# MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF

THE INLAND EMPIRE UTILITIES AGENCY\*
WEDNESDAY, MARCH 16, 2011
9:00 A.M.

## **DIRECTORS PRESENT:**

Terry Catlin, President Michael Camacho, Vice President Steven J. Elie, Secretary/Treasurer Gene Koopman Angel Santiago

## **STAFF PRESENT:**

Thomas A. Love, General Manager
Patrick Sheilds, Executive Manager of Operations
Christina Valencia, Chief Financial Officer
Joshua Aguilar, Associate Engineer
Adham Almasri, Senior Engineer
Rosemary Alvarado, Supervising Contracts & Progra

Rosemary Alvarado, Supervising Contracts & Programs Administrator Kathleen Baxter, Supervising Contracts & Programs Administrator Chris Berch, Manager of Planning & Environmental Compliance

Lucia Diaz, Senior Site Administrator Sondra Elrod, Public Information Officer

Jason Gu, Grants Officer

Gina Hillary, Manager of Human Resources Majid Karim, Deputy Manager of Engineering

Arturo Landeros, Staff Internal Auditor I

Chander Letulle, Deputy Manager of Operations Lisa Morgan-Perales, Water Resources Analyst II

Beth Olhasso, LT Water Resources Analyst I

Craig Parker, Manager of Engineering

Ryan Shaw, Associate Engineer

Steven Smith, Recycled Water Services Coordinator

Teresa Velarde, Manager of Internal Audit

Robert Wallin, Contracts and Programs Administrator

April Woodruff, Board Secretary

## **OTHERS PRESENT:**

Jean Cihigoyenetche, Cihigoyenetche, Grossberg & Clouse Robert Deloach, Deloach & Associates Nitin Patel, Diehl, Evans & Company, LLP

A regular meeting of the Board of Directors of the Inland Empire Utilities Agency\* was held at the office of the Agency, 6075 Kimball Avenue, Bldg. A., Chino, California on the above date.

President Catlin called the meeting to order at 9:00 a.m., and he led the pledge of allegiance to the flag. A quorum was present.

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

President Catlin asked if there were any changes/additions/deletions to the agenda.

General Counsel, Jean Cihigoyenetche stated that an action item came to the attention of staff, after the posting of the Agenda, and staff is requesting that this item be added to the March 16, Board Agenda. He noted that a four-fifths vote by the Board of Directors is required to add this item to the Agenda.

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

## M2011-3-1

MOVED, to add Oppose SB 200 (Wolk): Delta Conveyance Facility and AB 550 (Huber): Sacramento-San Joaquin Delta Peripheral Canal, as Action Item 2F to the March 16, Board meeting Agenda.

President Catlin stated that Closed Session will be moved up to follow the Consent Calendar. It was the consensus of the Board to do so.

## **CONSENT CALENDAR**

President Catlin asked if anyone wished to remove any item from the Consent Calendar.

Director Elie requested that Consent Calendar Item 1A. <u>Minutes</u>, and 1G. <u>RP-4 Wind Turbine</u> <u>Power Plant CEQA, Project No. EN10011</u> be pulled for further discussion.

Upon motion by Director Koopman seconded by Director Santiago, and unanimously carried:

#### M2011-3-2

MOVED, approval of the Consent Calendar.

- A. PULLED.
- B. The Board approved the Treasurer's Report as submitted.
- C. The Board:
  - 1. Approved the 2010/11 Amended Annual Audit Plan; and
  - 2. Directed staff to implement the 2010/11 Amended Annual Audit Plan.
- D. The Board:
  - 1. Approved participation by the Agency in the Southern California Water Committee Regional Stormwater Task Force; and
  - 2. Authorized payment of \$1,000 to the Southern California Water Committee to support the administrative costs for the Task Force.
- E. The Board adopted a position of opposition to AB 134 (Dickinson and Steinberg), as introduced, regarding Sacramento Regional County Sanitation District.

(Continued...)

## **M2011-3-2**, continued.

F. The Board adopted a position of support for AB 265 (Solario): The Rainwater Capture Action 2011, SB 215 (Huff): Invasive Aquatic Species, and SBx1-2/SB 23 (Simitian); Renewable Energy Resources, as introduced.

