



Date: June 2, 2010

To: The Honorable Board of Directors

From: Thomas A. Love  
Interim Chief Executive Officer/General Manager

Subject: Interim General Manager's Report Regarding Agency Activities

**INTERAGENCY WATER MANAGERS' MEETING**

The next Interagency Water Managers' meeting is scheduled for June 17, 2010, as part of the Watermaster Advisory Committee agenda.

**HUMAN RESOURCES**

H.R. 4851, the Continuous Extension Act of 2010, which provided the third extension to several government programs, including COBRA health care insurance benefits under ARRA as well as emergency unemployment benefits, ended on May 31st. The fourth extension, H.R. 4213, the American Workers, State, and Business Relief Act, dubbed the "extenders package" would extend several benefits including unemployment insurance and COBRA benefits through the end of 2010. The Act was approved by the Senate in March by a vote of 62-36. The Act is in the process of being reconciled with the House version of the bill passed in December 2009 before it can be sent to the president for his signature. The total cost of the bill is estimated at \$140 billion, with \$80 billion of that being for the extended unemployment benefits.

Human Resources staff attended the University of Riverside's Last Chance Job Fair on May 20<sup>th</sup>. The event attracts hundreds of employers, representing a wide variety of industries and agencies. Hundreds of job seekers (students and alumni) attended the event looking for employment and internship opportunities. Attending college career/job fairs are essential in order to continue to build and maintain the Agency's name recognition at local colleges and to recruit top talent.

<b>CURRENT STAFFING</b>	
Regular Full-time Employees:	284
Contract/Limited Term Employees:	15
Interns:	17
<b>TOTAL:</b>	<b>316</b>

<b>CURRENT RECRUITMENT ACTIVITIES</b>	
<b>Recruitments in Process/Offer Pending</b>	<b>2</b>
<b>Placement in Process:</b>	<b>0</b>
<b>No RFVP; Position on Hold:</b>	<b>22</b>
<b>Total Regular Vacancies (Excludes Contract &amp; Intern Positions):</b>	<b>24</b>

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<b><u>RECRUITMENTS/PLACEMENT IN PROCESS</u></b>							
	<b>Position</b>	<b>Department</b>	<b>RFVP Received</b>	<b>Closing Date</b>	<b>Salary Range</b>	<b>Tentative Placement Date</b>	<b>Notes</b>
1	Senior Maintenance Technician	RP-1/RP-4 Plant Maintenance	03/10	Open Until Filled	GU096	5/10	Testing in Process
2	Deputy Manager of Construction Management	425-Construction Management	04/14/10	5/21/10	UN103	7/10	Recruitment in Process

<b><u>POSITIONS ON HOLD (9% Vacancy Factor)</u></b>			
	<b>Position</b>	<b>Department</b>	<b>Vacant Since</b>
1	Staff Internal Auditor	107-Internal Audit	3/09
2	Chief Financial Officer	210-Office of Finance & Admin	1/10
3	Human Resources Analyst	250-Human Resources	10/08
4	Sr. Water Resources Analyst	312-Planning & Water Resources	7/08
5	Manager of Program Funding	420-Engineering	12/09
6	Sr. Engineer	420-Engineering	12/08
7	Engineering Technician	420-Engineering	3/09
8	Assistant Engineer	420-Engineering	9/09
9	Deputy Manager of Construction Mgmt	425-Construction Mgmt	8/08
10	Construction Project Coordinator (Limited Term)	425-Construction Mgmt	2/09
11	Construction Project Coordinator (Limited Term)	425-Construction Mgmt	1/10
12	Construction Project Coordinator (Limited Term)	425-Construction Mgmt	3/10
13	Construction Project Coordinator	425-Construction Mgmt	12/09
14	Administrative Secretary (Limited Term)	425-Construction Mgmt	12/08
15	Sr. Engineer	517-Technical Services	2/10
16	Junior Operations Assistant	540-RP1 Operations	3/09
17	Sr. Operator	540-RP1 Operations	5/09
18	Operator	540-RP1 Operations	10/09
19	Operator	540-RP1 Operations	6/09
20	Electrician II	553-RP2/CC Elect/Instrument Maint	11/09
21	Junior Operations Assistant	580-RP2/RP5 Operations	5/09
22	Operator	580-RP2/RP5 Operations	2/09

**CONTRACT/LIMITED TERM VACANCIES**

None.

**INTERN VACANCIES**

None.

