

AGENDA

REGULAR COMMISSION MEETING OF THE CHINO BASIN REGIONAL FINANCING AUTHORITY AND REGULAR MEETING OF THE BOARD OF DIRECTORS

WEDNESDAY, JUNE 16, 2010
10:00 A.M.

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

CALL TO ORDER OF THE CHINO BASIN REGIONAL FINANCING AUTHORITY

FLAG SALUTE

PUBLIC COMMENT

Members of the public may address the Commission 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.

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 can be the attention of the local agency subsequent to the agenda being posted.

1. ACTION ITEMS

A. MINUTES

The Commission will be asked to approve the minutes from the June 2, 2010, regular Commission meeting.

B. AUTHORIZE THE INTERIM CHIEF EXECUTIVE OFFICER/GENERAL MANAGER TO EXECUTE AND DELIVER DOCUMENTS UNDER RESOLUTION NO. 2010-1

It is recommended that the Commissioners authorize the Interim Chief Executive Officer/General Manager to undertake all actions authorized to be undertaken by the Chief Executive Officer/General Manager under Resolution No. 2010-1, approving the issuance of a not-to-exceed amount of \$57,000,000 in Revenue Bonds, Series 2010A.

C. ADOPTION OF RESOLUTION NO. 2010-4, APPROVING THE EXECUTION OF AN OFFICIAL STATEMENT AND AUTHORIZING CERTAIN ACTS IN CONNECTION THEREWITH

It is recommended that the Commissioners adopt Resolution No. 2010-4, approving the execution of an official statement and authorizing certain acts in connection therewith.

D. ADOPTION OF RESOLUTION NO. 2010-5, AUTHORIZING A SUBSTITUTE CREDIT FACILITY FOR ITS VARIABLE RATE DEMAND REVENUE REFUNDING BONDS (INLAND EMPIRE UTILITIES AGENCY), SERIES 2008B

It is recommended that the Commissioners:

1. Adopt Resolution No. 2010-5, authorizing a substitute credit facility for its Variable Rate Demand Revenue Refunding Bonds (Inland Empire Utilities Agency), Series 2008B, and approving the execution of certain documents; and
2. Authorize the Interim Treasurer to execute contracts and authorize certain other matters in connection therewith.

2. ADJOURN

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

FLAG SALUTE

PUBLIC COMMENT

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

ADDITIONS TO THE AGENDA

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

1. **SUPPLIER OF THE YEAR PRESENTATION**
2. **ETHICS POINT PROCESS PRESENTATION – GENERAL COUNSEL JEAN CIHIGOYENETCHE**

3. CONSENT CALENDAR

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 June 2, 2010, regular Board meeting.

B. TREASURER'S REPORT

Treasurer's Report on General Disbursements

C. ADOPTION OF RESOLUTION NO. 2010-6-1, ESTABLISHING THE APPROPRIATION LIMITS FOR FISCAL YEAR 2010/11

It is recommended that the Board adopt Resolution No. 2010-6-1, establishing the Appropriation Limits for Fiscal Year 2010/11.

D. ADOPT RESOLUTION NO. 2010-6-10, FOR THE BIENNIAL UPDATE OF THE INLAND EMPIRE UTILITIES AGENCY INVESTMENT POLICY AND ADOPT SIGNATORY RESOLUTION NOS. 2010-6-11 THROUGH 2010-6-14

It is recommended that the Board:

1. Approve the Agency's Investment Policy as submitted;
2. Adopt Resolution No. 2010-6-10, approving the Agency's Investment Policy for FY 2010/11 and FY 2011/12; and
3. Adopt Resolution No. 2010-6-11, approving authorized signatories and participation in Local Agency Investment Fund (LAIF); Resolution No. 2010-6-12, authorizing and designating signatories for depository agreements; Resolution No. 2010-6-13, authorizing and designating signatories of investment agreements; and Resolution No. 2010-6-14, authorizing and designating signatories for the movement of funds and investment securities.

E. ADOPTION OF RESOLUTION NO. 2010-6-18, APPROVING THE EXECUTION OF AN OFFICIAL STATEMENT AND AUTHORIZING CERTAIN ACTS IN CONNECTION THEREWITH

It is recommended that the Board adopt Resolution No. 2010-6-18, approving the execution of an official statement and authorizing certain acts in connection therewith.

F. AUTHORIZE THE INTERIM CHIEF EXECUTIVE OFFICER/GENERAL MANAGER TO EXECUTE AND DELIVER LEGAL DOCUMENTS UNDER RESOLUTION NO. 2010-3-1

It is recommended that the Board authorize the Interim Chief Executive Officer/General Manager to undertake all actions authorized to be undertaken by the Chief Executive Officer/General Manager under Resolution No. 2010-3-1.

