.

MWD UPDATE

Executive Manager of Engineering/AGM Chris Berch stated that the MWD meeting will be taking place on August 21, 2018. An update on August and September meetings will be provided at the next Board meeting.

CBWM UPDATE

Executive Manager of Engineering/AGM Chris Berch provided an update regarding safe-yield. He stated that the CBWM Appropriative Pool continues to work through some challenges they have had. He stated that there was also discussion on the Storage Framework process. The last workshop is anticipated to be set for September, and the Storage Framework will be going to the CBWM Board in October. He stated that CBWM has been looking to install a new extensometer, a measuring device for subsidence in a region, in the Pomona area. CBWM has asked Manager of Engineering Shaun Stone and his staff to help with the bidding process.

Discussion ensued regarding if IEUA had any role in the extensometer that is currently in Ruben S. Ayala Park.

SAWPA UPDATE

Source Control/Environmental Resources Supervisor Craig Proctor stated he had no update from the August 7, 2018 meeting and he will be providing an update on the August 21, 2018 Commission meeting at the next Board meeting.

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

SEPTIC TO SEWER FEASIBILITY STUDY UPDATE

AGENCY REPRESENTATIVES' REPORTS

SAWPA REPORT

Director Hall stated that it was announced at the SAWPA Commission meeting that there will be a celebration of the life of Director Phil Anthony on Sunday, August 19, at the Rose Center.

MWD REPORT

Director Camacho had nothing additional to report.

REGIONAL SEWERAGE PROGRAM POLICY COMMITTEE REPORT

Director Camacho had nothing additional to report.

CHINO BASIN WATERMASTER REPORT

Director Parker stated that there was movement within the Advisory Committee and many felt positive about the progress made.

CHINO BASIN DESALTER AUTHORITY REPORT

Director Hall had nothing additional to report.

INLAND EMPIRE REGIONAL COMPOSTING AUTHORITY

Director Hofer had nothing additional to report.

GENERAL MANAGER'S REPORT

General Manager Halla Razak stated that staff updated all of the Agency's fact sheets. She invited all the Board members to the Chino Basin Water Bank's third workshop on Monday, August 20, at 9:00 a.m. at the Frontier Project. She also stated that staff had completed a video for the Inland Empire Regional Composting Facility, which will be played for the Board. She stated that staff is creating videos covering activities done within the Agency, which will be displayed on the Agency website and will be provided to media if they have any questions. It serves as a useful tool in quickly educating the public on Agency business.

BOARD OF DIRECTORS' REQUESTED FUTURE AGENDA ITEMS

There were no Board requested future agenda items.

DIRECTORS' COMMENTS

Director Hall stated that she attended the Southern California Water Coalition Quarterly Luncheon on July 20; the 30 Under 30 Award Ceremony & Art Showcase on August 7; and the CASA Annual Conference on August 7-10.

Director Camacho stated that he attended the 12th Annual San Bernardino County Water Conference on August 10.

President Elie stated that he attended the Southern California Water Coalition Quarterly Board Meeting and Luncheon on July 20 and the 12th Annual San Bernardino County Water Conference on August 10.

CLOSED SESSION

The Board went into Closed Session at 10:35 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: two cases

The meeting resumed at 11:01 a.m., and General Counsel Jean Cihigoyenetché 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:

Two cases

The Board took no reportable action.

With no further business, President Elie adjourned the meeting in memory of Director Philip L. Anthony at 11:02 a.m.

Jasmin A. Hall, Secretary/Treasurer

APPROVED: SEPTEMBER 19, 2018

**CONSENT
CALENDAR
ITEM**

4B

Date: September 19, 2018

To: The Honorable Board of Directors

From: Halla Razak, General Manager

Committee: Finance & Administration

HR

09/12/18

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

Subject: Report on General Disbursements

Executive Summary:

Total disbursements for the month of July 2018 were \$19,581,968.95. Disbursement activity included check payments of \$5,738,421.54 to vendors and \$2,190.21 for worker's compensation related costs. Electronic payments included Automated Clearing House (ACH) of \$3,148,315.31 and wire transfers (excluding payroll) of \$9,260,576.20. Total payroll was \$1,426,257.49 for employees and \$6,208.20 for the Board of Directors.

Staff's Recommendation:

Approve the total disbursements for the month of July 2018, in the amount of \$19,581,968.95.

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

Account/Project Name:

Fiscal Impact (explain if not budgeted):

Prior Board Action:

None.

Environmental Determination:

Not Applicable

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.

Attachments:

Attachment 1 - Background

Attachment 2 - Details of General Disbursements

Attachment 1 -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	\$ 5,738,421.54
2B	Workers' Comp Checks	\$ 2,190.21
2C	Vendor ACHs	\$ 3,148,315.31
2D	Vendor Wires (excludes Payroll)	\$ 9,260,576.20
2E	Payroll-Net Pay-Directors	\$ 6,208.20
2F	Payroll-Net Pay-Employees	\$ 1,426,257.49
Total Disbursements		\$19,581,968.95

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

Vendor	Amount	Description
MWD	\$ 4,277,179.55	April 2018 Water Purchases
CALPERS	\$ 2,844,064.00	CalPERS Retirement Unfunded Liability FY18/19
CAROLLO ENGINEERS INC	\$ 861,690.20	EN17043/EN17110-5/2018-Professional Svcs EN17049-5/2018-Professional Svcs EN19001/EN19006-4/2018 Professional Svcs
COUNTY SANITATION DISTRICT OF LA COUNTY	\$ 737,600.00	Past 4R's - SRF Note #5 of 6
PARSONS WATER & INFRASTRUCTURE	\$ 682,352.69	EN19001-RP-5 Expansion to 30 mgd / EN19006 - RP5 Bio-Solids Facility - 5/6-6/1 Prof Svcs
PERS	\$ 643,933.54	07/18 Health Ins / P/R 14, 15 Def Comp
IRS	\$ 575,425.24	P/R 14, 15: Dir 007 Payroll Taxes

Attachment 2A

Vendor Checks

Bank		CBB	CITIZENS BUSINESS BANK		ONTARIO CA 917610000	
Bank Key		122234149				
Acct number		CHECK	231167641			
Check						
Check number from to	Payment	Pmnt date	Crcy	Amount paid (FC)	Recipient/void reason code	Enca./void
224732	2200092080	07/05/2018	USD	2,452.12	AGILENT TECHNOLOGIES INC LOS ANGELES CA	07/09/2018
224733	2200092069	07/05/2018	USD	1,944.96	AIRGAS WEST INC PASADENA CA	07/09/2018
224734	2200092108	07/05/2018	USD	8,402.16	ALLIED UNIVERSAL SECURITY SERV PASADENA CA	07/09/2018
224735	2200092111	07/05/2018	USD	213.35	ALTA FOODCRAFT COFFEE LONG BEACH CA	07/11/2018
224736	2200092077	07/05/2018	USD	148.17	AMERICAN COMPRESSOR CO SANTA FE SPRINGS CA	07/13/2018
224737	2200092115	07/05/2018	USD	25.00	AMERICAN PUBLIC WORKS ASSOCIAT KANSAS CITY CA	07/13/2018
224738	2200092107	07/05/2018	USD	3,959.60	AMP MECHANICAL INC COSTA MESA CA	07/12/2018
224739	2200092132	07/05/2018	USD	100.00	ARMENDAREZ III, JESUS M FONTANA CA	
224740	2200092090	07/05/2018	USD	259.00	ATMAA INC CALABASAS CA	07/16/2018
224741	2200092122	07/05/2018	USD	843.01	BERLIN PACKAGING LLC CHICAGO IL	07/11/2018
224742	2200092076	07/05/2018	USD	6,415.00	BLACK & VEATCH CORPORATION KANSAS CITY MO	07/09/2018
224743	2200092101	07/05/2018	USD	200.00	BOWMAN, JIM W ONTARIO CA	07/16/2018
224744	2200092158	07/05/2018	USD	52.47	BUCHANAN, JAMES CHINO HILLS CA	
224745	2200092104	07/05/2018	USD	2,335.00	BUILDING BLOCK ENTERTAINMENT WOODLAND HILLS CA	07/09/2018
224746	2200092143	07/05/2018	USD	1,422.15	BURRTEC WASTE INDUSTRIES INC FONTANA CA	07/11/2018
224747	2200092075	07/05/2018	USD	265.00	CALIF WATER ENVIRONMENT ASSOC OAKLAND CA	07/13/2018
224748	2200092085	07/05/2018			voided by KMCCHRIS - Reversed check payment	07/09/2018
224749	2200092125	07/05/2018	USD	19,272.78	CALIFORNIA WATER TECHNOLOGIES, PASADENA CA	07/09/2018
224750	2200092155	07/05/2018	USD	147.63	CARL H TAYLOR III CRYSTAL RIVER FL	07/17/2018
224751	2200092081	07/05/2018	USD	185,557.96	CAROLLO ENGINEERS INC SALT LAKE CITY UT	07/24/2018
224752	2200092088	07/05/2018	USD	437.50	CASC ENGINEERING AND CONSULT INC COLTON CA	07/11/2018
224753	2200092074	07/05/2018	USD	40,416.23	CHINO BASIN WATERMASTER RANCHO CUCAMONGA CA	07/13/2018
224754	2200092087	07/05/2018			voided by KMCCHRIS - Check not needed	07/30/2018
224755	2200092102	07/05/2018	USD	2,507.70	CINTAS CORPORATION LOC#150 PHOENIX AZ	07/10/2018
224756	2200092086	07/05/2018	USD	109.42	CINTAS FIRST AID & SAFETY LOCCINCINNATI OH	07/10/2018
224757	2200092153	07/05/2018	USD	384.00	CITY EMPLOYEES ASSOCIATES LONG BEACH CA	07/16/2018
224758	2200092136	07/05/2018	USD	905.03	CITY OF CHINO CHINO CA	07/09/2018
224759	2200092062	07/05/2018	USD	469.64	CITY RENTALS INC ONTARIO CA	07/13/2018
224760	2200092084	07/05/2018	USD	818.90	CITY TOOL WORKS INC ONTARIO CA	07/11/2018
224761	2200092118	07/05/2018	USD	17,736.00	CIVIC PUBLICATIONS INC LA VERNE CA	07/16/2018
224762	2200092126	07/05/2018	USD	13,314.45	CIVILTEC ENGINEERING, INC. MONROVIA CA	07/11/2018
224763	2200092109	07/05/2018	USD	73,202.50	CORPRO COMPANIES INC DALLAS TX	07/11/2018
224764	2200092083	07/05/2018	USD	240.00	COSTCO WHOLESALE MEMBERSHIP SEATTLE WA	07/13/2018
224765	2200092112	07/05/2018	USD	290.00	DAVID WHEELER'S PEST CONTROL IMURRIETA CA	
224766	2200092127	07/05/2018	USD	565.69	DAVIS BARBER PRODUCTIONS INC FULLERTON CA	07/16/2018
224767	2200092160	07/05/2018	USD	322.88	DELGADO, ROBERTO CHINO HILLS CA	07/26/2018
224768	2200092092	07/05/2018	USD	7,351.80	DELL MARKETING L P PASADENA CA	07/09/2018
224769	2200092130	07/05/2018	USD	2,893.05	DORGAN LEGAL SERVICES LLP PASADENA CA	07/10/2018
224770	2200092135	07/05/2018	USD	542.01	FIREHOSEDIRECT MOORESVILLE NC	
224771	2200092063	07/05/2018	USD	1,121.95	FISHER SCIENTIFIC LOS ANGELES CA	07/09/2018
224772	2200092064	07/05/2018	USD	9,701.82	FLO SYSTEMS INC ANAHEIM HILLS CA	07/11/2018
224773	2200092124	07/05/2018	USD	633.75	FONTANA UNIFIED SCHOOL DISTRICT FONTANA CA	07/16/2018
224774	2200092140	07/05/2018	USD	1,429.24	FONTANA WATER COMPANY FONTANA CA	07/11/2018
224775	2200092152	07/05/2018	USD	473.38	FRANCHISE TAX BOARD SACRAMENTO CA	07/20/2018

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224777	2200092134	07/05/2018	USD	7,432.38	GARRATT CALLAHAN COMPANY BURLINGAME CA	07/10/2018
224778	2200092117	07/05/2018	USD	38,659.50	GHD PASADENA CA	07/10/2018
224779	2200092071	07/05/2018	USD	280.00	GOVERNMENT FINANCE OFFICERS ASCHICAGO IL	07/12/2018
224780	2200092070	07/05/2018	USD	2,405.73	GRAINGER PALATINE IL	07/09/2018
224781	2200092091	07/05/2018	USD	464.25	HACH COMPANY CHICAGO IL	07/09/2018
224782	2200092157	07/05/2018	USD	156.61	HUNTER, BONNIE CHINO HILLS CA	07/10/2018
224783	2200092148	07/05/2018	USD	51.00	INLAND EMPIRE UNITED WAY RANCHO CUCAMONGA CA	07/20/2018
224784	2200092098	07/05/2018	USD	300.64	INSIDE PLANTS INC CORONA CA	07/10/2018
224785	2200092156	07/05/2018	USD	175.14	JOHNSON, LINDA CHINO HILLS CA	08/13/2018
224786	2200092094	07/05/2018	USD	268.64	JURUPA UNIFIED SCHOOL DISTRICTJURUPA VALLEY CA	07/12/2018
224787	2200092116	07/05/2018	USD	44.92	KIM'S MASTER AUTO REPAIR CHINO CA	07/12/2018
224788	2200092079	07/05/2018	USD	6,652.32	KONICA MINOLTA PASADENA CA	07/09/2018
224789	2200092078	07/05/2018	USD	3,841.18	KONICA MINOLTA BUSINESS SOLUTIPASADENA CA	07/09/2018
224790	2200092121	07/05/2018	USD	5,655.35	MICROAGE PHOENIX AZ	07/10/2018
224791	2200092082	07/05/2018	USD	992.53	MIDPOINT BEARING ONTARIO CA	07/09/2018
224792	2200092159	07/05/2018	USD	77.67	NANGIA, SAPNA CHINO HILLS CA	08/10/2018
224793	2200092154	07/05/2018	USD	248.50	PATRICK W HUNTER PHELAN CA	07/09/2018
224794	2200092113	07/05/2018	USD	500.00	RIVERSIDE UNIFIED SCHOOL DISTRICTRIVERSIDE CA	07/24/2018
224795	2200092105	07/05/2018	USD	200.00	ROGERS, PETER J CHINO HILLS CA	07/26/2018
224796	2200092067	07/05/2018	USD	10,560.00	ROYAL INDUSTRIAL SOLUTIONS LOS ANGELES CA	07/09/2018
224797	2200092137	07/05/2018	USD	62,706.06	SO CALIF EDISON ROSEMEAD CA	07/10/2018
224798	2200092138	07/05/2018	USD	6,148.63	SO CALIF EDISON ROSEMEAD CA	07/10/2018
224799	2200092139	07/05/2018	USD	1,085.91	SO CALIF GAS MONTEREY PARK CA	07/11/2018
224800	2200092072	07/05/2018	USD	538.58	SOUTH COAST AQMD DIAMOND BAR CA	07/13/2018
224801	2200092073	07/05/2018	USD	707.58	SOUTH COAST AQMD LOS ANGELES CA	07/09/2018
224802	2200092068	07/05/2018	USD	329.95	SOUTHWEST ALARM SERVICE UPLAND CA	07/11/2018
224803	2200092120	07/05/2018	USD	1,198.00	STAFFING NETWORK LLC CAROL STREAM IL	07/10/2018
224804	2200092100	07/05/2018	USD	8,400.55	STANTEC CONSULTING INC CHICAGO IL	07/09/2018
224805	2200092123	07/05/2018	USD	200.00	STONE, DEBRA KAYE UPLAND CA	07/23/2018
224806	2200092133	07/05/2018	USD	100.00	TAHAN, MICHAEL FONTANA CA	08/15/2018
224807	2200092119	07/05/2018	USD	200.00	TIEGS, KATHLEEN ALTA LOMA CA	07/09/2018
224808	2200092103	07/05/2018	USD	11,720.46	U S BANK ST LOUIS MO	07/12/2018
224809	2200092110	07/05/2018	USD	200.00	ULLOA, EUNICE M CHINO CA	
224810	2200092099	07/05/2018	USD	166.74	UPLAND UNIFIED SCHOOL DISTRICTUPLAND CA	07/30/2018
224811	2200092150	07/05/2018	USD	243.33	US DEPARIMENT OF EDUCATION ATLANTA GA	07/25/2018
224812	2200092129	07/05/2018	USD	200.00	VINCENT, TRISHA LYNN MONTCLAIR CA	07/10/2018
224813	2200092089	07/05/2018	USD	11,757.00	W A RASIC CONSTRUCTION CO INC LONG BEACH CA	07/10/2018
224814	2200092095	07/05/2018	USD	1,666.08	WORLDWIDE EXPRESS ALBANY NY	07/10/2018
224815	2200092093	07/05/2018	USD	3,536.74	YORK EMPLOYMENT SERVICES, INC SAN FRANCISCO CA	07/10/2018
224816	2200092194	07/12/2018	USD	431.07	AIRGAS WEST INC PASADENA CA	07/16/2018
224817	2200092227	07/12/2018	USD	335,713.00	ALLIANT INSURANCE SERVICES INCNEWPORT BEACH CA	07/18/2018
224818	2200092293	07/12/2018	USD	115.00	ALMASRI, ADHAM CHINO HILLS CA	
224819	2200092261	07/12/2018	USD	188.02	AMERICAN HERITAGE LIFE INSURANDALLAS TX	07/19/2018

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224821	2200092232	07/12/2018	USD	2,542.84	AMP MECHANICAL INC COSTA MESA CA	07/19/2018
224822	2200092294	07/12/2018	USD	50.00	ARAMBULA, BLANCA CHINO HILLS CA	
224823	2200092280	07/12/2018	USD	243.97	ARCHER, WILLIAM CHINO HILLS CA	07/25/2018
224824	2200092268	07/12/2018	USD	350.00	ARGUELLES, ALEX CHINO HILLS CA	08/01/2018
224825	2200092266	07/12/2018	USD	125.05	BATONGMALAQUE, CHARLIE L CHINO HILLS CA	07/16/2018
224826	2200092303	07/12/2018	USD	350.00	BESSER, KATHRYN CHINO HILLS CA	07/18/2018
224827	2200092302	07/12/2018	USD	23.98	BOUGHAN, ARIN CHINO HILLS CA	07/18/2018
224828	2200092206	07/12/2018	USD	10,000.00	CA-NV SECTION AWWA RANCHO CUCAMONGA CA	07/19/2018
224829	2200092201	07/12/2018	USD	265.00	CALIF WATER ENVIRONMENT ASSOC OAKLAND CA	07/20/2018
224830	2200092213	07/12/2018	USD	2,198.18	CALIFORNIA BOILER INC HUNTINGTON BEACH CA	07/18/2018
224831	2200092209	07/12/2018	USD	913.32	CALIFORNIA NEWSPAPER SERVICE BLOS ANGELES CA	07/17/2018
224832	2200092231	07/12/2018	USD	8,000.00	CALIFORNIA STRATEGIES LLC SACRAMENTO CA	07/18/2018
224833	2200092244	07/12/2018	USD	19,945.63	CALIFORNIA WATER TECHNOLOGIES, PASADENA CA	07/16/2018
224834	2200092295	07/12/2018	USD	344.72	CAMACHO, MICHAEL CHINO HILLS CA	07/18/2018
224835	2200092291	07/12/2018	USD	219.45	CAMPOS, JESSE CHINO HILLS CA	07/19/2018
224836	2200092253	07/12/2018	USD	271.28	CAPPLUGS BUFFALO NY	07/17/2018
224837	2200092248	07/12/2018	USD	3,921.00	CARBON ACTIVATED CORP COMPTON CA	07/18/2018
224838	2200092207	07/12/2018	USD	624,832.89	CAROLLO ENGINEERS INC SALT LAKE CITY UT	07/20/2018
224839	2200092221	07/12/2018	USD	2,652.78	CASC ENGINEERING AND CONSULTING COLTON CA	07/17/2018
224840	2200092286	07/12/2018	USD	1,674.24	CHAVEZ, NESTOR C CHINO HILLS CA	07/18/2018
224841	2200092281	07/12/2018	USD	90.02	CHEN, TING CHINO HILLS CA	07/13/2018
224842	2200092267	07/12/2018	USD	55.00	CHENG, TINA CHINO HILLS CA	07/13/2018
224843	2200092202	07/12/2018	USD	720.00	CHINO BASIN WATER CONSERVATION MONTCLAIR CA	07/20/2018
224844	2200092200	07/12/2018	USD	3,797.46	CHINO BASIN WATERMASTER RANCHO CUCAMONGA CA	07/18/2018
224845	2200092204	07/12/2018	USD	51.00	CHINO CREEK TOASTMASTER CLUB CHINO HILLS CA	07/17/2018
224846	2200092217	07/12/2018	USD	3,911.89	CHINO MFG & REPAIR INC CHINO CA	07/16/2018
224847	2200092220	07/12/2018	USD	1,535.38	CHINO VALLEY UNIFIED SCHOOL DICHINO CA	07/23/2018
224848	2200092229	07/12/2018	USD	1,794.32	CINTAS CORPORATION LOC#150 PHOENIX AZ	07/24/2018
224849	2200092214	07/12/2018	USD	1,122.12	CINTAS FIRST AID & SAFETY LOCCINCINNATI OH	07/20/2018
224850	2200092197	07/12/2018	USD	33,395.86	CITY OF CHINO CHINO CA	08/06/2018
224851	2200092190	07/12/2018	USD	1,721.28	COLE PARMER INSTRUMENT CO CHICAGO IL	07/16/2018
224852	2200092299	07/12/2018	USD	329.89	COLE, CHRISTOPHER CHINO HILLS CA	08/08/2018
224853	2200092236	07/12/2018	USD	850.00	DAVID WHEELER'S PEST CONTROL, NORCO CA	07/16/2018
224854	2200092245	07/12/2018	USD	9,051.00	DAVIS BARBER PRODUCTIONS INC FULLERTON CA	07/16/2018
224855	2200092296	07/12/2018	USD	350.00	DELGADO, NELSON CHINO HILLS CA	07/19/2018
224856	2200092223	07/12/2018	USD	17,323.99	DELL MARKETING L P PASADENA CA	07/16/2018
224857	2200092256	07/12/2018	USD	18,947.08	DHI WATER & ENVIRONMENT INC LAKEWOOD CO	07/20/2018
224858	2200092285	07/12/2018	USD	269.35	DIX, GARY CHINO HILLS CA	07/13/2018
224859	2200092257	07/12/2018	USD	58,954.25	DKF SOLUTIONS GROUP LLC VALLEJO CA	07/18/2018
224860	2200092219	07/12/2018	USD	5,870.00	DUDEK & ASSOCIATES INC ENCINITAS CA	07/18/2018
224861	2200092298	07/12/2018	USD	350.00	DYER, DANIEL CHINO HILLS CA	07/20/2018
224862	2200092240	07/12/2018	USD	8,187.21	ENVIRONMENTAL SCIENCE ASSOCIATE TELK GROVE IL	07/18/2018
224863	2200092239	07/12/2018	USD	1,550.00	EPI-USE AMERICA INC ATLANTA GA	07/23/2018

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224865	2200092238	07/12/2018	USD	5,930.00	EUROFINS EATON ANALYTICAL LLC GRAPEVINE TX	07/17/2018
224866	2200092278	07/12/2018	USD	350.00	FAN, BONITA CHINO HILLS CA	08/06/2018
224867	2200092218	07/12/2018	USD	190.00	FEDEX FREIGHT PASADENA CA	07/16/2018
224868	2200092191	07/12/2018	USD	2,005.16	FISHER SCIENTIFIC LOS ANGELES CA	07/16/2018
224869	2200092198	07/12/2018	USD	355.68	FONZANA HERALD NEWS FONZANA CA	07/17/2018
224870	2200092243	07/12/2018	USD	308.75	FONZANA UNIFIED SCHOOL DISTRICT FONZANA CA	07/23/2018
224871	2200092260	07/12/2018	USD	3,736.20	FRONTIER COMMUNICATIONS CORP CINCINNATI OH	07/17/2018
224872	2200092228	07/12/2018	USD	32,804.75	GEI CONSULTANTS INC BOSTON MA	07/17/2018
224873	2200092237	07/12/2018	USD	6,566.71	GHD PASADENA CA	07/16/2018
224874	2200092250	07/12/2018	USD	16,580.00	GILLIS + PANICHAPAN ARCHITECTS COSTA MESA CA	07/18/2018
224875	2200092251	07/12/2018	USD	3,555.00	GOAL PRODUCTIONS INC GLENDALE CA	07/24/2018
224876	2200092196	07/12/2018	USD	20.93	GRAINGER PALATINE IL	07/17/2018
224877	2200092282	07/12/2018	USD	350.00	GU, JASON CHINO HILLS CA	08/07/2018
224878	2200092272	07/12/2018	USD	418.83	HAMLETT, DONALD CHINO HILLS CA	08/06/2018
224879	2200092273	07/12/2018	USD	170.06	HEIN, DAVID CHINO HILLS CA	07/19/2018
224880	2200092192	07/12/2018	USD	2,661.76	HOME DEPOT CREDIT SERVICES PHOENIX AZ	07/19/2018
224881	2200092300	07/12/2018	USD	96.00	HULL, KURT CHINO HILLS CA	07/18/2018
224882	2200092288	07/12/2018	USD	350.00	HURST, ELIZABETH CHINO HILLS CA	07/18/2018
224883	2200092225	07/12/2018			voided by SHEATH - Check not needed	08/09/2018
224884	2200092252	07/12/2018	USD	41,291.35	INTERA INCORPORATED AUSTIN TX	07/20/2018
224885	2200092195	07/12/2018	USD	2,442.08	INTERSTATE BATTERY SYSTEM ALTA LOMA CA	07/18/2018
224886	2200092279	07/12/2018	USD	200.00	JACKSON, PAT CHINO HILLS CA	07/23/2018
224887	2200092234	07/12/2018	USD	2,300.00	JB'S POOLS & PONDS INC UPLAND CA	07/17/2018
224888	2200092254	07/12/2018	USD	29,450.82	KEARNS & WEST SAN FRANCISCO CA	07/19/2018
224889	2200092284	07/12/2018	USD	350.00	KING, JEFFREY L CHINO HILLS CA	07/23/2018
224890	2200092203	07/12/2018	USD	545.86	KONICA MINOLTA BUSINESS SOLUTIONS PASADENA CA	07/16/2018
224891	2200092249	07/12/2018	USD	12,100.00	LANCE SOLL & LUNGHARD LLP BREA CA	07/16/2018
224892	2200092275	07/12/2018	USD	350.00	LEE, RANDY CHINO HILLS CA	07/24/2018
224893	2200092306	07/12/2018	USD	350.00	LEE, SALLY H CHINO HILLS CA	07/13/2018
224894	2200092277	07/12/2018	USD	465.00	LEE, SYLVIE CHINO HILLS CA	07/23/2018
224895	2200092264	07/12/2018	USD	236.15	LEGALSHIELD ADA OK	07/18/2018
224896	2200092290	07/12/2018	USD	341.00	LETULLE, CHANDER CHINO HILLS CA	07/19/2018
224897	2200092259	07/12/2018	USD	871.37	LEVEL 3 COMMUNICATIONS LLC DENVER CO	07/19/2018
224898	2200092263	07/12/2018	USD	14,188.23	LIFE INSURANCE COMPANY OF PHILADELPHIA PA	07/23/2018
224899	2200092247	07/12/2018	USD	1,424.76	MANAGED MOBILE INC PLACENTIA CA	07/17/2018
224900	2200092305	07/12/2018	USD	111.75	MANTILLA, LAURA CHINO HILLS CA	07/23/2018
224901	2200092235	07/12/2018	USD	821.16	MARS ENVIRONMENTAL INC ANAHEIM CA	07/23/2018
224902	2200092283	07/12/2018	USD	42.48	MARSEILLES, JASON CHINO HILLS CA	07/17/2018
224903	2200092269	07/12/2018	USD	350.00	MEDRANO, JAVIER CHINO HILLS CA	07/23/2018
224904	2200092210	07/12/2018	USD	320.64	MIDPOINT BEARING ONTARIO CA	07/16/2018
224905	2200092308	07/12/2018	USD	318.94	MONFORE, KENNETH CHINO HILLS CA	07/24/2018
224906	2200092287	07/12/2018	USD	350.00	MORGAN-PERALES, LISA CHINO HILLS CA	07/16/2018
224907	2200092307	07/12/2018	USD	350.00	MORRIS, SHANEKA CHINO HILLS CA	07/16/2018

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224909	2200092301	07/12/2018	USD	52.22	NANGIA, SAFNA CHINO HILLS CA	08/10/2018
224910	2200092233	07/12/2018	USD	2,841.60	NATIONAL CINEMEDIA LLC DENVER CO	07/20/2018
224911	2200092226	07/12/2018	USD	994.80	NATIONAL CONSTRUCTION RENTALS PACOIMA CA	07/17/2018
224912	2200092216	07/12/2018	USD	50,000.00	NATIONAL WATER RESEARCH INSTITPOUNTAIN VALLEY CA	07/19/2018
224913	2200092215	07/12/2018	USD	416.07	NAUMANN HOBBS MATERIAL HANDLINLOS ANGELES CA	07/18/2018
224914	2200092297	07/12/2018	USD	170.06	NGUYEN, ROSE CHINO HILLS CA	07/17/2018
224915	2200092271	07/12/2018	USD	350.00	NOEL, STEVE CHINO HILLS CA	07/18/2018
224916	2200092258	07/12/2018	USD	304.00	ONTARIO MUNICIPAL UTILITIES COONTARIO CA	07/16/2018
224917	2200092274	07/12/2018	USD	349.92	PARIS, ANGELA CHINO HILLS CA	07/26/2018
224918	2200092304	07/12/2018	USD	350.00	PARKER, STEPHEN CHINO HILLS CA	07/17/2018
224919	2200092262	07/12/2018	USD	96.54	PERS LONG TERM CARE PROGRAM PASADENA CA	07/16/2018
224920	2200092270	07/12/2018	USD	120.05	POESKE, MATTHEW CHINO HILLS CA	07/31/2018
224921	2200092212	07/12/2018	USD	7,800.00	PROJECT PARTNERS INC LAGUNA HILLS CA	07/17/2018
224922	2200092246	07/12/2018	USD	248.00	PUBLIC AGENCY SAFETY ORANGE CA	08/06/2018
224923	2200092265	07/12/2018	USD	280.14	REED, RANDALL J CHINO HILLS CA	08/08/2018
224924	2200092211	07/12/2018	USD	30,000.00	SAN BERNARDINO COUNTY TREASURESAN BERNARDINO CA	07/19/2018
224925	2200092292	07/12/2018	USD	100.10	SCHERCK, JOHN CHINO HILLS CA	07/23/2018
224926	2200092199	07/12/2018	USD	25,000.00	SOUTHERN CALIFORNIA WATER COMMORONA CA	07/24/2018
224927	2200092193	07/12/2018	USD	1,545.60	SOUTHWEST ALARM SERVICE UPLAND CA	07/17/2018
224928	2200092241	07/12/2018	USD	6,034.93	STAFFING NETWORK LLC CAROL STREAM IL	07/17/2018
224929	2200092208	07/12/2018	USD	12,102.00	STATE WATER RESOURCES CNTRL BRSACRAMENTO CA	07/18/2018
224930	2200092242	07/12/2018	USD	43,653.00	STATEWIDE TRAFFIC SAFETY AND SLOS ANGELES CA	07/16/2018
224931	2200092289	07/12/2018	USD	350.00	TAM, KEN CHINO HILLS CA	07/25/2018
224932	2200092309	07/12/2018	USD	300.00	TRAN, FAYE CHINO HILLS CA	07/17/2018
224933	2200092222	07/12/2018	USD	20,766.18	W A RASIC CONSTRUCTION CO INC LONG BEACH CA	07/17/2018
224934	2200092224	07/12/2018	USD	2,259.40	YORK EMPLOYMENT SERVICES, INC SAN FRANCISCO CA	07/16/2018
224936	2200092322	07/17/2018	USD	9,100.14	SO CALIF EDISON ROSEMEAD CA	07/23/2018
224937	2200092451	07/19/2018	USD	73.04	ACOSTA-GRILJALVA, SHARON CHINO HILLS CA	08/08/2018
224938	2200092452	07/19/2018	USD	47.96	ACOSTA-GRILJALVA, SHARON CHINO HILLS CA	08/08/2018
224939	2200092341	07/19/2018	USD	9.46	AIRGAS WEST INC PASADENA CA	07/23/2018
224940	2200092363	07/19/2018	USD	136,115.00	ALLIANT INSURANCE SERVICES INCNEWPORT BEACH CA	07/25/2018
224941	2200092377	07/19/2018	USD	14,688.71	ALLISON MECHANICAL, INC. REDLANDS CA	07/24/2018
224942	2200092445	07/19/2018	USD	350.00	ALQUISIRA, ROBERT CHINO HILLS CA	07/26/2018
224943	2200092369	07/19/2018	USD	312.05	ALITA FOODCRAFT COFFEE LONG BEACH CA	07/25/2018
224944	2200092378	07/19/2018	USD	22,385.82	ALTA PACIFIC BANK TEMECULA CA	07/24/2018
224945	2200092383	07/19/2018	USD	14,103.25	BANNER BANK SACRAMENTO CA	07/24/2018
224946	2200092415	07/19/2018	USD	350.00	BARRER, SATURNINO CHINO HILLS CA	07/30/2018
224947	2200092417	07/19/2018	USD	333.89	BERCH, CHRISTOPHER CHINO HILLS CA	07/25/2018
224948	2200092391	07/19/2018	USD	28,963.36	BEST CONTRACTING SERVICES INC GARDENA CA	07/24/2018
224949	2200092393	07/19/2018	USD	17,458.13	BETTER ENGINEERING MFG INC BALTIMORE MD	07/24/2018
224950	2200092440	07/19/2018	USD	350.00	BOBBITT, JOHN CHINO HILLS CA	08/20/2018
224951	2200092448	07/19/2018	USD	304.36	BOUGHAN, ARIN CHINO HILLS CA	07/24/2018
224952	2200092454	07/19/2018	USD	45.00	BURKE, JERRY CHINO HILLS CA	08/01/2018

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224953	2200092404	07/19/2018	USD	3,989.47	BURRTEC WASTE INDUSTRIES INC FONTANA CA	07/25/2018
224954	2200092349	07/19/2018	USD	376.00	CALIF WATER ENVIRONMENT ASSOC OAKLAND CA	07/31/2018
224955	2200092375	07/19/2018	USD	7,502.59	CALIFORNIA WATER TECHNOLOGIES,PASADENA CA	07/23/2018
224956	2200092463	07/19/2018	USD	323.24	CAMPBELL, MICHAEL CHINO HILLS CA	08/08/2018
224957	2200092379	07/19/2018	USD	1,050.00	CARBON ACTIVATED CORP COMPTON CA	07/24/2018
224958	2200092411	07/19/2018	USD	147.63	CARL H TAYLOR III CRYSTAL RIVER FL	07/26/2018
224959	2200092395	07/19/2018	USD	110.00	CDS SO CAL ANAHEIM CA	07/25/2018
224960	2200092430	07/19/2018	USD	350.00	CHAGOYEN-LAZARO, JAVIER CHINO CA	08/13/2018
224961	2200092449	07/19/2018	USD	350.00	CHAVEZ, EDWARD CHINO HILLS CA	08/07/2018
224962	2200092350	07/19/2018	USD	1,350.00	CHINO BASIN WATER CONSERVATIONMONTICLAIR CA	07/27/2018
224963	2200092356	07/19/2018	USD	9,447.98	CHINO MFG & REPAIR INC CHINO CA	07/23/2018
224964	2200092357	07/19/2018	USD	405.90	CHINO VALLEY UNIFIED SCHOOL DICHINO CA	07/25/2018
224965	2200092364	07/19/2018	USD	3,312.43	CINTAS CORPORATION LOCH#150 PHOENIX AZ	08/01/2018
224966	2200092409	07/19/2018	USD	384.00	CITY EMPLOYEES ASSOCIATES LONG BEACH CA	07/24/2018
224967	2200092399	07/19/2018	USD	569.41	CITY OF CHINO CHINO CA	07/23/2018
224968	2200092397	07/19/2018	USD	500.00	CITY OF KNOWLEDGE POMONA CA	07/30/2018
224969	2200092344	07/19/2018	USD	22,288.95	CITY OF ONTARIO ONTARIO CA	07/30/2018
224970	2200092360	07/19/2018	USD	4,578.21	CS-AMSCO HUNTINGTON BEACH CA	07/24/2018
224971	2200092401	07/19/2018	USD	689.31	CUCAMONGA VALLEY WATER DISTRICTLOS ANGELES CA	07/24/2018
224972	2200092345	07/19/2018	USD	8.12	CUCAMONGA VALLEY WATER DISTRICTRANCHO CUCAMONGA CA	07/30/2018
224973	2200092457	07/19/2018	USD	350.00	DELGADO, ROBERTO CHINO HILLS CA	07/26/2018
224974	2200092442	07/19/2018	USD	350.00	DENNIS, PAUL STEVE CHINO HILLS CA	08/09/2018
224975	2200092390	07/19/2018	USD	7,900.68	DHI WATER & ENVIRONMENT INC LAKEWOOD CO	08/01/2018
224976	2200092450	07/19/2018	USD	350.00	DIAS, MICHAEL CHINO HILLS CA	07/23/2018
224977	2200092465	07/19/2018	USD	350.00	DUNCAN, BRANDON CHINO HILLS CA	07/20/2018
224978	2200092382	07/19/2018	USD	14,400.00	ECOTECH SERVICES INC MONROVIA CA	07/25/2018
224979	2200092371	07/19/2018	USD	4,729.38	ELECTRO-CHEMICAL DEVICES, INC ANAHEIM CA	07/24/2018
224980	2200092437	07/19/2018	USD	350.00	ERRO, DAN CHINO HILLS CA	07/20/2018
224981	2200092370	07/19/2018	USD	835.00	EUROFINS EATON ANALYTICAL LLC GRAPEVINE TX	07/24/2018
224982	2200092394	07/19/2018	USD	6,200.00	EUROPEAN STYLE PAINTING COMPANCRESTLINE CA	07/26/2018
224983	2200092336	07/19/2018	USD	39.78	FISHER SCIENTIFIC LOS ANGELES CA	07/23/2018
224984	2200092337	07/19/2018	USD	6,273.96	FLO SYSTEMS INC ANAHEIM HILLS CA	07/27/2018
224985	2200092446	07/19/2018	USD	350.00	FLORES, JUAN CHINO HILLS CA	08/13/2018
224986	2200092420	07/19/2018	USD	350.00	FLORIO, JONATHAN D CHINO HILLS CA	07/27/2018
224987	2200092346	07/19/2018	USD	191.00	FONTANA HERALD NEWS FONTANA CA	07/24/2018
224988	2200092408	07/19/2018	USD	473.38	FRANCHISE TAX BOARD SACRAMENTO CA	07/30/2018
224989	2200092405	07/19/2018			voided by KMCCHRIS - Printed incorrectly	07/19/2018
224990	2200092398	07/19/2018	USD	2,040.00	GENERAL ELECTRIC MOBILE WATER FONTANA CA	08/20/2018
224991	2200092386	07/19/2018	USD	11,533.50	GILLIS + PANICHAPAN ARCHITECTSCOSTA MESA CA	07/24/2018
224992	2200092343	07/19/2018	USD	666.10	GRAINGER PALATINE IL	07/25/2018
224993	2200092376	07/19/2018	USD	129,989.50	GSE CONSTRUCTION COMPANY INC LIVERMORE CA	07/24/2018
224994	2200092447	07/19/2018	USD	263.93	GUPTA, NEEITU CHINO HILLS CA	
224995	2200092388	07/19/2018	USD	367,841.37	GWINCO CONSTRUCTION & ENGINEERONTARIO CA	07/27/2018
224996	2200092389	07/19/2018	USD	45,964.86	HENKELS & MCCOY INC BLUE BELL PA	07/27/2018

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224997	2200092338	07/19/2018	USD	697.93	HOME DEPOT CREDIT SERVICES PHOENIX AZ	07/25/2018
224998	2200092419	07/19/2018	USD	328.49	IM, BYUNG-ROCK CHINO HILLS CA	07/23/2018
224999	2200092406	07/19/2018	USD	51.00	INLAND EMPIRE UNITED WAY RANCHO CUCAMONGA CA	07/23/2018
225000	2200092352	07/19/2018	USD	457,424.49	J F SHEA CONSTRUCTION INC WALNUT CA	07/24/2018
225001	2200092431	07/19/2018	USD	339.00	JONES, ALLAN CHINO HILLS CA	
225002	2200092461	07/19/2018	USD	350.00	KORISAL, VIJAYAKUMAR S CHINO HILLS CA	07/30/2018
225003	2200092413	07/19/2018	USD	350.00	LACEY, STEVEN CHINO HILLS CA	07/31/2018
225004	2200092418	07/19/2018	USD	30.80	LEE, SYLVIE CHINO HILLS CA	
225005	2200092439	07/19/2018	USD	350.00	LENING, SCOTT CHINO HILLS CA	08/01/2018
225006	2200092355	07/19/2018	USD	125.00	LIEBERT CASSIDY WHITMORE LOS ANGELES CA	07/31/2018
225007	2200092459	07/19/2018	USD	310.22	LIN, EDDIE CHINO HILLS CA	07/27/2018
225008	2200092392	07/19/2018	USD	3,510.00	LITTLER MENDELSON PC SAN FRANCISCO CA	07/24/2018
225009	2200092425	07/19/2018	USD	273.73	MALDONADO, ART CHINO HILLS CA	07/24/2018
225010	2200092368	07/19/2018	USD	376.15	MARS ENVIRONMENTAL INC ANAHEIM CA	07/30/2018
225011	2200092435	07/19/2018	USD	310.32	MCCRISTY, KAREN CHINO HILLS CA	08/03/2018
225012	2200092444	07/19/2018	USD	350.00	MCCORKELL, GREGORY CHINO HILLS CA	08/01/2018
225013	2200092373	07/19/2018	USD	1,040.00	MICROAGE PHOENIX AZ	07/24/2018
225014	2200092353	07/19/2018	USD	994.27	MIDPOINT BEARING ONTARIO CA	07/23/2018
225015	2200092339	07/19/2018	USD	3,102.23	MINE SAFETY APPLIANCES CO PITTSBURGH PA	07/24/2018
225016	2200092347	07/19/2018	USD	182.71	MISCO WATER FOOTHILL RANCH CA	07/23/2018
225017	2200092384	07/19/2018	USD	21,087.50	MWH CONSTRUCTORS INC BROOMFIELD CO	07/25/2018
225018	2200092387	07/19/2018	USD	223,376.13	MYERS AND SONS CONSTRUCTION LPSACRAMENTO CA	08/01/2018
225019	2200092458	07/19/2018	USD	115.00	MYKITTA, RICK CHINO HILLS CA	08/13/2018
225020	2200092358	07/19/2018	USD	655.00	NATIONAL BUSINESS INVESTIGATIONMURRIETA CA	07/27/2018
225021	2200092362	07/19/2018	USD	211.55	NATIONAL CONSTRUCTION RENTALS PACOIMA CA	07/31/2018
225022	2200092348	07/19/2018	USD	787.00	NATIONAL SAFETY COUNCIL ITASCA IL	07/25/2018
225023	2200092385	07/19/2018	USD	3,799.73	NEW MILLENNIUM CONSTRUCTION CHINO HILLS CA	07/23/2018
225024	2200092416	07/19/2018	USD	54.50	NOEL, STEVE CHINO HILLS CA	07/24/2018
225025	2200092359	07/19/2018	USD	750.00	O S T S INC CHINO CA	07/24/2018
225026	2200092441	07/19/2018	USD	95.92	O'BRIEN, MICHELLE CHINO HILLS CA	07/23/2018
225027	2200092335	07/19/2018	USD	2,116.89	OFFICE DEPOT CINCINNATI OH	07/24/2018
225028	2200092334	07/19/2018	USD	3,309.71	OFFICE DEPOT PHOENIX AZ	07/27/2018
225029	2200092400	07/19/2018	USD	6,090.78	ONTARIO MUNICIPAL UTILITIES COONTARIO CA	07/23/2018
225030	2200092380	07/19/2018	USD	8,125.86	PACIFIC COURIERS INC ORANGE CA	07/27/2018
225031	2200092410	07/19/2018	USD	248.50	PATRICK W HUNTER PHELAN CA	07/23/2018
225032	2200092342	07/19/2018	USD	553.42	PETTY CASH EXPENDITURES CHINO CA	07/23/2018
225033	2200092365	07/19/2018	USD	9,381.06	PFM ASSET MANAGEMENT LLC BALTIMORE MD	07/24/2018
225034	2200092443	07/19/2018	USD	424.64	POMPA, JESSE CHINO HILLS CA	07/20/2018
225035	2200092456	07/19/2018	USD	350.00	RECINTO, SARAH CHINO HILLS CA	
225036	2200092429	07/19/2018	USD	185.34	RESECK-FRANCIS, CHEYANNE CHINO HILLS CA	07/25/2018
225037	2200092424	07/19/2018	USD	170.06	REYES, RAYMOND CHINO HILLS CA	07/27/2018
225038	2200092438	07/19/2018	USD	350.00	RILEY, STEPHANIE CHINO CA	07/20/2018
225039	2200092460	07/19/2018	USD	350.00	RODRIGUEZ, MICHAEL CHINO HILLS CA	
225040	2200092414	07/19/2018	USD	350.00	SAHAGUN, ALEX CHINO HILLS CA	

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225042	2200092433	07/19/2018	USD	350.00	SAYAVONG, KEVIN CHINO HILLS CA		07/24/2018
225043	2200092436	07/19/2018	USD	350.00	SCOTT, STACEY CHINO HILLS CA		07/23/2018
225044	2200092367	07/19/2018	USD	100.00	SCFMA-HR DIAMOND BAR CA		
225045	2200092455	07/19/2018	USD	298.00	SELIO, RICHARD CHINO HILLS CA		
225046	2200092464	07/19/2018	USD	21.08	SHOAF, SUSANNAH CHINO HILLS CA		08/06/2018
225047	2200092412	07/19/2018	USD	315.54	SKINNER, JOHN CHINO HILLS CA		07/31/2018
225048	2200092402	07/19/2018	USD	160,850.63	SO CALIF EDISON ROSEMEAD CA		07/30/2018
225049	2200092403	07/19/2018	USD	1,581.41	SO CALIF GAS MONTEREY PARK CA		07/25/2018
225050	2200092351	07/19/2018	USD	51.90	SOLINST CANADA LTD GEORGETOWN ON		07/27/2018
225051	2200092427	07/19/2018	USD	350.00	SPRAGUE, TRAVIS CHINO HILLS CA		07/25/2018
225052	2200092422	07/19/2018	USD	350.00	SPRINGER, DONNA CHINO CA		08/14/2018
225053	2200092372	07/19/2018	USD	2,396.00	STAFFING NETWORK LLC CAROL STREAM IL		07/24/2018
225054	2200092361	07/19/2018	USD	72,351.02	SWRCB ACCOUNTING OFFICE SACRAMENTO CA		07/25/2018
225055	2200092432	07/19/2018	USD	350.00	TANG, KEVIN CHINO CA		
225056	2200092421	07/19/2018	USD	199.98	TAYLOR, YVONNE CHINO HILLS CA		07/26/2018
225057	2200092381	07/19/2018	USD	12,750.00	TONY PAINTING GARDEN GROVE CA		07/23/2018
225058	2200092428	07/19/2018	USD	403.41	TRAUGOTT, JEFF CHINO HILLS CA		08/02/2018
225059	2200092340	07/19/2018	USD	95.00	UPS FREIGHT CHICAGO IL		07/25/2018
225060	2200092407	07/19/2018	USD	243.33	US DEPARTMENT OF EDUCATION ATLANTA GA		07/31/2018
225061	2200092434	07/19/2018	USD	130.55	VASQUEZ, RUBEN CHINO HILLS CA		
225062	2200092462	07/19/2018	USD	1,944.11	WANG, PHEBE CHINO HILLS CA		07/20/2018
225063	2200092396	07/19/2018	USD	135.00	WATSON LAND COMPANY CARSON CA		08/10/2018
225064	2200092453	07/19/2018	USD	200.25	WOMACK, ASHLEY CHINO HILLS CA		07/31/2018
225065	2200092374	07/19/2018	USD	19,850.48	YELLOW JACKET DRILLING SERVICEPHOENIX AZ		07/24/2018
225066	2200092366	07/19/2018	USD	192.20	YRC PASADENA CA		07/23/2018
225067	2200092423	07/19/2018	USD	350.00	ZAVALA, ADOLFO CHINO HILLS CA		07/25/2018
225068	2200092426	07/19/2018	USD	98.98	ZIEGENBEIN, JEFF CHINO HILLS CA		08/02/2018
225069	2200092487	07/19/2018	USD	2,673.34	FRONTIER COMMUNICATIONS CORP CINCINNATI OH		07/25/2018
225070	2200092486	07/19/2018	USD	457.83	VERIZON BUSINESS ALBANY NY		07/24/2018
225071	2200092490	07/24/2018	USD	12,069.97	BUSINESS CARD WILMINGTON DE		07/30/2018
225072	2200092491	07/24/2018	USD	446.73	KONICA MINOLTA PASADENA CA		07/27/2018
225073	2200092652	07/26/2018	USD	1,642.28	AIRGAS WEST INC PASADENA CA		07/30/2018
225074	2200092668	07/26/2018	USD	403.65	AMERICAN COMPRESSOR CO SANTA FE SPRINGS CA		07/31/2018
225075	2200092716	07/26/2018	USD	3,140.00	AMP MECHANICAL INC COSTA MESA CA		07/30/2018
225076	2200092769	07/26/2018	USD	2,388.00	ARCHIVESOCIAL DURHAM NC		08/13/2018
225077	2200092784	07/26/2018	USD	2,715.29	ARGUELLES, ALEX CHINO HILLS CA		08/08/2018
225078	2200092682	07/26/2018	USD	32.00	ASSOC SAN BERNARDINO CNTY SPECSAN BERNARDINO CA		08/13/2018
225079	2200092730	07/26/2018	USD	58.09	AUTOZONE INC ATLANTA GA		08/02/2018
225080	2200092694	07/26/2018	USD	270.00	BABCOCK LABORATORIES, INC RIVERSIDE CA		08/01/2018
225081	2200092691	07/26/2018	USD	880.44	BOOT BARN INC IRVINE CA		08/03/2018
225082	2200092773	07/26/2018	USD	183.34	BREIG, ANNA VICTORVILLE CA		08/01/2018
225083	2200092746	07/26/2018	USD	1,484.63	BROWN BEAR CORPORATION CORNING IA		08/01/2018
225084	2200092790	07/26/2018	USD	300.00	CABRERA, ARTURO UPLAND CA		08/08/2018

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225085	2200092656	07/26/2018	USD	4,917.25	CALIF DEPT OF FISH AND WILDLIFSACRAMENTO CA	08/08/2018
225086	2200092661	07/26/2018	USD	500.00	CALIF MUNICIPAL STATISTICS INCOAKLAND CA	08/13/2018
225087	2200092664	07/26/2018	USD	1,140.00	CALIF WATER ENVIRONMENT ASSOC OAKLAND CA	08/15/2018
225088	2200092743	07/26/2018	USD	225.00	CALIFORNIA ASSOCIATION OF PUBLCHICO CA	08/08/2018
225089	2200092683	07/26/2018	USD	395.00	CALIFORNIA MUNICIPAL TREASURERSACRAMENTO CA	08/01/2018
225090	2200092736	07/26/2018	USD	3,838.37	CALIFORNIA WATER TECHNOLOGIES, PASADENA CA	07/31/2018
225091	2200092738	07/26/2018	USD	1,207.50	CAMET RESEARCH, INC. GOLETA CA	
225092	2200092675	07/26/2018	USD	51,299.35	CAROLLO ENGINEERS INC SALT LAKE CITY UT	08/01/2018
225093	2200092693	07/26/2018	USD	2,985.00	CHAMPION FIRE SYSTEMS INC RANCHO CUCAMONGA CA	07/31/2018
225094	2200092667	07/26/2018	USD	9,298.80	CHAMPION NEWSPAPERS CHINO CA	08/02/2018
225095	2200092662	07/26/2018	USD	18,073.80	CHINO BASIN WATERMASTER RANCHO CUCAMONGA CA	08/02/2018
225096	2200092692	07/26/2018	USD	112.49	CHINO MFG & REPAIR INC CHINO CA	07/30/2018
225097	2200092715	07/26/2018	USD	1,970.92	CINTAS CORPORATION LOC#150 PHOENIX AZ	08/07/2018
225098	2200092688	07/26/2018	USD	673.25	CINTAS FIRST AID & SAFETY LOCCINCINNATI OH	08/06/2018
225099	2200092663	07/26/2018	USD	1,209.00	CITY OF RANCHO CUCAMONGA RANCHO CUCAMONGA CA	08/01/2018
225100	2200092778	07/26/2018	USD	347.26	COLONIAL LIFE & ACCIDENT INSURCOLUMBIA SC	08/02/2018
225101	2200092754	07/26/2018	USD	14,940.00	CSI SERVICES INC SANTA CLARITA CA	07/31/2018
225102	2200092680	07/26/2018	USD	265,361.39	CSRNA SAN FRANCISCO CA	08/03/2018
225103	2200092660	07/26/2018	USD	250.00	CUCAMONGA VALLEY WATER DISTIRCRANCHO CUCAMONGA CA	08/02/2018
225104	2200092737	07/26/2018	USD	25,036.49	D & H WATER SYSTEMS INC OCEANSIDE CA	08/01/2018
225105	2200092724	07/26/2018	USD	770.00	DAVID WHEELER'S PEST CONTROL, NORCO CA	08/01/2018
225106	2200092707	07/26/2018	USD	713.38	DAVIS ELECTRIC INC YUCAIPA CA	07/31/2018
225107	2200092708	07/26/2018	USD	6,146.60	DC FROST ASSOCIATES INC WALNUT CREEK CA	08/01/2018
225108	2200092729	07/26/2018	USD	4,885.29	ELECTRO-CHEMICAL DEVICES, INC ANAHEIM CA	08/01/2018
225109	2200092731	07/26/2018	USD	7,434.03	ENVIRONMENTAL SCIENCE ASSOCIATELTK GROVE IL	07/31/2018
225110	2200092728	07/26/2018	USD	15.00	EUROFINS EATON ANALYTICAL LLC GRAPEVINE TX	07/31/2018
225111	2200092781	07/26/2018	USD	2,208.07	FIDELITY SECURITY LIFE INSURANCINCINNATI OH	08/01/2018
225112	2200092772	07/26/2018	USD	947.32	FRONTIER COMMUNICATIONS CORP CINCINNATI OH	08/01/2018
225113	2200092764	07/26/2018	USD	1,238.73	GARRATT CALLAHAN COMPANY BURLINGAME CA	08/01/2018
225114	2200092713	07/26/2018	USD	3,869.41	GET CONSULTANTS INC BOSTON MA	07/31/2018
225115	2200092752	07/26/2018	USD	17,440.00	GILLIS + PANICHAPAN ARCHITECTSCOSTA MESA CA	07/30/2018
225116	2200092700	07/26/2018	USD	3,895.00	GOLDEN STATE LABOR COMPLIANCE PALMDALE CA	08/07/2018
225117	2200092657	07/26/2018	USD	1,137.94	GRAINGER PALATINE IL	08/01/2018
225118	2200092776	07/26/2018	USD	499.68	HOBBS, DIANA APPLE VALLEY CA	08/01/2018
225119	2200092644	07/26/2018	USD	688.14	HOME DEPOT CREDIT SERVICES PHOENIX AZ	08/01/2018
225120	2200092774	07/26/2018	USD	499.68	HORNE, WILLIAM YUCCA VALLEY CA	07/31/2018
225121	2200092669	07/26/2018	USD	11.51	KONICA MINOLTA BUSINESS SOLUTIONSPASADENA CA	07/30/2018
225122	2200092753	07/26/2018	USD	2,842.00	LAW OFFICE OF KATHY M GANDARA RANCHO CUCAMONGA CA	08/03/2018
225123	2200092788	07/26/2018	USD	68.74	MCDONALD, BONNIE CHINO HILLS CA	07/31/2018
225124	2200092717	07/26/2018	USD	1,501.50	MEYERS NAVE OAKLAND CA	07/31/2018
225125	2200092733	07/26/2018	USD	10,254.30	MICROAGE PHOENIX AZ	07/31/2018
225126	2200092676	07/26/2018	USD	1,490.75	MIDPOINT BEARING ONTARIO CA	07/30/2018
225127	2200092775	07/26/2018	USD	826.04	MILLER, ELMER L BLUE JAY CA	08/01/2018
225128	2200092686	07/26/2018	USD	259.89	MINUTEMAN PRESS RANCHO CUCAMONGA CA	08/06/2018

Bank		CBB	CITIZENS BUSINESS BANK		ONTARIO CA 917610000	
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Check number from to	Payment	Pmnt date	Crcy	Amount paid (FC)	Recipient/void reason code	Enca./void
225129	2200092670	07/26/2018	USD	827.81	NEPTUNE CHEMICAL PUMP CO NORIH WALES PA	
225130	2200092643	07/26/2018	USD	354.65	OFFICE DEPOT PHOENIX AZ	
225131	2200092770	07/26/2018	USD	76.48	ONTARIO MUNICIPAL UTILITIES COONTARIO CA	08/03/2018
225132	2200092696	07/26/2018	USD	1,230.30	PANTHER PROTECTION ORANGE CA	07/30/2018
225133	2200092779	07/26/2018	USD	96.54	PERS LONG TERM CARE PROGRAM PASADENA CA	07/30/2018
225134	2200092654	07/26/2018	USD	3,467.06	PETE'S ROAD SERVICE FULLERTON CA	07/30/2018
225135	2200092655	07/26/2018	USD	299.13	PETTY CASH EXPENDITURES CHINO CA	08/01/2018
225136	2200092698	07/26/2018	USD	2,064.96	PONION INDUSTRIES INC YORBA LINDA CA	07/31/2018
225137	2200092735	07/26/2018	USD	10,130.00	POWER ENGINEERING SERVICES INCBREA CA	08/06/2018
225138	2200092763	07/26/2018	USD	16,185.00	PRECISION GARAGE DOORS & GATESYUCCA VALLEY CA	08/01/2018
225139	2200092742	07/26/2018	USD	2,155.17	PREMIUM PROMOTIONALS UPLAND CA	07/31/2018
225140	2200092766	07/26/2018	USD	771.23	PRESTIGE GOLF CARS TEMECULA CA	07/31/2018
225141	2200092748	07/26/2018	USD	32,459.94	PRIORITY BUILDING SERVICES LLCBREA CA	07/31/2018
225142	2200092758	07/26/2018	USD	6,542.52	PRO-CRAFT CONSTRUCTION INC REDLANDS CA	07/31/2018
225143	2200092687	07/26/2018	USD	12,350.00	PROJECT PARINERS INC LAGUNA HILLS CA	08/02/2018
225144	2200092759	07/26/2018	USD	1,500.00	PRUFTECHNIK INC PITTSBURGH PA	07/30/2018
225145	2200092690	07/26/2018	USD	9,048.12	PSOMAS LOS ANGELES CA	08/01/2018
225146	2200092760	07/26/2018	USD	1,227.39	QUINN COMPANY LOS ANGELES CA	07/30/2018
225147	2200092645	07/26/2018	USD	3,501.07	RAMONA TIRE & SERVICE CENTERS HEMET CA	07/30/2018
225148	2200092646	07/26/2018	USD	110.50	RAYNE WATER CONDITIONING COVINA CA	08/01/2018
225149	2200092642	07/26/2018	USD	288.36	REM LOCK & KEY ONTARIO CA	07/30/2018
225150	2200092725	07/26/2018	USD	2,634.16	RDO TRUST # 80-5800 LAKESIDE CA	08/02/2018
225151	2200092678	07/26/2018	USD	2,792.17	RED WING BUSINESS ADVANTAGE DALLAS TX	08/01/2018
225152	2200092782	07/26/2018	USD	102.00	REED, RANDALL J CHINO HILLS CA	07/30/2018
225153	2200092647	07/26/2018	USD	5,073.00	RMA GROUP RANCHO CUCAMONGA CA	08/08/2018
225154	2200092705	07/26/2018	USD	53,223.50	RMC WATER AND ENVIRONMENT BOSTON MA	08/03/2018
225155	2200092672	07/26/2018	USD	960.00	RMS ENGINEERING & DESIGN CORONA DEL MAR CA	07/31/2018
225156	2200092783	07/26/2018	USD	132.98	ROSALES, TIMOTEO CHINO HILLS CA	07/31/2018
225157	2200092648	07/26/2018	USD	8,836.03	ROYAL INDUSTRIAL SOLUTIONS LOS ANGELES CA	08/06/2018
225158	2200092712	07/26/2018	USD	4,597.50	RSD LAKE FOREST CA	07/30/2018
225159	2200092722	07/26/2018	USD	3,513.53	RUSSELL SIGLER INC LOS ANGELES CA	07/30/2018
225160	2200092718	07/26/2018	USD	5,796.22	SAFE-ENTRY TECHNICAL INC RANCHO CUCAMONGA CA	07/31/2018
225161	2200092685	07/26/2018	USD	8,657.89	SAN BERNARDINO COUNTY SAN BERNARDINO CA	07/31/2018
225162	2200092791	07/26/2018	USD	300.00	SANIOSA, RICKY FONTANA CA	07/31/2018
225163	2200092786	07/26/2018	USD	9.27	SCALERA, TYRONE CHINO HILLS CA	08/17/2018
225164	2200092787	07/26/2018	USD	34.34	SCHERCK, JOHN CHINO HILLS CA	08/13/2018
225165	2200092720	07/26/2018	USD	1,438.00	SCREENVISION DIRECT NEW YORK NY	08/14/2018
225166	2200092757	07/26/2018	USD	990.00	SERGIO D FIERRO HACIENDA HEIGHTS CA	08/02/2018
225167	2200092756	07/26/2018	USD	1,860.00	SHAW HR CONSULTING INC NEWBURY PARK CA	07/31/2018
225168	2200092665	07/26/2018	USD	86.20	SIGMA-ALDRICH INC ATLANTA GA	07/31/2018
225169	2200092789	07/26/2018	USD	170.00	SMITH, JASON D CHINO HILLS CA	08/01/2018
225170	2200092771	07/26/2018	USD	234,091.95	SO CALIF EDISON ROSEMEAD CA	08/01/2018
225171	2200092649	07/26/2018	USD	3,627.85	SOUTHWEST ALARM SERVICE UPLAND CA	08/01/2018
225172	2200092732	07/26/2018	USD	4,020.79	STAFFING NETWORK LLC CAROL STREAM IL	07/31/2018

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

Check						
Check number from to	Payment	Pmnt date	Crcy	Amount paid (FC)	Recipient/void reason code	Enca./void
225173	2200092710	07/26/2018	USD	91,895.07	STANTEC CONSULTING INC CHICAGO IL	07/30/2018
225174	2200092751	07/26/2018	USD	941.21	STORETRIEVE LLC PASADENA CA	07/30/2018
225175	2200092653	07/26/2018	USD	1,176.15	SUEZ TREATMENT SOLUTIONS INC BALTIMORE MD	07/31/2018
225176	2200092739	07/26/2018	USD	12,483.12	SUNBELT RENTALS INC ATLANTA GA	07/30/2018
225177	2200092659	07/26/2018	USD	5,233.76	SUNRISE COLLISION CENTER FONTANA CA	08/01/2018
225178	2200092699	07/26/2018	USD	810.07	SUPPORT PRODUCT SERVICES INC MURRIETA CA	08/03/2018
225179	2200092695	07/26/2018	USD	38,191.38	SYSTEMS SOURCE INC IRVINE CA	
225180	2200092785	07/26/2018	USD	65.15	TAYLOR, YVONNE CHINO HILLS CA	08/07/2018
225181	2200092679	07/26/2018	USD	1,521.97	TELEDYNE INSTRUMENTS INC CHICAGO IL	07/30/2018
225182	2200092723	07/26/2018	USD	65,250.00	TERRA PAVE INC WHITTIER CA	08/01/2018
225183	2200092658	07/26/2018	USD	12,423.68	TEIRA TECH INC DENVER CO	07/31/2018
225184	2200092711	07/26/2018	USD	5,445.00	THE AUSTIN COMPANY CLEVELAND OH	07/31/2018
225185	2200092745	07/26/2018	USD	60.00	THE SHREDDERS LOS ANGELES CA	08/01/2018
225186	2200092719	07/26/2018	USD	22,103.25	THOMAS HARDER & CO INC ANAHEIM CA	08/03/2018
225187	2200092681	07/26/2018	USD	10,958.85	TOM DODSON & ASSOCIATES SAN BERNARDINO CA	07/31/2018
225188	2200092749	07/26/2018	USD	1,650.00	TONY PAINTING GARDEN GROVE CA	07/30/2018
225189	2200092673	07/26/2018	USD	150.00	TRI STATE ENVIRONMENTAL SAN BERNARDINO CA	08/06/2018
225190	2200092741	07/26/2018	USD	2,594.25	TRIPEPI SMITH AND ASSOCIATES, IRVINE CA	08/10/2018
225191	2200092706	07/26/2018	USD	24,708.42	TRUSSELL TECHNOLOGIES INC PASADENA CA	08/02/2018
225192	2200092677	07/26/2018	USD	4,939.01	U S BANK ST PAUL MN	08/01/2018
225193	2200092689	07/26/2018	USD	840.00	U S HEALTHWORKS MEDICAL GROUP LOS ANGELES CA	07/30/2018
225194	2200092674	07/26/2018	USD	2,238.70	ULTRA SCIENTIFIC NORTH KINGSTOWN RI	08/01/2018
225195	2200092650	07/26/2018	USD	909.35	UNDERGROUND SERVICE ALERT/SC CORONA CA	07/31/2018
225196	2200092709	07/26/2018	USD	296.94	UPLAND UNIFIED SCHOOL DISTRICTUPLAND CA	08/06/2018
225197	2200092726	07/26/2018	USD	9,635.00	UPS PROTECTION INC ANAHEIM CA	07/31/2018
225198	2200092704	07/26/2018	USD	53.88	URIMAGE BLOOMINGTON CA	08/01/2018
225199	2200092721	07/26/2018	USD	20,459.43	US BANK VOYAGER FLEET SYSTEMS KANSAS CITY MO	07/31/2018
225200	2200092734	07/26/2018	USD	10,777.50	UTILIQUEST LLC ATLANTA GA	07/30/2018
225201	2200092740	07/26/2018	USD	331.25	V3IT CONSULTING INC NAPERVILLE IL	07/31/2018
225202	2200092765	07/26/2018	USD	1,100.00	VALLEY SPLICING INC NORCO CA	08/06/2018
225203	2200092767	07/26/2018	USD	1,454.66	VARDISK LLC DALLAS TX	08/02/2018
225204	2200092714	07/26/2018	USD	26,712.12	VAUGHAN'S INDUSTRIAL REPAIR COPARAMOUNT CA	07/31/2018
225205	2200092755	07/26/2018	USD	5,304.31	VECTORUSA TORRANCE CA	07/31/2018
225206	2200092684	07/26/2018	USD	8,827.05	VERIZON WIRELESS DALLAS TX	08/01/2018
225207	2200092750	07/26/2018	USD	21,776.84	VIRAMONTES EXPRESS INC CORONA CA	08/02/2018
225208	2200092697	07/26/2018	USD	9,615.81	W A RASIC CONSTRUCTION CO. INC LONG BEACH CA	07/31/2018
225209	2200092747	07/26/2018	USD	93,304.00	WALLACE & ASSOCIATES CONSULTINGPARK CITY UT	08/01/2018
225210	2200092671	07/26/2018	USD	4,099.53	WASTE MANAGEMENT OF LOS ANGELES CA	08/01/2018
225211	2200092702	07/26/2018	USD	21,186.08	WEST COAST SAND & GRAVEL BUENA PARK CA	07/30/2018
225212	2200092651	07/26/2018	USD	10,261.59	WEST VALLEY MOSQUITO AND ONTARIO CA	07/30/2018
225213	2200092666	07/26/2018	USD	135.00	WESTERN ANALYTICAL LABORATORIECHINO CA	07/31/2018
225214	2200092777	07/26/2018	USD	2,474.39	WESTERN DENTAL PLAN ORANGE CA	07/31/2018
225215	2200092762	07/26/2018	USD	38,312.58	WESTIN TECHNOLOGY SOLUTIONS LILMILWAUKEE WI	07/31/2018
225216	2200092761	07/26/2018	USD	2,300.00	WESTLAND GROUP INC ONTARIO CA	07/31/2018

Inland Empire Util. Agency
 Chino, CA
 Company code 1000

Check Register
 CBB Disbursement Account - July 2018

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Bank		CBB	CITIZENS BUSINESS BANK		ONTARIO CA 917610000	
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Acct number		CHECK	231167641			
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Check number from to	Payment	Pmnt date	Crcy	Amount paid (FC)	Recipient/void reason code	Enca./void
225217	2200092768	07/26/2018	USD	940.50	WHITE CANYON SOFTWARE INC AMERICAN FORK UT	07/31/2018
225218	2200092780	07/26/2018	USD	25.00	WILCO LIFE INSURANCE COMPANY CHARLOTTE NC	08/08/2018
225219	2200092744	07/26/2018	USD	3,465.00	WIN 911 SOFTWARE AUSTIN TX	08/01/2018
225220	2200092703	07/26/2018	USD	597.58	WORLDWIDE EXPRESS ALBANY NY	07/31/2018
225221	2200092727	07/26/2018	USD	53,243.80	XYLEM WATER SOLUTIONS USA INC CHICAGO IL	08/01/2018
225222	2200092701	07/26/2018	USD	2,034.74	YORK EMPLOYMENT SERVICES, INC SAN FRANCISCO CA	08/01/2018
225223	2200092816	07/31/2018	USD	2,729.18	KONICA MINOLTA PASADENA CA	08/02/2018
225224	2200092817	07/31/2018	USD	4,522.90	SO CALIF EDISON ROSEMEAD CA	08/02/2018
* Payment method Check			USD	5,738,365.04		

Inland Empire Util.Agency
 Chino, CA
 Company code 1000

Check Register
 CBB Disbursement Account - July 2018

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Bank		CBB	CITIZENS BUSINESS BANK		ONTARIO CA 917610000	
Bank Key		122234149				
Acct number		CHECK	231167641			
Separate Check						
Check number from to	Payment	Pmnt date	Crcy	Amount paid (FC)	Recipient/void reason code	Enca./void
224935	2200092205	07/12/2018	USD	56.50	CHINO CREEK TOASTMASTER CLUB CHINO HILLS CA	07/17/2018
* Payment method Separate Check			USD	56.50		

Total of all entries

Check Register
CBB Disbursement Account - July 2018

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Check number from to	Payment	Pmnt date	Crcy	Amount paid (FC)	Recipient/void reason code	Enca./void
**			USD	5,738,421.54		

Attachment 2B

Workers' Comp Checks

Bank	CEB	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
04977	2200092805	07/05/2018	USD	93.29	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	07/09/2018
04978	2200092806	07/11/2018	USD	368.00	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	07/16/2018
04979	2200092807	07/11/2018	USD	1,367.60	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	07/16/2018
04980	2200092808	07/11/2018	USD	13.84	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	07/16/2018
04981	2200092809	07/18/2018	USD	12.00	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	07/23/2018
04982	2200092810	07/18/2018	USD	30.00	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	07/23/2018
04983	2200092811	07/18/2018	USD	283.86	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	07/23/2018
04984	2200092812	07/18/2018	USD	20.00	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	07/23/2018
04985	2200092813	07/18/2018	USD	1.62	YORK RISK SERVICES GROUP INC RANCHO CUCAMONGA CA	07/23/2018
* Payment method Checks created manually			USD	2,190.21		

Total of all entries

Check Register
CBB Workers Comp Account - July 2018

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Check number from to	Payment	Pmnt date	Crcy	Amount paid (FC)	Recipient/void reason code	Enca./void
**			USD	2,190.21		

Attachment 2C

Vendor ACHs

Check	Payee / Description	Amount
	TP1-4,980 Gals Sodium Hypochlorite 2516254	2,938.20
	CCWRP-4,972 Gals Sodium Hypochlorite 2516976	2,933.48
	RP4-4,524 Gals Sodium Hypochlorite 2518046	2,669.16
	CCWRP-3,018 Gals Sodium Hypochlorite 2518625	1,780.62
	CCWRP-3,006 Gals Sodium Hypochlorite 2520553	1,773.54
	OLIN CORP \$	54,331.92
ACH	DOWNNS ENERGY RP2-460.0 Gals Red Dyed Diesel Fuel 0235262-IN	1,401.65
	DOWNNS ENERGY \$	1,401.65
ACH	WEST COAST ADVISORS 6/18 Prof Svcs 11101	9,800.00
	WEST COAST ADVISORS \$	9,800.00
ACH	AMAZON BUSINESS Charger,Certified 5W,Plug with 3-Pk Heav 1HK9-Y7MP-WMK 233.80 Rolling Whiteboards,Dble Sided,Mgnetc Su 1N7C-3GWR-CJR 219.35	453.15
	AMAZON BUSINESS \$	453.15
ACH	SHELL ENERGY NORTH AMERICA LP RP1-5/1-5/31 2450 Phila St 2/1-2/28 Adj 2042 5/18 85,786.79 CCWRP/TP/RWP-5/1-5/31 14950 Tlphn 2/1-2/ 2046 5/18 26,008.90 RP2/RP5-5/1-5/31 16400 El Prado Rd 2/1-2 2044 5/18 5,664.06	117,459.75
	SHELL ENERGY NORTH AMERICA LP \$	117,459.75
ACH	FOUNDATION HA ENERGY GENERATIO RP4/RWPS-5/1-5/31 12811 6th St-Wind Powe 2308 3,567.59	3,567.59
	FOUNDATION HA ENERGY GENERATIO\$	3,567.59
ACH	IEUA EMPLOYEES' ASSOCIATION P/R 14 7/6/18 Employee Ded HR 0069600 207.00	207.00
	IEUA EMPLOYEES' ASSOCIATION \$	207.00
ACH	IEUA SUPERVISORS UNION ASSOCIA P/R 14 7/6/18 Employee Ded HR 0069600 345.00	345.00
	IEUA SUPERVISORS UNION ASSOCIA\$	345.00
ACH	IEUA GENERAL EMPLOYEES ASSOCIA P/R 14 7/6/18 Employee Ded HR 0069600 1,106.60	1,106.60
	IEUA GENERAL EMPLOYEES ASSOCIA\$	1,106.60
ACH	IEUA PROFESSIONAL EMPLOYEES AS P/R 14 7/6/18 Employee Ded HR 0069600 500.00	500.00
	IEUA PROFESSIONAL EMPLOYEES AS\$	500.00
ACH	DISCOVERY BENEFITS INC P/R 14 7/6/18 Cafeteria Plan HR 0069600 3,519.54	3,519.54

Check	Payee / Description		Amount
	DISCOVERY BENEFITS INC	\$	3,519.54
ACH	AQUA BEN CORPORATION		
	RP1-29,900 Lbs Hydrofloc 750A	37495	41,131.76
	RP2-9,200 Lbs Hydrofloc 748E	37527	8,326.92
	AQUA BEN CORPORATION	\$	49,458.68
ACH	HASCO OIL COMPANY, INC.		
	RP5-Mobil SHC 630	0219237-IN	4,258.87
	HASCO OIL COMPANY, INC.	\$	4,258.87
ACH	SANTA ANA WATERSHED		
	May 2018 Service	9298	130,583.85
	May 2018 Truck Discharge	9292	1,671.68
	SANTA ANA WATERSHED	\$	132,255.53
ACH	INGERSOLL RAND COMPANY		
	EP18002-Rotary Screw Air Compressor	24435055	15,528.79
	TP1-Repair Compressed Air System	30679734	1,879.17
	INGERSOLL RAND COMPANY	\$	17,407.96
ACH	E S R I		
	ArcGIS Online for Level 2 Plan-7/8-7/7/2	93473149	16,063.50
	E S R I	\$	16,063.50
ACH	PALM AUTO DETAIL INC		
	5/18 Carwash Svcs f/Agency Fleet Vehicle	51899-4	4,266.00
	PALM AUTO DETAIL INC	\$	4,266.00
ACH	KVAC ENVIRONMENTAL SERVICES IN		
	RP4-4/26-4/27 Vac Pump/Transport Lqd Wst	KS1804303	4,650.00
	KVAC ENVIRONMENTAL SERVICES IN\$		4,650.00
ACH	GK & ASSOCIATES		
	RP1Mnt/CDA-5/18 Prof Svcs	18-043	9,792.00
	46-2054-5/18 Prof Svcs	18-039	24,448.00
	46-2054-5/18 Prof Svcs	18-040	11,968.00
	46-2054-5/18 Prof Svcs	18-041	29,440.00
	46-2054-5/18 Prof Svcs	18-042	11,560.00
	GK & ASSOCIATES	\$	87,208.00
ACH	CHEMTRADE CHEMICALS US LLC		
	RP4-10.490 Tons Aluminim Sulfate	92341477	3,409.25
	CCWTP-10.709 Tons Aluminim Sulfate	92350196	3,480.43
	RP1-11.217 Tons Aluminim Sulfate	92391223	3,645.53
	CHEMTRADE CHEMICALS US LLC	\$	10,535.21
ACH	AMAZON BUSINESS		
	2 Hand Pumps, 1 Dual Output Power Supply	1RPD-RQ96-VL4	1,897.49
	Acurite 75102 9.5" Lge Digital Clck	1F7D-QCC9-MCK	362.61

Check	Payee / Description	Amount
	AMAZON BUSINESS	\$ 2,260.10
ACH	SOLAR STAR CALIFORNIA V LLC	
	RP1-5/1-5/31 2450 Phila St M0615-2081804	22,724.18
	RP5/TP5/HQA/B-5/1-5/31 6075 Kimball Ave M0614-2081803	15,921.97
	RP1-5/1-5/31 2450 Phila St M0616-2081805	32.08
	CCWRP/TP/RWPS-5/1-5/31 14950 Telephone A M0613-2081802	9,540.95
	SOLAR STAR CALIFORNIA V LLC	\$ 48,219.18
ACH	IEUA EMPLOYEES' ASSOCIATION	
	P/R DIR 7 7/11 Employee Ded HR 0070100	12.00
	IEUA EMPLOYEES' ASSOCIATION	\$ 12.00
ACH	ELIE, STEVE	
	MlgReim-6/18 Meetings-Elie,S MLG 6/18	100.77
	ELIE, STEVE	\$ 100.77
ACH	HALL, JASMIN	
	MlgReim-6/18 Meetings-Hall,J MLG 6/18	142.95
	HALL, JASMIN	\$ 142.95
ACH	PARKER, KATI	
	MlgReim-6/18 Meetings-Parker,K MLG 6/18	74.94
	PARKER, KATI	\$ 74.94
ACH	ICMA RETIREMENT TRUST 457	
	P/R 15 7/20/18 Deferred Comp Ded HR 0070200	18,830.04
	ICMA RETIREMENT TRUST 457	\$ 18,830.04
ACH	LINCOLN NATIONAL LIFE INS CO	
	P/R 15 7/20/18 Deferred Comp Ded HR 0070200	18,900.11
	LINCOLN NATIONAL LIFE INS CO	\$ 18,900.11
ACH	ICMA RETIREMENT TRUST 401	
	P/R 15 7/20/18 Exec Deferred Comp Ded HR 0070200	7,999.95
	ICMA RETIREMENT TRUST 401	\$ 7,999.95
ACH	WAXIE SANITARY SUPPLY	
	Cups 77527331	1,185.25
	Towels, Paper Towels, Soaps, Toilet Paper, D 77468053	2,680.93
	Liners, Towels, Paper Towels, Bleach, Toilet 77435736	2,512.49
	Cups 77439488	592.63
	WAXIE SANITARY SUPPLY	\$ 6,971.30
ACH	INGERSOLL RAND COMPANY	
	EP18002-Forklift Rental f/Installation,I 30687857	6,440.00
	INGERSOLL RAND COMPANY	\$ 6,440.00

Check	Payee / Description	Amount
ACH	GENESIS CONSTRUCTION PA17006.02-6/18 Pay Est 5 PA17006.02-6/18 Pay Est 5	PE 5-PA17006. 47,566.74 PE 5-PA17006. 377,763.79
	GENESIS CONSTRUCTION	\$ 425,330.53
ACH	MCMASTER-CARR SUPPLY CO 6 Fluoroelastomer O-Rings	67657658 54.93
	MCMASTER-CARR SUPPLY CO	\$ 54.93
ACH	LA OPINION ExtAffHQ-Ads-Teach Kids to be Water Smar 41884	2,200.00
	LA OPINION	\$ 2,200.00
ACH	OLIN CORP RP5-4,876 Gals Sodium Hypochlorite CCWRP-2,630 Gals Sodium Hypochlorite RP5-4,920 Gals Sodium Hypochlorite TP1-4,614 Gals Sodium Hypochlorite RP4-4,904 Gals Sodium Hypochlorite RP5-4,898 Gals Sodium Hypochlorite TP1-4,918 Gals Sodium Hypochlorite CCWRP-4,958 Gals Sodium Hypochlorite TP1-4,960 Gals Sodium Hypochlorite TP1-4,808 Gals Sodium Hypochlorite TP1-5,004 Gals Sodium Hypochlorite RP4-4,892 Gals Sodium Hypochlorite TP1-4,908 Gals Sodium Hypochlorite TP1-4,708 Gals Sodium Hypochlorite TP1-4,902 Gals Sodium Hypochlorite TP1-4,708 Gals Sodium Hypochlorite CCWRP-4,540 Gals Sodium Hypochlorite TP1-4,922 Gals Sodium Hypochlorite RP5-4,980 Gals Sodium Hypochlorite CCWRP-3,002 Gals Sodium Hypochlorite CCWRP-4,960 Gals Sodium Hypochlorite CCWRP-2,966 Gals Sodium Hypochlorite CCWRP-4,690 Gals Sodium Hypochlorite RP4-1,992 Gals Sodium Hypochlorite CCWRP-4,508 Gals Sodium Hypochlorite TP1-4,970 Gals Sodium Hypochlorite RP5-4,950 Gals Sodium Hypochlorite	2526976 2,876.84 2522460 1,551.70 2519231 2,902.80 2523301 2,722.26 2523302 2,893.36 2523303 2,889.82 2523974 2,901.62 2524592 2,925.22 2524593 2,926.40 2525061 2,836.72 2526975 2,952.36 2526974 2,886.28 2525549 2,895.72 2529292 2,777.72 2528970 2,892.18 2528819 2,777.72 2526973 2,678.60 2518047 2,903.98 2516975 2,938.20 2514620 1,771.18 2506118 2,926.40 2495828 1,749.94 2490595 2,767.10 2487980 1,175.28 2528338 2,659.72 2528337 2,932.30 2527665 2,920.50
	OLIN CORP	\$ 72,031.92
ACH	DANRAE, INC EN14019-4/25-6/20/18 Professional Servic 150945	8,172.50
	DANRAE, INC	\$ 8,172.50
ACH	ARCADIS U.S., INC. WR18028-5/2018 Professional Services 0914229	32,493.21
	ARCADIS U.S., INC.	\$ 32,493.21
ACH	KEMP BROS CONSTRUCTION INC EN15008-6/18 Pay Est 22	PE 22-EN15008 267,961.64

Check	Payee / Description	Amount
	KEMP BROS CONSTRUCTION INC \$	267,961.64
ACH	CHEMTRADE CHEMICALS US LLC RP1-11.007 Tons Aluminim Sulfate 92397898	3,577.28
	CHEMTRADE CHEMICALS US LLC \$	3,577.28
ACH	AMAZON BUSINESS 6 iPhone 6S Cases 1CP1-KHL4-J9W 128 Key Cabinet 1Y9N-TGFW-FJM	116.28 117.34
	AMAZON BUSINESS \$	233.62
ACH	CDM CONSTRUCTORS INC EN13016.03-6/18 Pay Est 5 PE 5-EN13016. EN13016.04-6/18 Pay Est 9 PE 9-EN13016. EN13016.03-6/18 Pay Est 5 PE 5-EN13016.	57,495.71 34,676.90 27,019.90
	CDM CONSTRUCTORS INC \$	119,192.51
ACH	SHELL ENERGY NORTH AMERICA LP 5/18 Gas Cmmdty-Core,3/18 Adj 1100002880305	2,450.75
	SHELL ENERGY NORTH AMERICA LP \$	2,450.75
ACH	IEUA EMPLOYEES' ASSOCIATION P/R 15 7/20/18 Employee Ded HR 0070200	207.00
	IEUA EMPLOYEES' ASSOCIATION \$	207.00
ACH	IEUA SUPERVISORS UNION ASSOCIA P/R 15 7/20/18 Employee Ded HR 0070200	330.00
	IEUA SUPERVISORS UNION ASSOCIA\$	330.00
ACH	IEUA GENERAL EMPLOYEES ASSOCIA P/R 15 7/20/18 Employee Ded HR 0070200	1,119.10
	IEUA GENERAL EMPLOYEES ASSOCIA\$	1,119.10
ACH	IEUA PROFESSIONAL EMPLOYEES AS P/R 15 7/20/18 Employee Ded HR 0070200	500.00
	IEUA PROFESSIONAL EMPLOYEES AS\$	500.00
ACH	DISCOVERY BENEFITS INC P/R 15 7/20/18 Cafeteria Plan HR 0070200	3,519.54
	DISCOVERY BENEFITS INC \$	3,519.54
ACH	RAZAK, HALLA Reim-Monthly Membership-YMCA MNTHLY MBR 17	350.00
	RAZAK, HALLA \$	350.00
ACH	ESTRADA, JIMMIE J Reim Monthly Health Prem HEALTH PREM	499.68

Check	Payee / Description	Amount
	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 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

Check	Payee / Description	Amount
	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
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	

Check	Payee / Description		Amount
	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
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

Check	Payee / Description	Amount
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
	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

Check	Payee / Description	Amount
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
	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

Check	Payee / Description	Amount
	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 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

Check	Payee / Description	Amount
	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
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	

Check	Payee / Description		Amount
	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
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

Check	Payee / Description	Amount
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
	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

Check	Payee / Description	Amount
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
	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

Check	Payee / Description	Amount
	WARMAN, EVELYN	\$ 25.17
ACH	HERNANDEZ, DELIA Reim Monthly Health Prem	HEALTH PREM 188.35
	HERNANDEZ, DELIA	\$ 188.35
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	GUARDIANO, GARY Reim Monthly Health Prem	HEALTH PREM 158.17
	GUARDIANO, GARY	\$ 158.17
ACH	SANTA ANA WATERSHED 18/19 Basin Monitoring Task Force Alloca 9352	13,712.00
	SANTA ANA WATERSHED	\$ 13,712.00
ACH	UNIVAR USA INC PradoLS-12,726 Lbs Sodium Bisulfite LA649775	2,747.89
	TP1-12,655 Lbs Sodium Bisulfite LA643154	2,732.67
	RP5-13,813 Lbs Sodium Bisulfite LA645844	2,982.65
	TP1-13,200 Lbs Sodium Bisulfite LA646532	2,850.31
	TP1-12,967 Lbs Sodium Bisulfite LA648629	2,799.99
	UNIVAR USA INC	\$ 14,113.51
ACH	PACIFIC PARTS & CONTROLS SPB100 Breaker I421946	18,283.31
	Circuit Breaker Trip Unit I421419	7,046.85
	Install New Circuit Breaker Trip Unit & I421418	1,416.00
	Inverter Startup Service I422071	2,530.00
	PACIFIC PARTS & CONTROLS	\$ 29,276.16
ACH	WESTERN MUNICIPAL WATER DISTRI WR16011-5/1-6/25 6,000 Sprinkler Nozzles IEUA-1590	32,890.00
	WESTERN MUNICIPAL WATER DISTRI\$	32,890.00
ACH	MCMaster-CARR SUPPLY CO 24 Strut-Mount Metal Routing Clamp 68233720	105.41
	50 Steel Wire 3/16", 6 Wire Rope Clamps 68232999	93.65
	4 Nylon Hose Coupling, 25 Smoothflow Duc 68233373	471.68
	MCMaster-CARR SUPPLY CO	\$ 670.74
ACH	AGRICULTURAL RESOURCES 8/18 Wtr Quality Consult	8/18 WTR QLTY 3,500.00

Check	Payee / Description		Amount
	AGRICULTURAL RESOURCES	\$	3,500.00
ACH	ALFA LAVAL INC		
	4 Solid Flex Connectors	278755530	30,274.56
	1 Belt Upr, 1 Belt Lwr	278033877	4,828.08
	ALFA LAVAL INC	\$	35,102.64
ACH	SCHNEIDER ELECTRIC SYSTEMS INC		
	5/14/18-8/13/18 IA/DCS Tech Support Svc	93761276	19,259.76
	SCHNEIDER ELECTRIC SYSTEMS INC	\$	19,259.76
ACH	INLAND EMPIRE REGIONAL		
	6/18 Biosolids	90022415	296,240.00
	INLAND EMPIRE REGIONAL	\$	296,240.00
ACH	PARSONS WATER & INFRASTRUCTURE		
	EN19001/EN19006-5/5-6/1 Prof Svcs	1806A987	682,352.69
	PARSONS WATER & INFRASTRUCTURE	\$	682,352.69
ACH	KVAC ENVIRONMENTAL SERVICES IN		
	RP4-6/7-6/15 Vac Pump/Transport Lqd Wst	KS1806083	15,560.00
	KVAC ENVIRONMENTAL SERVICES IN	\$	15,560.00
ACH	PEST OPTIONS INC		
	TrnrBsn 4B & 4C 7/17 Weed Removal	282262	2,700.00
	May 2018 GWR Weed Abatement Services	299925	6,034.32
	June 2018 Weed Abatement Services	301919	3,064.95
	June 2018 GWR Weed Abatement Services	302023 A	3,797.53
	June 2018 GWR Weed Abatement Services	302023 B	2,236.79
	PEST OPTIONS INC	\$	17,833.59
ACH	OLIN CORP		
	CCWRP-2,998 Gals Sodium Hypochlorite	2530063	1,768.82
	RP5-4,820 Gals Sodium Hypochlorite	2530777	2,843.80
	TP1-4,910 Gals Sodium Hypochlorite	2530778	2,896.90
	RP4-4,902 Gals Sodium Hypochlorite	2530779	2,892.18
	TP1-4,960 Gals Sodium Hypochlorite	2532698	2,926.40
	CCWRP-3,014 Gals Sodium Hypochlorite	2532209	1,778.26
	TP1-4,962 Gals Sodium Hypochlorite	2532208	2,927.58
	OLIN CORP	\$	18,033.94
ACH	TRIBOLOGIK CORPORATION		
	Oil Analysis	45488	210.00
	Oil Analysis	45489	1,230.00
	Oil Analysis	45506	780.00
	Oil Analysis	45505	180.00
	TRIBOLOGIK CORPORATION	\$	2,400.00
ACH	JC LAW FIRM		
	6/18 Watermaster	00469	3,955.00
	6/18 General Legal	00467	50,440.00

Check	Payee / Description	Amount
	6/18 Regional Contract	00468 1,680.00
	JC LAW FIRM	\$ 56,075.00
ACH	CHEMTRADE CHEMICALS US LLC RP1-10.461 Tons Aluminim Sulfate	92402586 3,399.83
	CHEMTRADE CHEMICALS US LLC	\$ 3,399.83
ACH	AMAZON BUSINESS 2 Baby Changing Stations,1 Convection Ov 2 Glass Pitcher Sets 2 Pipe Wrap Repair, 2 Epoxy Putty Sticks Digital Camera, Microphone, SanDisk Card 54 Value Document Frames 3 Ice Buckets,3 Ice Scoops	1GHJ-LQTF-FVC 556.63 1DJV-6J76-WYJ 62.48 1611-GX3J-QR3 91.62 1611-GX3J-MKL 1,476.70 1FDV-3TCP-HWD 118.89 1XQ9-6LM7-LW4 79.95
	AMAZON BUSINESS	\$ 2,386.27
ACH	EHS INTERNATIONAL INC 6/2018 Defensive Driver Training Classes 3-17258	18,220.00
	EHS INTERNATIONAL INC	\$ 18,220.00
ACH	SHELL ENERGY NORTH AMERICA LP RP2/RP5-6/1-6/30 16400 El Prado Rd 3/1-3 2044 6/18 RP1-6/1-6/30 2450 Phila St 3/1-3/31 Adj 2042 6/18 CCWRP/TP/RWP-6/1-6/30 14950 Tlphn 3/1-3/ 2046 6/18	5,876.78 95,539.28 28,872.53
	SHELL ENERGY NORTH AMERICA LP	\$ 130,288.59
ACH	SHELL ENERGY NORTH AMERICA LP 6/18 Gas Cmmdty-Core,4/18 Adj	1100002880306 2,336.73
	SHELL ENERGY NORTH AMERICA LP	\$ 2,336.73
ACH	FOUNDATION HA ENERGY GENERATIO RP4/RWPS-6/1-6/30 12811 6th St-Wind Powe 2323	3,096.83
	FOUNDATION HA ENERGY GENERATIO	\$ 3,096.83
ACH	PREFERRED BENEFIT INSURANCE 7/18 Agency Dental Plan	EIA24972 16,831.20
	PREFERRED BENEFIT INSURANCE	\$ 16,831.20
ACH	DISCOVERY BENEFITS INC June 2018 Admin Fees	ID 23347 190.00
	DISCOVERY BENEFITS INC	\$ 190.00
ACH	RAZAK, HALLA Razak,H-ExpRpt-6/22-6/25/18 GM Summit Razak,H-ExpRpt-3/24/18 Watereuse Razak,H-ExpRpt-6/27-6/28/18 CWC Mtg	6/22/18 GM SM 11.25- 3/24/18 WATER 35.97- 6/27/18 CWC M 132.33
	RAZAK, HALLA	\$ 85.11
ACH	HASCO OIL COMPANY, INC.	

