



Date: February 4, 2009

To: The Honorable Board of Directors

From: Richard W. Atwater
Chief Executive Officer/General Manager

Subject: General Manager's Report Regarding Agency Activities

DROUGHT WATER SUPPLY STRATEGY AND DYY COORDINATION MEETINGS

The next Drought Water Supply Strategy Meeting is scheduled for February 18, at IEUA and the next DYY Coordination Meeting is scheduled for February 26, at 8:00 a.m. at Watermaster.

OPERATIONS

NRWS Connections

On January 6, 2009, the Inland Empire Regional Composting Authority (IERCA) commenced discharge to the Non-Reclaimable Waste System (NRWS). Located next to RP-4, the IERCA is the largest indoor composting facility in the nation. The IERCA produces wood based compost from recycled wood waste and biosolids from IEUA and CSDLAC. Wastewater is generated from the Biofilter irrigation and humidification operations and a truck wash station. By discharging wastewater generated at the IERCA to the NRWS, the impacts from high ammonia and TDS to RP-1's influent loading will be reduced.

Water Softener Rebate Program Update

The first round of advertising for the Water Softener Removal Rebate Program has been completed. Advertising included commercials on Time Warner Cable television, AM radio, and several press releases in local newspapers. During the second quarter, 25 applications were received with 67 inquires. Through the end of December, 26 water softeners have been removed. In the third quarter additional advertising will take place including water bill inserts, television commercials and articles in city newsletters. Staff anticipates receiving 30+ applications in the third quarter.

SUMMARY OF CHINO BASIN GROUNDWATER RECHARGE OPERATIONS				
December 2008				
Drainage System	Recharge Volume (AF)*			Management Zone Subtotals
	Basin	SW/LR	MW	
San Antonio Channel Drainage System				MZ-1 904 AF**
College Heights	-	-	N	
Upland	102	-	N	
Montclair 1, 2, 3 & 4	200	-	N	
Brooks	162	-	88	
West Cucamonga Channel Drainage System				MZ-2 1,114 AF**
8th Street	253	X	-	
7th Street	99	X	-	
Ely 1, 2, & 3	287	X	-	
Minor Drainage				
Grove	160	N	N	
Cucamonga and Deer Creek Channel Drainage Systems				
Turner 1 & 2	344	-	-	
Turner 3 & 4	50	-	-	
Day Creek Channel Drainage System				
Lower Day	66	-	X	
Etiwanda Channel Drainage System				
Etiwanda Debris	12	-	X	
Victoria	74	-	X	
San Sevaine Channel Drainage System				
San Sevaine 1, 2, 3, & 4	48	-	N	
San Sevaine 5	38	N	X	
West Fontana Channel System				
Hickory	35	-	-	
Banana	87	-	-	
Declez Channel Drainage System				MZ-3 450 AF**
RP3 Cells 1,3, & 4	122	-	-	
RP3 Cell 2	34	-	-	
Declez	207	-	-	
Non-Replenishment Recharge**				
Brooks (MVWD) MZ-1	-			
Montclair (MVWD) MZ-1	-			
Turner (SAWCO) MZ-2	-			
Ely (GE) MZ-2	-			
Month Total = 2,468 AF	2,380	0	88	
Fiscal Year to Date Total				
Since July 1, 2008 = 4,908 AF	3,574	0	1,334	
SW : Storm Water, LR : Local Runoff (and GE, MVWD), MW : MWD Imported Water, RW : Recycled Water - : No stormwater/local runoff, or basin not in use due to maintenance or testing. X : Turnouts not available - to be installed during future projects. N : No turnout planned for installation. * : Data are preliminary based on the data available at the time of this report preparation. ** : Management Zone Subtotals have deducted from them any Non-Replenishment Recharge, which is recharge originating from pumped groundwater and is not new water.				

Laboratory

In the 1st half of FY0809 the Laboratory has performed 41,569 tests on 12,530 samples.

Source	Total Number of Samples							Total	% of Total
	1Q FY0809			2Q FY0809					
	Jul	Aug	Sept	Oct	Nov	Dec			
RP-1	836	736	737	761	727	739	4536	18.0	
RP-2/RP-5 SHF	389	263	330	330	339	341	1992	7.9	
RP4	196	163	169	174	162	167	1031	4.1	
RP5	437	365	321	325	309	321	2078	8.2	
CCWRF	251	219	262	315	213	220	1480	5.9	
Source Control	86	64	75	100	80	71	476	1.9	
GWR	125	82	82	101	82	99	571	2.3	
DS-1	14	33	51	72	92	104	366	1.5	
Total	2334	1925	2027	2178	2004	2062	12530		