G. SUPPORT H.R. 5289 (REPRESENTATIVE ESHOO) – GET THE LEAD OUT ACT

It is recommended that the Board adopt a position of support for H.R. 5289 – Get the Lead Out Act (as introduced on May 12, 2010).

H. AMENDMENT TO AGREEMENT NO. AKB-01-042 WITH THE DOLPHIN GROUP FOR LEGISLATIVE SERVICES ON ENERGY AND WATER RESOURCE ISSUES

It is recommended that the Board:

1. Amend Agreement No AKB-01-042 with The Dolphin Group of Sacramento, to continue providing legislative services on energy and water resource issues from July 1, 2010, to June 30, 2011, with no change in the fee; and
2. Authorize the Interim Chief Executive Officer/General Manager to execute Agreement Amendment No. 10.

I. AMENDMENT TO AGREEMENT NO. AKB05012 FOR FEDERAL/ CONGRESSIONAL LEGISLATIVE SERVICES WITH INNOVATIVE FEDERAL STRATEGIES

It is recommended that the Board:

1. Amend Agreement No. AKB05012 with Innovative Federal Strategies to continue providing Federal/ Congressional legislative services from July 1, 2010, to June 30, 2011, with no change in the fee; and
2. Authorize the Interim Chief Executive Officer/ General Manager to execute Agreement Amendment No. 6.

J. AMENDMENT TO AGREEMENT NO. 4600000061 WITH GEYER ASSOCIATES FOR CONTINUATION OF STATE LEGISLATIVE SERVICES

It is recommended that the Board:

1. Amend Agreement No. 4600000061 with Geyer Associates to continue providing State legislative services from July 1, 2010, to June 30, 2011, at a monthly retainer fee of \$1,150 per month; and
2. Authorize the Interim Chief Executive Officer/General Manager to execute the Agreement Amendment No. 2.

K. AMENDMENT TO AGREEMENT NO. ARA-00-001 FOR FEDERAL/CONGRESSIONAL LEGISLATIVE SERVICES WITH AGRICULTURAL RESOURCES

It is recommended that the Board:

1. Amend Agreement No. ARA-00-001 with Agricultural Resources to continue providing Federal/Congressional legislative services from July 1, 2010, to June 30, 2011, with no change in fee; and
2. Authorize the Interim Chief Executive Officer/General Manager to execute Agreement Amendment No. 10.

L. AMENDMENT TO AGREEMENT NO. 4600000419 FOR CONTINUATION OF CALIFORNIA STRATEGIES, LLC TO PROVIDE STRATEGIC LOCAL GOVERNMENT CONSULTING SERVICES

It is recommended that the Board:

1. Amend Agreement No. 4600000419 with California Strategies, LLC to provide strategic local government consulting services beginning July 1, 2010, to June 30, 2011, at a monthly retainer fee of \$10,000 per month plus reasonable business expenses; and
2. Authorize the Interim Chief Executive Officer/General Manager to execute the agreement.

M. AMENDMENT TO AGREEMENT NO. 4600000220 – SCHOOL EDUCATION PROGRAM CONTRACT WITH THE NATIONAL THEATRE FOR CHILDREN

It is recommended that the Board:

1. Amend Agreement No. 4600000220 with the National Theatre for Children (NTC) for a three-year period, increasing the annual contract value to \$51,100 per year (a \$2,400 increase) not to exceed \$153,300 over the three-year term, and extend the contract through June 30, 2013; and
2. Authorize the Interim Chief Executive Officer/General Manager to execute the Agreement Amendment No. 3.

N. PURCHASE OF PROPERTY, BOILER AND MACHINERY, AND EXCESS WORKERS' COMPENSATION INSURANCE

It is recommended that the Board:

1. Authorize the purchase of property, and boiler and machinery insurance through the California Sanitation Risk Management Authority (CSRMA) Property Program; at an annual premium amount not to exceed \$165,000, with a \$25,000 deductible; and
2. Authorize the purchase of excess workers' compensation insurance from Midwest Employers, at an annual premium of \$39,614 with a Self-Insured Retention (SIR) of \$1,000,000.