## G. PULLED.

## H. The Board:

- 1. Awarded the construction contract for the RP-1 930 Recycled Water Pump Station Expansion, Project No. EN11046 to Tamang Electric, Inc. for their low bid of \$123,880; and
- 2. Authorized the General Manager to execute the construction contract.

#### I. The Board:

- Accepted the work as performed by NKS Mechanical Contracting, Inc. as complete under the construction contract for the IS Server Room Modifications and Air Conditioning, Project No. EN09019 and the SCADA Service Room Modifications and Air Conditioning, Project No. EN09022; and
- 2. Authorized the General Manager to execute the Notice of Completion.

## J. The Board:

- 1. Approved the engineering services contract with Winzler and Kelly to provide consulting engineering services for the Wineville Extension Recycled Water Pipeline, Project No. EN06025, for the not-to-exceed amount of \$496,173; and
- 2. Authorized the General Manager to execute the consultant contract.

## K. The Board:

- Approved the consulting engineering and implementation services contract award for the Northwest Area Recycled Water SCADA Upgrades, Project No. WR11018, to Westin Engineering, Inc. for the not-to-exceed amount of \$288,616;
- 2. Approved the purchase of the SCADA software for the Northwest Area Recycled Water SCADA Upgrades, Project No. WR11018, for the not-to-exceed amount of \$150,000; and
- 3. Authorized the General Manager to finalize and execute the contract and purchase.

## **MINUTES**

Director Elie noted that the February 16, Board meeting minutes, in the <u>Chino Basin Watermaster Report</u>, erroneously states that the Watermaster Board Vice Chair is Mr. Bob Bowcock. It should read Mr. Bob Kuhn is the Watermaster Board Vice Chair.

Upon motion by Director Elie, seconded by President Catlin, and unanimously carried:

#### M2011-3-3

MOVED, to approve the *amended* minutes from the February 16, 2011, regular Board of Directors' meeting, and the minutes from the February 16, 2011, Special Board Workshop.

## RP-4 WIND TURBINE POWER PLANT CEQA, PROJECT NO. EN10011

Director Elie noted that one of the key component parts for this project is manufactured in Japan, and asked if the recent events occurring in Japan would have an impact on that. Staff responded that the project will be delayed by 1 to 2 months.

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

## M2011-3-4

MOVED, to:

- 1. Adopt the Mitigated negative Declaration for the RP-4 Wind Turbine Power Plant, Project No. EN10011; and
- 2. Authorize the General Manager to file the Notice of Determination (NOD) with the San Bernardino County Clerk of the Board.

## **CLOSED SESSION**

The Board went into closed session at 9:04 a.m., A. <u>PURSUANT TO GOVERNMENT CODE SECTION 54956.9(a) – CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:</u>
(1) IEUA vs. Mr. Anthony Maglica, Case No. RCV098354; (2) Chino Basin Municipal Water District vs. City of Chino, Case No. RCV51010; (3) Taisei-T&K Joint Venture vs. IEUA. Case No. CIVRS 914130 (4) Martin vs. IEUA, Case No. CIVRS 1000767; (5) Central Basin Municipal Water District vs. Water Replenishment District of Southern California, et.al, Case No. BS129817 B. <u>PURSUANT TO GOVERNMENT CODE SECTION 54956.8 – CONFERENCE WITH REAL PROPERTY NEGOTIATOR:</u> Property: Water and Pipeline Capacity/Cadiz, Negotiating Parties: General Manager Thomas A. Love, Under Negotiation: Price and Terms of Purchase C. <u>PURSUANT TO GOVERNMENT CODE SECTION 54956.9 – CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:</u> Two (2) cases D. <u>PURSUANT TO GOVERNMENT CODE SECTION 54956.9 – CONFERENCE WITH LABOR NEGOTIATOR</u> Meet and Confer Negotiations – General Unit, Operators' Association, Laboratory Unit, and Supervisors Unit, Negotiating Parties: Thomas A. Love and Gina Hillary

The meeting resumed at 10:20 a.m. and General Counsel, Jean Cihigoyenetche, stated that the below-mentioned matters were discussed in Closed Session, and the Board took the following actions:

(Director Koopman left the meeting room at 10:20, and did not return for the day.)

Regarding Conference with Legal Counsel – Existing Litigation:

IEUA vs. Mr. Anthony Maglica, Case No. RCV098354

Taisei-T&K Joint Venture vs. IEUA, Case No. CIVRS 914130

The Board took no reportable action.