Check	Payee / Description		Amount
	RP5-Mobil SHC 630-2 Drums	0219221-IN	8,388.43
	RP5-Mobil DTE 25,Drum Deposit Refund	0219360-IN	1,449.38
	RP5-Mobil DTE 25	0219609-IN	4,214.19
			- - - - -
	HASCO OIL COMPANY, INC.	\$	14,052.00

Grand Total Payment Amount: \$ 3,148,315.31

Attachment 2D

Vendor Wires
(excludes Payroll)

Check	Payee / Description		Amount
Wire	SUMITOMO MITSUI BANKING CORP 08B 4/1/18-6/30/18 LOC Fees	NY-091282 062	41,906.31
			- - - - -
	SUMITOMO MITSUI BANKING CORP	\$	41,906.31
Wire	COUNTY SANITATION DISTRICTS OF Past 4R's -SRF Note #5 of 6	INSTALL 5 OF	737,600.00
			- - - - -
	COUNTY SANITATION DISTRICTS OF	\$	737,600.00
Wire	STATE DISBURSEMENT UNIT P/R 14 7/6/18	HR 0069600	198.00
	P/R 14 7/6/18	HR 0069600	2,184.90
			- - - - -
	STATE DISBURSEMENT UNIT	\$	2,382.90
Wire	EMPLOYMENT DEVELOPMENT DEPARTM P/R 14 7/6/18 Taxes	HR 0069600	11,010.52
	P/R 14 7/6/18 Taxes	HR 0069600	50,429.99
			- - - - -
	EMPLOYMENT DEVELOPMENT DEPARTM	\$	61,440.51
Wire	INTERNAL REVENUE SERVICE P/R 14 7/6/18 Taxes	HR 0069600	285,064.87
			- - - - -
	INTERNAL REVENUE SERVICE	\$	285,064.87
Wire	METROPOLITAN WATER DISTRICT May 2018 Water Purchase	9376	4,277,179.55
			- - - - -
	METROPOLITAN WATER DISTRICT	\$	4,277,179.55
Wire	PUBLIC EMPLOYEES' RETIREMENT S 7/18 Health Ins-Retirees, Employees	15334435 7/18	255,485.56
	7/18 Health Ins-Board	15334437 7/18	5,574.10
			- - - - -
	PUBLIC EMPLOYEES' RETIREMENT S	\$	261,059.66
Wire	PUBLIC EMPLOYEE'S RETIREMENT S P/R 14 7/6/18 Deferred Comp Ded	HR 0069600	22,153.66
			- - - - -
	PUBLIC EMPLOYEE'S RETIREMENT S	\$	22,153.66
Wire	PUBLIC EMPLOYEES RETIREMENT SY P/R 14 7/6/18 PERS Adjustment	P/R 14 7/6 AD	0.01-
	P/R 14 7/6/18 PERS	HR 0069600	164,954.75
			- - - - -
	PUBLIC EMPLOYEES RETIREMENT SY	\$	164,954.74
Wire	EMPLOYMENT DEVELOPMENT DEPARTM P/R DIR 7 7/11 Taxes	HR 0070100	392.13
			- - - - -
	EMPLOYMENT DEVELOPMENT DEPARTM	\$	392.13
Wire	INTERNAL REVENUE SERVICE P/R DIR 7 7/11 Taxes	HR 0070100	2,459.28
			- - - - -
	INTERNAL REVENUE SERVICE	\$	2,459.28

Check	Payee / Description		Amount
Wire	CALPERS CalPERS Retirement Unfunded Liability FY 1000000153462		2,844,064.00
	CALPERS	\$	2,844,064.00
Wire	STATE BOARD OF EQUALIZATION 6/18 Sales Tax Deposit	23784561 6/18	11,417.00
	STATE BOARD OF EQUALIZATION	\$	11,417.00
Wire	PUBLIC EMPLOYEE'S RETIREMENT S P/R 15 7/20/18 Deferred Comp Ded	HR 0070200	22,265.18
	PUBLIC EMPLOYEE'S RETIREMENT S\$		22,265.18
Wire	EMPLOYMENT DEVELOPMENT DEPARTM	HR 0070200	10,998.79
		HR 0070200	51,453.33
	EMPLOYMENT DEVELOPMENT DEPARTM\$		62,452.12
Wire	INTERNAL REVENUE SERVICE	HR 0070200	287,901.09
	INTERNAL REVENUE SERVICE	\$	287,901.09
Wire	STATE DISBURSEMENT UNIT	HR 0070200	198.00
	P/R 15 7/20/18	HR 0070200	2,184.90
	STATE DISBURSEMENT UNIT	\$	2,382.90
Wire	PUBLIC EMPLOYEES RETIREMENT SY P/R 15 7/20/18 PERS Adjustment	P/R 15 7/20 A	365.04-
	P/R 15 7/20/18 PERS	HR 0070200	173,865.34
	PUBLIC EMPLOYEES RETIREMENT SY\$		173,500.30

Grand Total Payment Amount: \$ 9,260,576.20

Check Payee / Description Amount

ACH	ICMA RETIREMENT TRUST 457 P/R 14 7/6/18 Deferred Comp Ded	HR	0069600	18,819.02
	ICMA RETIREMENT TRUST 457		\$	18,819.02
ACH	LINCOLN NATIONAL LIFE INS CO P/R 14 7/6/18 Deferred Comp Ded	HR	0069600	18,823.34
	LINCOLN NATIONAL LIFE INS CO		\$	18,823.34
ACH	ICMA RETIREMENT TRUST 401 P/R 14 7/6/18 Exec Deferred Comp	HR	0069600	7,663.89
	ICMA RETIREMENT TRUST 401		\$	7,663.89
ACH	AQUA BEN CORPORATION RP1-20,700 Lbs Hydrofloc 750A DAFT-20,700 Lbs Hydrofloc 748E	37460 37459		28,475.84 18,735.57
	AQUA BEN CORPORATION		\$	47,211.41
ACH	HASCO OIL COMPANY, INC. RP5-Mobilmet 426 (Formally 404)	0218712-IN		154.25
	HASCO OIL COMPANY, INC.		\$	154.25
ACH	NAPA GENUINE PARTS COMPANY Battery, Core Deposit Core Deposit Refund	4584-254834 4584-254835		148.94 19.40
	NAPA GENUINE PARTS COMPANY		\$	129.54
ACH	KVAC ENVIRONMENTAL SERVICES IN EN18016-5/7-5/31 Lrg Vc Pmp/Trns Lqd Wst KS1805103			20,975.00
	KVAC ENVIRONMENTAL SERVICES IN		\$	20,975.00
ACH	LA OPINION PI-4/19/18 Earth Day Ads 36110 & 36112	107290418A		3,150.00
	LA OPINION		\$	3,150.00
ACH	OLIN CORP TP1-4,972 Gals Sodium Hypochlorite TP1-4,922 Gals Sodium Hypochlorite TP1-4,842 Gals Sodium Hypochlorite RP4-4,914 Gals Sodium Hypochlorite RP4-4,966 Gals Sodium Hypochlorite RP5-4,888 Gals Sodium Hypochlorite RP5-4,732 Gals Sodium Hypochlorite TP1-4,918 Gals Sodium Hypochlorite RP5-4,918 Gals Sodium Hypochlorite RP5-4,960 Gals Sodium Hypochlorite RP5-4,932 Gals Sodium Hypochlorite CCWRP-2,984 Gals Sodium Hypochlorite TP1-4,830 Gals Sodium Hypochlorite RP4-4,916 Gals Sodium Hypochlorite RP5-4,894 Gals Sodium Hypochlorite	2521286 2520552 2520554 2519232 2521638 2497981 2503450 2519230 2504106 2508553 2512097 2513340 2515511 2515512 2515513		2,933.48 2,903.98 2,856.78 2,899.26 2,929.94 2,883.92 2,791.88 2,901.62 2,901.62 2,926.40 2,909.88 1,760.56 2,849.70 2,900.44 2,887.46

Attachment 2E

Payroll-Net Pay-Directors

INLAND EMPIRE UTILITIES AGENCY

Ratification of Board of Directors

Payroll for July 13 ,2018

Presented at Board Meeting on September 19, 2018

DIRECTOR NAME	GROSS PAYROLL	NET PAYROLL
Jasmin Hall	\$2,767.03	\$1,691.70
Katherine Parker	\$3,158.18	\$1,371.40
Michael Camacho	\$4,328.85	\$1,579.66
Steven J. Elie	\$4,409.53	\$1,565.44
Paul Hofer	\$0.00	\$0.00
TOTALS	\$14,663.59	\$6,208.20

	Count	Amount
TOTAL EFTS PROCESSED	3	\$4,628.54
TOTAL CHECKS PROCESSED	1	\$1,579.66
CHECK NUMBERS USED	110247 - 110247	

IEUA DIRECTOR PAYSHEET

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

JUNE 2018

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
06-06-18	IEUA Board Workshop	Yes	\$247.50
06-06-18	Mtg. w/A, Woodruff re MWD trip coordination	Yes (staff)	\$-0-
06-13-18	IEUA Community & Leg. Affairs Committee Meeting	Yes	\$247.50
06-13-18	IEUA Engineering, Operations, & Water Resources Committee Meeting	Yes (same day)	\$-0-
06-20-18	IEUA Board Meeting	Yes	\$247.50
06-21-18	Lunch mtg. w/GM Halla Razak to discuss Agency business	Yes (staff)	\$-0-
06-25-18	Mtg. w/B. Bocoock, Integrated Resources Mgmt. re GW recharge options	Yes	\$247.50
06-28-18	Mtg. w/O. Gonzalez to discuss Agency Business	Yes	\$247.50
TOTAL REIMBURSEMENT			\$1,237.50
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			8
Total No. of Meetings Paid			5

DIRECTOR
SIGNATURE

Michael Camacho

 Michael Camacho

Approved by:

Kathryn Beiser

 Steven J. Eli
 President, Board of Directors

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

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

JUNE 2018

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
06-07-18	Southern Coalition/Inland Caucus Meeting	Yes	\$247.50
06-11-18	MWD Standing Committee Meetings	Yes	\$247.50
06-12-18	MWD Standing Committee Meetings and Board Meeting	No Yes	\$-0-
06-14-18	MWD Trip Coordination Meeting with R Patras (via phone) & A. Woodruff	Yes	\$247.50
06-21-18	Follow-up Update on Real Prop. & Asset Telecon	Yes	\$247.50
06-26-18	MWD Other Committee Meetings	Yes	\$247.50
TOTAL REIMBURSEMENT Up to 10 days of service per month per Ordinance No. 105, including MWD meetings at \$247.50 (eff. 7/01/17).			\$1,237.50
Total No. of Meetings Attended			6
Total No. of Meetings Paid			5

DIRECTOR
SIGNATURE

Michael Camacho
Michael Camacho

Approved by:

Kathryn A. Besser
for Steven J. Elie
President, Board of Directors

**DIRECTOR PAYSHEET FOR IEUA REPRESENTATIVE
ON CHINO BASIN WATER BANK (ALTERNATE)**

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

JUNE 2018

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
	None		
TOTAL REIMBURSEMENT Up to 10 days of service per month per Ordinance No. 105			\$-0-
Total No. of CBWB Meetings Attended			0
Total No. of CBWB Meetings Paid			0

DIRECTOR SIGNATURE *Michael Camacho*

Approved by: *Kathryn Bessie*
for Jasmin Hall
Secretary/Treasurer

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

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

JUNE 2018

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
06-07-18	Regional Policy and Technical Committee Meeting	No	\$-0-
TOTAL REIMBURSEMENT (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**

Michael Camacho

Michael Camacho

Approved by:

for *Kathryn Abessell*

Steven J. Elie
President, Board of Directors

IEUA DIRECTOR PAYSHEET

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

JUNE 2018

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
06-01-18	11 th Annual OC Water Summit	Yes	\$247.50
06-04-18	SCWC Legislative Task Force telecon	Yes	\$247.50
06-06-18	IEUA Board Workshop	Yes	\$247.50
06-11-18	Mtg. w/Ext. Auditor D Harper	Yes (same day)	\$-0-
06-11-18	IEUA Audit Committee	Yes	\$247.50
06-12-18	WaterNow Alliance Steering Committee telecon	Yes	\$247.50
06-13-18	IEUA Commu. & Leg Committee Meeting	Yes	\$247.50
06-14-18	Board Pkg Review Mtg. w/GM Halla and General Counsel	Yes	\$247.50
06-19-18	WaterNow Alliance Steering Committee Meeting	Yes (same day)	\$-0-
06-19-18	NRWI Strategic Planning Board Worksop	Yes	\$247.50
06-20-18	IEUA Board Meeting	Yes	\$247.50
06-25-18	SCWC Legislative Task Force telecon	Yes	\$247.50
TOTAL REIMBURSEMENT			\$2,475.00
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			12
Total No. of Meetings Paid			10

DIRECTOR
SIGNATURE

Steven J. Elie

 Steven J. Elie

Approved by:

Kathryn Abesser

 for Jasmin Hall
 Secretary/Treasurer

**DIRECTOR PAYSHEET FOR IEUA
ON WATERMASTER BOARD**

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

JUNE 2018

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
06-08-18	Mtg. w/P Kavounas re: CBWM business	Yes	\$-0-*
06-28-18	CBWM Board Meeting	Yes	\$-0-*
TOTAL REIMBURSEMENT			\$-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			2
Total No. of Watermaster Meetings Paid			0

*Decline IEUA portion

DIRECTOR
SIGNATURE

Steven J. Elie

Steven J. Elie

Approved by:

Kathryn Benson

for 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

JUNE 2018

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
06-07-18	CDA Board Meeting	No	\$-0-
TOTAL REIMBURSEMENT			\$-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 *Steven J. Elie*

Approved by: *Kathryn G. Bessell*
J Jasmin Hall
 Secretary/Treasurer

**DIRECTOR PAYSHEET FOR IEUA REPRESENTATIVE
ON CHINO BASIN WATER BANK**

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

JUNE 2018

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
	None		
TOTAL REIMBURSEMENT Up to 10 days of service per month per Ordinance No. 105.			\$-0-
Total No. of CBWB Meetings Attended			0
Total No. of CBWB Meetings Paid			0

***Decline IEUA portion**

DIRECTOR SIGNATURE *Steven J. Elie*

Approved by: *Kathryn A. Beser*
for Jasmin Hall
Secretary/Treasurer

IEUA DIRECTOR PAYSHEET

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

JUNE 2018

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
06-04-18	CASA BOD Budget Workshop telecon	Yes	\$247.50
06-05-18	Bloomington Muni. Advisory Committee	Yes	\$247.50
06-06-18	IEUA Board Meeting	Yes	\$247.50
06-12-18	Mtg w/C. Hays, Fontana, to discuss Agency/Fontana business	Yes	\$247.50
06-13-18	IEUA Finance and Admin. Committee Meeting	Yes	\$247.50
06-13-18	CASA Federal Leg. Telecon	Yes (same day)	\$-0-
06-18-18	CASA BOD Conference Call	Yes	\$247.50
06-18-18	ASBCSD Membership Meeting	Yes (same day)	\$-0-
06-20-18	IEUA Board Meeting	Yes	\$247.50
TOTAL REIMBURSEMENT 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.			\$1,732.50
Total No. of Meetings Attended			9
Total No. of Meetings Paid			7

DIRECTOR
SIGNATURE

Jasmin A. Hall
 Director Hall

Approved by:

Kathy Abesser
 for 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

JUNE 2018

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
06-05-18	SAWPA Project Agreement 23	Yes (same day)	\$-0-
06-05-18	SAWPA Commission Workshop	Yes (same day)	\$-0-
06-19-18	SAWPA Reg. Commission Meeting	Yes	\$47.50
06-25-18	OWOW Disadvantage & Tribal Communities Pillar Meeting	Yes	\$47.50
TOTAL REIMBURSEMENT			\$95.00
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			4
Total No. of SAWPA Meetings Paid			2

DIRECTOR
SIGNATURE

[Handwritten Signature]

Approved by:

[Handwritten Signature]
for Steven J. Effe
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

JUNE 2018

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
06-07-18	CDA Board Meeting	Yes	\$247.50
TOTAL REIMBURSEMENT			\$247.50
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 *David Woodgett for Jasmin A. Hall*

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

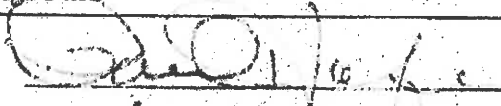
IEUA DIRECTOR PAYSHEET

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


JUNE 2018

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
06-06-18	IEUA Board Workshop	Yes	\$-0-
06-07-18	Mtg. w/GM Halla to discuss Agency business	Yes (staff)	\$-0-
06-13-18	IEUA Finance Committee Meeting	Yes	\$-0-
06-20-18	IEUA Board Meeting	Yes	\$-0-
06-28-18	Ontario Oversight Board Meeting	Yes	\$-0-
TOTAL REIMBURSEMENT			\$-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.			
Total No. of Meetings Attended			5
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

JUNE 2018

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
06-06-18	IEUA Board Workshop	Yes	\$247.50
06-11-18	IEUA Audit Committee Meeting	Yes	\$247.50
06-11-18	Mtg. w/Ext. Auditor D Harper	Yes (same day)	\$-0-
06-13-18	IEUA Eng, Ops & WR Committee Meeting	Yes	\$247.50
06-20-18	IEUA Board Meeting	Yes	\$247.50
TOTAL REIMBURSEMENT			\$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			5
Total No. of Meetings Paid			4

DIRECTOR SIGNATURE: *[Handwritten Signature]*

Approved by: *[Handwritten Signature]*
 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

JUNE 2018

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
06-07-18	Policy Committee Meeting	Yes	\$247.50
TOTAL REIMBURSEMENT (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))			\$247.50
Total No. of Meetings Attended			1
Total No. of Meetings Paid			1

**DIRECTOR
SIGNATURE**

*April Woodruff for
Kati Parker*

Approved by:

Kathy A. Bess
for Steven J. Elie
President, Board of Directors

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

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

JUNE 2018

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
06-28-18	CBWM Board Meeting	Yes	\$247.50
TOTAL REIMBURSEMENT			\$247.50
Up to 10 days of service per month per Ordinance No. 105 (i.e., \$122.50 – difference between Watermaster \$125.00 and Agency meetings \$247.50 (eff. 7/01/17), including MWD meetings. 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. Record full amount on timesheet for attendance by alternates			
Total No. of Watermaster Meetings Attended			1
Total No. of Watermaster Meetings Paid			1

DIRECTOR
SIGNATURE

[Handwritten Signature]

Approved by:

[Handwritten Signature]
for 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

JUNE 2018

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
06-05-18	SAWPA Commission Workshop	No	\$-0-
06-19-18	SAWPA Reg. Commission Meeting	No	\$-0-
TOTAL REIMBURSEMENT			\$-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			0
Total No. of SAWPA Meetings Paid			0

DIRECTOR SIGNATURE *David Woodruff*
Kati Parker

Approved by: *Kathy Jensen*
for Steven J. Effe
President, Board of Directors

Attachment 2F

Payroll-Net Pay-Employees

Non-Board Members	PP 14 Checks	PP 14 EFTs	PP 15 Checks	PP 15 EFTs	July
NET PAY TO EE	\$0.00	\$709,426.08	\$0.00	\$716,831.41	\$1,426,257.49

INLAND EMPIRE UTILITIES AGENCY

Payroll for July 6, 2018

Presented at Board Meeting on September 19, 2018

GROSS PAYROLL COSTS			\$1,261,771.62
DEDUCTIONS			(\$552,345.54)
NET PAYROLL			709,426.08
NET PAYROLL BREAKDOWN	CHECKS	EFT	TOTAL
CHECKS USED			
TRANSACTION PROCESSED	0	353	353
AMOUNT	\$0.00	\$709,426.08	<u>\$709,426.08</u>

INLAND EMPIRE UTILITIES AGENCY

Payroll for July 20, 2018

Presented at Board Meeting on September 19, 2018

GROSS PAYROLL COSTS			\$1,277,192.90
DEDUCTIONS			(\$560,361.49)
NET PAYROLL			716,831.41
NET PAYROLL BREAKDOWN	CHECKS	EFT	TOTAL
CHECKS USED			
TRANSACTION PROCESSED	0	353	353
AMOUNT	\$0.00	\$716,831.41	<u>\$716,831.41</u>

**CONSENT
CALENDAR
ITEM**

4C

Date: September 19, 2018

To: The Honorable Board of Directors

Committee: Finance & Administration

From: Halla Razak, General Manager

HKR

09/12/18

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

Subject: Budget Amendment for Fiscal Year 2017/18 Carry Forward of Open Encumbrances and Non-Encumbered Related Budget

Executive Summary:

Based on the Agency's practice, authorization to spend appropriated budget lapses at the end of the fiscal year. Budget for open encumbrances and commitments to be honored in the following fiscal year and which are not supported by the current fiscal year budget needs to be carried forward, following policy A-81.

Open encumbrances and non-encumbered commitments to be carried forward from FY 2017/18 to FY 2018/19 total \$16,466,736 and is comprised of \$2,223,534 for operations and maintenance expenses, \$9,000,321 for non-capital projects, and \$5,242,881 for capital projects. Partially offsetting the carried forward amount are revenues from anticipated grants and reimbursements in the amount of \$2,082,068, resulting in a net carry forward amount of \$14,384,668.

Future expenditures against these carried forward commitments will reduce the reserve balances in the respective funds as summarized in Attachment 1, Table 3.

Staff's Recommendation:

1. Approve the carry forward of open encumbrances and non-encumbered commitment related budgets from FY 2017/18 to FY 2018/19 and amend the budget in the amount of \$16,466,736; and
2. Approve amendments to the adopted FY 2018/19 budget for grant and reimbursement revenues in the amount of \$2,082,068.

Budget Impact Budgeted (Y/N): N Amendment (Y/N): Y Amount for Requested Approval: \$ 14,384,668

Account/Project Name:

Fiscal Impact (explain if not budgeted):

If approved, the FY 2018/19 budget will be augmented by the carry forward amount of \$16,466,736 in the respective funds and major account categories (capital and operations & maintenance), and related grant and reimbursement revenue budgets will be increased by \$2,082,068 in the respective funds as detailed in Attachment 1, Tables 2 and 3.

Full account coding (internal AP purposes only): - - - Project No.:

Prior Board Action:

On June 20, 2018, the Board adopted the Agency's Budget Amendment for FY 2018/19.

On September 20, 2017, the Board approved the carry forward of \$13,969,575 from FY 2016/17 to FY 2017/18.

Environmental Determination:

Not Applicable

Business Goal:

The carry forward of encumbrances at fiscal year end is consistent with the Agency's business goal of fiscal responsibility and maintaining prudent budgetary controls.

Attachments:

Attachment 1 - Background

Attachment 2 - PowerPoint

Background

Subject: Budget Amendment for Fiscal Year 2017/18 Carry Forward of Open Encumbrances and Non-Encumbered Commitment Related Budget

An encumbrance is a reservation or earmark of budgeted funds for obligations arising from purchase orders, contracts, leases, or approved non-purchase order commitments. Encumbrances improve budgetary control by treating commitments as expenditures and reducing the budget amount available for spending. Encumbrances are not actual expenditures until goods and services are received, therefore, a special treatment is required for open encumbrances if appropriations (budget) lapse at the end of the fiscal year. In this case, encumbrances to be honored in the following fiscal year, along with corresponding budget, need to be carried forward. Non-encumbered requests refer to remaining unexpended balance after subtracting year-to-date expenditures from the budgeted amount that is free and clear of any commitments or obligations.

The proposed carry forward amount of \$16,466,736 is comprised of \$2,223,534 for operations & maintenance expenses, \$9,000,321 for non-capital (special) projects, and \$5,242,881 for capital projects. Some of the key projects and corresponding carry forward amounts are listed in Table 1 below:

Table 1: Key Projects and Requested Carry Forward Amount

Project No.	Project Name	Fund	Total Carry Forward
WR16024	SARCCUP	Water Resources	\$2,990,882
WR18005	Turf Removal Rebate Incentive	Water Resources	1,000,000
WR18029	Drought Related Projects	Water Resources	829,101
EN14043	RP-5 RW Pipeline Bottleneck	Recycled Water	819,467
WR15021	Napa Lateral	Recycled Water	750,000
EN15043	SBCFCD Recycled Water Easement	Recycled Water	560,000
EN17040	RP-1 Aeration Basin Panel Repairs	Regional Operations	500,000
EP18004	Agency-Wide Vehicle Replacement	General Administrative	494,183
	Total		\$7,943,633

A summary of all carry forward requests by fund is provided in Table 3.

Some of the requested encumbered and non-encumbered requests are eligible for grant and reimbursements. Depending on actual project expenditures a total of \$2,054,971 of grant funding may be received from the Department of Water Resources and Santa Ana Watershed Project Authority. Additionally, up to \$27,096 is estimated for project cost reimbursements through agreements with Chino Basin Watermaster and Metropolitan Water District of Southern California. Total revenues of \$2,082,068 in grant and reimbursements are anticipated to offset a portion of the carry forward requests. Grant funding and project cost reimbursements supporting carry forward projects are listed by fund in Table 2.

Table 2: Grant Funding and Project Cost Reimbursement by Fund

Fund	Grant Funding	Project Reimbursements	Total Reimbursement
Recharge Water	\$0	\$3,939	\$3,939
Recycled Water	\$250,000	\$0	\$250,000
Water Resources	\$1,801,141	\$23,157	\$1,824,298
Regional Operations	\$3,831	\$0	\$3,831
Total	\$2,054,972	\$27,096	\$2,082,068

In accordance with the Agency's Policy A-81 (Fiscal Year-End Carry Forward of Encumbrances and Non-Encumbered Related Budget), budget carried forward and not expended by December 31st will be subject to cancellation, unless otherwise approved by Executive Management.

In FY 2017/18, the Board approved to carry forward \$14.0 million from FY 2016/17; \$5.1 million for capital projects and \$8.9 million of operating and maintenance expenses, including special and reimbursable projects. At the end of December 2017, unspent carry forward was \$10.0 million, of which \$8.5 million was extended and \$1.5 million was returned.

The Agency's accounting treatment of budget carry forward for open encumbered and non-encumbered commitments at fiscal year-end is consistent with the accounting standards prescribed by the National Council on Government Accounting Statemen #1, and the Governmental Accounting Standards Board, and affirmed by the Agency's external auditors.

Table 3: FY 2017/18 Carry Forward (Encumbered and Non-Encumbered) to FY 2018/19 Operations & Maintenance, Special and Capital Project by Fund Summary

CAPITAL PROJECTS					
Fund	FY 2018/19 Adopted Budget	FY 2017/18 Carry Forward Encumbrances	FY 2017/18 Carry Forward Non-Encumbered	FY 2017/18 Total Carry Forward Budget	FY 2018/19 Amended Budget
General Administrative	1,238,422	903,236	192,188	1,095,424	2,333,846
Recharge Water	10,640,120	497	7,382	7,879	10,647,999
Non-Reclaimable Wastewater	3,450,000	-	-	-	3,450,000
Recycled Water	14,737,075	9,519	2,291,684	2,301,202	17,038,277
Water Resources	-	-	-	-	-
Regional Wastewater Oper. & Maint.	19,918,252	699,642	658,659	1,358,301	21,276,553
Regional Wastewater Capital	30,594,338	30,075	450,000	480,075	31,074,413
Total Capital Projects	80,578,206	1,642,968	3,599,913	5,242,881	85,821,087

SPECIAL (NON-CAPITAL) PROJECTS					
Fund	FY 2018/19 Adopted Budget	FY 2017/18 Carry Forward Encumbrances	FY 2017/18 Carry Forward Non-Encumbered	FY 2017/18 Total Carry Forward Budget	FY 2018/19 Amended Budget
General Administrative	375,000	145,642	-	145,642	520,642
Recharge Water	210,000	-	-	-	210,000
Non-Reclaimable Wastewater	600,001	3,425	29,575	33,000	633,000
Recycled Water	1,785,001	4,153	164,725	168,878	1,953,879
Water Resources	5,640,001	1,066,781	5,902,201	6,968,981	12,608,982
Regional Wastewater Oper. & Maint.	11,837,000	291,166	928,110	1,219,276	13,056,276
Regional Wastewater Capital	220,000	127,409	337,135	464,544	684,544
Total Special Projects	20,667,002	1,638,576	7,361,746	9,000,321	29,667,322

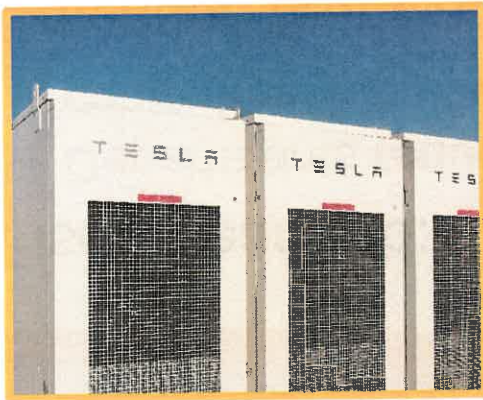
Total Capital & Special Projects	101,245,207	3,281,544	10,961,659	14,243,202	115,488,499
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OPERATIONS & MAINTENANCE (O&M)					
Fund	FY 2018/19 Adopted Budget	FY 2017/18 Carry Forward Encumbrances	FY 2017/18 Carry Forward Non-Encumbered	FY 2017/18 Total Carry Forward Budget	FY 2018/19 Amended Budget
General Administrative	8,778,525	567,465	434,719	1,002,184	9,780,709
Recharge Water	1,109,636	72,749	-	72,749	1,182,385
Non-Reclaimable Wastewater	8,368,680	21,843	-	21,843	8,390,523
Recycled Water	3,086,815	86,655	-	86,655	3,173,470
Water Resources	352,300	-	50,000	50,000	402,300
Regional Wastewater Oper. & Maint.	23,463,829	790,026	200,072	990,098	24,453,926
Regional Wastewater Capital	673,670	5	-	5	673,675
Total Operations & Maintenance	45,833,455	1,538,743	684,791	2,223,534	48,056,989

Grand Total (Projects and O&M)	147,078,663	4,820,287	11,646,450	16,466,736	163,545,398
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Breakdown of Operations & Maintenance Carry Forward							
Fund	Professional Fees	Chemicals	Biosolids Recycling	Office & Admin.	Materials & Supplies	Lease/Rental	Total O&M
General Administrative	736,275	-	4,616	193,918	59,667	7,707	1,002,184
Recharge Water	72,749	-	-	-	-	-	72,749
Non-Reclaimable Wastewater	3,802	-	-	-	18,041	-	21,843
Recycled Water	70,385	-	-	-	16,270	-	86,655
Water Resources	50,000	-	-	-	-	-	50,000
Regional Wastewater Oper. & Maint.	519,520	250,736	193,727	-	26,095	20	990,098
Regional Wastewater Capital	5	-	-	-	-	-	5
Total	1,452,736	250,736	198,343	193,918	120,074	7,727	2,223,534

FY 2017/18 Carry Forward (Encumbrances & Non-Encumbered)



Agency Policy A-81

- Fiscal Year End:
 - Departments request for open encumbrances and non-encumbered commitments to be carried forward
- Calendar Year End:
 - Carried forward amounts not expended by December 31, 2018 are subject to cancellation unless extended
 - FY 2016/17 amount carried forward to FY 2017/18 was \$14.0 million
 - \$10.0 million unspent (\$8.5 extended & \$1.5 returned)

FY 2017/18 Carry Forward to FY 2018/19 By Type

Type of Expenditure	Requested Amount
Operations and Maintenance (O&M)	\$2,223,534
Special (Non-Capital) Projects	9,000,321
Capital Projects	5,242,881
Total Carry Forward Amount	\$16,466,736

Key Requested Projects Carry Forward

Project No.	Project Name	Fund	Total Carry Forward
WR16024	SARCCUP	Water Resources	\$2,990,882
WR18005	Turf Removal Rebate Incentive	Water Resources	1,000,000
WR18029	Drought Related Projects	Water Resources	829,101
EN14043	RP-5 RW Pipeline Bottleneck	Recycled Water	819,467
WR15021	Napa Lateral	Recycled Water	750,000
EN15043	SBCFCD Recycled Water Easement	Recycled Water	560,000
EN17040	RP-1 Aeration Basin Panel Repairs	Regional Operations	500,000
EP18004	Agency-Wide Vehicle Replacement	General Administrative	494,183
	Total		\$7,943,633

Key Carry Forward Grant and Project Cost Reimbursements

Project No.	Project Name	Fund	Grant Funds	Project Cost Reimbursement	Total Project Reimbursement
WR16024	SARCCUP	Water Resources	\$1,415,715	\$0	\$1,415,715
WR15021	Napa Lateral	Recycled Water	250,000	0	250,000
WR17023	Chino Basin Drought Contingency Plan	Water Resources	117,916	0	117,916
WR18021	Regional Water Use Efficiency Support Tools	Water Resources	0	17,395	17,395
RW15002	Upper Santa Ana River Habitat Conservation	Recharge Water	0	3,939	3,939
	All Others		271,340	5,763	277,103
Total Grant & Project Reimbursements			\$2,054,971	\$27,096	\$2,082,068

Questions



The carry forward of encumbrances at fiscal year end is consistent with the Agency's business goal of fiscal responsibility and maintaining budgetary controls.

**CONSENT
CALENDAR
ITEM**

4D

Date: September 19, 2018

To: The Honorable Board of Directors

Committee: Finance & Administration

HHR
From: Halla Razak, General Manager

09/12/18

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

Subject: Adopt Resolution No. 2018-9-1, Approving the Agency's 2018 Hazard Mitigation Plan Update

Executive Summary:

The Disaster Mitigation Act of 2000 requires counties, cities, towns and special districts to have Hazard Mitigation Plans approved by the Federal Emergency Management Agency (FEMA) in order to be eligible for pre-disaster and post-disaster mitigation funds administered by FEMA. The Agency's original Hazard Mitigation Plan was adopted under Resolution No. 2005-3-1. Pursuant to the Act, each plan, must be updated every five years and adopted by the Agency.

The Agency's Hazard Mitigation Plan is a comprehensive description of the Agency's commitment to reduce or eliminate the impacts of disasters that affect Agency facilities. This plan is also part of San Bernardino County's Office of Emergency Services (SBCOES) Multi-Jurisdictional Plan for the entire county. As such, SBCOES provides assistance to those participating in plan updates. Each five year update incorporates several existing Agency projects including the Ten Year Capital Improvement Plan.

The first five year update to the Hazard Mitigation Plan, in 2011, was adopted by the Board of Directors under Resolution No. 2011-12-3.

Staff's Recommendation:

Adopt Resolution No. 2018-9-1, approving the Agency's 2018 Hazard Mitigation Plan update and its inclusion in San Bernardino County's Office of Emergency Services Multi-Jurisdictional Hazard Mitigation Plan.

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

Account/Project Name:

Fiscal Impact (explain if not budgeted):

None

Full account coding (internal AP purposes only):

- - -
- - -

Project No.:

Prior Board Action:

On March 15, 2005, the Board of Directors adopted the Agency's Hazard Mitigation Plan and Resolution 2005-3-1.

In 2011, the Board of Directors adopted the first five year update of the Agency's Hazard Mitigation Plan and Resolution 2011-12-3.

Environmental Determination:

Statutory Exemption

Business Goal:

The Hazard Mitigation Plan supports IEUA's business goal of Business Practices, by providing outstanding service and applying environmentally sustainable regional planning that supports our member agencies and region in a cost effective, efficient and reliable manner.

Attachments:

Attachment 1 - Resolution No. 2018-9-1

RESOLUTION NO. 2018-9-1

RESOLUTION OF THE BOARD OF DIRECTORS OF INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, ADOPTING AND AUTHORIZING REVISIONS TO THE AGENCY'S 2018 HAZARD MITIGATION PLAN UPDATE, WHICH IS PART OF THE COUNTY OF SAN BERNARDINO MULTI-JURISDICTIONAL HAZARD MITIGATION PLAN

WHEREAS, the local hazard mitigation plan is a federal requirement under the Disaster Mitigation Act of 2000, and must be in place in order to remain eligible to receive federal funding for both pre-disaster and post-disaster mitigation project funding; and

WHEREAS, the local hazard mitigation plan represents a comprehensive description of the Agency's commitment to reducing, preventing, or eliminating potential impacts of disaster caused by natural hazards; and

WHEREAS, the Board of Directors of Inland Empire Utilities Agency has established a local and multi-jurisdictional partnership with the County of San Bernardino, City of Chino, Chino Valley Independent Fire District, the City of Chino Hills and Chino Unified School District to include their specific risks, hazards current and future mitigation measures, goals and objectives; and

WHEREAS, the local hazard mitigation plan is an extension of the County of San Bernardino Multi-Jurisdictional Hazard Mitigation Plan and will be reviewed and exercised periodically, including any necessary revision to meet the approval of the Federal Emergency Management Agency (FEMA); and

BE IT THEREFORE RESOLVED, that the Board of Directors of the Inland Empire Utilities agency hereby adopts Resolution No. 2018-9-1, adopting and approving the Agency's 2018 Hazard Mitigation Plan update and its inclusion into the County of San Bernardino Multi-Jurisdictional Hazard Mitigation Plan.

ADOPTED on this 19th day of September, 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)
COUNTY OF) SS
SAN BERNARDINO)

I, Jasmin A. Hall, Secretary/Treasurer of the Inland Empire Utilities Agency *, DO
HEREBY CERTIFY that the foregoing Resolution being No. 2018-9-1, as adopted at a regular
Board meeting on September 19, 2018, of said Agency* by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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

(SEAL)

**CONSENT
CALENDAR
ITEM**

4E

Date: September 19, 2018

To: The Honorable Board of Directors

From: Halla Razak, General Manager

Committee: Engineering, Operations & Water Resources

HR
09/12/18

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

Subject: Residential Pressure Regulation Program Contract Award

Executive Summary:

The Agency currently offers the "Residential Home Pressure Regulation Program" (Program) to residential customers who reside in high water pressure zone areas. Pressure Regulating Valves (PRVs) regulate by maintaining a pressure between 45 and 75 psi, ensuring that end-use plumbing fixtures operate at their intended flow rate and reduce the incidence of excessive leaky pipes and fixtures. This is a "no cost" Program that initially provides a PRV assessment. Based on the assessment results, a participant will then receive a PRV adjustment, repair or installation of a new PRV on the customer side of the meter. Participants also receive a water pressure test gauge and instruction on how to use it, along with a one-year warranty on repairs on the newly installed PRV. On average, 20,000 to 30,000 gallons per year per home can be conserved with no conscious water conservation efforts beyond installation of the device.

On July 9, 2018, IEUA issued a competitive Request for Proposal (RFP-SM-18-011) through the PlanetBids Network to provide services for the administration and implementation of a regional Residential Home Pressure Regulation Program. On July 23, 2018, IEUA received two responses, one proposal and one bid. The most comprehensive proposal and the lowest fee schedule for the Agency was submitted by EcoTech Services, Inc.

Staff's Recommendation:

1. Award a one-year contract (\$250,000), with two one-year extension options, to EcoTech Services, Inc., for the implementation and administration of the Residential Pressure Regulation Program for a not-to-exceed amount of \$750,000 (three-year contract term); 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: \$ 250,000

Account/Project Name:

WR19017/Residential PRV Program

Fiscal Impact (explain if not budgeted):

Prior Board Action:

None.

Environmental Determination:

Not Applicable

Business Goal:

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

Attachments:

Attachment 1: PowerPoint

Attachment 2: Residential Pressure Regulation Program Contract

Residential Pressure Regulation Program Contract Award



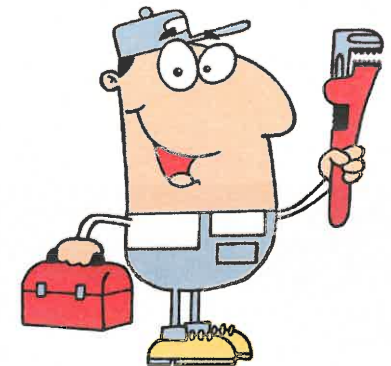
Program Background

- Why deploy a Pressure Regulation Program
 - Decrease pipe deterioration
 - Prevent and/or reduce indoor fixture leaks
 - Save water and possibly extend life of fixtures
 - Promote efficient use of water and save energy



Program Services

- Initial assessment of home pressure
- Evaluation of existing Pressure Regulation Valves (PRV)
 - Adjustment, repair, maintenance or replacement of existing PRV
- Installation of new PRV if not existent
 - One-year customer support and warranty from date of installation
- Free water pressure test gauge



Program Guidelines

- High pressure zone area (>80 PSI)
- Participant agrees to
 - Check pressure once a year
 - Water use monitoring
 - Sharing pictures and information with program partners
- Newly installed PRV in-place for a minimum of two years
- Program is free of charge



Program Summary (FY 2016-2018)

Total Sites Completed: 558

Total Sites that Reduced Pressure: 375

Average Cost Per Site: \$416

Annual Program Budget: \$249,000

Two-Year Program Expenditures: \$231,925

External Funding Received: \$111,305

Estimated Annual Water Savings: 350 AF

Estimated Lifetime Water Savings: 3,500 AF



Contractor Selection

Program Years	Solicitations	Responses	Contractor
FY 2016/17	RFP-HD-16-005 - February 29, 2016	1	Dave's Plumbing
FY 2017/18	RFP-SM-17-011 - March 09, 2017	1	EcoTech Services, Inc.
FY 2018/19	RFP-SM-18-011 - July 23, 2018	2	EcoTech Services, Inc. E.R. Block Plumbing, Inc.



Recommendation

- Award a one-year contract (\$250,000), with two one-year extension options, to EcoTech Services, Inc., for the implementation and administration of the Residential Pressure Regulation Program for a not-to-exceed amount of \$750,000 (three-year contract term); and
- Authorize the General Manager to execute the contract, subject to non-substantive changes.

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



**CONTRACT NUMBER: 4600002606
FOR
REGIONAL RESIDENTIAL HOME PRESSURE REGULATION PROGRAM**

THIS CONTRACT (the "Contract"), is made and entered into this _____ day of _____, 2018, by and between the Inland Empire Utilities Agency (IEUA), a Municipal Water District, organized and existing in the County of San Bernardino under and by virtue of the laws of the State of California (hereinafter referred to as "Agency"), and EcoTech Services, Inc, existing in the County of Los Angeles (hereinafter referred to as "Contractor") for the execution of the Regional Residential Pressure Regulation 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: Lisa Morgan-Perales
Inland Empire Utilities Agency
Address: 6075 Kimball Avenue
Chino, California 91708
Telephone: (909) 993-1520
Facsimile: (909) 993-9000
Email: Lperales@ieua.org

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

Contractor: Marcos Quezada
EcoTech Services, Inc
Address: 2143 S. Myrtle Ave.
Monrovia, California 91016
Telephone: (626) 335-1500
Facsimile: (626) 628-3312
Email: www.ecotechservices.net

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 4600002606.
- B. Contract Number 4600002606 General Terms and Conditions.
- C. Agency Solicitation Number RFP-SM-18-011
- C. Contractor's Proposal dated 07/23/2018.

4. SCOPE OF WORK AND SERVICES: Contractor services and responsibilities shall be in accordance with Contractor's Proposal, which is attached hereto as **Exhibit A** and incorporated herein by reference, and includes, but is not limited to the following tasks:

- a. Contractor will provide an initial assessment of the home
- b. Contractor will evaluate existing Pressure Regulating Valve (PRV) for operational efficiency or install a new PRV if one does not exist or Adjust existing PRV, if applicable
- c. Contractor will repair and conduct maintenances on existing PRVs, if repairable
- d. Contractor will replace PRV in the event it has failed and cannot be repaired
- e. Contractor will provide a one-year warranty on newly installed PRV from the date of installation which includes equipment, parts, and labor
- f. Contractor will provide site follow-up for up to one-year from the date of installation, as needed
- g. Contractor will provide monthly lists of customers that have been contacted, surveyed, and retrofitted
- h. Contractor will take pre- and post- photos for each site showing pressure and PRV installation
- i. Contractor will provide all manpower, equipment, vehicles, and supplies needed to complete the work at various sites, as assigned, to provide Pressure Relief Valve Services.
- j. Contractor will provide courteous, professional service and will leave not material and debris at the site. Contractor will be required to wear identifiable attire and provide professional identification to all staff and customers participating in this program, which will include (at a minimum) a photo of the Contractor personnel on the badge and an office phone number for residents to contact, should the need arise.

NOTE: Contractor shall advise Agency within two (2) weeks of any changes to the written Scope of Work based upon discussions from any meetings. Any significant scope of work changes or project delays longer than 4 weeks must be made in writing by an Amendment to the Contract. Work initiated without written approval, shall be at the Contractor's own risk, and shall not be reimbursed by the Agency.

5. TERM: The term of this Contract shall extend from the date of notice to proceed and terminate August 31, 2019 unless agreed to by both parties and amended to this contract. This contract is a one (1) year contract with two (2) 12 month options for a total term of three (3) years.

6. **COMPENSATION:** Agency shall pay Contractor's properly executed invoice approved by the Project Manager within thirty (30) days following receipt of the invoice. Payment will be withheld for any service which does not meet or exceed Agency requirements or have proven unacceptable until such service is revised, the invoice resubmitted, and accepted by the Project Manager. Invoices shall include Contract Number 4600002606.

To expedite payment, Contractor's invoices shall be submitted electronically with all required back-up to agroup@ieua.org, copying the Agency's Project Manager.

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

As compensation for the work performed under this Contract and in accordance with **Exhibit B**, Agency shall pay Contractor's monthly invoice, for a total contract price **not-to-exceed \$750,000.00** for all services satisfactorily provided hereunder during the term of this Contract. Payment shall be made only after review and acceptance of the work by the Agency's Project Manager.

7. **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.

8. **FITNESS FOR DUTY:**

A. **Fitness:** Contractor 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)
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:** 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.

9. **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, 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 Contractor 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 Contractor'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 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 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 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, 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: Contractor 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 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, Risk Specialist
P.O. Box 9020
Chino Hills, California 91709

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 rendering the services described herein, and is not an employee of the Agency.
- B. Observing Laws and Ordinances: Consistent with the standard of skill and care set forth in 10.A, Professional Responsibility, the Contractor shall keep itself fully informed of all relevant existing state and federal laws and all relevant county and city ordinances and regulations which pertain to structural engineering 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 laws, ordinances, regulations, orders and decrees, and shall to the extent of Contractor's negligence, 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.
- C. Subcontract Services: Any subcontracts for the performance of any services under this Contract shall be subject to the written approval of the Project Manager.
- D. Grant Funded Projects: This is not a grant funded project.

- E. Conflict of Interest: No official of the Agency who is authorized in such capacity and on behalf of the Agency to negotiate, make, accept or approve, or 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.
- F. Equal Opportunity and Unlawful Discrimination: 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. To accomplish these goals the Agency has established procedures regarding the implementation and enforcement of the Agency's Harassment Prohibition and Equal Employment Opportunity commitments. Please refer to Agency Policies A-29 (Equal Employment Opportunity) and A-30 Harassment Prohibition for detailed information or contact the Agency's Human Resources Administrator. A copy of either of these Policies can be obtained by contacting the Project Manager for your respective Contract. Please advise any of your staff that believes they might have been harassed or discriminated against while on Agency property, to report said possible incident to either the Project Manager, or the Agency's Human Resources Administrator. Please be assured that any possible infraction will be thoroughly investigated by the Agency.
- G. Non-Conforming Work and Warranty: Consistent with the standard of skill and care set forth in Section 10.A, Professional Responsibility, Contractor represents and warrants that the Work and Documentation shall be adequate to serve the purposes described in the Contract. 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, Contractor shall notify the Project Manager, in writing, detailing the dispute and reason for Contractor's position. Any dispute that cannot be resolved between the Project Manager and the Contractor, shall be resolved in accordance with the Dispute Section of this Contract.
- H. 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.

- I. 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.

11. 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.
12. OWNERSHIP OF MATERIALS AND DOCUMENTS/CONFIDENTIALITY: The Agency retains ownership of any and all partial or complete reports, drawings, plans, notes, computations, lists, and/or other materials, documents, information, or data prepared by the 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.

Said materials and documents shall not be changed or used for purposes other than those set forth in the Contract without the prior written approval of Contractor. If Agency reuses the materials and documents without Contractor's prior written consent, changes or uses the materials and documents other than as intended hereunder, Agency shall do so at its sole risk and discretion, and Contractor shall not be liable for any claims and/or damages resulting from use or connected with the release of or any third party's use of the reused materials or documents.

13. TITLE AND RISK OF LOSS:
 - A. Documentation: Title to the Documentation shall pass, subject to payment therefore, to 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 Agency or for the performance of Work related to the project.
 - B. Material: Title to all Material, field or research equipment, subject to payment therefore, 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. Contractor shall have risk of loss of any Material or

Agency-owned equipment of which it has custody. Contractor shall not be responsible for loss, theft or damage of Materials caused by parties other than the Contractor.

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

14. PROPRIETARY RIGHTS:

- A. Rights and Ownership: Agency's rights to inventions, discoveries, trade secrets, patents, copyrights, and other intellectual property, including the Information and Documentation, and revisions thereto (hereinafter collectively referred to as "Proprietary Rights"), used or developed by 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 Documentation, or are necessary for Agency to have complete enjoyment of the Work or Documentation, Contractor 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, Contractor 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.
 4. Notwithstanding anything to the contrary herein, Contractor's Work and Documentation shall not be changed or used for purposes other than those set forth in the Contract, without the prior written approval of the Contractor. If the Agency reuses the Work or Documentation without Contractor's prior written consent, changes or uses the Work or Documentation other than as intended hereunder, Agency shall do so at its sole risk and discretion,

and Contractor shall not be liable for any claims and or damages resulting from use or connected with the release of or any third party's use of the reused materials or documents.

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

15. INFRINGEMENT: Contractor 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.

Contractor 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 to the extent of Contractor's negligence for any claim that use of the Work or Documentation infringes upon any trade secret, trade mark, trade name, copyright, patent, or other Proprietary Rights.

Contractor shall, at its expense and at Agency's option, refund any amount paid by Agency under the Contract, or exert its best efforts to procure for Agency the right to use the Work and Documentation, to replace or modify the Work and Documentation as approved by Agency so as to obviate any such claim of infringement, or to put up a satisfactory bond to permit Agency's continued use of the Work and Documentation.

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

Agency: Warren T. Green
Manager of Contracts and Facilities Services
Inland Empire Utilities Agency
6075 Kimball Avenue, Building A
Chino, California 91708

Contractor: Marcos Quezada
EcoTech Services Inc
2143 S. Myrtle Ave
Monrovia, California 91016

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

17. SUCCESSORS AND ASSIGNS: All of the terms, conditions and provisions of this Contract shall inure to the benefit of and be binding upon the Agency, the 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.
18. PUBLIC RECORDS POLICY: Information made available to the Agency may be subject to the California Public Records Act (Government Code Section 6250 et seq.) The Agency's use and disclosure of its records are governed by this Act. The Agency shall use its best efforts to notify 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.

19. RIGHT TO AUDIT: The Agency reserves the right to review and/or audit all Contractors' 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. 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.
21. GOVERNING LAW: This Contract is to be governed by and constructed in accordance with the laws of the State of California.
22. TERMINATION FOR CONVENIENCE: The Agency reserves and has the right to immediately suspend, cancel or terminate this Contract at any time upon written notice to the 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.

23. **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.
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 Contractor.

[Remainder of Page Intentionally Left Blank; Signature Page To Follow]

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:

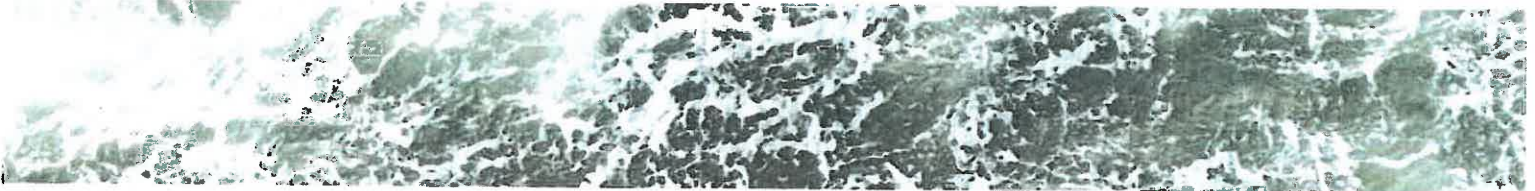
EcoTech Services, Inc.:

Halla Razak (Date)
General Manager

Marcos Quezada (Date)
President

EXHIBIT A

Scope of Work



EcoTech understands that the main objective of the Regional Residential Home Pressure Regulation Program is to service residential areas with high water pressure zones with the installation, maintenance and/or replacement of pressure reducing valves (PRVs). This will ensure that end-use plumbing fixtures operate efficiently and safely at conservative flow rates and to reduce the risk of leaks. Furthermore, EcoTech understands that IEUA's preliminary goal is to target 500 residential customers within their eight retail member agencies' service areas. Our high-caliber team of administration staff and professional technicians have developed a plan to ensure this goal is achieved. The following further details the tasks EcoTech shall undertake to effectively implement the Program.

Program Marketing & Participant Procurement

IEUA and its member agencies will market to their targeted customers and provide a list of eligible customers that qualify for the Program to EcoTech. EcoTech has a toll-free (800) phone number to be used for the Program that is staffed by EcoTech's bilingual (English & Spanish) customer service team during regular business hours.

Data Collection & Management

EcoTech shall collect and store all Program Participant information in a robust and secure database. Employees are equipped with cloud-based devices that can access EcoTech's database at anytime, anywhere. This system allows both customer service representatives and field staff to stay in close communication and updated with the most recent information. This complete system allows seamless customer management and central data storage from the initial customer contact to the final follow-up visit. EcoTech's digital data collection system allows for easy customization to meet the needs of this Program and to collect all information needed for IEUA and its member agencies.

Customer Service & Program Management

EcoTech's bilingual customer service team will receive phone calls in both Spanish and English from potential participants to explain the Program in more detail and confirm specific information related to participation and eligibility requirements. Representatives will also provide callers with more information on PRVs and how they effect indoor and outdoor water-use. All customer questions will be politely addressed. EcoTech's customer service team shall be available Monday through Friday from 8:00 a.m. to 4:00 p.m. An automated after-hours greeting accepts customers' messages during off hours in both English and Spanish. All messages shall be returned *within one business day*. All call-backs and resolutions taken will be recorded in the database. EcoTech prides itself on the ability to provide a quick response and resolution to any situation that may arise. EcoTech will be responsible for taking care of all service calls for any customer issues that occur. Technicians will be available to respond to service calls within one business day. Any emergencies that should arise will take priority. Service calls and actions taken to resolve issues shall be logged in EcoTech's Program database for reference. Customer service representatives will contact approved customers directly to schedule PRV site assessments and PRV installation/repair appointments.



Site Assessment

EcoTech technicians shall meet with participants one on one during the initial site assessment and briefly explain the work to be done. Participants will be required to fill out and sign the Program release of liability form. This form will be stored in the Program database.

Technicians will take measurements and use a digital data collection form to record water pressure data, PRV information and photos at each participating home. The main objective of the assessment will be to gather site information in order to evaluate the potential for water savings through the installation of a new PRV or replacement/repair of the home's existing PRV. Technicians will then review all surveyed components related to water pressure with the participating customer and look to address their concerns. If the customer qualifies for the program by having at least 80 PSI starting water pressure from the district and current conditions make repair/ replace or install possible, EcoTech will proceed with the next step. If customer agrees to adjusting an existing PRV, EcoTech will attempt to do so with the existing system. If the adjustment fails, EcoTech will then schedule with the customer for the next available appointment for the work to be completed on a separate day. To complete the repair, replacement or new installation, EcoTech will likely need to shut off water to the house or property during the duration of the work. Homeowners will be made aware of this during installation scheduling with technician to maximize customer convenience.

Any site assessments that only require adjustment of a PRV and training with customer to address customers' reported pressure issues will be billed at the "Adjusting Existing PRV" fee listed in the Summary Fee Schedule.

Any site assessments at which the customer is determined to not qualify for the Program will be billed at the "Customer Does Not Qualify" fee listed in the Summary Fee Schedule.

Repair/ Replace/ Install Existing PRV

EcoTech will attempt to repair existing PRVs with a rebuild kit if parts are available from the manufacturer. PRVs can fail for a variety of reasons, but the most common cause is a worn out rubber gasket or debris has clogged the filter.

For any site where EcoTech determines that the PRV is faulty and performs a repair, work will be billed at the "PRV Repair" fee listed in the Summary Fee Schedule based on PRV type and size.

EcoTech may determine that the damage to an existing PRV is not repairable or parts are not available, in which case a new replacement PRV will need to be installed. Exact product selection for the new PRV will depend on existing pipe size.

For any site where EcoTech determines that the PRV is faulty and cannot be repaired EcoTech will install a new replacement PRV. Work will be billed at the "PRV Replace/Install" fee listed in the Summary Fee Schedule based on PRV type and size.

If the home has no existing PRV, EcoTech will install a new PRV if possible. Installing a new PRV is possible if the following conditions are met: Installation of PRV does not alter the flow direction of water and there is enough clearance to install new PRV directly in-line. Exact product selection for the new PRV will depend on existing pipe size.



For any site where EcoTech determines that no PRV exists and pressure exceeds IEUA's designated PSI limit, EcoTech will install a new Wilkins PRV. Work will be billed at the "PRV Replace/Install" fee listed in the Summary Fee Schedule based on PRV type and size.

After a successful repair, EcoTech will adjust the PRV to a pressure setting appropriate for the safe and efficient operation of existing water fixtures at the home. This will be recorded along with any other notes and information desired by IEUA. Educational material and a brief demonstration on the PRV will be provided to the customer at this time.

Upon completion of the PRV work, EcoTech will give a copy of the final site report to the customer, which can be provided electronically through email or as a hard copy printed on the spot upon request. All field staff carry a mobile, battery-operated printer.

Follow-Up Inspection

EcoTech will perform follow-up inspections as requested by IEUA to a home as needed. It is anticipated that participants will be provided with a follow-up visit by IEUA staff to check for quality of workmanship and provide any additional PRV education. EcoTech will *only* bill for follow-up visits if the follow-up is pre-approved by IEUA and is not covered by EcoTech's installation warranty of one (1) year parts, labor, and materials as specified in the RFP.

Program Reporting & Invoicing

EcoTech will provide detailed monthly reports to IEUA of customers that have been contacted, surveyed, and retrofitted. These reports will include retail agency, account number, customer name, installation address, device installed (make, model, size), installation date, and measured water pressure pre- and post-installation. Any additional customer information, including photographs, required to be stored in the Program database can be included in monthly reports upon IEUA's preference and request. All program reporting data will be stored in EcoTech's FileMaker database which can easily be exported for reports on a monthly basis and at IEUA's request.

Invoices will also be submitted to IEUA on a monthly basis. An electronic copy of invoices and an electronic copy of the Program database will be forwarded via email to IEUA's Program Manager for review and approval.

Safety

EcoTech has policies in place to ensure the up-most safety throughout the entirety of the Program. All EcoTech employees are required to pass a comprehensive background check before being hired. All field technicians are required to wear branded EcoTech apparel to identify them as contractor personnel as well as a visible photo identification badge that displays their name, EcoTech's office phone number, office location, and contractor's license number.

Before the program starts, EcoTech will conduct a group activity hazard analysis (AHA) meeting with technicians to identify common safety concerns that an employee might encounter during the course of this program and how to avoid them. Secondly, EcoTech will hold a mandatory weekly safety meeting for the program field employees on appropriate topics to reinforce the safety hazards identified at the AHA meeting.



PROJECTED TIMELINE SUMMARY

PROGRAM WEEK	TASKS
Week 1 Kick-off Meeting	Meet with IEUA and member agency key personnel for a kick-off meeting to provide insurance and other necessary documentation, finalize deliverables, establish milestones and identify potential challenges.
Week 1-2 Participant Procurement	Obtain eligible customer lists and water-use data from IEUA's member agencies and integrate into EcoTech database. Finalize Program data entry forms. Begin receiving calls from eligible customers to provide information and schedule assessments. Create custom Program web page if desired by IEUA.
Week 3 Onward Site Assessments & Retrofits	Execute initial site assessments and retrofits. Continue to procure and schedule additional participants on a regular weekly basis. Additional site assessments and retrofits continue on a regular weekly basis.
Week 5 Onward Program Reporting	Program reporting and invoicing begins for customer enrollment and work completed so far. Reporting and invoicing continues on a monthly basis.

Total duration of the Program will depend heavily on member agency marketing and eligible customers' willingness to participate, among other variables. EcoTech is hopeful that if participation levels are high they will be able to execute assessments and retrofits at approximately 10 to 15 homes per week.



EXHIBIT B

Inland Empire Utilities Agency

PRV Program

Fee Schedule Modifications EcoTech Services, Inc.

8/7/2018

If/when a NEW bid is released, contractor has to review current prevailing wage rates and also account for scheduled increases in prevailing wage rates for the life of the contract, including extensions. Prevailing wage rates from original contract will no longer be valid when the new contract starts. This would have been different if IEUA had just extended the current original contract as a renewal, without going out to bid.

CURRENT/ORIGINAL CONTRACT

Item Description	Amount
<u>Site Assessment Only</u>	\$ 150.00
<u>Repair PRV</u>	
70XL 3/4"	\$ 400.00
70XL 1"	\$ 400.00
600XL 3/4"	\$ 400.00
600XL 1"	\$ 450.00
600XL 1-1/4" or 1-1/2"	\$ 550.00
<u>Replace/Install New PRV</u>	
70XL 3/4"	\$ 525.00
70XL 1"	\$ 525.00
600XL 3/4"	\$ 525.00
600XL 1"	\$ 560.00
600XL 1-1/4" or 1-1/2"	\$ 800.00
<u>Follow-up Inspection</u>	\$ 150.00
<u>Customer Does Not Qualify</u>	N/A

NEW CONTRACT - YEAR ONE

Item Description	Amount
<u>Adjust Existing PRV</u>	\$ 140.00
<u>Repair PRV</u>	
70XL 3/4"	\$ 412.00
70XL 1"	\$ 412.00
600XL 3/4"	\$ 412.00
600XL 1"	\$ 463.50
600XL 1-1/4" or 1-1/2"	\$ 566.50
<u>Replace/Install New PRV</u>	
70XL 3/4"	\$ 540.75
70XL 1"	\$ 540.75
600XL 3/4"	\$ 540.75
600XL 1"	\$ 576.80
600XL 1-1/4" or 1-1/2"	\$ 824.00
<u>Follow-up Inspection</u>	\$ 140.00
<u>Customer Does Not Qualify</u>	\$ 75.00

Year One: 3% increase applies to only Repair and Replace/Install line items. Calculated from original contract.
Years Two and Three: 3% increase applies to all line items on fee schedule, calculating from one year to the next.

*Unhide all columns to see renewal rates, new bid rates, and year-to-year 3% increase amounts.

**CONSENT
CALENDAR
ITEM**

4F

Date: September 19, 2018

To: The Honorable Board of Directors

From: Halla Razak, General Manager

Committee: Engineering, Operations & Water Resources

HHR
09/12/18

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

Subject: West Valley Water District Imported Water Agreement

Executive Summary:

On May 24, 2018, West Valley Water District (WVWD) was forced to take District Well No. 54 out of service for service and modifications. This was a main source of supply to the eastern part of the City of Fontana. WVWD is requesting assistance from the Inland Empire Utilities Agency (IEUA) in arranging and supplying State Project Water (SPW) for the period covering July 1, 2018 through December 31, 2020. This water will be used to service the District's service area in the eastern part of the City of Fontana that overlaps IEUA jurisdiction.

San Bernardino Valley Municipal Water District (SBVMWD) has an existing connection that can be used to deliver imported SWP supplies from Metropolitan Water District of Southern California (MWD) to a portion of WVWD's service area that overlaps with IEUA's service area. IEUA has been working collaboratively with staff at WVWD, SBVMWD and MWD to facilitate an agreement with all concerned parties, with an estimated annual delivery of up to 500 acre feet per calendar year.

Staff's Recommendation:

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

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

Account/Project Name:

Fiscal Impact (explain if not budgeted):

No impact. MWD will bill IEUA, and WVWD will reimburse IEUA for all payments made per the agreement.

Prior Board Action:

None.

Environmental Determination:

Not Applicable

Business Goal:

The agreement supports IEUA's business goal of Water Reliability, of implementing an integrated water resources management plan providing a reliable and cost-effective water supply and promoting sustainable water use throughout the region.

Attachments:

Attachment 1 - Letter from West Valley Water District
Attachment 2 - Agreement

BOARD OF DIRECTORS

Dr. Clifford O. Young, Sr.
President, Board of Directors
Gregory Young
Vice President, Board of Directors
Dr. Michael Taylor
Director
Kyle Crowther
Director
Donald Olinger
Director



ESTABLISHED AS A PUBLIC AGENCY IN 1952
WEST VALLEY WATER DISTRICT'S MISSION IS TO PROVIDE A RELIABLE,
SAFE-DRINKING WATER SUPPLY TO MEET OUR CUSTOMERS' PRESENT
AND FUTURE NEEDS AT A REASONABLE COST AND TO PROMOTE
WATER-USE EFFICIENCY AND CONSERVATION.

ADMINISTRATIVE STAFF

Robert Christman
Interim General Manager
Greg Gage
Assistant General Manager
Deborah L. Martinez
*Interim Human Resources
and Risk Manager*
Crystal L. Escalera
Interim Board Secretary
Patricia Romero
Assistant Board Secretary

June 7, 2018

Ms. Halla Razak
General Manager
Inland Empire Utilities Agency
6075 Kimball Avenue
Chino, CA 91708

Subject: Request for State Water Project Water

Dear Ms. Razak,

This letter is to request your assistance to arrange and supply State Project Water (SPW) for the period covering July 1, 2018 thru December 31, 2020 for an annual amount not to exceed four hundred (400) acre feet (AF) to West Valley Water District (District) through a San Bernardino Valley Municipal Water District (Valley District) turnout. This water will be used to service the District's service area in the eastern part of the City of Fontana that overlaps Inland Empire Utilities Agency (IEUA) jurisdiction. These parcels are outside Valley District's boundary. Enclosed is the map of parcels that need State Project Water supply from IEUA thru a Valley District turnout.

District Well No. 54 located at 5101 Coyote Canyon Road in Fontana, and is the main source of supply to the eastern part of the City of Fontana. With below-average precipitation and runoff, this well has started to exceed its safe yield and to lose suction intermittently, along with entrained air and pressure issues. The District was forced to take the well out of service on May 24, 2018 for service and modifications. Once Lytle Creek surface flows stop in the warmer months, the District will not have enough water supply to meet the demand for these parcels. Below is the anticipated 2018 SPW water projection.

2018					
July	August	September	October	November	December
65 AF	65 AF	65 AF	60 AF	60 AF	35 AF

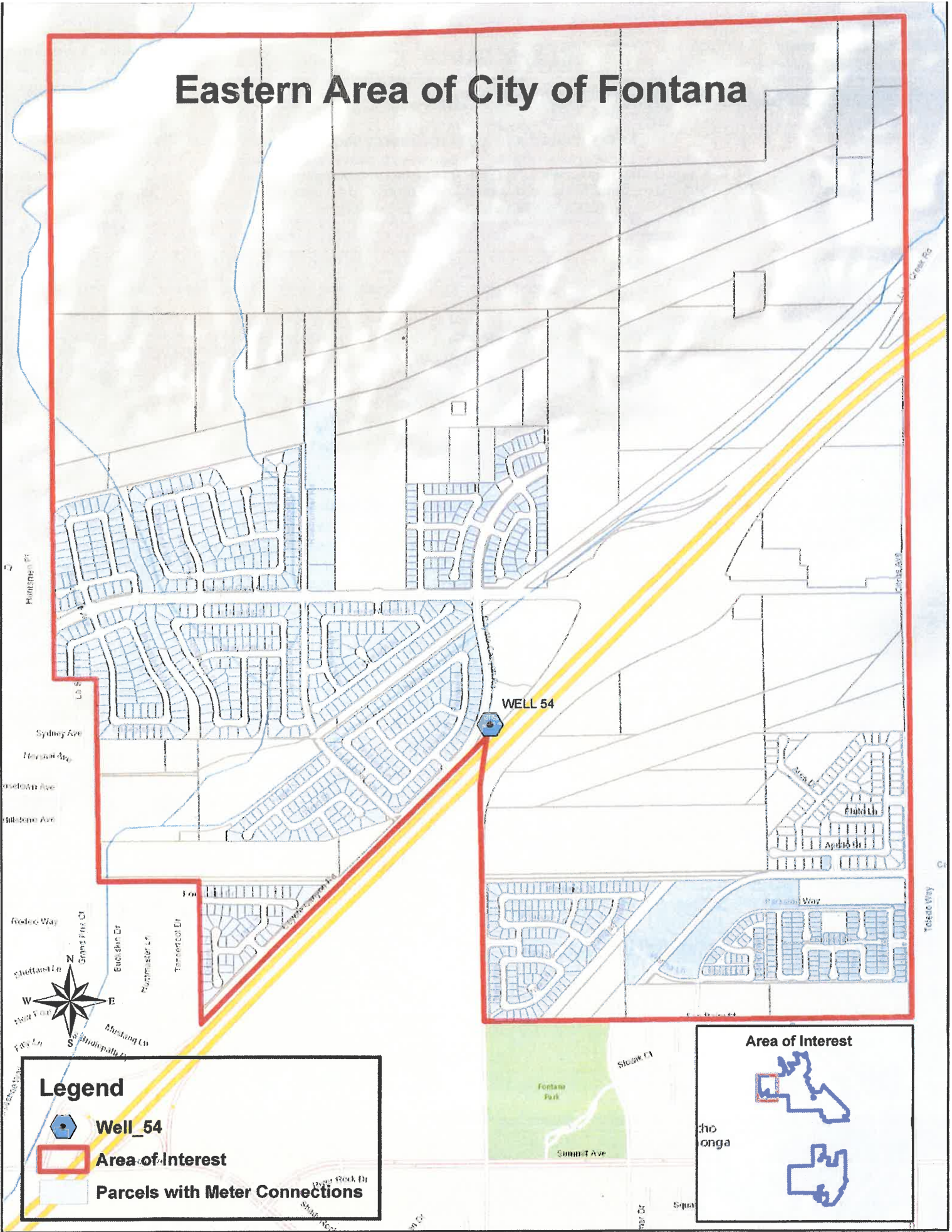
If you have any questions, please feel free to contact my office at 909-820-3701.

Sincerely,

WEST VALLEY WATER DISTRICT

Robert Christman
General Manager

Eastern Area of City of Fontana



Legend



Well_54



Area of Interest



Parcels with Meter Connections

Area of Interest



Agreement Among West Valley Water District, Metropolitan Water District of Southern California, San Bernardino Valley Municipal Water District, and Inland Empire Utilities Agency to provide Temporary Assistance to West Valley Water District for Imported State Water Project Supplies

West Valley Water District (West Valley) and Inland Empire Utilities Agency (IEUA) have requested assistance delivering water to West Valley's customers in the eastern part of the City of Fontana that overlaps IEUA's service area. The request is a result of a West Valley groundwater well that was taken out of service on May 24, 2018 for service and modifications. San Bernardino Valley Municipal Water District (Valley District) has an existing connection on the San Gabriel Valley Devil Canyon – Azusa Pipeline that can be used to deliver imported State Water Project supplies from the Metropolitan Water District of Southern California (Metropolitan) to a portion of West Valley's service area that overlaps with IEUA's service area. Metropolitan has an existing agreement with San Gabriel Valley MWD that allows for the delivery of water through San Gabriel's Devil Canyon-Azusa Pipeline that would be used to deliver water to the Valley District connection.

1. This agreement is effective as of July 1, 2018 and will terminate December 31, 2020.
2. The amount of annual deliveries shall not exceed 500 acre-feet per calendar year.
3. Metropolitan will deliver the requested water to Valley District at Valley District's connection (Lytle Creek, Station, 1747+00) on the San Gabriel Valley Devil Canyon – Azusa Pipeline. Valley District will deliver the water to West Valley, and West Valley will provide the water to its customers within IEUA's service area. The delivery of the water is not guaranteed. Deliveries are limited to the unused capacity in the San Gabriel Valley Devil Canyon- Azusa Pipeline.
4. IEUA will pay Metropolitan's rate for full service untreated water in effect at the time of the delivery of the water to Valley District's connection for use within IEUA's service area by West Valley customers. The delivery is subject to the capacity charge, readiness-to-serve charge, and all volumetric water rates in the same manner as deliveries made to IEUA through Metropolitan's distribution system and connections. Metropolitan will bill IEUA, and IEUA will pay Metropolitan, in accordance with the billing and payment provisions of Metropolitan's Administrative Code, as amended over time. West Valley will reimburse IEUA for all payments made by IEUA to Metropolitan under this agreement and per IEUA Ordinance 104. Valley District shall have no responsibility for the cost of such water delivered to Valley District's connection for use within IEUA's service area by West Valley customer.
5. West Valley will coordinate with IEUA on the monthly amount of imported water requested. IEUA will provide to Metropolitan and Valley District the amounts of water delivered by 3:00 pm on the third business day after the end of the month to account for the supplies. Reconciliation of water deliveries will be allowed in subsequent monthly accounting.
6. Metropolitan will be responsible for any Department of Water Resources charges for the State Water Project supplies delivered to West Valley through Valley District's connection.

7. Liability and indemnification shall be governed by section 4502 of Metropolitan's Administrative Code. Valley District and West Valley agree to the applicability of section 4502 of Metropolitan's Administrative Code in the same manner as that section applies to IEUA.

8. Neither Valley District nor any of its officers, agents, or employees shall be liable for the control, carriage, handling, use, disposal, or distribution of water supplied or delivered by Valley District to West Valley and IEUA pursuant to this Agreement; nor for claim of damage of any nature whatsoever, including but not limited to property damage, personal injury or death, arising out of or connected with the control, carriage, handling, use, disposal, or distribution of such water; and West Valley and IEUA shall indemnify, defend, and hold harmless Valley District and its officers, agents, and employees from any such damages or claims of damages, and shall reimburse Valley District for costs of repair of Valley District's facilities and other damages resulting from the operations of West Valley and IEUA.

If the above meets with your understanding, please countersign below and return an original to Metropolitan.

ACKNOWLEDGED AND AGREED TO:

West Valley Water District


Clarence C. Mansell, Jr., Interim General Manager

Metropolitan Water District of Southern California

Jeffrey Kightlinger, General Manager

ACKNOWLEDGED AND AGREED TO:

San Bernardino Valley Municipal Water District



Douglas Headrick, General Manager

Inland Empire Utilities Agency

Halla Razak, General Manager

**CONSENT
CALENDAR
ITEM**

4G

Date: September 19, 2018

To: The Honorable Board of Directors

From: Halla Razak, General Manager

#HR

Committee: Engineering, Operations & Water Resources

09/12/18

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

Subject: Adoption of Resolution No. 2018-9-2, Adopting the 2018 Update to the Recharge Master Plan

Executive Summary:

Section 8.1 of the Peace II Agreement requires that Chino Basin Watermaster (Watermaster) and IEUA update and obtain Court approval of its Recharge Master Plan no less than every five years. The last Recharge Master Plan Update (RMPU) was filed in October of 2013 and thus an update is required.

Since February 2018, the RMPU Steering Committee, which includes IEUA and other pool members, met in monthly workshops to provide input and review comments towards the development of the updated recharge master plan. The findings, recommendation, and implementation plan for the region's groundwater recharge system are stated within the attached final 2018 RMPU; which was completed in late August 2018. In order to meet the required Court filing deadline, Board approval from both Watermaster and IEUA are necessary. Approval of the 2018 RMPU from both Boards is running concurrently.

No new stormwater or supplemental water projects are planned in this update. There are also no fiscal impacts to the approval and adoption of the 2018 RMPU. The next scheduled update is 2023.

Staff's Recommendation:

1. Approve the 2018 Recharge Master Plan Update;
2. Adopt Resolution No. 2018-9-2, adopting the 2018 Update to the Recharge Master Plan ; and
3. Approve a Joint Filing, with Chino Basin Watermaster, to the court.

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

Account/Project Name:

None.

Fiscal Impact (explain if not budgeted):

None.

Prior Board Action:

On October 16, 2013, the Board of Directors adopted Resolution 2013-10-1, adopting the 2013 Amendment to the 2010 Update to the Chino Basin Recharge Master Plan

Environmental Determination:

Not Applicable

Business Goal:

The efforts in meeting the Court requirement towards the development of the RMPU are consistent with IEUA's Business Goal of Water Reliability by maximizing the beneficial reuse of recycled water and sources of groundwater recharge through the enhancement of groundwater recharge facilities.

Attachments:

Attachment 1 - 2018 RMPU [Click to Download](#)

Attachment 2 - Resolution No. 2018-9-2

RESOLUTION NO. 2018-9-2

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
INLAND EMPIRE UTILITIES AGENCY* (IEUA), SAN
BERNARDINO COUNTY, CALIFORNIA, ADOPTING THE 2018
UPDATE TO THE RECHARGE MASTER PLAN**

WHEREAS, in 2000, the Chino Basin Watermaster adopted a Recharge Master Plan which established the technical foundation for the development of the recharge facilities and practices in the Chino Basin; and

WHEREAS, in 2001, Watermaster, in cooperation with the Inland Empire Utilities Agency (“IEUA”), initiated the Chino Basin Facilities Improvement Project (“CBFIP”) which implemented facilities recommendations in the Recharge Master Plan; and

WHEREAS, in 2006, Watermaster, in cooperation with IEUA, initiated Phase II of the CBFIP in order to implement additional facilities recommendations in the Recharge Master Plan; and

WHEREAS, on December 21, 2007, the Court approved the Peace II Measures which set forth a modified approach to management of the Chino Basin known as Basin Re-Operation, the ultimate goal of which is the achievement of Hydraulic Control; and

WHEREAS, Section 8.1 of the Peace II Agreement, included the requirement that the Recharge Master Plan be updated and that each of Watermaster and IEUA approve the updates to the Recharge Master Plan; and

WHEREAS, pursuant to Section 8.3 of the Peace II Agreement, Watermaster is obligated to make an annual finding that it is in substantial compliance with the Recharge Master Plan, as revised. This requirement exists to ameliorate any long-term risk attributable to reliance upon un-replenished groundwater production by the Desalters, and is a condition on the annual availability of any portion of the 400,000 acre-feet set aside as controlled overdraft; and

WHEREAS, pursuant to Section 8.1 of the Peace II Agreement, updates to the Recharge Master Plan must occur as frequently as necessary, but not less frequently than every five years, and must be approved by the Court; and

WHEREAS, updates to the Recharge Master Plan must account for the new Basin management regime and other changes that occurred since the creation or last update of the Recharge Master Plan; and

WHEREAS, on June 30, 2010, Watermaster submitted its updated Recharge Master Plan (“2010 RMPU”) to the Court; and

WHEREAS, Watermaster submitted its 2013 Amendment to the 2010 Recharge Master Plan Update (“2013 RMPU”) to the Court on November 4, 2013; and

WHEREAS, on December 13, 2013, the Court issued an order approving the 2013 RMPU, except Section 5 thereof, and on April 25, 2013, the Court issued an Order approving Section 5 of the 2013 RMPU; and

WHEREAS, at its November 16, 2017 regular meeting, the Board reviewed an opinion from Wildermuth Environmental, Inc. (“WEI”) regarding the adequacy of replenishment capacity. The Board adopted the findings in the WEI report, a copy of which is attached hereto as Exhibit B, which found that, as there is sufficient recharge capacity to meet future replenishment obligations identified in the 2013 RMPU and that if Basin Re-Operation were terminated prior to 2030, that Watermaster would be able to increase its replenishment activity in order to maintain hydrologic balance within the Basin, and, accordingly, Watermaster was in substantial compliance with the Recharge Master Plan, as required; and

WHEREAS, in February 2018, a Recharge Master Plan Update Steering Committee (“Steering Committee”), composed of stakeholders in the Basin, including IEUA, was convened in order to develop the 2018 Recharge Master Plan Update (“2018 RMPU”), attached hereto as Exhibit C, through a collaborative process. The Steering Committee held seven meetings from February 2018 to August 2018 in order for stakeholders to participate in the development of the 2018 RMPU; and

WHEREAS, the 2018 RMPU addresses the elements required by the Court’s December 21, 2007 Order Concerning Motion for Approval of Peace II Documents and the Peace II Agreement; and

WHEREAS, the 2018 RMPU includes: (1) a description of changed conditions in the Basin from those detailed in the 2013 RMPU and planning assumptions for the 2018 RMPU; (2) a description of the Basin’s response to the updated conditions in the Basin; (3) an inventory of existing and planned recharge facilities in the Basin that can be compared to the Basin’s recharge needs; (4) identification of future needs for recharge capacity in the Basin and a comparison with available recharge capacity; and, (5) recommendations for future activities and an implementation plan for the 2018 RMPU; and

WHEREAS, IEUA has been an active participant in the 2018 RMPU process and, on September 19, 2018, IEUA’s Board of Directors approved the 2018 RMPU; and

WHEREAS, the Watermaster Board has received periodic updates as to the progress made by the Steering Committee in the development of the 2018 RMPU.

NOW, THEREFORE, on the basis of the staff reports, expert opinions and substantial evidence presented, the Board of Directors of the Inland Empire Utilities Agency* finds that:

1. There exists sufficient recharge capacity to meet future replenishment obligations identified in the 2013 RMPU. If Basin Re-Operation were terminated prior to 2030, Watermaster would be able to increase its replenishment activity in order to maintain hydrologic balance within the Basin, in compliance with the Recharge Master Plan.
2. Watermaster and interested parties, through the Steering Committee, thoroughly evaluated changed circumstances since the time of the 2013 RMPU and how these changes affect the Recharge Master Plan, and this evaluation is included in Sections 2 and 3 of the 2018 RMPU.
3. Watermaster and interested parties, through the Steering Committee, thoroughly evaluated the existing and planned recharge facilities in the Basin as compared to the Basin's recharge needs, and this evaluation is included in Section 4 of the 2018 RMPU.
4. Watermaster and interested parties, through the Steering Committee, considered the need for future recharge capacity by comparing the projected future recharge requirements of the Basin and physical capacity to achieve that requirement and concluded that the existing recharge capacity and facilities on which it relies are sufficient until the next Recharge Master Plan update in 2023. This evaluation is included in Section 5 of the RMPU.
5. Using the information and analysis contained in Sections 1 through 5 of the 2018 RMPU, Watermaster and interested parties, through the Steering Committee, developed recommendations and an implementation plan for the 2018 RMPU, which are included in Section 6 of the 2018 RMPU.
6. The development of the 2018 RMPU complies with the requirements for an update to the Recharge Master Plan.

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

Section 1. The 2018 RMPU is based on sound technical analysis and adequately updates the 2013 RMPU in light of changed economic, legislative, and hydrologic conditions within the State of California and in satisfaction of the Peace II Agreement and the Court's Orders.

