

**FINANCE, LEGAL, AND ADMINISTRATION
COMMITTEE MEETING
OF THE BOARD OF DIRECTORS
INLAND EMPIRE UTILITIES AGENCY*
AGENCY HEADQUARTERS, CHINO, CALIFORNIA
WEDNESDAY, FEBRUARY 9, 2011
11:00 A.M.**

*Or immediately following the
Engineering, Operations, and Biosolids Management
Committee Meeting*

CALL TO ORDER

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 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. ACTION ITEMS

A. MINUTES

The Committee will be asked to approve the Finance, Legal, and Administration Committee meeting minutes of January 12, 2011.

B. ELECTRICITY SERVICE PROVIDER AGREEMENT

It is recommended that the Committee/Board:

1. Authorize the General Manager to extend the current agreement with Shell Energy North America (SENA) US, L.P. for two years to purchase 3 megawatts (MW) of electricity at a fixed price within the range of \$45.95 to \$48.95 per megawatt hour (MWh), and 2 MW at a variable rate;
2. Authorize the General Manager, during the same two-year period, to enter into an agreement with SENA or an alternate Energy Service Provider (ESP), if dictated by market conditions, and convert up to 2

MW from the variable rate to a fixed price for a not-to-exceed cost of \$45.95 per MWh; and

3. Authorize the General Manager to terminate the agreement with SENA US, L.P., if dictated by market changes.

C. NATURAL GAS SERVICE PROVIDER AGREEMENT

It is recommended that the Committee/Board:

1. Approve a two-year agreement for the supply of natural gas with Shell Energy North America (SENA) US, L.P., for a fixed price within the range of \$5.16 to \$5.19 per Decatherm (Dth); and
2. Authorize the General Manager to execute the agreement.

D. PURCHASE OF REPLACEMENT AERATION PANEL MEMBRANES FOR REGIONAL PLANT 1 (RP-1)

It is recommended that the Committee/Board approve the purchase of replacement Parkson membrane panels for the RP-1 aeration basins, for a total aggregate not-to-exceed amount of \$520,000, including all taxes and freight.

2. INFORMATION ITEMS

A. FISCAL YEAR 2011/12 RATE INCREASES FOR REGIONAL WASTEWATER AND RECYCLED WATER PROGRAMS (WRITTEN)

B. PRELIMINARY TEN-YEAR CAPITAL IMPROVEMENT PLAN (POWERPOINT)

C. FY 2010/11 SECOND QUARTER BUDGET VARIANCE AND PERFORMANCE GOALS UPDATES (WRITTEN)

D. TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR DECEMBER 2010 (WRITTEN)

3. COMMITTEE MEMBER COMMENTS

4. COMMITTEE MEMBER REQUESTED FUTURE AGENDA ITEMS

5. 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 the agenda has been posted by 5:30 p.m. in the foyer at the Agency's main office, 6075 Kimball Avenue, Building A, Chino, CA on Thursday, February 3, 2011.

April Woodruff