**SAWPA OWOW "CALL FOR PROJECTS"**

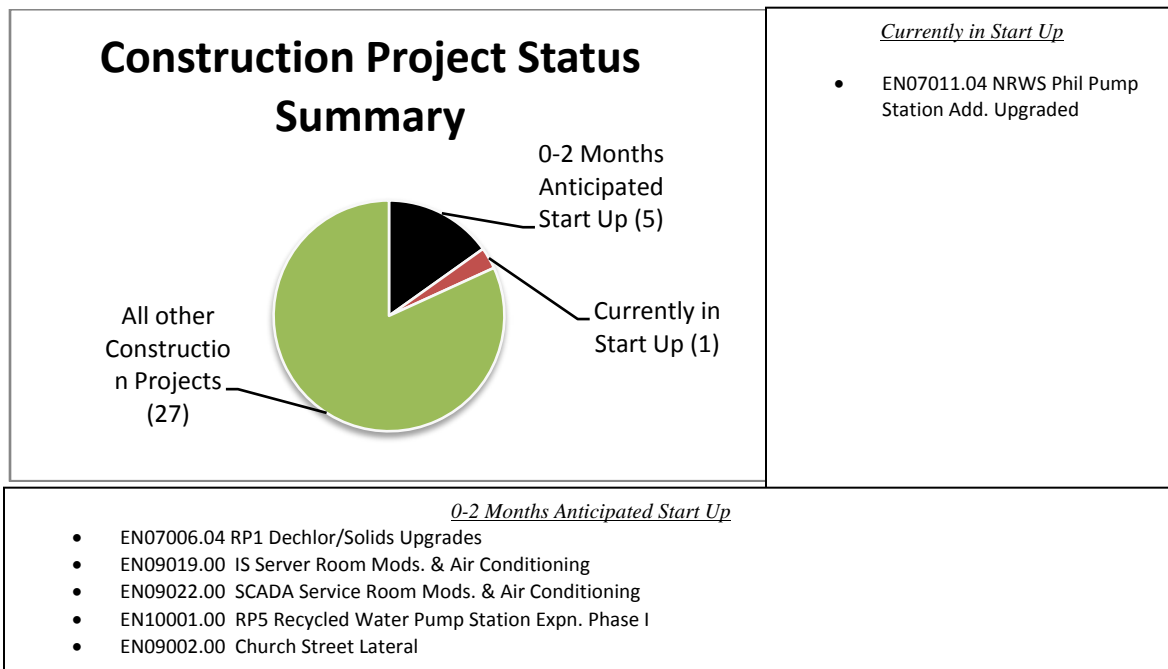
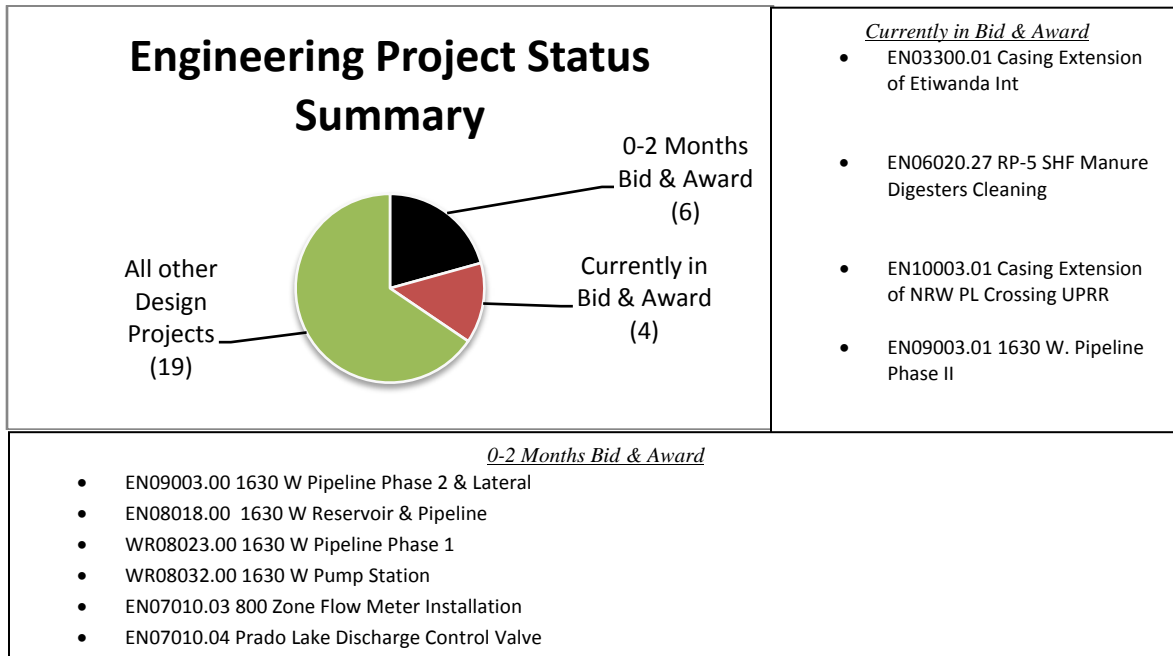
On May 17, 2010, SAWPA put out a "Call for Projects" that was distributed to both local and regional agencies and they announced a Project Development Workshop at SAWPA on May 26<sup>th</sup>. They are calling for projects to become part of the OWOW plan, the integrated watershed management plan for the region. Those projects will be considered for grants as Proposition 84 funds are released by the State. The Santa Ana Region has been allocated \$114 million of Proposition 84 Integrated Regional Watershed Management (IRWM) grant funds. The State is expected to release funding in several rounds, with the first one starting this fall expected to provide approximately \$12 million for the Santa Ana Region.

SAWPA has been selected by the State Department of Water Resources (DWR) to administer the IRWM grant application process for our region. The purpose of the May 26<sup>th</sup> workshop is to explain to the public how to submit projects and what the general criteria are for prioritizing funding. Project information is to be submitted electronically through the SAWPA web site. The requested data include quantitative as well as qualitative measures of a projects benefits and readiness for funding. SAWPA has hired a consultant to develop a model that will assemble the data into a form that facilitates prioritization and decision making, called "Decision Plus."

The due date for identifying projects is June 30<sup>th</sup>. The OWOW list of projects will be updated every few years, but it is important to have as comprehensive a list as possible at this time to satisfy the State's integrated planning requirements. SAWPA wants to develop a list of projects spanning the next 20 years that will ensure the region has enough water for healthy communities and a healthy environment. Project proponents are advised to have at least three sponsors to be considered competitive under the State's guidelines.

The OWOW Steering Committee will meet on June 3<sup>rd</sup> at 4:00 at Green River Golf Course to begin the prioritization process. The consultant, CDM, will make a presentation on the Decision Plus model. The Steering Committee will be asked to apply weighting factors to all of the various ranking criteria. The Steering Committee has 11 members, among them Wyatt Troxel, former IEUA Board Director, Marion Ashley from Riverside County, Josie Gonzalez from San Bernardino County, Bill Campbell from Orange County and others.