O. EASEMENT GRANT DEED BETWEEN INLAND EMPIRE UTILITIES AGENCY (IEUA) AND CUCAMONGA VALLEY WATER DISTRICT (CVWD) FOR THE 1630 W. RESERVOIR EASEMENT FOR THE NORTHWEST AREA PROJECT

It is recommended that the Board:

1. Approve the Easement Grant Deed between Inland Empire Utilities Agency (IEUA) and Cucamonga Valley Water District (CVWD) to access, install, construct, reconstruct, repair, and operate two (2) three million gallon reservoirs for the Northwest Project Area, Project No. EN08018.01, in an amount not-to-exceed \$225,000;
2. Authorize the Interim Chief Executive Officer/General Manager to approve minor and non-substantive changes to the easement; and
3. Authorize the Interim Chief Executive Officer/General Manager to finalize and execute the easement.

P. EASEMENT BETWEEN INLAND EMPIRE UTILITIES AGENCY (IEUA) AND CHINO BASIN DESALTER AUTHORITY (CDA) AND WESTERN MUNICIPAL WATER DISTRICT (WMWD) FOR THE INSTALLATION OF A MONITORING WELL AND TEST-PRODUCTION WELL AT THE REGIONAL PLANT NO. 5 SITE

It is recommended that the Board:

1. Approve the Easement Grant Deed between Inland Empire Utilities Agency (IEUA) and the Chino Basin Desalter Authority (CDA) and Western Municipal Water District (WMWD) to access, install, construct, reconstruct, repair, and operate one monitoring well and one test-production well at the Regional Plant No. 5 site, in the amount not-to-exceed one dollar (\$1);
2. Authorize the Interim Chief Executive Officer/General Manager to approve minor and non-substantive changes to the easement; and
3. Authorize the Interim Chief Executive Officer/General Manager to finalize and execute the easement.

Q. AMENDMENTS FOR DWR GRANT FUNDING FOR NON-POTABLE RETROFITS

It is recommended that the Board:

1. Approve the amendments with Cucamonga Valley Water District and the City of Chino for the construction of non-potable retrofits; and
2. Authorize the Interim Chief Executive Officer/General Manager to finalize and execute the reimbursement agreements with each member agency.

R. AWARD OF CONTRACT NO. 4600000676 TO POLYDYNE INC. FOR SUPPLY OF FLOSPERSE 30S ANTI-STRUVITE CHEMICAL

It is recommended that the Board:

1. Approve the issuance of Contract No. 4600000676 to the firm of Polydyne Inc. covering up to a five-year term for provision of Flosperser 30S at an initial fixed unit price of \$.70/pound (delivered), plus sales tax; and
2. Authorize the Interim Chief Executive Officer/General Manager to execute said contract.

S. SUNKIST GROWERS INC. NON-RECLAIMABLE WASTEWATER CAPACITY UNITS TRANSFER TO AGRIGOLD JOINT VENTURE, CALIFORNIA GENERAL PARTNERSHIP

It is recommended that the Board:

1. Approve Sunkist Growers Inc ("Sunkist") request to transfer eight (8) of the twenty-four (24) Non-Reclaimable Wastewater System ("NRWS") capacity units owned by Sunkist to the Agrigold Joint Venture, California General Partnership ("Agrigold");
2. Authorize the Interim Chief Executive Officer/General Manager to execute the Agrigold NRWS Capacity Right Agreement; and
3. Authorize the Interim Chief Executive Officer/General Manager to execute the Amendment to the Sunkist NRWS Capacity Right Agreement.

T. CUCAMONGA VALLEY WATER DISTRICT (CVWD) AND INLAND EMPIRE UTILITIES AGENCY (IEUA) AGREEMENT FOR THE MAINTENANCE OF IEUA RECYCLED WATER FACILITIES

It is recommended that the Board:

1. Approve the Agreement between Cucamonga Valley Water District (CVWD) and Inland Empire Utilities Agency (IEUA) for the maintenance of IEUA Recycled Water Facilities;
2. Authorize the Interim Chief Executive Officer/General Manager to execute the Agreement between Cucamonga Valley Water District (CVWD) and Inland Empire Utilities Agency (IEUA) for the maintenance of IEUA Recycled Water Facilities; and
3. Authorize the Interim Chief Executive Officer/General Manager to approve minor and non-substantial changes to the agreement.