Section 2. Based upon the 2018 RMPU, there exists sufficient recharge capacity to meet future replenishment obligations identified in the 2018 RMPU through 2050. If Basin Re-Operation were terminated prior to 2030, Watermaster would be able to increase

its replenishment activity in order to maintain hydrologic balance within the Basin, in compliance with the Recharge Master Plan.

Section 3. Watermaster adopts the 2018 RMPU as the guidance document for the further development of the recharge facilities within the Basin.

Section 4. Pursuant to the Peace II Agreement Section 8.1, Watermaster and IEUA will update the Recharge Master Plan not less frequently than once every five years. The Plan will next be updated no later than 2023.

ADOPTED this 19th day of September 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

(SEAL)

*A Municipal Water District

**CONSENT
CALENDAR
ITEM**

4H

Date: September 19, 2018

To: The Honorable Board of Directors

From: Halla Razak, General Manager

Committee: Engineering, Operations & Water Resources

HR

09/12/18

Executive Contact: Randy Lee, Executive Manager of Operations/AGM

Subject: Ratify Contract for Brooks Basin Earthwork Services for Infiltration Restoration

Executive Summary:

The Brooks Street Basin, in the City of Montclair, has experienced diminished infiltration rates since last restored in 2015. The basin is used to recharge storm water, recycled water, and imported water. A restored infiltration rate will be approximately 1.0 foot per day at full capacity. Infiltration has fallen to less than 0.2 feet per day when full and less than 0.1 feet per day at lower water depths. A request for proposals was prepared to conduct earthwork services to restore the infiltration. Bids were received from three firms. The bid results were:

JCE Equipment Inc. = \$246,920

Jeromy Harris Construction Inc. = \$281,988

Elite Earthworks & Engineering = \$458,616

Beginning the work upon finalization of a contract will allow the basin to resume recycled water deliveries at a rate of about 10 acre-feet per day. IEUA currently retails its recycled water recharge at \$540 per acre-foot. At a benefit to the Agency of about \$5,400 per day, the General Manager has signed the contract and a notice to proceed has been issued to the recommended contract, JCE Equipment Inc., which performed the 2015 Brooks work to Agency satisfaction.

Staff's Recommendation:

Ratify the contract executed by the General Manager to JCE Equipment Inc. for the Brooks Basin Earthwork Services for a not-to-exceed amount of \$246,920.

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

Account/Project Name:

Fiscal Impact (explain if not budgeted):

Prior Board Action:

None

Environmental Determination:

Not Applicable

Earthwork services will comply with the State of California Department of Fish and Game, Notification No. 1600-2009-0072-R6 Revision 2, dated February 15, 2010, Long Term Routine Maintenance Streambed Alteration Agreement for Existing Facilities.

Business Goal:

This contract award supports the Agency's business goal of Water Reliability to develop and implement an integrated water resource management plan.

Attachments:

Attachment 1 - PowerPoint

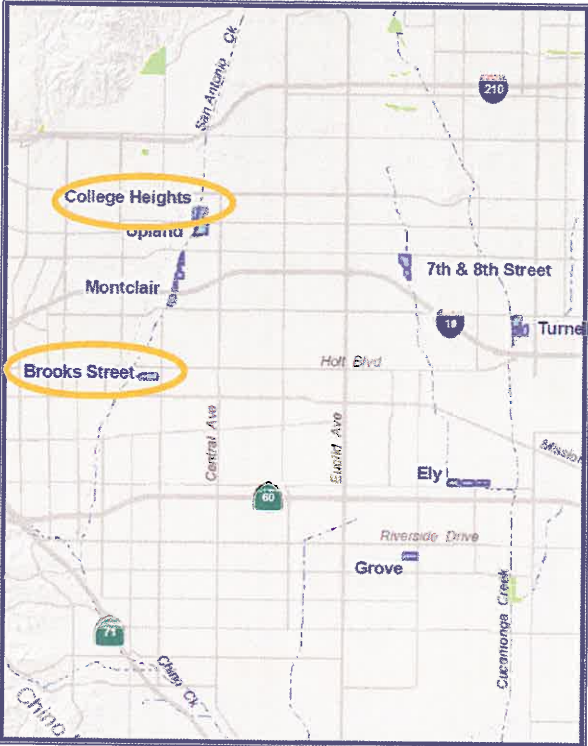
Attachment 2 - Contract No. 4600002613 to JCE Equipment Inc.

Attachment 1

Contract for Brooks Basin Earthwork Services for Infiltration Restoration



Brooks Basin



Brooks Basin Infiltration Restoration Work

08/14/2018 11:35

Dewatering Operations



08/14/2018 12:13

Silt Deposits and Windrow Details



The Process

- Dewatering pumping (completed)
- Restore perimeter drive access and ramps
- Scrape material from side slopes and windrows
- Haul up to 12,000 cubic yards to College Heights Basin
- Knock down windrows and grade basin bottom



Contractor Selection

- Three bids were received on August 7, 2018

Bidder	Bid
JCE Equipment Inc.	\$ 246,920
Jeremy Harris Construction Inc.	\$ 281,988
Elite Earthworks & Engineering	\$ 458,616

- Chino Basin Water Conservation District to Cost Share 50%
- IEUA and Chino Basin Watermaster to Cost Share by Pro Rata Usage (82% & 18%)
- The retail benefit is \$5,400/day in recycled water recharge (10 AF/day @ \$540/AF)
- Therefore, the General Manager has executed the contract to begin work immediately

Recommendation

Ratify the contract already executed by the General Manager to JCE Equipment Inc. for the Brooks Basin Earthwork Services for a not-to-exceed amount of \$246,920.

*The Brooks Infiltration Restoration is consistent with IEUA's business goal of **Water Reliability** to develop and implement an integrated water resource management plan.*

Questions



Attachment 2



**CONTRACT NUMBER 4600002613
FOR
INFILTRATION RESTORATION (EARTHWORK) SERVICES
AT
BROOKS BASIN**

THIS CONTRACT (the "Contract"), is made and entered into this _____ day of August, 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 as "Agency" or "IEUA"), and JCE Equipment, Inc., of Upland, California (hereinafter referred to as "Contractor"), for the provision of earthwork services within Brooks Basin, located in Montclair, California.

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: Steve Smith
Company Name: Inland Empire Utilities Agency
Address: 6075 Kimball Avenue, Building "B"
Chino, CA 91708
Telephone: 909-993-1600, extension 1621
Facsimile: 909-993-1987
Email: ssmith@ieua.org
Cell: 951-295-7736

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

Contractor: Roger Hauptman, President
Company Name: JCE Equipment, Inc.
Address: 2064 Rita Court
Upland, CA 91784
Telephone: 909-957-8812
Facsimile: 909-266-0649
Email: jceequip@gmail.com
Cell: 909-921-6367

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 4600002613.
 2. Contract Number 4600002613 General Terms and Conditions.
 3. Agency Request for Proposal Number RFP-HD-18-012.
 4. Contractor's Proposal dated August 6, 2018.
4. SCOPE OF WORK AND SERVICES: Contractor services and responsibilities shall include and be in accordance with the following:
- A. The Scope of Work for this contract shall include:
1. All of the work and services detailed in RFP-HD-18-012 (hereinafter referred to as "Work"), incorporated herein and made a part hereof by this reference, see Exhibit A.
 2. All of the work, services, and rates detailed in the Contractor's proposal dated August 6, 2018, incorporated herein and made a part hereof by this reference, see Exhibit B.
 3. The actual work and services shall be made up of four tasks:
 - a. Task 1 – Mobilization of equipment (to the site) prior to the beginning of the Work and demobilization of all equipment from the site upon completion of the Work, as approved by the Project Manager.
 - b. Task 2 – Side-Slope Restoration (cutting or back-dragging the silt material (several inches thick) that has been deposited on the Basin's side-slopes, down-slope to the internal perimeter roadway. Leaving the side-slope surfaces track-walked
 - c. Task 3 – Restoring the surface of the internal perimeter road sufficiently to support the transport of silt material from the area of the Basin below the internal perimeter road.
 - d. Task 4 – Basin floor and berm cleaning will focus on cutting or skimming silt material from the floor of the basin (and the sides and tops of the internal berms), collecting the silt material, and moving it to a windrow (stockpile) for volume estimation. This material will then be loaded on to trucks and transported to the College Heights Basin site. The College Heights Basin site, currently, has a 12,000 cubic yard capacity limitation. Any silt material in excess of the 12,000 cubic yards (taken to College Heights) will become the contractor's material and be removed to and alternate (legal and approved) site.

- e. Task 5 – Once all of the silt material has been removed from the Brooks Basin, the final Task will be knocking the berms down and creating a smooth basin floor with a slope/grade a southwesterly low-point.
- B. Contractor shall provide Agency with a Schedule of Work and Services, documenting the anticipated completion of the Work within the time-frame set forth in Section 5, below. The Schedule of Work and Services will be prepared and submitted, to the Project Manager, for review and approval.
- C. Method of Inspection:
1. Work performed under this Contract may be required to undergo daily and weekly 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").
- D. Cure Procedure:
1. For a Cure Notice deemed by the Agency to be urgent, Contractor shall correct any error of the Work within three (3) 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 seven (7) 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.
- E. 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 upon completion of the Work, or June 30, 2019, whichever occurs first, 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 lump sum invoice, for a total contract price NOT-TO-EXCEED **\$246,920** 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 – 4600002613, and;

2. The Contract Release Purchase Order Number – 45000_____

If Contractor submits an invoice by email, such invoice shall be submitted as follows:

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: 4600002613

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. 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 (1%, 2%, 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 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.
 4. Payment Bond and Performance Bond: Shall be in a sum equal to the contract price. If the Performance Bond provides for a one-year warranty a separate Maintenance Bond is not necessary. Bonds shall be duly executed by a responsible corporate surety, authorized to issue such bonds in the State of California and secured through an authorized agent with an office in California.

- 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>). *(Include with Public Works contracts > \$1,000.00 price).*
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: Roger Hauptman, President
JCE Equipment, Inc.
2064 Rita Court
Upland, CA 91784

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. LIQUIDATED DAMAGES: Liquidated Damages, in the amount of \$2,000 per day, may be assessed by the Agency for each calendar day that the Contractor fails to complete the services in accordance with the Work Schedule. Any and all Liquidated Damages assessed by the Agency will be taken as a direct credit against the Contractor's invoice for the missed services. The Contractor's acceptance of this contract, shall serve to indicate acceptance of this Liquidated Damages clause, and the daily assessment of damages expressed in this section.
23. 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.
24. 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.

25. 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*

JCE EQUIPMENT, INC.:

Halla Razak
General Manager

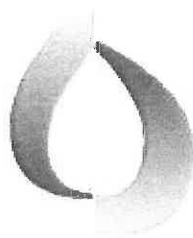
(Date)



Roger Hauptman
President

8-28-18
(Date)

Exhibit A



Inland Empire Utilities Agency

A MUNICIPAL WATER DISTRICT

REQUEST FOR PROPOSAL
NUMBER RFP-HD-18-012 REVISED
FOR
PROFESSIONAL CONTRACTING
SERVICES RELATED TO
EARTHWORK
SERVICES
AT
BROOKS BASIN

July 6, 2018 / Revised July 30, 2018

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SECTION 1 - SUBMITTAL INFORMATION

- A. **INTRODUCTION:** The Inland Empire Utilities Agency ("Agency" or "IEUA") is accepting sealed proposals at the Agency's Administrative Headquarters, **located at 6075 Kimball Avenue, Building A, Chino, California, 91708**; in order to engage a qualified and licensed person, partnership, company, or corporation for contractor-provide Earthwork Services; that are needed for maintenance measures at the Brooks Basin, located within the City of Montclair, California. At the Brooks Basin site, the removal of the accumulated silt material, restoring the infiltration rate is the primary goal of the RFP. Offeror's Proposal shall clearly identify the capabilities of their skilled staff, their qualifications, and any unique knowledge, experience, or licenses. References will be required. A fully burdened schedule of the rates for these services will also be required. It is recognized that there will be separate, yet related, tasks within the envisioned scope of work associated with enhancing both the appearance and the function of the Brooks Basin. For purposes of this Request for Proposal, the terms Offeror and Contractor may be used interchangeably.
- B. **SUBMITTAL LOCATION - CLOSING DATE, AND TIME:** The scheduled submittal closing dates and times are as listed below. Offeror shall submit three **(3) copies** (includes one original and two photocopies) of their proposal to the address above. Proposals received after the "closing" date and time indicated will not be accepted. Faxed or emailed proposals will not be accepted.
- Submittal Closing:** Tuesday, August 7, 2018, at 4:00pm

Location: Agency's Administrative Headquarters (*address shown above*)
- C. **INQUIRIES:** Inquiries regarding this solicitation should be directed to Steven Smith at 909-993-1621 (ssmith@ieua.org), Garrett Bell at (909) 993-1531 (gbell@ieua.org) or Harlan Delzer at (909) 993-1707. Please reference the solicitation number "RFP-HD-18-012 Revised" when contacting the Agency's staff regarding this solicitation.
- D. **PROPOSAL LABELING:** All Proposals shall be submitted in a **sealed** envelope with all original pages intact. The proposal envelope must clearly **indicate** the Request For Proposal Number, RFP-HD-18-012 Revised, Attn: Harlan Delzer, and the subject, "Earthwork Services at Brooks Basin."
- E. **PROPOSAL SUBMITTAL:** **Any proposal found to be illegible or incomplete shall be considered for rejection.** Whether sent by courier, mail, or by means of personal delivery, Offerors assume full responsibility for having their proposal deposited at the proper address and **not later than the scheduled closing time.** More than one (1) proposal from any individual, firm, partnership, or corporation under the same or different names, will not be considered.

- F. **PROPOSAL FORMAT:** Offeror shall include **sequential page numbers and the Contractor's initials on each page of their Proposal.** A proposal not following the requested format may be deemed non-responsive and eliminated from further consideration. The Proposal shall include a dated cover letter which must be signed by a person authorized to negotiate and execute contracts on behalf of the Offeror and must be binding for a period of ninety (90) days.
- G. **PRE-PROPOSAL MEETING / JOB-WALK:** A mandatory job-walk will take place on , July 17, 2018, starting at approximately 10:00a.m. for all interested Offerors. All interested parties are urged to meet at the Brooks Basin entrance gate, located at 200 Silicon Avenue, Montclair, CA, 91766.

SECTION 2 - GENERAL INFORMATION

NOTE: IT IS THE OFFEROR'S RESPONSIBILITY TO EXAMINE THIS REQUEST FOR PROPOSAL SOLICITATION IN IT'S ENTIRETY PRIOR TO SUBMITTING A PROPOSAL.

- A. **WAITING PERIOD:** All Offerors are alerted that a waiting period of up to ninety (90) days, measured from the date of the proposal submittal deadline, **may** be required before proceedings are completed and awards (or rejections) are made. Offerors shall assume full responsibility for the effect of the waiting period on all proposal prices, fees, and terms.
- B. **PROPOSAL PREPARATION COSTS:** The Agency is not, nor shall be, deemed liable for any costs incurred by the Offeror during the preparation, submittal, or presentation of their proposal.
- C. **WITHDRAWAL OF PROPOSAL BEFORE CLOSING:** Any Offeror may request the withdrawal of their submitted proposal, either in person, by telegraphic, telephonic (facsimile), e-mail, or written request, at any time **prior** to the scheduled proposal due date and time. Upon receiving the written request to withdraw any proposal, the Agency will consider the Offeror's proposal null and void, and return the proposal to the Offeror unopened. Withdrawal of an Offeror's proposal will not prejudice Offeror's re-submittal for this or any future proposal(s).
- D. **MISTAKE IN PROPOSAL:** Any Offeror may withdraw their proposal after the proposal due date, subject to the time restrictions indicated below, **only** if the Offeror can establish to the Agency's satisfaction, that a material mistake was made in preparing the proposal.
1. An Offeror declaring a mistake must provide a written notice to the Agency within five (5) calendar days following the scheduled proposal due date, specifying in detail, how the mistake occurred, and how the mistake made the proposal materially different than it was intended.
 2. Withdrawal of the proposal will **only** be permitted for mistakes made in the completion of the proposal, and shall not be permitted for mistakes resulting from error in judgment or carelessness in the interpretation of the scope of work. An Offeror who claims a mistake shall be **PROHIBITED** from submitting further proposals based on the RFP for which the mistake in the proposal was claimed (*Public Contract Code Section 5105*).
- E. **PROPOSAL ACCEPTANCE:** The Agency reserves the right to **accept or reject** any or all proposals, waive any informalities in any proposal, postpone the project, or any portion thereof, if such actions are deemed to be in the best interest of the Agency (*Ordinance No. 101*).

- F. **INTERPRETATION OF DOCUMENTS:** During the proposal solicitation period, should an Offeror find discrepancies or omissions in the specifications of the "Request for Proposal," or should the Offeror be in doubt as to their interpretation, the Offeror shall immediately contact the Contract Administrator identified in Section 1(C), above. Should it be found necessary, a written addendum will be sent to all known perspective Offerors. Any addenda issued prior to the scheduled proposal due date and time, shall form a part of this solicitation and shall become a part of the submitted proposal.
- G. **PROPOSAL FEES:** Offeror's shall submit a fully-burdened fee schedule, for each task or specific skill category required to provide the Contractor's Services, clearly identifying the firm's staff classifications by category, by hourly billing rates, and any associated administrative costs.
- H. **CONTRACTOR REFERENCES:** Using the References form included in Section 3, each Offeror shall provide a list of at least three (3) references from clients that have engaged the Offeror, for which similar work has been performed, within the last five (5) years. Include the reference names, contact person(s), telephone numbers, e-mail address, business physical address, and brief description of the specific services provided.
- I. **AWARD CRITERIA:** The following criteria will be used in the rating process for the proposals submitted; to determine the selection of the successful Offeror(s):
- Submittal performance – an initial and a hand-written page number on each page, to ensure it was looked at, and to properly integrate any additional pages, made part of the proposal, by the Offeror (i.e., references, multi-page methodology statements, or contractor staff resumes).
 - Past record of performance in providing similar services (prior projects or engagements).
 - Experience of personnel (individual or company history, years in business, licenses, certifications, other personnel qualifications).
 - Proposed staffing plan and methodology proposed for the Project.
 - References.
 - Availability of personnel and ability to meet the timeline for IEUA's Contract/Project.
 - *Exceptions* taken to the proposed contract terms.
 - Project fee schedule, rate structure.
 - Payment discount proposed, in exchange for expedited invoice payment.
- J. **CONTRACT AWARD/EXECUTION:** Upon selection, the Contractor(s) shall execute a Contract with the Agency. The format and content of said contract will be similar to the Example Contract attached to this RFP, see Section 5.
- K. **PUBLIC RECORD:** Be advised that **all** information contained in proposals, submitted in response to this solicitation, **shall** become a matter of public record, shall be subject to the California Records Act of 2004 (Government Code Section 6250 et seq.), and the information's use and disclosure are governed by this Act.

- L. **ACCEPTANCE AND PAYMENT:** The selected Offeror's invoice, subsequent to the completion of a valid and binding contract, shall include a specific reference to the Contract Number, the associated Purchase Order Number, and be accompanied by detailed supporting documentation. The Agency shall pay the Offeror's properly executed invoices, subject to approval by the Project Manager, within thirty (30) days following receipt of the invoice.
- M. **INSURANCE:** Offeror's attention is directed to the insurance requirements set forth in the Example Contract, pages 3 through 5, Section 5 of this RFP. It is **highly** recommended that each Offeror confer with their respective insurers to determine, in advance, the availability (and any costs associated) of the required insurance certificates, endorsements, and waivers prescribed therein. All insurance documentation must be received, reviewed, and approved by the Agency prior to completion of the contract award. If a leading Offeror fails to strictly comply with the stated insurance requirements, that Offeror may be disqualified from receiving the award.
- N. **RELEASE OF LIABILITY:** The selected Offeror shall execute a Release of Liability form, agrees and understands that the Contractor's personal property, if left at any of the Agency's sites, during the course of the Work, may be exposed to the risk of, but not limited to, theft, vandalism, fire damage, water damage, and wind damage; for which the Contractor agrees to assume any and all such risk, and consequences, as a result thereof. The Contractor shall be responsible for the completion of the Agency's Waiver/Release of Liability form (see Section 3) as part of a completed proposal.
- O. **CONTRACT EXECUTION(S) / EXCEPTIONS:** The selected Offeror shall execute a contract with the Agency which establishes the terms and conditions covering the services provided. A sample of the Agency's standard contract is provided as Section 5 of this RFP. The Agency will issue, to the selected Contractor, a contract similar in form to the sample shown in Section 5. The executed contract which will incorporate this RFP and the Offeror's proposal. Thus, the Offeror is encouraged to carefully review and consider the sample contract. The Offeror must advise the Agency of any exceptions to the contract's content or to the content of the RFP. An Exceptions Form is provided in Section 3.
- P. **ENVIRONMENTAL PURCHASING POLICY:** The goal of IEUA is to reduce global warming and other environmentally harmful effects generated by its operations, its operational protocols, and its capital improvement projects. In this endeavor, the terms and conditions of all IEUA solicitations encourage, whenever possible and practical, the proposal for products and services that are proven beneficial to the environment. Examples for this Project would be products manufactured with recycled steel, recycled plastics, and vehicles fueled with natural gas or propane versus gasoline or diesel fuel. The Offerors, in their proposals should present (and explain) the efforts they will be employing on the Project that move the Agency closer to its sustainability goals.

- Q. **PROPOSAL INCLUSIONS:** The Request for Proposal documents shall be returned in their entirety, with all applicable portions fully completed by the Contractor. Each page shall be sequentially numbered and initialed by the Contractor; including any pages added to the proposal by the Contractor.
- R. **SELECTION:** The Agency anticipates selecting a single Contractor, from the Offerors of responsive proposals. That Contractor will be awarded a Contractor Services Contract based on the qualifications to provide services that integrate:
- i. Qualified, licensed, and professional contractor staff
 - ii. Knowledge and experience with appurtenances found within recharge basins
 - iii. Knowledge and experience with silt material found within recharge basins
 - iv. Compliance with Project Manager directives and engineering drawings

Offerors are to clearly identify both their general qualifications (certificates and licenses) as well as any of their specialty skill-sets. Each specialty area will be carefully evaluated based on the information provided by the Offeror.

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SECTION 3 - FORMS

SUMMARY FEE SCHEDULE "A"

Each Offeror shall attach their fully completed fee schedule, identifying and including **all** skill level classifications, as well as any associated administrative (office) fees, if any. All proposed prices shall be stated in terms of a net price to the Agency.

A. **FEE INCLUSION STATEMENT:** Offerors shall fully complete this Summary Fee Schedule "A" and return it with their submitted proposal. All proposed prices shall include **all** labor, equipment, materials, transportation, overhead, travel, profit, insurance, sales and other taxes, licenses, incidentals, and all other related costs necessary to meet the work requirements. All proposed fees will be stated as a NET-PRICE, whereas the NET-PRICE shall represent the total and final cost, to the Agency, for providing the services listed. At any time, IEUA may require that these cost components be further broken out, itemized, and disclosed.

B. **PROPOSED FEE FOR CONTRACTOR'S SERVICES:**

Task 1: Mobilization and Demobilization

Proposed Task 1 Cost in Lump-Sum Amount: _____

Task 2: Side-Slope Restoration:

Proposed Task 2 Cost, in Lump-Sum Amount: _____

Task 3: Perimeter Road and Access Ramp Restoration

Proposed Task 3 Cost in Lump-Sum Amount: _____

Task 4: Basin Floor and Berm Cleaning

Proposed Task 4 Cost, in Lump-Sum Amount, for collection of silt material and the transport of the initial 12,000 cubic yards, that will be delivered to College Heights.

Proposed Task 4 Cost, in Lump-Sum Amount: _____

Secondary Bid Item: In the event that the volume of silt materials to be **loaded, hauled, and disposed of** from within the Brooks Basin is more (or less) than the initially estimated 12,000 cyds, the debit or credit for the difference: _____ /cubic yard.

If the volume of silt material to be hauled to an alternate, Contractor-provided, site is a volume (up to) 3,000 cubic yards, then the lump sum price to load, haul, and dispose of the 3,000 cyds, at the alternate, Contractor-provided, site, shall be:

Proposed Alternate Site Lump Sum Amount: _____.

In the event that the volume of silt material taken the alternate, Contractor-provided, site is more (or less) than the estimated 3,000 cubic yards, hauled to the alternate, contractor-provided, site; then the debit or credit for the difference: _____ /cyd.

SUMMARY FEE SCHEDULE "A" (Continued)

Task 5: Windrow Knockdown and Leveling

Proposed Task 5 Cost in Lump-Sum Amount: _____

TOTAL PROPOSED CONTRACT COST: _____

- C. **Each Offeror shall indicate the availability and the magnitude of any discount related to expedited payment of any or all invoices.**

Expedited Payment Discount, if any (to be considered as part of this proposal):

1. i.e., if Net 20 days, then _____ % discount
2. i.e., if Net 15 days, then _____ % discount
3. i.e., if Net 15 days, then _____ % discount

Warrants: On behalf of the afore identified "Contractor" company, the undersigned warrants that the Company has the equipment and manpower necessary to successfully complete the described work within the time frame specified within the "Request for Proposal" and that the Company will be ready and able to begin working under such contract within 5 days of receiving notice, either written or verbal. The Agency reserves the right to accept the Proposal that it determines to be in the best interests of the Agency and to reject any or all Proposals should it determine that to proceed is not in it's best interests.

- D. **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 SUPPLY SERVICES AS SPECIFIED IN STRICT ACCORDANCE WITH THE REQUEST FOR PROPOSAL SPECIFICATIONS.

_____ Signature	_____ Printed Company Name
_____ Printed Name	_____ Date
_____ Title	

OFFEROR IDENTIFICATION

1. Legal Name of Offeror: _____
2. Street Address: _____
3. Mailing Address: _____
4. Business Telephone: _____
5. Facsimile Telephone: _____
6. Offeror's e-mail address: _____
7. Type of Business:
 Sole Proprietor Partnership Corporation
Other: _____
8. Business License number issued by the City where the Offeror's principal place of business is located.
Number: _____ Issuing City: _____
9. Federal Tax Identification Number: _____
10. California Contractor's (License) Number: _____
11. California DIR (Registration) Number: _____
12. Offeror's (Project Manager) Contact: _____
13. Offeror's PM Contact Telephone Number: _____
14. Offeror's PM E-mail contact information: _____

REFERENCES

Provide at least three (3) references for the "Project" for which you would like to be considered, where you or your firm provided similar services within the last five (5) years. (Please copy this form as many times as needed.)

COMPANY CONTACT PERSON CITY PHONE NUMBER

TYPE OF SERVICES PROVIDED (Note: Please attach a "typical" invoice, for the services provided.)

SUBCONTRACTOR(S)

List any sub-Contractors who performed services, on your firm's behalf, at the referenced project described above.

COMPANY CONTACT PERSON CITY PHONE NUMBER

DIR Registration Number (if applicable):

Business License Number: City:

Insurer:

Brief description of their services:

WORKERS' COMPENSATION CERTIFICATE

The Offeror shall execute the following form as required by the 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 firm, I will comply with such provisions before commencing the performance of the services of any contract entered into.

_____ Signature	_____ Company Name
_____ Printed Name	_____ Business License Number
_____ Title	_____ Date

(This space intentionally left blank.)

NON-COLLUSION AFFIDAVIT

State of California)
) ss.

County of _____)

_____, being first duly sworn, deposes, and says that he or she is

_____ (title), of _____ ("Offeror") 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 Offeror has not directly, or indirectly, solicited any other Offeror to put in a false or sham proposal, and has not directly or indirectly colluded, conspired, connived, or agreed with any other Offeror or anyone else to put in a sham proposal, or that anyone shall refrain from bidding; that the Offeror has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the proposal fee or the Offeror or any other Offeror, or to fix any overhead, profit, or cost element of the proposal fee, or of that of any other Offeror, 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 Offeror 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

Company Name

Printed Name

Business License Number

Title

Date

WAIVER/RELEASE OF LIABILITY

I, the undersigned, on behalf of _____ (hereinafter called Contractor) fully understand that the storage or leaving of any and all Contractor-owned equipment, materials, and supplies at the Agency's facilities during the term of the contract, exposes Contractor to the risk of, but not limited to, theft, fire damage, vandalism, water damage, wind damage, and possible personal injury to Contractor's employees. For the privilege of storing/leaving any and all Contractor-owned equipment, materials, and supplies at the Agency's facilities, Contractor 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, Contractor 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 Contractor'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 Contractor 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 Contractor, and of my own free will.

By: _____
Representative's signature

Print Name

Date

Title

Approved: _____
(Agency GWR Department Coordinator's signature)

EXCEPTION FORM

Should your firm take exception to **ANY** of the terms and conditions or other content provided in this "Request for Proposal," please list the exceptions below. **THIS COMPLETED FORM MUST BE RETURNED WITH YOUR PROPOSAL.** *(Make additional copies of this form as necessary)*

If no exception(s) are determined or taken, enter "**NONE**" (to the right of the Section Title) for the first item, below.

Page Number: _____ Section Title: _____

Paragraph Number: _____ Exception Taken: _____

Page Number: _____ Section Title: _____

Paragraph Number: _____ Exception Taken: _____

Page Number: _____ Section Title: _____

Paragraph Number: _____ Exception Taken: _____

Page Number: _____ Section Title: _____

Paragraph Number: _____ Exception Taken: _____

PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS, THAT, WHEREAS, the Inland Empire Utilities Agency, hereinafter designated as the "Agency," has, on _____, awarded to _____, hereinafter designated as the "Principal," the Contract for the construction of:

WHEREAS, said Principal is required under the terms of said Contract to furnish a bond for the faithful performance of said Contract:

NOW, THEREFORE, WE, the Principal, and _____, as Surety, are held and firmly bound unto the Agency the penal sum of _____ dollars (\$_____) lawful money of the United States, for the payment of which sum will and truly be made, we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that if the above bounden Principal, or its heirs, executors, administrators, successors, or assigns, shall in all things stand to and abide by, and will and truly keep and faithfully perform the covenants, conditions, and agreements in the said Contract and any alterations made as therein provided, on its or their part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless, Owner and Engineer, their officers, agents, and employees as therein stipulated, then this obligation shall become null and void; otherwise it shall be and remain in full force and virtue and Principal and Surety, in the event suit is brought on this bond, will pay to Owner such reasonable attorney's fees as shall be fixed by the court.

As a condition precedent to the satisfactory completion of the said Contract, the above obligation in the said amount shall hold good for a period of one (1) year after the completion and acceptance of said Contract, during which time if the above bounden Principal, its heirs, executors, administrators, successors, or assigns shall fail to make full, complete, and satisfactory repair and replacements or totally protect said Owner from loss of damage made evident during said period of one year from the date of acceptance of the work under said Contract, and resulting from or caused by defective materials or faulty workmanship in the execution of the work done, the above obligation in the said amount shall remain in full force and effect. However, anything in this paragraph to the contrary notwithstanding, the obligation of the Surety hereunder shall continue so long as any obligation of the Principal remains.

(This space intentionally left blank.)

SECOND PAGE OF PERFORMANCE BOND

Bond Number _____

Bidding Schedule(s) titled:

Said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the Contract or to the work to be performed thereunder or the specifications accompanying the same shall, in any way, affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration, or addition to the terms of the Contract or to the work or to the specifications. Said Surety hereby waives the provisions of Sections 2819, and 2845, of the Civil Code of the State of California.

As a part of the obligation secured hereby and in addition to the amount specified therefor, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by Owner in successfully enforcing such obligation, all to be taxed as costs and included in any judgement rendered.

IN WITNESS WHEREOF, the above bounden parties have executed this instrument under their seals this ___
_____ day of _____, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

Principal (print name)

Signature for Principal

(Corporate Seal)

(This space intentionally left blank.)

THIRD PAGE OF PERFORMANCE BOND

Bond Number _____

Bidding Schedule(s) titled:

Surety (print name)

Signature for Surety

(Surety Seal)

Surety address

**ATTACH POWER-OF-ATTORNEY AND NOTARIAL ACKNOWLEDGEMENT
OF SURETY BELOW**

(This space intentionally left blank.)

PAYMENT BOND

Bond Number _____

KNOW ALL MEN BY THESE PRESENTS, THAT, WHEREAS, the Inland Empire Utilities Agency, hereinafter designated as the "Owner", has, on _____, 20_____, awarded to _____ hereinafter designated as the "Principal," a Contract for the construction of:

WHEREAS, said Principal is required under the terms of said Contract to furnish a payment bond providing that if said Principal, or any of their subcontractors, shall fail to pay for any materials, provisions, or other supplies used in, upon, for, or about the performance of the work under said Contract, or for any work or labor done thereon of any kind, the Surety of this bond will pay the same to the extent hereinafter set forth:

NOW, THEREFORE, WE, the Principal, and _____, as Surety, are held and firmly bound unto the Owner the penal sum of _____ dollars (\$_____) lawful money of the United States, for the payment of which sum will and truly be made, we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that if the above bounden Principal, or its heirs, executors, administrators, successors, or assigns, shall fail to pay any person specified in California Civil Code Section 3181, or for any materials, provisions, or other supplies used in, upon, for, or about the performance of the work under said Contract, or for any work or labor thereon of any kind or for amount due under the Unemployment Insurance Code with respect to work or labor performed under said Contract, or for any amounts due, or to be withheld pursuant to Sections 18806 of the Revenue and Taxation Code of the State of California, or with respect to any work or labor for which a bond is required by the provisions of Sections 3247 through 3252 of the California Civil Code, and provided that the persons, companies, or corporations so furnishing said materials, provisions, or other supplies, appliances, or power use, in, upon, for, or about the performance of the work under said Contract, or any person who performs work or labor upon same, or any person who supplies both work and materials, thereto, shall have complied with the provisions of said Civil Code, then said surety will pay the same in or to an amount not exceeding the amount herein before set forth, and also will pay in case suit is brought upon this bond, such reasonable attorney's fees to Owner as shall be fixed by the court.

This bond shall inure to the benefit of Owner and any and all persons, companies, and corporations and their respective assigns entitled to file claims under applicable State law, including but not limited to, California Civil Code Section 3181, so as to give a right of action to them or their assigns in any suit brought upon this bond.

(This space intentionally left blank.)

SECOND PAGE OF PAYMENT BOND

Bond Number _____

Bidding Schedule(s) titled:

Said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of said Contract or to the work to be performed thereunder or the specifications accompanying the same shall, in any way, affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration, or addition to the terms of the Contract or to the work or to the specifications. Said Surety hereby waives the provisions of Sections 2819, and 2845, of the Civil Code of the State of California.

As a part of the obligation secured hereby and in addition to the amount specified therefore, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by Owner in successfully enforcing such obligation, all to be taxed as costs and included in any judgement rendered.

IN WITNESS WHEREOF, the above bounden parties have executed this instrument under their seals this _____ day of _____, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

Principal (print name)

Signature for Principal

(Corporate Seal)

(This space intentionally left blank.)

THIRD PAGE OF PAYMENT BOND

Bond Number _____

Bidding Schedule(s) titled:

Surety (print name)

Signature for Surety

(Surety Seal)

Surety address

**ATTACH POWER-OF-ATTORNEY AND NOTARIAL ACKNOWLEDGEMENT OF
SURETY BELOW**

(This space intentionally left blank.)

Bond Number _____

BID BOND

KNOW ALL MEN BY THESE PRESENTS,

That _____, as
Principal

and _____, as
Surety

are held and firmly bound unto the Inland Empire Utilities Agency, hereinafter designated as the "Agency", in the sum of _____ dollars, (not less than ten (10) percent of the total amount of the bid) for the payment of which sum will and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

WHEREAS, said Principal has submitted a bid to said Agency to perform all work required under the bidding schedule(s) titled:

NOW, THEREFORE, if said Principal is awarded the Contract by said Agency and within the time and in the manner required under the "Instructions to Bidders" bound with said Specifications, enters into a written Contract and furnishes the "Agreement" bound with said Specifications and furnishes the required bonds and verification of insurance, then this obligation shall be null and void, otherwise it shall remain in full force and effect. In the event a suit is brought upon this bond by said Owner and judgement is recovered, said Surety shall pay all costs incurred by said Owner in such suit, including a reasonable attorney's fee to be fixed by the Court.

SIGNED AND SEALED, this _____ day of _____, 20_____

Principal (print name)

By: _____
Signature

(Corporate Seal)

SECOND PAGE OF BID BOND

Bond Number _____

Bidding Schedule(s) titled:

Surety agent (print name)

By _____
Signature

(Surety Seal)

Surety address

**ATTACH POWER-OF-ATTORNEY AND NOTARIAL ACKNOWLEDGEMENT OF
SURETY BELOW**

SECTION 4 - TECHNICAL SPECIFICATIONS

TECHNICAL SPECIFICATIONS

Scope of Work

Objective

Restore the infiltration rate of the Brooks Basin from its current rate (less than 0.1 feet per day) to its historic rate of over 1 ft/day.

Description of Work

Please reference the attached photos of Brooks Basin, nearly empty of water, at the end of this document. The Brooks Basin has been used to capture and recharge storm water, local runoff, recycled water, and imported water since approximately 2005.

Periodic cleaning of accumulated silt, debris, and biomass along the basin sidewalls and basin floor is required to restore the infiltration rate of the basin. In 2015/16 the basin sidewalls were cleared of silt by blading the sidewalls with a tracked vehicle and pushing the silt into the bottom of the basin. The work described herein is to remove accumulated silt material along the basin side slopes, basin floor, and from between the berms (on the basin's floor) to restore the basin's infiltration rate (objective, above). For the purposes of this specification "silt material" includes clay, silt, debris, vegetation, organic material, sand, and gravel which has been deposited by captured floodwater, as well as wind-deposited material. The silt material will be "cut" or skimmed from the basin floor, the basin's side-slopes, as well as from the side-slopes of the internal berms. The term "cobble" includes any rocks and broken concrete pieces that are larger than 6-inches in diameter which are brought to the surface by silt removal activities. "Debris" includes any trash, wood, leaves, rubber, plastic, metal, etc. that is deemed unacceptable as fill material by the contractor.

The actual amount of silt and debris material to be removed from Brooks Basin is unknown. Some of the silt material will be used, on-site, to repair any damage to the internal perimeter road and to extend truck ramps. After the on-site earthwork material needs have been met, a limit of 12,000 cubic yards of the silt material (removed from the Basin) will be delivered to College Heights East Basin (nearby, owned by Chino Basin Water Conservation District). College Heights East Basin is located at 2300 W. Arrow Route, Upland, CA, 91786, approximately 3.5 miles north of Brooks Basin (reference map attached). All silt material removed from Brooks Basin in-excess of the capacity of the College Heights site, will become the property of the Contractor and shall be hauled off to an approved location of the Contractor's choice. The Contractor's bid should account for at least 3,000 cubic yards of contingency for the hauling, disposal, and/or re-use at a location of the contractor's choice. The estimated amount of silt and debris is not a guarantee and the actual amount may be more or less than the estimated total of 15,000 cubic yards.

As silt material is bladed down the side slopes or removed from the Basin floor, the contractor shall stockpile it (prior to loading) in an area, within the Basin, approved by the Project Manager. All stockpiled silt material shall be loaded and removed from the site prior to the Contractor's final payment. All silt material removed from the site shall be accounted for via the use of trucking tickets and further documented with digital photos showing the date and time (imprints) of each truck leaving the Basin.

The trucking tickets (+photos) shall be submitted to the Project Manager via email at the end of each day during which silt material is removed from the site. Alternately, the digital photographs may be provided on a CD or Flash Drive. The tickets themselves shall note: (1) the date, (2) time that each truck leaves the site carrying silt material, and (3) have the destination (College Heights Basin or "other") noted either on the hard copies or in the "body/subject line" of the email submittal. Failure to provide daily accounts of hauling activities completed may result in suspension of hauling activities until the specified documentation is provided.

The contractor must complete all tasks by October 1, 2018. The contractor must conduct all work contracted with the Agency simultaneously, unless otherwise agreed to in writing with the Agency Project Manager(s). Failure to meet the requirements of this scope may result in the termination of this and/or other contracts the Contractor has entered into with IEUA.

All work shall include mobilization and demobilization, permit and disposal fees, traffic control, de-watering, application of water for dust alleviation, and utilization of BMP's necessary to comply with various environmental and clean water act requirements.

All work shall be completed in accordance with this Specification and the Contract therefore.

THE GENERAL PROCEDURE FOR BROOKS BASIN INFILTRATION RESTORATION SHALL INCLUDE:

Task 1 – Mobilization and Demobilization

This task comprises the mobilization and demobilization of all personnel, equipment, and materials necessary to conduct the scope of work described herein. It shall specifically include the mobilization and demobilization of any dozers, skip loaders, mini excavators, trucks, or any other equipment needed for the earthwork required.

Anticipated Work Stages – The earthwork will start with the contractor addressing the silt material on the side-slopes (above the internal perimeter road) of the entire Basin. The silt material will either be "back-dragged" or pushed down to the internal perimeter road.

Anticipated Work Stages (continued)

If the perimeter road requires any repair, some of the gathered silt material will be used to repair the perimeter road. No native soil (coarse material, sand, or gravel) shall be used to repair the perimeter road. The repaired perimeter road will be improved to the extent that the contractor can easily move equipment and trucks from one end of the basin to the other. Any remaining silt material will be moved to the silt material stockpile (in preparation to hauling it out of the Brooks Basin to the College Heights Basin).

Following the completion of the improvements to the perimeter road, the Contractor will undertake the transport of silt material to the stockpile. The first material to be moved to the stockpile will be any remaining silt that was skimmed from the upper side-slopes. Second, as the water level subsides, silt material piles (from prior cleanings) may present. As much of the legacy material should be transported to the stockpile as is possible. When the Contractor and the Agency's Project Manager agree that the transport work is complete, the Contractor will be "released" to begin the work in the East Cell of the Basin.

Work in the East Cell will begin with the collection of silt material from the basin floor, the side-slopes below the perimeter road, and the side-slopes of the berms (previously constructed on the floor of the Basin). Contractor will take care and make every effort to blade or skim only the silt material from the sides (and tops) of the berms. The berms were carved from native soil, and the native soil in the Basin should be conserved. All of the collected silt material will be moved to a developing stockpile for volume (cubic yards) estimation. Once the volume of silt material has been estimated, hauling to the College Heights site can begin. The actual volume of silt material delivered to the College Heights site will be determined by summing the number of truckloads delivered, counted, photographed, and tallied daily.

Once all of the silt material has been removed from the East Cell, as approved by the Project Manager, the Contractor will be "released" to level the berms in the East Cell. The contractor will create a smooth basin floor with grading to the southwest corner.

Following completion of the earthwork in the East Cell, the focus of activity will be shifted to the Center Cell. Again, all of the silt material will be collected from the Center Cell side-slopes (below the perimeter road), from the sides (and tops) of the berms, and the Basin floor. The collected silt material will be made part of a silt material stockpile. Once the volume of the Center Cell stockpile has been estimated, hauling to College Height Basin will ensue. When the silt material from the Center Cell has been removed, the Contractor will be "released" to level the berms in the Center Cell.

At this point, the capacity limit at College Heights (12,000 cubic yards) may become a factor.

- If the estimated 12,000 cubic yard threshold, for allowed deliveries, has not been reached, then the contractor will be released to start work in the West Cell.

- If the 12,000 cubic yards threshold has been met, and the Chino Basin Water Conservation (CBWCD) Staff will accept additional silt material, then the Contractor will be released to start work in the West Cell; and proceed until the revised threshold has been met.
- If the 12,000 cubic yards threshold has been met, and CBWCD staff will not allow additional material to be transported to College Height Basin, then the Contractor will begin hauling excess silt material to an approved alternate site. The Project Manager may need to curtail West Cell services because of limited available budgeted funding; at which point the remaining stockpile(s) will be consolidated at a single location in the Basin and left on-site.

Task 2 – Side-Slope Restoration

This task comprises the removal of accumulated silt from the Basin's side walls, above the perimeter road, followed by track-walking the cleaned surface.

The side-slopes of the Basin shall be scraped of silt and debris down to the perimeter road. The thickness of silt layer will be variable/irregular and shall be field verified after the Basin has been dewatered. The amount of silt (thickness of the silt layer) material to be removed shall be sufficiently deep or shallow to just encounter non-silt (native soil) material and will be field verified by the IEUA Project Manager. The silt material accumulated from the side-slope cleaning may be used to improve the perimeter road or will be added to the volume of the silt material stockpile, produced during Task 4. A careful approach to the collection of silt material from the side-slopes may result in a track-walked surface, avoiding a second "trip" (and potential compaction) associated with a separate final track-walking step.

"Track-walking" is the term used to describe the treatment of the Basin's side-slopes that provides a scarified or broken up surface while minimizing the weight — and consequent compaction — applied to the surface. The purposes of track-walking are (1) to disturb the top 2-4 inches of the soil that, over time, may accumulate a calcified/sealed condition, (2) create a smoothed, yet textured surface that is both attractive and resistant to erosion, and (3) avoids compaction of the underlying native soil.

Task 3 – Perimeter Road and Access Ramp Restoration

Restoration of the perimeter road surface, to prepare it for the transport of silt material, may be needed. The Brooks Basin perimeter road (approximately 3,000 LF) is located approximately 10 feet above the Basin floor. The condition of the perimeter road may be improved, by the Contractor, by using the silt material skimmed from the side-slopes above the perimeter road. The contractor should anticipate the road being eroded or uneven at various locations. The contractor will rebuild, shape, and compact the internal perimeter road to a condition that will support safe travel for dump trucks and other heavy equipment needed to conduct the scope of this project.

Once the perimeter roadway has been improved, the remaining silt material will be transported to the silt material stockpile. The Contractor and the IEUA Project Manager will then agree that the Contractor can be released to begin the earthwork within the "East Cell" of the (three areas) Basin; the east cell, the center cell, and the west cell.

Task 4 – Basin Floor and Berm Cleaning

The Brooks Basin floor has been divided into three cells which may allow for sections to be separately isolated, pumped, and dried out for cleaning. Assistance from the contractor may be required to repair breached cell dividing berms to allow IEUA to isolate and perform dewatering/drying for the Basin's floor. Collecting the silt material is comprised of the removal of accumulated silt layer (and any debris) from the Basin floor and the berms. The amount of accumulated silt and debris on the basin floor is unknown. Previous basin cleaning activities did not include the removal of accumulated silt from the Basin floor. During the dewatering and drying out process of each cell, the contractor will remove any accumulated silt and debris by use of the perimeter road. Once each cell has dried enough for heavy equipment to drive on, the Contractor will drive into the Basin floor and remove the accumulated silt between the berms, as well as the silt deposited on the tops and side-slopes of the berms. The task of scraping the berms may require a variable pitch dozer blade or similar equipment. The silt material will be transported to the silt material stockpile.

Task 5 – Berm Knockdown and Leveling

After the silt material and any debris has been completely removed from each cell of the Basin, the contractor will be released (as approved by the IEUA Project Manager) to knock down and level the berms to make the entire Basin floor a single graded surface. Contractor will ensure that the Basin floor is "finished" with a smooth surface and a gradual slope to a low point at the southwest corner of the Basin, as approved by the IEUA Project Manager.

Project Location: Brooks Basin is located at 200 Silicon Ave, south of Holt Ave. in the City of Montclair.

Work During Nesting Season: The California Department of Fish and Wildlife has identified the bird nesting season to fall between March 15 and September 15 of each year.

As such, the work outlined in this contract will take place during the designated bird nesting season and special requirements must be adhered to if a nest and/or eggs are discovered within the Basin. If an active nest is discovered, the Contractor shall notify IEUA immediately. Basin work may commence but shall avoid the nest site with a buffer of at least 200 feet. Contractor will be responsible for returning to site and completing the Scope of Work within the Basin (associated with the designated nesting area) after September 15.

Bidder's Examination of Sites: Each bidder shall examine carefully the site for the proposed maintenance work. It will be assumed that the bidder has evaluated and is satisfied as to the conditions to be encountered, and as to the character, quality, areas, and quantity of materials to be furnished, placed, graded, filled, rip rapped, shaped, excavated, compacted, and smoothed, and as to the requirements of the contract, this Scope of Work, that are a part hereof.

Insurance: The Contractor shall not commence work under this Specification and the contract until he has secured all insurance required hereunder, nor shall he allow any sub-contractors to commence work on his subcontract until all similar insurance required of the sub-contractors have been obtained. All insurance issued in compliance with this section shall be issued in the form and by an insurer or insurers, satisfactory to and first approved by the Agency in writing. Certificates of insurance in the amounts required shall be furnished by the Contractor to the Agency prior to the commencement of work. Further, not only will the Contractor's insurance "name" the Agency as an "additional insured," it will also "name" Chino Basin Water Conservation District (CBWCD) as additionally insured. The Contractor shall also hold harmless CBWCD from any and all claims, loss or damage, including, without limiting the generality of foregoing, legal fees and disbursements made or incurred by the Contractor to enforce the provisions of this paragraph, occasioned wholly or in part by any negligent act or omissions of the Contractor or that of anyone directly or indirectly employed by the Contractor, or performing the work of the Contractor under the direction of the contract or anyone for whose acts any of them may liable in carrying out the provisions of the general contract.

Workmanship: All work performed under this Specification shall be subject to inspection by the Agency. The Contractor shall be held strictly to the true intent of this "Specification" in regard to the quality of workmanship and diligent execution of the contract. Areas where the work is determined to be unsatisfactory, to the Agency, will be re-ripped, re-graded, and smoothed again; without additional compensation. The entire cost for re-working shall be borne by the Contractor.

Permits and Licenses: Unless otherwise specified, the Contractor and his sub-contractors shall procure all permits and licenses prior to the start of work, including business licenses to do business in the municipalities and counties where the work is to be performed. The Contractor shall acquire any permits required by the Cities to haul silt and debris material to disposal sites. The Contractor shall also pay all charges and fees and give all notices necessary and incident to the due and lawful prosecution of the work. No additional permits are required from this entity.

Contractor Registration Requirements: 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)].

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.

This project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

Contractors can go to: <http://www.dir.ca.gov/DAS/DASForm140.pdf> to obtain a DAS-140 form.

Contractors can go to: <http://www.dir.ca.gov/das/DASForm142.pdf> to obtain a DAS142 form.

Construction and Equipment Protection, Diversion, and Control of Water: It shall be the responsibility of the Contractor to protect the work areas against the intrusion of water, including urban runoff, groundwater, mud, and other deleterious matter. It is anticipated that urban runoff will be encountered at various times and locations during the work. Such waters may interfere with Contractor's operations and may cause damage thereto if not properly controlled by the Contractor and the Contractor acknowledges that his Proposals were prepared accordingly.

The Contractor, by submitting a proposal, assumes all of said risk. Further, in order to minimize the potential for damage to equipment, the Contractor is directed to refrain from either storing equipment or leaving it idle for extended periods on the floor of the Basin. The Agency assumes no liability whatsoever to Contractor for damage to his equipment for any reason, including but not limited to, damage due to storm water, urban run-off, and vandalism.

Traffic Control: The costs for the work to be performed and completed by the Contractor shall include the costs associated with furnishing Traffic Control, including but not limited to preparing and planning, securing permits, and furnishing labor, materials, tools, equipment, and incidentals related thereto, and for doing all work to provide, maintain, and remove a traffic control system as shown in the Manual of Traffic Controls for Construction and Maintenance Work Zones.

Dust Control: This work shall consist of applying water for the alleviation or prevention of dust nuisance. The Contractor shall make his own arrangements for water to be used on this maintenance project.

Contractor Operations: If the Contractor stops work for any period of time greater than two (2) working days for any reason other than inclement weather (Severe Rain Storms) or federal holiday, he must notify the Agency immediately and the areas of the Basin affected by the work stoppage will be cleaned, finished, graded smooth, and free from irregular grade changes unless approved by the Agency. The Contractor shall notify the Agency when he restarts the work.

Maintenance of Existing Works: The Contractor shall exercise due care to protect Existing Basin structures and other works from the effects of unwanted water and intentional and/or errant equipment operations. The Contractor shall be responsible for maintenance of all Basin improvements and Habitat during the life of this project. Such maintenance shall include, but not be limited to, dust control, repairs to existing structures, and maintenance of access roads and levees, and the replacement of fence and pipe sections that may be damaged by the Contractor. Before final acceptance of the work, all access roads utilized by Contractor during the prosecution of work under this maintenance project shall be cleaned, graded, and left in a good working condition.

Basin Dewatering: Much of the work to be performed is located within the bottom of an existing storm water detention Basin. The majority of standing water in the basin will be dewatered by Agency staff however the Contractor may encounter soggy soils and/or trapped groundwater. The Contractor is advised to make his own determination relative to the ability of the floor material to support equipment loading before entering the Basin. Basin dewatering may be by mechanical means, such as but not limited to pumping, or by structural means, such as but not limited to, earthen berms or other type of protective devices, or a combination of both.

It will be the responsibility of the Contractor to determine the pump size, number of pumps and the duration of pumping necessary to remove and keep water from the work areas for a period long enough to provide for the proper performance of the work.

Typical Contract Provisions: Among its other requirements the Agency's Typical Contract for the performance of Construction type work of the nature and scope contained in this "Request for Proposal" contains provisions pertaining to "Insurance types (General Liability, Automobile, Worker's Compensation, & Employers Liability) and minimum amounts, deductibles, verification, and various other insurance provisions." Additionally, and notwithstanding its other unnamed provisions, the Typical Contract also contains provisions pertaining to "Legal Relations & Responsibilities (Ca Labor Code Sections 1810 to 1817, Liens, Indemnification, Conflict of Interest, Equal Opportunity, Dispute Resolution (Arbitration), Prevailing Wages, Worker's Legal Status, Fitness for Duty, Governing Law, and Liquidated Damages." All Contractors intending to submit proposals to perform the

work described under this Specification shall fully inform themselves of the provisions of the Agency's Typical Contract for the performance of Maintenance type work before making their proposals so that there will be no delays in executing a contract for such work. All questions about insurance requirements should be directed to Warren Green, Manager of Contracts and Facilities Services, 909-993-1709.

Measurement for Payment: The quantity of silt material removed and disposed of, by the Contractor, shall be measured on the basis of "truck loads" (dual trailers at 14 cubic-yards combined capacity and/or 10 cubic-yard truck loads) as they leave the Basin site. The Contractor shall provide the personnel and equipment necessary to tabulate and confirm the number and types of truck loads.

Waiver/Release of Liability: Prior to beginning work on this Maintenance Project, the Contractor will be required to execute the Agency's "Waiver/Release of Liability" form that identifies the dangers and risks associated with the storage of materials and equipment at the Agency's facilities and which places the responsibility therefore solely upon the Contractor.

In the interest of saving time, it is requested, but not required, that the Contractor submit an executed "Waiver/Release of Liability" form along with his Proposal.

Award and Execution of Contract: The contract, if awarded, will be awarded to a responsible Contractor whose proposal complies with the requirements of this Specification. Within 5 calendar days of notice (either written or verbal) from the Agency Representative, the Contractor shall execute an Agreement with the Agency. It is intended that the work of this maintenance project will commence and be completed during August 2018.

Agency's Rights Reserved: The Agency reserves the right to accept the Proposal that it determines to be in the best interests of the Agency and to reject any or all Proposals should it determine that to proceed is not in its best interests. Further, the Agency reserves the right to reject any or all proposals, to waive any irregularity in a proposal and to make awards as the interests of the Agency may require.

Form for Contractor's Proposal: Offerors shall fully complete the "Contractor's Proposal Form" and return it within the specified window of time. All proposed fees will be stated as NET-PRICE, whereas the NET-PRICE shall represent the total and final cost to the Inland Empire Utilities Agency for the contracted and fully executed work. The NET-PRICE shall include all proposed costs associated with all materials, labor, equipment, transportation, overhead, profit, insurance, taxes, fees, incidental and any/all other related costs necessary to supply the services required. The proposal shall be provided in the form that follows, with all exceptions and clarifications pertaining to the proposal clearly stated.

SECTION 5 – SAMPLE CONTRACT

Typical Contract Provisions: Among it's other requirements, the Agency's Typical Contract for the performance of the residential inspection, evaluation, and potential installation work of the nature and scope within this "Request for Proposal" contains provisions pertaining to: "Insurance types (General Liability, Automobile, Worker's Compensation, & Employers Liability) and minimum amounts, deductibles, verification, and various other insurance provisions."

Additionally, and notwithstanding it's other unnamed provisions, the Typical Contract also contains provisions pertaining to "Legal Relations & Responsibilities (CA Labor Code Sections 1810 to 1817, Liens, Indemnification, Conflict of Interest, Equal Opportunity, Dispute Resolution (Arbitration), Prevailing Wages, Worker's Legal Status, Fitness for Duty, Governing Law, and Liquidated Damages."

All Contractors intending to submit proposals to perform the work described under this Request for Proposal specification shall fully inform themselves of the provisions of the Agency's Typical Contract for the performance of such inspection and maintenance services work before making their proposals; so that there will be no delays in executing an awarded contract for such work. All questions about insurance requirements should be directed to Warren Green, Manager of Contracts and Facilities Services, 909-993-1709.

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Inland Empire Utilities Agency
A MUNICIPAL WATER DISTRICT

CONTRACT NUMBER: 460000XXXX
FOR
PROJECT DESCRIPTION/TITLE

THIS CONTRACT (the "Contract"), is made and entered into this ____ day of _____, xxxx, by and between the Inland Empire Utilities Agency, a Municipal Water District, organized and existing in the County of San Bernardino under and by virtue of the laws of the State of California (hereinafter referred to as "Agency"), and (NAME), Inc. of (CITY), California (hereinafter referred to as "Contractor") for contractor's services related to

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: _____
Inland Empire Utilities Agency
Address: 6075 Kimball Avenue, Bldg. ()
Chino, California 91708
Telephone: (909) 993-_____
Facsimile: (909) 993-198_____
Email: _____

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

Contractor:
Address:
Telephone:
Facsimile:
Email:

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 460000XXXX.
 - B. Contract Number 460000XXXX General Terms and Conditions.
 - C. Agency's Request for Proposal (RFP) () dated ().
 - D. Contractor's Proposal dated ().
4. SCOPE OF WORK AND SERVICES: Contractor services shall be in accordance with Contractor's proposal dated (), which is attached hereto as Exhibit A, incorporated herein and made a part hereof. (List of task can be added herein).

DELIVERABLE:

Contractor shall deliver to the Agency's Project Manager..... by (DATE).

5. TERM: The term of this Contract shall extend from the date of the Notice to Proceed, and terminate on (DATE), unless agreed to by both parties, reduced to writing, and amended to this Contract.
6. COMPENSATION: Agency shall pay Contractor's properly executed invoice approved by the Project Manager within thirty (30) days following receipt of the invoice. Payment will be withheld for any service which does not meet or exceed Agency requirements or have proven unacceptable until such service is revised, the invoice resubmitted, and accepted by the Project Manager. Invoices shall include **Contract Number** ().

Mail one original invoice to the Agency's Accounts Payable Department, with a copy to the Project Manager. To expedite payment, invoices may be sent electronically to IEUA's Accounts Payable at agroup@ieua.org. with a copy to the Project Manager.

Agency may at any time make changes to the Work including additions, reductions, and changes to any or all of the Work, as directed in writing by the Agency. Such changes shall be made by an Amendment to the Contract. The NOT-TO-EXCEED Amount and Work Schedule shall be equitably adjusted, if required, to account for such changes and shall be set forth in the Amendment. In compensation for the work completed under this contract, Contractor shall be paid a maximum NTE amount of (\$) for all services and expenses.

7. 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.

8. FITNESS FOR DUTY:

A. Fitness: Contractor 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. Inspection: Searches by Agency authorized personnel may be made of lockers, storage areas, vehicles, persons or personal effects on Agency-owned, or leased property at various times without prior announcement. Such facility inspections may be conducted using detection dog teams to search work areas and other common areas in order to detect evidence of unlawful drug use or the presence of pyrotechnics, explosives, firearms, weapons, or facsimiles thereof, alcoholic beverages and illegal drugs ("Prohibited Items"). Prohibited Items must not be brought onto, or kept on, Agency property.

C. 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.

9. 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 Authority. At the option of the Authority, either: the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the Authority, 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 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 Authority, 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 furnished 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 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 Authority, its officer, officials, employees and volunteers. Any insurance or self-insurance maintained by the Authority, its officers, officials, employees, volunteers, property owners or engineers under contract with the Authority 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 Authority, 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 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

Contractor hereby grants to Authority a waiver of any right to subrogation which any insurer of said Contractor may acquire against the Authority 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 Authority 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 Authority pursuant to Section 14 of this Contract.

- D. Acceptability of Insurers: With the exception of Professional Liability Insurance, all insurance is to be placed with insurers with a Best's rating of no less than A:VII, and who are admitted insurers in the State of California. Professional Liability Insurance is to be placed with insurers with a Best's rating of no less than B:VII, and who are admitted insurers in the State of California.
- E. Verification of Coverage: Contractor shall furnish the Agency with certificates of insurance and with original endorsements effecting coverage required by the Agency for themselves and all sub-Contractors, working on the project, prior to commencing work or allowing any sub-Contractor to commence work under any sub-contract. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements are to be approved by the Agency before work commences. The Agency reserves the right to require complete, certified copies of all required insurance policies, at any time.
- F. Submittal of Certificates: Contractor shall submit all required certificates and endorsements to the following:

Inland Empire Utilities Agency
Attn: Angela Witte
P.O. Box 9020
Chino Hills, California 91709

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 rendering the services described herein, and is not an employee of the Agency.
- C. Observing Laws and Ordinances: Consistent with the standard of skill and care set forth in 10.A, Professional Responsibility, the Contractor shall keep itself fully informed of all relevant existing state and federal laws and all relevant county and city ordinances and regulations which pertain to structural engineering 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 laws, ordinances, regulations, orders and decrees, including prevailing wage and shall to the extent of Contractor's negligence, indemnify, but not defend, as required herein, the Agency, its officers, employees against any liability for damages to the extent caused by the violation of any such law, ordinance, regulation, order or decree, whether by the Contractor 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. Grant/Loan Funded Projects: This is a not a grant funded project. For grant/loan-funded projects, the Contractor shall be responsible to comply with all grant requirements related to the Project. These may include, but shall not be limited to: Davis-Bacon Act, Endangered Species Act, Executive Order 11246 (Affirmative Action Requirements), Equal Opportunity, Disadvantaged Business Enterprise (DBE) Requirements, Competitive Solicitation, Record Retention and Public Access to Records, and Labor Compliance and Compliance Review.
- F. Conflict of Interest: No official of the Agency who is authorized in such capacity and on behalf of the Agency to negotiate, make, accept or approve, or to take part in negotiating, making, accepting or approving this Contract, or any subcontract relating to services or tasks to be performed pursuant to this Contract, shall become directly or indirectly personally interested in this Contract.
- G. Equal Opportunity and Unlawful Discrimination: During the performance of this Contract, the 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. To accomplish these goals the Agency has established procedures regarding the implementation and enforcement of the Agency's Harassment Prohibition and Equal Employment Opportunity commitments. Please refer to Agency Policies A-29 (Equal Employment Opportunity) and A-30 Harassment Prohibition for detailed information or contact the Agency's Human Resources Administrator. A copy of either of these Policies can be obtained by contacting the Project Manager for your respective Contract. Please advise any of your staff that believes they might have been harassed or discriminated against while on Agency property, to report said possible incident to either the Project Manager, or the Agency's Human Resources Administrator. Please be assured that any possible infraction will be thoroughly investigated by the Agency.
- H. Non-Conforming Work: Consistent with the standard of skill and care set forth in Section 10.A, Professional Responsibility, Contractor represents that the Work and Documentation shall be adequate to serve the purposes described in the Contract. 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, Contractor shall notify the Project Manager, in writing, detailing the dispute and reason for Contractor's position. Any dispute that cannot be resolved between the Project Manager and the Contractor shall be resolved in accordance with the Dispute Section of this Contract.

I. Disputes:

1. All disputes arising out of or in relation to this Contract shall be determined in accordance with this section. The 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.
11. INDEMNIFICATION: Contractor shall indemnify the Agency, its directors, employees and assigns, and shall hold them harmless from all liabilities, demands, actions, claims, losses and expenses, including reasonable attorneys' fees, which arise out of or are actually caused by the negligence, recklessness or willful misconduct of the Contractor, its directors, employees, agents and assigns, in the performance of work under this contract.
12. OWNERSHIP OF MATERIALS AND DOCUMENTS/CONFIDENTIALITY: The Agency retains ownership of any and all partial or complete reports, drawings, plans, notes, computations, lists, and/or other materials, documents, information, or data prepared by the 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.

Said materials and documents shall not be changed or used for purposes other than those set forth in the Contract without the prior written approval of Contractor. If Agency reuses the materials and documents without Contractor's prior written consent, changes or uses the materials and documents other than as intended hereunder, Agency shall do so at its sole risk and discretion, and Contractor shall not be liable for any claims and/or damages resulting from use or connected with the release of or any third party's use of the reused materials or documents.

13. TITLE AND RISK OF LOSS:

- A. Documentation: Title to the Documentation shall pass, subject to payment therefore, to 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 Agency or for the performance of Work related to the project.
- B. Material: Title to all Material, field or research equipment, subject to payment therefore, 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. 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 Agency has title as directed in writing by the Agreement Administrator and/or Agency.

14. PROPRIETARY RIGHTS:

- A. Rights and Ownership: Agency's rights to inventions, discoveries, trade secrets, patents, copyrights, and other intellectual property, including the Information and Documentation, and revisions thereto (hereinafter collectively referred to as "Proprietary Rights"), used or developed by 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 Documentation, or are necessary for Agency to have complete enjoyment of the Work or Documentation, Contractor 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, Contractor 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.

4. Notwithstanding anything to the contrary herein, Contractor's Work and Documentation shall not be changed or used for purposes other than those set forth in the Contract, without the prior written approval of the Contractor. If the Agency reuses the Work or Documentation without Contractor's prior written consent, changes or uses the Work or Documentation other than as intended hereunder, Agency shall do so at its sole risk and discretion, and Contractor shall not be liable for any claims and or damages resulting from use or connected with the release of or any third party's use of the reused materials or documents.

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

15. INFRINGEMENT: Contractor 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.

Contractor 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 to the extent of Contractor's negligence for any claim that use of the Work or Documentation infringes upon any trade secret, trade mark, trade name, copyright, patent, or other Proprietary Rights.

Contractor 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
6075 Kimball Avenue, Building A
Chino, California 91708

Contractor: Name
Title
Company
Address

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

17. SUCCESSORS AND ASSIGNS: All of the terms, conditions and provisions of this Contract shall inure to the benefit of and be binding upon the Agency, the 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.
18. PUBLIC RECORDS POLICY: Information made available to the Agency may be subject to the California Public Records Act (Government Code Section 6250 et seq.) The Agency's use and disclosure of its records are governed by this Act. The Agency shall use its best efforts to notify 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.
19. RIGHT TO AUDIT: The Agency reserves the right to review and/or audit all Contractors' 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. 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.
21. GOVERNING LAW: This Contract is to be governed by and constructed in accordance with the laws of the State of California.
22. TERMINATION FOR CONVENIENCE: The Agency reserves and has the right to immediately suspend, cancel or terminate this Contract at any time upon written notice to the 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.
23. 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 a 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 with the Contract Amendment.

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 Contractor.

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)

Company Name:

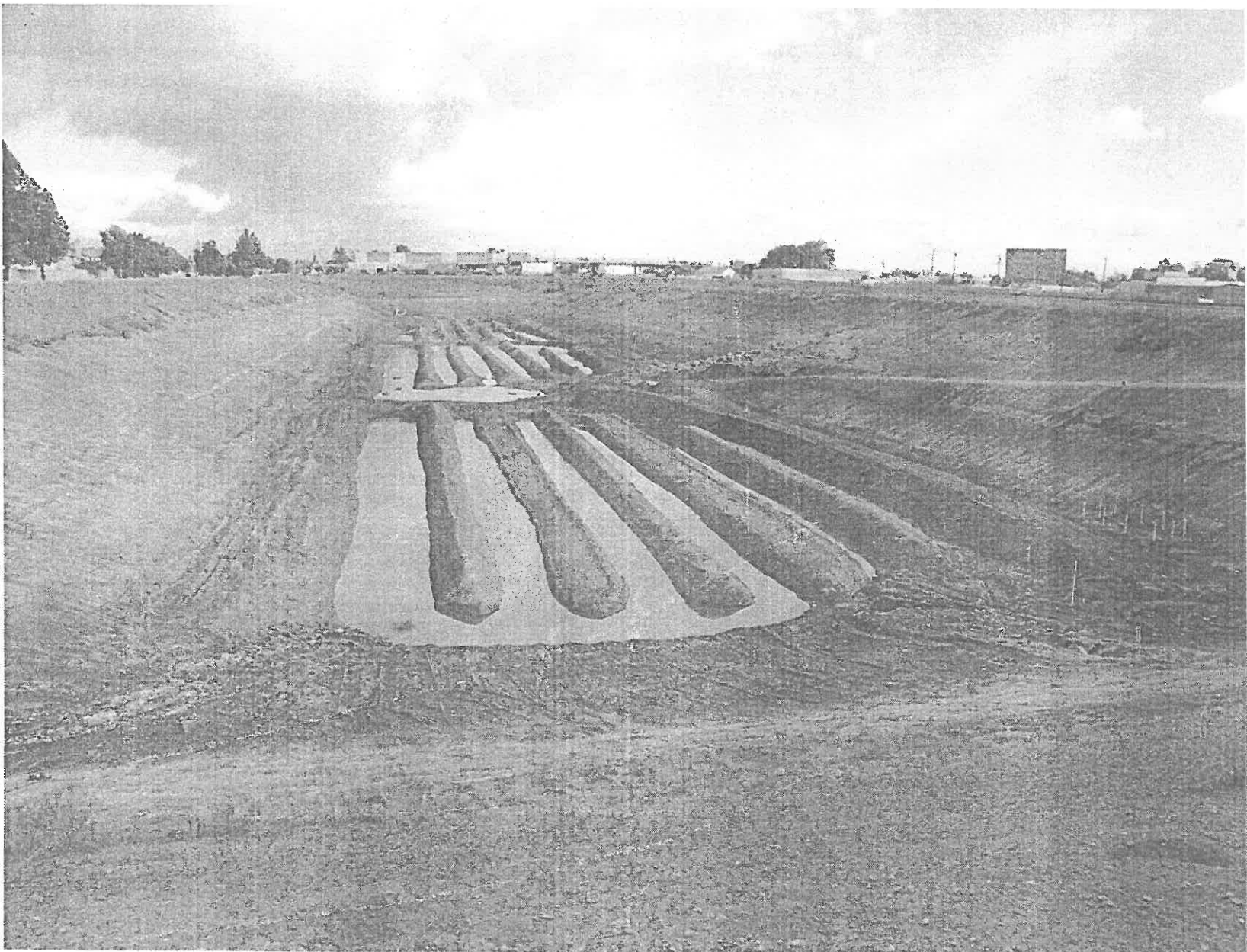
P. Joseph Grindstaff (Date)
General Manager

Signatory Name (Date)
Signatory Title

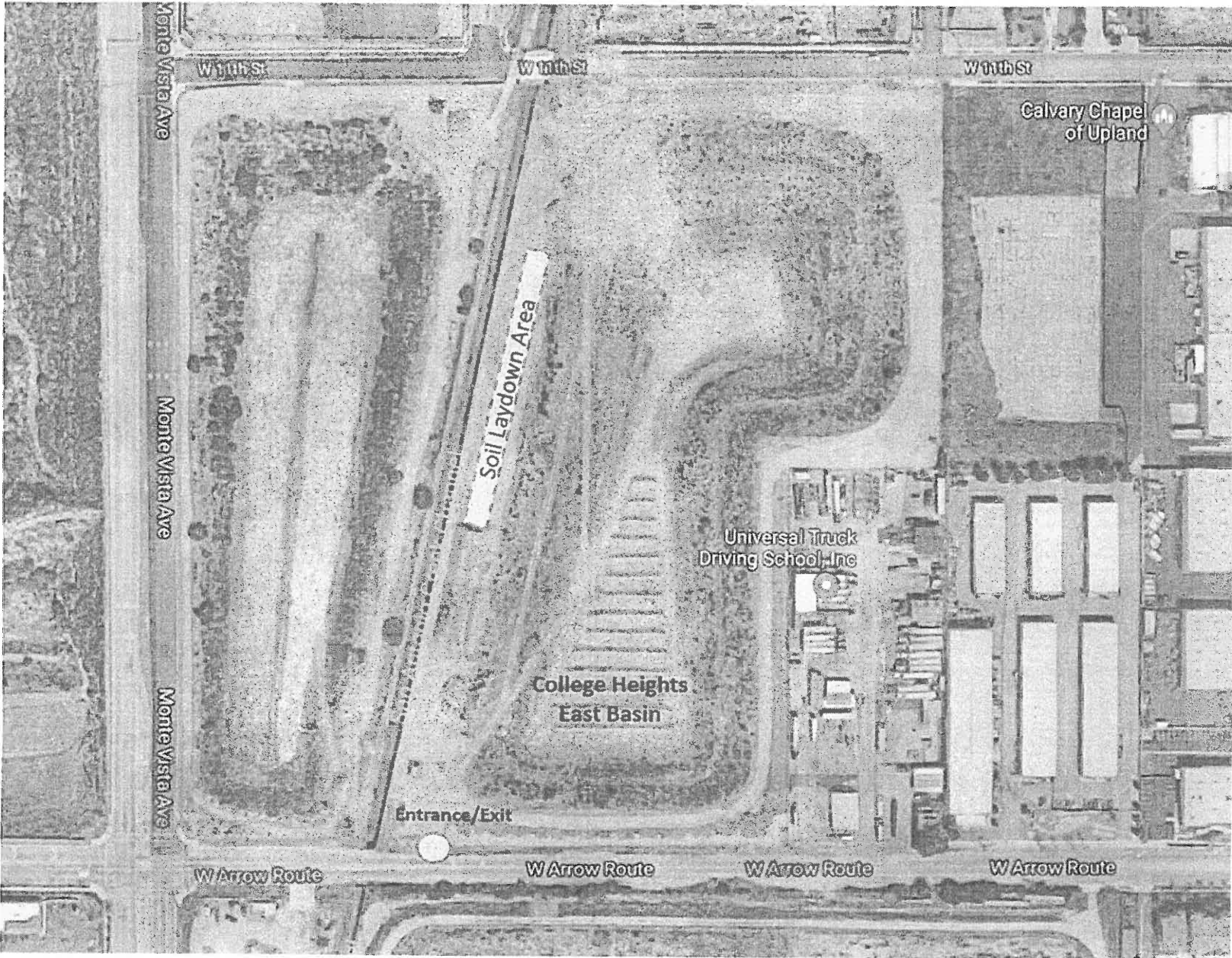
ATTACHMENT A



Brooks Basin Nearly Empty



Map of College Heights Basin East





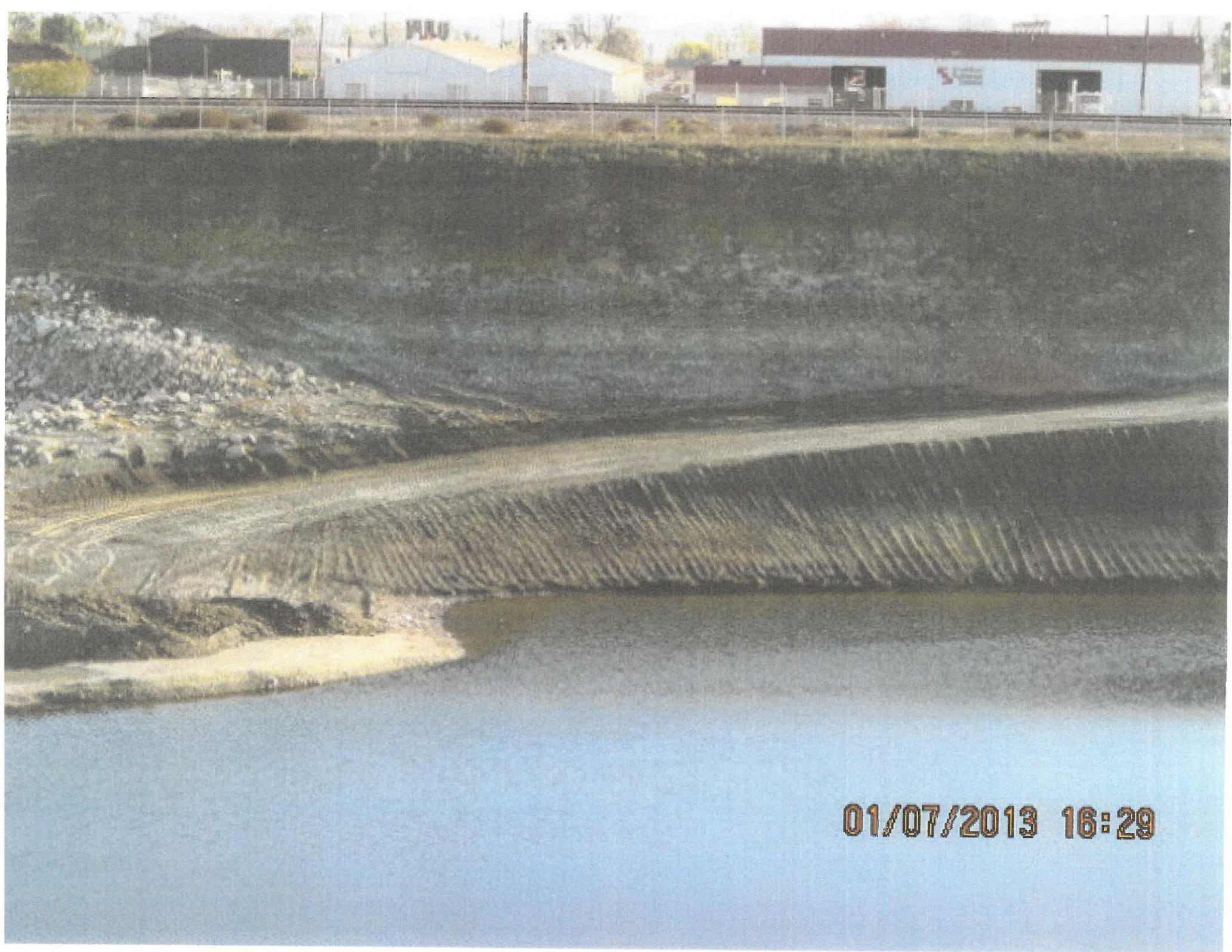
01/07/2013 07:44



01/03/2013 11:29



01/03/2013 12:06



01/07/2013 16:29

Exhibit B

JCE
EQUIPMENT, INC.
License # 879069

2064 Rita Court • Upland, CA 91784
Office: (909) 957-8812 • Cell: (909) 921-6367
Fax: (909) 266-0649 • jceequip@gmail.com

August 6, 2018

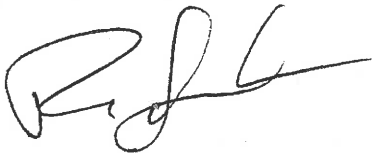
JCE EQUIPMENT, INC

RFP-HD-18-012 REVISED

EARTHWORK SERVICES AT BROOKS BASIN

ATTN: HARLAN DELZER

Amount of Proposal \$246,920.00



Roger Hauptman
JCE Equipment, Inc.

SECTION 3 - FORMS

SUMMARY FEE SCHEDULE "A"

Each Offeror shall attach their fully completed fee schedule, identifying and including all skill level classifications, as well as any associated administrative (office) fees, if any. All proposed prices shall be stated in terms of a net price to the Agency.

A. **FEE INCLUSION STATEMENT:** Offerors shall fully complete this Summary Fee Schedule "A" and return it with their submitted proposal. All proposed prices shall include all labor, equipment, materials, transportation, overhead, travel, profit, insurance, sales and other taxes, licenses, incidentals, and all other related costs necessary to meet the work requirements. All proposed fees will be stated as a NET-PRICE, whereas the NET-PRICE shall represent the total and final cost, to the Agency, for providing the services listed. At any time, IEUA may require that these cost components be further broken out, itemized, and disclosed.

B. **PROPOSED FEE FOR CONTRACTOR'S SERVICES:**

Task 1: Mobilization and Demobilization

Proposed Task 1 Cost in Lump-Sum Amount: \$7,500.00

Task 2: Side-Slope Restoration:

Proposed Task 2 Cost, in Lump-Sum Amount: \$7,500.00

Task 3: Perimeter Road and Access Ramp Restoration

Proposed Task 3 Cost in Lump-Sum Amount: \$2,500.00

Task 4: Basin Floor and Berm Cleaning

Proposed Task 4 Cost, in Lump-Sum Amount, for collection of silt material and the transport of the initial 12,000 cubic yards, that will be delivered to College Heights.

Proposed Task 4 Cost, in Lump-Sum Amount: \$210,920.00

Secondary Bid Item: In the event that the volume of silt materials to be loaded, hauled, and disposed of from within the Brooks Basin is more (or less) than the initially estimated 12,000 cyds, the debit or credit for the difference: \$10.70 /cubic yard.

If the volume of silt material to be hauled to an alternate, Contractor-provided, site is a volume (up to) 3,000 cubic yards, then the lump sum price to load, haul, and dispose of the 3,000 cyds, at the alternate, Contractor-provided, site, shall be:

Proposed Alternate Site Lump Sum Amount: \$40,500.00

In the event that the volume of silt material taken the alternate, Contractor-provided, site is more (or less) than the estimated 3,000 cubic yards, hauled to the alternate, contractor-provided, site; then the debit or credit for the difference: \$12.70 /cyd.

SUMMARY FEE SCHEDULE "A" (Continued)

Task 5: Windrow Knockdown and Leveling

Proposed Task 5 Cost in Lump-Sum Amount: \$18,500.00

TOTAL PROPOSED CONTRACT COST: \$246,920.00


C. Each Offeror shall indicate the availability and the magnitude of any discount related to expedited payment of any or all invoices.

Expedited Payment Discount, if any (to be considered as part of this proposal):

- 1. i.e., if Net 20 days, then 0 % discount
- 2. i.e., if Net 15 days, then 0 % discount
- 3. i.e., if Net 15 days, then 0 % discount

Warrants: On behalf of the afore identified "Contractor" company, the undersigned warrants that the Company has the equipment and manpower necessary to successfully complete the described work within the time frame specified within the "Request for Proposal" and that the Company will be ready and able to begin working under such contract within 5 days of receiving notice, either written or verbal. The Agency reserves the right to accept the Proposal that it determines to be in the best interests of the Agency and to reject any or all Proposals should it determine that to proceed is not in it's best interests.

D. **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 SUPPLY SERVICES AS SPECIFIED IN STRICT ACCORDANCE WITH THE REQUEST FOR PROPOSAL SPECIFICATIONS.


 Signature
Roger Hauptman
 Printed Name
President
 Title

ICE Equipment
 Printed Company Name
8-6-18
 Date

OFFEROR IDENTIFICATION

#3-KM

1. Legal Name of Offeror: JCE Equipment Inc.
2. Street Address: 2064 Rita Court Upland CA 91784
3. Mailing Address: 2064 Rita Court Upland CA 91784
4. Business Telephone: 909 921 6367
5. Facsimile Telephone: 909 266 0649
6. Offeror's e-mail address: jceequip@gmail.com
7. Type of Business:
 Sole Proprietor Partnership Corporation
Other: _____
- If corporation, indicate State where incorporated: CA
8. Business License number issued by the City where the Offeror's principal place of business is located.
Number: 00919688 Issuing City: Upland
9. Federal Tax Identification Number: 26-0560229
10. California Contractor's (License) Number: 879069
11. California DIR (Registration) Number: 1000020869
12. Offeror's (Project Manager) Contact: Roger Hauptman
13. Offeror's PM Contact Telephone Number: 909 921 6367
14. Offeror's PM E-mail contact information: jceequip@gmail.com

REFERENCES

Provide at least three (3) references for the "Project" for which you would like to be considered, where you or your firm provided similar services within the last five (5) years. (Please copy this form as many times as needed.)

<u>COMPANY</u>	<u>CONTACT PERSON</u>	<u>CITY</u>	<u>PHONE NUMBER</u>

TYPE OF SERVICES PROVIDED (Note: Please attach a "typical" invoice, for the services provided.)

Selective Construction	Mark Hernandez		909 841 2866
Erickson Hall	Rick Osgood		760 445 3075
Ocean State	Rick Cardella		213 700 1985
IEUA	Harlan Delzer		909 993 1707

SUBCONTRACTOR(S)

List any sub-Contractors who performed services, on your firm's behalf, at the referenced project described above.

<u>COMPANY</u>	<u>CONTACT PERSON</u>	<u>CITY</u>	<u>PHONE NUMBER</u>
N/A			

DIR Registration Number (if applicable):

Business License Number:

City:

Insurer:

Brief description of their services:

#5-RH

SELECTIVE CONSTRUCTION INC.

19486 Kendall Dr.
Devore CA.92407
PH 909 841-2866 FAX 909 899-8601

Sample Invoice

Invoice

Date	Invoice #
7/12/2017	1580

Bill To
ICE EQUIPMENT 2064 RITA CT. UPLAND, CA 91784

Pay #	Terms
	Net 30

Work Date	Description	Freight Bill #	Trk #	Qty	Rate	Amount
7/1/2014	YOUNGWOOD	111909		6	85.00	510.00
7/1/2017	YOUNGWOOD	1345487		5.5	85.00	467.50
7/1/2017	YOUNGWOOD	541583		5	85.00	425.00
7/1/2017	YOUNGWOOD	541118		5	85.00	425.00
7/1/2017	YOUNGWOOD	1345326		5	85.00	425.00
7/1/2017	YOUNGWOOD	541679		5.5	85.00	467.50
7/1/2017	YOUNGWOOD	541033		5.5	85.00	467.50
7/5/2017	YOUNGWOOD	677242		6	85.00	510.00
7/5/2017	YOUNGWOOD	679811		8.3	85.00	705.50
7/5/2017	YOUNGWOOD	680235		13.5	85.00	1,147.50
7/5/2017	YOUNGWOOD	678251		9	85.00	765.00
7/5/2017	YOUNGWOOD	706817		9	85.00	765.00
						7,080.50
						5.00%
						354.03
Total						\$7,434.53
Payments/Credits						\$0.00
Balance Due						\$7,434.53

Sample Invoice

SUBCONTRACTORS APPLICATION FOR PAYMENT

SUBCONTRACTOR NAME: JCE Equipment, Inc
 ADDRESS: 2064 Rita Court Upland CA 91784
 PHONE: 909-9578812 FAX: 909-966-0649
 PROJECT NAME: La Serna High School Athletic field 15301 Youngwood Dr. Whittier CA 90605
 PAYMENT REQUEST NO. 2 CONTRACT/P.O. NO. 3716-12
 PERIOD FROM 7/1/17 TO 7/31/17

STATEMENT OF CONTRACT BILLING:

1. Original Contract Amount	\$	<u>977,500.⁰⁰</u>
2. Approved/Completed Change Orders No. <u>02</u> to _____	\$	<u>2100.⁰⁰</u>
3. Adjusted Contract Amount (Add 1+2)	\$	<u>998,500.⁰⁰</u>
4. Value of Contract Work Completed to Date @ <u>58%</u>	\$	<u>571,405.⁰⁰</u>
5. Value of Change Orders # <u>02</u> to _____ Completed	\$	<u>2100.⁰⁰</u>
6. Total Current Value of Work Completed to Date (Add 4+5)	\$	<u>591,405.⁰⁰</u>
7. Less Amount Retained (<u>10%</u>)	\$	<u>59,140.5</u>
8. Total Less Retainage (6 minus 7)	\$	<u>532,265.⁰⁰</u>
9. Less Previous Paid	\$	<u>0</u>
10. Amount Due This Request (8 minus 9)	\$	<u>532,265.⁰⁰</u>

CERTIFICATE OF THE SUBCONTRACTOR:

I hereby certify that the work performed and the materials supplied to-date, as shown above represent the actual value of accomplishment under the terms of the Contract (and all authorized changes thereto) between the undersigned and relating to the above referenced project.

JCE EQUIPMENT, INC
 Subcontractor
 By [Signature]
 (Authorized Signature)
 Title President
 Date 7/25/17

COMPANY INVOICE MAY BE ATTACHED, HOWEVER, PAYMENT WILL BE MADE FROM THIS FORM.