**ENGINEERING**



**Engineering Division Construction Aggregate Metrics (Information is based on project in "active" status during FY 2009/10 and at least one change order)**

Total Projects	Total Original Contracts	Change Order Amount	Change Order Ratio by Type		Total Adjusted Contracts
39	\$120,173,167	\$8,217,850	Added or Omitted	6.1%	\$128,391,017
			All Other Change Orders	0.8%	

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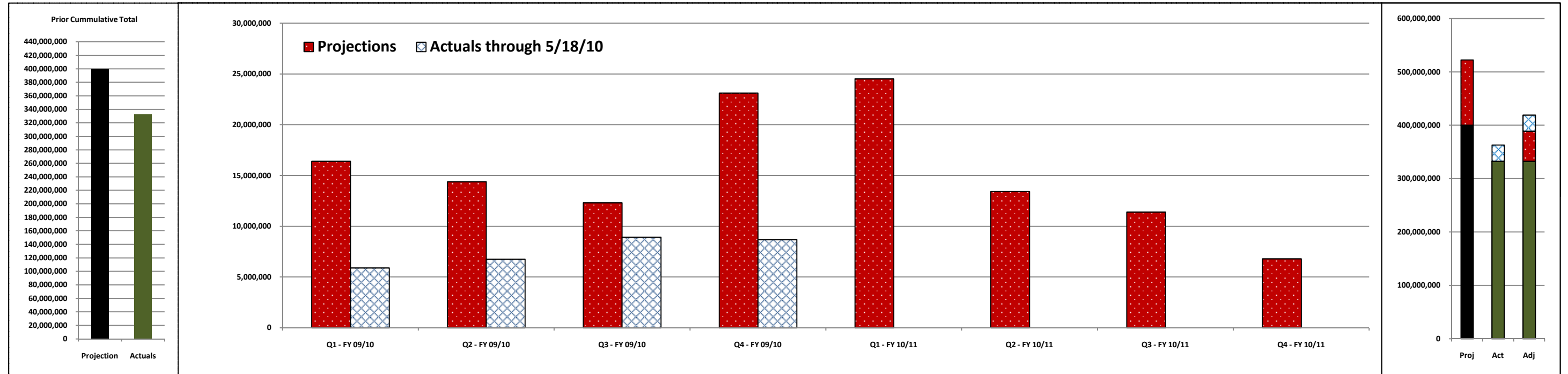
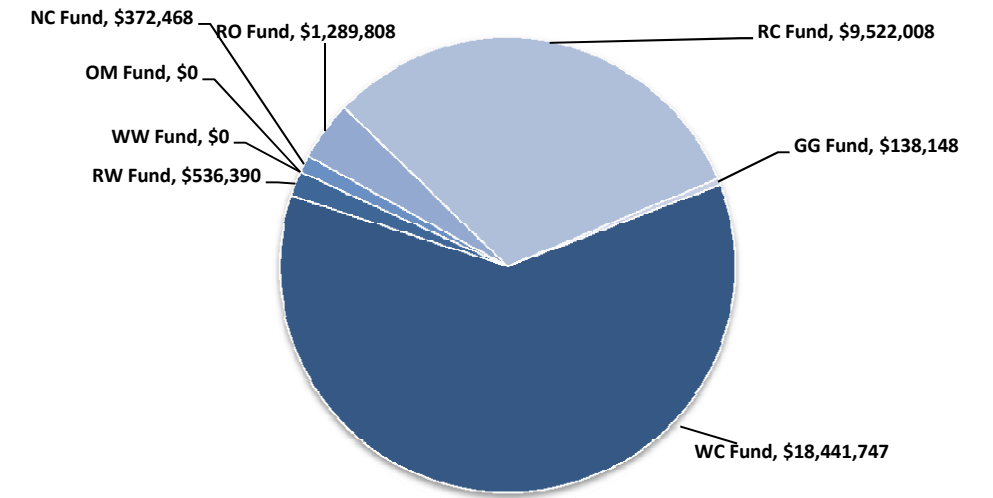
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# Capital Call by Fund

(Data Through 5/18/10)

Total Actuals for FY09/10 = \$30,300,570



Fund	Prior Cummulative Total Through Jun 09		Q1 - FY 09/10 Jul 09 - Sep 09		Q2 - FY 09/10 Oct 09 - Dec 09		Q3 - FY 09/10 Jan 10 - Mar 10		Q4 - FY 09/10 Apr 10 - Jun 10		Q1 - FY 10/11 Jul 10 - Sep 10		Q2 - FY 10/11 Oct 10 - Dec 10		Q3 - FY 10/11 Jan 11 - Mar 11		Q4 - FY 10/11 Apr 11 - Jun 11		Total	
	Proj	Act	Proj	Act	Proj	Act	Proj	Act	Proj	Act	Proj	Act	Proj	Act	Proj	Act	Proj	Act	Proj	Act
WC Fund	119,077,472	70,830,564	7,539,681	1,935,226	10,187,645	4,495,351	8,160,137	6,318,745	14,745,448	5,692,424	2,866,855	6,832,931	7,939,341	5,580,000	182,929,510	89,272,311				
RW Fund	17,613,391	30,695,556	661,430	168,949	91,400	117,720	169,842	88,039	115,922	161,682	0	0	0	0	18,651,985	31,231,946				
WW Fund	8,466,937	4,064,888	88,409	0	88,409	0	88,409	0	88,409	0	0	0	0	0	8,820,573	4,064,888				
OM Fund	3,196,981	23,501	0	0	0	0	0	0	0	0	0	0	0	0	3,196,981	23,501				
NC Fund	17,279,882	10,121,357	0	110,042	0	116,005	0	118,599	0	27,822	820,771	25,000	25,000	25,000	18,175,653	10,493,825				
RO Fund	6,057,728	179,804	1,648,638	706,297	1,048,823	230,294	531,564	258,495	543,528	94,723	669,001	594,334	195,000	6,000	11,294,616	1,469,612				
RC Fund	224,488,694	207,053,441	6,298,396	2,932,319	2,944,400	1,784,963	3,327,816	2,130,990	7,458,304	2,673,737	20,066,410	5,978,574	3,235,020	1,187,500	274,985,114	216,575,449				
GG Fund	3,941,611	9,737,621	171,000	55,819	30,000	11,662	35,556	21,032	165,000	49,636	100,000	0	0	0	4,443,167	9,875,769				
<b>Total Projections</b>	<b>400,122,696</b>	<b>332,706,732</b>	<b>16,407,554</b>	<b>5,908,652</b>	<b>14,390,677</b>	<b>6,755,994</b>	<b>12,313,324</b>	<b>8,935,901</b>	<b>23,116,611</b>	<b>8,700,023</b>	<b>24,523,037</b>	<b>13,430,839</b>	<b>11,394,361</b>	<b>6,798,500</b>	<b>522,497,599</b>	<b>363,007,302</b>				

