

AGENDA

REGULAR MEETING OF THE BOARD OF DIRECTORS

WEDNESDAY, FEBRUARY 16, 2011
10:00 A.M.

INLAND EMPIRE UTILITIES AGENCY*
AGENCY HEADQUARTERS
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 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. 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 February 2, 2011, regular Board meeting.

B. TREASURER'S REPORT

1. Treasurer's Report on General Disbursements
2. Investments

C. ADOPTION OF RESOLUTION NO. 2011-2-4, AUTHORIZING THE AGENCY TO SUBMIT A GRANT APPLICATION AND ENTER INTO A FINANCIAL ASSISTANCE GRANT AGREEMENT WITH THE USBR

It is recommended that the Board:

1. Adopt Resolution No. 2011-2-4, authorizing the Agency to submit a grant application and enter into a Financial Assistance Grant Agreement with the United States Department of Interior - Bureau of Reclamation (USBR) under the Development of Feasibility Studies under Title XVI Water Reclamation and Reuse Grant Program (Program); and
2. Authorize the General Manager or in his absence, the Assistant General Manager, Chief Financial Officer, the Executive Manager of Operations, or the Executive Manager of Policy Development to negotiate and execute a financial assistance agreement and any amendments thereto with the USBR.

D. NATURAL GAS SERVICE PROVIDER AGREEMENT

It is recommended that the 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.

E. ELECTRICITY SERVICE PROVIDER

It is recommended that the 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.

F. LOCAL RESOURCES PROGRAM AGREEMENT BETWEEN IEUA AND THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA FOR THE CHINO BASIN DESALTERS

It is recommended that the Board:

1. Approve the Local Resources Program (LRP) and Settlement Agreement with the Metropolitan Water District (MWD), subject to non-substantive changes, allowing for payment of \$139/acre foot for each acre foot of desalter product water; and
2. Authorize the General Manager to finalize and execute the agreement.

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

It is recommended that the 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. ACTION ITEMS

A. LOCAL COMMUNITY CONTRIBUTION ACCOUNT

It is recommended that the Board consider, discuss, and give staff direction for developing specific guidelines and policies relative to the use of the Local Community Contribution Account.

B. FISCAL YEAR 2011/12 RATE INCREASES FOR REGIONAL AND RECYCLED WATER PROGRAM

It is recommended that the Board select and approve one of the following proposed rate options:

Option 1: Staff's Single Year Recommendation:

1. An adjustment to the EDU connection fee rate from \$4,766 per EDU to \$4,862 per EDU effective July 1, 2011;
2. A rate adjustment of \$0.41 to the monthly EDU (Equivalent Dwelling Unit) volumetric rate from the current rate of \$11.14 per EDU to \$11.55 per EDU effective July 1, 2011;
3. An adjustment of \$20 per acre foot (AF) to the Recycled Water Direct Sale rate from \$95 per AF to \$115 per AF effective July 1, 2011;
4. An adjustment of \$30 per AF to Recycled Water Recharge Sale rate from \$115 per AF to \$145 per AF effective July 1, 2011; and
5. Adopt Rate Resolution Nos. 2011-2-1 through 2011-2-3 establishing the Capital Capacity Reimbursement Payment, EDU Volumetric, and Recycled Water rates for Fiscal Year 2011/12.

Option 2: Regional Policy Committee Recommendation:

1. No adjustment to the EDU connection fee rate of \$4,766 per EDU effective July 1, 2011;
2. No adjustment to the monthly EDU (Equivalent Dwelling Unit) volumetric rate to the current rate of \$11.14 per EDU effective July 1, 2011;
3. An adjustment of \$20 per acre foot (AF) to the Recycled Water Direct Sale rate for \$95 per AF to \$115 per AF effective July 1, 2011;
4. An adjustment of \$30 per AF to Recycled Water Recharge Sale rate from \$115 per AF to \$145 per AF effective July 1, 2011; and
5. Adopt Rate Resolution Nos. 2011-2-1 through 2011-2-3 establishing the Capital Capacity Reimbursement Payment, EDU Volumetric, and Recycled Water rates for Fiscal Year 2011/12.