PLEASE ATTACH ANY SUPPLIER LIEN RELEASES RECEIVED and MAIL TO:

ERICKSON-HALL CONSTRUCTION CO.
 500 Corporate Drive
 Escondido, CA 92029
 (760)796-7700

#7-RH

JCE
EQUIPMENT, INC.
License # 879069

2064 Rita Court • Upland, CA 91784
Office: (909) 957-8812 • Cell: (909) 921-6367
Fax: (909) 266-0649 • jceequip@gmail.com

Ocean State Development, Inc.
3034 West Main Street
Alhambra, CA 91801

*Sample
INVOICE*

INVOICE #699

12/28/17

**La Habra High School
Auditorium**

TOTAL

OX and Grade pad

\$25,000.00

TOTAL DUE THIS INVOICE

\$25,000.00

THANK YOU

#8-RH

JCE
EQUIPMENT, INC.
License # 879069

2064 Rita Court • Upland, CA 91784
Office: (909) 957-8812 • Cell: (909) 921-6367
Fax: (909) 266-0649 • jceequip@gmail.com

Inland Empire Utilities Agency
6075 Kimbal Ave. Building B
Chino, CA 91708

Sample Invoice

INVOICE #577

12/29/15

Contract #4600002010
PO#4500023875

Brooks Basin

		TOTAL
1. Mobilization-Dozer, Skip loader, Mini Excavator	\$2000 LS	\$2,000.00
2. Push silt material into bottom of basin Track walk slopes to high water line	\$12,900 LS	\$12,900.00
3. Stock pile and haul 8.5 loads using bottom dumps at 14 yards per truck load which equate to over 100 square yards	\$1,525 Per Load	\$15,250.00

TOTAL DUE THIS INVOICE **\$30,150.00**

THANK YOU

WORKERS' COMPENSATION CERTIFICATE

The Offeror shall execute the following form as required by the 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 firm, I will comply with such provisions before commencing the performance of the services of any contract entered into.


Signature

JCE Equipment
Company Name

Roger Hauptman
Printed Name

879069
Business License Number

President
Title

8-6-18
Date

(This space intentionally left blank.)

NON-COLLUSION AFFIDAVIT

State of California)
) ss.

County of San Bernadino)

Roger Hauptman, being first duly sworn, deposes, and says that he or she is

President (title), of JCE Equipment Inc. ("Offeror") 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 Offeror has not directly, or indirectly, solicited any other Offeror to put in a false or sham proposal, and has not directly or indirectly colluded, conspired, connived, or agreed with any other Offeror or anyone else to put in a sham proposal, or that anyone shall refrain from bidding; that the Offeror has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the proposal fee or the Offeror or any other Offeror, or to fix any overhead, profit, or cost element of the proposal fee, or of that of any other Offeror, 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 Offeror 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]
Signature

JCE Equipment Inc.
Company Name

Roger Hauptman
Printed Name

879069
Business License Number

President
Title


8-6-18
Date

WAIVER/RELEASE OF LIABILITY

I, the undersigned, on behalf of JCE Equipment Inc. (hereinafter called Contractor) fully understand that the storage or leaving of any and all Contractor-owned equipment, materials, and supplies at the Agency's facilities during the term of the contract, exposes Contractor to the risk of, but not limited to, theft, fire damage, vandalism, water damage, wind damage, and possible personal injury to Contractor's employees. For the privilege of storing/leaving any and all Contractor-owned equipment, materials, and supplies at the Agency's facilities, Contractor 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, Contractor 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 Contractor'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 Contractor 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 Contractor, and of my own free will.

By: 
Representative's signature

Roger Hauptman
Print Name

8-6-18
Date

President
Title

Approved: _____
(Agency GWR Department Coordinator's signature)

EXCEPTION FORM

Should your firm take exception to **ANY** of the terms and conditions or other content provided in this "Request for Proposal," please list the exceptions below. **THIS COMPLETED FORM MUST BE RETURNED WITH YOUR PROPOSAL.** (Make additional copies of this form as necessary)

If no exception(s) are determined or taken, enter "**NONE**" (to the right of the Section Title) for the first item, below.

Page Number: _____ Section Title: _____ None

Paragraph Number: _____ Exception Taken: _____

Page Number: _____ Section Title: _____

Paragraph Number: _____ Exception Taken: _____

Page Number: _____ Section Title: _____

Paragraph Number: _____ Exception Taken: _____

Page Number: _____ Section Title: _____

Paragraph Number: _____ Exception Taken: _____

#13-RH

Bond Number N/A

BID BOND

KNOW ALL MEN BY THESE PRESENTS,

That JCE Equipment, Inc. as
Principal

and RLI Insurance Company, Inc. as
Surety

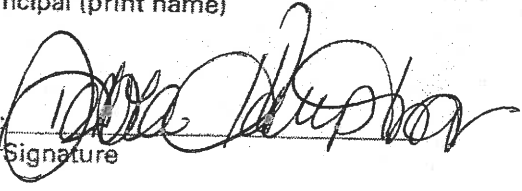
are held and firmly bound unto the Inland Empire Utilities Agency, hereinafter designated as the "Agency", in the sum of **Ten Percent Amount of Bid (10%)** dollars, (not less than ten (10) percent of the total amount of the bid) for the payment of which sum will and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

WHEREAS, said Principal has submitted a bid to said Agency to perform all work required under the bidding schedule(s) titled:

NOW, THEREFORE, if said Principal is awarded the Contract by said Agency and within the time and in the manner required under the "Instructions to Bidders" bound with said Specifications, enters into a written Contract and furnishes the "Agreement" bound with said Specifications and furnishes the required bonds and verification of insurance, then this obligation shall be null and void, otherwise it shall remain in full force and effect. In the event a suit is brought upon this bond by said Owner and judgement is recovered, said Surety shall pay all costs incurred by said Owner in such suit, including a reasonable attorney's fee to be fixed by the Court.

SIGNED AND SEALED, this 6th day of August, 20 18

JCE Equipment, Inc.
Principal (print name)

By: 
Signature

(Corporate Seal)


#14- RH

SECOND PAGE OF BID BOND

Bond Number N/A

Bidding Schedule(s) titled:
Earthwork Services @ Brooks Basin- RFP-HD-18-012 (Revised)

RLI Insurance Company
Surety agent (print name)

By  (Surety Seal)
Signature Timothy C. Baker, Attorney-in-Fact

Surety address
9025 N. Lindbergh Dr.
Peoria, IL 61615

ATTACH POWER-OF-ATTORNEY AND NOTARIAL ACKNOWLEDGEMENT OF SURETY BELOW

#15-KH

POWER OF ATTORNEY

RLI Insurance Company Contractors Bonding and Insurance Company

9025 N. Lindbergh Dr. Peoria, IL 61615
Phone: 800-645-2402

Know All Men by These Presents:

That this Power of Attorney is not valid or in effect unless attached to the bond which it authorizes executed, but may be detached by the approving officer if desired.

That RLI Insurance Company and/or Contractors Bonding and Insurance Company, each an Illinois corporation, (separately and together, the "Company") do hereby make, constitute and appoint:

Timothy C. Baker, Karen A. Eby, Kyle T. Baker, jointly or severally

in the City of Murrieta, State of California its true and lawful Agent(s) and Attorney(s) in Fact, with full power and authority hereby conferred, to sign, execute, acknowledge and deliver for and on its behalf as Surety, in general, any and all bonds and undertakings in an amount not to exceed Twenty Five Million Dollars (\$25,000,000.00) for any single obligation.

The acknowledgment and execution of such bond by the said Attorney in Fact shall be as binding upon the Company as if such bond had been executed and acknowledged by the regularly elected officers of the Company.

RLI Insurance Company and/or Contractors Bonding and Insurance Company, as applicable, have each further certified that the following is a true and exact copy of a Resolution adopted by the Board of Directors of each such corporation, and is now in force, to-wit:

"All bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation shall be executed in the corporate name of the Company by the President, Secretary, any Assistant Secretary, Treasurer, or any Vice President, or by such other officers as the Board of Directors may authorize. The President, any Vice President, Secretary, any Assistant Secretary, or the Treasurer may appoint Attorneys in Fact or Agents who shall have authority to issue bonds, policies or undertakings in the name of the Company. The corporate seal is not necessary for the validity of any bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation. The signature of any such officer and the corporate seal may be printed by facsimile."

IN WITNESS WHEREOF, the RLI Insurance Company and/or Contractors Bonding and Insurance Company, as applicable, have caused these presents to be executed by its respective Vice President with its corporate seal affixed this 9th day of November, 2017.

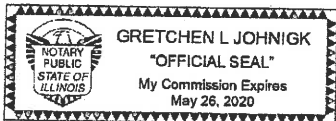


RLI Insurance Company
Contractors Bonding and Insurance Company
By: B. W. Davis
Barton W. Davis Vice President

State of Illinois }
County of Peoria } SS

On this 9th day of November, 2017, before me, a Notary Public, personally appeared Barton W. Davis, who being by me duly sworn, acknowledged that he signed the above Power of Attorney as the aforesaid officer of the RLI Insurance Company and/or Contractors Bonding and Insurance Company and acknowledged said instrument to be the voluntary act and deed of said corporation.

By: Gretchen L. Johnnigk
Gretchen L. Johnnigk Notary Public



CERTIFICATE

I, the undersigned officer of RLI Insurance Company and/or Contractors Bonding and Insurance Company, do hereby certify that the attached Power of Attorney is in full force and effect and is irrevocable; and furthermore, that the Resolution of the Company as set forth in the Power of Attorney, is now in force. In testimony whereof, I have hereunto set my hand and the seal of the RLI Insurance Company and/or Contractors Bonding and Insurance Company this 10th day of August, 2018.

RLI Insurance Company
Contractors Bonding and Insurance Company
By: Jean M. Stephenson
Jean M. Stephenson Corporate Secretary

CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }

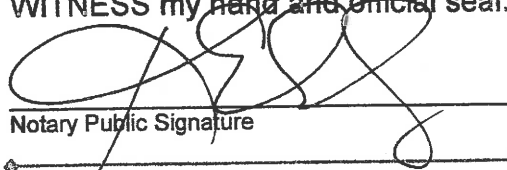
County of Riverside }

On 6th August 2018 before me, K. A. Eby, Notary Public
(Here insert name and title of the officer)

personally appeared Timothy C. Baker,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that ~~he/she/they~~ executed the same in ~~his/her/their~~ authorized capacity(ies), and that by ~~his/her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.


Notary Public Signature

(Notary Public Seal)



ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT

(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages _____ Document Date _____

CAPACITY CLAIMED BY THE SIGNER

Individual (s)

Corporate Officer

(Title)

Partner(s)

Attorney-in-Fact

Trustee(s)

Other _____

INSTRUCTIONS FOR COMPLETING THIS FORM

- This form complies with current California statutes regarding notary wording and, if needed, should be completed and attached to the document. Acknowledgments from other states may be completed for documents being sent to that state so long as the wording does not require the California notary to violate California notary law.*
- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
 - Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
 - The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
 - Print the name(s) of document signer(s) who personally appear at the time of notarization.
 - Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. ~~he/she/they~~ - is ~~are~~) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
 - The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
 - Signature of the notary public must match the signature on file with the office of the county clerk.
 - Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
 - Indicate title or type of attached document, number of pages and date.
 - Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
 - Securely attach this document to the signed document with a staple.

**CONSENT
CALENDAR
ITEM**

41

Date: September 19, 2018

To: The Honorable Board of Directors

From: Halla Razak, General Manager

Committee: Engineering, Operations & Water Resources

HHR
09/12/18

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

Subject: CBWM Pomona Extensometer Facility Contract Award

Executive Summary:

In June 2018, Chino Basin Watermaster's (CBWM) Ground-Level Monitoring Committee developed detailed construction plans and specifications to measure and monitor vertical ground movement within the northwest area of CBWM's Management Zone 1. The construction is in the City of Pomona's Montvue Park. Under a Master Agreement and Task Order with CBWM, IEUA provided administrative support to solicit for construction bids and directly award a contract to the lowest responsible/responsive bidder. CBWM shall be responsible for all project related cost and efforts including engineering, project management, construction, and construction management of the project. CBWM has requested that the construction contract be awarded by IEUA on their behalf. CBWM has pre-funded the project, which also includes reimbursement for IEUA's administrative support.

On August 9, 2018, IEUA received two construction bids from licensed drilling contractors. Cascade Drilling, L.P. was the lowest responsive, responsible bidder with a bid price of \$1,267,462. The received bids and the lowest bidder's cost are approved and accepted by CBWM.

Staff's Recommendation:

1. Award a construction contract for the CBWM Pomona Extensometer Facility Construction, Project No. RW19002, to Cascade Drilling, L.P. in the amount of \$1,267,462; and
2. Authorize the General Manager to execute the construction contract subject to non-substantive changes.

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

Account/Project Name:

RW19002.00, CBWM Pomona Extensometer Facility Construction

Fiscal Impact (explain if not budgeted):

None. All cost is fully paid by CBWM. Prior to contract award, CBWM shall have paid IEUA the full contract amount, plus 15-percent for contingencies, and \$6,000 for IEUA administrative support.

Prior Board Action:

On September 20, 2017, the Board of Director approved the Master Cost Sharing Agreement between IEUA and CBWM.

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 Exemption Class 1 as defined in Section 15301(d) of the State CEQA Guidelines.

Business Goal:

The efforts in supporting CBWM on this project is consistent with IEUA's Business Goal of Water Reliability by maximizing the beneficial reuse of recycled water and sources of groundwater recharge through the enhancement of groundwater recharge facilities.

Attachments:

Attachment 1 - Contract

CONTRACT

THIS CONTRACT, made and entered into this ____ day of September, 2018, by and between Cascade Drilling, L.P., 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 "IEUA".

WITNESSETH:

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

- A. CONTRACTOR agrees to perform and complete in a workmanlike manner, all Work required under these Bid Documents FOR CBWM Pomona Extensometer Facility Construction Project No. RW19002, in accordance with the Bid Documents, 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 Bid Documents to be furnished by IEUA, and to do everything required by this Contract and the said Bid Documents.
- B. 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 Bid Documents; 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 IEUA, 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 Bid Documents are expressly stipulated to be borne by IEUA; and for completing the Work in accordance with the requirements of said Bid Documents, IEUA will pay and said CONTRACTOR shall receive, in full compensation therefore, the price(s) set forth in this Contract.
- C. That IEUA 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 IEUA, and set forth in this below.

Total Bid Price \$ 1,267,462

One million two hundred sixty-seven thousand four hundred sixty-two Dollars and zero Cents.

- D. IEUA 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 Bid Documents; 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.

- E. The Notice Inviting Bids, Instructions to Bidders, Bid Forms, Information Required of Bidder, Performance Bond, Payment Bond, Contractor's License Declaration, Specifications, Drawings, all General Conditions Special Conditions and all Project Requirements, and all Addenda issued by IEUA 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.
- F. 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 IEUA one hundred twenty (120) calendar days after award of the Contract. All Work shall be completed before final payment is made.
- G. Time is of the essence on this Contract.
- H. CONTRACTOR agrees that in case the Work is not completed before or upon the expiration of the Contract Time, damage will be sustained by IEUA, and that it is and will be impracticable to determine the actual damage which IEUA will sustain in the event and by reason of such delay, and it is therefore agreed that the CONTRACTOR shall pay to IEUA the amounts as set forth in General Conditions, Section C – Changes to the Contract for each day of delay, which shall be the period between the expiration of the Contract Time and the date of final acceptance by IEUA, 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 IEUA, and the CONTRACTOR agrees to pay such liquidated damages as herein provided. In case the liquidated damages are not paid, the CONTRACTOR agrees that IEUA 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.
- I. In addition to the liquidated damages, which may be imposed if the CONTRACTOR fails to complete the Work within the time agreed upon, IEUA may also deduct from any sums due or to become due to the CONTRACTOR, penalties and fines for violations of applicable local, state, and federal law.
- J. That the CONTRACTOR shall carry Workers' Compensation Insurance and require all subcontractors to carry Workers' Compensation Insurance as required by the California Labor Code.
- K. That the CONTRACTOR shall have furnished, prior to execution of the Contract, two bonds approved by IEUA, 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.

- L. The CONTRACTOR hereby agrees to protect, defend, indemnify and hold IEUA 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 IEUA 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 to the extent permitted by law.

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

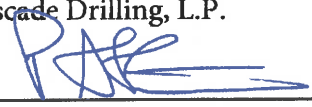
IN WITNESS WHEREOF, The CONTRACTOR and the General Manager of Inland Empire Utilities Agency*, thereunto duly authorized, have caused the names of said parties to be affixed hereto, each in duplicate, the day and year first above written.

- M. The CONTRACTOR, by signing the contract does swear under penalty of perjury that no more than one final unappeasable finding of contempt of court by a Federal court has been issued against the CONTRACTOR within the immediately preceding two year period because of the CONTRACTOR's failure to comply with an order of a Federal court which orders the CONTRACTOR to comply with an order of the National Labor Relations Board (Public Contract Code 10296).

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

By _____
General Manager

CONTRACTOR
Cascade Drilling, L.P.

By  _____
V.P. Operations
Title

* A Municipal Water District

**ACTION
ITEM**

5A

Date: September 19, 2018

To: The Honorable Board of Directors

From: Halla Razak, General Manager

#44E

Committee: Engineering, Operations & Water Resources

09/12/18

Finance & Administration

09/12/18

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

Subject: RP-5 Recycled Water Pipeline Bottleneck Construction Contract Award

Executive Summary:

The RP-5 Recycled Water (RW) Pipeline Bottleneck project was launched after completing the 2015 Recycled Water Program Strategy with a primary goal to maximize the recharge and beneficial reuse of the recycled water. To achieve this goal, it is essential to upgrade the RW piping system, remove existing hydraulic limitations and enhance system reliability.

The project improvements include up-sizing and reconfiguring the existing piping system downstream of the RW pump station, procurement and installation of a surge control system, replacement of buried RW isolation valves throughout the RP-5 Plant, and upgrade of pressure regulating devices and flow meters.

This project will be funded under California Clean Water State Revolving Fund Program with principle forgiveness of 50% of the total project cost.

On July 12, 2018, IEUA received five construction bids. T.E. Roberts, Inc. was the lowest responsive and responsible bidder with a bid price of \$2,023,600.

Staff's Recommendation:

1. Award a construction contract for the RP-5 Recycled Water Pipeline Bottleneck, Project No. EN14043, to T.E. Roberts, Inc., in the amount of \$2,023,600; and
2. Authorize the General Manager to execute the contract.

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

Account/Project Name:

EN14043/RP-5 Recycled Water Pipeline Bottleneck

Fiscal Impact (explain if not budgeted):

N/A

Prior Board Action:

On September 21, 2016, the Board of Directors approved a consultant engineering services contract for the RP-5 Recycled Water Pipeline Bottleneck, Project No. EN14043, to Stantec Consulting Services, Inc., for the not-to-exceed amount of \$201,987.

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 Exemption Class 1 as defined in Section 15301(d) (f) of the State CEQA Guidelines.

Business Goal:

The RP-5 Recycled Water Pipeline Bottleneck project is consistent with IEUA's Business Goal of Water Reliability, specifically the Recycled Water objective that IEUA will maximize the use of recycled water to enhance regional water reliability.

Attachments:

Attachment 1 - PowerPoint

Attachment 2 - Construction Contract

RP-5 Recycled Water Pipeline Bottleneck Construction Contract Award

Project No. EN14043



Regional Water Recycling Plant No. 5 Project Location



Project Background

- Project conforms to 2015 Recycled Water (RW) Program Strategy goal
- Maximize recharge and beneficial use of RW
- RW system hydraulic limitations
- Piping system surge protection
- Non-functional buried isolation valves
- Project funded by California Clean Water State Revolving Fund Program



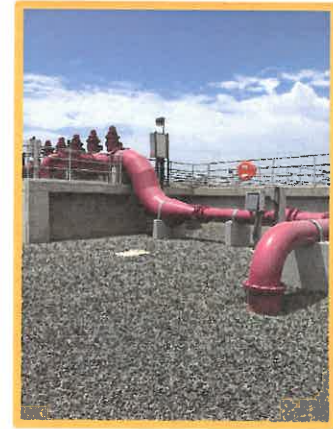
RW Pipe Rupture Repair Due to Surge



Sample Location - Non-Functional Buried Isolation Valves

Project Scope

- Upsize/upgrade piping downstream of RW pump station
- Install a new surge control system
- Replace all buried RW isolation valves and install additional valves in strategic locations
- Upgrade pressure regulating valves and flow meters
- Install a new wetwell access hatch
- Chlorine Contact Basin washdown hose bibbs



RP-5 RW Pipe Bottleneck Area



Location of New Wetwell Access Hatch

Contractor Selection

Five bids were received on July 12, 2018:

Bids Received

Bidder's Name	Total
T.E. Roberts, Inc.	\$ 2,023,600
SCW Contracting Corp.	\$ 2,140,411
Ferreira Construction Co.	\$ 2,342,285
W.A. Rasic Construction	\$ 2,473,188
Norstar Plumbing and Engineering, Inc.	\$ 3,613,000
Engineer's Estimate	\$ 2,000,000

Project Budget and Schedule

Description	Estimated Cost
Design Services	\$437,185
Project Development	\$76,900
Design Consultant	\$237,785
IEUA Design Services	\$122,500
Construction Services	\$280,437
Design Consultant Construction Services	\$80,437
IEUA Construction Services (~10%)	\$200,000
Construction	\$2,223,600
Construction	\$2,023,600
Contingency (~10%)	\$200,000
Total Project Cost:	\$2,941,222
Total Project Budget:	\$3,137,169

Project Milestone	Date
Construction	
Construction Contract Award	September 2018
Construction Completion	September 2019

Recommendation

- Award a construction contract for the RP-5 Recycled Water Pipeline Bottleneck, Project No. EN14043, to T.E. Roberts, Inc., in the amount of \$2,023,600; and
- Authorize the General Manager to execute the contract.

The RP-5 Recycled Water Pipeline Bottleneck project is consistent with **IEUA's Business Goal of Water Reliability**, specifically the Recycled Water objective that IEUA will maximize the use of recycled water to enhance regional water reliability.

SECTION D - CONTRACT AND RELEVANT DOCUMENTS

1.0 CONTRACT

THIS CONTRACT, made and entered into this ____ day of _____, 20__, by and between _____ T.E. Roberts, 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 RP-5 RECYCLED WATER PIPELINE BOTTLENECK PROJECT; PROJECT No. EN 14043, 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 \$2,023,600.00 – Two Million Twenty Three Thousand Six 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 three hundred and sixty-five (365) 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 four thousand dollars (\$ 4,000) 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 
Timothy Roberts
Title President

*Municipal Water District

**INFORMATION
ITEM**

6A

Date: September 19, 2018

To: The Honorable Board of Directors

Committee: Finance & Administration

From: Halla Razak, General Manager

HHR

09/12/18

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

Subject: Fiscal Year 2017/18 Fourth Quarter Budget Variance, Performance Goal Updates, and Budget Transfers

Executive Summary:

The Budget Variance report presents the Agency's financial performance through the fourth quarter ended June 30, 2018 and various related analyses are provided in the attachments.

The Agency's total revenue and other funding sources were \$263.8 million, or 118.0 percent of the annual budget of \$223.6 million. The favorable variance reflects higher than projected revenue level for: imported potable water sales; user fees; new connection fees; grants and State Revolving Fund loan reimbursements; and interest earnings on bank balances and investments.

The Agency's total expenses and uses of funds were \$220.0 million, or 88.4 percent of the \$248.9 million annual budget. Timing and deferral of project execution and certain professional services primarily accounted for the favorable variance.

The net change of the total revenues and other funding sources over the total expenses and other uses of funds is \$43.8 million, resulting in year to date increase in total reserves for an estimated fund balance of \$228.0 million.

Staff's Recommendation:

The Fiscal Year (FY) 2017/18 fourth quarter budget variance, performance goals updates, and budget transfers is an informational item for the Board of Directors to receive and file.

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

Account/Project Name:

Fiscal Impact *(explain if not budgeted):*

The net change in total revenues over total expenses in the amount of \$43.8 million resulted in a total estimated fund balance of \$228.0 million for the quarter ended June 30, 2018.

Prior Board Action:

None.

Environmental Determination:

Not Applicable

Business Goal:

The quarterly budget variance report is consistent with the Agency's business goal of fiscal responsibility to demonstrate the Agency has appropriately funded operational, maintenance, and capital costs.

Attachments:

Attachment 1 - Background

- Exhibit A- Q4 Budget Variance Summary & Detail Report
- Exhibit B- Business Goals and Objectives Report by Department
- Exhibit C-1 Summary of Annual Budget Transfers in the fourth quarter
- Exhibit C-2 Summary of the GM Contingency account activity
- Exhibit D- Project Budget transfers for capital & non-capital projects
- Exhibit E- Financial Overview of Individual Agency's Funds for FY 2017/18

Attachment 2 - PowerPoint

Attachment 1 - Background

Subject: Fiscal Year 2017/18 Fourth Quarter Budget Variance, Performance Goals Updates, and Budget Transfers

The Budget Variance report presents the Agency's financial performance through the fourth quarter ending June 30, 2018, includes the following highlights:

TOTAL REVENUES AND OTHER FUNDING SOURCES

Overall, the Agency received \$263.8 million of total revenues and other funding sources through the fourth quarter of FY 2017/18, or 118.0 percent of the annual budget for the quarter ended June 30, 2018 (Exhibit A detail). The following section highlights key variances:

- **User Charges** – Total user charges were \$79.4 million or 102.2 percent of the annual budget. This category includes \$62.1 million monthly sewer charges based on equivalent dwelling unit (EDU), \$12.0 million of non-reclaimable wastewater fees paid by industrial and commercial users connected to the Agency's brine line systems, and \$5.3 million of monthly meter equivalent unit charges (MEU) imposed on all potable water connections, and Readiness-to-Serve pass-through charges from Metropolitan Water District of Southern California (MWD).
- **Property Taxes** – Tax receipts at the end of the fourth quarter were \$48.4 million or 105.1 percent of the annual budget. General ad-valorem property tax receipts from the San Bernardino County Tax Assessor (County) were \$34.0 million and "pass-through" incremental redevelopment agencies (RDA) taxes received were \$14.4 million.
- **Recycled Water Sales** – Total annual recycled water sales were \$16.9 million or 97.9 percent of the annual budget. Direct sales were \$9.7 million at 20,684 acre feet (AF) and groundwater recharge sales were \$7.2 million at 13,510 AF. Total deliveries through the fourth quarter were 34,194 AF, just slightly below the annual budget of 35,000 AF. Demand for direct and groundwater use vary depending on weather patterns, water conservation efforts, reuse supply, and basin availability.
- **MWD Imported Water Sales** – Total MWD pass-through imported water revenue was \$46.0 million or 134.6 percent of the annual budget. A total of 67,976 AF of pass through imported water was delivered through the fourth quarter exceeding the annual budget of 50,000 AF. The higher demand was mainly due to some member agencies use of imported water rather than local supplies due to water quality issues.
- **Connection Fees** – Total connection fee receipts of \$39.5 million were 171.1 percent of the annual budget. Receipts include \$31.6 million for new wastewater connections (EDU), and \$7.9 million for new water connections (MEU). New EDU connections reported through fourth quarter were 5,020 EDU compared to the amended annual budget of 4,000 EDU and total water connections were 5,455 (MEU) compared to the amended budget of 4,600. At the time of this report one member agency had not provided June 2018

information.

- **Grants & Loans** – Total receipts of \$20.8 million were 136.0 percent of the annual budget. Actual grant receipts of \$6.1 million include \$3.0 million for the joint Agency/Chino Basin Desalter Authority Ground Water Wells & Recycled Water Intertie project, \$2.2 million for the Wineville recycled water pipeline, San Sevaine Basin and Napa Lateral basin improvement projects, and \$0.9 million local agency reimbursements for water conservation and other projects. Actual State Revolving Fund (SRF) loan reimbursements were \$14.7 million and include \$11.3 million for the regional water quality laboratory and \$3.4 million for the recycled water Napa lateral and San Sevaine projects.
- **Other Revenues** – Total other revenues of \$4.5 million were 178.5 percent of the annual budget. Total other revenues include \$3.2 million of capital cost reimbursements and \$0.9 million received from Chino Basin Watermaster (CBWM) for their share of the 2008B Variable Bond debt service costs and project reimbursements. Other non-operating revenues also include \$0.4 million for lease revenue, and various other local agency reimbursements.

TOTAL EXPENSES AND USES OF FUNDS

The Agency's total expenses and uses of funds through the end of the fourth quarter were \$220.0 million, or 88.4 percent of the annual budget. Key expense variance highlights are:

- **Employment Expenses** – Employment expenses, net of allocation to projects, were \$43.9 million or 95.6 percent of the annual budget of \$45.9 million. At the end of the fourth quarter the vacancy factor was 10 percent or 262 regular positions of the 290 authorized positions.
- **Professional Fees & Services** – Total expenses were \$8.4 million, or 70.1 percent of the annual budget. Deferral of contract services resulted in lower than anticipated annual expenditures. Other contract services budget for temporary audit staff, construction inspection labor for the battery project, emergency repairs, and operational and maintenance research, testing and troubleshooting, were identified as not needed in the fourth quarter.
- **Utilities Expense** – Utilities expenses were \$8.3 million, or 85.1 percent of the annual budget. This category includes the purchase of electricity from the grid, or Southern California Edison (SCE), use of natural gas, and the purchase of renewable energy generated on site from solar and wind. The favorable variance is mainly attributed to lower utility rates and lower consumption. Through the fourth quarter, the average rate for imported electricity was \$0.113/kWh versus the \$0.125/kWh budgeted rate. Blended rates for electricity and natural gas are budgeted at \$0.125 per kWh and \$0.80 per therm, respectively. Fourth quarter usage was measured at 65,295,323 kWh against annual average of 70,000,000 kWh.
- **MWD Water Purchases** – Total MWD pass-through imported water purchases were \$46.0 million or 134.6 percent of the annual budget. A total of 67,976 AF of pass through

imported water was delivered through the fourth quarter exceeding the 50,000 AF annual budget. The higher demand was mainly due to some member agencies use of imported water rather than other local supplies due to water quality issues.

- ***O&M (Non-capital) Projects*** – O&M and reimbursable project costs were \$11.5 million or 47.6 percent of the annual budget. The favorable balance is mainly due to lower spending for water and drought related projects such as the Santa Ana River Conservation & Conjunctive Use Program (SARCCUP) included in the Water Resources fund. The actual expenses include \$2.5 million of contributions that were remitted to the Chino Basin Desalter Authority (CDA) for the Ground Water Wells & Recycled Water Intertie project.
- ***Capital Projects*** – Total capital project expenditures through the end of the fourth quarter were \$56.3 million or 77.2 percent of the annual budget of \$73.0 million. Lower than anticipated expenditures are primarily due to contractor delays, design recommendation reviews, and extended request for proposals and related contract award delays. Capital project costs related to the regional wastewater program through the fourth quarter were \$44.0 million, or 85.3 percent of the programs \$51.6 million annual budget. Recycled water capital projects accounted for \$7.4 million, or 56.1 percent of the \$13.2 million annual budget. Delays in securing SRF loan and grant funding for various recycled water projects account for the low spending. As of June 2018, loans and grants had been secured for the San Sevaine Basin Improvement and Napa Lateral projects.

A detailed explanation of significant revenue and expenses are included in the attached Exhibit A.

FUND BALANCES AND RESERVES

The net increase of \$43.8 million in total fund balance in the fourth quarter resulted in an unaudited ending fund balance of \$228.0 million.

Table 2 provides an overview of the fiscal year budget variance in revenue, expense, and fund balance. All property tax receipts are reported as non-operating revenue.

Table 2: Fiscal Year Revenues, Expenses, and Fund Balance (\$Millions)

Operating	FY 2017/18 Annual Budget	Actual YTD	% Budget Used YTD
Operating Revenue	\$136.7	\$150.6	110.2%
Operating Expense	(\$153.5)	(\$143.5)	93.5%
Net Operating Increase/(Decrease)	(\$16.8)	\$7.1	
Non- Operating			
Non-Operating Revenue	\$86.9	\$113.2	130.2%
Non-Operating Expense	(\$95.4)	(\$76.5)	80.2%
Net Non-Operating Incr./ (Decrease)	(\$8.5)	\$36.7	
Total Sources of Funds	\$223.6	\$263.8	118.0%
Total Uses of Funds	(\$248.9)	(\$220.0)	88.4%
Total Net Increase/(Decrease)	(\$25.3)	\$43.8	

GOALS AND OBJECTIVES

Exhibit B provides information on division and related department goals and objectives and the status of each through the end of the fourth quarter. The goals and objective indicators are used to track the volume and complexity of work by type and to track the effort invested to accomplish that work. Staff use the performance indicators to track productivity and to justify current resource allocations, re-allocation and requests for additional staff.

BUDGET TRANSFERS AND AMENDMENTS

Intra-fund O&M budget transfers for the fourth quarter accounted for \$0.9 million as detailed in Exhibit C-1.

The *General Manager (GM) Contingency Account* adopted budget of \$300,000 was in the Administrative Services Fund. At the end of the fourth quarter, \$221,855 was utilized to support unplanned but necessary expenses as listed in Exhibit C-2.

Capital and O&M projects total intra-fund project budget transfers accounted for approximately \$1.9 million as listed in Exhibit D.

The budget variance analysis report is consistent with the Agency's business goal of fiscal responsibility: to demonstrate the Agency appropriately funded operational, maintenance, and capital costs.

IMPACT ON BUDGET

The net change in total expenses over total revenues in the amount of \$43.8 million resulted in a total estimated fund balance of \$228.0 million for the fourth quarter ended June 30, 2018.

Exhibits A-E

INLAND EMPIRE UTILITIES AGENCY
Fiscal Year 2017/18
CONSOLIDATED BUDGET VARIANCE ANALYSIS REPORT
Quarter Ended June 30, 2018

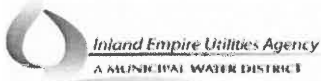
	Annual Budget	Budget YTD	Actual YTD	YTD Variance	% Budget Used YTD
<u>OPERATING REVENUES</u>					
User Charges	\$77,755,499	\$77,755,499	\$79,429,986	\$1,674,487	102.2%
Recycled Water	17,245,000	17,245,000	16,877,757	(367,243)	97.9%
MWD Water Sales	34,167,480	34,167,480	45,998,819	11,831,339	134.6%
Cost Reimbursement from JPA	6,355,334	6,355,334	6,211,327	(144,007)	97.7%
Interest Revenue	1,162,133	1,162,133	2,076,619	914,486	178.7%
TOTAL OPERATING REVENUES	\$136,685,446	\$136,685,446	\$150,594,508	\$13,909,062	110.2%
<u>NON-OPERATING REVENUES</u>					
Property Tax	\$46,046,000	\$46,046,000	\$48,413,443	\$2,367,443	105.1%
Connection Fees	23,095,709	23,095,709	39,515,950	16,420,241	171.1%
Grants	5,970,459	5,970,459	6,063,870	93,411	101.6%
SRF Loan Proceeds	9,314,399	9,314,399	14,728,598	5,414,199	158.1%
Project Reimbursements	1,607,074	1,607,074	4,185,670	2,578,596	260.5%
Other Revenue	908,636	908,636	303,997	(604,639)	33.5%
TOTAL NON OPERATING REVENUES	\$86,942,277	\$86,942,277	\$113,211,528	\$26,269,251	130.2%
TOTAL REVENUES	\$223,627,723	\$223,627,723	\$263,806,036	\$40,178,313	118.0%
<u>ADMINISTRATIVE and OPERATING EXPENSES</u>					
EMPLOYMENT EXPENSES					
Wages	\$25,631,793	\$25,631,793	\$25,877,436	(\$245,643)	101.0%
Benefits	20,285,970	20,285,970	18,032,903	2,253,068	88.9%
TOTAL EMPLOYMENT EXPENSES	\$45,917,763	\$45,917,763	\$43,910,339	\$2,007,425	95.6%
ADMINISTRATIVE EXPENSES					
Office & Administrative	\$2,114,046	\$2,114,046	\$1,430,319	\$683,728	67.7%
Insurance Expenses	845,752	845,752	659,921	185,831	78.0%
Professional Fees & Services	12,039,388	12,039,388	8,443,797	3,595,590	70.1%
O&M Projects	23,278,051	23,278,051	10,928,866	12,349,185	46.9%
Reimbursable Projects	947,499	947,499	595,597	351,902	62.9%
TOTAL ADMINISTRATIVE EXPENSES	\$39,224,736	\$39,224,736	\$22,058,500	\$17,166,236	56.2%

Totals may not add up due to rounding

INLAND EMPIRE UTILITIES AGENCY
Fiscal Year 2017/18
CONSOLIDATED BUDGET VARIANCE ANALYSIS REPORT
Quarter Ended June 30, 2018

	Annual Budget	Budget YTD	Actual YTD	YTD Variance	% Budget Used YTD
OPERATING EXPENSES					
Material & Supplies/Leases	\$3,492,520	\$3,492,520	\$3,020,751	\$471,769	86.5%
Biosolids Recycling	4,379,680	4,379,680	4,092,127	287,553	93.4%
Chemicals	4,653,622	4,653,622	3,985,262	668,360	85.6%
MWD Water Purchases	34,167,480	34,167,480	45,998,819	(11,831,339)	134.6%
Operating Fees/RTS Fees/Exp. Alloc.	11,895,078	11,895,078	12,151,285	(256,207)	102.2%
Utilities	9,759,737	9,759,737	8,304,474	1,455,263	85.1%
TOTAL OPERATING EXPENSES	\$68,348,117	\$68,348,117	\$77,552,718	(\$9,204,601)	113.5%
TOTAL ADMINISTRATIVE and OPERATING EXPENSES					
	\$153,490,616	\$153,490,616	\$143,521,557	\$9,969,060	93.5%
<u>NON-OPERATING EXPENSES</u>					
		27,380,697.71	25,339,664.37		92.5%
CAPITAL OUTLAY	\$73,001,431	\$73,001,431	\$56,337,243	\$16,664,187	77.2%
FINANCIAL EXPENSES					
Principal, Interest and Financial Expenditures	22,043,491	22,043,491	19,866,910	2,176,581	90.1%
OTHER NON OPERATING EXPENSES	412,125	412,125	318,528	93,597	77.3%
TOTAL NON-OPERATING EXPENSES	\$95,457,047	\$95,457,047	\$76,522,680	\$18,934,365	80.2%
TOTAL EXPENSES					
	\$248,947,663	\$248,947,663	\$220,044,237	\$28,903,425	88.4%
REVENUES IN EXCESS/ (UNDER) EXPENSES					
	(\$25,319,940)	(\$25,319,940)	\$43,761,798	\$69,081,738	
FUND BALANCE SUMMARY					
Beginning Balance, July 01	\$184,224,047	\$184,224,047	\$184,224,047	\$0	
Surplus/ (Deficit)	(25,319,940)	(25,319,940)	43,761,798	69,081,738	
ENDING BALANCE, June 30	\$158,904,107	\$158,904,107	\$227,985,845	\$69,081,738	

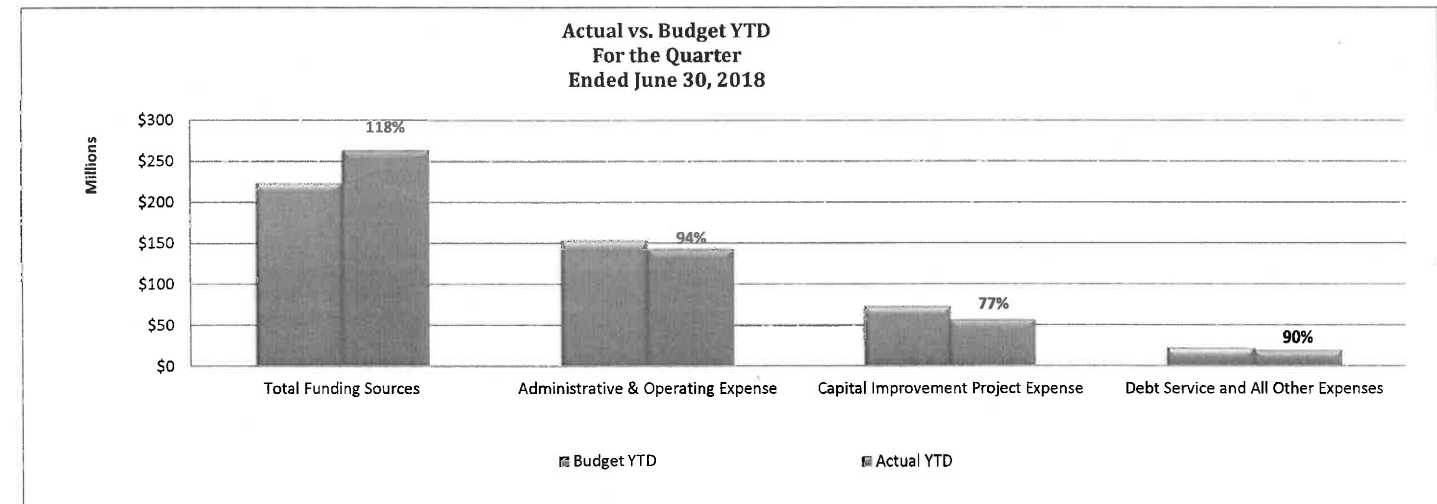
Totals may not add up due to rounding



I. Actual vs. Budget Summary:

	Annual Budget	Budget YTD	Actual YTD	Budget YTD vs. Actual	% of Budget Used YTD
Operating Revenues	\$136,685,446	\$136,685,446	\$150,594,508	\$13,909,062	110.2%
Non-Operating (Other Sources of Fund)	86,942,277	86,942,277	113,211,528	26,269,251	130.2%
TOTAL FUNDING SOURCES	223,627,723	223,627,723	263,806,036	40,178,313	118.0%
Administrative & Operating Expense	(153,490,616)	(153,490,616)	(143,521,557)	9,969,059	93.5%
Capital Improvement Project Expense	(73,001,431)	(73,001,431)	(56,337,243)	16,664,188	77.2%
Debt Service and All Other Expenses	(22,455,616)	(22,455,616)	(20,185,437)	2,270,179	89.9%
TOTAL USES OF FUNDS	(248,947,663)	(248,947,663)	(220,044,237)	28,903,426	88.4%
Surplus/(Deficit)	(\$25,319,940)	(\$25,319,940)	\$43,761,799	\$69,081,739	

% of the Year Elapsed: 100%



2. Actual Revenue vs. Budget:

Quarter Ended June 30, 2018

% of the Year
Elapsed: 100%

	Annual Budget	Budget YTD	Actual YTD	Budget YTD vs. Actual	% of Budget Used YTD
Operating Revenues:					
User Charges	\$77,755,499	\$77,755,499	\$79,429,986	\$1,674,487	102.2%
Recycled Water Sales	17,245,000	17,245,000	16,877,757	(\$367,243)	97.9%
MWD Water Sales	34,167,480	34,167,480	45,998,819	\$11,831,339	134.6%
Cost Reimbursement	6,355,334	6,355,334	6,211,327	(\$144,007)	97.7%
Interest	1,162,133	1,162,133	2,076,619	\$914,486	178.7%
OPERATING REVENUES	136,685,446	136,685,446	150,594,508	13,909,062	110.2%
Non-Operating Revenues:					
Property Tax - Debt, Capital, Reserves	\$46,046,000	\$46,046,000	\$48,413,443	\$2,367,443	105.1%
Connection Fees	23,095,709	23,095,709	39,515,950	\$16,420,241	171.1%
Grants & Loans	15,284,858	15,284,858	20,792,468	\$5,507,610	136.0%
Other Revenue	2,515,710	2,515,710	4,489,667	\$1,973,957	178.5%
NON-OPERATING REVENUES	86,942,277	86,942,277	113,211,528	26,269,251	130.2%
Total Revenues	\$223,627,723	\$223,627,723	\$263,806,036	\$40,178,313	118.0%

User Charges, 102.2% User charges were \$79.4 million, or 102.2% of the year to date budget. The category includes \$62.1 monthly sewer charges based on equivalent dwelling units (EDU), \$12.0 million non-reclaimable wastewater fees paid by industrial and commercial users connected to the brine line system, and \$5.3 million of monthly meter equivalent unit charges (MEU) imposed on all potable water connections, Readiness-to-Serve Ten Year Rolling Average (RTS TYRA) charges to meet our Readiness-to-Serve obligation from Metropolitan Water District (MWD), and water use efficiency program receipts.

Property Tax/ AdValorem, 105.1% Tax receipts were \$48.4 million or 105.1% of the budget. General ad-valorem property tax receipts from the San Bernardino County Tax Assessor (County) was \$34.0 million and "pass-through" incremental Redevelopment Agencies (RDA) taxes were \$14.4 million. Tax revenue stream is projected based on valuation projected by the county, increased home sales, and anticipated adjustments in property tax distribution due to the dissolution of the RDA agencies.

Recycled Water Sales, 97.9% Recycled water direct sales were \$9.7 million for 20,684 acre feet (AF) and groundwater recharge sales were \$7.2 million for 13,510 AF, for a combined total of \$16.9 million or 34,194 AF. Total deliveries of 35,500 AF (22,000 AF Direct and 13,500 AF Recharge) were budgeted for the fiscal year. Sales demand for direct use and groundwater recharge varies depending on weather patterns, water use conservation efforts, reuse supply, and basin availability.

Interest Income, 178.7% Interest Income is \$2.1 million or 178.7% of the year to date budget. The Agency earns interest income by investing funds not immediately required for daily operations. The Agency's portfolio yield increased during the fourth quarter as a result of rising market rates and more active management of the Agency's investment portfolio. The 4th quarter Agency yield averaged 1.936%, the annual interest earnings yield was 1.49%

MWD Water Sales, 134.6% Total Metropolitan Water District (MWD) pass-through imported water revenue was \$46.0 million or 134.6% of year to date budget. Imported water sales at 67,976 AF exceeding the annual budgeted water demand of 50,000 AF due to higher water demand. The higher demand was mainly due to some member agencies use of imported water rather than other local supplies due to water quality issues.

- Connection Fees, 171.1%** Total connection fee receipts of \$39.5 million were 171.1 percent of the year to date budget. Receipts include \$31.6 million for new regional system connections (EDU), and \$7.9 million for new water connections (MEU). New EDU connections reported through the fourth quarter were 5,020 EDU (one member agency not reporting for June), compared to the annual budget of 4,000 EDU, which was adjusted from the adopted budget of 3,000 EDU based on member agencies' updated forecast. Total new water connections were 5,455 (MEU).
- Grants and Loans, 136%** Total receipts are \$20.8 million or 136.0% of budget. Actual grant receipts of \$6.1 million includes \$3.0 million of grant receipts for joint Agency/Chino Basin Desalter Authority Ground Water Wells & Recycled Water Intertie project (\$2.5 million passed-through to Chino Basin Desalter Authority), \$2.2 million for Recycled Water projects, and \$0.9 million reimbursement from State and local agencies for the RP1/RP5 Expansion preliminary design and other water conservation projects. Actual SRF loan receipts of \$14.7 million includes \$11.3 million for the regional water quality laboratory and \$3.4 million for the recycled water Napa Lateral and San Sevaime basin improvements. The annual grants budget of \$6.0 million includes \$3 million for the South Archibald Trichlorethylene (TCE) Plume Cleanup project Regional Wastewater Operations & Maintenance (RO) Fund, \$2.2 million for Santa Ana River Conservation & Conjunctive Use Program (SARCCUP) project Water (WW) Fund, \$0.4 million for Northeast/Southern project Recycled Water (WC) Fund, and \$0.4 million for the new water quality laboratory (RO fund). Grant receipts consist of reimbursements from Federal and State programs, and may contain pass-through funding for other agencies. State Revolving Fund (SRF) Loan Proceeds annual budget of \$9.3 million includes for \$7.9 million for the new water quality laboratory (RO fund) and \$1.4 million for Recharge Master Plan Update Recharge Water (RW) Fund. Grants and loan receipts are primarily reimbursable in nature and as such are dependent upon related capital project expenditures.
- Cost Reimbursements JPA, 97.7%** Total cost reimbursements were \$6.2 million, or 97.7% of the annual budget. Category actuals include reimbursements of \$4.0 million from the Inland Empire Regional Composting Authority (IERCA) and \$1.3 million from Chino Basin Desalter Authority (CDA) for the Agency's operation & maintenance of the IERCA Composter and CDA Desalter facilities. Also included is \$0.9 million from Chino Basin Watermaster (CBWM) for operations & maintenance costs related to the groundwater recharge basins, net of the Agency's pro-rata share for the recycled water recharge costs. Annual total cost reimbursement budget of \$6.4 million includes: \$3.8 million from IERCA, \$1.5 million from CDA, and \$1.1 million from CBWM.
- Other Revenues, 178.5%** Total other revenues and project reimbursements were \$4.5 million, or 178.5% of the \$2.5 million annual budget. Actual receipts include \$1.3 million from California Steel Industries, Auto Club Speedway, and Prologis for their share of capital costs associated with the San Bernardino gravity sewer line permanent connection. Other revenues include \$1.9 million of project reimbursements received from local government agencies for RMPU and recycled water projects and \$1.3 million for other non-operating revenues. Other non-operating revenue includes lease revenues and gains on investments, and includes \$0.9 million from CBWM for their share of the 2008B variable bond debt service and fixed project costs.

3. Actual Operating and Capital Expense vs. Budget:

Quarter Ended June 30, 2018		% of the Year Elapsed: 100%			
	Annual Budget	Budget YTD	Actual YTD	Budget YTD vs. Actual	% of Budget Used YTD
Operating Expenses:					
Employment	\$45,917,763	\$45,917,763	\$43,910,339	\$2,007,424	95.6%
Admin & Operating	73,405,373	73,405,373	53,612,399	\$19,792,974	73.0%
MWD Water Purchases	34,167,480	34,167,480	45,998,819	(\$11,831,339)	134.6%
OPERATING EXPENSES	\$153,490,616	\$153,490,616	\$143,521,557	\$9,969,059	93.5%
Non-Operating Expenses:					
Capital	73,001,431	73,001,431	56,337,243	\$16,664,188	77.2%
Debt Service and All Other Expenses	22,455,616	22,455,616	20,185,437	\$2,270,179	89.9%
NON-OPERATING EXPENSES	\$95,457,047	\$95,457,047	\$76,522,680	\$18,934,367	80.2%
Total Expenses	\$248,947,663	\$248,947,663	\$220,044,237	\$28,903,426	88.4%

Employment Expenses net of allocation to projects **Employment, 95.6%**
 Employment expenses were \$43.9 million or 95.6% of the year to date budget. At the end of the fourth quarter, total actual filled positions were 262 compared to the 274 funded positions and 290 authorized positions. Recruitment of key positions as part of the Agency's succession planning effort will lower the vacancy factor going forward.

Administrative & Operating Expenses **Office and Administrative, 67.7%**
 Office and administrative for the fiscal year was \$1.4 million, the variance was mainly due to lower travel, training, contributions, memberships, and sponsorships. Additional expense has been committed for various training, travel and advertising however items are deferred until the following year.

Professional Fees & Services, 70.1%
 Favorable variance is attributed to contract services deferred to FY 2018/19 for work to be performed by contractors and consultants for: consultant services for project management reporting, training and facility videos, grant management software and database automation, RP1 and RP4 conveyor liner replacement; and TP1 bleach tank replacement and valve installation. Other contract services budget for temporary audit staff, construction inspection labor for the battery project, emergency repairs, and operational and maintenance research, testing and troubleshooting, were identified as not needed in the fourth quarter.

Materials & Supplies/Leases/Contribution, 86.5%
 Expense through the end of the fiscal year was \$3.0 million or 86.5% of the annual \$3.5 million budget. The favorable variance was primarily due to staff's effort to monitor operational equipment usage to ensure maximum use from supplies, replacement parts, and consumables used by treatment plants.

Biosolids Recycling, 93.4%
 Biosolids expenses were \$4.1 million or 93.4% of the budget. Biosolids budget includes costs for hauling and disposal of biosolids and non-biological materials. Year to date tonnage of the agency's biosolids generated from all its water recycling facilities shipped to IERCA was 63,216 tons at a processing rate of \$56 per ton. Total tonnage hauled from IEUA was approx. 61,211 tons at a blended rate of \$5.80 per ton.

Chemicals, 85.6%
 Chemical expenses were \$4.0 million, or 85.6% of budget. Chemicals are essential in meeting regulatory requirements, treatment process performance goals, and sustainment of high quality recycled water. As reported in the prior quarter, the slight favorable variance is mainly due to the reduction in consumption of sodium bisulfite which is added after disinfection and odor control to reduce residual chlorine before discharge. Carbon Canyon stopped effluent discharges of sodium bisulfite to Chino Creek to support increased recycled water demand, and the anticipated iron sponge media replacement at RP-1 was deferred to FY 2018/19 due to contractor delays.

Administrative & Operating Expenses continued	<p>Operating Fees, 102.2% Spending in this category was \$12.1 million, or 102.2% of the annual budget. The majority of the expense is Non-reclaimable wastewater system "pass-through" fees from Sanitation District of Los Angeles Count (SDLAC) and Santa Ana Watershed Project Authority (SAWPA). The variance is mainly attributed to SDLAC pass through expenses that were exceeded for projected flow, strength and capacity units. The category also includes \$3.0 million of expenses for readiness-to-serve obligation collected by MWD, budgeted at \$3.0 million.</p>
	<p>MWD Water Purchases, 134.6% Total MWD pass-through imported water purchases were \$46.0 million or 134.6% of the annual budget. A total of 67,976 AF of pass through water was delivered, exceeding the annual 50,000 AF budget due to higher water demand. The higher demand was due to some member agencies use of imported water rather than other local supplies due to water quality issues.</p>
	<p>Utilities, 85.1% Total category expenses were \$8.3 million of the \$9.7 million annual budget. This category includes the purchase of electricity from Southern California Edison (SCE) or the grid, use of natural gas, and the purchase of renewable energy generated on site from solar and wind. The favorable variance is mainly attributed to lower utility rates and lower natural gas usage. Through the fourth quarter, the average rate for imported electricity was \$0.113/kWh versus the \$0.125/kWh budgeted rate. Blended rates for electricity and natural gas are budgeted at \$0.125 per kWh and \$0.80 per therm, respectively. Annual usage was measured at 65,295,323 kWh against the annual average of 70,000,000 kWh.</p>
	<p>O&M and Reimbursable Projects, 46.9% and 62.9% The combined O&M and reimbursable project costs were \$11.5 million or 47.6% of their combined year to date budget. The favorable balance is mainly due to lower spending for water and drought related projects such as the Santa Ana River Conservation & Conjunctive Use Program (SARCCUP), Chino Basin Drought Contingency Plan, and other drought related projects. Actual expense includes \$2.5 million of pass through grant proceeds that were remitted to the Chino Basin Desalter Authority (CDA).</p>
Financial Expenses	<p>Financial Expense, 90.1% Total financial expenses were \$19.8 million through the end of the fourth quarter. Actual costs included \$11.8 million paid towards principal and interest for the 2008B, 2010A and 2017A bonds. Other note and loan principal and interest payments were \$7.8 million, and \$0.2 million for financial administration fees.</p>
Other Expenses	<p>Other Expenses, 77.3% Total other expenses were \$0.3 million or 77.3% of the annual budget, included in this category is annual contributions-in-aid to the Santa Ana Watershed Project Authority.</p>
Capital Expenses	<p>Capital Costs, 77.2% Total capital project expenditures through the end of the fiscal year were \$56.3 million or 77.2% of the annual budget of \$73.0 million. The budget includes \$5.1 million of capital budget carried forward from FY 2016/17, of which \$400,000 was returned in December 2017 per Agency Policy A-81 (Fiscal Year Carry Forward Encumbrances and Related Budget). The lower than anticipated expenditures are primarily due to contractor delays, design recommendation reviews, and extended request for proposals and related contract award delays. Capital project costs related to the regional wastewater program through the fourth quarter were \$44.0 million, or 85.3% of the \$51.6 million annual program budget. Recycled water capital projects accounted for \$7.4 million, or 56.1% of the \$13.2 million annual budget.</p>

Summary of major capital and non-capital project expenses and status as of June 30, 2018

Capital Projects		Annual Budget	Actual YTD	% of Budget Used YTD
EN15008	Water Quality Laboratory The scope of the project is the construction of a new, state of the art, 17,000 sq. laboratory and expansion of the existing central plant to supply chilled water for the laboratory air conditioning and heating system. The project is funded in part by State Revolving Fund (SRF) loan proceeds. The project is in the final phases of construction and progressed more quickly than anticipated for the fiscal year, project is projected to be complete in September of 2018. The current total project budget is \$26,645,000, as of June 30, 2018 total project expenses are 87.5% of total project budget.	11,300,000	12,095,158	107.0%
EN14019	RP-1 Headworks Gate Replacement This project includes the full replacement of the 17 existing headworks gates at RP-1 with new stainless steel gates. These gates were deemed significantly deficient during a full condition assessment conducted in July of 2009. The project, currently in the construction phase and remained behind schedule through the end of the fiscal year. Staff is currently working with the contractor on a recovery plan and project is scheduled for completion in FY 2018/19.	4,600,256	2,181,931	47.4%
EN13001	San Sevaine Basin Improvements As part of the 2013 Amendment to the 2010 Recharge Master Plan Update (RMPU), this project will evaluate, design, and construct basin improvements needed to maximize infiltration and recharge capture at the San Sevaine basins. The final recommendation from the preliminary development report proposes to implement, a new storm water/recycled water pump station in Basin 5, directly tie it into all existing RW pipeline, place new pipelines and headwalls in Basins 1, 2 and 3, and install monitoring wells and lysimeters. The proposed improvements will add 642 AF per year of storm water and 4,100 AF per year of recycled water for groundwater recharge. This project is currently in construction with an estimated completion in early FY 2018/19.	4,320,000	4,012,332	92.9%
EN17110	RP-4 Process Improvements This project involves improvements to different processes and operational functional flexibility at RP-4. The project's scope of work was expanded during the charter phase and the technical preparation work was placed on hold in order to focus on the Emergency Trident Filter project for approximately 3 months. The Trident Filter contractor is having trouble procuring materials which will push some project expenditures into FY 2018/19.	2,847,350	2,652,894	93.2%
O&M & Reimbursable Projects		Annual Budget	Actual YTD	% of Budget Used YTD
PA17006	Agency-Wide Aeration Panel Replacements The project scope involves the replacement of aeration panels at RP-1, RP-4, RP-5, and CCWRF. The aeration panel replacement will improve oxygen transfer efficiency and operational effectiveness of the wastewater treatment process. The RP-5 Aeration Panel construction contract was awarded in December 2017 and is estimated to be complete in December of 2018.	3,143,511	2,903,750	92.4%
EN16021	TCE Plume Cleanup In June 2015, IEUA entered into an agreement with the Chino Basin Desalter Authority (CDA) to fund a project designed to remediate the South Archibald Plume. The projects timeline has been delayed due to difficulty in acquiring property needed to construct a groundwater well in the plume area. Pipeline design began in March 2018 and is estimated to be completed in the first quarter of FY 2018/19. Additionally, the project's budget was amended in the third quarter by \$2.5 million to account for a pass-thru grant remitted to CDA of the same dollar amount.	3,818,000	3,047,656	79.8%
WR16024	Santa Ana River Conservation and Conjunctive Use Program (SARCCUP) The Santa Ana River Conservation & Conjunctive Use Program is known as SARCCUP. Was created with various other water agencies to utilize funds from SAWPA Prop 84 grants to develop a watershed-scale conjunctive use program. The project has experienced delays as the project scope has changed significantly and is awaiting grant modification from the Department of Water Resources.	3,138,398	147,516	4.7%

Business Goals & Objectives Report By Department

FY 2017/18
4th Quarter

Exhibit B

8/21/2018

Department: ALL
Report Month: April, May, June : Year: 2018

Goal ID	FY Start	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Coordinator	Note Month	Note Year	Status	Complete	Notes
Agency Management														
311	FY 2017/18	Annual	Agency Management	B	Ensure staff upholds their role in achieving the Agency's Mission, Vision, and Values	Staff to complete a course or seminar for professional development annually	Complete notary course/exam by March 2018.	Travel/Expense Reports	April Woodruff	February	2018	On Schedule		Notary Exam was completed by Sally Lee in December 2017.
313	FY 2017/18	Monthly	Agency Management	B	Ensure staff is fully trained on administrative functions and policies included in Administrative Code	In the process of developing the Administrative Handbook and Board of Director Bylaws	Administrative Code will be completed by December 2017	Monthly meetings are held to review/revise the policies. Six to eight policies are reviewed monthly	April Woodruff	April	2018	On Schedule		The Board approved the new Administrative Handbook on January 17, 2018.
314	FY 2017/18	Monthly	Agency Management	C	Provide support for positions that would enable the implementation of the Agency's goals.	Develop a standard operating procedure handbook for the Executive Management Department.	To be completed by June 2018	Complete 3 - 4 SOPs per month	April Woodruff	August	2018	Behind Schedule		Project is 75% complete.
315	FY 2017/18	Monthly	Agency Management	C	Provide support for positions that would enable the implementation of the Agency's goals.	Update and maintain Board Secretary Handbook	To be completed by June 2018	Monthly handbook review	April Woodruff	August	2018	Behind Schedule		Handbook is 90% complete.
316	FY 2017/18	Annual	Agency Management	D	Develop regional collaboration for groundwater storage programs.	Develop water bank program for the Chino Basin	Water Bank Authority to be established by the end of the fiscal year	Meeting bi-weekly with parties to review/discuss cost-sharing agreements, budget, and proposals. Selected consultant to develop water bank.	April Woodruff	February	2018	On Schedule		All parties signed the CBWB JPA and will be appointing directors. Second CBWB Workshop for stakeholders was completed on 2/1/18. Parties continue to meet bi-weekly
317	FY 2017/18	Monthly	Agency Management	E	Continue the process of collaborative negotiations in support of reaching mutually agreeable terms for the new Regional Contract.	Renegotiate the Regional Contract set to expire in 2023	Member agencies and the Technical Committee are working towards a development plan. TAC meeting are held monthly.	Track Technical Committee meeting minutes for status updates throughout fiscal year.	April Woodruff	August	2018	On Schedule		The facilitation contract amendment with Kearns & West for Phase 2B was approved by the Board in June. Preliminary negotiation sessions have been scheduled through February 2019.
Business Information Services														
318	FY 2017/18	Quarterly	Agency Management	A	Continue commitment to sustainable cost containment for operating and capital costs.	Maintain SAP professional services expenses within annual budget amount	To continue throughout fiscal year	Monitoring department budget with budget variance report	Kanes Pantayatiwong	June	2018	On Schedule		Support cost in this quarter was \$12,192, which is less than the quarterly average budget of \$22,700.
320	FY 2017/18	Quarterly	Agency Management	A	Advocate for continued receipt of property taxes and optimize grants and other funding sources to support Agency and regional investments	Optimize grant administration through process improvements and/or SAP enhancements and provide recommendation report	Deliver recommendation report by August 15, 2017	Reduction in grant processing time (will require baseline) report to be developed based on the number of tasks required	Kanes Pantayatiwong	June	2018	On Schedule		Already completed in FY2017 Q1.
321	FY 2017/18	Quarterly	Agency Management	A	Advocate for continued receipt of property taxes and optimize grants and other funding sources to support Agency and regional investments	Implement approved changes to grants administration process improvements and/or SAP enhancements	Complete by December 1, 2017	Reduction of grant processing time (will require baseline) to be implemented based on report findings	Kanes Pantayatiwong	June	2018	Behind Schedule		BIS has been working with Grants department in designing and implementing the enhancements in SAP. In the process, BIS discovered that there are four main types of grant-project relations. Of the 4 types, three of the relationships have been configured and can be used today. The forth type is more complicated due to the many grants to many projects relationship type. BIS will continue to work closely with Grants Department in arriving at the key decisions so that the enhancements can be implemented.

Business Goals & Objectives Report By Department

FY 2017/18
4th Quarter

Exhibit B

Department: ALL
Report Month: April, May, June : Year: 2018

8/21/2018

Goal ID	FY Start	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Coordinator	Note Month	Note Year	Status	Complete	Notes
Business Information Services (cont.)														
322	FY 2017/18	Quarterly	Agency Management	A	Integrate projects identified in the long range financial planning documents, such as the Asset Management Plan, Facilities Wastewater Master Plan, Technology Master Plan, Energy Plan, and the Integrated Resources Plan, into the operating and capital budgets.	Complete Master Plan by FY 2018	GIS Master Plan to be completed by June 30, 2018	Monitor progress then obtain final GIS Master Plan report through consultant	Kanes Pantayatiwong	June	2018	Behind Schedule		The consultants are now actively engaged in the project. This project is expected to be completed in Q2 of FY2019.
323	FY 2017/18	Quarterly	Agency Management	A	Integrate projects identified in the long range financial planning documents, such as the Asset Management Plan, Facilities Wastewater Master Plan, Technology Master Plan, Energy Plan, and the Integrated Resources Plan, into the operating and capital budgets.	Complete a needs assessment for enhancing ESS/MSS with additional functionality by FY 2018	ESS/MSS Enhancements to be completed by June 30, 2018	Manager will meet with staff quarterly to obtain status updates until needs assessment is finalized.	Kanes Pantayatiwong	June	2018	Behind Schedule		This project is deferred until a new HR manager is hired. As a preparation step, BIS will begin exploring SAP SuccessFactors as an alternative to consider beside enhancing existing ESS/MSS.
324	FY 2017/18	Quarterly	Agency Management	A	Integrate projects identified in the long range financial planning documents, such as the Asset Management Plan, Facilities Wastewater Master Plan, Technology Master Plan, Energy Plan, and the Integrated Resources Plan, into the operating and capital budgets.	Provide support to Operations and Maintenance division on the 8-phase improvement project.	Quarterly until completion.	The Maintenance Project Plan	Kanes Pantayatiwong	June	2018	On Schedule		This project was placed on hold by the executive management.
325	FY 2017/18	Quarterly	Agency Management	A	Expand dashboard development to enhance financial reporting	Promote business data-driven decision making in all business areas	Quarterly	Deploy one to two new dashboards or significantly enhance one to two existing dashboards quarterly	Kanes Pantayatiwong	June	2018	On Schedule		Completed the BusinessObjects platform upgrade that allows for Business Systems Analysts to create dashboard prototypes and handing them over to the developers to deploy quickly. Past process involves the developer to recreate the entire dashboards from prototypes. This new method only requires some tweaking of the prototypes. Also, BIS deployed a leave report that allows supervisors and managers to view the leave type used as well as details on day of the week and frequency.
326	FY 2017/18	Quarterly	Agency Management	B	Draft a new consolidated Personnel Rules and Regulations for the Agency across all bargaining units, streamlining individual Unit MOUs by December 2017.	Provide SAP test environment by 4/1/2018 to validate the technical feasibility of any proposed MOU changes in preparation for and during the negotiation	1/1/2018 – Complete review of existing rules and configurations, 4/1/2018 – SAP test environment ready for testing proposed changes	By January 2018 complete review of existing rules and configurations. By April of 2018 provide an SAP test environment to HR.	Kanes Pantayatiwong	June	2018	On Schedule		ISS and BIS completed a test environment for team last quarter to test any changes to the MOU. The Agency also completed the negotiations. HR is working with the units to finalize the language and providing BIS with changes requiring system configurations.
327	FY 2017/18	Annual	Agency Management	B	Develop and implement a plan to mentor and prepare the next generation of Agency leaders by July 2017 and every two years thereafter.	Provide training opportunities to at least 25% of staff	Annual	A procurement report will be used to confirm staff attendance at trainings.	Kanes Pantayatiwong	August	2018	On Schedule		3 out 10 (30%) staff, excluding manager, were trained in FY2018.
328	FY 2017/18	Quarterly	Agency Management	B	Uphold a strong internal control environment by conducting independent objective internal and external audits of Agency's business practices.	Establish SOPs for key business functions within the department by end of FY2018	Quarterly - Report to be provided by 10/1/17 on SOPs to complete, Complete all recommended SOPs by 6/30/18	Complete 1/3 of proposed SOPs quarterly in Q2, Q3, and Q4	Kanes Pantayatiwong	June	2018	Behind Schedule		No new SOPs generated in Q4 due to resources time spent on preparing for MOU changes in SAP, SAP training effort (content creation and technology platform for the training hub) and payroll upgrade preparation.

Business Goals & Objectives Report By Department

Department: ALL
Report Month: April, May, June : Year: 2018

Goal ID	FY Start	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Coordinator	Note Month	Note Year	Status	Complete	Notes
<u>Business Information Services (cont.)</u>														
329	FY 2017/18	Quarterly	Agency Management	B	Uphold a strong internal control environment by conducting independent objective internal and external audits of Agency's business practices.	Assess and implement, if deemed necessary, the testing automation system to address the testing needs for SAP changes by end of FY2018	Provide assessment report and, if needed, complete implementation of testing automation system by 6/30/2018	Reduction in testing cycle time and/or increase in test cases	Kanes Pantayatiwong	June	2018	On Schedule		The project was terminated due to proposed solution's shortcomings and unlikelihood of addressing the testing team's needs at an affordable cost.
330	FY 2017/18	Annual	Agency Management	B	Review and update the Disaster Preparedness Plan and conduct periodic emergency response drills every two years.	Ensure the validity of Disaster Preparedness Plan with respect to SAP and critical systems	Annual	Execute at least one remote testing of the offsite backup system annually	Kanes Pantayatiwong	August	2018	On Schedule		The Agency payroll and IT teams went to the offsite facility to test the SAP backup and PCs to ensure payroll and vendor payments can be processed in case of an emergency.
332	FY 2017/18	Quarterly	Agency Management	C	Evaluate cutting-edge, innovative projects to ensure the implementation will benefit customers, water supplies and environmental stewardship.	Document Change Request Management (ChaRM) to include justifications, key objectives, targeted improvements and obtain key stakeholders' approval for all projects requiring more than 80 hours of work by BIS staff	Quarterly	Schedule meetings with requestors to confirm document change needs. Significant enhancements will be monitored on Sharepoint.	Kanes Pantayatiwong	June	2018	On Schedule		BIS has performed a number of process assessments to determine if and what enhancements can be done to improve the overall efficiency. Such assessments are: 1) the Cintas cost increase; 2) the viability for online credit card consolidation tool; 3) the SAP test automation tool; and 4) the SAP Fiori as user interface enhancement tool.
333	FY 2017/18	Annual	Agency Management	C	Comply with all regulatory requirements.	Comply with SB272 requirements	Annually by July 1	Published required information on Agency's website (external) prior to the due date	Kanes Pantayatiwong	June	2018	On Schedule		No new enterprise software added in FY2018.
<u>Contracts and Procurement</u>														
375	FY 2017/18	Annual	Finance and Administration	B	Review and update the Disaster Preparedness Plan and conduct periodic emergency response drills every two years.	Ensure product and service availability from third party suppliers in emergency situations.	Complete by Fiscal Year-End	A number of Agreements are in place and are updated as required per a schedule.	Warren Green	August	2018	On Schedule		As the Agency's Disaster Response Plan gains momentum, we will go back to the identified contracts. We currently include emergency response clauses in the newly issued contracts to support the goal.
377	FY 2017/18	Annual	Finance and Administration	B	Ensure staff is fully trained on administrative functions and policies included in the Administrative Code.	Provide Agency-wide training on the Agency's contract and purchasing ordinance, including but not limited to State and Federal codes, and Agency processes.	Complete by Fiscal Year-End	A number of training sessions completed for each department, and monitored using sign-in sheets	Warren Green	August	2018	On Schedule		Staff has completed several training sessions, however with the postponing of the Procurement Ordinance and recent SAP enhancement development, we have postponed training.
379	FY 2017/18	Semi-Annual	Finance and Administration	C	Conduct lessons learned sessions to evaluate key program implementation.	Increase post project discussion with Agency project managers.	Completed by January 30, 2018	Quarterly meetings will be scheduled with project managers.	Warren Green	August	2018	On Schedule		No change as staff continues to meet with various departments and project managers in support of better meeting their needs and efficiencies.
380	FY 2017/18	Annual	Finance and Administration	C	Utilize green procurement and reuse of surplus materials, equipment and parts, when possible.	Encourage the inclusion of these requirements in the various Agency projects.	Complete by Fiscal Year-End	A number of recommendations will be provided to project managers, and will be monitored as projects are in process	Warren Green	May	2018	On Schedule		We have sent several vehicles and equipment to surplus auctions and continue to do so.
382	FY 2017/18	Annual	Finance and Administration	C	Develop an Administrative Code to provide a platform for transparent communication with member agencies on key activities, issues, policies, and key documents.	Annually review and update department related policies, procedures and ordinances.	Complete by Fiscal Year-End	Policies, procedures, and ordinances will be placed on Outlook calendars for review as required.	Warren Green	August	2018	On Schedule		No change in status we the Administrative Code and Procurement Ordinance are not updated.

Business Goals & Objectives Report By Department

FY 2017/18
4th Quarter

Exhibit B

Department: ALL
Report Month: April, May, June : Year: 2018

8/21/2018

Goal ID	FY Start	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Coordinator	Note Month	Note Year	Status	Complete	Notes
<u>Contracts and Procurement (cont.)</u>														
384	FY 2017/18	Annual	Finance and Administration	C	Collaborate with and support local businesses and economic development in the region through regional programs.	Promote the Agency's Business Outreach Program	Complete by Fiscal Year-End	Through social media and other outreach events a 5% participation rate is to be obtained. Programs and participation will be reported to supervision and management.	Warren Green	August	2018	Behind Schedule		No change as personnel issues continue to drive workload adjustments reducing our opportunity to move forward with the formalized SBO.
<u>Engineering</u>														
465	FY 2017/18	Monthly	Engineering, Planning and Science	B	Develop and implement a plan to mentor and prepare the next generation of the IEUA team.	Enhance communication and development during a monthly mentoring meeting with Senior and Junior staff.	Ongoing	Conduct mentoring meetings at least 10 times per year.	Shaun Stone	August	2018	On Schedule		In February, March, May and June, staff conducted four Monthly Mentoring sessions with the Assistant Engineers. The two sessions conducted during February and March were not included in the previous reporting period. Overall for the year staff conducted 9 mentoring sessions or 90% of the stated goal.
467	FY 2017/18	Monthly	Engineering, Planning and Science	C	Conduct lessons learned sessions to evaluate key program implementation.	Review and evaluate all projects for best practices that can be applied to future projects.	Ongoing	At a minimum of 10 times per year	Shaun Stone	August	2018	On Schedule		Staff conducted three lessons learned during this period May: "SOP-78 Pre-Qualification of Contractors". June: "CCWRF and RP-1 Switchgear" and "Emergency Contract Work" Overall for the year, staff conducted 7 Lesson Learned or 70% of the stated goal.
469	FY 2017/18	Semi-Annual	Engineering, Planning and Science	E	Develop a monitoring and assessment program to support the implementation of the Asset Management Plan.	Complete Asset Management Plan by November 2019.	Ongoing	Submit progress updates every six months, planned completion by November 2019.	Shaun Stone	August	2018	On Schedule		Staff is developing a needs assessment in order to develop an efficient and workable asset management program.
471	FY 2017/18	Monthly	Engineering, Planning and Science	E	Implement projects in a timely and cost-effective manner.	Provide high quality project management	Ongoing	Capital spending within Fiscal Year Budget = 90%, Actual expenditures as a percentage of forecasted expenditures = 90%, Project costs within 110% of the Total Project Budget established in the Project Charter = 90%	Shaun Stone	August	2018	On Schedule		Capital spending within Fiscal Year Budget = 77%, Actual expenditures as a percentage of forecasted expenditures = 88%, Project costs within 110% of the Total Project Budget established in the Project Charter = 16 of 24 projects, 67%
473	FY 2017/18	Monthly	Engineering, Planning and Science	E	Implement energy efficient projects and efficiencies into existing facilities and equipment.	Staff are actively reviewing projects for Southern California Edison (SCE) savings programs.	Ongoing over two years	All applicable projects will be sent to SCE for incentives.	Shaun Stone	August	2018	On Schedule		During the last quarter Engineering and Operations worked with The Energy Network to evaluate the merits of replacing the blowers at RP-4. Data loggers were placed on one of the blowers for a 30 day period. The data is currently being analyzed and the result will be available next quarter.
87	FY 2018/19	Quarterly	Engineering, Planning and Science	D	Achieve 20,000 acre feet of recycled water recharge in Dry Years by June 2019	Implement the schedule consistent with the RWPS and the Recharge Master Plan Update	Continuous	Meet the schedules as defined by the RWPS and RMPU	Shaun Stone	January	2018	On Schedule	No	The RWPS was used to develop recommended projects and TYCIP.

Business Goals & Objectives Report By Department

Department: ALL
Report Month: April, May, June : Year: 2018

Goal ID	FY Start	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Coordinator	Note Month	Note Year	Status	Complete	Notes
Engineering (cont.)														
91	FY 2018/19	Quarterly	Engineering, Planning and Science	D	Coordinate with the Chino Basin Watermaster on the Recharge Master Plan Update by July 2019	Implement projects by the schedule as identified in the RMPU	continuous	Meet schedule as defined by the RMPU	Shaun Stone	January	2018	On Schedule	No	The 2019 RMPU is discussed at the IEUA/CBWM Quarterly meetings. Focus meeting will be scheduled.
External Affairs														
435	FY 2017/18	Annual	External Affairs and Policy Development	A	Advocate for continued receipt of property taxes and optimize grants and other funding sources to support Agency and regional investments.	Build and maintain strong working relationships with elected officials within the region to assist in promoting the Agency's priorities and investments.	Ongoing	Continue to invite elected officials to Agency events and hold VIP tours per year.	Kathryn Besser	August	2018	On Schedule		Staff continues to reach out to elected officials in efforts to build and maintain crucial relationships. Staff continuously invites elected officials and their staff to tour IEUA facilities or participate in IEUA events as appropriate.
437	FY 2017/18	Annual	External Affairs and Policy Development	B	Ensure staff upholds their role in achieving the Agency's Mission, Vision, and Values.	Continue to incorporate the Agency's mission, vision, and values within the process of updating Agency documents.	Ongoing	Work with CAP to update the Agency's documents: letterhead, business cards, and other in FY 2017/18.	Kathryn Besser	August	2018	On Schedule		The Agency updates fact sheets, the website and other brochures throughout the year are necessary. The last fact sheet update was completed in August 2018.
439	FY 2017/18	Quarterly	External Affairs and Policy Development	B	Ensure staff upholds their role in achieving the Agency's Mission, Vision, and Values.	Provide staff with opportunities for technical and professional training classes.	Obtain Gold Standard in Laserfiche Management Certified Computer Professional (CCP) by December 2017. Attend ARMA International training by October 2017. Attend Laserfiche Conference by February 2018.	Measure the percentage of Records Management staff trained in Records and Information Management disciplines.	Linda Johnson	August	2018	On Schedule		Records Management training to Agency Employees in Records and Information Disciplines: New Hire Training-- 26. Manager and Liaison Training-- 27
439	FY 2017/18	Quarterly	External Affairs and Policy Development	B	Ensure staff upholds their role in achieving the Agency's Mission, Vision, and Values.	Provide staff with opportunities for technical and professional training classes.	Obtain Gold Standard in Laserfiche Management Certified Computer Professional (CCP) by December 2017. Attend ARMA International training by October 2017. Attend Laserfiche Conference by February 2018.	Measure the percentage of Records Management staff trained in Records and Information Management disciplines.	Linda Johnson	August	2018	Behind Schedule		Records Management experienced a staffing change for two Records Specialist in October 2017. As a result, the Gold Standard in Laserfiche Management Certified Computer professional (CCP) was not obtained. The classes were reassigned to a new Records Management Specialist in May 2018. This goal will be completed by May 2019.
441	FY 2017/18	Quarterly	External Affairs and Policy Development	B	Ensure staff upholds their role in achieving the Agency's Mission, Vision, and Values.	Conduct Agency training on department processes that in support of managing electronic records	Staff to train Agency employees on Laserfiche software for Phases 2-3 by June 30, 2018	Measure the percentage of agency staff trained in records management best practices and management of electronic records.	Linda Johnson	August	2018	On Schedule		The ECMS Laserfiche Initiatives were revised to implement Phases on a calendar year rather than a fiscal year. The Laserfiche Initiatives were revised to include certain Agency departments the ability to upload their records into the Laserfiche system; therefore training in best practices and management of electronic records. All employees in the CAP department were trained on uploading contracts into the Laserfiche system. In addition, PEC, IERCF, as well as Eng and Const Management are uploading records into Laserfiche. An additional 10 Agency employees have been trained.

Business Goals & Objectives Report By Department

FY 2017/18
4th Quarter

Exhibit B

Department: ALL
Report Month: April, May, June : Year: 2018

8/21/2018

Goal ID	FY Start	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Coordinator	Note Month	Note Year	Status	Complete	Notes
External Affairs (cont.)														
443	FY 2017/18	Quarterly	External Affairs and Policy Development	C	Conduct lessons learned sessions to evaluate key program implementation.	Hold department lessons learned meetings to evaluate and improve the effectiveness and efficiency of Agency events and educational programs	Ongoing	Hold 3 per year on major programs/events.	Kathryn Besser	August	2018	On Schedule		Staff has also continued to review and conduct lessons learned from park tours experiences including staffing, curriculum, and outreach methods and materials. Staff will complete a lessons learned meeting on the holiday picnic that was recently held in August 2018.0
445	FY 2017/18	Monthly	External Affairs and Policy Development	C	Translate complex water/environmental regulations and the IEUA role in protecting regional programs, economy and environment for the general public and elected officials.	Continue to work with community groups and the regional technical and policy committees to relay information and updates on the complex issues that impacting the region.	Ongoing	Attend monthly Regional Policy and Technical Committee meetings. Attend and present 1 community event per quarter.	Kathryn Besser	August	2018	On Schedule		The Executive Manager of External Affairs and Policy Development/AGM continues to attend each Regional Policy and Technical committees. IEUA staff has continued to reach out to partnering agencies regarding legislation as it relates to them to help determine a regional opinion and approach.
447	FY 2017/18	Quarterly	External Affairs and Policy Development	C	Provide support for positions that would enable the implementation of the Agency's goals.	Continue to cultivate strong working relationships with elected officials and governmental agencies to help ensure IEUA continues to be a regional leader in water, wastewater and renewable energy issues.	Ongoing	Invite elected officials to Agency events and hold a minimum of 3 VIP tours per year.	Kathryn Besser	August	2018	On Schedule		Staff continues to reach out to elected officials in efforts to build and maintain crucial relationships. Staff recently sent out thank you letters to delegates inviting them to visit our facilities.
449	FY 2017/18	Semi-Annual	External Affairs and Policy Development	D	Work to change landscape and agricultural practices of high chemical use to increase use of compost to improve groundwater quality.	Continue to watch legislation as it relates to compost and organics. When applicable participate in promoting legislation that advances this work plan.	Ongoing	Work with state and federal legislative offices to support any proposed bill language or programs that bring awareness and use of compost and organics.	Kathryn Besser	August	2018	On Schedule		Staff and contracted lobbyist continue to monitor and analyze Federal and State legislation. Staff works closely with the Manager of the IERCF to stay up to date with necessary the compost organizations and their positions on current legislation.
451	FY 2017/18	Monthly	External Affairs and Policy Development	E	Develop and analyze processes related to salinity management.	Continue to audit big box stores' inventory of water softeners and continue to work with planning staff to pass ordinances in remaining cities.	Ongoing	Audit 36 stores per year and present findings at city council meetings.	Kathryn Besser	May	2018	On Schedule		Audits and finding presentations will be completed in the 4th quarter of FY 17/18.
453	FY 2017/18	Semi-Annual	External Affairs and Policy Development	E	Pursue opportunities for renewable energy development and interconnection with grid.	Continue to monitor legislation and policy as it relates to the use and development of renewable energy, advocating on behalf of the Agency when applicable.	Ongoing	Work with state and federal legislative offices to support any proposed bill language or programs that continue to develop the use of renewable energy.	Kathryn Besser	August	2018	On Schedule		Staff and contracted lobbyist continue to monitor and analyze Federal and State legislation.

Business Goals & Objectives Report By Department

Department: ALL

Report Month: April, May, June : Year: 2018

Goal ID	FY Start	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Coordinator	Note Month	Note Year	Status	Complete	Notes
External Affairs (cont.)														
455	FY 2017/18	Monthly	External Affairs and Policy Development	F	Conduct educational and outreach programs and activities related to the Agency's key areas of business.	Continue to grow and advance the Agency's educational and outreach programs including increasing the number of students participating in the Water Discovery Program, Water is Life Poster Contest, and Garden in Every School® Program. Continue to expand the Agency's social media presence to increase outreach to community members in the region.	Ongoing	Increase outreach to schools within the region. Increase IEUA's posts on social media to continue to increase the Agency's social media following - post 2-3 times per week	Kathryn Besser	August	2018	On Schedule		On average, the External Affairs department has posts ~ 35 times a month, approximately 8 posts per week on both Facebook and Twitter accounts. Staff has continued to increase IEUA's social media following and works to create new media content to bring awareness to current water matters. During the 4th quarter staff created a new Instagram account specific to the Chino Creek Educational Park and Wetlands to help bring awareness to the park itself.
Finance and Accounting														
104	FY 2017/18	Quarterly	Finance and Administration	A	Reinstate the Agency's long term credit rating to AAA and maintain a debt coverage ratio to support such rating by FY 2017/18	Continue to monitor the Agency's debt coverage ratio and credit rating metrics to ensure the Agency is on track to improving its long term credit rating.	July-2018	Completed by June 2018	Javier Chagoyen - Lazaro	August	2018	On Schedule	No	Continue to monitor the Agency credit rating and collaborate with financial advisor in developing financing strategies for supporting the Agency's ten year capital improvement plan (TYCIP).
386	FY 2017/18	Semi-Annual	Finance and Administration	A	Monitor the Agency's cost of service for key Agency programs to ensure rate efficiency related to Non-Reclaimable Wastewater (NRW) System, Regional Wastewater, Recycled Water, Water Resources, Groundwater Recharge, and Organics Management.	Adopt rates that fully meet the cost of service for key Agency programs to ensure rate efficiency related to Non-Reclaimable Wastewater (NRW) System, Regional Wastewater, Recycled Water, Water Resources.	Ongoing	Adopt rates that meet cost of service.	Javier Chagoyen-Lazaro	August	2018	On Schedule		Staff monitors each program fund's revenue, expenditures, and reserve balances, and provide update through the quarterly budget variance analysis. Monitored and reviewed programs' cost of service
388	FY 2017/18	Semi-Annual	Finance and Administration	A	Continue commitment to sustainable cost containment for operating and capital costs.	Monitoring cost containment for operating and capital costs through budget variance analysis for operating and capital costs.	Ongoing	Verify via analysis and reporting that operating and capital expenditures are on track with annual program fund budgets and adjust if necessary to meet program needs.	Javier Chagoyen-Lazaro	August	2018	On Schedule		Monitoring and analyzing revenue and expenditures items through the budget variance reporting. Departments provide explanation and justification according to the budget variance reporting requirements.
390	FY 2017/18	Semi-Annual	Finance and Administration	A	Advocate for continued receipt of property taxes and optimize grants and other funding sources to support Agency and regional investments.	Monitor the receipt of property taxes, optimize grants and other funding sources to support Agency and regional investments.	Ongoing	Review via analysis and reporting that operating and capital revenues are on track with annual program fund budgets.	Javier Chagoyen-Lazaro	August	2018	On Schedule		Monitoring the Agency's revenue and funding source; property tax, connection fees, recycled water sales, and grants, as well as operations and maintenance expenses, debt service, and capital spending.
392	FY 2017/18	Annual	Finance and Administration	A	Fully fund the Other Post-Employment Benefits (OPEB) unfunded accrued liability by July 2019.	Fully fund the Other Post-Employment Benefits (OPEB) unfunded accrued liability by July 2019.	Annual funding by July 2018	Annual contributions until reaching fully funded status.	Javier Chagoyen-Lazaro	August	2018	On Schedule		Continue to make annual contribution for OPEB to minimize future liability
394	FY 2017/18	Annual	Finance and Administration	A	Fully fund the pension unfunded accrued liability by July 2024.	Fully fund the pension unfunded accrued liability by July 2024.	Annual funding by July 2018	Annual contributions until reaching fully funded status.	Javier Chagoyen-Lazaro	August	2018	On Schedule		Continue to make annual contribution to pension liability

Business Goals & Objectives Report By Department

FY 2017/18
4th Quarter

Exhibit B

Department: ALL
Report Month: April, May, June : Year: 2018

8/21/2018

Goal ID	FY Start	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Coordinator	Note Month	Note Year	Status	Complete	Notes
<u>Finance and Accounting (cont.)</u>														
396	FY 2017/18	Semi-Annual	Finance and Administration	A	Integrate projects identified in the long range financial planning documents, such as the Asset Management Plan, Facilities Wastewater Master Plan, Technology Master Plan, Energy Plan, and the Integrated Resources Plan, into the operating and capital budgets.	Update Long Range Plan of Finance (LRPF) and Ten-Year Capital Improvements Plan (TYCIP).	LRPF December 2017	Present to the Board by June 2018.	Javier Chagoyen-Lazaro	August	2018	On Schedule		Worked with Planning and Engineering departments; review and discussion on the FY 2018/19 TYCIP major projects, respective projected funding and debt financing. Based on Executive Management's recommendation, the preparation of LRPF will commence upon the adoption of multi-year rate for FY 2020/21.
398	FY 2017/18	Monthly	Finance and Administration	A	Optimize the Agency's investment of surplus funds in accordance with the Agency's investment policy.	Monitor Agency's cash flow and invest surplus funds in accordance with the Agency's investment policy.	Ongoing	Review cash flow bi-weekly.	Javier Chagoyen-Lazaro	August	2018	On Schedule		Updated cash flow reports and related monthly financial affairs report to reflect the transitioning of Agency's investment performance managed by outside investment advisor team.
400	FY 2017/18	Semi-Annual	Finance and Administration	A	Continue to monitor market opportunities to reduce cost of outstanding debt.	Monitor market opportunities for retirement, refunding, or restructuring of outstanding debt to reduce costs.	Ongoing	Verify with Agency's financial advisor at least two times a year.	Javier Chagoyen-Lazaro	August	2018	On Schedule		Continue to work with financial advisor in reviewing and updating the Agency's debt financing strategies that best fit to support the projected capital expenditures.
402	FY 2017/18	Annual	Finance and Administration	A	Annually, review and update the Agency's reserve policy to ensure fund reserves meet operating, capital, debt service, obligations, unforeseen events, and comply with legally mandated requirements.	Review and update the Agency's reserve policy to ensure sufficient funding to meet operating, capital, debt service obligations, unforeseen events, and comply with legally mandated requirements.	Complete by Fiscal Year-End	Update annually and incorporate all policy changes.	Javier Chagoyen-Lazaro	August	2018	On Schedule		Revised the investment policy to reflect the transitioning of investment portfolio managed by outside investment advisory team.
<p style="text-align: right;">Insert Notes Details</p> <hr/> <p>Goal ID Reporting Month August January February March April May June July August September October November December Year 2018 2013 2014 2015 2016 2017 2018 2019 2020 Completed No Yes No Status On Schedule On Schedule Behind Schedule Notes Continue to work with financial advisor in reviewing and updating the Agency's debt financing strategies that best fit to support the projected capital expenditures.</p>														
404	FY 2017/18	Semi-Annual	Finance and Administration	A	Reinstate the Agency's long term credit rating to AAA and maintain a debt coverage ratio to support such rating.	Work towards to the Agency's long-term credit rating target of AAA and maintain a debt coverage ratio to support such a rating.	Ongoing	Receive AAA rating by June 2019.	Javier Chagoyen-Lazaro	August	2018	On Schedule		Continue to monitor the Agency's credit rating
406	FY 2017/18	Monthly	Finance and Administration	A	Monitor the performance of deferred contribution programs.	Monitor and review monthly reports on deferred contribution.	Ongoing	Review performance monthly.	Javier Chagoyen-Lazaro	August	2018	On Schedule		Review and monitor performance monthly
408	FY 2017/18	Monthly	Finance and Administration	B	Promote a safer work environment by administering and monitoring required safety and regulatory trainings and increase field presence of Safety staff.	Complete assigned safety tailgate training as provided on the department tracker by the Safety department.	Ongoing	Complete 21 safety tailgates annually and provide safety tailgate sign in sheets to the Safety department to keep safety tailgate tracker updated.	Javier Chagoyen-Lazaro	August	2018	On Schedule		Staff adhere to and attend required safety and compliance related training regularly.