-67,415,964	-10,498,902	-7,634,683	-3,377,423	-14,416,588	-24,523,037	-13,430,839	-11,394,361	-6,798,500	-159,490,297
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## **CONSTRUCTION MANAGEMENT**

### **MAGNOLIA CHANNEL, PROJECT NO. EN06020.03**

The contractor trenched and installed approximately 130 LF of the proposed 36-inch HDPE storm drain line. Additionally, the contractor continued cutting, mixing, and drying out materials which were borrowed from the East Borrow Site. The contractor is currently working on over-excavating, scarifying, and compacting underneath the northeast section of the proposed basin. The contractor is borrowing materials from the East Borrow Site which is located just southeast of the proposed basin. This work was not part of the original construction activities. Submittals for the proposed sewer and fire line for the Carson Companies are currently under review by the Carson Companies Design Engineering team. The environmental survey concluded the presence of selected nesting bird species along Area 1 and Vireo Bells on Flower Street. This will delay the ability of the contractor to do this work. The contractor will not be able to work in either area during the nesting season.

### **NRW COLLECTION SYSTEM ASSET MANAGEMENT, PHASE II, PROJECT NO. EN07011.05, EN07011.07 AND EN06011.02**

Sancon has completed the rehabilitation of three manholes located on Philadelphia Ave. Work included clearing all roots, raising the manhole to grade, and applying a cementations liner. Work will be completed by June, 2010. Sancon anticipates beginning the installation of the link-pipe and sectional liner inside the NRW line on Philadelphia Avenue by the first week of June. This project is scheduled to go to the Board of Directors on July 21, 2010.

### **INSTALLATION OF PRVS BETWEEN 1158 AND 1050, PROJECT NO. EN07010.01**

The contractor continues to submit submittals and is coordinating field activities with his fabricators, vendors, and suppliers in order to perform the work. The mechanical piping has been released for fabrication. The contractor shall coordinate shutdown/tie-in details with subcontractors Trimax and Invensys, and they will submit SDTI request for Agency review. In addition, several RP-1 screen development meetings have been held to satisfy the needs of the operations staff. It has been recently reported that the ABB meter delivery may be delayed. The contractor is working with their supplier to remedy the delay and will report shortly.

### **REGIONAL PLANT NO. 1 DEWATERING FACILITY EXPANSION, PROJECT NO. EN06015.00**

SSC Construction continues with submittals which include major components such as the centrifuges, truck scale system, inline grinders, bridge crane and monorail, and hoisting equipment. Field activities include installation of the centrate line, drain lines, form, reinforce and place column foundations, and continue activities at the tote storage area. In addition, SSC is installing the 12-inch, 18-inch, and 24-inch FA Lines and has performed the 36-inch foul air connection to the existing dewatering facility and bio-filter. Scheduled field activities include completion of the centrate line, drain lines, form, reinforce and place column foundations, and continue activities at the tote storage area. During the course of over-excavation at the new tote storage area the contractor uncovered four duct banks and a couple of unidentified process pipe. Construction Management and Engineering staff have reviewed the conflicts and have developed additional foundation details to correct the conflicts.

**REGIONAL PLANT NO. 1 DEWATERING FACILITY EXPANSION, PROJECT NO. EN06015.01**

Mike Bubalo Construction Company (MBCC) has completed ductile iron piping and installed the 8-inch HDPE from within the RP-1 Facility, Ontario Soccer complex, and the Whispering Lakes Golf Course. Testing has been performed and the piping has satisfactorily met the testing requirements. The tie-in to the existing force main system has been completed. MBCC has scheduled restoration of the landscape at the soccer complex, golf course, and street restoration within the plant area.

**REGIONAL PLANT NO. 1 DEWATERING LANDSCAPING, PROJECT NO. EN06015.02**

SIMS Construction has completed all construction activities and the project is in a 90 day maintenance period which ends May 19, 2010.

**REGIONAL PLANT NO. 1 ASSET MANAGEMENT ITEMS, PHASE II AND DECHLORINATION STATION UPGRADES, PROJECT NO. EN07006.04**

No site construction activities performed over the last two weeks. A meeting was recently held to discuss SDTI's with the contractor and Agency DCS /Operations staff. The teams also reviewed the schedule and plan to complete the subject project. It appears that all work related to the contract shall be completed by June 30, 2010.

**REGIONAL PLANT NO. 1 DIGESTER 3 ROOF REHABILITATION, PROJECT NO. EN08024.00**

IEUA staff and RMS completed a confined space entry into Digester No. 3 and assessed the condition of the digester's interior. RMS has completed its evaluation and has submitted their condition assessment and the results were discussed on Monday, May 17, 2010, with Agency Staff. Engineering staff is preparing a RFP for distribution and has scheduled completion of the additional repairs for June, 2010.

**REGIONAL PLANT NO. 1 ODOR CONTROL, PHASE 1B AND SOLIDS BYPASS, PROJECT NO. PL03006.00**

IEUA is in receipt of the specifications from the Engineer-of-Record. IEUA is currently preparing the front-end documents and also drafting the revised plans to bid this project. A review meeting has been set-up between Construction Management, Operations, and Engineering to review and approve the proposed design. Final design is anticipated to be completed by the end of May. Engineering shall formally bid this project.

**REGIONAL PLANT NO. 1 CHINO BASIN FACILITIES IMPROVEMENTS, PHASE II PKG. C (TURNOUT SERVICE PIPELINE CONNECTIONS & SCADA IMPROVEMENT), PROJECT NO. TS07004.03**

Norstar Plumbing and Engineering has completed the construction of the spillway on the north side of the improved berm. All cut, fill, and grading for the improved berm is complete. A job walk was held by Construction Management, Engineering, and the contractor to compile a punch list. The contractor also completed the installation of additional rip rap located at the upstream portion of the spillway. This project is in close-out.