Source	Total Number of Tests							Total	% of Total	# Tests/ Sample
	1Q FY0809			2Q FY0809						
	Jul	Aug	Sept	Oct	Nov	Dec				
RP-1	2305	2130	2147	2197	2090	2177	13046	15.7	2.9	
RP-2/RP-5 SHF	1002	733	917	903	908	994	5457	6.6	2.7	
RP4	755	720	718	753	691	719	4356	5.3	4.2	
RP5	1456	1222	1111	1086	1037	1112	7024	8.5	3.4	
CCWRF	847	743	843	964	722	773	4892	5.9	3.3	
Source Control	316	244	247	375	256	245	1683	2.0	3.5	
GWR	1119	492	500	987	535	640	4273	5.2	7.5	
DS-1	14	45	115	164	233	267	838	1.0	2.3	
Total	7814	6329	6598	7429	6472	6927	41569		3.3	

The Internal Audit department began its audit of the Laboratory department in December 2008, staff was interviewed and surveys were sent to departments the laboratory serves.

CONSTRUCTION MANAGEMENT

REGIONAL PLANT NO. 4 SAN BERNARDINO AVENUE LIFT STATION AND FORCE MAIN, PROJECT NO. EN03023

The Force Main Contractor continues to work on the punch list items of the project. The Lift Station Contractor has completed installing the Final T-Lock within the Wet Well and has also completed most of the electrical equipment in the New Electrical Bldg and has pulled most of the wire. They have completed the footings for the pilasters, grading for the sidewalk, grading for the driveway area, and placement of the asphalt. The Lift Station Contractor has installed the Seal Water System and installed 6-inches of crushed rock around building.

RENEWABLE ENERGY EFFICIENCY PROJECT, PROJECT NO. EN03029

The engine exhaust modification work is ongoing with work scheduled to be completed near the end of January 2009. Resumption of startup and commissioning activities will begin at the conclusion of the modifications.

REGIONAL PLANT NO. 4 EXPANSION TO 14 MGD, PROJECT NO. EN04011.00

The contractor has completed washing down the walls of Aeration Basin No. 2, setting scaffolding in the basin and completed the wall coring for the wall modifications. The roll-up doors are installed and fully operational at the head works structure. Two Alum pumps have been set and conduit runs are in, ready to start pulling wire to them. The contractor has started over excavating driveway H.

REGIONAL PLANT NO. 1 THREE PHASE DIGESTION IMPROVEMENTS NO. EN04036.00

This project is complete and is currently in the Warranty Period.

REGIONAL PLANT NO. 1 AERATION BASIN MODIFICATIONS, PROJECT NO. EN05007.00

Gate replacement was completed on System B, Train 5. Shutdown is currently in process for System B, Train 3. All basin work and gate placement is being coordinated with Maintenance and Operations so that the Maintenance staff can replace aeration panels at the same time.

REGIONAL PLANT NO. 1 2007 REGIONAL AND NRW COLLECTION SYSTEM REPAIRS EN06011.00 & EN07011.02.

The project job walk and punch list was completed and prepared for project close out. A number of new repair items that were discovered during work will be incorporated into next NRWS repair project. The final paper work is being completed to close out the project.

PRADO PARK INTERCEPTOR PROJECT, PROJECT NO. EN06011.01

Currently, the contractor is applying for a street closure permit with the City of Chino and submitting required submittals to the engineer for review. This project will have a five week construction schedule with completion scheduled for the end of March, 2009.

REGIONAL PLANT NO. 2 SOLIDS HANDLING FACILITY IMPROVEMENTS, PHASE I, PROJECT NO. EN06014/EN07117

The contractor and engineers have been processing project submittals related to equipment and materials for the project. Potholing activities are completed. The contractor has trenched and is installing process piping around the Gravity Thickeners. The other construction activities to date are soil relocation for the SARI dump station and the removal of shrubbery and trees.

REGIONAL PLANT NO. 5 RECYCLE WATER LINE/ 12 KV/ GAS SYSTEM PROJECT NO. EN06020.01

Agency Staff, Universal Air Products Corporation (UAPC) service technicians and engineering staff completed the rebuilding of the Bio-Gas compressors. Engineering staff is currently analyzing the efficiency and dependability of existing gas compressors.

REGIONAL PLANT NO. 2 SOLIDS HANDLING FACILITY, PHASE II, PROJECT NO. EN06020.04

The 125 KW Flare Standby Generator has been installed and the startup is complete. The Phase II boiler startup on Bio gas commenced on January 15, 2009. Source testing for the

Phase II Boiler was completed on January 22, 2009. The Buffer tank roof hatch was installed on January 14, 2009. The contractor will install roof hatch, complete the interior coating and Hydro test after installation is completed.