Business Goals & Objectives Report By Department

Department: ALL
Report Month: April, May, June : Year: 2018

Goal ID	FY Start	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Coordinator	Note Month	Note Year	Status	Complete	Notes
Grants Administration														
457	FY 2017/18	Annual	External Affairs and Policy Development	A	Advocate for continued receipt of property taxes and optimize grants and other funding sources to support Agency and regional investments.	Develop an Agency Grants Strategic Plan that will guide grant activities.	By June 30, 2018	Annual Board approval of Grants Strategic plan.	Kathryn Besser	June	2018	On Schedule		In May 2018 submitted the Agency's first Grant Strategic Plan to IEUA Board. The strategic plan outlined the sources, structure and processes of acquiring grant and CWSRF loans.
459	FY 2017/18	Monthly	External Affairs and Policy Development	A	Advocate for continued receipt of property taxes and optimize grants and other funding sources to support Agency and regional investments.	Recommend and pursue potential grant opportunities that align with the Agency mission and financial goals.	Ongoing	Provide update on grant opportunities to Executive Management via the monthly General Manager's board report.	Kathryn Besser	June	2018	On Schedule		In May 2018 submitted the grants semi-annual update of department activities to IEUA Board. Also provided monthly updates via the General Manager's board report in the months of April 2018 through June 2018.
461	FY 2017/18	Quarterly	External Affairs and Policy Development	A	Advocate for continued receipt of property taxes and optimize grants and other funding sources to support Agency and regional investments.	Collaborate with the member agencies, JPA's and regional leaders on projects that can be partially funded by grant or SRF loan programs.	Ongoing	Attend regular meetings and participate in conference calls with member agencies and JPA partners to discuss grant and loan opportunities.	Kathryn Besser	June	2018	On Schedule		The SWRCB Prop 1 Storm Water Grant, \$9.8 million, for the Chino Basin Watermaster Recharge Master Plan Update Project was signed into agreement on behalf of the region. Received approval from USBR of feasibility studies for the Joint IEUA-JCSD Recycled Water Intertie and the IEUA- Pomona-Monte Vista Water District Recycled projects. Both projects are eligible for Title XVI grant funding. Applications will be submitted in July 2018. Received CWC Water Storage Investment Program, Prop 1, \$208.9 million maximum conditional eligibility determination letter for the Chino Basin Conjunctive Use Project. Several of the requirements must be by Jan. 2022 in order to receive funding. Also submitted the grants semi-annual update and grants strategic plan to the Regional Technical and Policy Committees.
463	FY 2017/18	Quarterly	External Affairs and Policy Development	A	Advocate for continued receipt of property taxes and optimize grants and other funding sources to support Agency and regional investments.	Manage congressional grant authorizations for water desalination projects in the Chino Basin.	Ongoing	Work in conjunction with the Chino Basin Desalter Authority to fulfill applications for funding and manage grants received.	Kathryn Besser	June	2018	On Schedule		A project completion and certification inspection for the SWRCB/Division of Drinking Water Proposition 50 grant award of \$53.8 million is pending the filing of construction notices of completion. The timeline will be determined by the CDA Sponsor Group meeting held in August 2018. IEUA is negotiating the CDA TCE Plume Cleanup Prop 1 GW Quality grant for \$11.4M. The grant contract will be executed in August 2018.
Human Resources														
410	FY 2017/18	Quarterly	Finance and Administration	B	Ensure staff upholds their role in achieving the Agency's Mission, Vision, and Values.	Promote a positive work environment that holds managers, supervisors and employees accountable for creating and maintaining respectful and positive work relationships.	Ongoing	Number of onsite visits, lunch and learns and other educational sessions held.	Blanca Arambula	June	2018	On Schedule		7 Promotional Announcements have been processed to all staff.
412	FY 2017/18	Quarterly	Finance and Administration	B	Ensure staff upholds their role in achieving the Agency's Mission, Vision, and Values.	Develop creative communication methods and continue education of employee benefits to increase knowledge of benefits programs and services.	Ongoing	Number of onsite visits, lunch and learns and other educational sessions held.	Blanca Arambula	June	2018	On Schedule		Social Security Administration hosted an onsite workshop to employees in May 21.

Business Goals & Objectives Report By Department

FY 2017/18
4th Quarter

Exhibit B

Department: ALL
Report Month: April, May, June : Year: 2018

8/21/2018

Goal ID	FY Start	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Coordinator	Note Month	Note Year	Status	Complete	Notes
Human Resources (cont.)														
414	FY 2017/18	Annual	Finance and Administration	B	Develop and implement a plan to mentor and prepare the next generation of the IEUA team.	Prepare Retirement Risk Assessment to identify employee retirement forecasting and timelines. Identify critical Agency positions. Use vacant position pool to mentor and increase knowledge transfer for critical positions	July 2017 and annually thereafter	Percent of internal advancements and promotions per FY and report to Executive Management as applicable.	Blanca Arambula	June	2018	On Schedule		7 Promotional Announcements have been processed to all staff.
416	FY 2017/18	Semi-Annual	Finance and Administration	B	Conduct a feedback study to measure employee satisfaction in areas including benefits, work life balance, training, job satisfaction, etc. in 2017 and every two years thereafter.	Identify strengths and areas of improvement and develop action plans from 2017 survey results. Design, conduct, analyze employee engagement survey in 2019.	December 2017	Percent change in employee engagement index in comparison to 2017 survey	Blanca Arambula	June	2018	On Schedule		A presentation was given to employees on the recommendation create by the employee feedback committees by executive management with action plans and timelines
418	FY 2017/18	Monthly	Finance and Administration	B	Draft a new consolidated Personnel Rules and Regulations for the Agency across all bargaining units, streamlining individual Unit MOUs by December 2017.	Analyze and identify MOU items requiring revisions or streamlining. Create draft MOUs and Personnel Rules.	Identify revisions by July 2017. Create drafts by October 2017	Number of MOU drafts created	Blanca Arambula	June	2018	On Schedule		All units approved of new MOUs by June 30, 2018
419	FY 2017/18	Monthly	Finance and Administration	B	Review and update the employee recognition program by December 2017.	Promote a culture that recognizes employees for job related accomplishments.	December 2017	Updated Policy A-75	Blanca Arambula	June	2018	On Schedule		On hold until labor negotiations are finalized.
420	FY 2017/18	Quarterly	Finance and Administration	B	Promote positive labor relations by conducting routine informal labor/management meetings with unit representatives.	Hold quarterly Labor Management meetings to address concerns and issues on an ongoing basis	Ongoing	Number of grievances filed and number of grievances resolved informally.	Blanca Arambula	June	2018	On Schedule		Labor negotiations were conducted with all 5 units and new MOUs approved by the units in June.
422	FY 2017/18	Quarterly	Finance and Administration	B	Promote positive labor relations by conducting routine informal labor/management meetings with unit representatives.	Promote and sustain open communication with all levels of staff to effectively resolve work related issues in harmonious manner.	Ongoing	Number of grievances filed and number of grievances resolved informally.	Blanca Arambula	June	2018	On Schedule		2 grievances was received during the 4th quarter and 1 remains open.
424	FY 2017/18	Annual	Finance and Administration	B	Review and update the Disaster Preparedness Plan and conduct periodic emergency response drills every two years.	Post the Disaster Response Plan, along with the Incident Organization Chart (IOC) on Agency portal to ensure staff accessibility.	Ongoing	Complete periodic reviews of the Disaster Response Plan and Incident Organization Chart.	Blanca Arambula	June	2018	On Schedule		An Agency-wide disaster drill was completed earlier in 2018. The Emergency Response Plan is under final review and will be posted to the Agency's intranet during the first quarter of 18/19.
426	FY 2017/18	Annual	Finance and Administration	B	Review and update the Disaster Preparedness Plan and conduct periodic emergency response drills every two years.	Move the initial IOC disaster drill timeline to September 2017 to allow a larger number new hires to participate, scheduling future drills at minimum every two years.	September 2017	Complete IOC disaster drills at minimum every two years.	Blanca Arambula	January	2018	On Schedule		The disaster drill was conducted on January 24, 2017.
427	FY 2017/18	Quarterly	Finance and Administration	B	Prepare a plan and timeline to meet the standards of the Cal Star Award program from OSHA.	Work with Departments to further implement Cal/OSHA required programs outlined on the Cal-VPP Action Log, ensuring an inclusive, supportive, safer work environment.	Ongoing	Monitor 'Action Log' progress by updating the VPP committee and management as appropriate.	Blanca Arambula	June	2018	On Schedule		The Cal-VPP project is suspended at this time.

Business Goals & Objectives Report By Department

FY 2017/18
4th Quarter

Exhibit B

8/21/2018

Department: ALL
Report Month: April, May, June : Year: 2018

Goal ID	FY Start	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Coordinator	Note Month	Note Year	Status	Complete	Notes
<u>Human Resources (cont.)</u>														
429	FY 2017/18	Quarterly	Finance and Administration	B	Annually review and revise the Workplace Injury Illness Prevention Program to prevent work related injuries/illness and reduce loss of time worked.	Include the Injury Illness Prevention Program as a standing item on the Safety & Health Committee (SHC) Agenda ensuring bimonthly review by members. Integrate additional SHC member safety participation in various areas to promote fewer work related injuries.	Bi-Monthly/Annual	Review SHC participation periodically ensuring all members are provided the opportunity to contribute.	Blanca Arambula	June	2018	On Schedule		The IIPP has been added as a standing item to the SHC agenda. Members are reminded to review periodically and make any recommendations. SHC members are taking part in various annual safety inspections increasing participation.
431	FY 2017/18	Monthly	Finance and Administration	B	Promote a safer work environment by administering and monitoring required safety and regulatory trainings and increase field presence of Safety staff.	Expand employee/management reporting options for incidents, near miss and safety observations. Conduct independent field reviews on staff's knowledge of Safety topics, continuing to provide compulsory and supplemental trainings as requested.	Ongoing	Review reports as submitted providing feedback and follow up. Monitor staff knowledge level of applicable Safety topics.	Blanca Arambula	June	2018	On Schedule		Employees continue to report near miss/safety observations through the on-line system. Submissions continue to be monitored with follow-up and corrective actions provided to the employee and reviewed with the SHC.
433	FY 2017/18	Monthly	Finance and Administration	B	Ensure staff is fully trained on administrative functions and policies included in the Administrative Code.	Identify policies which are most relevant to employees. Create a training plan, schedule and conduct training for all staff.	June 2018	Number of training participants	Blanca Arambula	June	2018	On Schedule		5 Agency policies have been revised as a result of labor negotiations
<u>Integrated Systems Services</u>														
335	FY 2017/18	Annual	Agency Management	B	Develop and implement a plan to mentor and prepare the next generation of the IEUA team.	Conduct "Team Training" sessions for Process Automation and Control (SCADA) staff. A minimum of 8 sessions will be held during the year to improve staff knowledge	Annual by fiscal year end	Two training sessions per quarter monitored by sign-in sheets	David Malm	June	2018	On Schedule		Eight Team training sessions were held during the fiscal year.
336	FY 2017/18	Annual	Agency Management	B	Review and update the Disaster Preparedness Plan and conduct periodic emergency response drills every two years.	Annually test the technology disaster recovery and contingency plans.	Annual by fiscal year end	Conduct offsite SAP recovery test at least once per year and computer lab tests twice per year	David Malm	July	2018	On Schedule		An SAP DR test was conducted, and two onsite tests were performed in the Building B Lab area.
337	FY 2018/19	Annual	Agency Management	B	Develop and implement a plan to mentor and prepare the next generation of the IEUA team.	Conduct "Team Training" sessions for Process Automation and Control (SCADA) staff. A minimum of 8 sessions will be held during the year to improve staff knowledge	Annual by fiscal year end	Two training sessions per quarter monitored by sign-in sheets	David Malm	August	2018	On Schedule		The first team training session of the fiscal year was held on July 26, 2018.
338	FY 2018/19	Annual	Agency Management	B	Review and update the Disaster Preparedness Plan and conduct periodic emergency response drills every two years.	Annually test the technology disaster recovery and contingency plans.	Annual by fiscal year end	Conduct offsite SAP recovery test at least once per year and computer lab tests twice per year	David Malm	August	2018	On Schedule		A test is scheduled for August 29th, 2018
339	FY 2017/18	Annual	Agency Management	C	Annually update Emergency Response and Operational Plans for all facilities.	Annually update the technology disaster recovery plans, contingency plans, and cyber security incident response plans	Annual completed by calendar year end	Update plans annually based on test results. Test results and plans will be presented to management for tracking purposes.	David Malm	July	2018	On Schedule		Test were conducted and updates to the documentation/procedures were made as needed. When possible, we entered the update work in SAP to keep a record.

Business Goals & Objectives Report By Department

FY 2017/18
4th Quarter

Exhibit B

Department: ALL
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Goal ID	FY Start	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Coordinator	Note Month	Note Year	Status	Complete	Notes
Integrated Systems Services (cont.)														
340	FY 2018/19	Annual	Agency Management	C	Annually update Emergency Response and Operational Plans for all facilities.	Annually update the technology disaster recovery plans, contingency plans, and cyber security incident response plans	Annual completed by calendar year end	Update plans annually based on test results. Test results and plans will be presented to management for tracking purposes.	David Malm	August	2018	On Schedule		Test is scheduled for August 29th, 2018
Internal Audit														
341	FY 2017/18	Quarterly	Agency Management	A	Continue commitment to sustainable cost containment for operating and capital costs.	Promote a strong control environment by conducting independent and objective audits of Agency operations where the focus and audit scope includes identifying areas and providing recommendations for cost containment, effectiveness and efficiency in operations and opportunities to improve and areas of cost containment and make the Agency's processes and programs more efficient.	Report to the Audit Committee on completed audit projects Quarterly: March, June, September, and December	Completed audit projects and feedback from the Audit Committee and audited business units.	Teresa Velarde	August	2018	On Schedule		IA has completed audits scheduled through the Board-approved Annual Audit Plan. All audits focus on efficiency and effectiveness as well as compliance and internal controls while keeping cost containment in mind.
343	FY 2017/18	Quarterly	Agency Management	B	Ensure staff upholds their role in achieving the Agency's Mission, Vision, and Values.	Promote a strong control environment by conducting independent, objective audits of Agency operations where the focus and the audit scope includes evaluating that Agency processes and systems comply with the Agency's Mission, Vision, Values, best practice operations, processes and programs, Agency policies and procedures, as well as senior management input, as the criteria against which to measure performance and results of the audited business areas.	Report to the Audit Committee on completed audit projects Quarterly: March, June, September, and December	Internal Audits are to provide an independent and objective opinion, and feedback or recommendations for improvement and measure on how closely the criteria (Agency policies, procedures, including Mission, Vision and Values) are met, followed or understood. Provide recommendations to the appropriate personnel where to address gaps identified.	Teresa Velarde	August	2018	On Schedule		IA has completed audits as scheduled through the Board-approved Annual Audit Plan. All audits focus on efficiency and effectiveness as well as compliance and internal controls while keeping cost containment and tighter controls in mind - all reports provided recommendations and suggestions. Additionally, IA and all audit reports promote the Agency's mission, values, goals and objectives.
345	FY 2017/18	Annual	Agency Management	B	Develop and implement a plan to mentor and prepare the next generation of the IEUA team.	Maintain knowledgeable, skilled and experienced audit staff and promote continuous professional development and professional certifications and higher education, as recommended and required under the auditing standards and the IAD Charter to ensure continuous IAD improvement and to stay abreast of developing trends.	Continuous requirement	Require 20 hours of Continuous Professional Education to be confirmed via requests for educational reimbursement and/or through travel and expense reports.	Teresa Velarde	August	2018	On Schedule		All three auditors are working towards earning the Certified Internal Auditor certification title. All three already possess a higher level designation. All staff must meet the requirements of the IIA Standards and the Board-approved Charter for continuing professional development and education.

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Department: ALL
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Goal ID	FY Start	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Coordinator	Note Month	Note Year	Status	Complete	Notes
<u>Internal Audit (cont.)</u>														
347	FY 2017/18	Annual	Agency Management	B	Develop and implement a plan to mentor and prepare the next generation of the IEUA team.	Encourage internal auditors to achieve the Certified Internal Auditor Designation by the Institute of Internal Auditors	Designations should be achieved by July 2019	Certification granted by the IIA is the measurement for certificate designation.	Teresa Velarde	August	2018	On Schedule		All three auditors in the department are preparing for the IIA Certified Internal Auditor certification. All three auditors already have a higher professional designation and regularly attend continuous professional development to stay abreast of best practices.
349	FY 2017/18	Quarterly	Agency Management	B	Uphold a strong internal control environment by conducting independent objective internal and external audits of Agency's business practices.	Promote a strong control environment by conducting independent objective internal and external audits of Agency operations where the focus and scope includes identifying areas and providing recommendations for strong internal controls, effectiveness and efficiency in operations, improving customer service at all levels, ensuring safeguarding of Agency Assets, identifying ways to be effective and efficient.	Report to the Audit Committee on completed audit projects Quarterly: March, June, September, and December	Completed audit projects and feedback from the Audit Committee and audited business units.	Teresa Velarde	August	2018	On Schedule		IA completed audits as scheduled through the Annual Audit Plan. All audits focus on efficiency and effectiveness as well as compliance and internal controls.
351	FY 2017/18	Annual	Agency Management	B	Review and update the Disaster Preparedness Plan and conduct periodic emergency response drills every two years.	Update and maintain the Internal Audit Department's Disaster Preparedness Plan that supports the Agency-wide Plan and submit to the Audit Committee for review and submittal to the Board.	Annually December	Completed department plan that supports Agency-wide plan.	Teresa Velarde	August	2018	On Schedule		IA documented its own department-specific disaster preparedness plan. The plan indicates that IA should support critical Agency business units first. Additionally, all were training for NIMS and FEMA paperwork requirements and must first assist all Agency critical activities.
353	FY 2017/18	Quarterly	Agency Management	B	Ensure staff is fully trained on administrative functions and policies included in the Administrative Code.	Maintain knowledgeable, skilled and experienced audit staff and promote continuous professional development and professional certifications and higher education, as recommended and required under the auditing standards and the IAD Charter to ensure continuous IAD improvement and to stay abreast of developing trends as well as training and knowledge of the Internal Audit Departments Standard Operating Procedures, ensure those procedures as well as the IAD Charter is updated annually, hold staff accountable for understanding their responsibilities under the SOPs, the Charters, Agency Policies and Directives and other policy documents.	Training provided continuously and ongoing, reported quarterly to the Audit Committee.	Completed Training, demonstration of application of the policies	Teresa Velarde	August	2018	On Schedule		Completed & Ongoing. IA staff must follow the IIA's Standards - guidance for professional and Ethic conduct and require continuing professional education and development. These requirements are also noted in the Board-approved Charters and the Audit Plan. All auditors are meeting requirements.

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Goal ID	FY Start	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Coordinator	Note Month	Note Year	Status	Complete	Notes
Internal Audit (cont.)														
355	FY 2017/18	Quarterly	Agency Management	C	Leverage private/public partnership opportunities.	Establish, maintain and strengthen audit-related private/public partnership opportunities to have network ties and associates where audit-related topics can be shared, discussed, and evaluated with the goal of continuous internal audit processes improvement.	Report quarterly to the Audit Committee and the Board. March, June, September and December.	Resourcefulness of networks.	Teresa Velarde	August	2018	On Schedule		Completed and on-going. Staff are required to uphold a professional demeanor at all times with all levels of staff. IA maintains loyalty to the Agency through assisting in achieve organizational goals and to the Board through ensuring reports contain objective assessments and facts.
357	FY 2017/18	Annual	Agency Management	C	Develop an Administrative Code to provide a platform for transparent communication with member agencies on key activities, issues, policies, and key documents.	Assist in any way by working closely with management and the Agency attorney, in the development of the Administrative Code, providing objective and independent review and feedback to the Administrative Code to ensure related policy and procedure requirements are addressed.	Report and respond to requests for feedback timely when requested.	Comments and recommendations provided on documents	Teresa Velarde	August	2018	On Schedule		Completed. IA assisted and provided recommendations, edits and feedback on draft versions of the Administrative Code documented by counsel. Recommendations were related to Agency policies, procedures, internal controls and other information.
359	FY 2017/18	Quarterly	Agency Management	C	Provide support for positions that would enable the implementation of the Agency's goals.	Promote support for the achievement of Agency goals, objectives, mission and values through audit areas where the goal and scope of the reviews are to measure the performance of a program, a process, or a service or compare results to goals and identify areas for improvement, make recommendations to improve efficiencies. Conduct independent objective audits of Agency operations where the focus and the audit scope would be to identify opportunities for improvement and provide support for positions, processes, developments and initiatives at any level of the Agency, that would enable the implementation and support of the Agency goals and the achievement of those goals.	Report quarterly to the Audit Committee and the Board. March, June, September and December.	Completed audit projects and feedback/comments from Agency management and or the Audit Committee and the Board.	Teresa Velarde	August	2018	On Schedule		Completed and ongoing. As documented in the Board-approved Charter and IIA Standards, IAs role is to assist the Agency, the Board and the GM in achieving organizational goals and objectives while looking for opportunities to tighten controls, improve the effectiveness and efficiency opportunities. IA follows a disciplined methodology as outlined by the IIA standards and conducts work in a professional manner.
Laboratory														
537	FY 2017/18	Annual	Engineering, Planning and Science	B	Ensure staff upholds their role in achieving the Agency's Mission, Vision, and Values.	Ensure all activities align and are consistent with the Agency's Objectives	Ongoing	Laboratory policies and procedures updated as needed.	Nel Groenveld	May	2018	On Schedule		Staff updating and adhering to Laboratory SOPs

Business Goals & Objectives Report By Department

Department: ALL
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Goal ID	FY Start	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Coordinator	Note Month	Note Year	Status	Complete	Notes
<u>Laboratory (cont.)</u>														
540	FY 2017/18	Annual	Engineering, Planning and Science	B	Uphold a strong internal control environment by conducting independent objective internal and external audits of Agency's business practices.	Conduct annual internal audits of Laboratory practices to meet Environmental Laboratory Accreditation Program (ELAP) requirements	Annual July 31	Meet 100% of criteria	Nel Groenveld	May	2018	On Schedule		Lab internal audit scheduled for May 2018
543	FY 2017/18	Annual	Engineering, Planning and Science	B	Prepare a plan and timeline to meet the standards of the Cal Star Award program from OSHA.	Update Laboratory Chemical Hygiene Plan (CHP)	Annual - June 30	CHP reviewed and updated to incorporate program award requirements	Nel Groenveld	May	2018	On Schedule		Finalized CHP document delayed to August 2018 to reflect changes needed after move to Water Quality Lab at HQ
545	FY 2017/18	Monthly	Engineering, Planning and Science	B	Promote a safer work environment by administering and monitoring required safety and regulatory trainings and increase field presence of Safety staff.	Conduct all bi-weekly training per Agency policies	Bi-Weekly	All Laboratory staff to attend all required meetings, at month end review of tailgate sign-in sheets	Nel Groenveld	August	2018	On Schedule		Bi-weekly safety meeting held as required
547	FY 2017/18	Quarterly	Engineering, Planning and Science	C	Evaluate cutting-edge, innovative projects to ensure the implementation will benefit customers, water supplies and environmental stewardship.	Support Engineering during construction phase of Water Quality Laboratory	Ongoing, expected completion August 2018	Respond to CM RFIs in timely manner, causing no delays in construction	Nel Groenveld	August	2018	On Schedule		Delay in completion of new lab, continue to work with CM staff.
548	FY 2017/18	Monthly	Engineering, Planning and Science	C	Evaluate cutting-edge, innovative projects to ensure the implementation will benefit customers, water supplies and environmental stewardship.	Minimal disruption to Laboratory customers during transition from old Laboratory at RP-1 to Water Quality Laboratory located at HQ	August 2018	During month of move from old lab sample turnaround times are met 90% of the time.	Nel Groenveld	May	2018	On Schedule		Not applicable until FY18/19
549	FY 2017/18	Monthly	Engineering, Planning and Science	C	Evaluate cutting-edge, innovative projects to ensure the implementation will benefit customers, water supplies and environmental stewardship.	Evaluate new technologies in water analyses, implementing after completion of Water Quality Laboratory	Ongoing	Document implementation with reports	Nel Groenveld	May	2018	On Schedule		Not applicable until FY18/19
551	FY 2017/18	Quarterly	Engineering, Planning and Science	D	Meet basin plan requirements and objectives in support of the recycled water program.	Meet sample turnaround times in support of recycled water program requirements	Ongoing	100% acceptable TATs	Nel Groenveld	May	2018	On Schedule		Ongoing, met schedule for 3Q
553	FY 2017/18	Monthly	Engineering, Planning and Science	E	Monitor treatment plant performance to meet regulatory requirements.	Meet sample turnaround times in support of Operations process control and NPDES permit requirements.	Ongoing	1 day for "Process Control" samples 10 days after end of month for NPDES compliance samples	Nel Groenveld	May	2018	On Schedule		Ongoing, met timelines for 3Q
555	FY 2017/18	Quarterly	Engineering, Planning and Science	E	Develop a plan to continue maximizing recycled water use by meeting Basin Plan and regulatory water quality requirements such as TOC and, TIN objectives.	Support analyses requests for Basin Plan water quality requirements.	Quarterly	100% acceptable TATs	Nel Groenveld	May	2018	On Schedule		Ongoing, met timelines for 3Q
557	FY 2017/18	Annual	Engineering, Planning and Science	E	Proactively track and manage constituents of emerging concerns.	Purchase and install LCMSMS instrument to begin analysis of emerging constituents in Water Quality Laboratory	Ongoing, Expected completion in FY 2018/19	Laboratory SOP completed, and complete Initial Demonstration of Capability (IDC)	Nel Groenveld	May	2018	On Schedule		See Q2 comment
559	FY 2017/18	Monthly	Engineering, Planning and Science	E	Operate effective pre-treatment programs to minimize treatment plant upsets.	Support analyses requests for pre-treatment program	Ongoing	100% acceptable TATs	Nel Groenveld	May	2018	On Schedule		Currently meeting PTSC reporting timelines.
563	FY 2017/18	Quarterly	Engineering, Planning and Science	F	Comply with all regulatory requirements.	Meet analysis method QC and holding time requirements	Ongoing	>99% acceptable QC	Nel Groenveld	May	2018	On Schedule		QA/QC requirements and holding times have been met at >99% for all compliance samples

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4th Quarter

Exhibit B

Department: ALL
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Goal ID	FY Start	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Coordinator	Note Month	Note Year	Status	Complete	Notes
Laboratory (cont.)														
565	FY 2017/18	Quarterly	Engineering, Planning and Science	F	Comply with all regulatory requirements.	Begin process of updating Laboratory to new ELAP regulations which will be implemented over the next 6 years	FY 2018/19	IEUA Lab analysis SOP format meeting new ELAP requirements finalized by July 2018, all analysis SOPs updated with new format by July 2023	Nel Groenveld	May	2018	Behind Schedule		Have gotten a little behind due to Chemist retirements, as staff promotions/hires settle into positions we will be back on track in 4th quarter.
Operations														
512	FY 2017/18	Quarterly	Operations & Maintenance	A	Continue commitment to sustainable cost containment for operating and capital costs.	Work within fiscal year budget.	Quarterly	Work within FY 2017/18 and FY 2018/19 Operations budget. Review and report quarterly via the budget variance report.	Randy Lee	August	2018	On Schedule		Quarterly budget variance reports were submitted. Completed fiscal year at 89% of budget.
514	FY 2017/18	Quarterly	Operations & Maintenance	B	Ensure staff upholds their role in achieving the Agency's Mission, Vision, and Values.	Clearly communicate the Agency's Mission, Vision, & Values to staff and align their goals accordingly.	Ongoing	Communication with staff through all hands meetings and various staff meetings, and during annual appraisals.	Randy Lee	August	2018	On Schedule		Operations Division All Hands Meeting is scheduled for 8/29/18. O&M-North, O&M-South, and IERCF also conduct All Hands Meetings. Continue to have bi-weekly manager meetings and 1-on-1 meetings with staff. In addition, the O&M Departments meet daily for Yesterday-Today-Tomorrow (YTT) to discuss scheduling and operational requirements.
516	FY 2017/18	Quarterly	Operations & Maintenance	B	Develop and implement a plan to mentor and prepare the next generation of the IEUA team.	Develop pilot mentoring program with the Human Resources department, continue with the Trades Intern Program, continue to hire prior to FTE retirements to provide smooth transition.	Complete by June 30, 2018	Develop a Trades Intern program update spread sheet and replacement intern/volunteer positions will be filled within three months. Fully initiate pilot program by the end of FY 2017/18.	Chander Letulle	July	2018	On Schedule		The Trades Intern Program is on schedule. Positions are continuously being recruited for, and filled.
517	FY 2017/18	Quarterly	Operations & Maintenance	D	Meet basin plan requirements and objectives in support of the recycled water program.	Ground water recharge (GWR) compliance with water quality and recharge standards.	Quarterly and Ongoing	Meet Chino Basin Desalter Authority (CDA) assigned production goals.	Chander Letulle	July	2018	On Schedule		Chino I Desalter continues to meet the production goals set by the CDA management team.
519	FY 2017/18	Quarterly	Operations & Maintenance	D	Maintain water quality to meet customer needs, optimize recycled water use and minimize service interruptions and complaints (fruit labels, debris, etc.).	GWR to meet NPDES/RW Title 22 permit requirements for Reservoir management. Maintain equipment (uptime) by performing predictive and preventative maintenance.	Ongoing	Meeting 100% permit compliance	Andy Campbell	August	2018	On Schedule		No RW GWR compliance issues occurred the quarter.
521	FY 2017/18	Quarterly	Operations & Maintenance	D	Maximize the recharge of all sources of water.	GWR - ensure optimization of transmission and capture systems. Update the 2005 GWR Operations Plan and maintain optimal basin maintenance. Appropriately prioritize deliveries of storm, recycled, and imported water.	Ongoing	GWR Operations Plan to be completed December 2017.	Andy Campbell	August	2018	On Schedule		Operation Manual submitted to CBWM as final draft in July 2018

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Goal ID	FY Start	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Coordinator	Note Month	Note Year	Status	Complete	Notes
Operations (cont.)														
523	FY 2017/18	Quarterly	Operations & Maintenance	D	Work to change landscape and agricultural practices of high chemical use to increase use of compost to improve groundwater quality.	Inland Empire Regional Composting Authority (IERCA) - Promote Model Water Efficiency Landscape Ordinance and the state's Healthy Soil Initiative.	Quarterly and Ongoing	Provide updates on progress of initiatives	Jeff Ziegenbein	August	2018	On Schedule		SB1383 includes language with enforcement and penalties for MWEL0 along with new organics procurement requirements for jurisdictions. The draft language goes to formal rulemaking January 2019.
525	FY 2017/18	Quarterly	Operations & Maintenance	E	Monitor treatment plant performance to meet regulatory requirements.	100% Permit compliance	Ongoing	Meeting 100% Permit compliance.	Chander Letulle/Rick Mykitta	August	2018	On Schedule		In May 2018 a Coliform exceedance occurred at RP-4
527	FY 2017/18	Quarterly	Operations & Maintenance	E	Develop a plan to continue maximizing recycled water use while meeting Basin Plan and regulatory water quality requirements such as TOC and TIN objectives.	GWR - Continue basin sampling for water quality.	Ongoing	Quarterly GWR water quality sampling.	Andy Campbell	August	2018	On Schedule		Compliance sampling of wells, lysimeters, basins, and pipelines were completed.
529	FY 2017/18	Annual	Operations & Maintenance	E	Develop a plan to continue maximizing recycled water use while meeting Basin Plan and regulatory water quality requirements such as TOC and TIN objectives.	GWR - Complete the annual compliance report that includes the Recycled Water Contribution plan.	Annual	Complete the annual GWR compliance report.	Andy Campbell	August	2018	On Schedule		Annual GWR report was submitted for May 1, 2018
531	FY 2017/18	Semi-Annual	Operations & Maintenance	E	Maximize the use of bio-solids, including methods of expanding the use of compost by validating safety and productivity of the wastewater bi-product.	IERCA - Participate and support research to validate compost and biosolids safety.	Ongoing	Participate at least 2 times per year in industry research roundtables and identify opportunities to support research projects such as the use of biosolids on fire-ravaged lands.	Jeff Ziegenbein	August	2018	On Schedule		IEUA formally listed as participating agency in fire ravaged lands research along with CASA, LACSD, OCSD and others. The proposal was submitted to WRF to secure grants and kick off research. Also participate in ABBA, a national group of biosolids managers to network about CECs and research developments.
533	FY 2017/18	Semi-Annual	Operations & Maintenance	E	Help position IEUA as a recognized leader in organics management through study, demonstration and application of wastewater organics in landscapes and agriculture.	IERCA - Develop plan for an agricultural demonstration project to demonstrate the value of IERCA compost.	Complete by June 30, 2018	Written plan to be complete by third quarter of FY 2017/18	Jeff Ziegenbein	August	2018	On Schedule		A Plan was drafted and submitted to the Board. Continuing to work with IERCA Board to determine if a farm project or demonstration is appropriate and consistent with mission. Currently working through a mission statement exercise with the Board.
534	FY 2017/18	Annual	Operations & Maintenance	E	Optimize daily operations to reduce energy costs.	Support implementation of energy monitoring software. Continue to participate in the Southern California Edison demand response program.	Complete by June 30, 2018	Implement software to indicate where large energy usage is occurring.	Randy Lee	August	2018	On Schedule		Estimated completion date is now September 30, 2018. Working with Rockwell on this project and there have been delays due to their project manager's vacation time.
535	FY 2017/18	Quarterly	Operations & Maintenance	F	Comply with all regulatory requirements.	Comply with all Agency regulatory requirements.	Ongoing	Meet 100% compliance throughout the fiscal year.	Chander Letulle/Rick Mykitta	August	2018	On Schedule		RP1 - Ongoing Issues with the Flare, RP4 - Coliform Exceedance in May 2018
Planning and Environmental Compliance														
475	FY 2017/18	Quarterly	Engineering, Planning and Science	A	Integrate projects identified in the long range financial planning documents, such as the Asset Management Plan, Facilities Wastewater Master Plan, Technology Master Plan, Energy Plan, and the Integrated Resources Plan, into the operating and capital budgets.	Integrate projects identified in the various planning documents into the TYCIP.	Ongoing	The TYCIP detailed report is prepared every other year. Planning for the FY2018/19 report will commence in the fall of 2017.	Sylvie Lee	August	2018	On Schedule		TYCIP was approved by the Board.

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Goal ID	FY Start	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Coordinator	Note Month	Note Year	Status	Complete	Notes
Planning and Environmental Compliance (cont.)														
476	FY 2018/19	Quarterly	Engineering, Planning and Science	A	Integrate projects identified in the long range financial planning documents, such as the Asset Management Plan, Facilities Wastewater Master Plan, Technology Master Plan, Energy Plan, and the Integrated Resources Plan, into the operating and capital budgets.	Integrate projects identified in the various planning documents into the TYCIP.	Expected completion by March 2019	The TYCIP detailed report is prepared every other year. Planning for the FY2018/19 report will commence in the fall of 2017.	Sylvie Lee	January	2018	On Schedule		TYCIP is currently under development and should be completed by April 2018.
477	FY 2017/18	Quarterly	Engineering, Planning and Science	A	Complete rate study for wastewater EDU allocation.	Redefine the sewage factors currently used to determine the equivalent dwelling unit (EDU) as defined in Exhibit J of the Regional Contract.	June 2018	Revised Exhibit J Formula	Sylvie Lee	August	2018	Behind Schedule		The project continues to be on-hold as discussions continue with the technical committee.
478	FY 2017/18	Annual	Engineering, Planning and Science	B	Ensure staff upholds their role in achieving the Agency's Mission, Vision, and Values.	Ensure all activities align and are consistent with the Agency's Objectives.	Ongoing	Review activities and objectives in staff meetings and/or with individual staff members	Sylvie Lee	August	2018	On Schedule		Staff is actively participating in meetings, workshops, conferences, task forces and attending seminars to track issues as they relate to the Agency's short-and long-term goals.
480	FY 2017/18	Monthly	Engineering, Planning and Science	B	Promote a safer work environment by administering and monitoring required safety and regulatory trainings and increase field presence of Safety staff.	Conduct all monthly training required to meet Agency policies.	Monthly	100% employee completion	Sylvie Lee	August	2018	On Schedule		Complete monthly safety tailgate meetings and regulatory training.
481	FY 2018/19	Monthly	Engineering, Planning and Science	B	Promote a safer work environment by administering and monitoring required safety and regulatory trainings and increase field presence of Safety staff.	Conduct all monthly training required to meet Agency policies.	Monthly	100% employee completion	Sylvie Lee	January	2018	On Schedule		Safety meetings and regulatory trainings are held on a monthly basis and safety topics are completed as necessary.
482	FY 2017/18	Annual	Engineering, Planning and Science	C	Conduct lessons learned sessions to evaluate key program implementation.	Conduct workshops and lunch and learn sessions to present findings.	Annual	Outlook calendar and sign-in sheets to track workshops	Sylvie Lee	August	2018	On Schedule		Conduct quarterly Water Manager Meetings with member agencies and project workshops as needed to build consensus.
484	FY 2017/18	Semi-Annual	Engineering, Planning and Science	C	Leverage private/public partnership opportunities.	To provide the highest program value to the agency through fostering more-broad based collaborations.	Ongoing	For each program consider what opportunities exist to collaborate with partners/stakeholders as part of project feasibility.	Sylvie Lee	August	2018	On Schedule		Continue implementing various new programs through opportunities.
485	FY 2018/19	Semi-Annual	Engineering, Planning and Science	C	Leverage private/public partnership opportunities.	To provide the highest program value to the agency through fostering more-broad based collaborations.	Ongoing	For each program consider what opportunities exist to collaborate with partners/stakeholders as part of project feasibility.	Sylvie Lee	January	2018	On Schedule		The programs are ongoing and implemented as opportunities arise.
486	FY 2017/18	Annual	Engineering, Planning and Science	C	Collaborate with and support local businesses and economic development in the region through regional programs.	Implement a capacity lease program for new and existing industrial customers within the service area.	Ongoing	Develop the program	Sylvie Lee	August	2018	On Schedule		The development of a capacity lease program for the regional sewer system is part of the ongoing sewer use fee study and is currently on a 6-month hold per the direction of the Technical Committee.

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Goal ID	FY Start	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Coordinator	Note Month	Note Year	Status	Complete	Notes
<u>Planning and Environmental Compliance (cont.)</u>														
488	FY 2017/18	Semi-Annual	Engineering, Planning and Science	C	Evaluate cutting-edge, innovative projects to ensure the implementation will benefit customers, water supplies and environmental stewardship.	Maintain relationships with industries to be current on latest trends and technology. Identify and participate in opportunities that will further technologies and efficiencies (Pilot/Research Projects).	Ongoing	Stakeholder collaborations and vendor training. Study/Participation	Sylvie Lee	August	2018	On Schedule		Staff is currently working with SAWPA on several technology based projects that will support member agencies in meeting compliance with state's long-term water conservation regulations.
489	FY 2018/19	Semi-Annual	Engineering, Planning and Science	C	Evaluate cutting-edge, innovative projects to ensure the implementation will benefit customers, water supplies and environmental stewardship.	Maintain relationships with industries to be current on latest trends and technology. Identify and participate in opportunities that will further technologies and efficiencies (Pilot/Research Projects).	Ongoing	Stakeholder collaborations and vendor training. Study/Participation	Sylvie Lee	January	2018	On Schedule		Staff recently completed residential landscape guidebook in collaboration with EMWD, Corona, Rancho California WD, and Elsinore Valley MWD in support of IEUA's landscape programming and member agencies. Ongoing participation in the California Data Collaborative to develop dashboards and research projects to support local agencies and statewide efficiency goals.
490	FY 2017/18	Annual	Engineering, Planning and Science	D	Implement programs across all sectors, residential, commercial and agricultural, to make outdoor water use efficient, helping to maintain groundwater levels, eliminate waste and promote efficient use of water to meet and exceed state regulatory requirements.	Ensure that activities are consistent with defined strategic planning documents, such as IRP, WUE business plan, implementation of OBMP, SARCCUP. Provide toolbox that will support the implementation of the State's long-term WUE Regulations	Ongoing	Annual water use monitoring	Sylvie Lee	August	2018	On Schedule		Staff is launching a pilot landscape AG Program in addition to enhancing residential and CII Rebates for turf removal to encourage increased water use efficiency.
492	FY 2017/18	Semi-Annual	Engineering, Planning and Science	D	Develop resilient water supplies for the region to mitigate climate change and catastrophic infrastructure failures.	Update long term water resource documents and continue development in local supplies	Ongoing	Complete IRP Phase 2 by December 2018 MWD-LRP application by December 2018	Sylvie Lee	August	2018	On Schedule		Modeling work for IRP Phase 2 is currently underway. Evaluation of the LRP funding is occurring in conjunction with the Prop 1 program development.
493	FY 2018/19	Semi-Annual	Engineering, Planning and Science	D	Develop resilient water supplies for the region to mitigate climate change and catastrophic infrastructure failures.	Update long term water resource documents and continue development in local supplies	Ongoing	Complete IRP Phase 2 by December 2018 MWD-LRP application by December 2018	Sylvie Lee	January	2018	On Schedule		Modeling work for IRP phase 2 will commence in February 2018. LRP program is on hold pending further discussions with member agencies.
494	FY 2017/18	Annual	Engineering, Planning and Science	D	Develop regional collaboration for groundwater storage programs.	Support implementation of OBMP elements, development of a Chino Basin Water Bank, SARCCUP, and Storage Management Plan.	Ongoing	These programs are on-going and under development. Continue to develop and support water resources programs that align with the Agency's mission	Sylvie Lee	August	2018	On Schedule		We continue to work with regional stakeholders to develop water resource programs such as the Prop 1 CBWEP, SARCCUP, and water bank.
496	FY 2017/18	Quarterly	Engineering, Planning and Science	D	Develop plans for regional low-impact development.	Collaborate with local agencies to identify and implement Low-Impact Development (LID) methods and practices	Compleat by June 2018	Adoption of local Ordinances and Resolutions incorporating LID methods.	Sylvie Lee	August	2018	On Schedule		Staff is in the process of collaborations in conjunctions with the San Bernardino County Regional Stormwater Management Plan. The draft should be prepared by the end of the year.

Business Goals & Objectives Report By Department

FY 2017/18
4th Quarter

Exhibit B

Department: ALL
Report Month: April, May, June : Year: 2018

8/21/2018

Goal ID	FY Start	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Coordinator	Note Month	Note Year	Status	Complete	Notes
Planning and Environmental Compliance (cont.)														
497	FY 2018/19	Quarterly	Engineering, Planning and Science	D	Identify opportunities to augment the regional recycled water system.	Evaluate possibility of connecting brackish groundwater to supplement recycled water supply	Complete by June 2019	Develop Plan	Sylvie Lee	January	2018	On Schedule		Prop 1 application has been submitted for advanced water treatment facilities. Discussions are underway with Upper Santa Ana River dischargers to purchase supplemental water to increase IEUA recycled water in the service area working with Pomona and JCSD to potentially bring on external supplies to augment RW.
498	FY 2018/19	Quarterly	Engineering, Planning and Science	D	Meet basin plan requirements and objectives in support of the recycled water program.	Work towards amending the Basin Plan with updated salinity requirements	Complete by June 2019	Monitor progress through meetings regarding Basin Plan Amendment	Sylvie Lee	January	2018	On Schedule		Initiated the basin plan amendment modeling for longer term averaging of Total Dissolved Solids (TDS). Coordinating with the regional board to account for drought related TDS challenges.
500	FY 2018/19	Quarterly	Engineering, Planning and Science	E	Continue the process of collaborative negotiations in support of reaching mutually agreeable terms for the new Regional Contract.	Develop a mutually agreeable term-sheet for the regional contract	Complete by June 2019	Produce a term-sheet	Sylvie Lee	January	2018	On Schedule		The negotiations with the contracting agencies are currently ongoing with the assistance of a facilitator. Contracting agency committees and IEUA to discuss path forward on the contract negotiation in upcoming meetings/workshops.
501	FY 2018/19	Quarterly	Engineering, Planning and Science	E	Develop and analyze processes related to salinity management.	Work towards amending NPDESs Permit to provide long-term salinity management	Complete by June 2019	Produce the NPDES Permit Amendment	Sylvie Lee	January	2018	On Schedule		Initiated the work on the basin plan amendment modeling. Results will be coordinated with Regional Water Quality Control Board for any updates to the NPDES permits.
502	FY 2017/18	Semi-Annual	Engineering, Planning and Science	E	Operate effective pre-treatment programs to minimize treatment plant upsets.	Revise Regional Wastewater Ordinance. Proactively work with member agencies to identify and permit all Significant Industrial Users. Control the discharges from SIUs by issuing wastewater discharge permits. Conduct an inspection and monitoring program to determine compliance with pretreatment standards and requirements.	Complete by December 2018	Provide a revised Wastewater Ordinance	Sylvie Lee	August	2018	On Schedule		Drafting revisions to the regional wastewater ordinance for completion by December 2018. Continue to work with member agencies to identify and permit all Significant Industrial Users (SIU).
503	FY 2017/18	Semi-Annual	Engineering, Planning and Science	E	Implement energy efficient projects and efficiencies into existing facilities and equipment.	Conduct Feasibility studies to evaluate available technologies and estimate cost and benefits	Ongoing	Energy Efficiency Findings reports	Sylvie Lee	August	2018	On Schedule		Continuing to work with Southern California Edison and Southern California Regional Energy Network for implementation of energy efficient projects, such as blower optimization and pump retrofit.
504	FY 2018/19	Semi-Annual	Engineering, Planning and Science	E	Implement energy efficient projects and efficiencies into existing facilities and equipment.	Conduct Feasibility studies to evaluate available technologies and estimate cost and benefits	Ongoing	Energy Efficiency Findings reports	Sylvie Lee	January	2018	On Schedule		Continue to work with Southern California Edison and Southern California Regional Energy Network to identify and implement energy efficiency projects such as pump testing, blower optimization, heating, ventilation, and air conditioning.
505	FY 2017/18	Semi-Annual	Engineering, Planning and Science	E	Implement long term projects in support of long term renewable energy goals and minimize carbon footprint	Update Energy Management Plan	Complete by June 2018	Provide an updated 2018 Energy Management Plan	Sylvie Lee	August	2018	On Schedule		A feasibility study is currently being conducted and the project is ongoing.
506	FY 2017/18	Semi-Annual	Engineering, Planning and Science	F	Develop and update logical, technically-based and defensible local limits for regional significant industrial users.	Develop the Local Limits	Complete by June 2018	Adopt the Local Limits Resolution	Sylvie Lee	August	2018	On Schedule		Local limits were approved by the Regional Water Quality Board and adopted by the IEUA Board in May.

Business Goals & Objectives Report By Department

FY 2017/18
4th Quarter

Exhibit B

8/21/2018

Department: ALL
Report Month: April, May, June : Year: 2018

Goal ID	FY Start	Reporting Required	Division	Bus. Goal	Work Plan	Department Goal	Time Line	KPI	Coordinator	Note Month	Note Year	Status	Complete	Notes
Planning and Environmental Compliance (cont.)														
507	FY 2018/19	Semi-Annual	Engineering, Planning and Science	F	Develop response plans to minimize impacts to affected communities related to storm water Low Impact Development (LID), odor surveys, drought planning, project construction etc.	Develop Stormwater Resources Plan, Odor Surveys, and Regional Drought and Water Shortage Plan	Complete by June 2019	Provide complete plans and survey	Sylvie Lee	January	2018	On Schedule		Staff is currently working in collaboration with the member agencies on completing a regional drought response plan that includes technical and communication workgroups to provide expertise for plan development.
508	FY 2017/18	Semi-Annual	Engineering, Planning and Science	F	Develop plans to support environmental stewardship in support of the Agency's key business areas.	Planning & Environmental Resources	Complete by June 2018	Provide completed plan	Sylvie Lee	August	2018	On Schedule		Supporting local benefits by pursuing grant funding such as Prop 1 and SARCCUP.
509	FY 2017/18	Annual	Engineering, Planning and Science	F	Develop plans to support environmental stewardship in support of the Agency's key business areas.	Planning & Environmental Resources	Ongoing	Provide Annual Report	Sylvie Lee	August	2018	On Schedule		Develop annual reports tracking regional water production, conservation programs, recycled water, and estimated wastewater flow projects.
511	FY 2018/19	Semi-Annual	Engineering, Planning and Science	F	Participate and develop regional plans that provide a long-term habitat conservation plan.	Develop the Santa Ana River Habitat Conservation Plan	Complete by June 2019	Provide Completed Plan	Sylvie Lee	January	2018	On Schedule		Work on the habitat plan is ongoing. Discussions are underway to setup joint power authority to implement plan and negotiate with wildlife agencies.

**Inland Empire Utilities Agency
Inter-Departmental / Division Transfers FY 2017/18
Budget Transfer**

Fund	Fund Name	Date	O&M Transfer From	Category	Amt Transfer Out	O&M Transfer To	Category	Amount Transfer In	Description	QTR
10200	Administrative Services	4/4/18	512170	O & M supplies	\$32,000	521010	Contract Labor	\$32,000	Transfer due to staff doing more in-house repairs than originally projected.	4
10200	Administrative Services	4/4/18	512110	Supplies - General	\$5,000	521050	Contract Materials	\$5,000	Transfer due to staff doing more in-house repairs than originally projected.	4
10200	Administrative Services	4/4/18	512170	O & M supplies	\$18,000	521050	Contract Materials	\$18,000	Transfer due to staff doing more in-house repairs than originally projected.	4
10200	Administrative Services	4/4/18	512710	Equip. Maint. Supp	\$10,000	521050	Contract Materials	\$10,000	Transfer due to staff doing more in-house repairs than originally projected.	4
10200	Administrative Services	4/9/18	512610	Equip. - Office	\$500	512010	Office Supplies	\$500	Transfer needed for the purchase of supplies, supporting the Agency's Disaster Incident Action Plan.	4
10200	Administrative Services	4/10/18	521080	Other Contract Svcs	\$24,500	521080	Other Contract Svcs	\$24,500	Transfer to cover GM's on-boarding process for her transition into IEUA, which was not budgeted for in the FY 17/18 budget.	4
10200	Administrative Services	4/24/18	511120	Training - Dept	\$18,723	511120	Training - Dept	\$18,723	Transfer needed to cover Operations Division training costs that were mistakenly budgeted under RP-1 and RP-4 Operations instead of at the Admin level.	4
10200	Administrative Services	4/24/18	511120	Training - Dept	\$7,500	511120	Training - Dept	\$7,500	Transfer needed to cover Operations Division training costs that were mistakenly budgeted under RP-1 and RP-4 Operations instead of at the Admin level.	4
10200	Administrative Services	4/26/18	521080	Other Contract Svcs	\$50,000	520213	Legal - Labor Relations	\$50,000	Transfer to cover cost of Engagement Agreement with Littler Employment & Labor Law Solutions to support the Agency with employment law and labor relations related to the MOU negotiations.	4
10200	Administrative Services	5/2/18	521080	Other Contract Svcs	\$20,000	521080	Other Contract Svcs	\$20,000	To cover anticipated cost of accounts payable temporary services required through FY end closing.	4
10200	Administrative Services	5/3/18	512170	O&M Supplies	\$2,000	512010	Office Supplies	\$2,000	Transfer is needed to offset costs.	4
10200	Administrative Services	5/3/18	512450	Fleet Parts & Svcs	\$9,000	521080	Other Contract Svcs	\$9,000	Transfer is needed to offset costs.	4
10200	Administrative Services	5/24/18	505010	Pay - Temp Services	\$10,000	520980	Prof Svcs - Other	\$10,000	Transfer to cover the cost of serviced provided by Marlin Pinon of MuniTemps	4
10200	Administrative Services	5/24/18	521080	Other Contract Svcs	\$35,000	520980	Prof Svcs - Other	\$35,000	Transfer to cover the cost of serviced provided by Martin Pinon of MuniTemps	4
10200	Administrative Services	5/29/18	521410	Comp Sys Maint	\$10,000	512010	Office Supplies	\$10,000	Transfer to underfunded accounts to cover toner and computer equipment	4
10200	Administrative Services	5/29/18	521410	Comp Sys Maint	\$10,000	512620	Equipment - Comp <\$1,000	\$10,000	Transfer to underfunded accounts to cover toner and computer equipment	4
10200	Administrative Services	6/11/18	519010	GM Contingency	\$30,000	520210	Legal - General	\$30,000	Transfer due to unforeseen general legal and litigation expenses.	4
10200	Administrative Services	6/11/18	519010	GM Contingency	\$30,000	520210	Legal - General	\$30,000	Transfer due to unforeseen general legal expenses.	4
10200	Administrative Services	6/11/18	521010	Contract Labor	\$50,000	520210	Legal - General	\$50,000	Transfer due to unforeseen general legal and litigation expenses.	4
10200	Administrative Services	6/11/18	519010	GM Contingency	\$5,000	520230	Legal - Litigation	\$5,000	Transfer due to unforeseen general legal and litigation expenses.	4
10200	Administrative Services	6/11/18	520980	Prof Svcs - Other	\$25,000	520230	Legal - Litigation	\$25,000	Transfer due to unforeseen general legal and litigation expenses.	4
10200	Administrative Services	6/11/18	519010	GM Contingency	\$10,000	521080	Other Contract Services	\$10,000	Transfer due to unforeseen general legal expenses.	4
10200	Administrative Services	6/18/18	520930	Prof Svcs - Pub Inf.	\$2,000	512950	Promotional Items	\$2,000	Transfer to cover promotional items reclassification.	4
10200	Administrative Services	6/27/18	520930	Prof Svcs - Pub Inf.	\$2,300	514110	Subs/Publications	\$2,300	Transfer to cover a new contract with Archive Social.	4
10500	Non-Reclaimable Wastewater	5/23/18	512170	O&M Supplies	\$17,000	545110	Electricity	\$17,000	Transfer due to higher than anticipated usage.	4
10600	Recycled Water	4/12/18	521010	Contract Labor	\$10,000	512160	Lab Supplies	\$10,000	Transfer for lab supplies needed for GWR Lab testing	4
10800	Regional Wastewater Operations & Maintenance	4/18/18	512730	Equipment Rental	\$6,500	521010	Contract Labor	\$6,500	Request to transfer funds.	4

**Inland Empire Utilities Agency
Inter-Departmental / Division Transfers FY 2017/18
Budget Transfer**

Fund	Fund Name	Date	O&M Transfer From	Category	Amt Transfer Out	O&M Transfer To	Category	Amount Transfer In	Description	QTR
10800	Regional Wastewater Operations & Maintenance	4/26/18	530016	Sodium Hypochlorite	\$41,700	530016	Sodium Hypochlorite	\$41,700	Transfer to cover the chemicals at RP-4 through the remainder of the fiscal year.	4
10800	Regional Wastewater Operations & Maintenance	4/26/18	530016	Sodium Hypochlorite	\$8,300	530024	Ferric Chloride	\$8,300	Transfer to cover the chemicals at RP-4 through the remainder of the fiscal year.	4
10800	Regional Wastewater Operations & Maintenance	5/7/18	512170	O&M Supplies	\$8,500	545320	Telephone	\$8,500	Transfer due to account being underfunded for telephone services at the plants.	4
10800	Regional Wastewater Operations & Maintenance	6/19/18	545110	Electricity	\$191,000	545110	Electricity	\$191,000	Transfer due to increased pumping demand which resulted in an increased kW load on CCWRF Operations.	4
10800	Regional Wastewater Operations & Maintenance	6/19/18	545110	Electricity	\$150,000	545110	Electricity	\$150,000	Transfer due to increased pumping demand which resulted in an increased kW load on RP-5 Operations.	4
10800	Regional Wastewater Operations & Maintenance	6/19/18	545110	Electricity	\$17,000	545110	Electricity	\$17,000	Increased solids treatment has resulted in an increased kW load on RP-2 Operations.	4
				Total O&M Transfers Out	\$866,523		Total O&M Transfers In	\$866,523		

Fund		Date	Project	Project Description	Amt Transfer Out	Project	Project Description	Amt Transfer In	Justification	QTR
10300	Recharge Water	5/24/18	EN18007	RMPU Construction	\$210,000	RW15003	Recharge Master Plan Update	\$210,000	Transfer requested due to design activities increasing sooner to address necessary regulatory and permitting requirements before design completion.	4
10800	Regional Wastewater Operations & Maintenance	4/10/18	521080	Other Contract Svcs	\$75,000	PA17006	Agency-Wide Aeration	\$75,000	Transfer funds that were requested by Technical Services to this Engineering project due to organizational changes	4
10800	Regional Wastewater Operations & Maintenance	5/17/18	EN17040	RP-1 Aeration Panel	\$900,000	PA17006	Agency-Wide Aeration	\$900,000	Transfer to cover full payment of equipment and material that has been delivered to the project site.	4
				Total Project Transfers Out	\$1,185,000		Total Project Transfers In	\$1,185,000		

**Inland Empire Utilities Agency
FY 2017/18 GM Contingency Account Activity**

Exhibit C-2

Date	Description	Account/Project No.	Requestor	GM Contingency		
				Budget	Transfers	Balance
7/1/2017	FY 2017/18 Adopted Budget	10200-112100-100000-519010		\$300,000		\$300,000
8/15/2017	Transfer to cover IEUA's portion of new SAWPA director's reception costs	10500-112100-160000-513010	P. Joseph Grindstaff		\$180	\$299,820
8/29/2017	Transfer to cover sales tax associated with Oracle Primavera annual maintenance fee	10900-118100-500000-521410	K. Pantayatiwong		\$1,700	\$298,120
2/27/2018	Transfer to cover litigation and legal settlement expense	10200-112100-100000-520290	H. Razak		\$57,000	\$241,120
2/27/2018	Transfer to cover litigation and legal settlement expense	10200-112100-100000-520230	H. Razak		\$2,975	\$238,145
6/14/2018	Transfer to cover unforeseen legal and litigation expenses	10200-112100-100000-520230	A. Woodruff		\$30,000	\$208,145
6/21/2018	Transfer to cover unforeseen legal expenses	10500-112100-160000-520210	A. Woodruff		\$40,000	\$168,145
6/21/2018	Transfer to cover unforeseen professional fees	10500-112100-160000-521080	A. Woodruff		\$5,000	\$163,145
6/25/2018	Transfer to create project EN18057 NRW Manhole Cover Removal	10500-127302-170000-570005	S. Stone		\$85,000	\$78,145
GG Fund GM Contingency						
				\$300,000	\$221,855	\$78,145
GM CONTINGENCY GRAND TOTAL				\$300,000	\$221,855	\$78,145

Inland Empire Utilities Agency

Exhibit D

Changes in Total Project Budgets: Inter-Departmental/Division Transfers FY 2017/18

Fund	Capital or Spec Proj?	Transfer Date	Total Proj Budget Change (Y/N)?	Annual Proj Budget Change (Y/N)?	New Proj? (Y/N)	Project Number	Project Title	Adopted Total Project (TP) Budget	Prior TP Changes in Current FY	Current Total Project Budget	Amt of Transfer In / (Out)	New TP Budget	Annual Project Budget	Annual Proj. Budget Change	New Annual Project Budget	Project Transferred To/(From)	Justification		
10200	Capital	4/23/18	Yes	Yes	Yes	IS18004	BizNet Network Infrastructure Replacement	\$240,000	\$0	\$240,000	(\$50,000)	\$190,000	\$240,000	(\$50,000)	\$190,000	IS18019	Transfer for project IS18019 to provide a central point for computer system log collection.		
						IS18019	BizNet Cybersecurity SIEM	\$0	\$0	\$0	\$50,000	\$50,000	\$0	\$50,000	\$50,000	(IS18004)			
Subtotal Administration (GG):								\$240,000				\$240,000		\$240,000					
10600	Capital	6/7/18	Yes	Yes	No	EN17007	RW System 930 to 800 PRV	\$600,000	\$0	\$600,000	(\$50,000)	\$550,000	\$75,600	(\$50,000)	\$25,600	EN18054	Transfer to pay a change order and staff labor to close out the project.		
						EN18054	RP-1 Recycled Water Valve Replacement Phase II	\$115,000	\$0	\$115,000	\$50,000	\$165,000	\$115,000	\$50,000	\$165,000	(EN17007)			
Subtotal Recycled Water (WC):								\$12,580,300				\$12,580,300		\$290,600					
10800	Capital	7/23/18	Yes	Yes	Yes	EN13045	Wineville Recycled Water Segment B	\$11,865,300	\$0	\$11,865,300	(\$35,000)	\$11,830,300	\$100,000	(\$35,000)	\$65,000	EN18058	Transfer to create new project, EN18058, to reclass the project costs that were incurred on an O&M project to a capital project.		
						EN18058	RP-1 1050 Zone Surge Tank Repair	\$0	\$0	\$0	\$35,000	\$35,000	\$0	\$35,000	\$35,000	(EN13045)			
10800	Capital	4/25/18	Yes	Yes	Yes	EN17043	RP-4 Primary Clarifier Rehab	\$6,560,900	\$0	\$6,560,900	(\$40,000)	\$6,520,900	\$750,750	(\$40,000)	\$710,750	EN19010	Transfer from EN17043 to EN19010 to cover the research and preparation of the project charter for the Influent Screen Replacement project that was originally scheduled to begin in FY 2018/19.		
						EN19010	RP-4 Influent Screen Replacement	\$0	\$0	\$0	\$40,000	\$40,000	\$0	\$40,000	\$40,000	(EN17043)			
	Capital	5/16/18	Yes	Yes	Yes	EN17065	RP-2 Microturbine	\$2,210,000	\$0	\$2,210,000	(\$115,000)	\$2,095,000	\$150,000	(\$115,000)	\$35,000	EN18056	Transfer from EN17065 to EN18056 to fund the emergency pipeline construction project.		
						EN18056	RP-1 Lagoon No. 3 Outfall Pipe	\$0	\$0	\$0	\$115,000	\$115,000	\$0	\$115,000	\$115,000	(EN17065)			
Capital	6/28/18	Yes	Yes	No	EP18002	North Major Facilities Repair	\$1,109,000	\$0	\$1,109,000	(\$100,000)	\$1,009,000	\$1,108,920	(\$100,000)	\$1,008,920	EN18042	Transfer to complete the scope of EN18042 which consists of drainage and paving improvements in the areas of the South East of RP-1 Operations building that have reached the end of their useful life.			
					EN18042	RP-1 Civil Restoration and Upgrades	\$500,000	\$0	\$500,000	\$100,000	\$600,000	\$105,000	\$100,000	\$205,000	(EP18002)				
Subtotal Regional Operations (RO):								\$10,379,900				\$10,379,900		\$2,114,670					
10900	Capital	4/2/18	Yes	Yes	No	EN11039	RP-1 Disinfection Pump Improvements	\$5,700,367	\$0	\$5,700,367	(\$40,000)	\$5,660,367	\$1,197,000	(\$40,000)	\$1,157,000	EN19026	Transfer from EN11039 to start EN19026, planned for FY 2018/19, a few months early. Transfer to cover project charter and consultant RFP for predesign.		
						EN19026	CCWRF 12kv Switchgear Replacement	\$0	\$0	\$0	\$40,000	\$40,000	\$0	\$40,000	\$40,000	(EN11039)			
Capital	4/2/18	Yes	Yes	Yes	IS18001	FY 17/18 SCADA Energy Monitoring	\$75,000	(\$20,000)	\$55,000	(\$50,000)	\$5,000	\$55,000	(\$50,000)	\$5,000	IS18018	Transfer to create new project IS18018 that will provide a central point for computer system log collection.			
					IS18018	SCADA Cybersecurity SIEM	\$0	\$0	\$0	\$50,000	\$50,000	\$0	\$50,000	\$50,000	IS18001)				
Subtotal Regional Capital (RC):								\$5,775,367				\$5,705,367		\$1,252,000					
								Capital Total Project Budget		Capital Total Project Budget		Total Annual Capital Budget							
								Adopted		Adopted		Adopted		Adopted		Adopted			
								\$28,975,567		\$28,955,567		\$3,897,270		\$3,897,270					

Inland Empire Utilities Agency
Changes in Total Project Budgets: Inter-Departmental/Division Transfers FY 2017/18

Exhibit D

Fund	Capital or Spec Proj?	Transfer Date	Total Proj Budget Change (Y/N)?	Annual Proj Budget Change (Y/N)?	New Proj? (Y/N)	Project Number	Project Title	Adopted Total Project (TP) Budget	Prior TP Changes in Current FY	Current Total Project Budget	Amt. of Transfer In / (Out)	New TP Budget	Annual Project Budget	Annual Proj. Budget Change	New Annual Project Budget	Project Transferred To/(From)	Justification
10500	O&M Proj	7/2/18	Yes	Yes	Yes	EN18057	NRW Manhole Cover Removal	\$0	\$0	\$0	\$85,000	\$85,000	\$0	\$85,000	\$85,000	GM Contingency	Transfer to create new project, EN18057, to remove 42 interior manhole covers due to high amounts of hydrogen sulfide corrosion.
Subtotal Non-Reclaimable Wastewater (NC):								\$0				\$85,000	\$0		\$85,000		
10600	O&M Proj	6/28/18	Yes	Yes	No	EN17020	WC On-Call Operations and Maintenance Support	\$300,000	\$0	\$300,000	(\$5,000)	\$295,000	\$250,000	(\$5,000)	\$245,000	EN17051	Transfer to cover the final invoice for the contractor and IEUA labor to close out project EN17051.
						EN17051	CCWRF Valve Replacement	\$325,000	\$0	\$325,000	\$5,000	\$330,000	\$18,940	\$5,000	\$23,940	(EN17020)	
Subtotal Recycled Water (WC):								\$625,000				\$625,000	\$268,940		\$268,940		
10700	O&M Proj	6/28/18	Yes	Yes	Yes	WR18002	Landscape Audit	\$40,000	\$0	\$40,000	(\$40,000)	\$0	\$40,000	(\$40,000)	\$0	WR18005	Transfer to new project, WR18005, to fund potential restart of MWD's turf removal rebate program. Maximum rebates available to customers within the IEUA service area will be \$2 per square foot for both the residential and commercial sectors.
						WR18006	Large Landscape Retrofit	\$200,000	\$0	\$200,000	(\$200,000)	\$0	\$200,000	(\$200,000)	\$0	WR18005	
						WR18008	CII Rebate Incentive	\$326,959	\$0	\$326,959	(\$45,000)	\$281,959	\$326,959	(\$45,000)	\$281,959	WR18005	
						WR18015	Landscape Training Classes	\$15,000	\$0	\$15,000	(\$15,000)	\$0	\$15,000	(\$15,000)	\$0	WR18005	
						WR18011	Freesprinklernozzles.com	\$200,000	\$0	\$200,000	(\$200,000)	\$0	\$200,000	(\$200,000)	\$0	WR18005	
						WR18017	Residential Pressure Regulation	\$300,000	\$0	\$300,000	(\$300,000)	\$0	\$300,000	(\$300,000)	\$0	WR18005	
						WR18027	Residential Controller Upgrade	\$200,000	\$0	\$200,000	(\$200,000)	\$0	\$200,000	(\$200,000)	\$0	WR18005	
						WR18005	Turf Removal Rebate Incentive	\$0	\$0	\$0	\$1,000,000	\$1,000,000	\$0	\$1,000,000	\$1,000,000	\$0	
O&M Proj	6/28/18	Yes	Yes	No	WR17018	IEUA Member Agency Local Programs FY 16/17	\$100,000	\$0	\$100,000	(\$51,262)	\$48,738	\$89,083	(\$51,262)	\$37,821	WR18018	Transfer to cover outstanding MOUs with member agencies for projects currently in progress.	
					WR18018	IEUA Member Agency Local Programs FY 17/18	\$100,000	\$0	\$100,000	\$51,262	\$151,262	\$100,000	\$51,262	\$151,262	(WR17018)		
O&M Proj	6/28/18	Yes	Yes	No	WR16006	Residential Landscape Device Retrofit FY 15/16	\$400,000	\$0	\$400,000	(\$7,713)	\$392,287	\$7,713	(\$7,713)	\$0	WR17006	Transfer from FY 15/16 project to consolidate all grant related projects.	
					WR17006	Residential Landscape Device Retrofit FY 16/17	\$200,000	\$0	\$200,000	\$7,713	\$207,713	\$152,253	\$7,713	\$159,966	(WR16006)		
Subtotal Water Resources (WW):								\$2,081,959				\$2,081,959	\$1,631,008		\$1,631,008		

Inland Empire Utilities Agency
Changes in Total Project Budgets: Inter-Departmental/Division Transfers FY 2017/18

Exhibit D

Fund	Capital or Spec Proj?	Transfer Date	Total Proj Budget Change (Y/N)?	Annual Proj Budget Change (Y/N)?	New Proj? (Y/N)	Project Number	Project Title	Adopted Total Project (TP) Budget	Prior TP Changes in Current FY	Current Total Project Budget	Amt. of Transfer In / (Out)	New TP Budget	Annual Project Budget	Annual Proj Budget Change	New Annual Project Budget	Project Transferred To/(From)	Justification
10800	O&M Proj	6/5/18	Yes	Yes	No	PL17001	RO Planning Documents	\$1,200,000	\$0	\$1,200,000	(\$110,000)	\$1,090,000	\$200,000	(\$110,000)	\$90,000	PL17004	Transfer to cover the additional Phase 2A of the Wastewater Flow and Loading Study which will help update "Exhibit J" of the Regional Contract.
						PL17004	Wastewater Flow and Loading Study	\$50,000	\$0	\$50,000	\$110,000	\$160,000	\$27,500	\$110,000	\$137,500	(PL17001)	
	O&M Proj	7/2/18	Yes	Yes	Yes	EN19034	RP-1 Operations Building Paving	\$0	\$0	\$0	\$170,000	\$170,000	\$0	\$170,000	\$170,000	(O&M: 521010, 521050)	Transfer from O&M to create new project, EN19034, to pave curbs and pavement that has worn out at RP-1 and is causing a safety issue.
Subtotal Regional Operations (RO):								\$1,250,000				\$1,420,000	\$227,500		\$397,500		

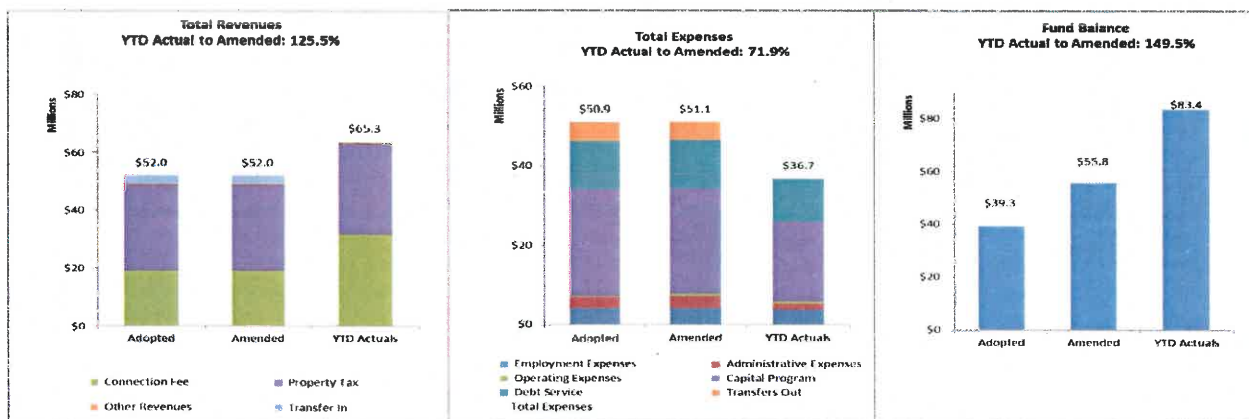
O&M Total Project Budget		O&M Total Project Budget		Total Annual O&M Project Budget	
Adopted		Amended		Adopted	Amended
\$3,956,959		\$4,211,959		\$2,127,449	\$2,382,449

Total Capital and O&M Project Transfers:	\$1,908,975
Total Project Budget Change - Capital:	-\$20,000
Total Project Budget Change - O&M Proj:	\$255,000
Total Project Budget - Net Change:	\$235,000

Financial Overview of Agency's Programs FY 2017/18 quarter ended June 30, 2018 Total Revenues, Expenses, and Fund Balance

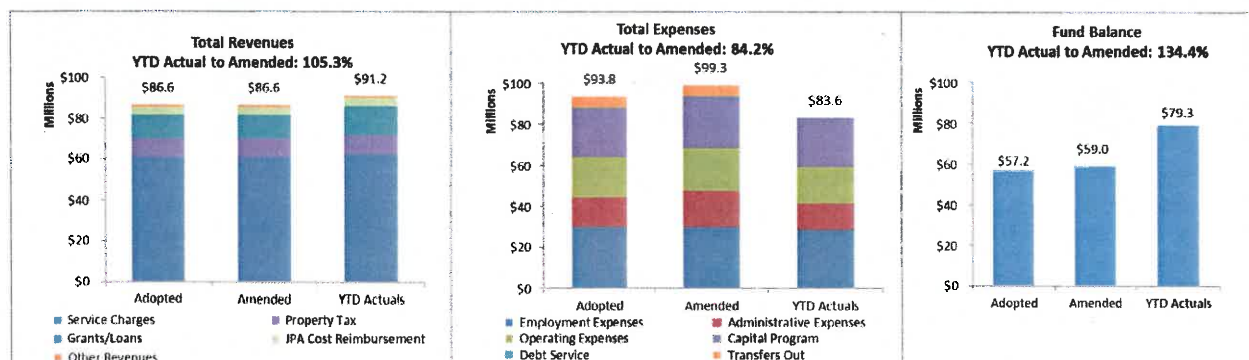
Regional Wastewater Capital Improvement Fund

Actual revenues through the end of the fourth quarter were \$65.3 million compared to the \$52.0 million amended budget. Actual expenses were \$36.7 million compared to the \$51.1 million amended budget. The positive variance was mainly due to connection fee and property tax receipts and delays in project execution as a result of extended request for proposal periods, project peer reviews, and contractor schedule delays. The fund balance reflected an aggregate change of \$27.6 million. A total of \$0.9 million of FY 2017/18 amended budget was identified to be carried forward to FY 2018/19.



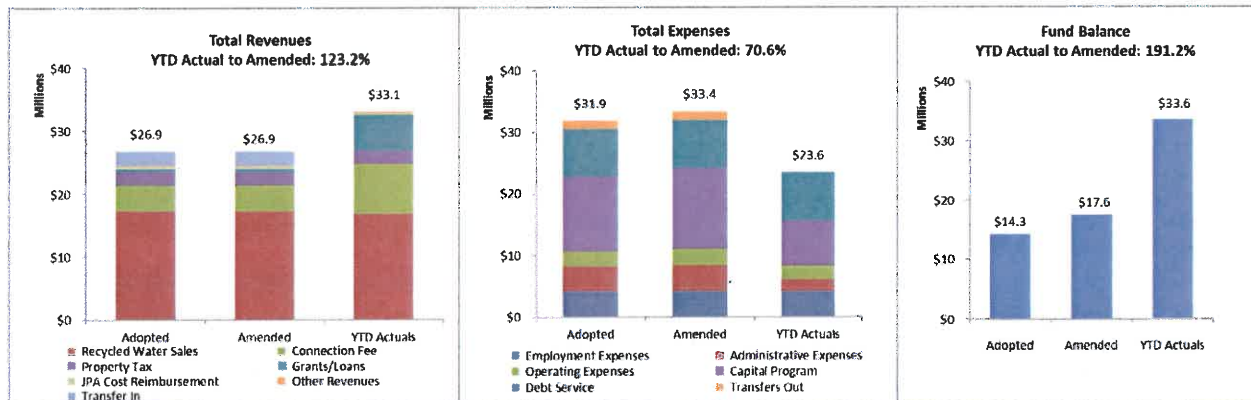
Regional Wastewater Operations and Maintenance Fund

Actual revenues through the end of the fourth quarter were \$91.2 million compared to the \$86.6 million amended budget. The favorable revenue variance can be attributed to grant receipts and Water Quality Laboratory project loan reimbursements. Actual expenses were \$83.6 million compared to the \$99.3 million amended budget. The favorable expense variance was due to lower administrative and operating expense as well as capital replacement and rehabilitation project costs. The fund balance reflected an aggregate change of \$20.3 million. A total of \$3.5 million of FY 2017/18 amended budget was identified to be carried forward to FY 2018/19.



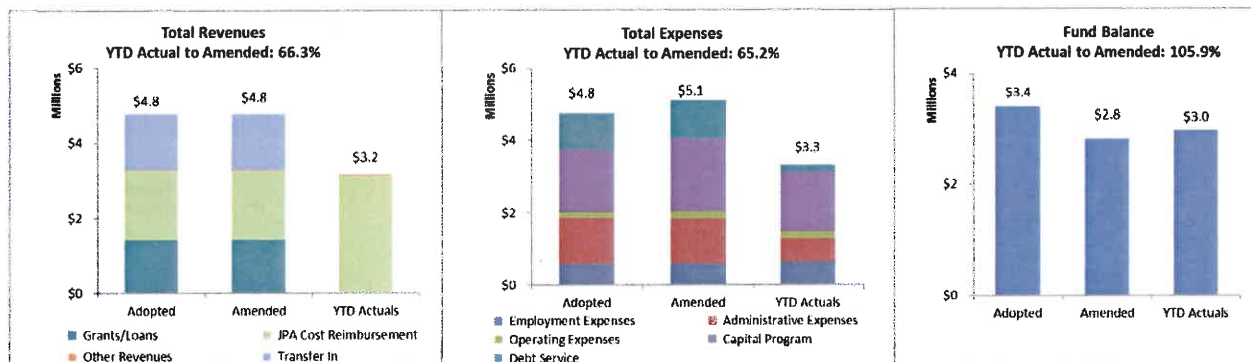
Recycled Water Fund

Actual revenues through the end of the fourth quarter were \$33.1 million compared to the \$26.9 million amended budget. Actual expenses were \$23.6 million compared to the \$33.4 million amended budget. The favorable expense variance was primarily due to water connection, grant, and project State Revolving Fund loan receipts. Capital project execution delays were due to changes of project scope, contractor prequalification requirements and State Revolving Fund loan approval delays. The fund balance reflected an aggregate change of \$16.0 million. A total of \$2.5 million of FY 2017/18 amended budget was identified to be carried forward to FY 2018/19.



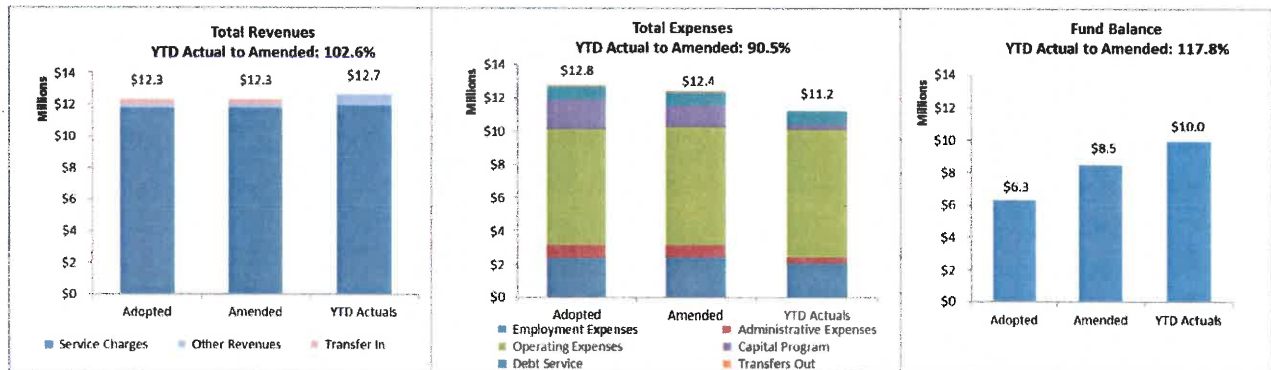
Recharge Water Fund

Actual revenues through the end of the fourth quarter were \$3.2 million compared to the \$4.8 million amended budget. The lower revenue was mainly due to the delay in anticipated State Revolving Fund loan receipts. Actual expenses were \$3.3 million compared to the \$5.1 million amended budget. The favorable variance was mainly due to lower administrative expense and delayed capital project execution. The fund balance reflected a \$0.2 million aggregate change as compared to the amended budget. A total of \$0.08 million of FY 2017/18 amended budget was identified to be carried forward to FY 2018/19.



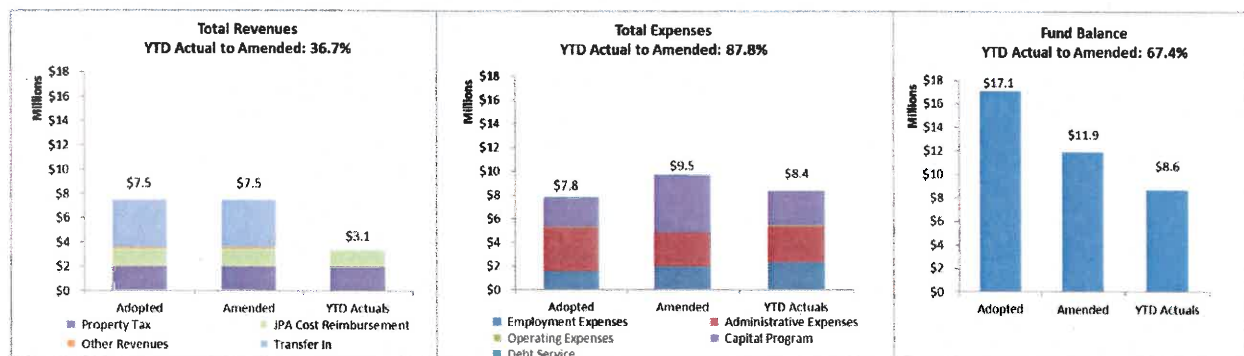
Non-Reclaimable Wastewater Fund

Actual revenues through the end of the fourth quarter were \$12.7 million compared to the \$12.3 million amended budget. Actual expenses were \$11.2 million compared to \$12.4 million amended budget. The decrease in expenses was mainly due to low materials and supplies needs and delays in capital project execution. The fund balance reflected an aggregate change of \$1.5 million to \$10.0 million. A total of \$0.05 million of FY 2017/18 amended budget was identified to be carried forward to FY 2018/19.



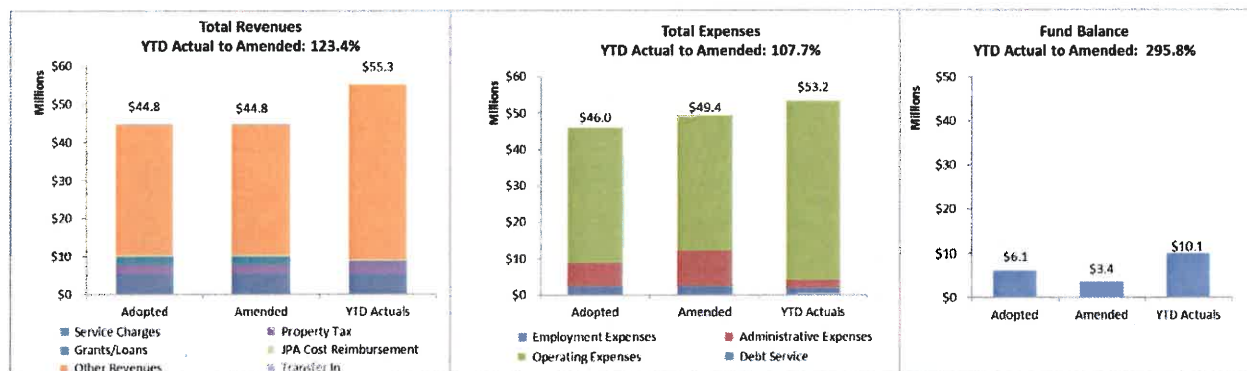
Administrative Services Fund

Actual revenues through the end of the fourth quarter were \$3.1 million compared to the \$7.5 million amended budget. The lower revenue was mainly due to the timing of inter-fund transfer receipts, which will be processed once all fiscal year actuals have been finalized. Actual expenses were \$8.4 million compared to the \$9.5 million amended budget. The lower expense was mainly due to delays in capital project execution. The fund balance reflected an aggregate change of \$3.2 million to \$8.6 million. A total of \$2.2 million of FY 2017/18 amended budget was identified to be carried forward to FY 2018/19.