**RECYCLED WATER RETROFIT-GUASTI PARK, PROJECT NO. PU06507.01**

The County of San Bernardino has requested that additional items be included in the scope of work for the contractor. The remaining portion of this work is currently being bid by Engineering. One warranty issue regarding the repair of a bent gate remains to be resolved by the contractor.

**PHILADELPHIA PUMP STATION RECYCLED WATER RETROFIT, PROJECT NO. PU09709.01**

This project will retrofit the Philadelphia Lift Station for the use of recycled water. Engineering submitted a third revision plan set to Construction Management which was forwarded to the contractor for costing. The contractor submitted their permit application with the City of Ontario. Electrical Integration Systems (EIS), cut into the existing conduit designated for new pressure transducer, and installed a 1-inch galvanized tee to run conduit across the ceiling to the western wall of the Philadelphia Lift Station Pump Room. The contractor installed the 1-inch galvanized conduit and terminated it near the location of the future transducer. Power and communication wire was pulled to the transducer location. With receipt of the permit, contractor is expected to be done by the end of June.

**1299 EAST RECYCLED WATER PIPELINE, PROJECT NO. WR08027**

The contractor has been completing the final connections at each jack and bore location. The contractor has also completed the installation of the "T" connection at Arrow Route and Etiwanda Ave. WEKA is preparing to flush, and hydrostatically test the pipeline after completing the video inspection of the newly completed jack and bore operations. They also scheduled to complete the crossing of East Ave and entry into the reservoir property. An unforeseen obstruction was discovered at the Arrow/Etiwanda tie-in location of the 36-inch BFV. A north-south SCE concrete encased conduit bank run was discovered right above the proposed location of the 36-inch BFV. A relocation of the 36-inch BFV has been proposed and implemented to clear the SCE encasement. Tie-ins and hydrostatic testing are on schedule.

**1630 EAST RECYCLED WATER PUMP STATION AND 1299 EAST RESERVOIR CONVERSION, PROJECT NO. WR08028**

The masonry subcontractor began setting the slump stone walls for the pump station building. The electricians are setting the three large vaults and installing the conduit within the Edison cable trench from the transformer vault. Painters are beginning the rehabilitation of the inside of the reservoir as well. The contractor is also scheduled to complete the rehabilitation of the inside of the reservoir. They are also scheduled to receive and set the Owner acquired switch gear, as well as, setting the roof trusses. Finally, the contractor is scheduled to complete the testing of the 36-inch CML&C feed and discharge lines. Currently, equipment delivery appears to be on schedule.

**1630 EAST RECYCLED WATER PIPELINE, SEGMENT A, PROJECT NO. WR08031**

The contractor installed pipe from the Victoria Basin to the receiving pit on Fisher Street, welded the pipe, passed welding inspection, and grouted and cleaned the pipe in this section. Golden State Boring has completed 140 feet bore under the 210 freeway and will continue to complete the remainder 450 feet bore under the 210 freeway. Night work will continue on East Avenue and Baseline Avenue to complete pipeline installation. Pothole data from surveyor is not matching pothole data from the contractor at Fisher Drive. RMC has completed at least two revisions to

address the issues. WEKA will try to complete the work on Baseline Avenue and East Avenue during night hours.

**CHURCH STREET LATERAL, PROJECT NO. EN09002**

The 30-inch pipe was coated and will start to be delivered the week of May 21, 2010. The sprinkler caps have started to be installed at the sports complex and will continue through May 21, 2010. The RFD for the median island was submitted and is under review by the Agency. Once the review is complete a means cost estimate for the additions and deletions of work along Baseline Avenue will be done to prove costs. The portion of work inside the Cal-trans right of way on Baseline Avenue has been sent to WEKA Construction for a cost estimate to lay that portion of 30-inch CML&C piping that is within the encroachment permit parameters. The project remains on schedule.

**RP-5 RECYCLED WATER PUMP STATION EXPANSION, PROJECT NO. EN10001.00**

The contractor completed the construction of the equipment pedestals and set the new pumps, motors, and outlet header into place. Tamang also completed trenching for the proposed bypass piping. Additionally, all power/control wires were pulled to the existing Power Center 3 building. Design changes include provisions for the installation of an 8-inch and 10-inch pressure-reducing valve with associated piping and appurtenances for plant pressure regulation. The 36-inch discharge pipe will need to be cut and fitted.

**IS/SCADA SERVER ROOM AND AIR CONDITIONING MODIFICATION, PROJECT NO. EN09019 AND EN09022**

The project hand-off meeting was held on May 4, 2010. The project kick-off meeting was held on May 10, 2010. The contractor has submitted schedule of values, construction schedule, bonds, and insurances for Agency's review. The contractor completed the pre-construction video and anticipates beginning demolition activities by the end of May.

**PHILADELPHIA PUMP STATION ADDITIONAL UPGRADES, PROJECT NO. EN07011.04**

Force account work was approved for additional electrical work requested by NRWS, Operations, and Maintenance. The scope of work includes cutting and removing existing electrical conduits, installation of new electrical conduits, pulling and terminating new power cables, and re-coating the interior south walls of the ferric chloride secondary containment area. A change order will be prepared for this change. The contractor, Electrical Integration Systems (EIS), began to install SS vertical strut and 1-inch galvanized conduit to run over the exterior fencing of the Ferric Chloride area. Power and control wiring was pulled to both pull boxes.

**IERCF AMENDMENT HOPPER PIPE BAFFLES, PROJECT NO. RA02041.02**

Construction Management received the final baffle design from CDM and sent to the contractor for a quote. The contractor submitted several questions from fabricator to Engineer who subsequently forwarded questions to CDM. Upon receipt of the question responses, the contractor will submit his quote for the change order within two weeks. The contractor will have one baffle fabricated, installed, and tested in Amendment Hopper No. 2. Upon successful testing, the second baffle will be fabricated and installed in Amendment Hopper No.1. Upon successful performance of both baffles, this project will be completed. Completion is anticipated within the next 30-days.