Regarding Conference with Legal Counsel – Existing Litigation:

Central Basin Municipal Water District vs. Water Replenishment District of Southern California, et.al, Case No. BS129817

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

#### M2011-3-5

MOVED, to approve the Settlement Agreement with Central Basin Municipal Water District, dismissing the action in consideration for a waiver of costs.

Regarding Conference with Legal Counsel – Existing Litigation:

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

Martin vs. IEUA, Case No. CIVRS 1000767

The Board did not discuss these items.

Regarding Conference with Real Property Negotiator

Property: Water and Pipeline Capacity/Cadiz

Negotiating Parties: General Manager Thomas A. Love

Under Negotiation: Price and Terms of Purchase

The Board took no reportable action.

Regarding Conference with Legal Counsel – Anticipated Litigation:

First Case - Ontario Redevelopment Agency

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

## M2011-3-6

MOVED, to:

1. File a claim for damages with the City of Ontario, based upon a failure to pay redevelopment agency pass-through fees to the Inland Empire Utilities Agency;

(Continued...)

## M2011-3-6, continued.

- 2. Object to the proposed merger by the City of Ontario of their various redevelopment districts; and
- 3. Direct special legal counsel, Rutan and Tucker to file a formal objection to the merger of redevelopment districts.

Regarding Conference with Legal Counsel – Anticipated Litigation:

Second case.

The Board took no reportable action.

Regarding Conference with Labor Negotiator

Meet and Confer Negotiations – General Unit, Operators' Association, Laboratory Unit, and Supervisors Unit, Negotiating Parties: Thomas A. Love and Gina Hillary

The Board took no reportable action.

## **ACTION ITEMS**

## **REVIEW OF BOARD COMPENSATION FOR FISCAL YEAR 2011/12**

Director Elie stated that in light of the discussions that the Board has had with staff and member agencies, including the rate increases and other issues, he asked staff to place this item on the March 16 agenda for discussion as a result of what he would be proposing. He recommended that the Board of Directors approve a reduction to the Director's stipend by 10.46%, from \$217.77 to \$195, to show the member agencies, constituents, and IEUA staff, that the Board is serious on the continual efforts of cutting expenses. He stated that by his rough calculation, the five Directors averaged approximately 31 meetings per month, multiplied by 12 months for the year, with the 10.46% reduction, this would save \$8,500 per year.

Director Elie noted that he has also requested that staff include on the April Board meeting agenda, a discussion on the compensation for the Regional Policy Committee members.

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

#### M2011-3-7

MOVED, to approve a reduction to the Board of Directors' compensation by 10.46%, from \$217.77 to \$195, for FY 2011/12, effective April 1, 2011.

## CONTRACT FOR EXTERNAL AUDIT SERVICES AND SINGLE AUDIT SERVICES WITH DIEHL, EVANS & COMPANY, LLP THROUGH FISCAL YEAR 2012/13

Manager of Internal Audit, Teresa Velarde, stated that it is staff's recommendation that the Board approve the contract with Diehl, Evans & Company, LLP, Certified Public Accountants & Consultants for financial audit services and single audit services.

President Catlin interjected that Mr. Nitin Patel from Diehl, Evans & Company, LLP, was present earlier at the Board meeting to answer any questions that the Directors may have had; however, he had to leave before this item was presented.

Ms. Velarde stated that during the January 19 meeting the Board voted to terminate the contract with Mayer Hoffman for audit services. She stated that staff immediately began the process to bring in another firm on board. Ms. Velarde reported that the Agency received five (5) proposals, and a six-member evaluation committee, comprised of three (3) outside professionals and three (3) staff, determined that Diehl, Evans & Company, LLP was the most responsive firm for the Agency's services. She further noted that the firm received good references. Ms. Velarde stated that the contracts are three-year contracts, with two (2) single year options to extend the services. She also noted that the Directors concerns and requests for additional service requirements received during the Audit Board Workshop were incorporated in the requests for proposal.