4. **ACTION ITEMS**

A. **ADOPTION OF THE AGENCY'S PROGRAMS AND OPERATING BUDGET, TEN YEAR CAPITAL IMPROVEMENT PLAN, LONG RANGE PLAN OF FINANCE AND RATE RESOLUTIONS FOR FISCAL YEAR 2010/11**

It is recommended that the Board:

1. Approve the Agency-wide Policy Goals and Departmental Goals and Objectives as outlined in the FY 2010/11 Budget;
2. Adopt Resolution No. 2010-6-2, FY 2010/11 Agency's Program and Operating Budget, the FY's 2011/20 Ten Year Capital Improvement Plan, and the 2011 Long Range Plan of Finance;
3. Adopt Rate Resolution Nos. 2010-6-3 through 2010-6-8;
4. Approve the repayment of \$1 million of inter-fund loans to the Non-Reclaimable Wastewater (NRW) Fund from the Regional Operations & Maintenance (RO) Fund; and
5. Authorize staff to distribute the final budget and rate resolutions as required.

B. **ADOPTION OF RESOLUTION NO. 2010-6-20, TO SUBMIT FOR FUNDING OF THE NATURE EDUCATION FACILITIES PROGRAM**

It is recommended that the Board:

1. Adopt Resolution No. 2010-6-20, approving the application for grant funds from the Nature Education Facilities Program, by roll call vote; and
2. Authorize the Chief Executive Officer/General Manager or in his absence, any one of the following: Executive Manager of Engineering, Executive Manager of Policy Development, or the Executive Manager of Operations, to conduct all negotiations, execute and submit all documents, including but not limited to applications, agreements, and amendments, which may be necessary for the completion of the project.

C. **ADOPTION OF RESOLUTION NO. 2010-6-21, REGARDING ONGOING SUPPORT OF THE CHINO BASIN RECHARGE MASTER PLAN**

It is recommended that the Board adopt Resolution No. 2010-6-21, which outlines IEUA's support for the Recharge Master Plan Update process and its concurrence with the Interim Recharge Master Plan, as developed by Chino Basin Watermaster.

D. REGIONAL PLANT NO. 1 DIGESTER CLEANING PROJECT

It is recommended that the Board:

1. Approve the award of Contract Amendment No. 4600000663-001 to Synagro, Inc. for cleaning Digester No. 1 at RP-1 to include cleaning Digester No. 2, increasing the contract not-to-exceed amount by \$120,000 to \$277,416; and
2. Authorize the Interim Chief Executive Officer/General Manager to finalize and execute the contract amendment.

5. INFORMATION ITEMS

- A. FY 2010/11 PROPOSED BUDGET FOR INLAND EMPIRE REGIONAL COMPOSTING AUTHORITY (WRITTEN)
- B. TURNER BASIN TASK FORCE UPDATE (WRITTEN)
- C. RISK MANAGEMENT ORDINANCE 86 (WRITTEN)
- D. 3RD QUARTER PLANNING AND ENVIRONMENTAL COMPLIANCE UPDATE (POWERPOINT)

RECEIVE AND FILE INFORMATION ITEMS

- E. TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR APRIL 2010 (WRITTEN)
- F. PUBLIC OUTREACH AND COMMUNICATIONS (WRITTEN)
- G. LEGISLATIVE REPORT FROM GEYER AND ASSOCIATES (WRITTEN)
- H. LEGISLATIVE REPORT FROM INNOVATIVE FEDERAL STRATEGIES (WRITTEN)
- I. LEGISLATIVE REPORT FROM DOLPHIN GROUP (WRITTEN)
- J. LEGISLATIVE REPORT FROM AGRICULTURAL RESOURCES (WRITTEN)
- K. AUDIT PLANNING LETTER (SAS 114) FROM MAYER HOFFMAN McCANN P.C. (WRITTEN)
- L. INTERNAL AUDIT DEPARTMENT STATUS REPORT FOR JUNE 2010 (WRITTEN)
- M. ACCOUNTS PAYABLE AUDIT (WRITTEN)
- N. HUMAN RESOURCES FOLLOW-UP AUDIT (WRITTEN)
- O. CONTRACTS AND PROCUREMENT FOLLOW-UP AUDIT (WRITTEN)

- P. LABORATORIES DEPARTMENT FOLLOW-UP AUDIT (WRITTEN)
- Q. ENGINEERING DIVISION FY 2009/10 3RD QUARTER UPDATE (POWERPOINT)
- R. FACILITIES SCADA MASTER PLAN UPDATE (POWERPOINT)
- S. RENEWABLE ENERGY PROJECTS UPDATE (POWERPOINT)
- T. RP-1 DIGESTER CLEANING EQUIPMENT UPDATE (POWERPOINT)
- U. QUARTERLY MAINTENANCE REPORT (POWERPOINT)

Materials related to an item on this agenda submitted to the Agency, after distribution of the agenda packet, are available for public inspection at the Agency's office located at 6075 Kimball Avenue, Chino, California during normal business hours.