### **IERCF BACKUP GENERATOR, EMERGENCY LIGHTING, AND EXTERNAL RESTROOM INSTALLATION, PROJECT NO. RA08003.00**

The South Harmonic Filter wiring was completed and tested, and both filter units were put on-line followed by training of IEUA personnel. The southeast unit had a defective converter that will be replaced by the manufacturer within the next week. The North Harmonic Filter wiring was also completed and both filter units were tested and put on-line. Although all the harmonic filters have a robust design and are functioning properly, the two north units were shipped with the incorrect breaker size that the manufacturer will also replace within the next week. The contractor completed the punch list items on the CXT restroom and this aspect of the project is now completed. The contractor is schedule to pull the 15Kv conductors between the north and south generator switchgear panels on May 19, 2010. This work will only include pulling the conductors with no terminations being made at this time. Final terminations will be made upon installation of the engine generator unit in the fall of 2010. The second submittal for the generator is still being reviewed by the B&V Engineer and is expected to be approved within the next two weeks. Upon replacements of defective converter and breakers in the harmonic filters, Phase I of this project will be considered completed. The contractor expects to construct the generator unit base pad with conduit stub-outs upon approval of the generator submittal. Upon completion of that work, the contractor will pull offsite until the generator unit is delivered onsite and will move forward to complete Phase II of the project.

### **REGIONAL PLANT NO. 2 SLUDGE LINE LEAK AND SUBSEQUENT FERRIC LEAK DISCOVERY**

This work is completed. Staff is currently addressing minor changes in work encountered by the contractor. All paperwork is expected to be completed by June.

### **REGIONAL PLANT NO. 4 LAGOON SINK-HOLE AND BULGING**

The RP-4 Lagoon liner was noted to be bulging after a rainstorm. An evaluation by the Engineer has identified a solution and cost to repair this problem. The recommendation on these findings has been forwarded to Engineering and Executive Management for approval of an implementation plan. A temporary patching system has been placed which is protecting this area until a more permanent solution can be completed.

### **REGIONAL PLANT NO. 1 LAGOON SINK-HOLE AND BULGING**

The RP-1 Lagoon liner was noted to be bulging due to water cannon leakage and subsidence. An evaluation by the Engineer has identified a temporary and permanent solution to make repairs. An RFP has been prepared by Construction Management to be sent to CAP. A job walk was held on May 18, 2010. Award is expected by the end of the month. Long term repairs have been forwarded to Engineering to review and incorporate into the Ten-Year Plan.

### **REGIONAL PLANT NO. 4 FERRIC LINE REROUTING**

This project reroutes the chemical lines up through the wall of the Chemical building to minimize the potential for underground breakage under the containment area. Work has been completed except for the tracing of the sodium hypochloride line. It is expected this scope of work will be done by the end of June. Additional repairs will be addressed if indicated after trace testing is completed.

### **REGIONAL PLANT NO. 4 VALVE AND GAUGE INSTALATION**

This project will install blow-off and gauges on the RP-4 pump station to relieve cavitations/vapor lock issues and monitor system operations. This project was bid by CAP. Currently, the contractor is awaiting delivery of materials to be installed. A change order is being addressed that reflects a required reducer and alternative valve, but these changes are expected to be minor. Work is expected to be completed by June.

### **IECRF DRAINAGE ISSUES**

This project resolves drainage issues on the west side of the IECRF Building and corrects access issues. Completion is pending operational test of the access ramps. This includes adjusting ramp length and slope to facilitate entrance of trucks.

### **MAIN OFFICE BUILDING SETTLING ISSUES**

An evaluation by the Engineer has identified a solution and cost to make repairs to the Main Office Building. A second Engineer's report was authorized to confirm the first Engineer's findings. A recommendation on these findings has been forwarded to Engineering and Executive Management for approval of an implementation plan.

### **REGIONAL PLANT NO. 1 DIGESTER CROSS CONNECTION**

An apparent cross-connection was noted in the Digester area related to abandoned lines running to the primaries. As a result, the contractor was mobilized to the site, the cross connection was separated, and blind flanges were placed on both pipes. Engineering is currently reviewing drawings and will make a recommendation to Operations on a permanent solution to this cross-connection.

### **PUBLIC INFORMATION**

#### **Calendar of Events**

#### **June 2010**

- June 3, Three Valleys Leadership Breakfast, Sheraton Fairplex, 7:30 a.m.
- June 3, Chino State of the City Address, Chaffey Chino Campus 11:30 a.m.

#### **August 2010**

- August 12, County of San Bernardino Water Conference, Ontario Convention Center

### **Outreach/Educational Inland Valley Daily Bulletin Newspaper Campaign**

The monthly tips on ways to help conserve water continue to appear in our local newspapers each month.

### **Water Conservation Outreach**

IEUA is continuing to work with conservation partners to plan the Regional Conservation message. The slogan is *Saving Water...It's the Right Thing to Do*. The movie theatre campaign will begin appearing at the end of May, and run through the end of September.

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### Regional Conservation Outreach Campaign

- Ongoing monthly ¼-page ads in the Inland Valley Daily Bulletin, Champion Newspaper, Fontana Herald News, La Opinion, and Inland Empire Magazine.
- Ongoing water wise gardening classes.

MWD's conservation ad campaign, "Water Conservation a Way of Life" will begin running on Monday, May 17 through June 30, 2010. They will have 30 second spots on TV and 60 second spots on radio.

### Agency Tours

Numerous tours of RP-5 wastewater plant were given to Cal Poly Students during the month of May.

### Educational Updates

- WEWAC held their annual PSA Awards Ceremony on May 18<sup>th</sup>. Colony High School from the City of Ontario placed first in the High School PSA Contest.
- Solar Cup took place May 14-16<sup>th</sup> and Ayala High School from the City of Chino Hills participated. Results from the competition will be announced at the next MWD Education Coordinator's meeting on May 27<sup>th</sup>.
- The Water Discovery Program has been booking up very fast. Field trips are being held Tuesday through Thursday. The month of May is completely booked.
- The Public Information department is working on an Educational section for the IEUA website which will identify all of the education programs offered through IEUA as well as teacher and student resources, etc.