Upon motion by President Catlin, seconded by Director Camacho, and unanimously carried:

#### M2011-3-8

MOVED, to:

- Approve Contract No. 4600000883, in the amount of \$77,970, with Diehl, Evans & Company, LLP, Certified Public Accountants & Consultants, to provide Annual Financial Audit Services for the Inland Empire Utilities Agency (IEUA or Agency) for the next three (3) fiscal years 2010/11 through 2012/13;
- Approve Contract No. 4600000884, in the amount of \$11,640, with Diehl, Evans & Company, LLP, Certified Public Accountants & Consultants, to provide IEUA Single Audit Services for the Single Audit Report on Expenditures of Federal Awards for the next three (3) fiscal years 2010/11 through 2012/13; and
- 3. Authorize the General Manager to execute the contracts.

# ADOPTION OF RESOLUTION NO. 2011-3-1, GRANT APPLICATION FOR THE IMPLEMENTATION OF A REGIONAL RESIDENTIAL OUTDOOR LANDSCAPE SURVEYS AND RETROFIT PROGRAM UNDER THE USBR WATERSMART: WATER AND ENERGY EFFICIENCY PROGRAM

Manager of Planning and Environmental Compliance, Chris Berch, gave a PowerPoint presentation on the Regional Residential Outdoor Landscape Survey and Retrofit Program. He highlighted the program's focus and key program components. Mr. Berch provided an overview of the USBR grant application, project costs-if accepted and project funding sources. Mr. Berch stated that \$365,620 was the cost identified in the grant application for the project, which includes in-kind services, as well as the consultant services and the retrofit costs. He outlined that \$190,000 is hard cost that will need to contract with outside agencies, \$74,000 is anticipated for IEUA labor and overhead burden, \$60,000 for Three Valleys Municipal Water District (TVMWD) in-kind staff labor, and retail agencies that are participating will have costs. Mr. Berch reported that staff labor costs are already included in the budgets. He stated; however, the outside funding will be expected from USBR, benefits from MWD's conservation programs (up to \$25,000 per year), cost-sharing agreement with TVMWD to ensure 50/50, and established budgets for projects this year and proposed for next year will cover any costs above and beyond the reimbursements.

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

## M2011-3-9

## MOVED, to:

 Adopt Resolution No. 2011-3-1, authorizing the Agency to submit a grant application and, if awarded, enter into a financial assistance agreement with the U.S. Department of Interior – Bureau of Reclamation (USBR) for the implementation of a Regional Residential Outdoor Landscape Surveys and Retrofit Program; and

## **RESOLUTION NO. 2011-3-1**

RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, AUTHORIZING THE INLAND EMPIRE UTILITIES AGENCY TO ENTER INTO A FINANCIAL ASSISTANCE AGREEMENT UNDER THE WATERSMART: WATER AND ENERGY EFFICIENCY GRANTS FOR FY 2011 WITH THE U.S. DEPARTMENT OF INTERIOR – BUREAU OF RECLAMATION AND DESIGNATING A REPRESENTATIVE TO SIGN THE FINANCIAL ASSISTANCE AGREEMENT, AND ANY AMENDMENTS THERETO FOR THE REGIONAL RESIDENTIAL OUTDOOR LANDSCAPE SURVEYS AND RETROFIT PROGRAM(for full text, see Resolution Book)

2. Authorize the General Manager, or in his absence, the Assistant General Manager, Chief Financial Officer, Executive Manager of Operations, or Executive Manager of Policy Development, to negotiate and execute a financial assistance agreement and any amendments thereto with the USBR.

## ADOPTION OF RESOLUTION NO. 2011-3-2, GRANT APPLICATION FOR THE TURNER BASIN/GUASTI PARK RECYCLED WATER AND MULTI-BENEFICIAL USE PROJECT UNDER THE USBR WATERSMART: WATER AND ENERGY EFFICIENCY PROGRAM

Manager of Planning and Environmental Compliance, Chris Berch, gave a PowerPoint presentation on the Turner Basin/Guasti Park Project. He highlighted the program's focus and key program components. Mr. Berch provided an overview of the USBR grant application, project costs-if accepted, and project funding sources. Mr. Berch stated that the total estimated cost for the project is \$2.1 million. He stated that IEUA is requesting \$1 million from USBR, with a local match of approximately \$1.1 million. Mr. Berch stated that if the grant application is accepted, the next action would be to obtain a written cost sharing commitment from Chino Basin Watermaster. He noted that this is consistent with Peace II, Section 8, which states that if we have recycled water, or there is potential to put recycled water in a basin, it is to be shared 50/50 with the Chino Basin Watermaster and IEUA. He stated that it also mentions that the first goal should be to get funding from State and Federal. He reported that staff is pursuing funding from USBR and DWR. Mr. Berch reported that If this is accepted staff will obtain a cost sharing agreement with CBWM, and a budget adjustment will need to be made.