3. INFORMATION ITEMS

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

RECEIVE AND FILE INFORMATION ITEMS

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

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

D. PUBLIC OUTREACH AND COMMUNICATIONS (WRITTEN)

E. LEGISLATIVE REPORT FROM INNOVATIVE FEDERAL STRATEGIES (WRITTEN)

F. LEGISLATIVE REPORT FROM DOLPHIN GROUP (WRITTEN)

G. FY 2010/11 IN-HOUSE DESIGN SAVINGS (POWERPOINT)

H. CONSTRUCTION MANAGEMENT EXECUTIVE SUMMARY PRESENTATION (POWERPOINT)

I. IEUA MONTHLY WATER NEWSLETTER (WRITTEN)

J. CHINO CREEK WETLANDS AND EDUCATIONAL PARK UPDATE (POWERPOINT)

K. QUARTERLY MAINTENANCE UPDATE (POWERPOINT)

L. PRETREATMENT AND SOURCE CONTROL DEPARTMENT SEMIANNUAL UPDATE (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.

4. 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)

5. GENERAL MANAGER'S REPORT (WRITTEN)

6. BOARD OF DIRECTORS' REQUESTED FUTURE AGENDA ITEMS

7. 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.

8. 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. 37-2009-00108161-CU-BC-NC

(5) Martin vs. IEUA, Case No. CIVRS 1000767

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

(1) Property: 4 acres on El Prado Road
Negotiating Parties: Carson Companies
Under Negotiation: Price and Terms of Purchase

(2) Property: 8100 Chino-Corona Road
Negotiating Parties: Lewis Operating Corporation
Under Negotiation: Price and Terms of Purchase

**C. PURSUANT TO GOVERNMENT CODE SECTION 54956.9 –
CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION**

Ontario Airport Plume

**D. PURSUANT TO GOVERNMENT CODE SECTION 54957.6 –
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

9. 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: _____

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, February 10, 2011.

April Woodruff

Standing Meetings

February 2011

02-01-11	SAWPA Commission Workshop
02-02-11	IEUA Board Meeting/CBRFA
02-03-11	CBWM Appropriative & Non-Agricultural Pool Meeting
02-03-11	Regional Policy Committees
02-03-11	Regional Tech Committees
02-03-11	CDA Board Meeting
02-03-11	Southern Coalition
02-09-11	IEUA Public, Legislative Affairs & Water Resources Committee
02-09-11	IEUA Engineering, Operations and Biosolids Management Committee
02-09-11	IEUA Finance, Legal and Administration Committee
02-10-11	CBWM Agricultural Pool Meeting
02-14-11	MWD Standing Committee Meetings
02-15-11	MWD Standing Committee and Board Meetings
02-15-11	SAWPA Commission Meeting
02-16-11	IEUA Board Meeting/CBRFA
02-17-11	IEUA Dry Year Yield Meeting @ CBWM (CANCELLED)
02-17-11	CBWM Advisory Committee Meeting @CBWM
02-22-11	MWD Executive Committee
02-24-11	Watermaster Board Meeting @ CBWM
02-28-11	Association of Special Districts Dinner Meeting

March 2011

03-01-11	SAWPA Commission Workshop (tc)
03-02-11	IEUA Board Meeting/CBRFA (CANCELLED)
03-03-11	CBWM Appropriative & Non-Agricultural Pool Meeting
03-03-11	Regional Policy Committees (tc)
03-03-11	Regional Tech Committees
03-03-11	CDA Board Meeting
03-03-11	Southern Coalition
03-07-11	MWD Standing Committee Meetings
03-08-11	MWD Standing Committee and Board Meeting
03-09-11	IEUA Public, Legislative Affairs & Water Resources Committee
03-09-11	IEUA Engineering, Operations and Biosolids Management Committee
03-09-11	IEUA Finance, Legal and Administration Committee
03-09-11	IEUA Audit Committee
03-10-11	CBWM Agricultural Pool Meeting
03-15-11	SAWPA Commission Meeting
03-16-11	IEUA Board Meeting/CBRFA
03-17-11	IEUA Dry Year Yield Meeting @ CBWM
03-17-11	CBWM Advisory Committee Meeting @CBWM
03-21-11	Association of Special Districts Dinner Meeting
03-22-11	MWD Executive Committee
03-24-11	Watermaster Board Meeting @ CBWM