## **FINANCE AND ADMINISTRATION**

### **Account/Receivables**

#### **IEUA Aging Report – As of 05/17/2010**

**IEUA Customer's** (Note: Excludes RDA customers, Grant Customers, Customer CDA, and Customer RCA)

Total Outstanding	Current	1-30	31-60	61-90	91-120	>120
\$6,412,025.18	6,339,689.38	\$121,627.59	\$1,284.00	\$1,460.21	-	

Notes:

- 1) Current column, invoices billed, but not due yet.
- 2) Aging 1-30 days, balance pertains to invoices that were recently due. Majority of balance pertains to Chino Development Corp; invoice is three days past due (SAWPA passthrough charges are being reviewed).
- 3) Aging 31-60 days, balance pertains to domestic waste customer behind on payment (JCPE)
- 4) Aging over 61-90 balance pertains to domestic waste customer (JCPE); denied entrance to IEUA plants until payment is received.

#### **Customer CDA (Due to IEUA)**

Total Outstanding	Current	1-30	31-60	61-90	91-120	>120
\$194,833.93	\$210.71	\$28,710.35	\$165,912.87	-	-	-

Notes:

- 1) Current column, pertains to expense (system due from/due to) posted today.
- 2) Aging 1-30 days, pertains to expense (system due from/due to) posted in May '10, billable in June and payable in July.
- 3) Aging 31-60 days, pertains to expense (system due from/due to) posted in April'10, billable in May and payable in June.

Interim General Manager's Report Regarding Agency Activities

June 2, 2010

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**Customer RCA (Due to IEUA)**

Total Outstanding	Current	1-30	31-60	61-90	91-120	>120
\$442,001.35	0.00	\$38,423.18	\$403,578.17	-	-	-

Notes:

- 1) Current column pertains to expense (system due from/due to) posted today.
- 2) Aging 1-30 days, pertains to expenses (system due from /due to) posted in May '10, billable in June payable in July.
- 3) Aging 31-60 days, pertains to expense (system due from/due to) posted in April'10, billable in May and payable in June.

**Customer CBWM (On IEUA Books)**

Total Outstanding	Current	1-30	31-60	61-90	91-120	>120
\$133,044.54	\$185,080.54	(\$52,036.00)	-	-	-	

Notes:

- 1) Current column, invoices billed, but not due yet.
- 2) Aging 1-30 days, pertains to credit memo for reconciliation of debt service for FY08/09.

**Customer San Bernardino Co. Reg. Parks (Retrofit)**

Total Outstanding	Current	1-30	31-60	61-90	91-120	>120
\$260,000.00	-		\$260,000.00	-	-	-

Notes:

Aging 1-30 days, pertains to invoice no. 1800001630, Public Retrofit Project; customer is reviewing IEUA billing (cost). Per Mir Fattahi, Bryan from S.B. Co. Reg. Parks will research the invoice (5/17/2010). IEUA Accounts Receivable has placed a call to Bryan reminding him to provide update (5/17/2010).

**Investment Yield Comparables – 8 Week Run Rates**

Investment Type	29-Mar	5-Apr	12-Apr	19-Apr	26-Apr	3-May	10-May	17-May
<b>SWEEP ACCOUNT –CBB</b>	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%
<b>CDARS (1 YR) –CBB</b>	0.85%	0.85%	0.85%	0.85%	0.85%	0.85%	0.85%	0.85%
<b>1 Yr CD – BofA</b>	0.65%	0.65%	0.65%	0.65%	0.65%	0.65%	0.65%	0.65%
<b>1 Yr CD – Wells Fargo</b>	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%
<b>1 Yr CD Citibank</b>	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%
<b>LAIF</b>	0.55%	0.55%	0.55%	0.55%	0.55%	0.54%	0.52%	0.52%
<b>US. Treasuries:</b>								
<b>US. Treasuries – 3-Mos</b>	0.14%	0.16%	0.17%	0.16%	0.16%	0.16%	0.14%	0.16%
<b>US. Treasuries – 6 Mos</b>	0.24%	0.24%	0.25%	0.24%	0.24%	0.24%	0.22%	0.22%
<b>US. Treasuries – 12 Mos</b>	0.42%	0.43%	0.47%	0.44%	44%	0.43%	0.39%	0.38%
<b>US. Treasuries – 2 Yrs</b>	1.05%	1.06%	1.11%	1.05%	1.05%	1.03%	0.88%	0.85%
<b>US. Treasuries – 3 – Yrs</b>	1.62%	1.65%	1.71%	1.63%	1.63%	1.58%	1.41%	1.36%
<b>US. Treasuries 5 – Yrs</b>	2.55%	2.60%	2.67%	2.57%	2.56%	2.50%	2.29%	2.25%
<b>US Government Sponsored Entities Benchmark Bullets</b>								
<b>2 yr Agency Bullets</b>	1.17%	1.22%	1.18%	1.11%	1.13%	1.13%	1.05%	1.05%
<b>3 yr Agency Bullets</b>	1.80%	1.84%	1.84%	1.75%	1.76%	1.76%	1.55%	1.55%
<b>5 yr Agency Bullets</b>	2.77%	2.81%	2.80%	2.70%	2.70%	2.70%	2.55%	2.55%