President Catlin asked if Chino Basin Watermaster agrees with the same interpretation of Section 8 of the Peace II, as IEUA. Staff responded yes.

Upon motion by President Catlin, seconded by Director Santiago, and unanimously carried:

#### M2011-3-10

MOVED, to:

 Adopt Resolution No. 2011-3-2, authorizing the Agency to submit a grant application and, if awarded, enter into a financial assistance agreement with the U.S. Department of Interior – Bureau of Reclamation (USBR) for the Turner Basin/Guasti Park Recycled Water and Multi-beneficial Use Project; and

RESOLUTION NO. 2011-3-2
RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, AUTHORIZING THE INLAND EMPIRE UTILITIES AGENCY TO ENTER INTO A FINANCIAL ASSISTANCE AGREEMENT UNDER THE WATERSMART: WATER AND ENERGY EFFICIENCY GRANTS FOR FY 2011 WITH THE U.S. DEPARTMENT OF INTERIOR – BUREAU OF RECLAMATION AND DESIGNATING A REPRESENTATIVE TO SIGN THE FINANCIAL ASSISTANCE AGREEMENT, AND ANY AMENDMENTS THERETO FOR THE TURNER BASIN/GUASTI PARK RECYCLED WATER AND MULTIBENEFICIAL USE PROJECT(for full text, see Resolution Book)

 Authorize the General Manager, or in his absence, the Assistant General Manager, Chief Financial Officer, Executive Manager of Operations, or Executive Manager of Policy Development, to negotiate and execute a financial assistance agreement and any amendments thereto with the USBR.

## RECYCLED WATER DISTRIBUTION UTILITY VEHICLE PURCHASE

Executive Manager of Operations, Patrick Sheilds, gave a PowerPoint presentation on the Recycled Water Utility Vehicle. Mr. Sheilds incorporated an Option II in his presentation to address questions from Director Koopman. He highlighted Option 1 to purchase a RW utility vehicle for a not-to-exceed amount of \$180,000, and Option 2 to purchase a valve maintenance trailer and crane rental for an initial purchase of approximately \$117,000, with an additional crane service of \$128,000 per year. Mr. Sheilds' presentation determined that the purchase of a RW utility vehicle for a not-to-exceed amount of \$180,000 was more economical and functional.

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

#### M2011-3-11

MOVED, to approve the purchase of one recycled water distribution utility vehicle for the not-to-exceed price of \$180,000 (including delivery and sales tax).

## OPPOSE SB 200 (WOLK): DELTA CONVEYANCE FACILITY AND AB 550 (HUBER): SACRAMENTO – SAN JOAQUIN DELTA PERIPHERAL CANAL

General Manager, Thomas A. Love, stated that the opportunity to take a position on these two bills came up after the Committee meetings and the posting of the Board agenda. He stated that staff and the Agency's Sacramento representatives did not anticipate there would

be any momentum prior to next month. He reported that the Southern California agencies, primarily lead by MWD, have decided to take a position of opposition on the two bills.

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

#### M2011-3-12

MOVED, to adopt a position of opposition to SB 200 (Wolk): Delta Conveyance Facility as introduced and AB 550 (Huber): Sacramento – San Joaquin Delta Peripheral Canal, as introduced.

## **INFORMATION ITEMS**

## **OVERVIEW OF THE DRAFT FY 2011/12 TYCIP**

Manger of Planning and Environmental Compliance, Chris Berch, gave a brief PowerPoint overview of the Draft FY 2011/12 TYCIP. He noted that the final TYCIP and proposed budget is in parallel with the Agency's proposed budget. He stated the next step will be to present the TYCIP to the Regional Technical Committee then to the IEUA Board, and adoption in June.

## WATER SOFTENER CONTROL PROGRAM

General Manager, Thomas A. Love, reported that the Agency has received positive response to a request of the customers who have participated in the Water Softener Rebate Program, to send a letter of support of IEUA adopting an Ordinance. He noted some have indicated that they are willing to come and speak at a public hearing. He stated that he will inform the Board when a hearing date is scheduled.