REGIONAL PLANT NO. 1 ASSET MANAGEMENT ITEMS & DIGESTER 6 & 7 REPAIRS, PROJECT NO. EN07006.01

Digester 6 cleaning was completed and Lagoon 1 is being cleaned of solids. Work is expected to be completed on lagoon cleaning by the second week in January. Contractor is completing sandblasting in Digester 6 to facilitate inspection by the Engineer. Rehabilitation work on this Digester is expected to be completed by June, which will close out project.

REGIONAL PLANT NO. 1-ASSET MANAGEMENT ITEMS – PHASE II AND DECHLORINATION STATION UPGRADES EN07006.04.

Work continues on the RP-1 Chlorine tank effluent modification. The Chlorine outfall structure has been completed. Control and DCS work is currently being reviewed by the Agency. Inspection of the headworks is scheduled for taking measurements to allow ordering replacement gates. Currently job is ahead of schedule and within budget.

REGIONAL PLANT NO. 1-DIGESTER 6 & 7 EMERGENCY STRUCTURAL REPAIRS EN07006.07.

Structural rehabilitation assessment work began the second week in January, after sandblasting was completed in Digester 6.

REGIONAL PLANT NO. 1 NON RECLAIMABLE WASTEWATER SYSTEM (NRWS) PHILADELPHIA PUMP STATION UPGRADES, PROJECT NO.EN07011.01

Final Loop checks are 90 percent complete with remaining checks pending scheduling of personnel. Replacement of the failed 12-inch meter is currently being installed. This work is required to allow remote monitoring. This is needed to allow line access points to be placed on the primary 18-inch force main by allowing flow to be transferred to the 12-inch force main line. Spark test of Wet Well is scheduled for January along with project close-out.

REGIONAL PLANT NO. 1-NRW MANHOLES, PROJECT NO. EN07011.06.

A lab evaluation of material build-up on the 18-inch force main indicates a non-grease material which will not lend itself to chemical cleaning. As such, Construction Management has asked the Engineer to prepare clean out details at an interval of 1,200 L.F. to allow mechanical cleaning in the future. The use of clean outs versus access manholes is expected to save the Agency \$500,000. This work is pending completion of the Philadelphia Pump Station. This work is expected to progress in March of this year.

REGIONAL PLANT NO. 1 DIGESTER 3 EVALUATION, PROJECT NO. EN07804.00

Design Engineering is currently working on a bid package for repair of the lid. Completion of new roof plans were reviewed by the Construction Management and Technical Services departments and the project will be bid in January.

REGIONAL PLANT NO. 2 AND 5 IPS OVERFLOW PROTECTION, PROJECT NO. EN08006.00

The contractor has encountered additional piping and other materials in pathways of new piping that were not on the contract drawings. We have been working with the Engineer to identify and work around existing materials.

REGIONAL PLANT NO. 1 DIGESTER 5 AND 7 FLAME TRAP INSTALLATION EN08013.01.

The Flame trap has been installed on Digester No. 7. The installation of the flame trap for Digester No. 5 has been rescheduled to the end of January pending availability of Contractor personnel.

REGIONAL PLANT NO. 1-AUTOMATED PRESSURE RELIEF VALVE EN08013.02.

Currently, Construction Management is waiting on amendments from IEUA Engineering for DCS related work so this work can be bid.

REGIONAL PLANT NO. 1-SOLAR PROJECT AREA 4 AND 5 EN08022.00/EN08022.04

Work for this project is generally completed with minor pick up items remaining along with site cleanup. Southern California Edison has certified installation which will allow this site to be brought online.

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

Reconfiguring Agency provided Grit Washer's to meet Operations requirements for the control of water is ongoing. Increased solids loading in rag compactor are creating clogging problems which are being evaluated by the Engineer, Operations, Maintenance and Construction Management staff. Asphalt work is pending along with Training and Start-up book completion which is scheduled to be finished by mid January. As-Building is currently in progress by the project's Engineers. Ongoing start-up issues are being addressed by Construction Management, Operations and the Engineer related to the Bio-filter.

IERCF AMENDMENT HOPPERS MODIFICATION, PROJECT NO. RA02041.02

The contract is complete and the newly modified hoppers are in service. The Board of Directors has approved completion.

IERCF LATERAL CONNECTION TO NRW PIPELINE, PROJECT NO. RA08004.00

The contractor has completed the pipe installation to the tie-in point prior to the holidays. There was no work performed from December 24, 2008 through January 5, 2009.

REGIONAL PLANT NO. 4 CHINO BASIN FACILITIES IMPROVEMENTS PHASE II – BERM HARDENING, PROJECT NO. TS07004.02

The testing of fill materials for restoration and final grading in each basin is complete. No construction activities took place between December 22, 2008 and January 2, 2008 due to weather conditions within the basins and shutdown during holiday season.

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

The contractor is currently working on installation of storm drain in Upland which is expected to be completed by January to facilitate other contractor's work in the area. The contractor is beginning to install gates at each of the Basins. This work is being coordinated with Basin Management/Conservation District/San Bernardino Flood Control. Work on MWD turn out sites is expected to begin by the middle of January.