### **Investment /Market Update**

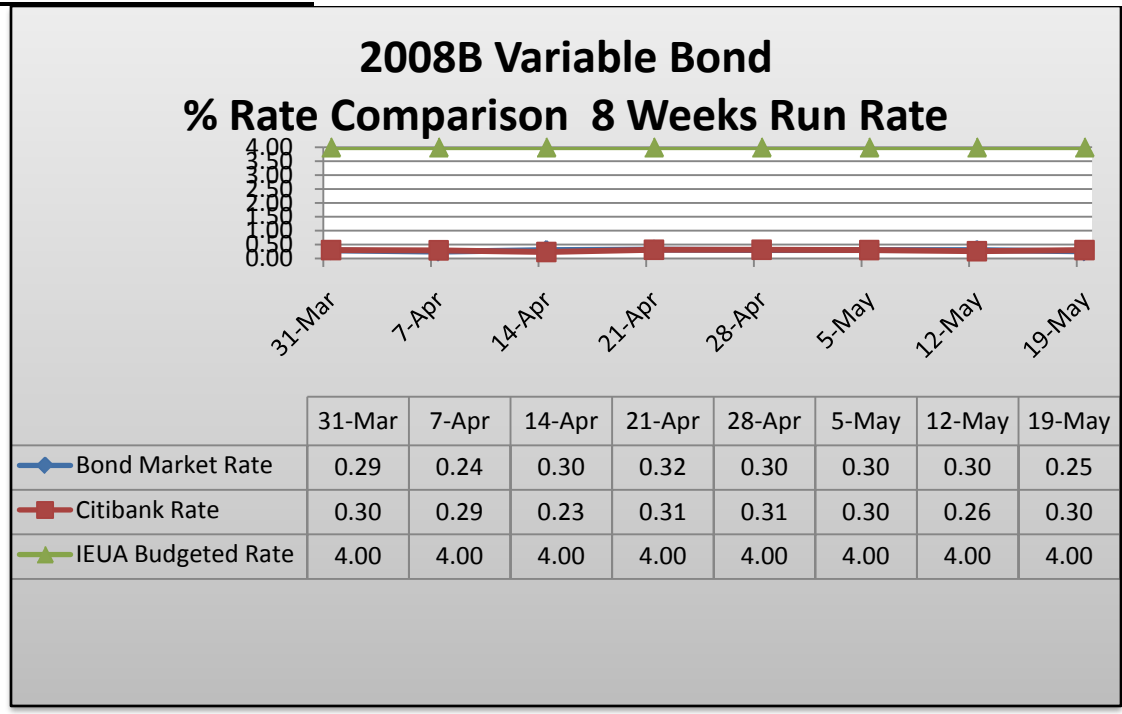
The average maturity is 846 days for current investments exclusive of LAIF and SWEEP. Including LAIF, the average maturity is 354 days, (assuming 2 days to liquidate the LAIF investment and SWEEP Account).

IEUA investment portfolio rate of return is estimated at 1.15% for the month of May compared to 1.18% from prior month as reported in March Treasurer's Report of Financial Affairs. The decrease is the result of the GSE investment called in full on April 22<sup>nd</sup> which had a yield of 1.5%. The average monthly effective yield for LAIF yield is .52% as of May 17, 2010, compared to .58% for the month of April and .54% for March. Our current investment includes GSE with an average yield to market of 2.01%, two accounts in CDARS at 1.26% APY (1 yr maturity) & .9% APY (to mature in Dec 2010), the combined CDARS yield is .95%, LAIF at .55% ad SWEEP at .90%.

### **Various updates from Brokers & Bloomberg:**

- May 17 – Europe's sovereign debt crises is prompting some of the treasury market's biggest bears to reserve calls for Federal Reserve interest-rate increases this year. Morgan Stanley, Wrightson ICAP and Pierpont Securities LLC say the Fed will keep interest rates near zero percent after the European Union unveiled an almost \$1 trillion loan package to halt a slide in the euro and local bonds that threatened to shatter the currency union. Treasuries, the benchmark for everything from corporate bonds to mortgage rates, have returned 3.4 percent since December, including reinvested interest, the most at this point in a year since gaining 8.48 percent I 1995, according to Bank of America Merrill Lynch indexes.
- May 17 (Higgins Capital) – Treasuries are up across the curve as stocks continue the sell-off. Stocks have retreated on the slowdown in NY manufacturing along with lingering concerns over the debt crisis unfolding in Europe. Concerns abound on a worsening debit crisis in Europe will only dampen the global economic recovery. Global demand for US financial assets in the long-end set a record in March as marker participant continued to purchase US treasuries, particularly China and the U.K. Foreign-based investors bought \$132.4billion in treasury securities for March.
- May 11 (Bloomberg) – Treasuries rose, trimming their biggest decline since March, as the euro's decline stroked concern that a near \$1 trillion European Union rescue package will fail to end the region's sovereign – debt crisis.

**2008B Variable Bond Trend**



**Other Division Updates on Significant Events:**

**FY 2010/11 O&M Budget and TYCIP review and approval schedule:**

Date	Event
5/18/2010	Workshop on Water Resources Program FY 2010/11 Budgets.
5/19/2010	Adoption of FY 2010/11 EDU, Connection Fees and Recycled Water rates
6/2/2010	Public Hearing on FY 2010/11 Proposed Budget and Rate Increase for the Regional Wastewater, Recycled Water, Non-reclaimable Wastewater and Water Resources Programs.
6/2/2010	Board approval of FY 2011 Appropriation Limits.
6/16/2010	Board reviews, approves, and adopts the FY 2010/11 Budget, services rates and resolutions, LRPF, and the TYCIP.
6/18/2010	Board Secretary to mail Appropriation Limit to State Controller Office upon adoption of the new budget.
6/30/2010	Post/Update adopted documents (Budget, TYCIP & LRPF) in the Agency Website.

**1994 Revenue Bond Refunding (2010A Bonds) Timeline:**

<b>Date</b>	<b>Event</b>
5/19/10	Board Update on Validation process and financing schedule.
5/21/10	Submit rating package to credit rating agencies & Board Secretary.
5/26/10	Default Judgment issued and 30 day challenge period begins.
6/2/10	Board to authorize legal documents and Preliminary Official Statement (POS).
6/14/10	Credit Rating Received.
6/17/10	Final Official Statement (OS) posted.
6/24/10	Pricing: Execution of Bond Purchasing Agreement.
6/25/10	End of 30 day challenge period.
7/7/10	Board Meeting update pre-closing, 30 – day challenge and credit ratings, final OS.
7/8/10	Closing.
8/4/10	Final Wrap up provided to the Board.