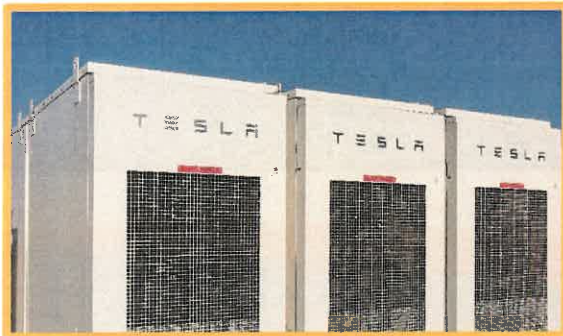


Water Resources Fund

Actual revenues through the end of the fourth quarter were \$55.3 million compared to the \$44.8 million amended budget. Actual expenses were \$53.2 million compared to the \$49.4 million amended budget. The variances in the revenues and expenses were due to higher than anticipated MWD water purchases and related sales. The fund balance reflected an aggregate change of \$6.7 million to \$10.1 million. A total of \$7.0 million of FY 2017/18 amended budget was identified to be carried forward to FY 2018/19.



FY 2017/18 Budget Variance Report 4th Quarter Ended June 30, 2018



FY 2017/18 4th Quarter Ending June 30, 2018

(\$ Millions)

	Annual Budget	Actual YTD*	% Budget Used YTD
Total Sources of Funds	\$223.6	\$263.8	118.0%
Total Uses of Funds	248.9	220.0	88.4%
Net Increase/(Decrease)	(\$25.3)	\$43.8	

*YTD -- Year to Date

Highlights

- Total Sources of Funds exceeded YTD budget by 18.0%
- Total Uses of Funds were 11.6% below YTD budget

FY 2017/18 4th Quarter Ending June 30, 2018

(\$ Millions)

Sources of Funds	Annual Budget	Actual YTD*	% Budget Used YTD
Operating Revenue			
User Charges	\$77.8	\$79.4	102.2%
Recycled Water Sales	17.2	16.9	97.9%
MWD Imported Water Sales	34.2	46.0	134.6%
Other Operating Revenues*	7.5	8.3	110.2%
Total Operating Revenues	\$136.7	\$150.6	110.2%

*Other Operating Revenue includes contract cost reimbursements and interest revenue

Highlights

- User Charges exceeded budget by 2.2% due to a higher number of billable EDUs and pass through capacity and strength charges
- Metropolitan Water District imported water deliveries of 67,976 AF exceeded the annual budget of 50,000 AF. The higher demand was due to some member agencies use of imported water rather than local supplies due to water quality issues
- Other Operating Revenues exceeded YTD budget by 10.2% due to higher interest earnings



FY 2017/18 4th Quarter Ending June 30, 2018

(\$ Millions)

Sources of Funds	Annual Budget	Actual YTD*	% Budget Used YTD
Non-Operating Revenue			
Property Tax	\$46.0	\$48.4	105.1%
Connection Fees	23.1	39.5	171.1%
Grants & Loans	15.3	20.8	136.0%
Other Non-Operating Revenues*	2.5	4.5	178.5%
Total Non-Operating Revenues	86.9	113.2	130.2%
Total Operating Revenues	136.7	150.6	110.2%
Total Sources of Funds	\$223.6	\$263.8	118.0%

* Other Non-Operating revenues includes project reimbursements, lease revenue, and realized gain on investments

Highlights

- Higher than projected new connections reported YTD:
 - 5,020 Equivalent Dwelling Units, and
 - 5,445 Meter Equivalent Units
- Grants and loans include \$6.1 million grant receipts and \$14.7 million in State Revolving Fund (SRF) Loan proceeds
- Includes \$3.2 million of project reimbursements for Recharge Master Plan Update, Supervisory Control and Data Acquisition (SCADA), and the San Bernardino Gravity Sewer Line projects

FY 2017/18 4th Quarter Ending June 30, 2018

(\$ Millions)

Uses of Funds	Annual Budget	Actual YTD*	% Budget Used YTD
Operating Expense			
Employment Expense (net of allocation to projects)	\$45.9	\$43.9	95.6%
Professional Fees & Services	12.0	8.4	70.1%
Utilities	9.8	8.3	85.1%
MWD Water Purchases	34.2	46.0	134.6%
O&M and Reimb. Project Exp.	24.2	11.5	47.6%
Other Operating Expenses*	27.4	25.4	92.5%
Total Operating Expense	\$153.5	\$143.5	93.5%

Highlights

- Employment expense was 4.4% below YTD budget due to a 10% vacancy factor
- Professional fees & services were 29.9% below YTD budget due to contract award timing and deferral of services
- Higher demand of imported water supplies due to water some member agencies use of imported water rather than local supplies due to water quality issues
- Under budget by 52.4% due to timing of project expense for SARCCUP, drought and other repair and maintenance related projects

* Other operating expense includes operating fees, chemicals, biosolids recycling, materials & supplies and office & administrative expenses



FY 2017/18 4th Quarter Ending June 30, 2018

(\$ Millions)

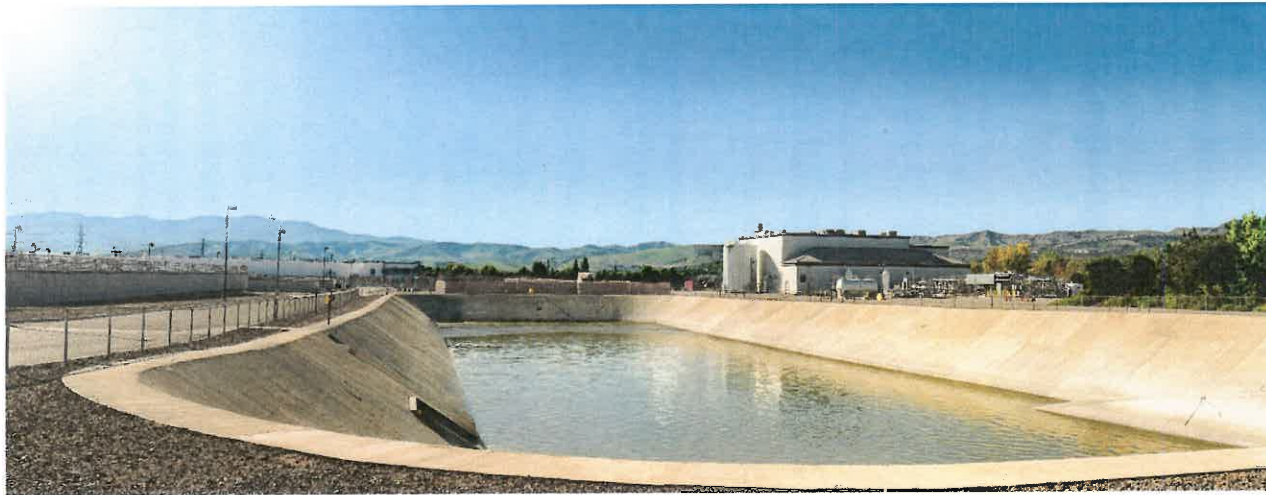
Uses of Funds	Annual Budget	Actual YTD*	% Budget Used YTD
Non-Operating Expense			
Capital Projects	\$73.0	\$56.3	77.2%
Financial Expense	22.0	19.9	90.1%
Other Non-Operating Expense*	0.4	0.3	77.3%
Total Non-Operating Expense	95.4	76.5	80.2%
Total Operating Expense	153.5	143.5	93.5%
Total Uses of Funds	\$248.9	\$220.0	88.4%

Highlights

- Total capital project expenditures were 22.8% below budget largely due to changes in timeline and approval of SRF loan and grant funding of capital recycled water projects. Capital project expenditures related to the Regional Wastewater program were 85.3%.

*Other Non-Operating Expense includes SAWPA member contributions and other miscellaneous expense

Questions

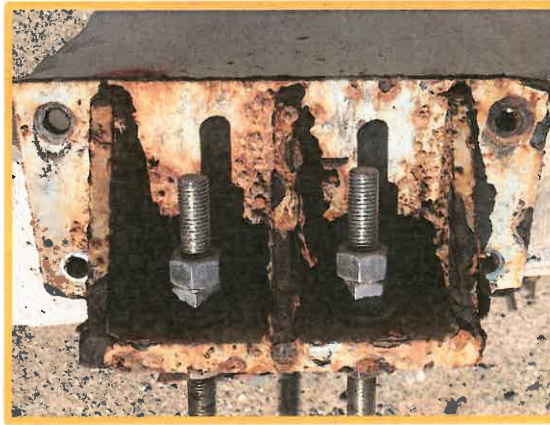


The Budget Variance Analysis report is consistent with the Agency's business goal of fiscal responsibility

**INFORMATION
ITEM**

6B

Engineering and Construction Management Project Updates



EN13001 – San Sevaine Basin Improvements

Project Goal: Improve existing basins to capture more storm water/recycled water for groundwater recharge

Total Project Budget: \$6.5 M
Project Completion: April 2019

Phase	Consultant/ Contractor	Current Contract	Amendments/ Change Orders
Design	Scheevel/Dudek	\$359 K	17.69%
Construction (Current)	Gwinco/Yellow Jacket Drilling	\$4.5 M	4.62%



EN13028 – Preserve Lift Station

Project Goal: Disconnect from Inland Empire Brine Line and direct flow to RP-5



Total Project Budget: \$335 K
Project Completion: July 2018

Phase	Consultant/ Contractor	Current Contract	Amendments/ Change Orders
Design	SAE	\$0	0.0%
Construction	Pacific Hydrotech	\$0	0.0%

EN17110.01 – RP4 Trident Filters Rehabilitation & Replacement

Project Goal: Repair and rehabilitate existing Trident Filter System

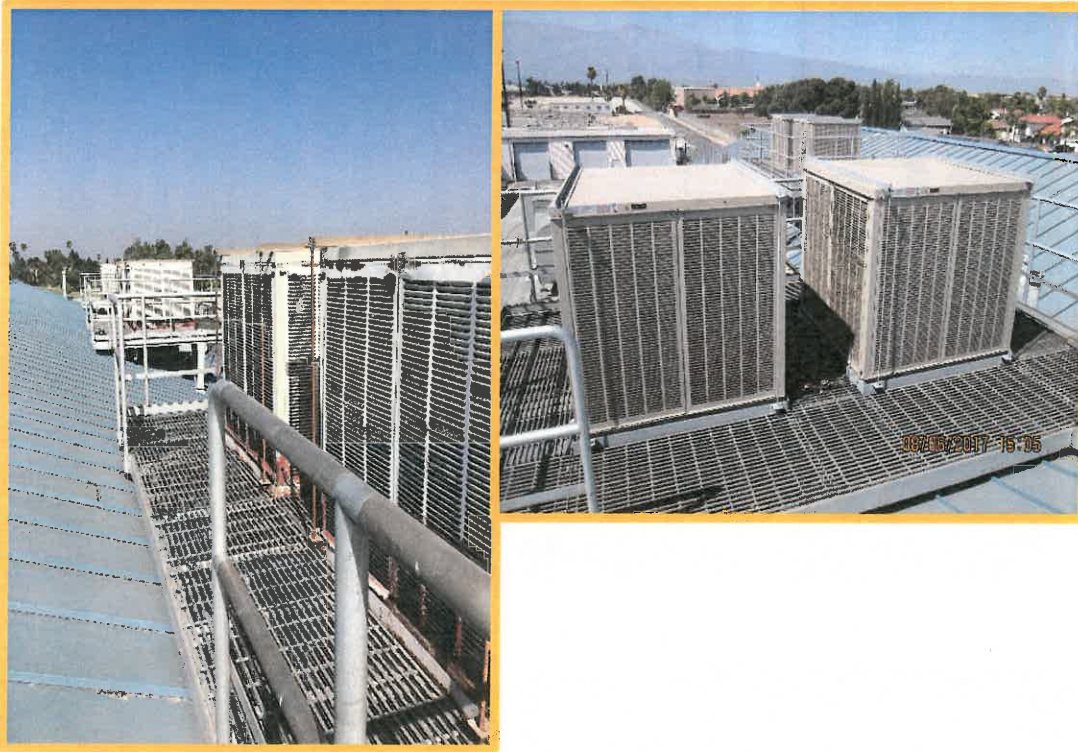
Total Project Budget: \$4.8 M
Project Completion: January 2019

Phase	Consultant/ Contractor	Current Contract	Amendments/ Change Orders
Design	Carollo	\$455 K	0.0%
Construction (Current)	J.F. Shea	\$3.8 M	3.3%



EN18040 – RP-1 Maintenance Building HVAC Replacement

Project Goal: Replacement of aged and nonfunctional evaporative cooler units



Total Project Budget: \$650 K
Project Completion: July 2018

Phase	Consultant/ Contractor	Current Contract	Amendments/ Change Orders
Design	N/A	\$0	0.0%
Construction (Current)	Allison Mechanical	\$167 K	0.0%

RA19002 – IERCF Trommel Screen Improvements

Project Goal: Increase screening efficiency at IERCF.

Design Build Delivery



Total Project Budget: \$1.6 M
Project Completion: February 2019

Phase	Consultant/ Contractor	Current Contract	Amendments/ Change Orders
Design	WM Lyles	\$0	0.0%
Construction (Current)	WM Lyles	\$1.3 M	0.0%

**INFORMATION
ITEM**

6C

Date: September 19, 2018

HHR

To: The Honorable Board of Directors

From: Halla Razak, General Manager

Committee:

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

Subject: Statewide Water Use Efficiency Goals Update

Executive Summary:

On May 31, 2018, Governor Brown signed into Legislation two monumental bills, AB 1668 (Friedman) and SB 606 (Hertzberg) establishing statewide water efficiency standards and goals. The two bills create guidelines for efficient water use and provide a framework for the implementation and oversight of new standards which must be in place by 2022.

The two bills are intended to strengthen water suppliers ability to respond to future droughts and water shortage events. Provisions include: establishing an indoor, per person water use goal; creating incentives that encourage water suppliers to recycle water, and requiring both urban and agricultural water suppliers to set annual water budgets and prepare for drought.

This informational presentation will provide a review of actions deployed in the last drought, an update on the new conservation standards, and a review of several ongoing activities that will support our member agencies in meeting compliance with the new regulations while planning for future droughts.

Staff's Recommendation:

This is an informational item for the Board of Directors to receive and file.

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

Account/Project Name:

None

Fiscal Impact (explain if not budgeted):

None

Prior Board Action:

On May20, 2015, the Board adopted Resolution No. 2015-5-8, Calling for support of the Governor's Executive Order B-29-15.

On August 6, 2014, the Board adopted Resolution 2014-8-2, Calling for Support of Emergency Regulations to Sustain Regional Water Supplies.

Environmental Determination:

Not Applicable

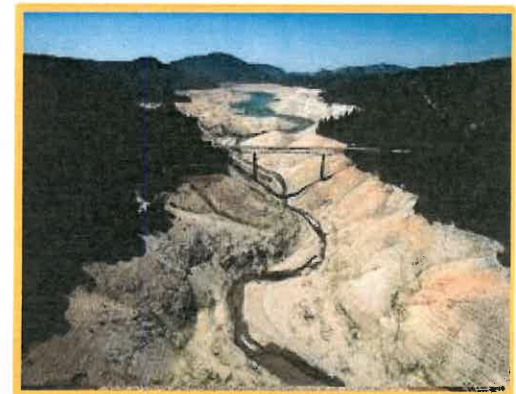
Business Goal:

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

Attachments:

Attachment 1: PowerPoint

Statewide Water Use Efficiency Goals Update



Legislative Timeline

January 2014
Gov. declares a drought state emergency, and urges Californians to reduce water use by 20%

May 2016
Gov. establishes framework for Making Conservation a California Way of Life (EO B-37-16)

April 2017
Final Report issued recommending how to implement long-term framework

April 2015
Gov. issues mandatory statewide 25% reduction in urban water use (EO B-29-15)

February 2017
Legislation introduced AB 869/968 (Rubio) AB 1668/1669 (Friedman)

May 2018
Gov. signs AB1668 (Friedman) & SB 606 (Hertzberg) that sets statewide water efficiency standards

Past Actions – How did we respond?

Emergency Regulation Summary

- Mandatory water use reductions 25% statewide
- Irrigation and water use restrictions
- Implementation of mandatory conservation measures
- Promoting the removal of high water use turf

- Investment of \$4.2M in dedicated conservation funding (Turf Removal/Rebates)
- Developed coordinated regional communication strategies
- Partnered on \$12M Drought Response Grant (DWR/SAWPA)
- Encouraged increased use of recycled water
- Encouraged the development of sustainable conservation based rate structures



Present - Where are we today?

AB 1668 & SB 606

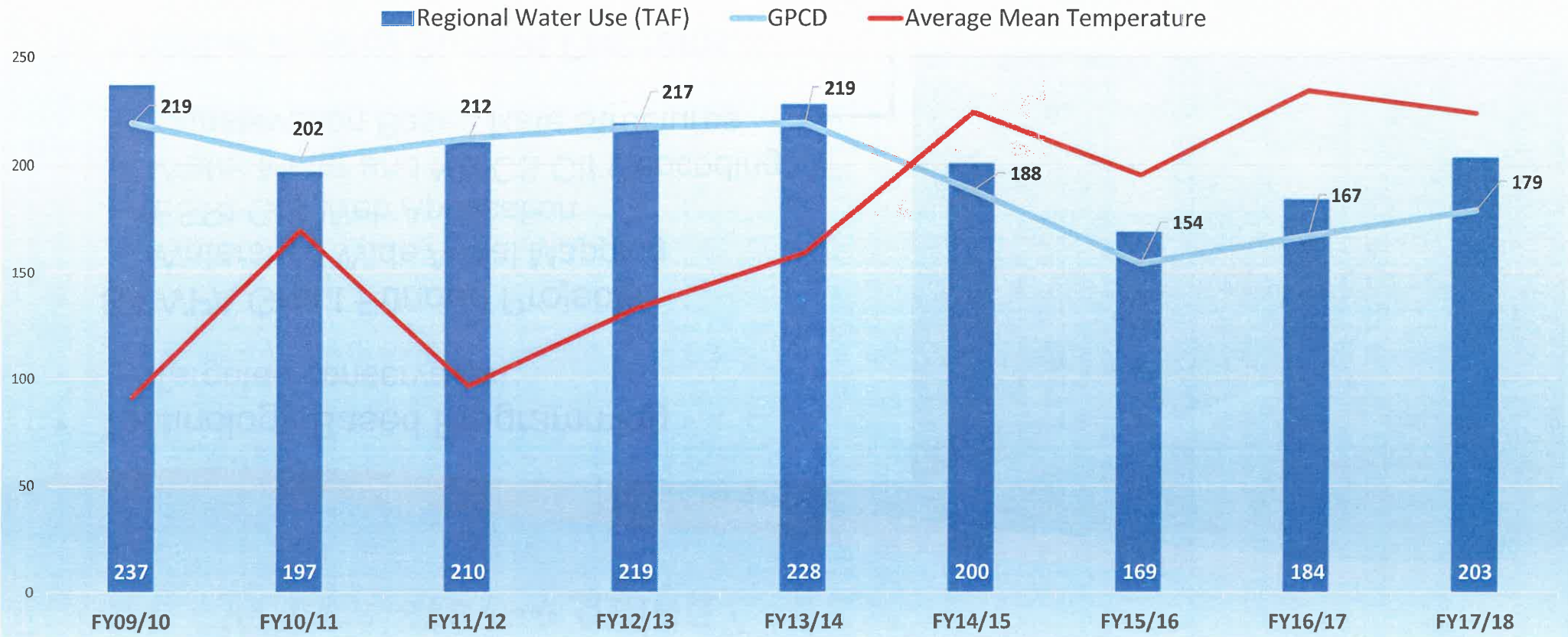
New Conservation Standard

Compliance = Actual water use is \leq Efficient Water Use Objective

- Urban Water Use Efficiency Objective
 - Indoor (residential)
 - 55 GPCD then
 - 52.5 GPCD (1/1/25), then
 - 50 GPCD (1/1/2030)
 - Outdoor (landscape) (10/2021)
 - Landscape Ordinance-
Maximum Applied Water Allowance (MAWA)
based on year property was built
 - Distribution System Water Loss (7/2020)
 - Commercial, Industrial and Institutional Performance Measures (6/2022)
- New Urban Water Management Planning Requirements
 - Water Supply Reliability descriptions
 - Strategy for meeting water needs
 - Drought risk assessment for drought lasting 5 or more years
 - Updated Water Shortage Contingency Plans
- 1/1/2022 – Annual supply/demand reports due
- 11/1/2023 – Objectives due to DWR
- 1/1/2024 – Compliance begins (UWMPs)

Regional Water Use Trends

Regional Water Use Trends



Future - Where are we going?

- Technology Based Programming
 - Targeted conservation
- SAWPA Grant Funded Projects
 - Watershed Wide Aerial Mapping
 - ESRI GIS Web Application
 - Water Meter and NAICS CII Geocoding
 - Conservation Based Rate Structures
- Member Agency Support Programs
- WUE Support Tools



Future - Where are we going?

Chino Basin Drought & Water Shortage Contingency Plan

- WaterSMART: Drought Contingency Planning Grant
 - Grant Award: \$200,000 (Oct. 2016)
 - Total Project Cost: \$481,000
- Update to IEUA's 2009 Drought Response Plan
- Regional Collaboration – Stakeholder Engagement
- Develop strategies and outreach mechanisms with member agencies to deal with water shortages
- Consistency with State Standards and Regulations



MWD's 2018 Advertising and Outreach Campaign

H2♥

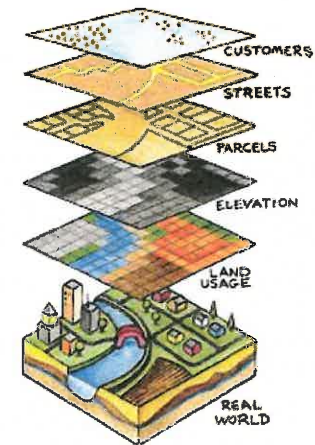


It *pays*
to save water
every day.

Transform your landscape. Get a rebate at  bewaterwise.com

SAWPA Support Tools

- ESRI – GIS Demonstration
 - On-line Web Application and Cloud Services Project
- Retail Water Agency Meter and NAICS Geocoding Program



Questions



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

**INFORMATION
ITEM**

6G

Date: September 19, 2018

To: The Honorable Board of Directors

From: Halla Razak, General Manager

Committee: Finance & Administration

09/12/18

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

Subject: Treasurer's Report of Financial Affairs

Executive Summary:

The Treasurer's Report of Financial Affairs for the month ended July 31, 2018 is submitted in a format consistent with the State requirement.

For the month of July 2018, total cash, investments, and restricted deposits of \$225,880,665 reflects an increase of \$2,927,062 compared to the total of \$222,953,603 reported for June 2018. The increase was primarily due to an increase in restricted accounts held by member agencies and with fiscal agents. The average days of cash on hand for the month ended July 31, 2018 decreased from 253 days to 235 days, as a result of a transfer of \$4.7 million to the restricted 2010A bond debt service account for the August 2018 payment.

The unrestricted Agency investment portfolio yield in July 2018 was 2.168%, an increase of 5 basis points or 2.3% compared to the June yield of 2.118%. The increase can be attributed to a more favorable market yield.

Staff's Recommendation:

The Treasurer's Financial Affairs Report for the month ended July 31, 2018 is an informational item for the Board of Director's review.

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 August 15, 2018, the Board of Directors approved the Treasurer's Financial Affairs Report for the month ended June 30, 2018.

Environmental Determination:

Not Applicable

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.

Attachments:

Attachment 1 - Background

Attachment 2 - PowerPoint

Attachment 3 - July 2018 Treasurer's Report of Financial Affairs

Background

Subject: Treasurer's Report of Financial Affairs

The Treasurer's Report of Financial Affairs for the month ended July 31, 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).

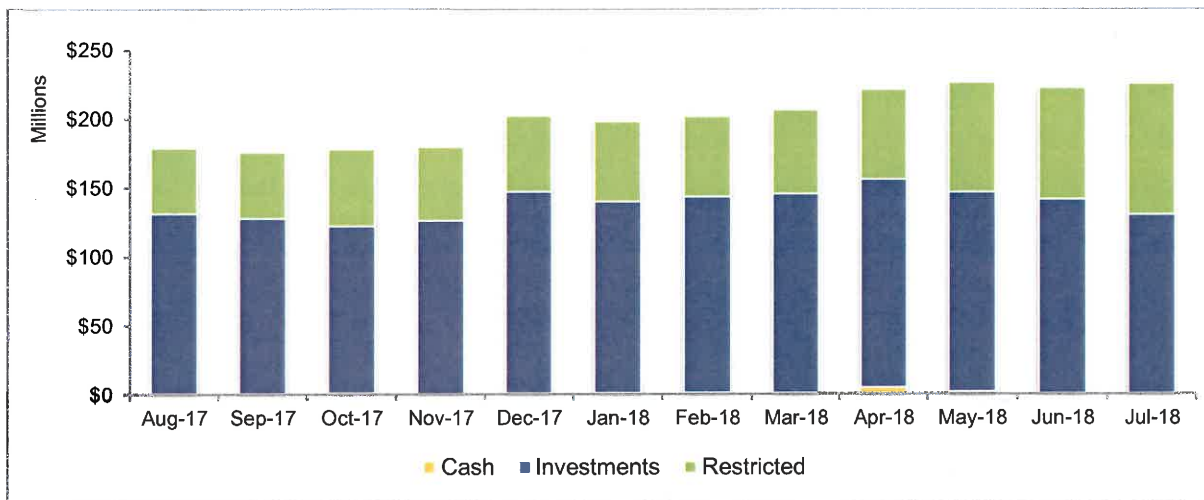
Agency total cash, investments, and restricted deposits for the month ended July 31, 2018 was \$225.8 million, an increase of \$2.9 million from the \$222.9 million reported for the month ended June 30, 2018. The increase was primarily due to an increase of restricted deposits held by member agencies and with fiscal agents.

Table 1 represents the unrestricted Agency investment portfolio, by authorized investment and duration, with total portfolio amount of \$130.0 million. The Agency portfolio excludes restricted deposits in the amount of \$95.5 million held by member agencies and with fiscal agents.

Table 1: Agency Portfolio

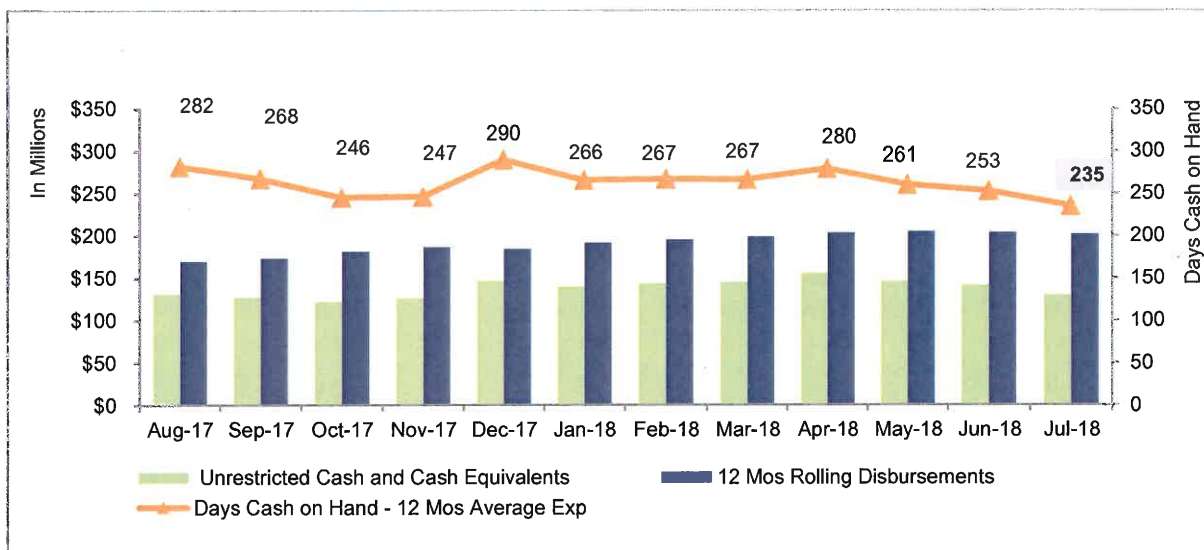
Authorized Investments	Allowable Threshold (\$ million or %)	Investment Value as of July 31, 2018 (\$ million)				Average Yield	Portfolio % (Unrestricted)
		Under 1 Year	1-3 Years	Over 3 Years	Total		
LAIF- Unrestricted	\$65	\$22.64			\$22.64	1.94%	17.42%
CAMP - Unrestricted	n/a	\$21.05			\$21.05	2.11%	16.16%
Citizens Business Bank – Sweep	40%	\$ 5.64			\$ 5.64	0.90%	4.34%
Sub-Total Agency Managed		\$49.33			\$49.33	1.90%	37.90%
Brokered Certificates of Deposit	30%	\$0.48	\$2.46		\$ 2.94	2.81%	2.27%
Commercial Paper	25%	\$1.00			\$ 1.00	2.43%	0.76%
Medium Term Notes	30%	\$7.73	\$2.69	\$7.69	\$18.11	2.35%	13.93%
Municipal Bonds	10%	\$1.00			\$ 1.00	1.75%	0.76%
US Treasury Notes	n/a		\$10.46	\$15.15	\$25.61	2.65%	19.71%
US Gov't Securities	n/a	\$8.76	\$20.23	\$3.05	\$32.04	2.05%	24.65%
Sub-Total PFM Managed		\$17.97	\$36.84	\$25.89	\$80.70	2.33%	62.10%
Total		\$67.30	\$36.84	\$25.89	\$130.03	2.17%	100.00%

Figure 1: Cash, Investments, and Restricted Deposits



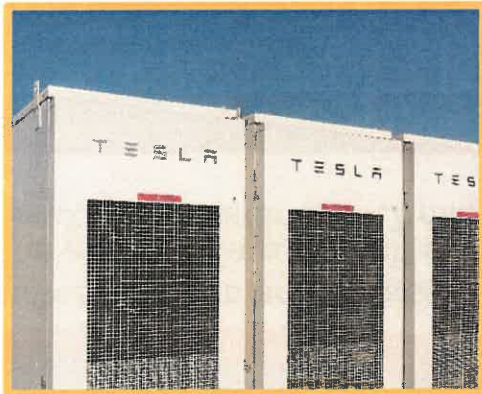
Average days cash on hand is calculated using the monthly ending balance of unrestricted cash and cash equivalents divided by disbursements associated with operating expenses, debt service, and capital expenditures as recorded in the Agency’s cash flow. The average days of cash on hand for the month ended July 31, 2018 decreased from 253 days to 235 days as shown in Figure 2, as a result of a transfer of \$4.7 million to the restricted 2010A bond debt service account for the August 2018 payment.

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-2018-19-cash-and-investment/.

Treasurer's Report of Financial Affairs for July 31, 2018



Agency Liquidity

- Increase due to an increase in restricted accounts held by member agencies and with fiscal agents
- The average days of cash on hand for the month ended July 31, 2018 decreased from 253 days to 235 days, as a result of a transfer of \$4.7 million to the restricted 2010A bond debt service account for the August 2018 payment.

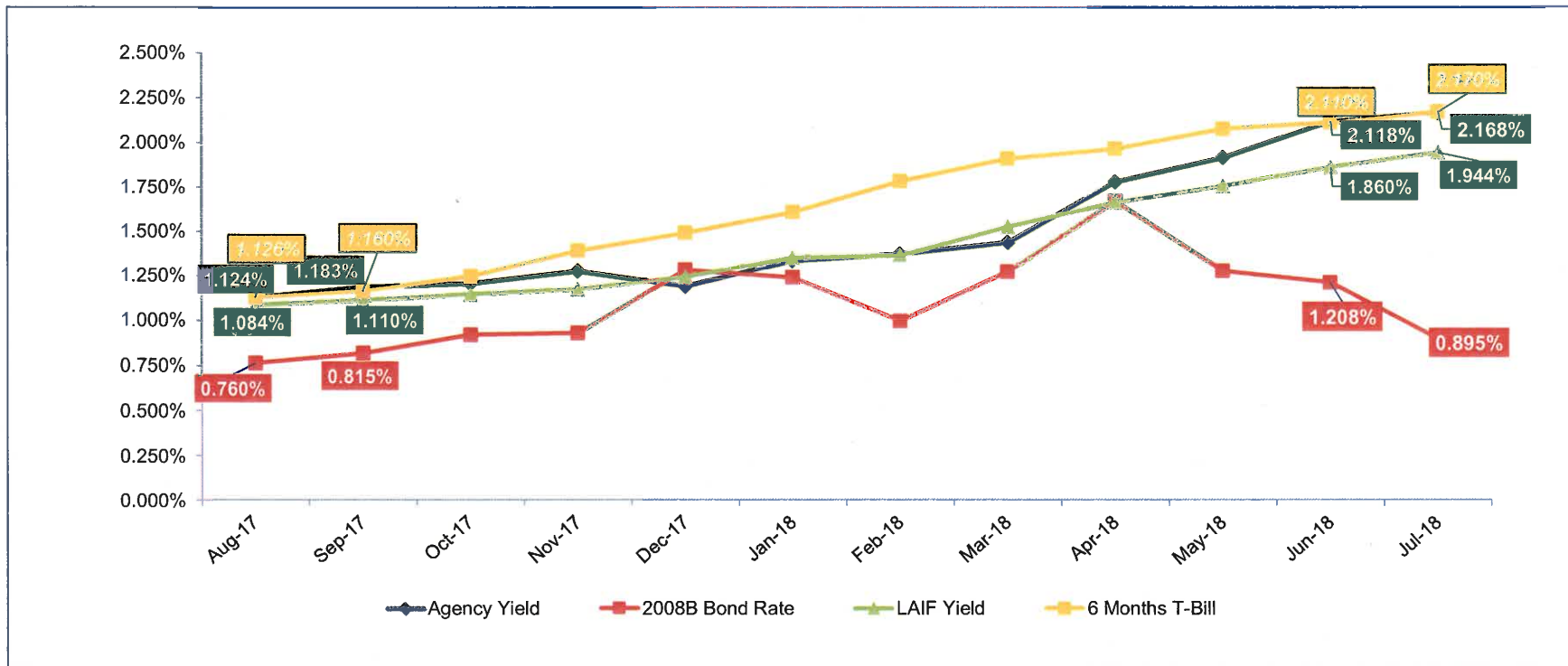
Description	July (\$ million)	June (\$ million)	Increase/ (Decrease) (\$ million)
Investment Portfolio	\$130.0	\$141.3	(\$11.3)
Cash and Restricted Deposits	\$95.8	\$81.6	\$14.2
Total Investments, Cash, and Restricted Deposits	\$225.8	\$222.9	\$2.9
Investment Portfolio Yield	2.168%	2.118%	0.050%
Weighted Average Duration (Years)	1.09	1.06	0.03
Average Cash on Hand (Days)	235	253	(18)

Monthly cash and investment summaries available at: www.ieua.org/fy-2018-19-cash-and-investment/

Agency Investment Position

Authorized Investments	Allowable Threshold (\$ million or %)	Under 1 Year	1 – 3 Years	Over 3 Years	Total	Average Yield	Portfolio %
Local Agency Investment Fund	\$65	\$22.64			\$22.64	1.94%	17.42%
California Asset Management Program	n/a	\$21.05			\$21.05	2.11%	16.16%
Citizens Business Bank - Sweep	40%	\$5.64			\$5.64	0.90%	4.34%
Sub-Total Agency Managed		\$49.33			\$49.33	1.90%	37.90%
Brokered Certificate of Deposits (CD)	30%	\$0.48	\$2.46		\$2.94	2.81%	2.27%
Commercial Paper	25%	\$1.00			\$1.00	2.43%	0.76%
Medium Term Notes	30%	\$7.73	\$2.69	\$7.69	\$18.11	2.35%	13.93%
Municipal Bonds	10%		\$1.00		\$1.00	1.75%	0.76%
US Treasury Notes	n/a		\$10.46	\$15.15	\$25.61	2.65%	19.71%
US Government Securities	n/a	\$8.76	\$20.23	\$3.05	\$32.04	2.05%	24.65%
Sub-Total PFM Managed*		\$17.97	\$36.84	\$25.89	\$80.70	2.33%	62.10%
Total		\$67.30	\$36.84	\$25.89	\$130.0	2.17%	100.00%

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 July 31, 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

	<u>July</u>	<u>June</u>
<u>Cash, Bank Deposits, and Bank Investment Accounts</u>	\$379,670	\$286,501
<u>Investments</u>		
Agency Managed		
Citizens Business Bank (CBB) Repurchase (Sweep)	\$5,638,205	\$2,606,431
Local Agency Investment Fund (LAIF)	22,637,370	22,527,517
California Asset Management Program (CAMP)	21,050,760	35,497,959
Total Agency Managed Investments	49,326,335	60,631,907
PFM Managed		
Certificates of Deposit	2,949,503	3,429,482
Municipal Bonds	998,628	998,523
Commercial Paper	993,067	991,000
Medium Term Notes	18,108,352	18,112,339
U.S. Treasury Notes	25,613,450	24,515,514
U.S. Government Sponsored Entities	32,038,940	32,588,827
Total PFM Managed Investments	80,701,940	80,635,685
Total Investments	\$130,028,275	\$141,267,592
Total Cash and Investments Available to the Agency	\$130,407,945	\$141,554,093
<u>Restricted Deposits</u>		
CAMP Water Connection Reserve	\$12,558,752	\$10,882,109
LAIF Self Insurance Reserve	6,009,079	5,979,918
Debt Service Accounts	7,320,017	2,563,997
Capital Capacity Reimbursement Account (CCRA) Deposits Held by Member Agencies*	54,313,470	46,804,082
California Employers' Retirement Benefit Trust Account - CERBT (Other Post Employment Benefits - OPEB)	14,314,359	14,249,085
Escrow Deposits	957,043	920,319
Total Restricted Deposits	\$95,472,720	\$81,399,510
<u>Total Cash, Investments, and Restricted Deposits</u>	\$225,880,665	\$222,953,603

**Reported total as of June 2018 except Ontario, less capital call receipts through June 30, 2018*

Cash, Bank Deposits, and Bank Investment Accounts

CBB Demand Account (Negative balance offset by CBB Sweep Balance)	(\$88,097)
CBB Payroll Account	-
CBB Workers' Compensation Account	27,582
Subtotal Demand Deposits	<u>(\$60,515)</u>
Other Cash and Bank Accounts	
Petty Cash	2,250
Subtotal Other Cash	<u>\$2,250</u>
US Bank Pre-Investment Money Market Account	<u>\$437,935</u>
<i>Total Cash and Bank Accounts</i>	\$379,670

Unrestricted Investments

CBB Repurchase (Sweep) Investments	
Freddie Mac Bond	\$5,638,205
Subtotal CBB Repurchase (Sweep)	<u>\$5,638,205</u>
Local Agency Investment Fund (LAIF)	
LAIF Fund	\$22,637,370
Subtotal Local Agency Investment Fund	<u>\$22,637,370</u>
California Asset Management Program (CAMP)	
Short Term	\$21,050,760
Subtotal CAMP	<u>\$21,050,760</u>
Subtotal Agency Managed Investment Accounts	<u>\$49,326,335</u>

Unrestricted Investments Continued

Brokered Certificates of Deposit

Brokered Certificates of Deposit	\$2,949,503
Subtotal Brokered Certificates of Deposit	<u>\$2,949,503</u>

Commercial Paper

Natixis NY Branch	\$993,067
Subtotal Commercial Paper	<u>\$993,067</u>

Municipal Bonds

State and Local Municipal Bonds	\$998,628
Subtotal Municipal Bonds	<u>\$998,628</u>

Medium Term Notes

Johnson & Johnson	\$1,662,787
Microsoft	2,053,285
Exxon Mobil	2,507,904
Wells Fargo Bank	1,503,268
UPS of America Inc	790,996
Hershey Company	334,786
American Honda Finance	769,823
Boeing Co	795,360
Toyota Motor	980,229
Bank of NY Mellon	1,373,138
American Express	786,512
Walt Disney Company	799,843
Visa Inc	797,221
Bank of America	771,086
Oracle Corp	1,390,807
Burlington North Santa Fe Corp	791,307
Subtotal Medium Term Notes	<u>\$18,108,352</u>

Unrestricted Investments Continued

U.S. Treasury Notes

Treasury Note	\$25,613,450
Subtotal U.S. Treasury Notes	<u>\$25,613,450</u>

U.S. Government Sponsored Entities

Fannie Mae Bank	\$7,859,643
Freddie Mac Bank	10,952,760
Federal Farm Credit Bank	5,759,901
Federal Home Loan Bank	7,466,636
Subtotal U.S. Government Sponsored Entities	<u>\$32,038,940</u>

Subtotal PFM Managed Investment Accounts

\$80,701,940

Total Investments

\$130,028,275

Restricted Deposits

Investment Pool Accounts

CAMP -Water Connection Reserves	\$12,558,752
LAIF - Self Insurance Fund Reserves	6,009,079
Subtotal Investment Pool Accounts	<u>\$18,567,831</u>

Debt Service

2008B Debt Service Accounts	\$2,565,958
2010A Debt Service Accounts	4,753,375
2017A Debt Service Accounts	684
Subtotal Debt Service	<u>\$7,320,017</u>

Restricted Deposits Continued

CCRA Deposits Held by Member Agencies

City of Chino	\$10,465,835
Cucamonga Valley Water District	10,905,036
City of Fontana	6,477,198
City of Montclair	2,281,595
City of Ontario	15,363,306
City of Chino Hills	6,724,584
City of Upland	2,095,916
Subtotal CCRA Deposits Held by Member Agencies*	<u>\$54,313,470</u>

CalPERS

CERBT Account (OPEB)	<u>\$14,314,359</u>
Subtotal CalPERS Accounts	\$14,314,359

Escrow Deposits

Kemp Brothers Construction	\$885,372
Genesis Construction	71,671
Subtotal Escrow Deposits	<u>\$957,043</u>

Total Restricted Deposits

\$95,472,720

Total Cash, Investments, and Restricted Deposits as of July 31, 2018

\$225,880,665

Total Cash, Investments, and Restricted Deposits as of 7/31/18

\$225,880,665

Less: Total Cash, Investments, and Restricted Deposits as of 6/30/18

222,953,603

Total Monthly Increase (Decrease)

\$2,927,062

**Reported total as of June 2018 except Ontario, less capital call receipts through June 30, 2018*

	Credit Rating @ Purchase		CHANGES IN Credit Rating		Par Amount	Cost Basis Amount	Term (Days)	July	% Coupon	% Yield to	Maturity Date	Market
	S&P	Moody's	S&P	Moody's				Value		Maturity		Value

Cash, Bank Deposits, and Bank Investment Accounts

Citizens Business Bank (CBB)												
Demand Account*					(\$88,097)	(\$88,097)	N/A	(\$88,097)		N/A	N/A	(\$88,097)
Payroll Checking					0	0	N/A	0		N/A	N/A	0
Workers' Compensation Account					27,582	27,582	N/A	27,582		N/A	N/A	27,582
Subtotal CBB Accounts					(\$60,515)	(\$60,515)		(\$60,515)				(\$60,515)
US Bank (USB)												
Custodial Money Market (Investment Mgmt.)					\$222,174	\$222,174	N/A	\$222,174		1.43%	N/A	\$222,174
Custodial Money Market (Debt Service)					215,761	215,761	N/A	215,761		1.43%	N/A	215,761
Subtotal USB Account					\$437,935	\$437,935		\$437,935		1.43%		\$437,935
Petty Cash					\$2,250	\$2,250	N/A	\$2,250		N/A	N/A	\$2,250
Total Cash, Bank Deposits and Bank Investment Accounts					\$379,670	\$379,670		\$379,670				\$379,670

*Negative demand checking balance is offset by the Daily Repurchase (Sweep) Account balance

Investments

CBB Daily Repurchase (Sweep) Accounts												
Freddie Mac Bond					\$5,638,205	\$5,638,205	N/A	\$5,638,205		0.90%	N/A	\$5,638,205
Subtotal CBB Repurchase Accounts					\$5,638,205	\$5,638,205		\$5,638,205		0.90%		\$5,638,205
LAIF Accounts												
Non-Restricted Funds					\$22,637,370	\$22,637,370	N/A	\$22,637,370		1.944%	N/A	\$22,637,370
Subtotal LAIF Accounts					\$22,637,370	\$22,637,370		\$22,637,370		1.944%		\$22,637,370
CAMP Accounts												
Non-Restricted Funds					\$21,050,760	\$21,050,760	N/A	\$21,050,760		2.11%	N/A	\$21,050,760
Subtotal CAMP Accounts					\$21,050,760	\$21,050,760		\$21,050,760		2.11%		\$21,050,760
Subtotal Agency Managed Investment Accounts					\$49,326,335	\$49,326,335		\$49,326,335		1.90%		\$49,326,335

	Credit Rating @ Purchase		CHANGES IN Credit Rating		Par Amount	Cost Basis Amount	Term (Days)	July Value	% Coupon	% Yield to Maturity	Maturity Date	Market Value
	S&P	Moody's	S&P	Moody's								
Investments (continued)												
Brokered Certificates of Deposit (CDs)												
Ally Bank	N/R	N/R			\$243,000	\$243,000	722	\$243,000	1.45%	1.45%	03/11/19	\$242,015
Wells Fargo Bank	N/R	N/R			242,000	242,000	729	242,000	1.55%	1.55%	03/15/19	241,144
Bank of Nova Scotia Houston	N/R	N/R			1,410,000	1,409,464	730	1,409,503	3.08%	3.10%	06/05/20	1,418,710
Synchrony Bank	N/R	N/R			240,000	240,000	1827	240,000	2.25%	2.25%	10/02/20	237,034
Royal Bank of Canada NY	N/R	N/R			815,000	815,000	1095	815,000	3.24%	3.24%	06/07/21	821,117
Subtotal Brokered CDs					\$2,950,000	\$2,949,464		\$2,949,503		2.81%		\$2,960,020
US Treasury Note												
US Treasury Note	AA+	Aaa			\$3,000,000	\$2,937,305	819	\$2,945,235	1.500%	2.46%	07/15/20	\$2,933,202
US Treasury Note	AA+	Aaa			2,225,000	2,201,012	1019	2,203,463	2.125%	2.53%	01/31/21	2,191,972
US Treasury Note	AA+	Aaa			2,850,000	2,715,627	1153	2,725,669	1.125%	2.69%	06/30/21	2,719,858
US Treasury Note	AA+	Aaa			2,615,000	2,588,543	1201	2,590,851	2.250%	2.57%	07/31/21	2,575,877
US Treasury Note	AA+	Aaa			580,000	567,426	1202	567,577	2.000%	2.69%	10/31/21	565,817
US Treasury Note	AA+	Aaa			2,555,000	2,480,346	1323	2,486,116	1.750%	2.60%	11/30/21	2,470,565
US Treasury Note	AA+	Aaa			2,500,000	2,418,750	1436	2,424,033	1.875%	2.75%	03/31/22	2,419,042
US Treasury Note	AA+	Aaa			2,550,000	2,476,090	1474	2,481,144	1.875%	2.64%	04/30/22	2,465,531
US Treasury Note	AA+	Aaa			1,300,000	1,252,570	1456	1,253,403	1.750%	2.72%	06/30/22	1,248,762
US Treasury Note	AA+	Aaa			2,065,000	1,980,706	1530	1,983,546	1.750%	2.76%	09/30/22	1,978,206
US Treasury Note	AA+	Aaa			1,600,000	1,546,625	1641	1,549,344	2.000%	2.80%	10/31/22	1,547,187
US Treasury Note	AA+	Aaa			1,260,000	1,191,980	1778	1,195,775	1.500%	2.69%	02/28/23	1,187,796
US Treasury Note	AA+	Aaa			1,275,000	1,206,270	1699	1,207,294	1.500%	2.74%	02/28/23	1,201,936
Subtotal US Treasuries					\$26,375,000	\$25,563,250		\$25,613,450		2.647%		\$25,505,751
U.S. Government Sponsored Entities												
Federal Farm Credit Bank	AA+	Aaa			\$3,000,000	\$3,000,000	1,079	\$3,000,000	1.15%	1.15%	02/22/19	\$2,979,336
Federal Farm Credit Bank	AA+	Aaa			760,000	759,701	720	759,901	1.40%	1.42%	03/27/19	755,227
Federal Farm Credit Bank	AA+	Aaa			2,000,000	2,000,000	1,460	2,000,000	1.52%	1.52%	06/24/19	1,982,926
Freddie Mac Bond	AA+	Aaa			1,500,000	1,500,000	1,080	1,500,000	1.15%	1.15%	07/26/19	1,488,121
Fannie Mae Step Bond	AA+	Aaa			1,500,000	1,500,000	1,080	1,500,000	1.25%	1.33%	07/26/19	1,480,729
Fannie Mae Bond	AA+	Aaa			900,000	899,460	1,153	899,460	1.25%	1.27%	08/23/19	888,284
Fannie Mae Bond	AA+	Aaa			1,350,000	1,350,000	1,157	1,350,000	1.25%	1.25%	08/26/19	1,332,220
Freddie Mac Bond	AA+	Aaa			3,000,000	2,972,928	1,359	2,991,340	1.25%	1.50%	10/02/19	2,955,585
Federal Home Loan Bank	AA+	Aaa			5,000,000	4,965,250	657	4,970,382	2.13%	2.52%	02/11/20	4,959,410
Federal Home Loan Bank	AA+	Aaa			2,500,000	2,495,600	712	2,496,254	2.38%	2.47%	03/30/20	2,487,320
Freddie Mac Bond	AA+	Aaa			2,500,000	2,485,350	1,036	2,486,831	2.38%	2.59%	02/16/21	2,474,038
Freddie Mac Bond	AA+	Aaa			2,550,000	2,527,994	1,028	2,530,051	2.38%	2.70%	02/16/21	2,523,518
Fannie Mae Bond	AA+	Aaa			2,510,000	2,502,671	1,092	2,503,359	2.50%	2.60%	04/13/21	2,488,336
Fannie Mae Bond	AA+	Aaa			1,655,000	1,603,678	1,632	1,606,824	2.00%	2.74%	10/05/22	1,595,422
Freddie Mac Bond	AA+	Aaa			1,450,000	1,444,461	1,810	1,444,538	2.75%	2.83%	06/19/23	1,436,349
Subtotal U.S. Gov't Sponsored Entities					\$32,175,000	\$32,007,093		\$32,038,940		2.05%		\$31,826,821
(As of August 2011, all US GSE's have been downgraded to AA+ Rating by S&P)												
Commercial Paper												
JP Morgan Securities	A-1	P-1			\$1,000,000	\$987,866	182	\$993,067		2.43%	11/13/18	\$993,204
Subtotal Commercial Paper					\$1,000,000	\$987,866		\$993,067		2.43%		\$993,204

	Credit Rating @ Purchase		CHANGES IN Credit Rating		Par Amount	Cost Basis Amount	Term (Days)	July Value	% Coupon	% Yield to Maturity	Maturity Date	Market Value
	S&P	Moody's	S&P	Moody's								
Municipal Bonds												
San Diego Redevelopment Agency	AA	N/R			\$1,000,000	\$996,800	934	998,628	1.625%	1.75%	09/01/19	\$988,760
Subtotal State and Local Municipal Bonds					\$1,000,000	\$996,800		\$998,628		1.75%		\$988,760
Investments (continued)												
Medium Term Notes												
Johnson & Johnson	AAA	Aaa			\$1,660,000	\$1,682,808	1,044	\$1,662,787	1.65%	1.16%	12/05/18	\$1,656,404
Microsoft	AAA	Aaa			2,050,000	2,076,691	1,045	2,053,285	1.625%	1.16%	12/06/18	2,046,146
Exxon Mobil	AA+	Aaa			1,000,000	1,005,750	763	1,001,619	1.708%	1.43%	03/01/19	996,106
Exxon Mobil	AA+	Aaa			1,500,000	1,506,285	712	1,506,285	1.819%	1.60%	03/15/19	1,493,604
Wells Fargo Bank	A+	Aa2			1,500,000	1,511,655	1,061	1,503,268	1.75%	1.48%	05/24/19	1,489,116
UPS of America Inc	A+	A1			725,000	802,046	714	790,996	8.38%	2.75%	04/01/20	787,149
Hershey Company	A	A1			335,000	334,769	1,123	334,786	3.10%	3.12%	05/15/21	335,629
American Honda Finance	A+	A2			800,000	767,016	1,181	769,823	1.65%	3.00%	07/12/21	763,942
Boeing Co	A	A2			680,000	805,678	1,215	795,360	8.75%	2.88%	08/15/21	789,350
Toyota Motor	AA-	Aa3			1,000,000	978,790	1,364	980,229	2.60%	3.21%	01/11/22	977,335
Bank of NY Mellon	A	A1			1,400,000	1,371,048	1,391	1,373,138	2.60%	3.18%	02/07/22	1,367,561
American Express	A-	A2			800,000	785,488	1,415	786,512	2.70%	3.20%	03/03/22	781,445
Walt Disney Company	A+	A2			815,000	798,692	1,416	799,843	2.45%	3.00%	03/04/22	790,657
Visa Inc	A+	A1			825,000	795,407	1,611	797,221	2.15%	3.03%	09/15/22	792,773
Bank of America	A-	A3			800,000	769,264	1,647	771,086	2.50%	3.43%	10/21/22	766,014
Oracle Corp	AA-	A1			1,420,000	1,389,001	1,764	1,390,807	2.63%	3.11%	02/15/23	1,381,074
Burlington North Santa Fe Corp	A+	A3			800,000	790,800	1,792	791,307	3.00%	3.26%	03/15/23	787,786
Subtotal Medium Term Notes					\$18,110,000	\$18,171,188		\$18,108,352		2.35%		\$18,002,091
Subtotal PFM Managed Investment Accounts					\$81,610,000	\$80,675,662		\$80,701,940		2.34%		\$80,276,647
Total Investments					\$130,936,335	\$130,001,997		\$130,028,275				\$129,602,982

(Source of Investment Amortized Cost: PFM)

	Credit Rating @ Purchase		CHANGES IN Credit Rating		Par Amount	Cost Basis Amount	Term (Days)	July Value	% Coupon	% Yield to Maturity	Maturity Date	Market Value
	S&P	Moody's	S&P	Moody's								
Restricted Deposits												
Investment Pool Accounts												
CAMP - Water Connection Reserves					\$12,558,752	\$12,558,752	N/A	\$12,558,752		2.11%	N/A	\$12,558,752
LAIIF - Self Insurance Reserves					6,009,079	6,009,079	N/A	6,009,079		1.944%	N/A	6,009,079
Total Investment Pool Accounts					<u>\$18,567,831</u>	<u>\$18,567,831</u>		<u>\$18,567,831</u>		<u>2.06%</u>		<u>\$18,567,831</u>
Debt Service and Arbitrage Accounts												
2008B Debt Service Accounts					\$2,565,958	\$2,565,958	N/A	\$2,565,958		1.33%		\$2,565,958
2010A Debt Service Accounts					4,753,375	4,753,375	N/A	4,753,375		0.30%		4,753,375
2017A Debt Service Accounts					684	684	N/A	684		0.30%		684
Total Debt Service Accounts					<u>\$7,320,017</u>	<u>\$7,320,017</u>		<u>\$7,320,017</u>		<u>0.66%</u>		<u>\$7,320,017</u>
CCRA Deposits Held by Member Agencies												
City of Chino					\$10,465,835	\$10,465,835	N/A	\$10,465,835		N/A	N/A	\$10,465,835
City of Chino Hills					6,724,584	6,724,584	N/A	6,724,584		N/A	N/A	6,724,584
Cucamonga Valley Water District					10,905,036	10,905,036	N/A	10,905,036		N/A	N/A	10,905,036
City of Fontana					6,477,198	6,477,198	N/A	6,477,198		N/A	N/A	6,477,198
City of Montclair					2,281,595	2,281,595	N/A	2,281,595		N/A	N/A	2,281,595
City of Ontario					15,363,306	15,363,306	N/A	15,363,306		N/A	N/A	15,363,306
City of Upland					2,095,916	2,095,916	N/A	2,095,916		N/A	N/A	2,095,916
<i>Subtotal CCRA Deposits Held by Member Agencies*</i>					<u>\$54,313,470</u>	<u>\$54,313,470</u>		<u>\$54,313,470</u>				<u>\$54,313,470</u>
<i>*Reported total as of June 2018 except Ontario, less capital call receipts through June 30, 2018</i>												
CalPERS Deposits												
CERBT Account (OPEB)					\$13,000,000	\$13,000,000	N/A	\$14,314,359		N/A	N/A	\$14,314,359
Subtotal CalPERS Deposits					<u>\$13,000,000</u>	<u>\$13,000,000</u>		<u>\$14,314,359</u>				<u>\$14,314,359</u>
<i>As of March 31st, the 1 year net return is 5.68%</i>												
Escrow Deposits												
Kemp Brothers Construction Escrow					\$885,372	\$885,372	N/A	\$885,372		N/A	N/A	\$885,372
Genesis Construction Escrow					71,671	71,671	N/A	71,671		N/A	N/A	71,671
Subtotal Escrow Deposits					<u>\$957,043</u>	<u>\$957,043</u>		<u>\$957,043</u>				<u>\$957,043</u>
Total Restricted Deposits					<u>\$94,158,361</u>	<u>\$94,158,361</u>		<u>\$95,472,720</u>				<u>\$95,472,720</u>
Total Cash, Investments, and Restricted Deposits as of July 31, 2018					<u>\$225,474,366</u>	<u>\$224,540,028</u>		<u>\$225,880,665</u>				<u>\$225,455,372</u>

July Purchases

No.	Date	Transaction	Investment Security	Type	Par Amount Purchased	Investment Yield to Maturity
1	07/05/18	Purchased	Freddie Mac	GSE	\$1,450,000	2.83%
2	07/05/18	Purchased	US Treasury Notes	UST	1,300,000	2.72%
3	07/05/18	Purchased	US Treasury Notes	UST	1,275,000	2.74%
4	07/17/18	Purchased	US Treasury Notes	UST	580,000	2.69%
					<u>\$ 4,605,000</u>	

July Investment Maturities, Calls & Sales

No.	Date	Transaction	Investment Security	Type	Par Amount Matured/Sold	Investment Yield to Maturity
1	07/05/18	Sold	US Treasury Notes	UST	\$1,950,000	1.35%
2	07/05/18	Sold	Federal Home Loan Banks	GSE	2,000,000	1.43%
3	07/16/18	Maturity	Certificate of Deposit	CD	240,000	1.70%
4	07/16/18	Maturity	Certificate of Deposit	CD	240,000	1.70%
Total Maturities, Calls & Sales					<u>\$ 4,430,000</u>	

Directed Investment Category

CBB Repurchase (Sweep)
 LAIF - Unrestricted
 CalTrust
 CAMP - Unrestricted
 Brokered Certificates of Deposit
 Medium Term Notes
 Municipal Bonds
 Commercial Paper
 US Treasury Notes
 U.S. Government Sponsored Entities

Total Investment Portfolio***Investment Portfolio Rate of Return***

Amount Invested	Yield
\$5,638,205	0.900%
22,637,370	1.944%
0	0.000%
21,050,760	2.110%
2,949,503	2.806%
18,108,352	2.347%
998,628	1.753%
993,067	2.430%
25,613,450	2.647%
32,038,940	2.049%
\$130,028,275	
	2.168%

Restricted/Transitory/Other Accounts

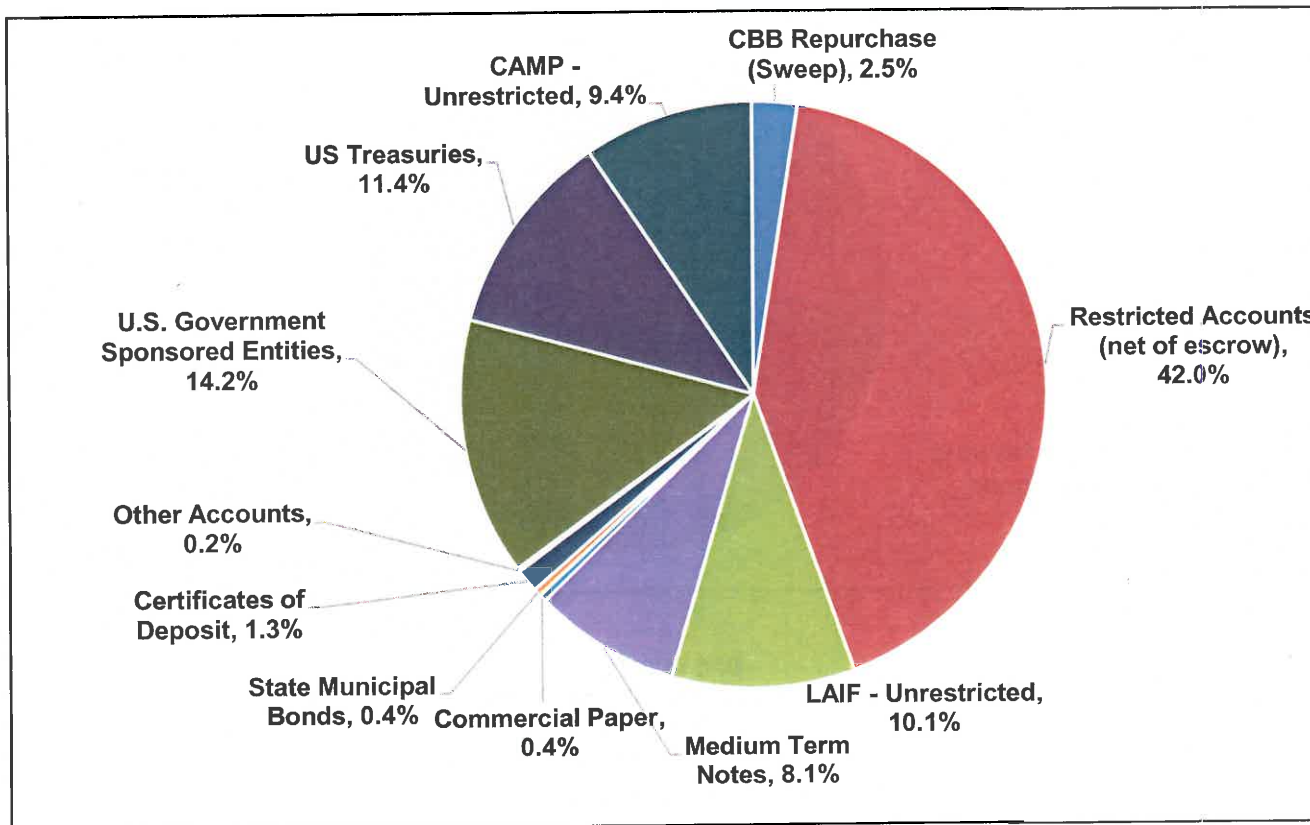
CCRA Deposits Held by Member Agencies
 CalPERS OPEB (CERBT) Account
 CAMP Restricted Water Connection Reserve
 LAIF Restricted Insurance Reserve
 US Bank - 2008B Debt Service Accounts
 US Bank - 2010A Debt Service Accounts
 US Bank - 2017A Debt Service Accounts
 US Bank - Pre-Investment Money Market Account
 Citizens Business Bank - Demand Account
 Citizens Business Bank - Workers' Compensation Account
 Other Accounts*
 Escrow Account

Total Restricted/Transitory/Other Accounts***Average Yield of Other Accounts*****Total Agency Directed Deposits**

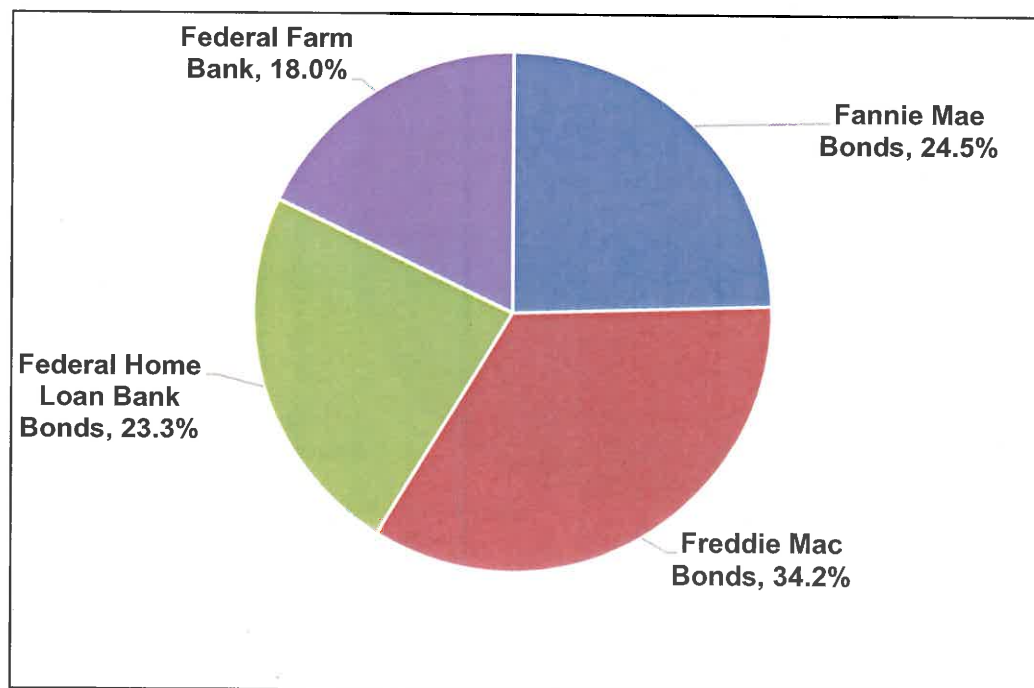
Amount Invested	Yield
\$54,313,470	N/A
14,314,359	N/A
12,558,752	2.110%
6,009,079	1.944%
2,565,958	1.330%
4,753,375	0.300%
684	0.300%
437,935	1.430%
(88,097)	N/A
27,582	N/A
2,250	N/A
957,043	N/A
\$95,852,390	
	1.658%
\$225,880,665	

*Petty Cash

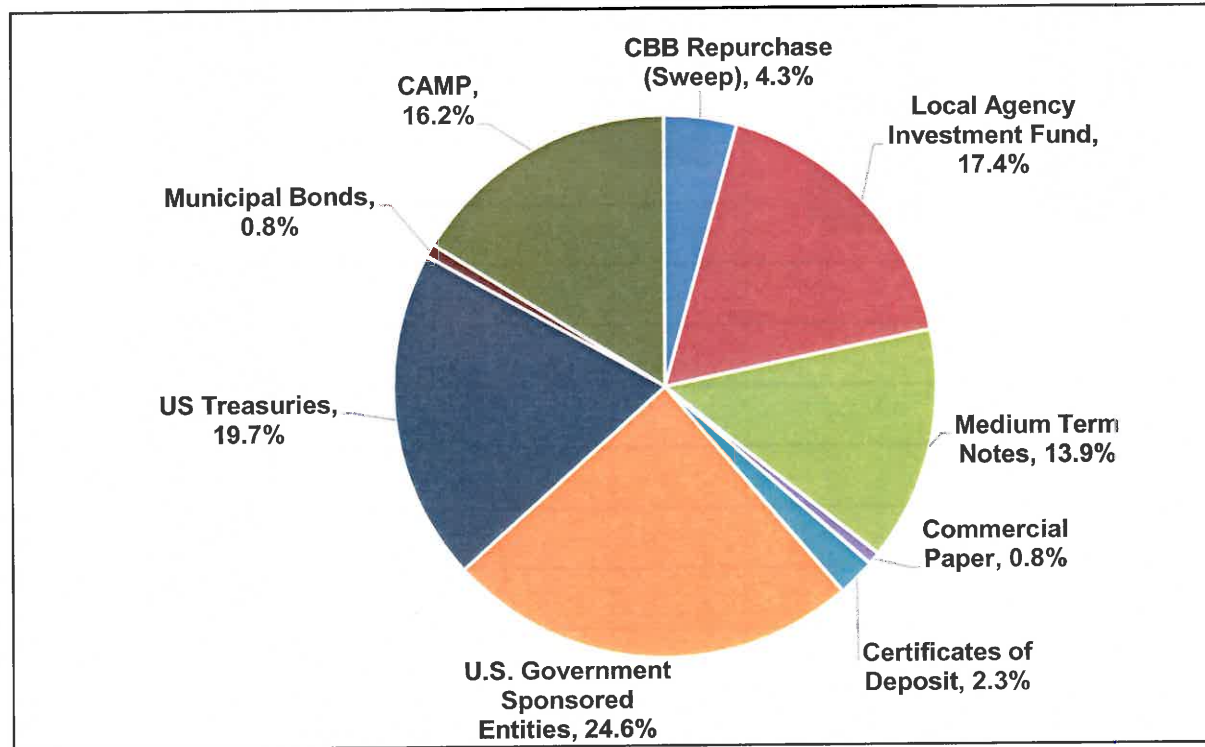
Inland Empire Utilities Agency
Treasurer's Report of Financial Affairs
 For the Month Ended July 31, 2018
 Agency Investment Portfolio (Net of Escrow Accounts)
\$224,923,622



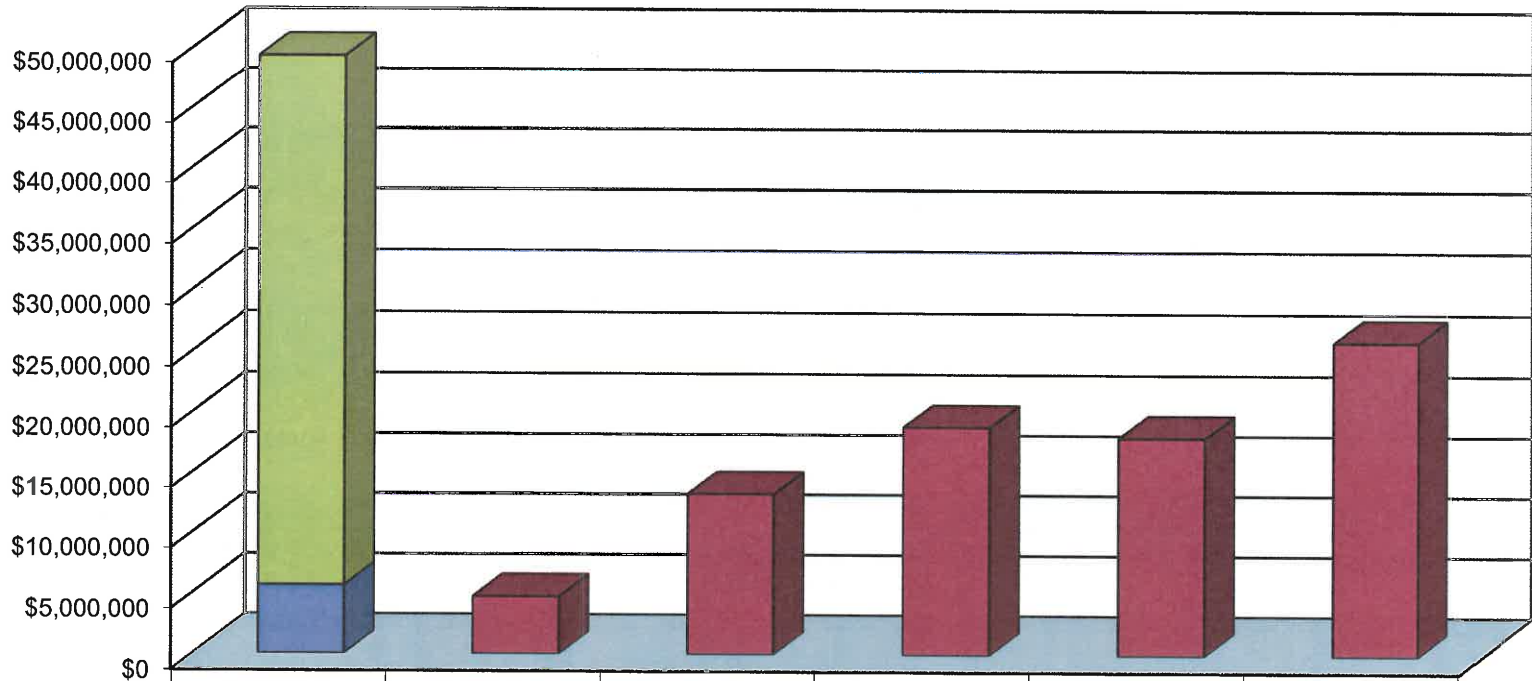
Inland Empire Utilities Agency
Treasurer's Report of Financial Affairs
For the Month Ended July 31, 2018
U.S. Government Sponsored Entities Portfolio
\$32,038,940



Inland Empire Utilities Agency
Treasurer's Report of Financial Affairs
For the Month Ended July 31, 2018
Unrestricted Agency Investment Portfolio
\$130,028,275

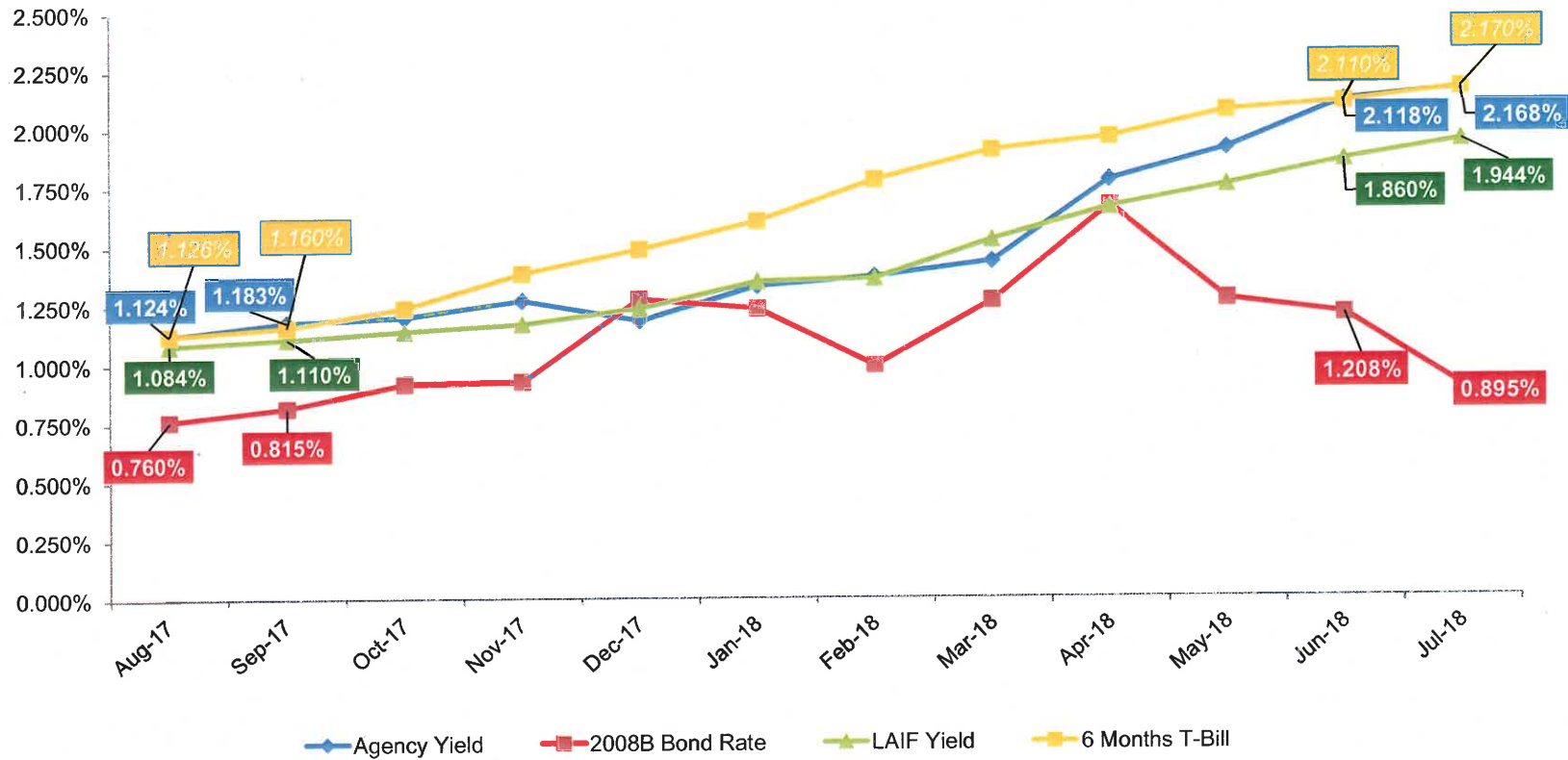


Inland Empire Utilities Agency
Treasurer's Report of Financial Affairs
For the Month Ended July 31, 2018
Agency Investment Portfolio Maturity Distribution (Unrestricted)
\$130,028,275



	0-30 Days	31-180 Days	181-365 Days	366-730 Days	2 to 3 Years	Over 3 Yrs
■ LAIF+CalTrust+CAMP	\$43,688,130					
■ CBB Repurchase (Sweep)	\$5,638,205					
■ GSE+CD+MTN+MUNI	\$0	\$4,709,139	13,256,073	18,851,798	17,995,193	25,889,737
□ Percent	38.0%	3.6%	10.2%	14.5%	13.8%	19.9%

Inland Empire Utilities Agency
Treasurer's Report of Financial Affairs
 For the Month Ended July 31, 2018
 Agency Investment Portfolio Yield Comparison



**INFORMATION
ITEM**

6H

Date: September 19, 2018

To: The Honorable Board of Directors

From: Halla Razak, General Manager

Committee: Community & Legislative Affairs

#HR
09/12/18

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

Subject: Public Outreach and Communication

Executive Summary:

This is an informational item that provides highlights of the External Affairs team's monthly outreach, education and communication programs and updates.

- October, National Energy Awareness Month
- October 6 – October 14, Water Professionals Appreciation Week
- October 20, Landscape & Water Conservation Festival, Chino Basin Water Conservation District, 4594 San Bernardino Street, Montclair, 9:00 a.m. – 2:00 p.m.
- October 30, Blood Drive, IEUA HQB Event Room, 8:00 a.m. – 1:00 p.m.

Staff ran an ad in the Chino Connection on August 4.

An ad ran in the High School Football section of the Chino Champion on August 11.

A California Water spadea ran in the Daily Bulletin on September 2.

A L.A. County Fair theme-page ad ran in the Chino Champion on September 8.

Staff created an internal online shopping site through AIM giving employees the ability to shop for IEUA-approved branded gear.

Staff's Recommendation:

This is an informational item for the Board of Directors to receive and file.

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

Account/Project Name:

Fiscal Impact (explain if not budgeted):

Prior Board Action:

N/A

Environmental Determination:

Not Applicable

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.

Attachments:

Attachment 1 - Background

Background

Subject: Public Outreach and Communication

September

- September 19, Agency All Hands Meeting, Chino Hills Community Center, 14250 Peyton Drive, Chino Hills, 1:30 p.m. – 3:00 p.m.

October

- October, National Energy Awareness Month
- October 6 – October 14, Water Professionals Appreciation Week
- October 20, Landscape & Water Conservation Festival, Chino Basin Water Conservation District, 4594 San Bernardino Street, Montclair, 9:00 a.m. – 2:00 p.m.
- October 30, Blood Drive, IEUA HQB Event Room, 8:00 a.m. – 1:00 p.m.

December

- December 19, Employee Recognition Holiday Luncheon, Los Serranos Country Club, 15656 Yorba Avenue, Chino Hills, 11:00 a.m. – 3:00 p.m.

Media and Outreach

- Staff ran an ad in the *Chino Connection* on August 4.
- An ad ran in the High School Football section of the *Chino Champion* on August 11.
- A California Water spadea ran in the Daily Bulletin on September 2.
- A L.A. County Fair theme-page ad ran in the *Chino Champion* on September 8.
- External Affairs staff is working with Agency department leads to update the Agency's external website.
- Staff promoted August as Water Quality Month through social media outreach and messaging.
- Agency staff is working on a video short featuring the Agency's renewable energy portfolio.
- Staff created an internal online shopping site through AIM giving employees the ability to shop for IEUA-approved branded gear.
- August: 21 posts were published to the IEUA Facebook page, 10 posts were published to IEUA's Instagram and 21 tweets were sent on the @IEUAwater Twitter handle.
 - The top three Facebook posts, based on reach and engagement, in the month of August were:
 - 8/16: Compost Facility Video
 - 8/27: Watershed Cleanup in Pomona event post
 - 8/8: Don't Flush Drugs Down the Drain post
 - The top three tweets, based on reach and engagement, in the month of August were:
 - 8/2: #ThursdayThoughts
 - 8/14: Don't Dump Your Cooking Oil #WaterQualityMonth
 - 8/3: Fun Fact Friday

- The top three Instagram posts, based on reach and engagement, in the month of August were:
 - 8/2: #ThursdayThoughts
 - 8/16: Compost Facility Video
 - 8/14: Don't Dump Your Cooking Oil #WaterQualityMonth
- During the months of August and September, staff are promoting a post about the Water Discovery Field Trip and Tours as a boosted/paid post. As of now, the posts have reached 2,600 people in the service area.
- Cucamonga Valley Water District included Automatic Water Softener Removal Rebate inserts with the July/August billing to 24,000 residents.

Education and Outreach Updates

- Staff has begun program outreach for the new school year this month. Principal meetings will be scheduled in addition to digital and postal outreach methods.
- Staff has begun scheduling Water Discovery Field Trips. To date, 18 schools have made reservations for the current school year.
- Staff is developing a self-guided tour brochure for the Chino Creek Wetlands and Educational Park, which will coincide with QR codes and park signage.

**INFORMATION
ITEM**

61

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Comprehensive Government Relations

MEMORANDUM

To: Halla Razak and Kathy Besser

From: Letitia White, Jean Denton, Shavenor Winters, Drew Tatum

Date: August 30, 2018

Re: August Monthly Legislative Update

September's Short Work Window Strains Effort to Avert Shutdown

Republican leaders' plans to avoid a government shutdown will be put to the test next month when the House and Senate come under pressure to negotiate three "minibus" spending bills and get them enacted by Sunday, September 30 which is the end of the fiscal year.

Senate Majority Leader Mitch McConnell(R-KY) and House Speaker Paul Ryan (R-WI) face many hurdles to persuade members to line up behind their plan to have the three measures comprising nine of 12 FY19 bills passed in both chambers and on their way to President Donald Trump's desk by the deadline.

Appropriations Committee Chairman Richard Shelby (R-AL) said Senate approval of the \$857 billion minibus containing the Defense and Labor-Health and Human Services bills on top of two other packages should provide the momentum Senate Majority Leader McConnell needs to get all three enacted next month. Much will depend on the House, which plans to be in session only 11 days in September.

The Defense and Labor HHS package (H.R. 6157), which the Senate passed on August 23, will land in a queue that includes the minibus (H.R. 5895) containing the Energy and Water, Military Construction-Veterans Affairs, and Legislative Branch bills. Also awaiting final action is another minibus (H.R. 6147) containing the Financial Services, Interior-Environment, Agriculture, and Transportation, Housing, and Urban Affairs bills. Those nine bills account for more than 80 percent of the \$1.3 trillion in discretionary funds that appropriators oversee annually.

None of these have been fully negotiated by both sides and are not prepared for quick votes. The three other fiscal 2019 bills (Homeland Security, State-Foreign Ops, and Commerce-Justice-State) have yet to be considered by either chamber. Lawmakers are talking about a new continuing resolution (CR) to keep all agencies funded after September 30, likely through December covering the lame-duck period after the November midterm elections.

A battle over policy riders that the House attached too many to its bills while the Senate so far has ignored riders will likely be a potential point of angst.

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House Republican pressure to include funding for a nuclear waste repository at Nevada's Yucca Mountain and roll back or block Obama-era programs in their version of the Energy and Water legislation is meeting strong Democratic opposition and is slowing work on reaching a final agreement on the three-bill minibus.

The House Energy and Water spending bill included funding for Yucca but the Senate, as in previous years, omitted the funds. The House also wants provisions to repeal the Obama administration's Waters of the U.S. rulemaking, block the National Ocean Policy, and withhold funds for the operations of the Federal Columbia River Power System. All are opposed by Democrats.

Republican leaders may decide to drop the Energy and Water spending bill from the minibus if they cannot resolve the dispute over riders as it threatens overall progress on finalizing the package.

The developments hint at the first cracks in Republican leaders' strategy to get three minibus packages covering nine of the 12 annual spending bills finished by the time the federal government's fiscal year ends.

Potential wild cards:

- The package of "anomalies" the White House will want on any CR. Those are adjustments to certain accounts to avoid administrative problems while full-year bills are being enacted.
- The second set of budget rescissions the White House is preparing to recover unused federal money.
- A possible request to provide supplemental funding to address natural disasters, including wildfires.
- President Trump's appetite for a shutdown.

Infrastructure Proposal

In February of this year the Trump administration released the long-awaited details of its plan to invest as much as \$1.5 trillion in infrastructure over a decade. The plan would reallocate \$200 billion in federal funds from other programs. The bulk of the investment would be from state and local governments and the private sector. The administration also proposed a variety of regulatory changes to speed up environmental reviews and permitting, as well as programs to spur workforce development.

President Donald Trump promise to rebuild America's crumbling infrastructure has continually stalled in Congress and companies that make equipment for construction and other industries anxious to remind him of the initiative.

The Association of Equipment Manufacturers is airing a 30-second ad and is the cornerstone of a "Mission Not Accomplished" campaign urging Washington to make upgrading public works a priority.

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While a large infrastructure bill has not moved, the House and Senate have continued moving individual infrastructure bills, including a reauthorization of water infrastructure projects and a reauthorization of the Federal Aviation Administration (FAA). As we have previously shared, Senate Environment and Public Works Committee Chairman John Barrasso (R-WY) acknowledged that the America's Water Infrastructure Act of 2018 (S. 2800, previously known as the Water Resources Development Act or WRDA), as written cannot move forward after an analysis from the Congressional Budget Office (CBO) found it would boost the deficit by more than \$3 billion over the next decade. To combat this, Sen. Barrasso said the scope of the bill, S. 2800, would be reined in before it heads to the Senate floor.

The bill won approval from the Environment and Public Works Committee on Tuesday, May 22, but the recent CBO score has forced committee leaders to reexamine authorization levels. Early last week, chairman of the Commerce, Science and Transportation Committee, Sen. John Thune (R-SD) said the bill to authorize water-related infrastructure projects is being held up over a provision to permanently reauthorize the Land and Water Conservation Fund and the Senate's ability to take up the WRDA bill when it returns from recess "depends on getting this issue resolved". The House passed its own WRDA bill (H.R.8) on June 6th by a vote of 408-2. Once the Senate passes its bill, the House and Senate hope to conference the legislation before the end of the year.

The Senate is also looking to take up legislation to reauthorize the Federal Aviation Administration after the House passed its own FAA reauthorization (H.R.4) on April 27th by a vote of 393-13. The House bill dropped the controversial provision included in a previous version of the legislation that would have privatized Air Traffic Control operations.

In the Senate, Republicans and Democrats are at odds over a trucking provision in the aviation bill and liability preemption in the self-driving car bill, pushing a possible vote on the legislation into the fall. The trucking language, which has appeared in previous debates over bills to reauthorize the Federal Aviation Administration and is in the House-passed bill (H.R. 4), affects trucking hours-of-service, establishing that federal laws preempt state and local ones.

Democrats are opposed to its inclusion in the Senate bill. Despite the concerns over the measures, Commerce, Science and Transportation Committee Chairman Sen. John Thune (R-SD) and Ranking member Sen. Bill Nelson (D-FL) remain hopeful that the hurdles will be cleared by the end of September when the current FAA authorization expires.

House Transportation and Infrastructure Committee Chairman Bill Shuster (R-PA) recently released a plan to overhaul the way the government pays for infrastructure. Representative Shuster is term limited as Chairman of the T&I Committee, and he has announced his intention to retire at the end of this Congress. With the compressed Congressional schedule ahead of the elections, Representative Shuster has indicated that the Committee has no plans to mark up the legislation. As many Committee Chairmen have in the past, Rep. Shuster introduced the discussion draft to serve as a blueprint for future Congressional action.

The plan includes tax increases to fund highways; new grant programs; expanded credit programs and regulatory streamlining and would incorporate water infrastructure ideas.

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Water Infrastructure

The Shuster plan would permanently expand and authorize the Water Infrastructure Finance and Innovation Act (WIFIA) program. Under the proposal, WIFIA could secure as much as 80 percent of loans for a project, instead of 49 percent and project applications would only need a rating from one credit agency instead of two and the EPA could service Army Corps loans for water resource projects. The EPA could also provide grants to nonprofits for technical assistance. States would have to use at least 10 percent of their grants from the Clean Water State Revolving Fund to help small municipalities having trouble affording water projects' costs. The proposal would clarify the Clean Water Act criteria states use to certify water projects that may result in discharges.

As we have previously shared, Congressional leaders say they will tackle several infrastructure bills this fall but no comprehensive overhaul. Fiscal year 2019 appropriations bills include an extra \$10 billion for existing infrastructure programs and one-time discretionary grants.