REGIONAL PLANT NO. 4 RECYCLED WATER PUMP STATIONS, PROJECT NO. WR04441

The contractor has continued work on the 1270 zone pumps. The contractor did not work on site from 12-24-08 to 1-5-09 due to the holiday.

REGIONAL PLANT NO. 4 SAN ANTONIO RECYCLED WATER PIPELINE SEG B, PROJECT NO. WR04446.00

The FAT for the Discharge Station control system has been completed and accepted by the IEUA. The City of Montclair punch list has been completed. The remaining instrumentation has been installed at the Discharge Station.

REGIONAL PLANT NO. 4 RECYCLED WATER DISTRIBUTION FACILITIES, PHASE.2, PZ 1158 ZONE RESERVOIRS MODIFICATIONS, PROJECT NO. WR04448

The contractor has completed the punch list items, training and deliverables list. The final pipe support retrofit was completed by January 15, 2009. Start up and testing is on track and started in mid January 2009. The power supply from 6th street was installed and completed in mid January.

REGIONAL PLANT NO. 1 SMALL CAP SOCCER COMPLEX SERVICE CONNECTIONS

Work is progressing toward completion with no major issues or actions to report at this time.

PUBLIC INFORMATION

Calendar of Events

February 2009

- **February 5**, Tour of Prado Basin for Army Corp of Engineer Col. Magness. Tour from 9:45 am to 11:45am and luncheon from 11:45 am to 1:00 pm in IEUA's Event Room.
- **February 10**, Sustainable Award Event in Sacramento
- **February 25**, A Day at the Chino Creek Wetlands and Educational Park as part of National Wetlands Month, 3:30 p.m. to 5:30 p.m.

March 2009

- **March 4**, Ontario State of the City Address. 4:00 p.m. to 8:00 p.m., Ontario Convention Center.

- **March 6**, Chino Arbor/Earth Day at the Chino Youth Museum.
- **March 16**, IEUA hosts Special District Dinner at the Panda Inn in Ontario, 6:00 p.m.
- **March 17**, 4th annual Inland Empire Region's legislative reception in Sacramento (date and time to be determined by CVWD)

April 2009

- **April 22**, Earth Day at the Chino Creek Wetlands and Educational Park, 3:30 p.m. to 5:30 p.m.

OUTREACH/EDUCATIONAL INLAND VALLEY DAILY BULLETIN NEWSPAPER CAMPAIGN

The five tips on ways to help conserve water ad will appear in the Daily Bulletin on the first Sunday of each month. The special sections that will appear in the Daily Bulletin during February are Education Week, and the Eight-Page Section that highlights each of our partners and our federal delegation for their support on recycled water. The ads that ran during January included two pages in the Daily Bulletin's inaugural special section and an ad for the Garden In Every School for the workshop that will be held on February 21.

WATER CONSERVATION OUTREACH

IEUA met with its conservation partners to plan its 2009 Daily Bulletin Community Outreach Conservation ads. The conservation partners will be reviewing drafts provided by the Daily Bulletin in order to have a unified conservation message.

AGENCY TOURS

During the month of January staff has provided tours of the HQ, RP-5 SHF, and one of the Composting facility for CIWM Long Beach staff.

PLANNING AND WATER RESOURCES

Landscape Alliance

The Landscape Alliance's Regional Model Water Efficient Landscape Ordinance (LA Model Ordinance) will be finalized during the January 22nd Technical Committee Meeting. The LA Model Ordinance meets the criteria set forth in AB1881 and is believed to be "at least as effective as" the DWR's November model ordinance. The final version of the LA Model Ordinance will be presented to the Landscape Alliance Board for endorsement in February, 2009. The Landscape Alliance has also begun to utilize a blog-site to capture dialog about the Model Ordinance between meetings. This tool will continue to be used by the Technical Committee in its work to develop support materials for implementation during the spring.

State Freeze of Bond Funds-IEUA DWR/SWRCB Grant Funded Programs-Planning and Water Conservation Projects

PWR Staff has analyzed the financial impacts to the agency as a result of the State's economic crisis and the freezing of all General Bond Obligation Bond Funds and determined there is \$478,672.30 owed to the agency (combination of outstanding reimbursements and invoices that are due to be submitted to the State). The ULFT Multi-Family Direct Installation Program, the Residential Water Wise Landscape Rebate Program, and the Greater

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Prado Basin Clean-up Project have all been placed on hold. The Phase III Landscape Audit and Training Program that is administered through Chino Basin Water Conservation District will continue to operate "as is" with CBWCD absorbing all costs during this funding suspension period. CBWCD will review their commitment to IEUA, its members and the program in six months (Please see attached memorandum detailing the status of the programs).