## **OPERATIONS UPDATE**

Deputy Manager of Operations, Chander Letulle, gave a PowerPoint presentation on the Operations Update. He highlighted the wastewater treatment, compliance record, IERCF, recycled water delivery, groundwater recharge and major facility projects.

Executive Manager of Operations, Patrick Sheilds, updated the Board on the fire at the IERCF. He reported that the fire started at approximately 5:38 a.m. in amendment hopper #1 in the receiving area of the building. A mechanic who was on site was able to suppress the fire, and at approximately 5:55 a.m., by the time the fire department arrived the fire was quenched. He stated a full incident report will be provided.

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

TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR JANUARY 2011

RECYCLED WATER PROGRAM OVERVIEW

SCHEDULE OF FINANCIAL SERVICES CONSULTANTS/AGREEMENTS

CHINO BASIN DESALTER AUTHORITY ACCOUNTS RECEIVABLE AUDIT

INTERNAL AUDIT DEPARTMENT STATUS REPORT FOR MARCH 2011

**PUBLIC OUTREACH AND COMMUNICATIONS** 

LEGISLATIVE REPORT FROM INNOVATIVE FEDERAL STRATEGIES, LLC

LEGISLATIVE REPORT FROM THE DOLPHIN GROUP

## **IEUA MONTHLY WATER NEWSLETTER**

## TURNER BASIN/GUASTI PARK PROJECT UPDATE

## 2010 URBAN WATER MANAGEMENT PLAN UPDATE

## **ESTABLISHMENT OF A SMALL BUSINESS OUTREACH PROGRAM**

## NORTHWEST AREA RECYCLED WATER PROJECT UPDATE

## **AGENCY REPRESENTATIVES' REPORTS**

## **SAWPA REPORT**

President Catlin reported that at the Commission meeting yesterday (March 15), the agenda was fairly routine. He reported there were discussions on legislative actions being considered in Sacramento and the positions taken. He also stated that a request for proposal for audit services and the Strategic Planning process were discussed.

## **MWD REPORT**

Director Camacho reported that he was officially seated and he attended his first official Board meeting, and series of committee meetings on March 8. He reported that he has been assigned to the Engineering and Operations Committee and Legal and Claims Committee.

General Manager, Thomas A. Love, reported that the agenda was fairly routine. He reported that there has been a lot of dialogue with the member agencies regarding water supply. He stated that as of Monday, the State Water Project allocation remains at 60%, with a possibility of increasing to 65%. He also reported that he will be attending the member agency managers meeting on Friday (March 18), topics will include water supply and water supply projections.

## REGIONAL SEWERAGE PROGRAM POLICY COMMITTEE REPORT

President Catlin reported that the Regional Policy Committee agenda was routine. He reported that Councilman Elrod expressed his appreciation for the action taken by the IEUA Board of Directors regarding rate increases.

## **CHINO BASIN WATERMASTER REPORT**

Director Elie reported that the main issue at the Chino Basin Watermaster is the search for a General Manager. He reported that staff recommended a RFP be issued to determine interest and related costs for an audit firm to perform the field work and issue an audit opinion on the basic financial statement for FY 2010/11 and future years.

## **GENERAL MANAGER'S REPORT**

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

General Manager, Thomas A. Love, formally introduced and welcomed the new Assistant General Manager, Mr. Craig Miller. He reported that the Agency auctioned the dairy manure collection and transportation equipment. He reported that the five (5) vacuum tankers were sold for a net of \$225,000, and a net total for the HoneyVac trailers of \$136,000, for a total of \$361,000.

Executive Manager of Operations, Patrick Sheilds, reported on the rates for direct access energy. He stated that the natural gas rate received is lower than the low number on the range that Shell provided. He stated on electricity the Agency received the most favorable rates that were presented. Mr. Sheilds stated that this will be a two-year agreement beginning April 1, 2011, and it translates to approximately \$300,000 a year savings, and allows the Agency to

budget at 11.5 cents, compared to 12 cents for power, which is an excellent agreement for the Agency.

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

There were no requested future agenda items.

## **DIRECTORS' COMMENTS**

APPROVED: APRIL 20, 2011

Director Elie reported that he attended the ACWA Conference in DC in March. He reported that it was a very good conference. He stated that there is work to do next year to make it better for the Agency.

Vith no further business, President Catlin adjourned the meeting at 11:20 a.m.
Secretary