Surface Transportation

With the Highway Trust fund gap increasing, and revenues from the existing fuel tax (gas tax) and other motorist fees are currently decreasing. The average number of miles a vehicle can travel on a tank of gas has increased since the mid-2000s, further decreasing revenue from the gas tax. The current gas tax has not been raised since 1993, in 2016 the gas tax would be 31 cents if it was adjusted for inflation. Shuster plan would increase rate to 33.3 cents from 18.3 cents, then eliminate it after fiscal 2028. A 15-member commission consisting of members for the Department of Transportation and bipartisan, bicameral congressional representatives would be tasked to produce a plan to make the Highway Trust Fund solvent without a gas tax. The commission would have to develop a proposal, including draft legislation, by Jan. 15, 2021.

Rep. Shuster's plan would help avoid insolvency, which will occur in fiscal 2021 when a one-time general fund transfer under the 2015 FAST Act runs out. The Shuster plan would also set an expedited procedure for Congressional consideration of the commission's bill.

The Shuster plan includes a two-year pilot per-mile road user fee, similar systems have been tested in several states, including California, Colorado, Oregon, and Washington. The pilot program would monitor the mileage of volunteers across the country to calculate fees; tracking could be manual; by smartphone or on-board device; or by vehicle manufacturers or insurance companies. The fee would be set at average fuel tax paid relative to miles traveled.

Infrastructure Investment

The legislation also makes notable changes to BUILD grants, formerly Transportation Investment Generating Economic Recovery (TIGER) grants, by authorizing National Infrastructure Investment grant program for surface transportation at \$3 billion annually. Airports could also compete for these grants. The Transportation Department would solicit proposals and provide list of recommended projects to Congress annually and Congress would authorize as much as \$500 million annually in grants for specific "projects of national significance" under the new process. The plan would make additional funding changes for surface transportation including: authorizing \$50 million in fiscal 2019 for Railroad Rehabilitation and Improvement Financing (RRIF) direct loans and loan guarantees and funding freight projects the Transportation Department turns down. Mirroring the Administration's

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approach to reducing permitting process time by allowing environmental reviews available to one Transportation Department office to be used by a transportation project administered by another office to limit potential duplication of efforts and increased time waiting for cumbersome approvals.

Judge's Ruling Reinstates WOTUS in 26 States

The U.S. District Court in South Carolina ruled against the Trump administration on Thursday, August 16 for delaying the Obama-era Waters of the United States rule (WOTUS). The decision means the rule is operative again in 26 states where district courts haven't halted the regulation.

The decision stems from a suit filed by the Southern Environmental Law Center in the U.S. District Court located in Charleston. The ruling ends the Environmental Protection Agency and U.S. Army Corps of Engineers' suspension of clean water protections under the Clean Water Act.

The lawsuit alleged EPA and the U.S. Army Corps of Engineers violated fundamental laws prohibiting agencies from removing basic environmental safeguards without telling the public what they are doing, revealing the impact of those changes and giving the public a chance to weigh in. The court held that the agencies refusal to allow meaningful public comment doomed the rule, stating that "An illusory opportunity to comment is no opportunity at all."

WOTUS now applies in California, Connecticut, Delaware, Hawaii, Illinois, Iowa, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, New Hampshire, New Jersey, New York, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, Tennessee, Texas, Vermont, Virginia and Washington. The ruling does not apply to the other 24 states where other legal challenges are pending.

EPA Prepares Power Plant Rule Rewrite

The Environmental Protection Agency (EPA) is seeking to unveil a modest proposal to replace Obama-era limits on greenhouse gas emissions from power plants as President Trump scheduled visit to West Virginia, the No. 2 coal-producing state.

Trump's EPA aims to replace former President Barack Obama's Clean Power Plan, which set specific carbon-cutting targets for states—and then gave those states broad latitude in deciding how to hit those targets, such as retiring coal-fired plants, adding renewable power, and promoting energy conservation. The Trump alternative instead focuses on so-called heat-rate improvements that can be accomplished at individual power plants.

Senate Judiciary Announces Kavanaugh's Confirmation Hearing

While the Supreme Court remains adjourned until Monday, October 1, the Senate Judiciary Committee announced on Friday, August 10 that it will hold its confirmation hearing for Supreme Court nominee Brett Kavanaugh beginning September 4th. According to Senate Judiciary Committee Chairman Chuck Grassley (R-IA), hearings will likely last for 3-4 days, with a schedule as follows:

- September 4: Opening statements

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- September 5: Kavanaugh questioning begins
- Outside testimony to follow

Republicans want Kavanaugh on the bench as early as the first of October, before the court starts its next term. They've warned that they won't delay a final vote until after the midterm elections in November. The timeline means that the lawmakers will hold a hearing — and potentially full Senate vote — before the National Archives is able to fulfill Senate Judiciary Committee Chairman Chuck Grassley's request for documents from Kavanaugh's time as a White House lawyer.

The agency wrote to Grassley that it would not be able to complete the request, which it expects will total more than 900,000 pages, until late October. The documents would still need to go through a final review before being turned over to the committee.

Sen. Grassley noted that his staff has already reviewed 4,800 pages of judicial opinions Kavanaugh authored, as well as 125,000 pages from his White House work and more than 17,000 pages included as part of his questionnaire response.

Democrats such as Senate Minority Leader Charles Schumer (D-NY) and Sen. Dianne Feinstein (D-CA), the ranking member on the Senate Judiciary Committee, have started meeting with the Supreme Court nominee following the Senate reconvening on Wednesday, August 15.

Democrats plan to use the one-on-one meetings with President Trump's pick to press him on documents tied to his work in the George W. Bush White House, including his three years as staff secretary, and "question him about their contents."

In addition to questioning Kavanaugh on issues like health care and executive authority — two areas Democrats have seized on in the Supreme Court fight — they will ask Mr. Kavanaugh to support releasing his files from his work in the Bush administration. The new Democratic strategy comes as most members of the caucus have held off meeting with him as they press for a deal on getting access to documents from his time as staff secretary in the Bush White House.

President Donald Trump Calls for Work Requirements in Farm Bill

President Trump on Thursday, August 2 urged House and Senate lawmakers to adopt strict work requirements for food stamps when they craft a merged farm bill. The legislation would reauthorize commodity, trade, agricultural research, rural development and food and nutrition programs.

Both the House and Senate passed their respective farm bills in June and are continue to conference to resolve differences between the two versions of the bill. However, the House bill imposes new work requirements on the food stamps program and tightens overall eligibility on who can qualify for the federal assistance.

Conservatives have seized on the work requirement provisions as key to a final version of the farm bill.

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The House version would require all adults aged 18 to 59 to work at least 20 hours a week or be enrolled in a training program in order to receive Supplemental Nutrition Assistance Program (SNAP) benefits.

The work requirements are projected to cut SNAP enrollment by up to 1 million people and would decrease spending on SNAP by \$20 billion over 10 years, according to the Congressional Budget Office.

The California State Association of Counties and the County Welfare Directors Association of California warned in a letter to Congress that the proposal would have exactly the opposite of the intended effect, by imposing punitive penalties that undercut efforts already underway to help food stamp recipients find and keep jobs.

Conferees will also need to address an amendment added to the House measure that would repeal the Obama-era “Waters of the U.S.” (WOTUS) rule that determines which bodies of water fall under the Environmental Protection Agency’s jurisdiction. The provision was added by an amendment offered by Representative Jim Banks (R-IN). As discussed above, similar amendments have also been added to appropriations measures in previous fiscal years, and in this year’s appropriations measures as well. Previously these measures have been dropped in conference negotiations. It is unlikely the Senate Farm bill conferees will support the measure, as it would jeopardize the prospects of the conference report passing the Senate.

The House version of the farm bill (H.R. 2) would eliminate the Conservation Stewardship Program (CSP) and fold elements of it into the Environmental Quality Incentives Program (EQIP) as stewardship contracts. It would place a cap, instead of a minimum, on the amount of total funding that must go to stewardship contracts within EQIP. Both programs support conservation practices on land used for agricultural production. That differs from the Senate-passed version of H.R. 2, which would reauthorize CSP and EQIP and wouldn’t cut total conservation funding.

Before the current farm bill expires on Sunday, September 30, House and Senate conferees will sit down and try to put the finishing touches on a new, thousand-page bill that speaks to all aspects of the nation’s agriculture policy, from farm subsidies to crop insurance to conservation programs. But the legislation, now nearly four years in the making, could be derailed by work requirements in SNAP.

The Senate Agriculture Committee Chairman Pat Roberts has shared the full farm bill conference committee will hold its first public meeting Wednesday, September 5.

California Blazes Put Strain on Cash-Strapped Forest Service

The U.S. Forest Service is running low on funding to fight wildfires as more than a million acres burn throughout California and other parts of the West.

Yet, at this time, lawmakers have not introduced a supplemental appropriations bill to provide more federal funds to contain the blazes. Administration officials instead are preparing to shift as much as \$555 million out of accounts meant to fund land acquisition, road building, forest restoration and brush clearing, among other activities, in order to keep paying crews to contain the fires.

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The agency, which leads wildfire containment, had \$114 million left in its firefighting account as of August 13, after spending about \$82 million in the week leading up to that date. The agency had initially more than \$1.9 billion available for fire suppression this year. That figure includes \$1.6 billion from the fiscal 2018 omnibus in addition to funding that wasn't spent in previous years.

California's Mendocino Complex Fire, about 100 miles northeast of San Francisco, is the largest wildfire in the state's history, covering 363,845 acres -- more than 550 square miles -- and was only 63 percent contained, according to the National Wildfire Coordinating Group's InciWeb. Almost 1.8 million acres of wildfires were still burning in 15 states as of Tuesday, August 14, according to the National Interagency Fire Center.

Twenty-five House members from California asked President Donald Trump in a letter for a major disaster declaration, which would allow the Federal Emergency Management Agency to support recovery efforts for several fires around the state. President Trump declared a disaster in July for the areas affected by the Carr Fire, west of Redding, California.

California's Jerry Brown Considers Logging Rules

California Governor Jerry Brown is proposing sweeping new legislation that would make it easier for private landowners to cut down trees on their land as the state deals with one of its worst wildfire seasons in years.

Gov. Brown's plan would allow landowners living on property of 300 acres or less to cut down trees with up to a 36-inch diameter without a permit. The current regulation ends at 26 inches in diameter.

Additionally, owners would be able to build private roads up to 600 feet long without getting a permit first as long as they are maintained.

The idea is to let landowners help thin forests to decrease the spread of fires. Gov. Brown's proposal follows Interior Secretary Ryan Zinke and Agriculture Secretary Sonny Perdue's visit to the state, where both Cabinet members pushed increased forest management as a way to hinder future fires.

President Donald Trump also addressed the need for logging and forest management in a tweet, saying, "Must also tree clear to stop fire from spreading!"

A number of California politicians at the time of the secretaries' visit pushed back on the insinuation that fires could be thwarted through increased thinning, arguing that it was meant to benefit the logging industry and overlooked climate change's impact on the fires.

The proposal has the support of the timber industry but not environmentalist groups, some of whom argue that logging will aid the spread of fires because it will cut down the mature trees that burn longer.

Trade Talks Continue on Several Fronts

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U.S. and Chinese officials resumed trade talks last week amid rising trade tensions between the top two global economies.

The two days of meetings were held between mid-level officials from both countries to set a framework for future negotiations. These were the first formal discussions since Commerce Secretary Wilbur Ross met Chinese economic adviser Liu He in June.

In the event that these discussions go poorly, both countries are preparing to hit each other with new tariffs, as their trade dispute continues.

President Trump has threatened to smack tariffs on almost all of the \$500 billion of Chinese annual exports to the U.S.

For now his plan to impose tariffs on imported foreign cars is expected to be delayed this month.

The administration has argued that auto imports pose a risk to national security. Section 232 of the trade law gives administrations broad authority to impose tariffs on imported items that the Commerce Department deems are a threat to national security, and Ross is legally obligated to issue the report on imported cars by mid-February under a request the Administration submitted in May.

The President imposed steep tariffs on imported aluminum and steel under the same national security rationale earlier in the year, but recently doubled tariffs on Turkey amid an ongoing dispute over an American pastor imprisoned there. He also waived tariffs for countries such as South Korea after it agreed to tweak portions of its trade deal with the U.S.

The threat of auto tariffs could play a significant role in Trump's attempt to renegotiate NAFTA with Canada and Mexico, where the supply chains and markets for auto industries are heavily intertwined with the U.S.

On Monday, August 27 President Trump said the United States and Mexico had reached agreement to revise key portions of the North American Free Trade Agreement (NAFTA) and would finalize it within days, suggesting he was ready to jettison Canada from the trilateral trade pact if the country did not get on board quickly.

Speaking from the Oval Office on Monday, August 27 the President touted the preliminary agreement with Mexico as a new trade pact that could replace NAFTA and threatened to hit Canada with auto tariffs if it did not "negotiate fairly."

The U.S. and Mexico agreed to increase regional automotive content to 75 percent from the current 62.5 percent in NAFTA—with 40 to 45 percent of production by workers earning at least \$16 per hour. They agreed to review the deal after six years, softening a demand by the U.S. for a clause to end the pact after five years unless it's renewed by all parties. Duty-free access for agricultural products will remain in place.

No deal has been reached yet with Canada which has been on the sidelines of the talks since July as Mexico and the U.S focused on settling its differences first. Senators John Cornyn (R-TX) and Orrin Hatch (R-UT) in separate statements called the new accord a positive step, but said the final trade agreement ought to include Canada.

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John McCain, War Hero and Giant of the Senate

Senator John McCain(R-AZ), a giant of the Senate who survived years as a prisoner of war in Vietnam to become a leading actor on the political stage for decades, died Saturday at the age of 81.

In a statement, Sen. McCain's office wrote that the Arizona senator died at 4:28 p.m., where he was accompanied by his wife, Cindy, and their family.

"At his death, he had served the United States of America faithfully for sixty years," Sen. McCain's office wrote.

Sen. McCain's death from brain cancer came more than a year after he announced he had the condition in July of 2017.

His family announced Friday, August 24 that he had chosen to discontinue medical treatment for an aggressive glioblastoma because the "progress of disease and the inexorable advance of age" had rendered "their verdict."

The news prompted an outpouring of tribute and sympathy from Republicans and Democrats alike, a testament to the respect Sen. McCain built among colleagues in both parties despite his habit of calling them out during clashes over politics and policy.

Sen. McCain has been absent from the Senate this year and cast his last vote on December 7. Before he left, treatment has forced him to use a wheelchair in his final days in Washington. But that did nothing to move the political spotlight from the Arizona Republican, whose maverick reputation was underlined in his final months in office.

For six terms in the Senate, he was full of surprises and saw his life's purpose as duty to country.

During one of his final appearances in the Senate chamber, a late-night December vote on the Senate tax bill, colleagues came over to him one by one while he sat in his wheelchair on the edge of the floor to express thanks for his service and personal feelings of affection and admiration.

Sen. McCain was a favorite among colleagues and reporters on Capitol Hill because of his humor, his practical sense, his willingness to work with adversaries and his obvious love for the nation.

Outlook for the Coming Month

Lawmakers will continue to race to pass as many spending bills as possible as the new fiscal year rapidly approaches. Adding to the time crunch, there are only 11 days when both chambers will be in session prior to the end of the fiscal year.

Congress has until Sunday, September 30 to fund the government in order to prevent a shutdown.

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President Donald Trump has said he is willing to shut down the government if he does not get \$5 billion for a border wall and fencing, in addition to policy measures ending family-based immigration.

Conversely, Senators have also said Congress may have enough support to override a veto, if the President aimed to block either a full fiscal 2019 spending package or a stopgap measure to keep the government running. It takes a two-thirds vote in each chamber to override a veto.

While most appropriations bills have passed both chambers, the Homeland Security, Commerce-Justice-Science and State-Foreign Operations bills, which account for about 13 percent of all federal discretionary spending for fiscal 2019, continue to languish.

Critical pieces of legislation continue to be debated as each chamber faces a short time to pass key pieces of legislation. Included in this:

- FY19 Appropriations bills;
- Farm Bill Reauthorization;
- The Water Resources Development Act; and
- Federal Aviation Administration Reauthorization.

**INFORMATION
ITEM**

6J



August 31, 2018

To: Inland Empire Utilities Agency

From: Michael Boccadoro
Beth Olhasso
Maddie Dunlap

RE: August Report

Overview:

Water conditions have remained steady throughout the late summer with about 86 percent of California experiencing drought. Historically high precipitation levels from winter 2017, supplemented by moderate rain and snowpack levels this year, continue to drive California's current water supply situation.

After several years of work and public meetings, the State Water Resources Control Board (SWRCB) held off voting on the proposed Bay-Delta Water Quality Control Plan Update in August. If adopted, the proposal would update water quality requirements for salinity in the southern Delta and water flows in major tributaries to the San Joaquin River, including the Stanislaus, Tuolumne, and Merced Rivers. The revised plan proposes to increase the required flows to be left in the rivers, referred to as unimpaired flows, to around 40 percent from February to June. After significant public outcry, Chair Marcus agreed to postpone the vote until November.

What should have been a fairly easy process turned political for the State Water Contractors and the Department of Water Resources (DWR). DWR and the Contractor have been in discussions for years hashing out the details of extending the current contract between DWR and the Contractors beyond 2035. The extension is necessary so that the bonds can be issued beyond 2035, ensuring more favorable rates. Opponents of WaterFix stirred up concern that the amendment would also authorize the contract amendment necessary for WaterFix.

The South Coast Air Quality Management District's Governing Board is getting a new member, giving Democrats a one seat advantage in the historically Republican-leaning board. Over the past two years, the board's leadership has been either deadlocked in terms of party representation or controlled by the GOP.

The 2017-2018 Legislative Session officially came to a close at midnight on August 31. The Governor now has 30 days to act on the hundreds of bills that are on his desk. Notably, the Safe and Affordable Drinking Water Fee never made it to the floor for a vote, while SB 998 (Dodd) concerning policies and procedures for discontinuing residential water service passed and is awaiting action by the Governor. Eastern Municipal Water District's AB 2050 (Caballero) relating to consolidation of failing water districts sailed through the floor process and efforts continue to secure a signature from Governor Brown. SB 100 (de Leon) to establish a 100 percent clean energy goal is also awaiting gubernatorial action while AB 813, Assembly Member Holden's measure to establish a Western regional power grid was not acted upon by the deadline.

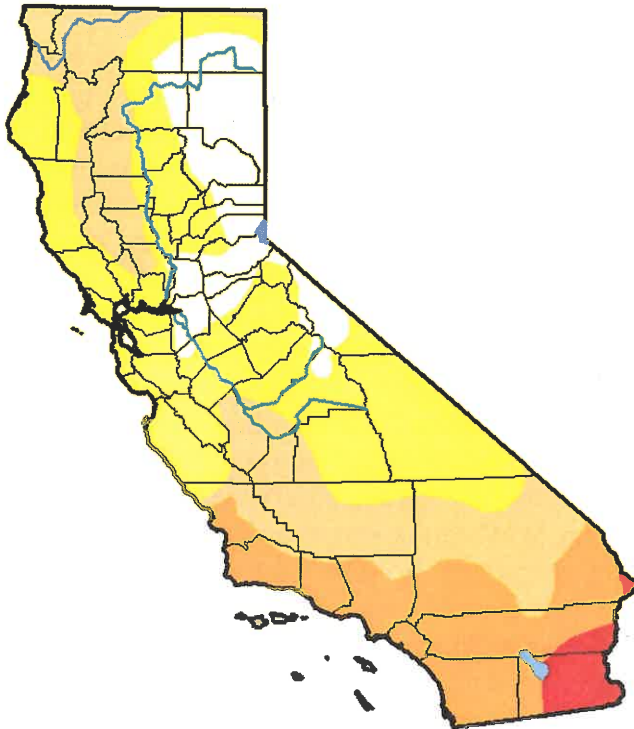
Finally, the Conference Committee established discuss to wildfire issues issued a measure that focuses on vegetation management and allows the CPUC to shift most of the cost of wildfire damages from utility shareholders to utility ratepayers. The Legislature passed the measure, strongly opposed by ratepayer advocates, late on the last night of session, as expected.

Inland Empire Utilities Agency Status Report – August 2018

Drought Conditions

U.S. Drought Monitor California

August 21, 2018
(Released Thursday, Aug. 23, 2018)
Valid 8 a.m. EDT



Drought Conditions (Percent Area)

	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current	13.78	86.22	47.19	20.75	2.77	0.00
Last Week 08-14-2018	13.84	85.16	47.19	20.75	2.77	0.00
3 Months Ago 05-22-2018	30.49	69.51	37.08	20.75	2.78	0.00
Start of Calendar Year 01-02-2018	55.70	44.30	12.89	0.00	0.00	0.00
Start of Water Year 09-26-2017	77.88	22.12	8.24	0.00	0.00	0.00
One Year Ago 08-22-2017	77.88	22.12	8.24	0.04	0.00	0.00

Intensity:

- D0 Abnormally Dry
- D1 Moderate Drought
- D2 Severe Drought
- D3 Extreme Drought
- D4 Exceptional Drought

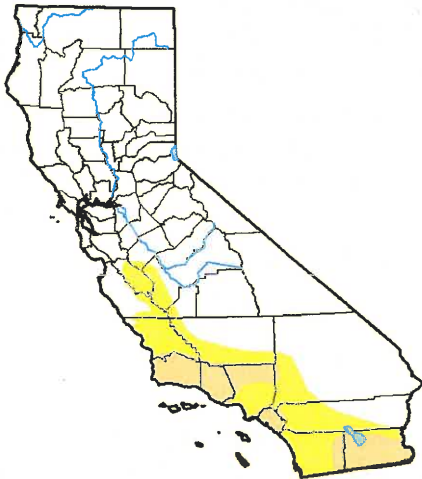
The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. See accompanying text summary for forecast statements.

Author:
Jessica Blunden
NCEI/NOAA



<http://droughtmonitor.unl.edu/>

August 22, 2017



Conditions on August 22, 2017

Drought conditions have remained steady throughout the late summer with about 86 percent of California experiencing dry to severe drought conditions. Historically high precipitation levels from 2017 continue to keep water storage levels above normal. Lake Oroville continues to be the only reservoir under 70 percent of average, as it was kept low as the spillway was repaired. All other key reservoirs are between 80 and 131 percent of historical average.

SWRCB Contemplates Final Draft of Phase One of Delta Water Quality Control Plan Update amid Controversy

After several years the State Water Resources Control Board (SWRCB) announced that it would begin to consider whether to adopt the proposed Bay-Delta Water Quality Control Plan Update – Phase 1 at their August hearing. The plan proposes updated water quality requirements for salinity in the southern Delta and water flows in major tributaries to the San Joaquin River, including the Stanislaus, Tuolumne, and Merced Rivers.

The revised plan proposes to increase the required flows to be left in the rivers, referred to as unimpaired flows, to around 40 percent from February to June. There aren't currently any unimpaired flow requirements for these rivers. Southern Delta salinity objectives would also be adjusted but have not faced controversy.

The most significant impacts of the plan are on agriculture and local communities, with a roughly 38 percent reduction in surface water supplies during critically dry years. The SWRCB's analysis shows for agricultural and municipal water users in the Central Valley, the proposal could result in an average increase in groundwater pumping of 105 thousand acre-feet per year (TAF/yr). Some parts of the region are already in overdraft situations, which will likely result in limited groundwater pumping resulting in agricultural and municipal water users having a water supply deficit.

The board put off a vote at the August hearing after great objection from nearly all affected water users from irrigation districts, to their growers, to urban water agencies including San Francisco Public Utilities Commission and Natural Resources Secretary John Laird. Adam Gray (D-Merced) organized a rally at the Capitol the day before the hearing that was attended by an estimated 1,000+ residents from the Sacramento and San Joaquin Valley who are strongly opposed to the proposal.

In the days following, the board deliberated, heard staff reports and public comment for more than 18 hours. At the conclusion of the hearing board members shared their opinions of the plan. Board member D'Adamo, a notable valley supporter, expressed very strong frustration with the process and staff reluctance to incorporate public comment and her own input into the final plan. Board members Moore and Doduc expressed support for an increased unimpaired flows standard, as proposed in the plan. Ultimately the board did not vote and has now scheduled a vote for the November hearing.

Phase II of the Delta Water Quality Control Plan update covers the Sacramento River and its tributaries. The preliminary Phase II documents include a range of 35-75 percent unimpaired flows for Sacramento River Delta inflow, among other proposed changes. This would also constitute a significant increase over current operations.

Phase III of the process will be water rights proceedings to align existing water rights permits with whatever the revised Water Quality Control Plan ends up being. This will undoubtedly be marked by years of litigation.

State Water Project Contracts

What should have been a fairly easy process turned political for the State Water Contractors and the Department of Water Resources (DWR). DWR and the Contractors have been in discussions for years hashing out the details of extending the contract between the two parties beyond 2035. The extension is necessary so that bonds for normal operating expenses and projects can be issued beyond 2035, ensuring more favorable rates.

Senate Natural Resources and Water Committee held a hearing to discuss extending the contract between DWR and the State Water Contractors. Several weeks ago, DWR Director Karla Nemeth reiterated several times that this contract extension was not an authorization of WaterFix. Instead, bonds would be issued for system improvements not related to WaterFix or Oroville Dam repair. There is a separate contract amendment process already underway to deal with WaterFix. However, these assurances were not enough for WaterFix opponents.

The final step necessary for the contract to get approved, an informational hearing by the Joint Legislative Budget Committee was scheduled for mid-August. The hearing was abruptly cancelled after the San Diego County Water Authority raised concerns with Pro Tem Atkins. They asserted that this extension would authorize the contract amendments needed for WaterFix. Despite assurances there is a completely separate process, the Pro Tem refused to reschedule the hearing.

To alleviate the concerns of SDCWA, AB 2649 (Bloom) was introduced three days before the end of session. The bill sets out a process for how future contract amendments would be adopted and includes some further transparency measures.

With the introduction of AB 2649, the Pro Tem scheduled the hearing for August 30 which once again was abruptly cancelled. The Pro Tem has now scheduled the hearing for September 11 and the State Water Contractors are working to ensure the hearing isn't cancelled again.

Democrats regain majority at South Coast Air Quality Management District

The South Coast Air Quality Management District's Governing Board is getting a new member, giving Democrats a one seat advantage in the historically Republican-leaning board. Over the past two years, the board's leadership has been either deadlocked, in terms of party representation, or controlled by the GOP.

That changed this week. On Tuesday, Aug. 28, the Riverside County Board of Supervisors voted 5-0 to name Democrat Supervisor V. Manuel Perez to represent Riverside County, replacing Supervisor Marion Ashley, a Republican who is retiring.

Perez will take over next month and is slated to hold the seat until January 2022.

The change comes more than two years after a GOP majority fired the district's executive officer and pursued policies that Republicans saw as more business-friendly. In March 2016, the Republican-controlled board voted on partisan lines to fire longtime Executive Officer Barry Wallerstein, who faced criticism from business and environmental groups, but had a reputation for advocating tougher air-pollution rules in a region notorious for smog.

Public health advocates were upset by Wallerstein's ouster and then-state Senate President Pro Tem Kevin de León, D-Los Angeles, sponsored legislation to add three state-appointed "environmental justice" members representing low-income communities to the district board. That bill fell short in the Legislature.

Penny Newman, founder of the Jurupa Valley-based Center for Community Action and Environmental Justice, said she was impressed with Perez's appointment.

"I hope this is a signal that we're going to get over all this partisan bickering and start doing what its right for these communities" afflicted by air pollution, said Newman, who ran for supervisor earlier this year.

Legislative Update

The Legislature adjourned the 2017-2018 Legislative Session just minutes before the 11:59 PM August 31 deadline.

Clean Drinking Water Fund

As discussed throughout the year, SB 623 (Monning) as well as similar Trailer Bill language from the Governor's office, have been the focus of the discussion around implementing the Safe and Affordable Drinking Water Fund. The proposal would levy a \$.95 per month fee on all residential drinking water customers, with the fee escalating as the pipe size increases for commercial and industrial customers. The proposal also includes an assessment on fertilizer, and an assessment on milk production and livestock operations.

After significant opposition from the water community, a new proposal was released on August 22. The proposal would make the residential fee voluntary by allowing residents to "opt out" of paying the fee every month. Additionally, it eliminates the low-income exemption that was included in SB 623. Because the fee would be voluntary, the bill was deemed to be a majority vote bill. On the last day of session, Speaker Rendon announced that the measure was not going to move forward for the year, but that a workgroup would be formed over the fall to prepare for

new legislation next year. It is their intent to build off SB 844 and SB 845. Assembly members Eduardo Garcia (D- Coachella Valley) and Heath Flora (R-Modesto) will lead the group.

AB 2050 (Caballero)

Eastern Municipal Water District and the California Municipal Utilities Association introduced AB 2050 (Caballero, D-Salinas) as a complementary way to begin addressing drinking water challenges in disadvantaged communities. 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 made it all the way through the legislative process and is on the Governor's desk awaiting final action.

SB 998 (Dodd)

A coalition of opponents to SB 998, Senator Dodd's (D-Napa) bill regarding water shutoffs, will turn their focus toward getting the measure vetoed by the Governor. The bill, passed by the Legislature, 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 made its way through three different policy committees with members wanting to support access to clean drinking water for all Californians, but also understanding the Proposition 218 issues water agencies face. Negotiations reached a stalemate with the author not willing to take amendments proposed by a coalition of water interests. ACWA, CMUA and others moved to a straight oppose position. The coalition is targeting the Governor for a veto.

SB 100 (deLeon): 100 Percent Clean Energy Standard

Senator Kevin de Leon's (D-Los Angeles) bill to establish a 100 percent clean energy standard by 2045 gained renewed momentum at the end of session. SB 100 also expedites the current 50 percent RPS target to December 31, 2026 (currently 2030) and adds a new 60 percent target for December 31, 2030. The bill also creates a goal for the state to meet all of its retail electric supply with a mix of RPS-eligible and zero carbon resources by 2045.

The bill previously stalled in the Assembly Utilities and Energy Committee last September after committee chair, Assemblymember Chris Holden (D-Pasadena) refused to set the bill for a hearing. Recently, Senator de Leon revived the bill and narrowly moved it out of the legislature despite opposition. This bill also got the bare minimum number of votes to pass out each house. The bill is on the Governor's desk and it may be hard for Brown to resist supporting the measure with the upcoming Global Climate Summit in San Francisco in a few weeks.

Western Grid Regionalization

Another controversial energy bill, AB 813 (Holden, D-Pasadena) to establish a Western region transmission system, a top priority of Governor Brown, was also the subject of last minute discussions.. AB 813 stalled in the Senate last year was amended in recent months, prompting a last ditch effort in the Senate.

The bill outlines a process for creating the bylaws and governing rules of a multistate regional transmission system organization, that would need to be reviewed and approved by the Energy

Commission with consultation from the Air Resources Board (ARB) and the Public Utilities Commission (PUC). The proposed rules and documents would have to meet existing Federal Energy Regulatory Commission (FERC) requirements.

Stakeholders remain concerned with the unknown consequences of creating a regional grid. It is still unclear what the potential costs and benefits might be. As the session ended labor groups remained strongly opposed to the measure, ensuring its ultimate failure.

Utility Response to Catastrophic Wildfires

One of the most complicated and delicate issues this legislative session has been in response to last year's catastrophic utility caused wildfires. With a tangled web of interests including fire victims, utilities, insurance companies, trial attorneys, labor unions, and ratepayers, the legislature struggled to come to an agreement on how policies related to these types of natural disaster should be handled moving forward.

In the months since the fires, Cal Fire has released various investigative reports finding PG&E's transmission lines, other equipment, and less than satisfactory maintenance to be to blame for much of the damage. This has prompted PG&E to announce this month that claims will likely exceed \$2.5 billion. Some have speculated that the property damage alone could be as high as \$12 billion. PG&E's liability insurance would only cover up to \$840 million in damage. Damage estimates have not yet been released for the fires in the Southern California Edison (SCE) territory, but the issue of who is responsible for those costs, shareholders or ratepayers, will be a significant discussion.

The utilities have expressed significant concern and urgency to the legislature, shareholders and others over declining credit ratings and raising the possibility of bankruptcy.

Coming out of the legislative summer recess, a Conference Committee was formed to tackle the issue. They held several public meetings and released a bill just hours before the deadline for amendments. The bill focuses heavily on forest vegetation management. Additionally, the bill allows for the CPUC to shift most of the responsibility for covering cost of the wildfires to the ratepayers even when the utility has been found negligent. The costs of the 2017 fires can be "securitized" allowing PG&E to shift most of the cost to ratepayers, who will pay a surcharge for the next 20 years. Going forward, the measure also establishes new parameters the CPUC must consider, including weather and climate change when assigning "liability". This change will also result in more costs being shifted to ratepayers in the future. Ratepayers will also continue to be on the hook for likely billions of dollars for utility system improvements to "harden" infrastructure to prevent wildfires.

The measure was passed with bi-partisan support despite strong opposition from ratepayer and business groups who labeled the plan a utility bailout.

**INFORMATION
ITEM**

6K



CALIFORNIA STRATEGIES, LLC

Date: August 30, 2018
To: Inland Empire Utilities Agency
From: John Withers, Jim Brulte
Re: August Activity Report

This month Senator Brulte and John Withers held their monthly meeting on August 6th with the senior staff of the agency to discuss various District activities.

1. Regional Contract

-The revised scope was accepted by the TAC and approved by IEUA BOD for activities through 2019. The Kearns & West team will be meeting 4-5 half days per month on the project with participants.

2. Chino Basin Water Bank

-Phase 1 Scope was completed
-Arcadis developed Framework White Paper for Water Bank
-Workshop #3 to be held on 8/20

3. USBR Grant Award

-Applied for a USBR Grant of \$400K through WaterSmart Program

**INFORMATION
ITEM**

6L

Federal Legislation of Significance

Bill Number	Sponsor	Title and/or Summary	Summary/Status
H.R. 8/ S.2800	Rep. Bill Shuster(R-PA)/ Sen. John Barrasso (R-WY)	Water Resources Development Act/ America's Water Infrastructure Act of 2018	<p>The bill authorizes proposed U.S. Army Corps of Engineers civil works activities and provides reforms to the Corps. WARDA 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 passed the House on June 6, 2018 by a vote of 408 to 2. It was received in the Senate and placed on the Senate Legislative Calendar under General Orders.</p> <p>The Senate version of the bill, America's Water Infrastructure Act of 2018 was introduced in May 8, 2018. The legislation was marked and reported favorably out of committee on Tuesday, May 22, 2018. Senator Barrasso filed a written report to accompany the bill on July 10, 2018. However, concerns remain that the bill would increase the national deficit and is now being reviewed to limit the scope of the legislation.</p>
H.R.5895	Rep. Mike Simpson (R-ID)	Fiscal 2019 Energy and Water Development, Legislative Branch, and MilCon-VA Appropriations "Minibus"	<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. The legislative branch section, would provide additional funds for the Office of Compliance for training and higher caseloads. The office handles workplace protection complaints for the legislative branch. It also would block the automatic cost-of-living increase for members of Congress. The legislation would also appropriate funding for military construction and the Department of Veteran's Affairs.</p> <p>The legislation was passed in both the House and the Senate, and both chambers are conferencing together in order to reconcile discrepancies between each chambers version.</p>
H.R. 6147	Rep. Ken Calvert (R-CA)	Fiscal 2019 Interior-Environment, Financial Services	<p>The 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</p>

		Appropriations "Minibus"	<p>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. The legislation also contains several policy provisions to rein in unnecessary regulations at the EPA and other agencies. The Financial Services bill would provide funding for the United States Department of the Treasury, as well as the United States federal courts, the Executive Office of the President of the United States,</p> <p>The legislation was passed in both the House and Senate and both chambers are conferencing together in order to reconcile discrepancies between each chambers version.</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, May 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	<p>The legislation was referred to the House Committee on Ways and Means on Tuesday, February 13, 2018 and no further action has been taken.</p>
H.R.4902/ S. 2364	Rep. John Katko (R-NY)/ Sen. John Boozman (R-WY)	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 referred to the Subcommittee on Water Resources and Environment on January 31, 2018, and the Subcommittee on Environment on February 2, 2018. No further action has been taken.</p> <p>The Senate version of the bill, which would amend WFIA in the same manner, was introduced on Tuesday, January 30, 2018 and was 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</p>

			<p>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 Subcommittee on Water Resources and Environment, and the Subcommittee on the Environment.</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 was referred to the Subcommittee on Water Resources and Environment, and the Subcommittee on Water, Power, and Oceans.</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 8th. On Wednesday, September 27th, 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 25th. 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/ S.1405	Rep. Bill Shuster (R-PA)/ Sen. John Thune (R-SD)	FAA Reauthorization Act of 2018/ Federal Aviation Administration Reauthorization Act of 2017	<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 received the bill and placed it on the Senate Legislative Calendar under General Orders.</p> <p>The Senate version of the bill was favorably reported out of the Committee on Commerce, Science, and Transportation on May 5, 2018 and was then placed on the Senate Legislative Calendar.</p>
H.R. 1663	Rep. Grace Napolitano (D-CA) / Rep. Rob Wittman (R-VA)	Water Resources Research Amendments Act	<p>This legislation would extend a Federal-State partnership aimed at addressing state and regional water problems, promoting distribution and application of research results, and providing training and practical experience for water-related scientists and engineers. H.R. 1663 would authorize \$9,000,000 annually over five years for grants to water resources research institutes and require two-to-one matching with non-federal funds. It would also promote exploration of new ideas, expand research to reduce energy consumption, and bolster reporting and accountability requirements.</p> <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</p>

			<p>exchange for such land, to accept from the Conservation District a conveyance of approximately 310 acres of its land.</p> <p>On April 27th H.R. 497 passed through the House Natural Resources Committee by unanimous consent and was scheduled for the House Floor Consideration on June 2nd.</p> <p>This bill was passed by the House on June 27th by a vote of 424-0. The bill was referred to the Senate Committee on Energy and Natural Resources on June 28th 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> <p>On August 15, 2018 Senator Murkowski from the Senate Committee on Energy and Natural Resources filed a written report to accompany H.R. 497.</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"> • Mandate study and protection of Native American cultural trails along the Colorado River. • Designate 230,000 acres of additional wilderness area between the Avawatz Mountains near Death Valley to Imperial County's Milpitas Wash. • Add 43,000 acres to Death Valley and Joshua Tree national parks. • Create a 75,000-plus acre special management area at Imperial County's Vinagre Wash. • Designate Inyo County's Alabama Hills as a National Scenic Area. • Prohibit new mining claims on 10,000 acres in Imperial County considered sacred by the Quechan Tribe. <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>

			H.R. 857, California Off-Road Recreation and Conservation Act, is a similar bill and largely aims to address similar issues.
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 was introduced on May 19, 2017 and was referred to the Subcommittee on Water Resources and Environment.</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 20th 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 no further action has been taken.</p>

**INFORMATION
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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. Bill gutted and now has nothing to do with water.	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 DEAD
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

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
AB 327	Gibson	South Coast Air Quality Management District: Fleets	Would authorize the governing board of the south coast district to adopt rules and regulations that require specified operators of public and commercial fleet vehicles consisting of 15 or more vehicles to purchase the cleanest commercially available vehicles, as defined, that will meet the operator's operational needs; to require the replacement of no more than 15% of existing vehicles per calendar year, as specified; and to require those cleanest commercially available vehicles to be operated, to the maximum extent feasible, in the south coast district.	WATCH Sen Trans. & Housing Failed in committee
SB 998	Dodd	Discontinuation of residential water service: urban and community water systems	Would require an urban and community water system, defined as a public water system that supplies water to more than 200 service connections, to have a written policy on discontinuation of water service to certain types of residences for nonpayment available in prescribed languages. The bill would require the policy to include certain components, be available on the system's Internet Web site, and be provided to customers in writing, upon request.	OPPOSE Governor's Desk
SB 120	Roth	Water conveyance: use of facility with unused capacity	This bill would, notwithstanding that provision, prohibit a transferor of water from using a water conveyance facility that has unused capacity to transfer water from a groundwater basin underlying desert lands, as defined, that is in the vicinity of specified federal lands or state lands to outside of the groundwater basin unless the State Lands Commission, in consultation with the Department of Fish and Wildlife, finds that the transfer of the water will not adversely affect the natural or cultural resources of those federal and state lands.	OPPOSE DEAD

**INFORMATION
ITEM**

6 N

Date: September 19, 2018

To: The Honorable Board of Directors

Committee: Audit

From:  Teresa Velarde, Manager of Internal Audit

09/11/18

Manager Contact: Teresa Velarde, Manager of Internal Audit

Subject: Internal Audit Department Quarterly Status Report for September 2018

Executive Summary:

The Audit Committee Charter requires that a written status report be prepared and submitted each quarter. The Internal Audit Department Status Report includes a summary of significant internal and external audit activities for the reporting period.

During this quarter, Internal Audit staff worked primarily on the Inter-Fund Transfers audit, performed a follow-up review of two of the three Vehicle Operational audits, and observed the Agency's annual Warehouse inventory count, among other administrative projects. The report attached provides the results of our review and 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.

Staff's Recommendation:

This is an information item.

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 December 20, 2017, the Board of Directors reconfirmed the approved Audit Committee and the Internal Audit Department Charters.

Environmental Determination:

Not Applicable

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, to promote a strong control environment, safeguarding assets and fiscal health and to assist management in achieving organizational goals and objectives.

Attachments:

Attachment 1 - Internal Audit Department Status Report for September 2018

Internal Audit Department Status Report for September 2018

Projects Completed This Period

Project: Inter-Fund Transactions/Transfers Audit

Status: Completed

Scope: To evaluate whether the Agency's Inter-Fund Transactions and Transfers comply with Agency policies and whether they are documented appropriately and recorded accurately in the Agency's accounting records and financial statements.

The Finance and Accounting Department (FAD) is responsible for inter-fund transfers under the direction of executive management. The audit found that FAD has effective controls in place to process transfers. IA found three opportunities to improve information about transfers to improve clarity and transparency and provides three recommendations related to the following:

- Provide additional information in the Notes to the Financial Statements
- Document Standard Operating Procedures and/or Policies
- Provide the Board with an annual update/presentation on inter-fund transactions and transfers

Detailed observations and recommendations are included in the complete audit report, presented under separate cover.

Project: Warehouse Annual Physical Inventory – Internal Audit Inventory Observation Report

Status: Completed

Scope: The annual inventory count is a process performed before the completion of the Comprehensive Annual Financial Report (CAFR) to validate the total inventory asset dollar amount posted to the financial statements. More importantly, the annual inventory count is a recommended best practice and internal control.

Each year, IA observes the Agency's annual physical inventory count at the Agency's Warehouse. Additionally, from time to time, the external financial auditors may ask about the annual physical inventory or schedule a separate spot check as part of their annual financial audit. This report describes the results of the inventory count and provides three recommendations for consideration:

- Evaluate obsolete inventory and ensure the financial statements reflect the value of usable inventory
- Ensure documented inventory receiving processes are followed
- Store e-waste separately from inventory

Detailed observations and recommendations are included in the complete audit report, presented under separate cover.

Project: Vehicle Operational Follow-Up Audit: Automobile Insurance Requirements and Review of Vehicle Security Procedures (5 Recommendations)

Scope:

IA completed a follow-up evaluation to determine the status of 5 of the 18 outstanding recommendations provided in two of the three Vehicle Operational Audit Reports (Automobile Insurance Requirements and Review of Vehicle Security Procedures) completed in March 2014. The 5 recommendations reviewed fall under the oversight of the Contracts and Procurement (CAP) Department.

Status: Complete

IA found that 1 recommendation has been implemented, 2 recommendations are no longer applicable and 2 recommendations are in progress. The 13 remaining recommendations are the primary responsibility of the Maintenance & Operations department and will be evaluated separately and reported on in a separate report. Detailed observations and recommendations are included in the attached report.

Internal Audit Department Status Report for September 2018

Project: Report on Outstanding Recommendations as of September 2018 *

Status: **Completed** - This is a status report – Recommendations that are outstanding; include those recommendations where final review/evaluation by IA is required before closing out.

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.

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	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
Garden in Every School	May 31, 2018	7	FY 2022
Total Outstanding Audit Recommendations		88	
Recommendations related to the Regional Contract Review (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

*Table above does not include the status of and/or any new recommendations resulting from the three audit projects completed during this quarter (as noted in this Status Report). The status of those recommendations will be added to this table once all items have been received by the Audit Committee and the Board of Directors.

Internal Audit Department Status Report for September 2018

Planned/Future/Additional Projects

Project: **Water Connection Fee Audit**

Status: **Initial Research in Progress**

Scope:

To ensure adequate Water Connection Fees internal controls are in place and functioning as intended over:

- Collection and recognition of revenue.
- Adequate segregation of duties
- Procedures to reconcile new water connections to the fees being paid
- Completeness of all water connection fees being collected

The objectives of the audit will be to:

- To determine whether Agency and departmental goals have been met,
- To determine compliance with Agency policies and procedures, and
- To identify improvements for the effectiveness and efficiency of operations.

A final report is anticipated in December 2018.

Project: **Fleet Management & Fuel Card (Voyager Card) Program Audit**

Status: **Initial Research in Progress**

Scope:

To evaluate the internal controls over the procurement, accountability, issuance and maintenance over the Agency's fleet vehicles, along with the controls over the Voyager Fuel Card program 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. In addition, to determine whether the program meets the Agency business goals and identify opportunities to improve the effectiveness and efficiency of operations.

A final report is anticipated to be completed by December 2018.

On-going Projects

Project: **Vehicle Operational Follow-Up Audit: Review of Vehicle Inventory Procedures**

Scope:

IA is in the progress of performing a follow-up audit to determine the status of the 13 open recommendations provided in the Vehicle Operational Audit: Review of Vehicle Inventory Procedures, dated March 12, 2014. The Maintenance & Operations department are primarily responsible for the 13 recommendations.

Status: **IN PROGRESS**

IA is currently in the planning phase of this project and has met with key representatives from the Maintenance & Operations department to discuss the outstanding recommendations. The 13 recommendations require follow-up procedures to be performed to verify if corrective actions have been implemented and/or alternative controls have been implemented to address the original risks identified.

IA will report on the status of the outstanding recommendations in a final report that will be submitted under a separate cover through the Audit Committee. Anticipated date for completion is December 2018.

Internal Audit Department Status Report for September 2018

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 31st (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 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.

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.
 - Provided updated information from the Regional Contract Review about fee collections since the reports were completed. Continue to assist with requests related to the findings and recommendations from the Regional Contract Review.
 - Continue to assist in the evaluation to upgrade the P-Card processes
 - Continued to assist with policy language interpretation.
 - Participated in IT Security Committee
-

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 September 2018

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. One IA member completed his required continuing professional education (CPE) and renewed his Certified Public Accountant (CPA) license for the next two years.

The Internal Audit Manager is a member of the governing board of the Inland Empire Chapter of the Institute of Internal Auditors (IIA). The governing board sets direction for the chapter.

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.

In August, the Manager of IA passed the examination for the Certification in Control Self-Assessment® (CCSA®) designation and will be certified by the IIA as a CCSA®. The Certification in Control Self-Assessment® certification program is designed for auditors that have knowledge of the CSA fundamentals, processes and other topics such as risk, controls, and business objectives.

The Manager of IA has a Master's degree in Public Administration. One Senior Auditor is a Certified Public Accountant (CPA). The Manager of IA and One Senior Auditor are Certified Government Audit Professionals (CGAP). The Certified Government Auditing Professional® (CGAP®) certification program is designed for auditors working in the public sector and demonstrates government knowledge and expertise.

Future Audit Committee Meetings:

- Monday, December 10, 2018 – Regularly Scheduled Audit Committee Meeting
- Monday, March 11, 2019 – Regularly Scheduled Audit Committee Meeting
- Monday, June 10, 2019 – Regularly Scheduled Audit Committee Meeting

**INFORMATION
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Date: September 19, 2018

To: The Honorable Board of Directors


From: Teresa Velarde, Manager of Internal Audit

Committee: Audit

09/11/18

Manager Contact: Teresa Velarde, Manager of Internal Audit

Subject: Agency Vehicle Operational Follow-Up Audit: Automobile Insurance Requirements and Review of Vehicle Security Procedures

Executive Summary:

The Internal Audit Department Charter, requires Internal Audit (IA) follow-up on outstanding recommendations to determine if corrective actions have been taken. IA performed a follow-up review of 5 outstanding recommendations related to the Agency Vehicle Operational audits completed in 2014, which fall under the responsibility of the Contracts and Procurement Department and the Records Management Department. This follow-up review found that 2 recommendations have been implemented, 1 recommendation is no longer applicable, and 2 recommendations are in progress of being implemented. This review noted the following:

- All Agency vehicle Certificates of Title are now safeguarded in one central location and are available if needed.
- Controls over the accountability and inventory of gate transmitters that provide access to Agency facilities require improvement to prevent unauthorized access and potential risk to facilities, public and employees. The database used to track the transmitters requires it to be complete, up-to-date and accurate to ensure only those individuals that require a gate transmitter have been issued one. The review noted there were transmitters not accounted for or recorded, and policy procedures are not always followed to ensure inventory controls are implemented. The attached report provides details of the observations and outstanding recommendations.

Staff's Recommendation:

This is an information item.

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 June 20, 2018, the Board approved the IA Annual Audit Plan, the Vehicle Operational follow-up review was scheduled through the Annual Audit Plan.

Environmental Determination:

Not Applicable

Business Goal:

The Vehicle Operational Follow-Up audit is consistent with the Agency's Business Goals of Fiscal Responsibility, Workplace Environment, and Business Practices by ensuring that the audit evaluations provide recommendations to foster a strong control environment, safeguard assets, provide a safe work environment, and assist management in achieving organizational goals and objectives.

Attachments:

Attachment 1 - Agency Vehicle Operational Follow-Up Audit: Automobile Insurance Requirements and Review of Vehicle Security Procedures Audit Report
Attachment 2 - PowerPoint



DATE: August 30, 2018

TO: Halla Razak
General Manager

FROM: Teresa V. Velarde
Manager of Internal Audit

SUBJECT: Agency Vehicle Operational Follow-Up Audit: Automobile Insurance Requirements and Review of Vehicle Security Procedures

Audit Authority

The Internal Audit (IA) Department Charter and the Fiscal Year 2018/19 Annual Audit Plan require that IA follow-up on the status of audit recommendations to determine if corrective actions have been taken. The audit was performed under the authority given by the IEUA (IEUA or Agency) Board of Directors. IA completed a follow-up review of five outstanding recommendations related to the following audit reports:

- Automobile Insurance Requirements, dated March 3, 2014, and
- Review of Vehicle Security Procedures, dated March 3, 2014.

Audit Objective and Scope

The purpose of this follow-up review was to evaluate if corrective actions were implemented for the five outstanding recommendations from the 2014 audits, or if alternate controls have been implemented to mitigate the risks originally identified. This report provides the status of the five recommendations, which fall under the purview of the Contracts and Procurement (CAP) Department.

Audit Techniques:

Audit techniques included:

- Interviews of Agency staff
- Review of Agency policies, procedures, and practices
- Review of supporting documents
- Analysis of transactions

Water Smart – Thinking in Terms of Tomorrow

Audit Results – Executive Summary

Of the five recommendations provided in the 2014 audit report, this review found that two recommendations have been implemented, one recommendation is no longer applicable, two recommendations are in progress of being implemented. The attached report provides details of the observations and recommendations:

- **Automobile Insurance Requirements:** The original audit found that the Agency policies related to vehicle insurance requirements needed to be reviewed, consolidated and updated to clarify the required automobile insurance limits for employees that drive personal vehicles to conduct Agency business. As an additional control, IA suggested an Acknowledgement Statement be developed to outline the insurance requirements and have employees sign to acknowledge their responsibility for maintaining specific insurance limits.

In response to these recommendations, CAP reviewed the related Agency Policies and eliminated one and determined that the current policy related to insurance requirements, specifies the appropriate insurance requirements for all drivers. In addition, CAP worked closely with the Human Resources Department to update the Safety/Human Resources Tailgate Attendance Sheet to include language that states the employees read, understand, and will comply with the requirements of the Agency's policies, the employees' signature is the acknowledgement to the insurance requirements.

One recommendation is considered No Longer Applicable because no updates to the policy are needed at this time. One recommendation is now implemented because a separate acknowledgement was put into place.

- **Gate Transmitters:** Gate Transmitters provide access to IEUA facilities. The original audit noted instances where the gate transmitters were not properly inventoried or accounted for and instances where the required forms that document who the transmitters have been issued to were not on file or available for review. IA recommended that gate transmitters be properly inventoried and accounted for, and the required forms be retained on file as required by Agency Policy A-24. Additionally, IA recommended that CAP work with department managers to periodically review the access granted and make any necessary updates.

The Agency has over 500 active gate transmitters issued to employees, contractors or Agency vehicles. This review found that controls and processes should be strengthened and improved to ensure maintaining accountability and a complete inventory of all gate transmitters. IA noted that the inventory spreadsheets created by CAP are not always current, complete, accurate or reconciled. IA noted several transmitters have been issued without obtaining the required documentation and/or without updating the inventory spreadsheet timely.

Because CAP is addressing the recommendations, the two recommendations related to gate transmitters are considered In Progress of being implemented.

- Certificates of Title (vehicle pink slips): The prior audit noted instances where the Certificates of Title for Agency-owned vehicles were missing or could not be located. IA recommended that the Certificates of Title be verified and procedures be implemented to ensure these legal documents are properly filed and retained. The Records Management Department now retains the documentation. This review found that Certificates of Title for all recent Agency vehicles purchases are accounted for and available for review. This recommendation is considered Implemented.

The Vehicle Operational Follow-Up audit is consistent with the Agency's Business Goals of Fiscal Responsibility, Workplace Environment, and Business Practices by ensuring that the recommendations provided foster a strong control environment, safeguard assets, provide a safe work environment and assist management in achieving organizational goals and objectives.

Acknowledgements

IA would like to extend our appreciation to the CAP and the Records Management Departments for their cooperation and assistance during this review.

Discussions with Management

This audit report was provided to Manager of CAP and Executive Manager of Finance and Administration/Assistant General Manager on August 23rd and 28th, 2018 for their review and input, their comments have been incorporated prior to finalizing this report.

Background

In March 2014, three separate reviews were completed related to the Agency Vehicle Operational audits. Two audit reports were under the responsibility of the Contracts and Procurement (CAP) Department, while one audit report is under the responsibility of the Maintenance & Operations Department (Maintenance). The purpose of the original audits was to evaluate the processes and controls for the Agency's fleet/utility vehicles, determine whether operations are in accordance with established policies and procedures and identify opportunities to improve the efficiency and effectiveness of the program. A total of 18 recommendations were provided through the original audits, 13 recommendations are being evaluated under a separate audit and IA is working with Maintenance to evaluate the status of those recommendations. This report summarizes the implementation actions of the five outstanding recommendations that fall under the oversight of CAP.

Internal Audit (IA) refers readers to each of the respective Agency Vehicle Operational audit reports, which were received and filed by the Board of Directors at the time of issuing the original audit reports, these reports can also be accessed through the Agency's Intranet or requested from the Manager of Internal Audit:

- Automobile Insurance Requirements, dated March 3, 2014,
- Review of Vehicle Security Procedures, dated March 3, 2014, and
- Review of Vehicle Inventory Procedures, dated March 12, 2014.

Automobile Insurance Requirements Follow-up review to the Audit Report dated March 3, 2014

Original Recommendation # 1 from the 2014 Audit Report:

CAP 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" and/or other related vehicle use policies. 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.

Status: No Longer Applicable

Agency Policy A-36 is no longer an active Agency policy, according to CAP, the policy was eliminated resulting from the Agency's adoption of the Agency's Administrative Code.

Agency Policy A-14 (A-14) *Vehicle Use Policies and Procedures* (effective date: September 11, 2008) Section 2. A. 2 states: "To receive the authorized vehicle allowance, employees must maintain valid automobile insurance with limits of at least \$100,000/\$300,000".

According to A-14, employees who receive a vehicle allowance are required to maintain the insurance limits specified, currently, there is no verification process to ensure these limits are carried. Employees are aware of the policy and each year must sign to acknowledge the policy requirements through the Safety Tailgate program.

Employees who do not receive a vehicle allowance and are authorized to use their personal vehicles to conduct Agency-related business are able to request mileage reimbursement for expenses incurred. A-14, Section 2.D.2 states that: "...employees who occasionally need to use their personal vehicle... in order to fulfill their job responsibilities,... shall:" "Obtain automobile public liability and property damage insurance, providing the minimum coverage required by the State of California of all vehicle owners in the State". Therefore, the Agency requires employees that do not receive a vehicle allowance to only have the State of California minimum automobile liability insurance policy limits of:

- Bodily Injury: \$15,000 per person/\$30,000 per accident, and
- Property Damage: \$5,000.

The automobile insurance limits required by the Agency for employees who receive a vehicle allowance are much higher than the insurance coverage required for other employees. *IA recommends that from time to time, CAP evaluate the limits required and determine if the coverage continues to be adequate to mitigate any potential liability for the Agency.*

IA discussed with the Manager of CAP whether there is a potential risk to the Agency if employees do not have sufficient coverage and if they are involved in an at-fault accident while conducting Agency-related business. The Manager of CAP stated that the Agency has accepted this standard requirement. Additionally, the Manager noted that in the past 15 years, only two employees have been involved in auto accidents while driving personal vehicles, one who received a vehicle allowance and the other a mileage reimbursement employee. One case was determined to be the employee's fault and in both cases the employees' personal insurance covered the full liability of the incidents; no expenses were incurred by the Agency resulting from these accidents.

Agency Policy A-14 was last updated in 2008, in consideration of this follow-up review, the risks have been considered and accepted, with regards to the insurance requirements established under the current Agency policy as discussed above; therefore, this recommendation is considered No Longer Applicable since changes to the policy are not planned to be made.

Original Recommendation #2 from the 2014 Audit Report:

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.

Status: Implemented

During this follow-up review, CAP worked with the Human Resources Department to update the Agency's Safety/Human Resources Tailgate Meeting attendance sheet with language that states, "*The employee's signature below confirms he/she has received the training materials for this topic, read, understands and agrees to comply with the requirements and information provided*". As of August 14, 2018, tailgate topics are a combination of reviewing Agency Policies or other required safety-mandated material, the topics must be reviewed annually; therefore, there is a requirement that employees annually review Agency Policy A-14 and sign the Attendance Sheet to document their acknowledgement.

According to CAP, the addition of the disclaimer agreement to the Safety/Human Resources Tailgate Meeting attendance sheet will allow for an efficient administration process because staff will not have to track and maintain another record. This recommendation is considered implemented.

Review of Vehicle Security Procedures
Follow-up review to the Audit Report dated March 3, 2014

A gate transmitter is a remote control that opens the gates that lead to Agency secured areas such as treatment plants, facilities, parking lots etc. Gate transmitters provide access to all IEUA facilities 24 hours a day, 7 days a week (excludes access to IERCF). It should be noted that gate transmitter access during non-operating hours will also require the use of an alarm code to prevent the perimeter alarm from being triggered. Gate transmitters should be safeguarded and accounted for because of the potential risk to Agency facilities, employee and public safety.

Gate transmitters are issued to a designated department manager, project manager, an employee, a contractor or an Agency vehicle. Issuance and inventory of gate transmitters is governed by Agency Policy A-24 (last revised 7/24/15) and CAP has the oversight responsibility. CAP is responsible for the acquisition, inventory, deactivation, and/or disposal of all Agency gate transmitters.

Original Recommendation # 1 from the 2014 Audit Report:

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.

Status: In Progress

Original Recommendation # 2 from the 2014 Audit Report:

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.

Status: In Progress

Initial Follow-Up Review completed by IA:

IA noted that at the time of our initial review, CAP relied on multiple excel spreadsheets to track and account for the Agency's gate transmitters. Based on the excel spreadsheets provided on August 14, 2018 and audit procedures applied initially, the following was noted (represents a "snapshot" of the information that was reviewed at the time the initial audit information provided was evaluated):

There are between 565 and 568 gate transmitters under the custody of CAP. The specific number was not clear due to the differences between the worksheets and the total was not confirmed. With the information that was available, the approximate distribution of gate transmitters, as noted on the database, was:

- 364 issued to an employee(s), location, or Agency contractor, or other,
- 111 assigned to an Agency vehicle/equipment,
- 47 are not assigned and are secured by CAP (on August 22, 2018), and
- 44 have were issued by CAP, but no documentation was provided for IAs review (Agency Policy A-24 requires a signed form be retained for all assignments)

Additionally, during the initial review, IA selected 19 gate transmitters from the 364 gate transmitters issued to an employee, location, or contractor, to verify that the appropriate form is on file and noted that in five (5) instances CAP did not retain the signed form as required by Agency Policy A-24. Two (2) transmitters were issued to a contractor and three (3) transmitters were issued to employees. Therefore, it was determined that issuances are made without retaining the proper form on file as required by the policy.

Subsequent & Additional Follow-Up IA Review completed by IA:

Due to the initial results of this follow-up review, CAP worked to reconcile and update only one spreadsheet to serve as the main database to inventory and account for all gate transmitters. Additional information was provided for IA's review on August 27, 2018, and the following was noted:

- CAP has not confirmed the total assigned number of gate transmitters that should be accounted for, the total is between 565 – 568.
- The main and only updated spreadsheet now shows 87 gate transmitters listed as “Not Assigned” and broken down as follows:
 - 49 gate transmitters are “Not assigned” to any employee, contractor or vehicle and kept in a secure, locked location with CAP (the initial review showed 47).
 - 34 gate transmitters initially listed as “Not Assigned” have now been identified as assigned to either an employee or a contractor. The required forms for the transmitters were subsequently provided for review. IA noted the gate transmitter forms were signed/dated by the requestor between January 4 and August 13, 2018, *up to 7 months prior to this review, but the spreadsheet had not been updated with this information.* The 34 were shown as “unassigned” in the initial spreadsheet and CAP is now working to update the spreadsheet to document who the transmitters were assigned to per the information on the forms.
 - 4 gate transmitters are still unaccounted for. IA recommends CAP deactivate the transmitters to mitigate any risk to the Agency.

CAP continues to improve their controls related to gate transmitters, but challenges continue to exist as observed during the original audit. In the 2014 audit, IA identified that several gate transmitters were not accounted for, additionally, that the required forms were not always available. This follow-up review noted similar observations.

Tighter/stricter controls are needed to properly account for all gate transmitters. At the time of our initial review, IA noted that CAP relied on various excel spreadsheets to track the gate transmitters. The spreadsheets record the gate transmitter #, employee/contractor name or a vehicle/equipment #, and sometimes the date of the issuance. CAP places reliance on multiple spreadsheets, instead of keeping just one database; CAP was not able to explain the reason for having different spreadsheets and why they did not reconcile, why there is incomplete and/or inconsistent information and why there is no accurate total count of transmitters. IA recommends one complete database be maintained and consider adding other useful information, for example: reason for request/issuance, approximate length of time the gate transmitter should be

issued if known/anticipated, specify or note "employee" or "contractor" to specify who the name refers to, the date the transmitter was returned, etc. It was also discussed that if, for efficiency and time's sake, transmitters are issued without a signed form, the appropriate notes should be made on the database to ensure proper inventory and accountability and tracking of the transmitters. Forms should be requested as a follow-up action as soon as possible after the issuance.

Two controls and best practices adopted by CAP to account for gate transmitters are:

- *Continuous communication with Agency departments; and*
- *Proper return or deactivations for employees that leave Agency service*

Department Response:

The CAP Department noted that going forward only one spreadsheet will be used to account for gate transmitters.

Certificates of Title

Original Recommendation # 3 from the 2014 Audit Report:

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.

Status: Implemented

During the 2014 audit, IA found that the Certificates of Title ("Pink Slips") for five passenger vehicles were not accounted for and could not be located. Additionally, it was unclear who the responsible party was to retain these legal documents.

According to the CAP Department, the five missing Pink Slips were handled and resolved by the Records Management (RM) Department. In addition, the CAP Department no longer retains these documents in their files. After the prior audit, CAP put a process in place to transfer any Certificates of Title received to the RM Department for retention.

For the 2018 follow-up review, IA identified 31 vehicles that have been acquired by the Agency since the previous audit was completed in March 2014. For the 31 vehicles, IA verified that RM retains all Certificates of Title, and therefore, IA considers this recommendation to be implemented.

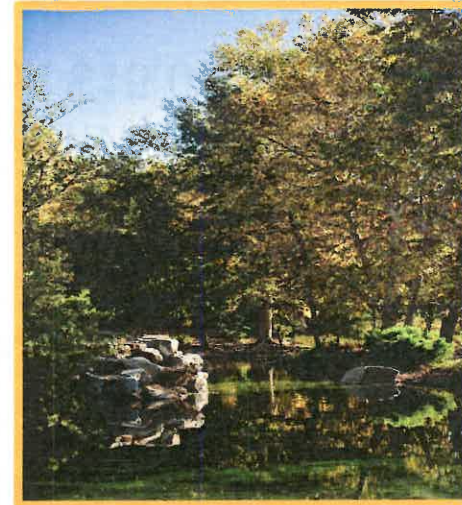
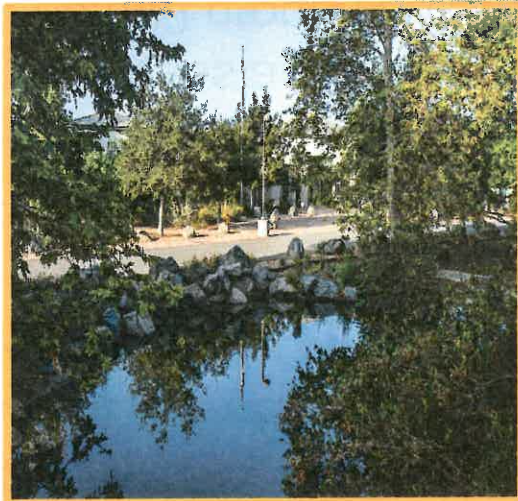
**Attachment 1 –
 Agency Vehicle Operational Audit: Automobile Insurance Requirements Recommendations, March 3, 2014**

Rec #	Recommendations	Implemented	In Progress	No Longer Applicable
1	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" and/or other related vehicle use policies. 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.			X
2	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.	X		
Totals		1		1

Agency Vehicle Operational Audit: Review of Vehicle Security Procedures Recommendations, March 3, 2014

Rec #	Recommendations	Implemented	In Progress	No Longer Applicable
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.		X	
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.		X	
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.	X		
Totals		1	2	
Totals for Follow-Up Review		2	2	1

Agency Vehicle Operational Follow-Up Audit



Automobile Insurance Requirements

Agency Policy A-14:

- Employees who receive a vehicle allowance are required to maintain insurance limits of: \$100,000/\$300,000
- Employees who receive mileage reimbursement for driving related to Agency-business are required to maintain insurance limits of: \$15,000/\$30,000 and \$5,000 property damage
 - (minimum required by the State of California)

• Potential Risks:

- If employee has an at-fault accident and their insurance does not cover, the Agency may or may not be liable.

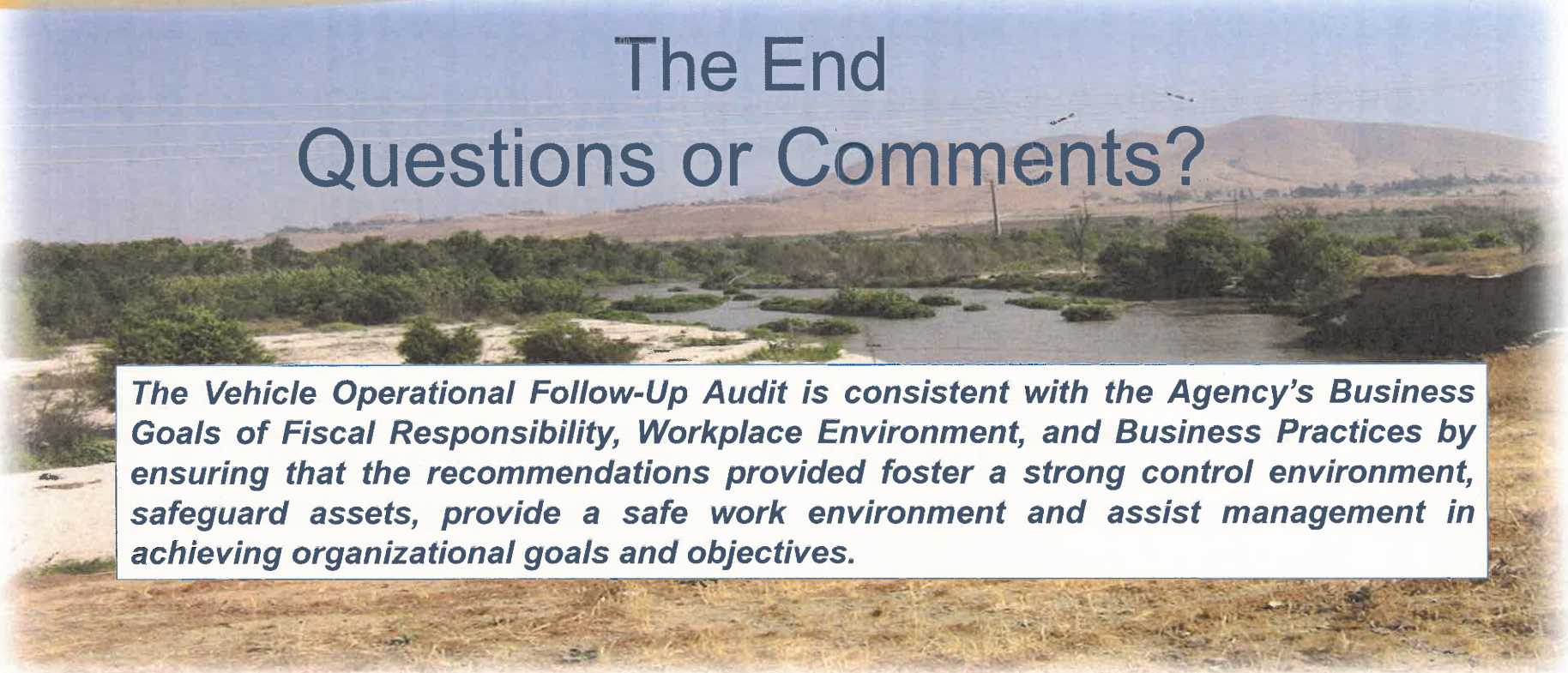

Review of Vehicle Security Procedures

Gate Transmitters:

- Provide access to all IEUA facilities, and should be safeguarded and accounted for.
- Tighter controls are still needed to account for transmitters:
 - Databased relied on is not maintained current or accurate
 - Found instances where transmitters were not accounted for and transmitters were issued without proper documentation or a trail to identify issuance.

• Potential Risks:

- Employee and Public Safety



The End Questions or Comments?

The Vehicle Operational Follow-Up Audit is consistent with the Agency's Business Goals of Fiscal Responsibility, Workplace Environment, and Business Practices by ensuring that the recommendations provided foster a strong control environment, safeguard assets, provide a safe work environment and assist management in achieving organizational goals and objectives.

**INFORMATION
ITEM**

6P

Date: September 19, 2018

To: The Honorable Board of Directors

Committee: Audit


From: Teresa Velarde, Manager of Internal Audit

09/11/18

Manager Contact: Teresa Velarde, Manager of Internal Audit

Subject: Warehouse Annual Physical Inventory - Internal Audit Inventory Observation Report

Executive Summary:

The Internal Audit Department (IA) observed and participated in the year-end annual physical inventory at the Agency's Warehouse. The purpose of the annual physical inventory is a best practice control to ensure the accuracy of the total inventory assets reported in the financial statements. IA noted that warehouse and accounting staff applied best practices and controls to conduct the inventory count and safeguard assets. IA identified opportunities to improve:

- Warehouse staff should continue their efforts to evaluate more recent inventory for obsolete items and communicate with appropriate FAD staff about their estimates of obsolete items.
- To ensure that the financial statements reflect the best estimate value of usable inventory, accounting staff should communicate with warehouse staff to determine the best estimate of usable inventory and make adequate financial adjustments and the appropriate accounting entries to ensure the financial statements accurately reflect inventory value.
- Controls over receiving processes should be reinforced and followed at all times.
- The warehouse staff is in the process of moving excess overflow electronic waste, awaiting proper disposal, to an appropriate area separate from regular inventory and to mitigate risk or losses.

The attached report provides details of the recommendations.

Staff's Recommendation:

This is an information item.

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 June 20, 2018, the Board approved the Internal Audit Annual Audit Plan. The Warehouse review was approved in the Annual Audit Plan.

Environmental Determination:

Not Applicable

Business Goal:

Warehouse Annual Physical Inventory - Internal Audit Inventory Observation Report is consistent with the Agency's Business Goals of Fiscal Responsibility, Workplace Environment and Business Practices by ensuring that IA's recommendations foster a strong control environment, safeguard assets, ensure financial transactions are accurate and assist management in achieving organizational goals and objectives.

Attachments:

Attachment 1 - Warehouse Annual Physical Inventory - Internal Audit Inventory Observation Report



Inland Empire Utilities Agency

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DATE: August 22, 2018

TO: Halla Razak
General Manager

Teresa V. Velarde

FROM: Teresa V. Velarde
Manager of Internal Audit

**SUBJECT: Warehouse Annual Physical Inventory –
Internal Audit Inventory Observation Report**

Audit Authority

The Internal Audit Department (IA) observed and participated in the year-end annual physical inventory at the Inland Empire Utilities Agency's (IEUA or Agency) Warehouse. The observation was performed under the authority given by the IEUA Board of Directors as documented in the IA Charter.

Audit Objective and Scope

The annual inventory count is a process performed before the completion of the Comprehensive Annual Financial Report (CAFR) to validate the total inventory asset dollar amount posted to the financial statements. More importantly, the annual inventory count is a recommended best practice and internal control.

IA performs an annual quality control review of the Agency's CAFR prepared by the Finance and Accounting Department (FAD). Each year, IA observes the Agency's annual physical inventory count at the Agency's Warehouse. Additionally, from time to time, the external financial auditors may ask about the annual physical inventory count or schedule a separate spot check as part of their annual financial audit. This report describes the results of the inventory count and provides recommendations for consideration.

Discussion with Management and Responses to Internal Audit

IA provided the results of this review to Finance and Accounting, and the Warehouse Department management on August 15, 2018 and on August 21, 2018 for their review and comments and their responses have been incorporated where applicable.

TV:ps

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Steven J. Elie
President

Michael E. Camacho
Vice President

Jasmin A. Hall
Secretary/Treasurer

Paul Hofer
Director

Kati Parker
Director

Halla Razak
General Manager

Warehouse Annual Physical Inventory – Internal Audit Inventory Observation Report

Background

The Warehouse operates from an 8,000-square foot corrugated metal building on the grounds of Regional Plant No. 1. The main function of the warehouse is to act as a repository, control point, central receiving and storage location for the Agency's "critical spares" inventory. The warehouse stocks items ranging from plumbing and electrical items to computer paper and janitorial supplies.

Inventory Process

The inventory count was conducted on June 18, 2018. The physical inventory count process proceeded effectively as the inventory team used numerous "best practices", including the following steps:

- FAD staff who participated, used their own written inventory procedures with steps to follow during the inventory count.
 - The Warehouse staff had suspended all receipts and deliveries as of the end of the prior week to ensure the Accounting records would be synchronized with the physical quantities on hand.
 - FAD staff printed pre-numbered count sheets from SAP organized by aisle, row and drawer/shelf column to facilitate the count.
 - The pre-numbered count sheets did not provide any information about quantities on-hand, so all counts were performed without knowledge of expected totals.
 - The inventory counts were completed by two-person teams.
 - The count numbers were entered into SAP as the inventory count progressed, providing real-time feedback of variances.
 - The pre-numbered count sheets were reconciled for completeness at the end of the count to ensure all pages had been returned.
 - An SAP-generated exception report with a listing of significant high-dollar exceptions along with recount sheets was used to perform a second count and reconcile differences.
- ❖ In addition to the annual physical inventory count, Warehouse staff have now established written procedures for monthly cycle counts. Warehouse staff will randomly select 50 inventory items each month and perform a physical count as an additional inventory management function. Any inaccuracies noted during the cycle counts will be adjusted in the Agency's accounting records with the goal of continually improving inventory accuracy. This is another example of a "best practice".

Internal Audit Observations and Recommendations

Internal Audit noted observations during the physical count and provides recommendations for consideration.

Obsolete Inventory:

The Warehouse carries inventory valued at approximately \$106,000 that has not moved or has not been used since 2007 and is considered by Warehouse staff to be “obsolete”. These items have been tagged with a label marked “OBS”. Warehouse staff has budgeted \$125,000 for potential write-offs of these obsolete items and other items in the 2018/2019 Fiscal Year.

Warehouse staff has noted that they plan to evaluate inventory that has not moved for the periods from 2008 to 2010 in the current year. Each year, Warehouse staff intends to evaluate more recent inventory and determine any obsolete inventory.

Accounting principles require that inventory items be carried at the lower of cost or market value in the Agency’s CAFR. In addition to the obsolete items not used since 2007, the Agency should also make an estimate of additional potential obsolete items purchased more recently (since the beginning of 2008) that are no longer used or useful.

Recommendations:

1. *Warehouse staff should continue their efforts to evaluate more recent inventory for obsolete items and communicate with appropriate FAD staff about their estimates of potentially obsolete items.*

Warehouse Response:

Warehouse staff agrees and indicated that they have a process to review obsolete items on an annual basis prior to preparing/updating the next fiscal year’s budget. Once items have been tagged as obsolete, the warehouse updates its budget for the following year to support the write-off/scrap value of items to be disposed.

2. *Finance and Accounting staff should communicate with Warehouse staff about their professional estimate of potentially obsolete inventory and accrue adequate reserves against inventory to reflect this decrease in inventory value (and thereby decrease in total assets), this procedure will ensure that the financial statements reflect the value of usable inventory.*

Finance and Accounting Response:

The Finance and Accounting Department stated that they would prepare a loss accrual for the amounts considered obsolete from 2007 and prior and would also make and include an estimate for potentially obsolete items since 2008. The Accounting Department stated that they will also include a step to perform an inventory loss accrual review in future fiscal closing processes.

Inspection of Inventory during Receiving:

One item included in inventory stated that 1,500 items were received, but the physical count showed only 1,330 items, an error rate of over 10% and the box appeared unopened before the physical inventory count. Warehouse staff has since provided their receiving instructions that require validation of the physical quantities received.

Recommendation:

- 3. Warehouse staff should provide clear documentation and evidence of what steps have been taken to verify that receipts are complete and intact when taken into inventory and ensure that their receiving instructions are followed in all instances.*

Warehouse Response:

Warehouse staff indicated that they do have a process in place to check the shipment and the packing slip. The variance that was discovered during the inventory count is a very rare instance and this does not normally happen.

Computer Waste Storage:

A separate locked cage contained several pallets of computer waste such as circuit boards, computer panels and other items in addition to regular Warehouse inventory. The Warehouse staff has an agreement with the Agency's Integrated Systems Services group to store obsolete computer waste until enough can be gathered to justify their disposal.

Recommendation:

- 4. In addition to the separate established storage area for computer waste, Warehouse staff should ensure that any overflow electronic waste be stored somewhere that remains separate from Warehouse inventory rather than storing it together with inventory items as a best practice and internal control.*

Warehouse Response:

Warehouse has a separate storage area for e-waste, however, if a large amount of waste accumulates between scheduled removals, the waste has been stored temporarily in the cage location. Warehouse staff will now store overflow electronic waste in the unused former auto shop area. In addition, the Agency has recently added another e-waste storage container at HQ, which will support proper storage away from inventory.

**INFORMATION
ITEM**

6Q

Date: September 19, 2018

To: The Honorable Board of Directors

Committee: Audit


From: Teresa Velarde, Manager of Internal Audit

09/11/18

Manager Contact: Teresa Velarde, Manager of Internal Audit

Subject: Inter-Fund Transactions Audit Report

Executive Summary:

Internal Audit (IA) completed an audit of inter-fund transactions as documented in the Agency's audited financial statements for FY 2016 and 2017 to evaluate whether inter-fund transfers comply with Agency policies, are documented properly and recorded accurately in the Agency's financial statements. The review found opportunities to improve information about inter-fund transactions and recommends the following:

- Finance and accounting staff should provide additional detail and information about inter-fund transfers in the notes to the audited financial statements including the methodology used to calculate and determine the amounts and the reasons for the transfers. This additional information will aid readers in understanding the reasons for transfers among funds.
 - Document a policy and/or procedure to provide clear guidance as to the methodology applied to calculate and process inter-fund transfers and transactions, including the purpose, authorization procedures and methodology applied.
 - Prepare an annual informational written/oral presentation for the Board of Directors that describes the reasons for past and/or anticipated inter-fund transfers, the amounts, how those amounts were calculated and how inter-fund transfers compare to prior years.
- The audit report attached provides details of the recommendations made.

Staff's Recommendation:

This is an information item.

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 June 20, 2018, the Board approved the IA Annual Audit Plan. The Inter-Fund Transactions Audit was scheduled in the Annual Audit Plan.

Environmental Determination:

Not Applicable

Business Goal:

IAs Inter-Fund Transactions Audit is consistent with the Agency's Business Goals of Fiscal Responsibility, Workplace Environment and Business Practices by ensuring that IAs evaluations provide recommendations for improving and safeguarding the Agency's fiscal health, promoting a strong control environment and assisting management in achieving organizational goals.

Attachments:

Attachment 1 - Inter-Fund Transactions Audit Report
Attachment 2 - PowerPoint



Inland Empire Utilities Agency

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DATE: August 30, 2018

TO: Halla Razak
General Manager

Teresa V. Velarde

FROM: Teresa V. Velarde
Manager of Internal Audit

SUBJECT: Inter-fund Transactions Audit

Audit Authority

The Inland Empire Utilities Agency (IEUA or Agency) Internal Audit Department (IA) performed an audit of inter-fund transactions as documented in the Agency's Comprehensive Annual Financial Reports (CAFR) for June 30, 2016 and 2017. The audit was performed under the authority given by the IEUA Board of Directors and the Fiscal Year 2018/19 Annual Audit Plan. Attached is the report which discusses IA's observations and recommendations.

Audit Scope

The audit objectives were to:

- Evaluate whether inter-fund transactions made by the Agency comply with all Agency policies,
- consider whether inter-fund transactions are documented appropriately, and
- determine if inter-fund transactions were recorded accurately in the Agency's financial statements.

Audit Techniques Applied

Audit techniques applied during the audit included:

- Interviews of Agency staff
- Walkthroughs of processes and transactions
- Review of supporting documents in SAP and in manual files
- Review of CAFR documentation and descriptions

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President

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Vice President

Jasmin A. Hall
Secretary/Treasurer

Paul Hofer
Director

Kati Parker
Director

Halla Razak
General Manager

Audit Results - Executive Summary

The Finance and Accounting Department (FAD) is responsible for inter-fund transfers and transactions under the direction of executive management. The audit found that FAD has effective controls in place to process transfers and transactions. Detailed observations and recommendations are included in the attached report. IA found opportunities to improve information about inter-fund transfers and transactions:

- ***FAD should provide additional, detailed information in the Notes to the Financial Statements to clarify what the inter-fund transfers represent, including the reasoning/methodology used to calculate and determine the amounts of the transfers. Although, complete information is provided through various financial and budget documents, the Financial Statements should stand alone to provide sufficient information that a reader can understand the details of the transfers.***
- ***FAD should document a Standard Operating Procedure and/or Inter-Fund Transfer policy that provides clear guidance as to the methodology applied to calculate and process inter-fund transfers, including the purpose, authorization procedures and methodology applied.***
- ***FAD should take the lead to provide an annual informational written and oral presentation for the Board of Directors that describes the reasons for past and/or anticipated inter-fund transfers, the amounts, how those amounts were calculated and how inter-fund transfers compare to prior years.***

The Inter-Fund Transactions Audit Report is consistent with the Agency's Business Goals of Fiscal Responsibility, Workplace Environment, and Business Practices by ensuring that IAs evaluations provide recommendations foster a strong control environment, safeguard assets, promote a safe work environment and assist management in achieving organizational goals and objectives.

Discussion with Management

Drafts of this audit report were provided to Christina Valencia, Executive Manager of Finance and Administration/Assistant General Manager, Javier Chagoyen-Lazaro, Manager of Finance and Accounting and Tina Cheng, Budget Officer on August 22, 2018 and August 28, 2018 for their review and comments prior to finalizing and their responses have been incorporated.

Acknowledgements

We would like to extend our appreciation to Finance and Accounting Department staff for their cooperation and assistance during this review.

Inter-fund Transactions

Background

The Agency's fund structure

The Agency has seven (7) funds which are described according to the Agency's Comprehensive Annual Financial Report (CAFR) as follows:

"The accounts of the Agency are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflow of resources, liabilities, deferred inflow of resources, net position, revenues and expenses, as appropriate. The Agency's resources are allocated to, and accounted for, in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The Agency accounts for its activities in Enterprise Funds. These funds are included in the financial statements and have been grouped into fund types described as 'Proprietary Fund Types.'"

According to the CAFR Enterprise Funds:

"are financed and operated in a manner similar to private business enterprise, where the intent of the governing body is that the costs (expenses, including depreciation and amortization) of providing goods or services to the general public on a continuing basis, be financed or recovered primarily through user charges."

The funds used by the Agency (as described in the CAFR) are:

The Regional Wastewater Fund – Capital Improvements: Records the transactions for the acquisition, construction, and expansion of the Agency's municipal wastewater treatment plants, large sewer interceptors, and appurtenant facilities.

The Regional Wastewater Fund – Operations and Maintenance: Accounts for the revenues and operating expenses associated with the primary, secondary, and tertiary treatment of domestic wastewater delivered by the contracting agencies to the Agency's interceptors and water recycling facilities.

The Regional Wastewater Fund is made up of both the funds: The Regional Wastewater – Capital Improvements and Regional Wastewater – Operations and Maintenance funds.

The Recycled Water Fund: Records the revenues and expenses associated with the operations and maintenance of the facilities used to distribute recycled water supplied from the Agency's water recycling plants. Additionally, the Recycled Water Fund records the costs associated with the construction and financing of recycled water capital projects.

The Water Resources Fund: Records the transactions associated with providing water resources and water use efficiency programs within the Agency's service area. These programs include management and distribution of imported water supplies, development and implementation of regional water use efficiency initiatives, water resource planning and support for regional water supply programs including recycled, groundwater recharge, and storm drain management.

The Non-Reclaimable Wastewater Fund: Records the transactions for the acquisition, construction, expansion, replacement, and operations of the Agency's non-reclaimable wastewater sewer lines, interceptors and appurtenant facilities. It also accounts for the revenues and operating costs directly related to providing collection services, wastewater conveyance/transport, and wastewater treatment.

The Recharge Water Fund: Accounts for the revenues and expenses associated with the groundwater recharge operations and maintenance through the joint effort of the Chino Basin Watermaster (CBWM), the Chino Basin Water Conservation District (CBWCD), the San Bernardino County Flood Control District (SBCFCD), and the Inland Empire Utilities Agency.

The Administrative Services Fund: The Agency's costs of general and administrative expenses for various cost centers and staff labor pool are initially budgeted in the Administrative Services Fund. These costs include capital acquisitions for Agency-wide purposes, purchases of non-capital and non-project related materials, supplies, tools, and contract services. Throughout the year, pertinent expenses such as staff labor, equipment, and facilities maintenances and other indirect costs are allocated to the Agency's various programs, departments, and external clients on a cost reimbursement basis, based on either estimated staff work time, frequency of equipment usage, or full time equivalent (FTE) participation for specific program or activities.

Inter-fund Transactions

Inter-fund transfers are transactions to transfer funds between the different Agency Funds and are recorded as increases or decreases within the Agency's accounting records. Although they have an impact on the Statement of Net Position and Statement of Revenues, Expenses and Changes in Net Position for the individual Agency Funds, they offset one another and do not impact the overall net position of the Agency.

The amounts transferred during each of the previous two fiscal years have varied in total and individually. In Fiscal Year 2016, the Agency recorded \$11,935,051 in inter-fund transfers, whereas in Fiscal Year 2017, the Agency recorded \$3,618,117. The amounts transferred were over \$8 million lower due to lower debt levels after the Agency refinanced and repaid bond debt in early 2017 and from lower allocations of connection fees amongst various fees.