6. AGENCY REPRESENTATIVES' REPORTS

- A. SAWPA REPORT (WRITTEN)
- B. MWD REPORT (WRITTEN)
- C. REGIONAL SEWERAGE PROGRAM POLICY COMMITTEE REPORT (WRITTEN)
- D. CHINO BASIN WATERMASTER REPORT (WRITTEN)

7. CHIEF EXECUTIVE OFFICER/GENERAL MANAGER'S REPORT (WRITTEN)

8. BOARD OF DIRECTORS' REQUESTED FUTURE AGENDA ITEMS

9. DIRECTORS' COMMENTS

A. CONFERENCE REPORTS

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

10. CLOSED SESSION

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

(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) Westco vs. IEUA, Case No. 37-2009-00058161-CU-BC-NC
- (5) Martin vs. IEUA, Case No. CIVRS 1000767
- (6) C&C Scrap vs. IEUA, Case No. CIVRS 1002119
- (7) Regional Board vs. IEUA, Case No. ACL R8-2010-0013

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

Property: RP-1 Fuel Cell

Negotiating Parties: Biofuels Energy, LLC, UTS/HDR/Filanc, and Otto H. Rosentreter Co.

Under Negotiation: Price and Terms of Lease

C. PURSUANT TO GOVERNMENT CODE SECTION 54957.6 – CONFERENCE WITH LABOR NEGOTIATOR

Meet and Confer Negotiations – All Units

11. ADJOURN

*A Municipal Water District

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

Proofed by: _____

Declaration of Posting

I, April Woodruff, Board Secretary of the Inland Empire Utilities Agency*, A Municipal Water District, hereby certify that a copy of this agenda has been posted by 5:30 p.m. at the Agency's main office, 6075 Kimball Avenue, Building A, Chino, CA on Thursday, June 10, 2010.

April Woodruff

Standing Meetings

June 2010

06-01-10 SAWPA Commission Workshop (tc/ja)
06-02-10 IEUA Board Meeting/CBRFA
06-03-10 Regional Policy Committees (tc)
06-03-10 Regional Tech Committees
06-03-10 CBWM Appropriative & Non-Agricultural Pool Meeting (mc/tc)
06-07-10 MWD Standing Committee Meetings (as)
06-08-10 MWD Standing Committee and Board Meetings (as)
06-09-10 IEUA Audit Committee (tc/as)
06-09-10 IEUA Public, Legislative Affairs & Water Resources Committee (as/mc)
06-09-10 IEUA Engineering, Operations and Biosolids Management Committee (ja/mc)
06-09-10 IEUA Finance, Legal and Administration Committee (gk/tc)
06-10-10 CBWM Agricultural Pool Meeting (mc/tc)
06-15-10 SAWPA Commission Meeting (tc/ja)
06-16-10 IEUA Board Meeting/CBRFA
06-17-10 IEUA Dry Year Yield Meeting @ CBWM (mc/tc)
06-17-10 CBWM Advisory Committee Meeting @CBWM (mc/tc)
06-21-10 Association of Special Districts Dinner Meeting (ja/gk)
06-24-10 Watermaster Board Meeting @ CBWM (mc/tc)

July 2010

07-01-10 Regional Policy Committees (tc)
07-01-10 Regional Tech Committees
07-01-10 CBWM Appropriative & Non-Agricultural Pool Meeting (mc/tc)
07-01-10 CDA Board Meeting (ja/mc)
07-06-10 SAWPA Commission Workshop (tc/ja)
07-07-10 IEUA Board Meeting
07-08-10 CBWM Agricultural Pool Meeting (mc/tc)
07-12-10 MWD Standing Committee Meetings (as)
07-13-10 MWD Standing Committee and Board Meetings (as)
07-14-10 IEUA Public, Legislative Affairs & Water Resources Committee (as/mc)
07-14-10 IEUA Engineering, Operations and Biosolids Management Committee (ja/mc)
07-14-10 IEUA Finance, Legal and Administration Committee (gk/tc)
07-15-10 IEUA Dry Year Yield Meeting @ CBWM (mc/tc)
07-15-10 CBWM Advisory Committee Meeting @CBWM (mc/tc)
07-19-10 Association of Special Districts Dinner Meeting (ja/gk)
07-20-10 SAWPA Commission Meeting (tc/ja)
07-21-10 IEUA Board Meeting
07-27-10 MWD Executive Committee Meeting (as)
07-22-10 Watermaster Board Meeting @ CBWM (mc/tc)