Transfers are processed to transfer funds from revenue generating funds to offset the related expenses of other funds that support those programs. These transfers include:

- The Administrative Services fund has a limited revenue stream comprised of property taxes; but incurs agency-wide administrative expenses which are then allocated to other funds through inter-fund transfers. Examples of agency-wide expenses include; external auditing, landscaping, legal, janitorial, etc.
- Surcharge revenues are recorded in the Recycled Water fund. Surcharge revenues are transferred to the Recharge Water fund from Recycled Water as an operating transfer. The surcharge added to the recycled water rates supports the Agency's pro rata share of recharge groundwater basin operating and maintenance costs. These operating transfers from the Recycled Water fund to the Recharge Water fund are supported by agreements between the Agency and Chino Basin Watermaster.
- Wastewater and water connection fees transfers are based on studies performed by professional consultants for the Agency.
- Debt service transfers are based on pledged revenues in debt service documents.

As the CAFR describes, the Agency's use of multiple funds and inter-fund transfers is intended to provide a method to show details of the actions and results of the Agency's various activities:

"The Agency's resources are allocated to, and accounted for, in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled."

Inter-fund transactions are also made when needed loans or advances are made from one fund to another creating "inter-fund loans". All such inter-fund transfers and transactions are published in the Agency's Comprehensive Annual Financial Report which is the comprehensive stand-alone document that reports the financial activities and transactions of the Agency for the past two fiscal years. The Agency also notes it's plans for inter-fund transfers in the Agency's Budget Document.

Audit Approach

The CAFR provides details to all readers about transfers between funds in the individual and combined fund statements, as well as descriptive information in the Notes to the financial statements.

IA reviewed the Agency's FYs 2016 and 2017 CAFRs. In addition to the information provided by the financial statements themselves, descriptive information about inter-fund transfers is included in Notes 14 and 15 to the financial statements. Additionally, the CAFR includes the individual fund statements that show the transfers in and out of individual funds. For this review, IA reviewed the financial statements and the Notes and performed additional research through reports from SAP, interviews with staff, other supporting documentation and completed a separate reconciliation spreadsheet to

analyze inter-fund transfer activities. With the additional research and documentation, IA could obtain an understanding of all the transfers and verify that all reconciled. The steps below provide a summary of the audit approach to reconcile the inter-fund transfers:

1. Identified the transfer amounts in each fiscal year and reconciled them to the amounts shown in the Notes to the Financial Statements.
2. Downloaded a report from SAP report showing all transfers for each of the two fiscal years reviewed and compared to the information in the financial statements and reconciled all differences.
3. Discussed with FAD staff the purposes and reasoning for the transfers.
4. Compared several of the transfers to additional documentation maintained by FAD staff to understand and test the formulas and calculations used.

The information documented in the journal entries within the accounting records, sorts the inter-fund transfers and transactions by type of transfer, whereas the information shown in the notes to the financial statements sorts and summarizes the information about inter-fund transfers by totals per fund with general, summarized information about the nature of the transfers. IA recommends that additional information and detail be included in the Notes to the Financial Statements to describe the reasons and amounts of the individual transfers and transactions to ensure the Financial Statements stand alone and a reader has all the information in this document.

Inter-fund Transfer Tables

IA summarized the reconciled information from each of the formats in several tables. The tables highlight the variation in amounts from year to year and the different funds involved in transfers on a regular basis.

TABLE A: Two-year comparison of Inter-Fund Transfers by Journal Entry Description:

DESCRIPTION	2016 DETAILS	2016 Amounts	2017 DETAILS	2017 Amounts	Reason
Debt Service Transfer	<i>From: Regional Wastewater (Capital Improvements)</i> <i>To: Recharge Water & Recycled Water</i>	1,771,654	Same as 2016	916,813	Proportionate allocation of debt service to projects being financed
Capital Transfer	<i>From: Non-Reclaimable Wastewater, Recycled Water & Regional Wastewater (Capital Improvements)</i> <i>To: Administrative Services and from Regional Wastewater (Capital Improvements) & Recycled Water to Regional Wastewater (Operations & Maintenance) and Recharge Water</i>	5,116,100	<i>From Non-Reclaimable Wastewater, Recycled Water & Regional Wastewater (Capital Improvements) to Administrative Services and from Regional Wastewater (Operations & Maintenance) to Regional Wastewater (Capital Improvements) & from Recycled Water to Recharge Water</i>	1,098,882	Reimburse Administrative Services fund for capital projects on behalf of other funds and support Recharge Water fund capital costs In 2017, the original transfer was \$2,024,280 and was adjusted with a subsequent transfer "Adjust Capital Transfer" by \$925,398. In 2016, an additional capital transfer of \$1,150,450 was an adjustment to an original \$3,965,650.
Capital One Water Connection Fee Transfer	<i>From: Recycled Water</i> <i>To: Administrative Services, Recharge Water & Water Resources</i>	386,417	same as 2016	148,519	Allocate One Water Fee revenues to funds being benefited
Capital Wastewater Connection Fee Transfer	<i>From: Regional Wastewater (Capital Improvements)</i> <i>To: Administrative Services, Non-Reclaimable Wastewater, Regional Wastewater (Operations & Maintenance)</i>	4,194,880	<i>From Regional Wastewater (Capital Improvements) to Administrative Services & Non-Reclaimable Wastewater</i>	957,403	Allocate Wastewater Connection Fees against funds engaged in capital projects
Operating Transfer	<i>From: Recycled Water</i> <i>To: Recharge Water</i>	466,000	same as 2016	506,500	Reimburse Recharge Water fund for costs
Gross Total of Transfers by Year		11,935,051		3,628,117	

TABLE B: 2016 Inter-Fund Transfers, includes the CAFR Note Description:

Fund Transferred "From"	Fund Transferred "To"	Amount	2016 Note Description
Regional Wastewater-Capital Improvement	Regional Wastewater-Operations & Maintenance	\$3,544,706	The Regional Wastewater Operations & Maintenance (RO) Fund received capital support from the Regional Wastewater Capital Improvement (RC) Fund and the Recycled Water (WC) Fund in the amount of \$3,555,238 and \$3,429,650, respectively.
Regional Wastewater-Capital Improvement	Regional Wastewater-Operations & Maintenance	\$10,532	The Regional Wastewater Operations & Maintenance (RO) Fund received capital support from the Regional Wastewater Capital Improvement (RC) Fund and the Recycled Water (WC) Fund in the amount of \$3,555,238 and \$3,429,650, respectively.
Recycled Water	Regional Wastewater-Operations & Maintenance	\$3,429,650	The Regional Wastewater Operations & Maintenance (RO) Fund received capital support from the Regional Wastewater Capital Improvement (RC) Fund and the Recycled Water (WC) Fund in the amount of \$3,555,238 and \$3,429,650, respectively.
Regional Wastewater-Capital Improvement	Recycled Water	\$1,389,654	The Recycled Water Fund received \$1,389,654 from the Regional Wastewater Capital Improvement Fund for debt service support.
Recycled Water	Water Resources	\$294,955	. . . and the Water Fund received \$294,955 from the Recycled Water Fund for capital support.
Regional Wastewater-Capital Improvement	Administrative Services (non-major)	\$358,324	Non-Major enterprise funds received transfers in the amount of \$3,265,554. . . These transfers included 917,793 in capital support from various funds to the Administrative Services Fund . . .
Regional Wastewater-Capital Improvement	Administrative Services (non-major)	\$527,339	Non-Major enterprise funds received transfers in the amount of \$3,265,554. . . These transfers included 917,793 in capital support from various funds to the Administrative Services Fund . . .

Regional Wastewater-Capital Improvement	Administrative Services (non-major)	\$60	Non-Major enterprise funds received transfers in the amount of \$3,265,554. . . These transfers included 917,793 in capital support from various funds to the Administrative Services Fund . . .
Recycled Water	Administrative Services (non-major)	\$13,072	These transfers included 917,793 in capital support from various funds to the Administrative Services Fund . .
Recycled Water	Administrative Services (non-major)	\$5,926	These transfers included 917,793 in capital support from various funds to the Administrative Services Fund . .
Non-reclaimable Wastewater	Administrative Services (non-major)	\$13,072	Non-Major enterprise funds received transfers in the amount of \$2,878,668. . . These transfers included 917,793 in capital support from various funds to the Administrative Services Fund . . .
Regional Wastewater-Capital Improvement	Non-reclaimable Wastewater (non-major)	\$122,775	Non-Major enterprise funds received transfers in the amount of \$3,265,554. . . and \$122,775 to the Non-Reclaimable Wastewater (NRW) Fund.
Regional Wastewater-Capital Improvement	Recharge Water (non-major)	\$382,000	Non-Major enterprise funds received transfers in the amount of \$3,265,554. . . The remaining amount consisted of \$382,000 in debt service support . . .
Recycled Water	Recharge Water (non-major)	\$466,000	Non-Major enterprise funds received transfers in the amount of \$3,265,554. . . \$466,000 in operating support . . .
Recycled Water	Recharge Water (non-major)	\$1,150,450	Non-Major enterprise funds received transfers in the amount of \$3,265,554. And \$1,376,986 in capital support to the Recharge Water (RW) Fund
Recycled Water	Recharge Water (non-major)	\$85,536	Non-Major enterprise funds received transfers in the amount of \$3,265,554. And \$1,376,986 in capital support to the Recharge Water (RW) Fund
Recycled Water	Recharge Water (non-major)	\$141,000	Non-Major enterprise funds received transfers in the amount of \$3,265,554. And \$1,376,986 in capital support to the Recharge Water (RW) Fund
	Total Transfers	\$11,935,051	

TABLE C: 2017 Inter-Fund Transfers sorted by CAFR Note Description:

Fund Transferred "From"	Fund Transferred "To"	Amount	2017 Note Description
Regional Wastewater-Operations & Maintenance	Regional Wastewater-Capital Improvement	\$181,160	The Regional Wastewater Capital Improvement Fund received capital support from the Regional Wastewater Operations and Maintenance Fund in the amount of \$181,160
Regional Wastewater-Capital Improvement	Recycled Water	\$509,313	The Recycled Water Fund received transfers in the amount of \$509,313 from the Regional Wastewater Fund for the fund's share of the 2017A debt service payment.
Recycled Water	Water Resources	\$58,976	The Water Resources Fund received \$58,976 from the Recycled Water Fund for capital support.
Regional Wastewater-Capital Improvement	Administrative Services (non-major)	\$1,346,060	Non-Major enterprise funds received transfers in the amount of \$2,878,668. These transfers included 1,444,271 in capital support from various funds to the Administrative Services Fund.
Regional Wastewater-Capital Improvement	Administrative Services (non-major)	(\$862,472)	<i>(Adjust (reduce) amounts of transfer.)</i> Non-Major enterprise funds received transfers in the amount of \$2,878,668. These transfers included 1,444,271 in capital support from various funds to the Administrative Services Fund.
Regional Wastewater-Capital Improvement	Administrative Services (non-major)	\$903,646	Non-Major enterprise funds received transfers in the amount of \$2,878,668. These transfers included 1,444,271 in capital support from various funds to the Administrative Services Fund.
Recycled Water	Administrative Services (non-major)	\$49,105	Non-Major enterprise funds received transfers in the amount of \$2,878,668. These transfers included 1,444,271 in capital support from various funds to the Administrative Services Fund.
Recycled Water	Administrative Services (non-major)	-\$31,463	Non-Major enterprise funds received transfers in the amount of \$2,878,668. These transfers included 1,444,271 in capital support from various funds to the Administrative Services Fund.
Recycled Water	Administrative Services (non-major)	\$21,753	Non-Major enterprise funds received transfers in the amount of \$2,878,668. These transfers included 1,444,271 in capital support from various funds to the Administrative Services Fund.

Non-reclaimable Wastewater	Administrative Services (non-major)	\$49,105	Non-Major enterprise funds received transfers in the amount of \$2,878,668. These transfers included 1,444,271 in capital support from various funds to the Administrative Services Fund.
Non-reclaimable Wastewater	Administrative Services (non-major)	(\$31,463)	<i>(Adjust (reduce) amounts of transfer.)</i> Non-Major enterprise funds received transfers in the amount of \$2,878,668. These transfers included 1,444,271 in capital support from various funds to the Administrative Services Fund.
Regional Wastewater-Capital Improvement	Non-reclaimable Wastewater (non-major)	\$53,757	Non-Major enterprise funds received transfers in the amount of \$2,878,668. These transfers included . . . capital support from various funds, . . . \$53,757 to the Non-Reclaimable Wastewater Fund . . .
Recycled Water	Recharge Water (non-major)	\$67,790	Non-Major enterprise funds received transfers in the amount of \$2,878,668. These transfers included . . . capital support from various funds, . . . and \$466,640 to the Recharge Water Fund.
Recycled Water	Recharge Water (non-major)	\$398,850	Non-Major enterprise funds received transfers in the amount of \$2,878,668. These transfers included . . . capital support from various funds, . . . and \$466,640 to the Recharge Water Fund.
Regional Wastewater-Capital Improvement	Recharge Water (non-major)	\$407,500	Non-Major enterprise funds received transfers in the amount of \$2,878,668. The remaining \$914,000 was in operating and debt service transfers to the Recharge Water Fund.
Recycled Water	Recharge Water (non-major)	\$506,500	Non-Major enterprise funds received transfers in the amount of \$2,878,668. The remaining \$914,000 was in operating and debt service transfers to the Recharge Water Fund.
	Total Transfers	\$3,628,117	

Other inter-fund transactions:

Debt Forgiveness between Agency Funds

On June 15, 2016, the Board of Directors approved the forgiveness of advances from the Administrative Services Fund to the Water Resources Fund totaling \$4,308,104. The loans to the Water Resources Fund had originally been made to fund Water Use

Efficiency programs including providing matching amounts to the Metropolitan Water District Turf Removal Program.

Other inter-fund transactions:
Inter-fund Loans and Advances - Current loans outstanding between funds

Advances to Other Funds	Advances from Other Funds	Amount
Regional Wastewater Capital Improvement Fund	Recycled Water Fund	\$13,500,000
Non-Reclaimable Wastewater Fund	Recycled Water Fund	\$15,000,000
TOTAL		\$28,500,000

According to the Agency's CAFR these loans were made to fund the Agency's Recycled Water Business Plan adopted in December 2007. The advances support the capital construction expenditures related to the Regional Recycled Water Distribution System and repayment is expected over several years from increased recycled water deliveries. The CAFR mentions that interest on the advances is applied using the average monthly LAIF rate for the fiscal year.

These inter-fund loans are shown as both noncurrent assets and noncurrent liabilities on the Agency's overall Statement of Net Position. Therefore, both total noncurrent assets and total noncurrent liabilities are \$28,500,000 larger than if no inter-fund loans were outstanding.

Outside investors that are interested in purchasing the Agency's bonds on the open market may use ratios to make their decisions. The larger asset and liability balances can impact asset, equity and some other financial ratios used by potential investors in the Agency's debt. Ratios that are affected by the inter-fund obligations include the following:

RATIO	DESCRIPTION	YEAR	Including Inter-Fund	Excluding Inter-Fund
Debt Ratio	Total Liabilities / Total Assets	2017	39.43%	37.53%
		2016	44.19%	42.43%
<i>Debt Ratio measures the extent of the Agency's leverage. It can represent the proportion of the Agency's assets that are financed by debt; therefore, the larger the percentage, the more debt the Agency has.</i>				
Debt to Equity	Total Liabilities / Total Equity	2017	63.08%	58.22%
		2016	77.89%	72.52%
<i>Debt to Equity measures the Agency's financial leverage (debt), it indicates how much debt the Agency is using to finance its assets to reserves; therefore, the larger the percentage the more debt to reserves.</i>				
Equity Multiplier	Total Assets / Total Equity	2017	1.60 times	1.55 times
		2016	1.76 times	1.71 times
<i>Equity Multiplier measures the Agency's financial debt and indicates whether the Agency has been using more debt than reserves to finance its asset purchases; therefore, the larger the percentage, the more debt is used.</i>				

Finance and Accounting staff noted that the main ratio used by credit rating agencies is the debt coverage ratio which measures the cash flow available to pay current debt obligations and is calculated using net operating income divided by current debt service obligations. This ratio is not affected by the inter-fund loan balances because there are no short-term repayment obligations for the inter-fund debt. Therefore, the Agency's credit rating is not affected by the inter-fund loans.

Observations and Recommendations

Observation #1:

IA's analysis of the documentation of inter-fund transfers provided in the CAFR determined that there is not enough information provided in the Notes to the Financial Statements for readers to reconcile the transfer amounts. In addition, although the Notes describe the reasons for transfers (capital support, operating, debt service) there is little information to provide context for the calculation of amounts or the necessity for the transfers. Although there is information in the Agency's Budget Document and information available through other communications presented to the Board the audited Financial Statements included in the CAFR represent the Agency's Fiscal Year "snapshot" to investors, constituents, the public and other readers about its financial position and results of operations.

The overall financial statements, notes and other documents included in the CAFR are clear and descriptive. The Agency has consistently received an unmodified ("clean") opinion from their external auditors and has received the Government Finance Officers Association "Certificate of Achievement for Excellence in Financial Reporting for multiple years for the presentation of the Agency's financial statements. There is no accounting guidance requiring a specific amount of detail about inter-fund transfers that the Notes should include. Consistent with the Agency's approach to promote transparency and accountability, IA suggests that additional information be included, not only in the Budget Document, but specifically in the Notes to the Financial Statements about transfers between Agency funds so the CAFR "stands on its own" and provides adequate details to ensure clear and transparent information is provided.

Recommendation #1:

FAD should provide additional, detailed information in the Notes to the Financial Statements to clarify what the inter-fund transfers represent, including the reasoning/methodology used to calculate and determine the amounts of the transfers. Although, complete information is provided through various financial and budget documents, the Financial Statements should stand alone to provide sufficient information that a reader can understand the details of the transfers.

DEPARTMENT RESPONSE:

The Finance and Accounting Department agree that additional information and description about the inter-fund transfers will be provided in the CAFR.

Additional Comments by FAD: As recommended, going forward FAD will expand information historically provided in the Notes related to inter-fund loans in subsequent annual financial reports. Additional information will be provided to more clearly define the purpose and methodology of inter-fund transfers.

Inter-fund transfers and related Notes have been part of the audited financial statements presented to the Board and reviewed by our external and internal auditors. The same format has been in place for the last 20 years. While no recommendations or comments to improve communication of these transactions have been provided during this time, FAD agrees the current format can be adjusted to incorporate additional information.

During the presentation of the biennial budget document for FY 2017/18 and 2018/19 at the Regional Technical Committee meeting, member agencies, requested additional breakdown of the budgeted inter-fund transfers associated with the Regional Wastewater program. As requested, FAD provided additional details for each inter-fund category in the Sources and Uses of Fund report for the individual funds.

Observation #2:

Documented policies and/or standard operating procedures provide guidance on financial procedures, are a best practice and ensure effective internal controls.

Inter-fund transfers and transactions are an important activity for fund management for the Agency and are an annual recurring part of finalizing the Agency's accounts for the year. Currently the Agency does not have policies or standard operating procedures to guide the processing of inter-fund transfers and transactions and document the nature and substance of inter-fund transfers and transactions. In the event of employee illness or turnover, it would be difficult for a temporary or replacement employee to prepare the necessary entries without documented procedures to follow.

Without guidance from policies and procedures, inter-fund transfers and transactions can appear arbitrary. The lack of written guidance can also result in a lack of consistency between fiscal years. Without such guidance, new or temporary staff would not have sufficient guidance to prepare the journal entries.

Recommendation #2:

FAD should document a Standard Operating Procedure and/or Inter-Fund Transfer policy that provides clear guidance as to the methodology applied to calculate and process inter-fund transfers, including the purpose, authorization procedures and methodology applied.

DEPARTMENT RESPONSE:

The Finance and Accounting Department agreed that a documented standard operating procedure should be implemented. FAD indicated that all staff are cross-trained and can perform each other's responsibilities with regards to inter-fund transfers and transactions.

Additional Comments by FAD: FAD will prepare a standard operating procedure to document the methodology and processing of inter-fund transfers.

There is minimal to no risk in the preparation of inter-fund transfers. Finance and Accounting staff is cross trained to support the calculation and execution of these transactions. Additionally, there is ongoing consistent communication among staff to ensure that the information reported at the individual fund level is reconciled.

Observation #3:

The Board of Directors should be provided with complete information to understand the nature of the Agency's different operating and capital funds and the impact that inter-fund transfers and transactions have on those individual funds' reserve balances. Currently, there is no requirement that the Board be provided with written or oral communications that describe the details of annual inter-fund transfers.

Throughout the year, the Board is provided with a variety of information about planned allocations between funds and the related inter-fund transfer requirements or other inter-fund transactions at the time the item/initiative is discussed. For example, when Bond issuances, capital projects, fees and other items are originally discussed or approved the transfers and transactions are presented. Additionally, the Board approved budget document provides information about the planned/proposed inter-fund transfers and transactions. Finance and Accounting staff stated they would provide additional information at the request of the Board, IA recommends that an annual presentation be provided to summarize the activities about all Agency inter-fund transfers and transactions for review/discussion by the Board.

Recommendation #3:

FAD should provide an annual informational written and/or oral presentation for the Board of Directors that describes the reasons for past and/or anticipated inter-fund transfers, the amounts, how those amounts were calculated and how inter-fund transfers compare to prior years.

DEPARTMENT RESPONSE:

The Finance and Accounting Department stated that additional information will be presented to the Board of Directors at the request of the Board.

Additional Comments by FAD: Inter-fund transfers, including prior year and future forecasts, are reported to the Board during the budget document preparation and during the presentation of the audited annual financial statements, consolidated and in the individual fund financial statements.

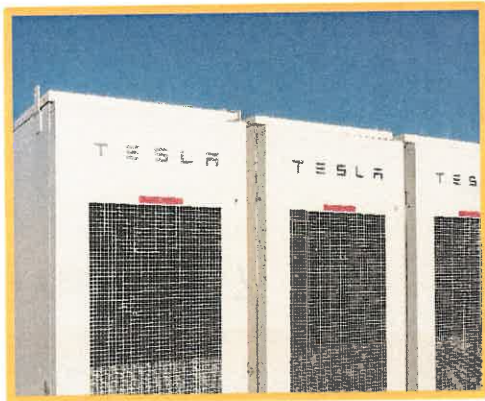
Outside Research about Inter-Fund Transfers

During IA's research related to potential risk areas about inter-fund transfers, IA located an article about inter-fund transfers and potential risks related to such. The December

2015 issue of the “Journal of Governmental & Nonprofit Accounting” study by Robert Felix, an Assistant Professor at Saint Joseph’s University titled: The Use of Inter-Fund Transfers to Manage the “Bottom Line” in the Municipal Context”. The article states that any governmental agency with multiple funds is subject to the risk that inter-fund transfers could be used to manage the operating results of individual funds to create artificial trends and/or justify rate increases or new debt financing. The complete article is included in IA’s audit files and the article can also be accessed online.

IA’s review of inter-fund transfers included considering whether the transfers were being used to manage individual fund results and or the Agency is at risk of being perceived of appearing to manage fund results. IA did not note instances that indicated that the Agency relies on the practice of using inter-fund transfers to manage fund results. The risk of any perception or interpretation by a reader may be there. As noted, IA does not consider this a risk at the Agency.

Inter-Fund Transactions Audit



Comprehensive Annual Financial Report

Notes to the Financial Statement

Fiscal Year 2017

(15) Interfund Transfers

The Regional Wastewater Capital Improvement Fund received capital support from the Regional Wastewater Operations & Maintenance Fund in the amount of \$181,160.

The Recycled Water Fund received transfers in the amount of \$509,313 from the Regional Wastewater Fund for the fund's share of the 2017A debt service payment.

The Water Resources Fund received \$58,976 from the Recycled Water Fund for capital support.

Non-Major enterprise funds received transfers in the amount of \$2,878,668. These transfers included \$1,444,271 in capital support from various funds to the Administrative Services Fund, \$53,757 to the Non-Reclaimable Wastewater Fund, and \$466,640 to the Recharge Fund. The remaining amount of \$914,000 was in operating and debt service transfers to the Recharge Water Fund.

The following table reflects the interfund transfer balances in and out by fund as of June 30, 2017.

Transfers Out:	Transfers In:				Total
	Regional Wastewater Capital	Recycled Water	Water Resources	Non-Major Enterprise Funds	
Regional Wastewater Capital Improvement Fund		\$509,313		\$ 1,845,491	\$ 2,357,804
Regional Wastewater Operations & Maintenance Fund	\$ 181,160				181,160
Recycled Water Fund			\$ 58,976	1,012,535	1,071,511
Non-Major Enterprise Funds				17,642	17,642
Total Transfers	\$ 181,160	\$509,313	\$ 58,976	\$ 2,878,668	\$ 3,628,117

Comprehensive Annual Financial Report Presentation

Fiscal Year 2016

(15) Interfund Transfers

The Regional Wastewater Operations & Maintenance (RO) Fund received capital support from the Regional Wastewater Capital Improvement Fund (RC) Fund and the Recycled Water (WC) Fund in the amount of \$3,555,238 and \$3,429,650, respectively.

The WC Fund received \$1,389,654 from the RC Fund for debt service support and the Water Fund (WW) Fund received \$294,955 from the WC Fund for capital support.

Non-Major enterprise funds received transfers in the amount of \$3,265,554. These transfers included \$917,793 in capital support from various funds to the Administrative Services (GG) Fund and \$122,775 to the Non-reclaimable Wastewater (NRW) Fund. The remaining amount consisted of \$382,000 in debt service support, \$466,000 in operating support, and \$1,376,986 in capital support to the Recharge Water (RW) Fund.

The following table reflects the interfund transfer balances in and out by fund as of June 30, 2016.

Transfers Out:	Transfers In:				Total
	Regional Wastewater (RO)	Recycled Water (WC)	Water Resources (WW)	Non-Major Enterprise Funds	
Regional Capital Improvement (RC) Fund	\$ 3,555,238	\$ 1,389,654		\$ 1,390,498	\$ 6,335,390
Recycled Water (WC) Fund	3,429,650		294,955	1,851,984	5,586,589
Non-Major Enterprise Funds	-			13,072	13,072
Total Transfers	\$ 6,984,888	\$ 1,389,654	\$ 294,955	\$ 3,265,554	\$ 11,935,051

Recommendation #1

IA recommends additional detailed information be included in the Notes to the Financial Statements to clarify what the inter-fund transfers represent, including the reasoning and methodology used to calculate and determine the amounts of the transfers.

Items to consider/discussion points:

- CAFR presentation of enterprise funds
- Notes to the Financial Statements
- Additional Information for the Board of Directors

Audit Recommendations:

Recommendation #2

- *FAD should document a Standard Operating Procedure and/or Inter-Fund Transfer policy that provides clear guidance as to the methodology applied to calculate and process inter-fund transfers, including the purpose, authorization procedures and methodology applied.*

Recommendation #3

- *FAD should take the lead to provide an annual informational written and oral presentation for the Board of Directors that describes the reasons for past and/or anticipated inter-fund transfers, the amounts, how those amounts were calculated and how inter-fund transfers compare to prior years.*



Questions/Comments



The Inter-Fund Transactions Audit Report is consistent with the Agency's Business Goals of Fiscal Responsibility, Workplace Environment, and Business Practices by ensuring that IAs evaluations provide recommendations foster a strong control environment, safeguard assets, promote a safe work environment and assist management in achieving organizational goals and objectives.

**AGENCY
REPRESENTATIVES'
REPORTS**

7A



Meeting Summary

SAWPA'S Vision

SAWPA's vision is a sustainable Santa Ana River Watershed that enjoys clean and reliable water resources necessary for a vibrant economy and high quality of life for all, while maintaining healthy ecosystems and open space.

We provide value to our member agencies and to the watershed as a whole by developing policies, programs and projects, and by facilitating collaboration across boundaries to address common goals and tackle problems that are larger than any individual entity.

SAWPA'S Mission

SAWPA strives to make the Santa Ana River Watershed more sustainable through fact-based planning and informed decision-making, regional and multijurisdictional coordination, and the innovative development of policies, programs and projects.

At its Regular Meeting of
August 21, 2018,
the Commission of the
Santa Ana Watershed Project
Authority:

- Welcomed Mark Bulot, newly appointed San Bernardino Valley Municipal Water District Commissioner who will also serve as Commission Chair.
- Nominated Commissioner Bruce Whitaker, Orange County Water District, as a SAWPA representative on the Santa Ana River Conservancy Advisory Group for a five-year term.
- Authorized the General Manager to execute an agreement continuing partner participation of the University of California Irvine in the Disadvantaged Communities Involvement Program.
- Adopted the Riverside County Operational Area Multi-Jurisdictional Local Hazard Mitigation Plan as required by the Federal Disaster Mitigation and Cost Reduction Act of 2000.
- Approved an additional \$27,874 purchase as part of the IT Infrastructure Serve Network Upgrade Project for additional storage, smart controllers and a 48-port switch.
- Received a report on the eligibility criteria and rating & ranking system adopted by the OWOW Steering Committee for the upcoming Proposition 1 IRWM implementation grants.
- Adopted a Resolution in memoriam of Commissioner Philip L. Anthony.

PLEASE NOTE: This summary may not include all agenda items and should not be construed as official minutes. Any questions please call or email Kelly Berry at 951.354.4230 - kberry@sawpa.org.

**AGENCY
REPRESENTATIVES'
REPORTS**

7B



THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

MWD MEETING AGENDA

REVISION NO. 3

Board Meeting

September 11, 2018

12:00 p.m. – Boardroom

September 11, 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.	RP&AM	Rm. 2-145
12:00 p.m.	Board Meeting	Boardroom

MWD Headquarters Building

• 700 N. Alameda Street •

Los Angeles, CA 90012

1. Call to Order

- (a) Invocation: Marco A. De Jeronimo, Assistant Engineer,
Engineering Services Group
- (b) Pledge of Allegiance: Director Marsha Ramos, the City of
Burbank

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 Special Board Meeting for August 20, 2018 and Adjourned Regular Board Meeting for August 21, 2018
(Copies have been mailed to each Director)
Any additions, corrections, or omissions
- B. Report on Directors' events attended at Metropolitan expense for month of August
- C. Approve committee assignments
- D. Chairman's Monthly Activity Report
- E. Presentation of 5-year Service Pin to Director Russell Lefevre

6. DEPARTMENT HEADS' REPORTS

- A. General Manager's summary of activities for the month of August
- B. General Counsel's summary of activities for the month of August
- C. General Auditor's summary of activities for the month of August
- D. Ethics Officer's summary of activities for the month of August

7. CONSENT CALENDAR ITEMS — ACTION

- 7-1 Adopt CEQA determination and appropriate \$970,000; and authorize: (1) preliminary investigations to remediate slopes at the Robert B. Diemer Water Treatment Plant; and (2) agreement with GEI Consultants in an amount not to exceed \$485,000 to provide geotechnical support (Appropriation No. 15478). (E&O)

Recommendation:

Option #1:

Adopt the CEQA determination that the proposed action is categorically exempt, and

- a. **Appropriate \$970,000;**
- b. **Authorize preliminary investigations to remediate slopes at the Diemer plant; and**
- c. **Authorize agreement with GEI Consultants in an amount not to exceed \$485,000 to provide geotechnical support.**

- 7-2 Adopt CEQA determination and appropriate \$870,000; and award \$619,000 contract to Shipley Construction & Plumbing to renovate three houses at Iron Mountain Pumping Plant (Appropriation No. 15495). (E&O)

Recommendation:

Option #1:

Adopt the CEQA determination that the proposed action is categorically exempt, and

- a. Appropriate \$870,000; and**
- b. Award \$619,000 contract to Shipley Construction & Plumbing to renovate three houses at Iron Mountain Pumping Plant.**

- 7-3** Adopt CEQA determination and appropriate \$970,000; and award \$556,000 contract to American Construction and Supply, Inc. to install cathodic protection on the Orange County Feeder (Appropriation No. 15441). (E&O)

Recommendation:

Option #1:

Adopt the CEQA determination that the proposed action is categorically exempt, and

- a. Appropriate \$970,000; and**
- b. Award \$556,000 contract to American Construction and Supply, Inc. to install cathodic protection on the Orange County Feeder.**

- 7-4** Adopt CEQA determination and award \$420,000 contract to Southern Contracting Company for replacement of 15 kV circuit breakers at Hiram W. Wadsworth Pumping Plant (Appropriation No. 15467). (E&O)

Recommendation:

Option #1:

Adopt the CEQA determination that the proposed action is exempt, and

Award \$420,000 contract to Southern Contracting Company for replacement of circuit breakers at Hiram W. Wadsworth Pumping Plant.

- 7-5** Adopt CEQA determination and adopt resolution designating Metropolitan's maximum contribution for medical benefits in order to comply with the current authorized Memoranda of Understanding. (OP&T)

Recommendation:

Option #1:

Adopt the CEQA determination that the proposed action is not defined as a project, and

Adopt resolution requiring Metropolitan to base its maximum medical contributions on the highest cost HMO plan between Los Angeles and Other Southern California regions, Anthem Traditional HMO, Los Angeles Region, for employees and annuitants under Government Code Section 22892(a).

- 7-6** Adopt CEQA determination and authorize increase of \$100,000, to an amount not to exceed \$200,000, for contract for legal services with Hanson Bridgett LLP to provide legal tax and benefits advice on deferred compensation plans, other employee benefits, and CalPERS matters. (L&C)

Recommendation:

Option #1:

Adopt the CEQA determination that the proposed action is not defined as a project and is not subject to CEQA, and

Authorize the General Counsel to increase the amount payable under its agreement with Hanson Bridgett LLP by \$100,000 to an amount not to exceed \$200,000

- 7-7** Adopt CEQA determination and authorize granting a lease amendment to Greenland Farm, Inc., for agricultural purposes on Metropolitan fee-owned property in the City of Hemet, within the county of Riverside. (RP&AM)

Recommendation:

Option #1:

Adopt the CEQA determination that the proposed action is categorically exempt, and

Authorize granting a lease extension on a year-to-year basis through 2023 to Greenland Farm Inc., for farming purposes.

- 7-8** Adopt CEQA determination and authorize granting a lease amendment to the City of Los Alamitos, for a recreational city park referred to as Stansbury Park located in the City of Los Alamitos within Orange county. (RP&AM)

Recommendation:

Option #1:

Adopt the CEQA determination that the proposed action is categorically exempt, and

Authorize granting a year-to-year lease extension through the year 2048 to the City of Los Alamitos for a public park.

- 7-9** Adopt CEQA determination and authorize granting a permanent easement to the California Department of Transportation on Metropolitan owned property to facilitate widening State Route 62 across a siphon along the Colorado River Aqueduct within the county of Riverside. (RP&AM)

Recommendation:

Option #1:

Adopt the CEQA determination that the proposed action is exempt, and

Authorize granting a permanent easement to Caltrans to facilitate widening State Route 62 across one of the siphons along the Colorado River Aqueduct.

END OF CONSENT CALENDAR

8. OTHER BOARD ITEMS — ACTION

- 8-1** Adopt CEQA determination and appropriate \$6.68 million; and authorize upgrades to three hydroelectric power plants (Appropriation No. 15458). (E&O)

Recommendation:

Option #1:

Adopt the CEQA determination that the proposed action is categorically exempt, and

- a. Appropriate \$6.68 million;**
- b. Authorize design and construction to rehabilitate Red Mountain Power Plant;**
- c. Authorize final design and procurement to rehabilitate Foothill Power Plant; and**
- d. Authorize completion activities for the modification of Yorba Linda Power Plant.**

- 8-2** Adopt CEQA determination and appropriate \$2.78 million; and award \$866,600 contract to J. F. Shea Construction, Inc. to replace service connection valves on the Rialto Pipeline (Appropriation No. 15480). (E&O)

Recommendation:

Option #1:

Adopt the CEQA determination that the proposed action is exempt, and

- a. Appropriate \$2.78 million; and**
- b. Award \$866,600 contract to J. F. Shea Construction, Inc. to replace valves for Service Connections CB-12 and CB-16 on the Rialto Pipeline.**

- 8-3** Adopt CEQA determination and adopt Metropolitan's Proposed Facilities Naming Policies and Procedures

Recommendation:

Option #1:

Adopt the CEQA determination that the proposed action is not defined as a project and is not subject to CEQA, and

Adopt the proposed Metropolitan Facilities Naming Policy Principle as a Board-Adopted Policy Principle.

- 8-4** Adopt CEQA determination and adopt reporting structure for Metropolitan's Ethics Officer. (A&E)

Recommendation:

Option #1:

Adopt the CEQA determination that the proposed action is not defined as a project, and

Direct that the reporting relationship of the Ethics Office to the Board prospectively shall be done through the Audit and Ethics Committee.

Added

- 8-5** Adopt CEQA determination, approve the job description for the Ethics Officer and approve the hiring process for the Ethics Officer. (A&E)

Recommendation:

Option #1:

Adopt the CEQA determination that the proposed action is not defined as a project, and

Approve the job description for the Ethics Officer, and approve the hiring process described above.

9. BOARD INFORMATION ITEMS

- 9-1** Update on Conservation Program
- 9-2** Information on the Antelope Valley – East Kern Water Agency High Desert Water Bank Program. (WP&S)

Withdrawn

- 9-3** ~~Review of Agreement in Principal for Amendments to State Water Project Contract Regarding Water Management Provisions and Allocation of California WaterFix Costs Amongst Participating Public Water Agencies. (WP&S)~~
- 9-4** Review of Local Resources Program Target. (WP&S)

10. OTHER MATTERS

- 10-1 Discussion of Department Head Evaluation Process Guidelines and Department Head Evaluation Presentations
[Public employee's performance evaluations; General Manager, General Counsel, and General Auditor, to be heard in closed session pursuant to Gov. Code 54957(b)]

11. BROWN ACT TRAINING

12. FOLLOW-UP ITEMS

13. FUTURE AGENDA ITEMS

14. ADJOURNMENT

NOTE: 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



Regional Sewerage Program Policy Committee Meeting

AGENDA

Thursday, September 6, 2018

4:00 p.m.

Location

Inland Empire Utilities Agency
Boardroom
6075 Kimball Avenue
Chino, CA 91708

Call to Order and Roll Call

Pledge of Allegiance

Public Comment

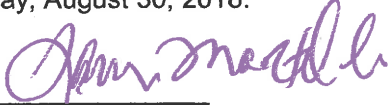
Changes/Additions/Deletions to the Agenda

- 1. Technical Committee Report (Oral)**
- 2. Action Item**
 - A. Meeting Minutes for August 2, 2018
 - B. RP-5 RW Pipeline Bottleneck Construction Contract Award
- 3. Informational Items**
 - A. Regional Contract Update (Oral)
 - B. Legislative Update
- 4. Receive and File**
 - A. Building Activity Update
 - B. Recycled Water Distribution – Operations Summary
 - C. Septic to Sewer Feasibility Study
 - D. Kearns & West Preliminary Negotiation Schedule
- 5. Other Business**
 - A. IEUA General Manager's Update
 - B. Committee Member Requested Agenda Items for Next Meeting
 - C. Committee Member Comments
 - D. Next Meeting – October 4, 2018

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 and posted in the foyer at the Agency's main office at 6075 Kimball Avenue, Building A, Chino, CA, on Thursday, August 30, 2018.



Laura Mantilla

**AGENCY
REPRESENTATIVES'
REPORTS**

7D

**CHINO BASIN WATERMASTER
WATERMASTER BOARD MEETING**

11:00 a.m. – August 23, 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

Approve as presented:

1. Minutes of the Watermaster Board Special Meeting held July 23, 2018
2. Minutes of the Watermaster Board Meeting held July 26, 2018

B. FINANCIAL REPORTS

Receive and file as presented:

1. Cash Disbursements for the month of June 2018
2. Watermaster VISA Check Detail for the month of June 2018
3. Combining Schedule for the Period July 1, 2017 through June 30, 2018
4. Treasurer's Report of Financial Affairs for the Period June 1, 2018 through June 30, 2018
5. Budget vs. Actual Report for the Period July 1, 2017 through June 30, 2018

C. WATER TRANSACTIONS

Approve the proposed transactions:

1. The transfer of 80.000 acre-feet of water from West End Consolidated Water Company to Golden State Water Company. This transfer is made from West End Consolidated Water Company's Annual Production Right/Operating Safe Yield first, then any additional from Excess Carryover. Golden State Water Company is utilizing this transaction to produce its West End Consolidated Water Company shares.
2. The transfer of 853.677 acre-feet of water from West End Consolidated Water Company to City of Upland. This transfer is made from West End Consolidated Water Company's Annual Production Right/Operating Safe Yield first, then any additional from Excess Carryover. The City of Upland is utilizing this transaction to produce its West End Consolidated Water Company shares.

D. APPLICATION FOR RECHARGE

Approve Fontana Water Company's Application for Recharge and direct Watermaster staff to account for this supplemental water recharged in Fontana Water Company's existing Local Supplemental Storage account.

II. BUSINESS ITEMS

A. RIGHT OF ENTRY AGREEMENT BETWEEN CHINO BASIN WATERMASTER AND THE CITY OF POMONA FOR CONSTRUCTION AND OPERATION OF THE POMONA EXTENSOMETER

Approve the Right of Entry Agreement between the Chino Basin Watermaster and the City of Pomona for Construction and Operation of the Pomona Extensometer and authorize the General Manager to execute the agreement on behalf of Watermaster.

B. TASK ORDER NO. 3 UNDER MASTER AGREEMENT FOR COLLABORATIVE PROJECTS: POMONA EXTENSOMETER CONTRACT ADMINISTRATION

Approve Task Order No. 3 Under Master Agreement for Collaborative Projects: Pomona Extensometer Contract Administration and authorize the General Manager to execute the agreement on behalf of Watermaster.

C. RIGHT OF ENTRY AGREEMENT BETWEEN CHINO BASIN WATERMASTER AND CHINO REAL ESTATE 13799 LLC (MONITORING WELL PRESERVATION AT FORMER CROWN COACH FACILITY)

Approve the Right of Entry Agreement between the Chino Basin Watermaster and Chino Real Estate 13799, LLC and authorize the General Manager to execute the agreement on behalf of Watermaster.

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

1. Appeal of April 28, 2017 Order
2. August 24, 2018 Court Hearing
3. Overlying (Agricultural) Pool Committee's Consolidated and Amended Contests

B. ENGINEER REPORT

1. Storage Framework
2. Fiscal Year 2017/18 GLMC Annual Report

C. CFO REPORT

None

D. GM REPORT

1. 2018 RMPU
2. SGMA Update
3. Other

IV. INFORMATION

1. Cash Disbursements for July 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. Advisory Committee Request For Watermaster Assistance

VIII. FUTURE MEETINGS AT WATERMASTER

8/23/18	Thu	9:00 a.m.	Ground-Level Monitoring Committee
8/23/18	Thu	11:00 a.m.	Watermaster Board
8/28/18	Tue	9:00 a.m.	Groundwater Recharge Coordinating Committee
9/11/18	Tue	1:00 p.m.	Storage Framework Workshop #8
9/13/18	Thu	9:00 a.m.	Appropriative Pool
9/13/18	Thu	11:00 a.m.	Non-Agricultural Pool
9/13/18	Thu	1:30 p.m.	Agricultural Pool
9/20/18	Thu	8:00 a.m.	Appropriative Pool Strategic Planning (Confidential Session Only)
9/20/18	Thu	9:00 a.m.	Advisory Committee
9/20/18	Thu	9:30 a.m.	Recharge Investigations and Projects Committee
9/27/18	Thu	11:00 a.m.	Watermaster Board

ADJOURNMENT

**AGENCY
REPRESENTATIVES'
REPORTS**

7E

**SPECIAL BOARD MEETING OF
THE BOARD OF DIRECTORS
CHINO BASIN DESALTER AUTHORITY**

September 6, 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 AUGUST 16, 2018 SPECIAL BOARD MEETING

2. PURCHASE OF REVERSE OSMOSIS (RO) MEMBRANE ELEMENTS

Report by: Todd Minten, CDA Operations Manager

Staff Recommendation:

1. Approve a purchase order with Dow Water & Process Solutions for the supply and installation of RO membrane elements in the amount of \$401,625.00.

3. ADOPTION OF CHINO BASIN DESALTER AUTHORITY'S REVISED RESERVE POLICY

Report by: Michael Chung, CFO/Treasurer

Staff Recommendation:

1. Approve the Chino Basin Desalter Authority's Reserve Policy as submitted; and
2. Adopt Resolution 2019-01 approving the CDA's Revised Reserve Policy.

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).

- 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)
(TWO POTENTIAL CASES)**
- 6. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:
SIGNIFICANT EXPOSURE TO LITIGATION PURSUANT TO GOVERNMENT
CODE SECTION 54956.9(D)(2)
(ONE POTENTIAL CASE)**
- 7. **Pursuant to Government Code section 54957:
PUBLIC EMPLOYEE APPOINTMENT
Title: General Manager**

Directors Comments:

ADJOURNMENT – To the Regular Meeting on October 4, 2018

Declaration of Posting

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, September 3, 2018.

Casey Costa, Executive Assistant

**GENERAL
MANAGER'S
REPORT**

Date: September 19, 2018

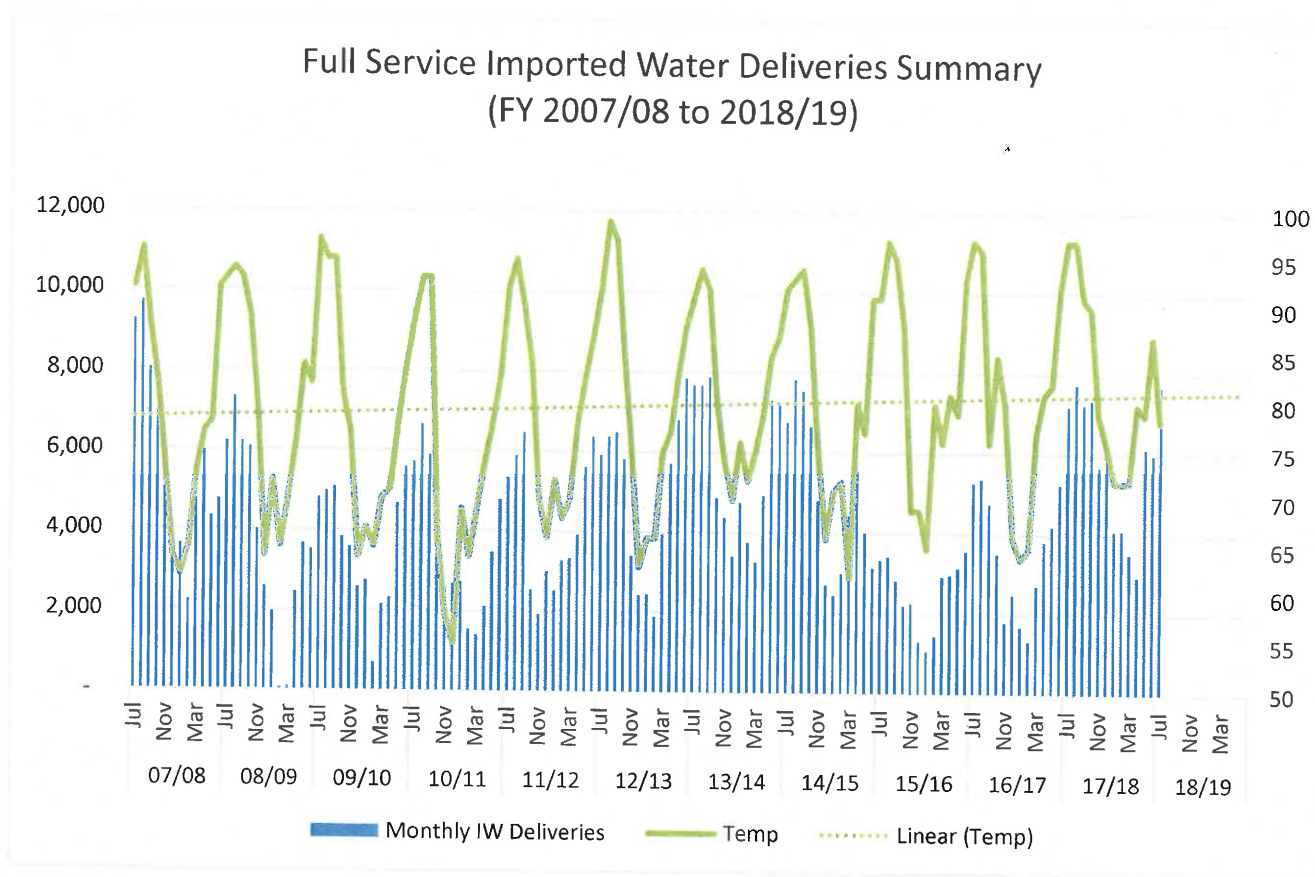
To: The Honorable Board of Directors

From: Halla Razak, General Manager *HHR*

Subject: General Manager's Report Regarding Agency Activities

PLANNING & ENVIRONMENTAL RESOURCES

Imported Water



Reclamation System

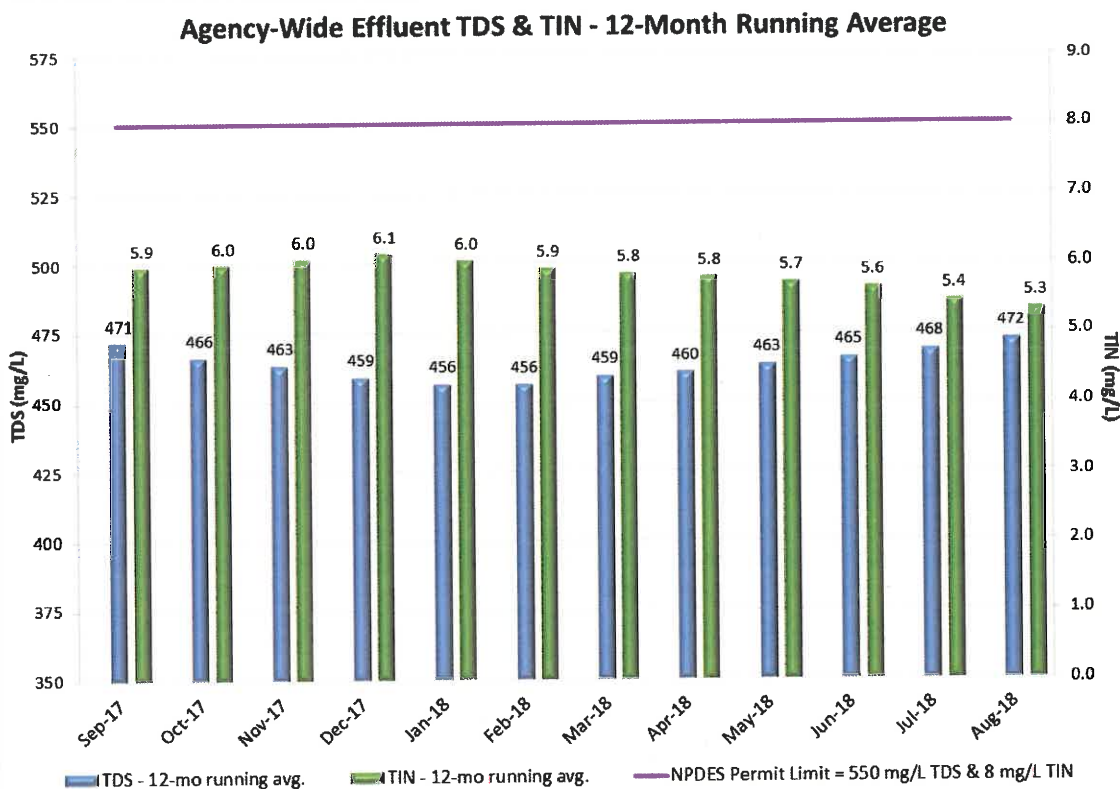
Regional Plants 1, 4, 5 and Carbon Canyon Water Recycling Facility met all the NPDES requirements and effluent/recycled water limitations during the month of August 2018.

1. The Agency-wide average sewer influent flow for the month of August 2018 was 49.2 million gallons per day (mgd) (preliminary value), which is a 1.6 mgd increase from the July 2018 total influent flow.

IEUA Regional Influent Flows

INFLUENT FLOW	RP-1	RP-4	RP-5	CCWRF	ALL FACILITIES
Daily Average (mgd)	23.8	9.6	6.8	9.0	49.2
Monthly Total (million gal.)	738	298	210	279	1526

- The discharge permit effluent limit for total dissolved solids (TDS) is 550 mg/L. The 12-month running average TDS value for August 2018 was 472 mg/L (preliminary value).
- The discharge permit effluent limit for total inorganic nitrogen (TIN) is 8 mg/L. The 12-month running average TIN value for August 2018 was 5.3 mg/L (preliminary value).



Air Quality

There were no reportable incidents relating to air quality compliance during the month of August 2018. During August, the South Coast Air Quality Management District (SCAQMD) conducted on-site inspections at IERCF and the CDA wells sites. No notable issues were raised during the inspections. IEUA is awaiting compliance determinations for these sites as well as for the on-site inspections of RP-5, RP-2, and RP-1, conducted in June 2018. IEUA is also awaiting notices from the SCAQMD Legal department for the Violations received in December 2017.

INLAND EMPIRE REGIONAL COMPOSTING FACILITY – UPDATE

Operational Comments – Facility throughput for August averaged approximately 91% of permitted capacity at an average of 417 tons per day of biosolids and 104 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	6,573.65	46,287.58
Inland Empire Utilities Agency	5,245.99	43,630.32
Orange County Sanitation District	1,122.27	9,291.84
TOTAL	12,941.91	99,209.74

Compost Sales – The Sales Team has limited some market segments in anticipation of a large upcoming CalTrans job. Revenues are reflective of this shift as well. Sales are expected to increase in September through the end of the year due to the beginning of the planting season.

Monthly Sales Summary

CUBIC YARD	\$/CUBIC YARD	TOTAL REVENUE
15,194.50	\$1.90	\$28,866.84

Fiscal Year-To-Date Sales Summary

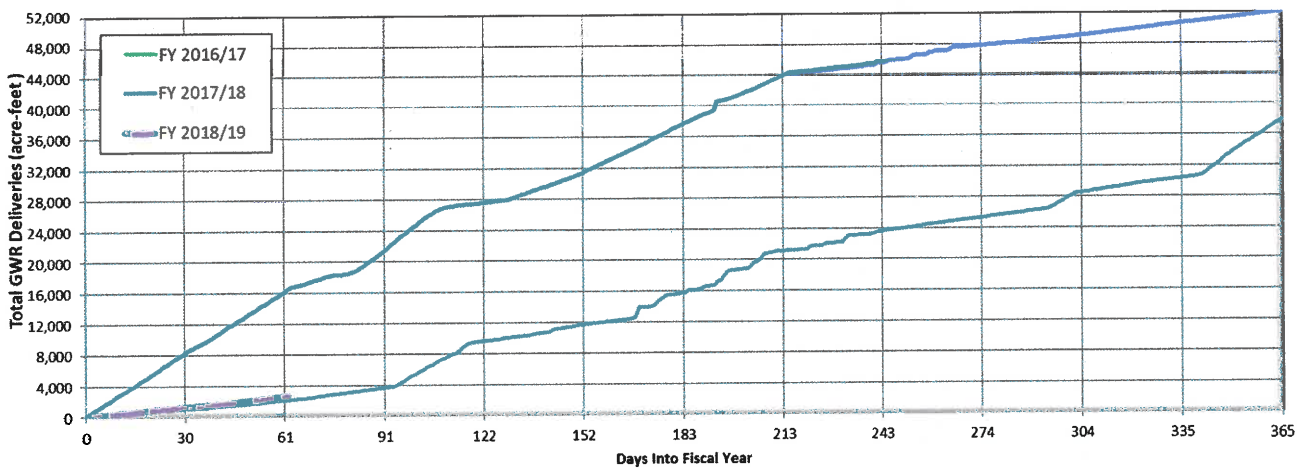
MONTH	TOTAL YARDS 2018/2019	TOTAL YARDS 2017/2018	TOTAL REVENUE 2018/2019	TOTAL REVENUE 2017/2018
July	14,910.11	21,518.61	\$24,972.01	\$31,737.00
August	15,194.50	19,226.62	\$28,866.84	\$37,071.78
September				
October				
November				
December				
January				
February				
March				
April				
May				
June				
TOTAL	30,104.61	40,745.23	\$53,838.85	\$68,808.78
AVERAGE	15,052.31	20,372.62	\$26,919.43	\$34,404.39

Groundwater Recharge – August 2018

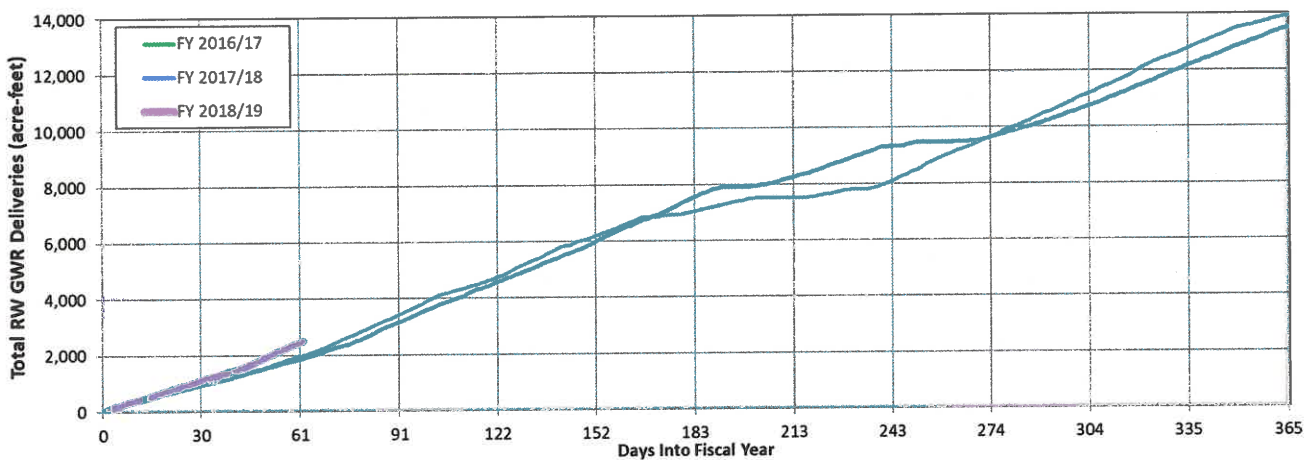
During August 2018, recycled water delivered for recharge was approximately 1,397 acre-feet. Brooks Basin was out of service to initiate infiltration restoration work. Miscellaneous dry weather flows resulted in the diversion of approximately 36 acre-feet. For supplemental water deliveries (imported and recycled), Chino Basin Watermaster will remove 4.2% for August evaporation losses. Considering evaporation, total recharge for the month was approximately 1,374 acre-feet.

Monthly summaries of recharge by recharge site for the Chino Basin Groundwater Recharge Operations can be found at <http://www.ieua.org/category/reports/groundwater-recharge-reports>.

Total Groundwater Recharge – through August 2018

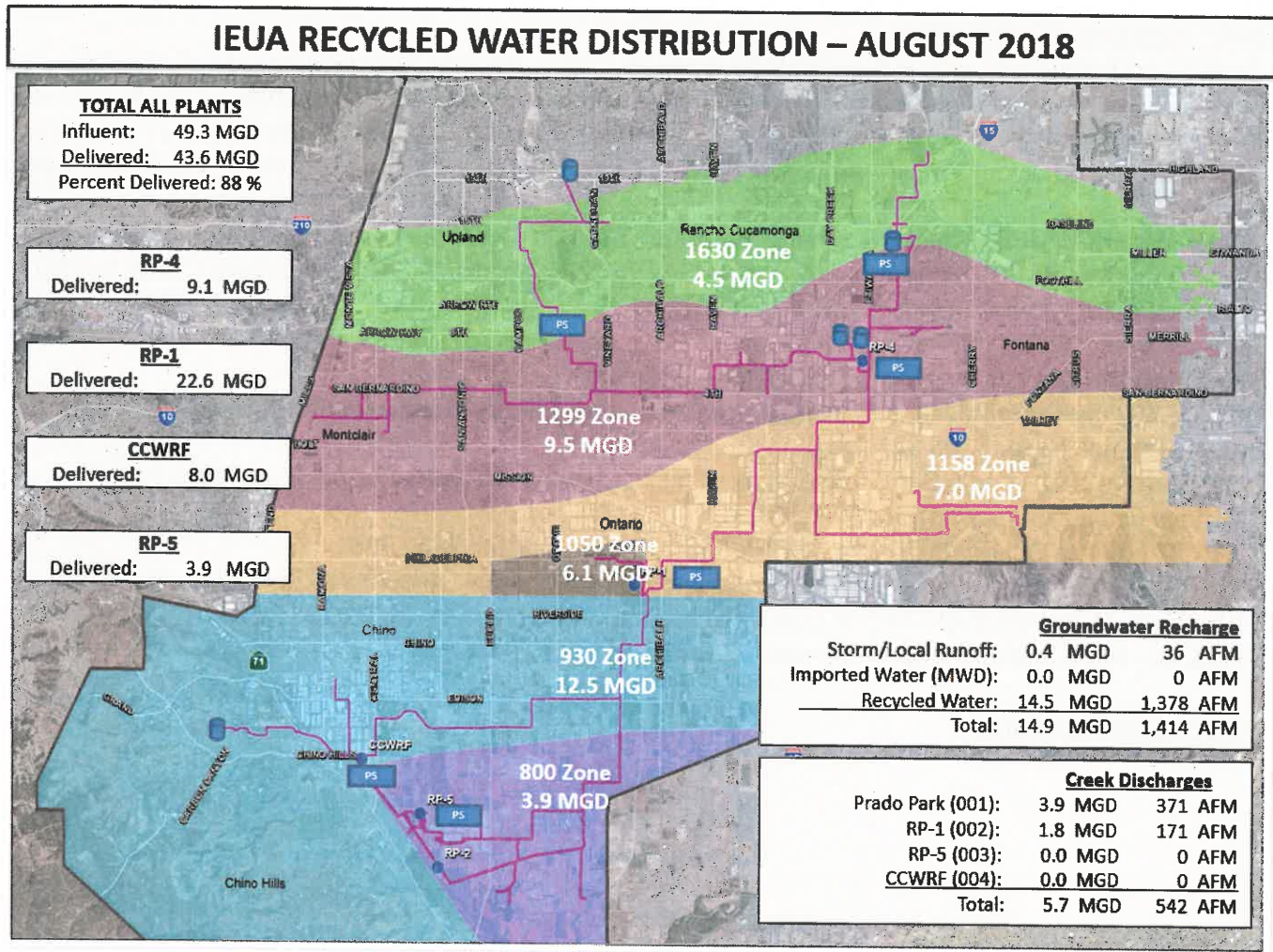


Recycled Water Delivered to Groundwater Recharge – through August 2018



RW Distribution – August 2018

During August 2018, 88% (43.6 MGD) of IEUA recycled water supply (49.3 MGD) was delivered into the distribution system for both direct use customers (29.1 MGD) and groundwater recharge (14.5 MGD). Plant discharge to creeks feeding the Santa Ana River averaged 5.7 MGD.



Grant/Loan Applications Submitted:

1. The WaterSMART 2018 Grant Application for the Chino Basin Water Bank Strategic Plan was submitted to the U.S. Bureau of Reclamation (USBR) on July 16, 2018, in the amount of \$400,000. The USBR application review team requested additional information regarding the project, which was submitted on August 10th, 2018.
2. The WIFIA Loan Application Letter of Interest (LOI) for the RP-5 Expansion Project was submitted to the EPA on July 26, 2018, for \$132 million or 40% of the total project cost. The EPA received 62 LOI from prospective borrowers for water infrastructure projects requesting \$9.1 billion in WIFIA loans. Seventeen of the LOI were from California.

Grant/Loan Applications in Process:

1. SRF Loan Application for the RP-5 Expansion Project
2. SRF Loan Application for the Montclair Basin Improvement Project
3. SRF Loan Application for the Lower Day Basin Improvement Project
4. SRF Loan Application for the Wineville/Jurupa Basin/RP-3 Basins Improvement Project
5. SRF Loan Application for the IEUA/Pomona/MVWD Recycled Water Intertie Project
6. SRF Loan Application for the Carbon Canyon Water Recycling Facility Improvements Project

Grant/Loan Agreement Negotiation:

1. State Water Resources Control Board (SWRCB) Prop 1 Groundwater Quality Grant (\$11.4M) for the TCE Plume Cleanup Project - Technical Advisory Committee meeting was held on August 22, 2018, with staff from the Regional and State Water Boards, the Drinking Water Division, CDA and IEUA in attendance. Attendees visited several of the proposed Well – 11 and Well -- 12 sites and the CDA Decarbonator Facility.
2. USBR WaterSMART Drought Response Program: Drought Resiliency Grant (\$750k) was awarded. A kick-off meeting to start the negotiation process was held on August 23, 2018, with both USBR and IEUA grants staff and Project Manager in attendance.

Grant Reimbursements Processed and Reporting Activities:

1. USBR – Groundwater Recharge Yield Enhancement Conjunctive Use Project for Stormwater Capture Grant – Invoice #2 for \$200,821.35.
2. USBR – Joint IEUA and CDA Ground Water Phase 2 Wells # 10 & 12 and the Raw Water Intertie Pipelines Grant - Invoice #13 for \$ 43,661.11.
3. SWRCB – Water Quality Laboratory SRF Loan – Invoice #14 for \$839,736.
4. SAWPA/DWR – Regional Residential Landscape Retrofit Grant – Invoice #15 for \$5,948.45.
5. DPR-Water Discovery Field Trip & Busing Mini Grant – Invoice #11 for \$20,335.57.
6. SWRCB – Napa Lateral Project – Invoice #2 for \$1,853.00.

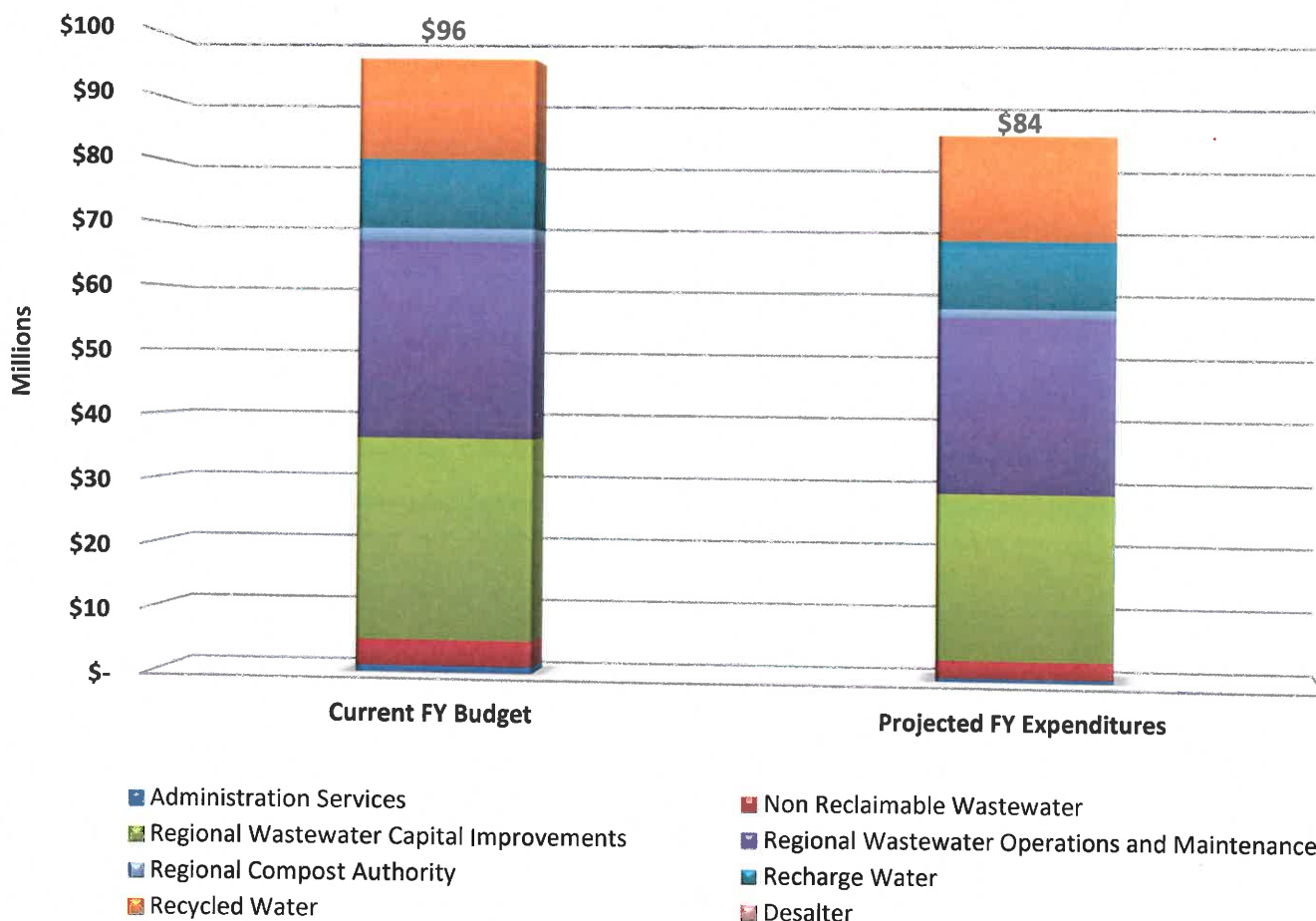
Other Department Activities:

N/A

ENGINEERING CONSTRUCTION MANAGEMENT DEPARTMENT UPDATE

Engineering and Construction Management's current FY 2018/19 budget is \$95,945,806. As of August 31st, staff has projected to spend \$84,303,342 (~88%).

Engineering and Construction Management FY 2018/19 Budget Status Update



The accompanying attachments have detailed information for IEUA's capital improvement program.

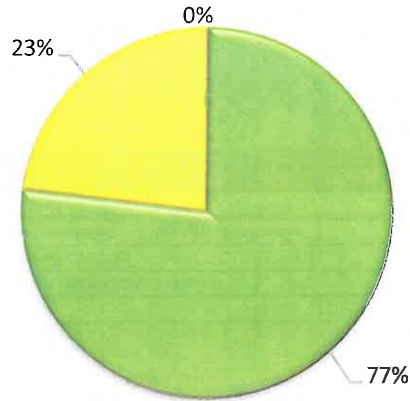
- Attachment A: Bid and Award Look Ahead Schedule
- Attachment B: Active Capital Improvement Project Status
- Attachment C: Emergency Projects

Attachment A
 Bid and Award Look Ahead Schedule

Bid and Award Look Ahead Schedule			
	Project Name	Projected Bid Opening Date	Projected Bid Award Date
	Oct-18		
1	FM19001.00 Agency Wide Roofing\RP-1 PRB and MCC Building Roof and Skylight Replacement	2-Oct-18	17-Oct-18
	Nov-18		
2	EN14042.00 1158 RWPS Upgrades	4-Oct-18	21-Nov-18
3	EN17042.00 Digester 6 and 7 Roof Repairs	10-Oct-18	21-Nov-18
4	EN17045.00 RP-1 Filter Valve Replacement	23-Oct-18	21-Nov-18
5	RW15003.02 Victoria Basin Improvements	6-Nov-18	21-Nov-18
	Dec-18		
6	EN17049.00 Baseline RWPL Extension	28-Nov-18	19-Dec-18
7	EN18015.00 Collection System Upgrades	4-Dec-18	19-Dec-18
	Jan-19		
8	EN17082.00 Mechanical Restoration and Upgrades	26-Nov-18	16-Jan-19
9	EN18006.00 RP-1 Flare Improvements	14-Dec-18	16-Jan-19
	Mar-19		
10	EN22002.00 NRW East End Flowmeter Replacement	28-Jan-19	20-Mar-19
	Apr-19		
11	EN17041.00 Orchard Recycled Water Turnout Improvements	8-Mar-19	17-Apr-19
12	EN18038.00 RP-4 Operations and Maintenance Building	11-Feb-19	17-Apr-19
13	RW15003.03 Montclair Basin Improvements	9-Jan-19	17-Apr-19
14	RW15003.06 Wineville/Jurupa/Force Main Improvements	6-Feb-19	17-Apr-19
15	RW15004.00 Lower Day Basin Improvements (RMPU PID 12)	6-Feb-19	17-Apr-19
	Jun-19		
16	EN18036.00 CCWRF Asset Management and Improvements - Package III	9-Apr-19	19-Jun-19
17	EN18037.00 CCWRF Asset Management and Improvements - Package II	12-Apr-19	19-Jun-19
	Jul-19		
18	EN15012.01 RP-1 Plant No. 2 Effluent Conveyance Improvements	23-May-19	17-Jul-19
19	EN19010.00 RP-4 Influent Screen Replacement	9-Jul-19	17-Jul-19
	Jul-19		
20	EN19015.00 Collection System Upgrades 18/19	28-Aug-19	18-Sep-19
21	EN19025.00 Montclair and San Bernardino Force Main Cleanout Vaults	4-Sep-19	18-Sep-19
22	EN23002.00 Philadelphia Lift Station Force Main Improvements	20-Aug-19	18-Sep-19

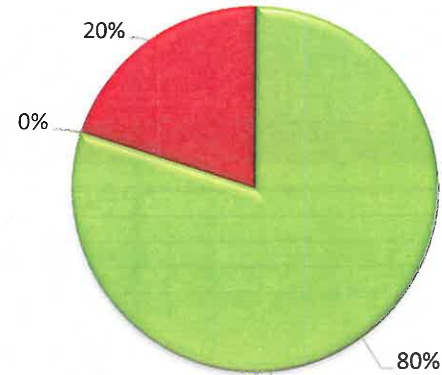
Attachment B
 Active Capital Improvement Project Status

Design Schedule Performance



■ On-time ■ Recovery in Progress ■ Behind Schedule

Construction Schedule Performance



■ On-time ■ Recovery in Progress ■ Behind Schedule

Agency-Wide							
No.	Project ID	Project Title	Total Expenditures thru 8/31/2018 (\$)	Total Project Budget (\$)	Project Schedule Performance	Status	Schedule Recovery Plan
1	EN13016.05	SCADA Enterprise System - (Regional Water Recycling Plant No. 1) (Costs are in EN13016)	-	-	Recovery in Progress	Pre-Design	Project will be re-baselined when consultant submits a revised project schedule.
2	EN13016.03	SCADA Enterprise System - (Regional Water Recycling Plant No. 4) (Costs are in EN13016)	-	-	Recovery in Progress	Construction	Project will be re-baselined when contractor submits a revised project schedule.
3	EN17080	System Cathodic Protection Improvements	267,734	3,510,000	On-time	Bid and Award	
4	FM19001	Agency Wide Roofing	418	250,000	On-time	Bid and Award	
5	EN13016.04	SCADA Enterprise System - (Regional Water Recycling Plant No. 5) (Costs are in EN13016)	-	-	On-time	Construction	
6	EN13016	SCADA Enterprise System (EN13016.03, 04)	8,623,787	15,803,331	On-time	Closed	
Totals			8,891,940	19,563,331			

Carbon Canyon Wastewater Regional Facility (CCWRF)							
No.	Project ID	Project Title	Total Expenditures thru 8/31/2018 (\$)	Total Project Budget (\$)	Project Schedule Performance	Status	Schedule Recovery Plan
7	EN17006	CCWRF Asset Management and Improvements	1,775,836	23,421,951	Recovery in Progress	Pre-Design	An updated baseline schedule will be created to reflect the added time during the peer review and the additional evaluation needed.
8	EN18036	CCWRF Asset Management and Improvements - Package III	150,265	2,420,000	On-time	Design	
9	EN18037	CCWRF Asset Management and Improvements - Package II	112,475	950,000	On-time	Design	
Totals			2,038,576	26,791,951			
Chino Desalter Authority (CDA)							
No.	Project ID	Project Title	Total Expenditures thru 8/31/2018 (\$)	Total Project Budget (\$)	Project Schedule Performance	Status	Schedule Recovery Plan
10	EN16021	TCE Plume Cleanup	12,544,980	17,294,171	On-time	Design	
11	DL37141	CDA Structures Coating	263,959	265,000	N/A	Warranty	
Totals			12,808,939	17,559,171			
Collections							
No.	Project ID	Project Title	Total Expenditures thru 8/31/2018 (\$)	Total Project Budget (\$)	Project Schedule Performance	Status	Schedule Recovery Plan
12	EN19014	NRWS Manhole Upgrade	449	200,000	On-time	Pre-Design	
13	EN23002	Philadelphia Lift Station Force Main Improvements	9,494	6,000,000	On-time	Pre-Design	
14	EN19015	Collection System Upgrades 18/19	1,441	500,000	On-time	Design	
15	EN22002	Non-Reclaimable Wastewater East End Flowmeter Replacement	209,658	1,986,985	On-time	Design	
Totals			221,043	8,686,985			
Groundwater Recharge							
No.	Project ID	Project Title	Total Expenditures thru 8/31/2018 (\$)	Total Project Budget (\$)	Project Schedule Performance	Status	Schedule Recovery Plan
16	RW15003.03	Montclair Basin Improvements (Costs are in RW15003)	-	-	On-time	Design	
17	RW15004	Lower Day Basin Improvements (RMPU PID 12)	475,847	4,008,000	On-time	Design	
18	RW15003.02	Victoria Basin Improvements (Costs are in RW15003)			On-time	Bid and Award	
19	EN13001	San Sevaire Basin Improvements	5,010,864	6,460,001	On-time	Construction	
20	EN17067	Declerz Monitoring Well Project	349,938	400,000	Behind Schedule	Construction	The driller was non-compliant with the near finished well. The contractor needs more time to correct the cloudiness in the well. Additional well development is currently in progress to clear up the well. This is pushing the completion date by two more weeks. No recovery is possible.
21	RW15003.05	RP-3 Basin Improvements (Costs are in RW15003)	-	-	On-time	Construction	
22	RW15003	Recharge Master Plan Update	2,788,717	7,490,500	N/A		
Totals			8,625,366	18,358,501			

Headquarters							
No.	Project ID	Project Title	Total Expenditures thru 8/31/2018 (\$)	Total Project Budget (\$)	Project Schedule Performance	Status	Schedule Recovery Plan
23	EN15008	Water Quality Laboratory	21,876,814	24,645,000	On-time	Construction	
24	EN18055	Headquarters Roofing Replacement	748,588	1,266,447	Behind Schedule	Construction	The inability of the skylight manufacturer to meet the completion deadline is expected to add 12 weeks to the project completion. The contractor is currently on schedule on all work items except the skylight procurement. Skylights will arrive in September and be installed by the end of that month. A change order has been executed for additional time not applicable to the contractor.
Totals			22,625,402	25,911,447			
IERCF							
No.	Project ID	Project Title	Total Expenditures thru 8/31/2018 (\$)	Total Project Budget (\$)	Project Schedule Performance	Status	Schedule Recovery Plan
25	RA19002	IERCF Trommel Screen Improvements	96,958	1,600,000	On-time	Design	
Totals			96,958	1,600,000			
Regional Water Recycling Plant No. 1 (RP-1)							
No.	Project ID	Project Title	Total Expenditures thru 8/31/2018 (\$)	Total Project Budget (\$)	Project Schedule Performance	Status	Schedule Recovery Plan
26	EN17077	SBL5 Emergency Diversion	310,150	525,000	On-time	Project Evaluation	
27	EN17042	Digester 6 and 7 Roof Repairs	1,442,551	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. Project will be re-baselined after construction contract award.
28	EN24001	RP-1 Liquid Treatment Capacity Recovery	1,334,108	182,050,000	On-time	Pre-Design	
29	EN24002	RP-1 Solids Treatment Expansion	437,500	48,050,000	On-time	Pre-Design	
30	EN14042	1158 Recycled Water Pump Station Upgrades	756,586	4,000,000	Recovery in Progress	Design	The project will be rebaselined as we get closer to construction due to additional scope of work identified during the design phase of the project. The project contains long lead items which has increased the original estimated construction duration of 12 months to 14 months. In addition, the SRF loan and grant funds have been delayed to Fall of 2018 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
31	EN15012.01	RP-1 Plant No. 2 Effluent Conveyance Improvements	-	-	On-time	Design	
32	EN17045	RP-1 Filter Valve Replacement	54,634	650,000	On-time	Design	
33	EN17082	Mechanical Restoration and Upgrades	484,330	1,515,000	On-time	Design	
34	EN18006	RP-1 Flare Improvements	358,078	5,340,000	Recovery in Progress	Design	The project is slightly behind schedule due to extensive effort applied during the predesign phase searching of flare manufacturers who can meet the strict regulatory requirements set forth by South Coast Air Quality Management District. Project will be re-baselined after construction contract award

Regional Water Recycling Plant No. 1 (RP-1) (Cont.)

No.	Project ID	Project Title	Total Expenditures thru 8/31/2018 (\$)	Total Project Budget (\$)	Project Schedule Performance	Status	Schedule Recovery Plan
35	EN18042	RP-1 Civil Restoration and Upgrades	90,376	600,000	On-time	Design	
36	EN17044	RP-1 12 kV Switchgear and Generator Control Upgrades	331,244	1,500,000	On-time	Construction	
37	EN15012	RP-1 Primary Effluent Conveyance Improvements	746,984	3,015,598	On-time	Construction	
38	EN18039	Agency-Wide Light Pole Replacements and Upgrades	40,697	220,000	On-time	Construction	
39	EN13048	RP-1 Power System Upgrades	791,778	1,599,000	On-time	Construction	
40	EN14019	RP-1 Headworks Primary and Secondary Upgrades	3,578,730	9,750,000	Behind Schedule	Construction	Recovery is not possible. The contractor has been given a 55-day non-compensable time extension for delays associated with MCC procurement.
41	EN16024	RP-1 Mixed Liquor Return Pumps	6,984,964	7,236,000	On-time	Project Acceptance	
42	EN18040	RP-1 Maintenance Building HVAC Replacement	226,607	650,000	On-time	Project Acceptance	
43	EP17003	RP-1 Maintenance Building Training Room	409,686	425,000	On-time	Project Acceptance	
44	EN17040	RP-1 Aeration Basin Panel Repairs	337,397	3,226,269	On-time	Warranty	
Totals			18,716,397	274,151,867			

Regional Water Recycling Plant No. 2 (RP-2)

No.	Project ID	Project Title	Total Expenditures thru 8/31/2018 (\$)	Total Project Budget (\$)	Project Schedule Performance	Status	Schedule Recovery Plan
45	EN000000035	RP-2 Grinder Installation	1,422	-	On-time	Construction	
Totals			1,422	-			

Regional Water Recycling Plant No. 4 (RP-4)

No.	Project ID	Project Title	Total Expenditures thru 8/31/2018 (\$)	Total Project Budget (\$)	Project Schedule Performance	Status	Schedule Recovery Plan
46	EN19010	RP-4 Influent Screen Replacement	9,351	3,040,000	On-time	Project Evaluation	
47	EN17043	RP4 Primary Clarifier Rehab	240,142	6,520,900	On-time	Pre-Design	
48	EN17110	RP-4 Process Improvements	3,470,913	17,281,763	On-time	Pre-Design	
49	EN18038	RP-4 Operations and Maintenance Building	88,964	450,000	On-time	Design	
50	EN17110.02	RP-4 Pilot Project Ammonia Control (Costs are in EN17110)	-	-	On-time	Design	
51	EN19029	RP-4 Outfall Pipeline Air Relief/Blow-Off Replacements	10,161	665,000	On-time	Design	
52	EN17110.01	RP-4 Trident Filters Rehabilitation and Replacement (Costs are in EN17110)	-	-	On-time	Construction	
53	EN14018	RP-4 Disinfection Facility Improvements	2,700,840	2,718,042	N/A	Warranty	
54	EN17110.03	RP-4 Aeration Basin Wall Repair (Costs are in EN17110)	-	-	N/A	Cancelled	
Totals			6,520,372	30,675,705			

Regional Water Recycling Plant No. 5 (RP-5)							
No.	Project ID	Project Title	Total Expenditures thru 8/31/2018 (\$)	Total Project Budget (\$)	Project Schedule Performance	Status	Schedule Recovery Plan
55	EN19001	RP-5 Expansion to 30 mgd	4,850,767	175,000,000	On-time	Design	
56	EN19006	RP-5 Biosolids Facility	4,146,965	165,000,000	On-time	Design	
57	EN14043	RP-5 Recycled Water Pipeline Bottleneck	444,811	2,756,637	Recovery in Progress	Bid and Award	The project is more than 11 months behind schedule due to delays associated with establishing the SRF Loan/Grant Agreement. Current estimated date for securing the SRF Loan Agreement is June-July 2018. The project schedule will be re-baselined after construction contract award.
58	EN18028	RP-5 Facilities Improvements	132,957	350,000	On-time	Construction	
59	EN11031	RP-5 Flow Equalization and Effluent Monitoring	2,093,992	3,397,200	Behind Schedule	Construction	The chemical pumps are experiencing signal interference. A Request for Deviation has been generated to add a remote I/O control panel at the Tertiary Chemical Facility. IEUA is working with the contractor on a non-compensable time extension.
60	PA17006	Agency-Wide Aeration (PA17006.02)	4,579,844	8,240,000	On-time	Construction	
Totals			16,249,337	354,743,837			
Recycled Water							
No.	Project ID	Project Title	Total Expenditures thru 8/31/2018 (\$)	Total Project Budget (\$)	Project Schedule Performance	Status	Schedule Recovery Plan
61	EN15002	1158 Reservoir Site Cleanup	29,939	1,300,000	Recovery in Progress	Project Evaluation	Based on the Facility Investigation Report, the area around the west 1158 Reservoir will require soil remediation. The project will be re-baselined when the scope of work is verified by the Department of Toxic Substances Control.
62	EN17041	Orchard Recycled Water Turnout Improvements	98,013	125,000	On-time	Design	
63	EN17049	Baseline RWPL Extension	422,796	4,950,000	Recovery in Progress	Design	The original alignment was revised to accommodate additional recycled water customers which extended the pipe length by 1,400 linear feet. As a result, the design schedule was extended. When the project is awarded for construction, the schedule will be re-baselined. It is anticipated that Grant/SRF funding will be obtained in early 2019.
64	WR15021	Napa Lateral	710,441	6,050,000	On-time	Design	
65	EN17039	8th St. Basin RW Turnout Discharge Retrofit	90,457	275,000	On-time	Construction	
Totals			1,351,647	12,700,000			
Overall Totals			98,147,400	790,742,795			

Attachment C

FY17/18 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 8/31/2018	Date of Award	Status
NRWS									
1	EN18016.01	W.A. Rasic Construction	Francis and Bonview NRW 18" Line	NRWS	Paid by City	50,000	27,672	2/15/2018	Active
2	EN18016.03	KVAC	NRW Philadelphia Line	NRWS	N/A	24,400	21,183	4/26/2018	Active
Recycled Water									
3	EN18017.07	W.A. Rasic Construction	RW Pipeline Leak on Bickmore/San Antonio	RW	TO-071	91,000	11,137	6/12/2018	Active
RP-1									
4	EN18019.12	W.A. Rasic Construction	RP-1 Daft 3 Beach Repair	RP-1	TO-070	7,100	10,361	5/10/2018	Active
5	EN18019.13	Ferreira Construction	RP-1 Hot Water Leak	RP-1	TO-028	15,911	18,792	5/30/2018	Active
Totals						188,411	89,147		

FY18/19 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 8/31/2018	Date of Award	Status
RP-1									
1	EN19019.02	W.A. Rasic Construction	RP-1 6 Inch Potable Water Leak	RP-1	TO-0001	8,900	531	8/23/2018	Active
RP-2									
2	EN19019.01	Genesis	RP-2 Dewatering of Decommissioned Structures	RP-2	TO-0001	12,325	582	8/7/2018	Active
RP-5									
3	EN19017.01	W.A. Rasic Construction	RP-5 6-inch Fire Water Leak	RP-5	TO-0002	7,400	0	8/31/2018	Active
Totals						28,625	1,114		

August 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
Genesis	TO-0001	Operations staff requested Engineering support to contract with a contractor to dewater abandoned structures at RP-2 following receipt of a notice from Vector Control.	Provide construction support for the dewatering of existing structures that have been decommissioned located at Regional Water Recycling Plant No. 2.	RP-2	8/7/2018	12,325
W.A. Rasic Construction	TO-0001	RP-1 Personnel noticed water coming up through the asphalt.	W.A. Rasic dug up and verified the leak on the 6" potable water line. A new valve was installed with flex couplings and placed back in service.	RP-1	8/23/2018	8,900
W.A. Rasic Construction	TO-0002	RP-5 Personnel observed water coming up through the gravel at a high rate.	W.A. Rasic dug up and verified the leak on the 6" fire water line. The two cracked pieces of pipe were removed, replaced and placed back in service.	RP-5	8/31/2018	7,400
Total						28,625