



**AGENDA**

**MEETING OF THE  
BOARD OF DIRECTORS**

**WEDNESDAY, FEBRUARY 19, 2014  
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. **PUBLIC HEARING AND ADOPTION OF INLAND EMPIRE BRINE LINE ORDINANCE NO. 96**

It is recommended that the Board of Directors:

1. Hold a Public Hearing to receive public comments prior to the adoption of Ordinance No. 96, regulating the availability and use of the Inland Empire Brine Line in Inland Empire Utilities Agency; and
2. After closing the Public Hearing, adopt Ordinance No. 96, regulating the availability and use of the Inland Empire Brine Line in IEUA.

2. **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 January 15 Board meeting, January 22 Special Board workshop, and February 5 Board workshop.

B. **ADOPTION OF RESOLUTION NO. 2014-2-6, CONGRATULATING THE CHINO BASIN WATER CONSERVATION DISTRICT ON THEIR WATER CONSERVATION CENTER CAMPUS**

It is recommended that the Board adopt Resolution No. 2014-2-6, congratulating the Chino Basin Water Conservation District on the establishment and dedication of their Water Conservation Center Campus.

C. **TREASURER'S REPORT ON GENERAL DISBURSEMENTS**

It is recommended that the Board approve the total disbursements for the month of December 2013 in the amount of \$19,219,540.99.

D. **ADOPTION OF RESOLUTION NO. 2014-2-5, FOR THE USBR WATERSMART: WATER AND ENERGY EFFICIENCY GRANT PROGRAM FOR FY 2013/14**

It is recommended that the Board:

1. Adopt Resolution No. 2014-2-5, authorizing the Agency to enter into a financial assistance agreement with the U.S. Department of Interior – Bureau of Reclamation (USBR) for a grant application submitted on January 23, 2014, for the Monte Vista Water District (MVWD) State Street Metering Station Energy Recovery Hydro Turbine Project;
2. Authorize the Agency to negotiate a Grant Administration Agreement with MVWD to allow the Agency to administer the grant, if awarded; and

3. Authorize the General Manager, Assistant General Managers, or his designees to execute a financial assistance agreement, any amendments, and grant related documents thereto with the USBR.

**E. GRAINGER CONTRACT AMENDMENT**

It is recommended that the Board:

1. Authorize a contract amendment to the competitively-let contract with Grainger of Ontario, through January 31, 2015, for the supply and delivery of maintenance, repair and operating (MRO) related supplies, for an additional not-to-exceed amount of \$125,000 for the amendment period:
2. Ratify the amount of \$98,698 for the additional funds that exceeded the value authorized in the original contract; and
3. Authorized the General Manager to execute Contract Amendment No. 4600001070-005.

**F. ADOPTION OF RESOLUTION NOS. 2014-2-1 THROUGH 2014-2-3, APPROVING AMENDMENTS TO THE SALARY SCHEDULES/MATRIXES FOR SPECIFIED EMPLOYEES**

It is recommended that the Board adopt Resolution Nos. 2014-2-1, 2014-2-2, and 2014-2-3, amending the salary schedules/matrixes for Unrepresented Employees, Executive Management, and the Professional Unit.

**G. ENGINEERING SERVICES CONTRACT AWARD FOR THE RW AND GWR SCADA SYSTEMS UPGRADES**

It is recommended that the Board:

1. Approve an engineering services contract with MSO Technologies, Inc. to provide consulting engineering services for the design and construction support of the Recycled Water and Groundwater Recharge SCADA System Upgrades, Project No. EN14047, for the not-to-exceed amount of \$129,620; and
2. Authorize the General Manager to finalize and execute the contract.

**H. SINGLE SOURCE CONTRACT AWARD FOR THE WEST RECYCLED WATER PUMP STATION VINEYARD PARK SEWER LATERAL**

It is recommended that the Board:

1. Approve the single source contract to Canyon Springs Enterprises for the West Recycled Water Pump Station Vineyard Park Sewer Lateral, Project No. WR08032, for the not-to-exceed amount of \$61,795; and
2. Authorize the General Manager to execute the contract.

**I. ENGINEERING DESIGN SERVICES CONTRACT AMENDMENT FOR THE WINEVILLE EXTENSION RECYCLED WATER PIPELINE SEGMENTS A AND B**

It is recommended that the Board:

1. Approve the amendments to Agreement No. 4600000873 between IEUA and GHD (Winzler and Kelly) for additional consulting services for the Wineville Extension Recycled Water Pipeline (Segment A and B), Project Nos. EN06025 and EN13045 for the not-to-exceed amount of \$137,232; and
2. Authorize the General Manager to execute the consultant contract amendments.

**J. PROJECT ACCEPTANCE FOR THE AGENCY-WIDE HVAC IMPROVEMENTS AND SERVER ROOM FIRE SUPPRESSION PHASE I,**

It is recommended that the Board:

1. Accept the work as performed by Bon Air Inc., as complete under the construction contract for the Agency-wide HVAC Improvements and Server Room Fire Suppression, Project No. EN11036; and
2. Authorize the General Manager to execute the Notice of Completion.

**3. ACTION ITEMS**

**A. REGULAR SPECIAL DISTRICT MEMBER OF THE LOCAL AGENCY FORMATION COMMISSION NOMINATION**

It is recommended that the Board select a nominee to serve as a Regular Special District member and an Alternate Special District member to the Local Agency Formation Commission (LAFCO).

**B. CONSTRUCTION CONTRACT AWARD FOR THE PHILADELPHIA PUMP STATION PHASE III AND MONTCLAIR LIFT STATION UPGRADES**

It is recommended that the Board:

1. Award the construction contract for the Philadelphia Pump Station Upgrades Phase III, Project No. EN11035, and Montclair Lift Station Upgrades, Project No. EN13054, to GSE Construction Co., Inc. for their low bid of \$3,153,800; and
2. Authorize the General Manager to execute the contract.

**C. FISCAL YEAR 2014 THROUGH 2024 TEN-YEAR CAPITAL IMPROVEMENT PLAN**

It is recommended that the Board review and approve the proposed Fiscal Year (FY) 2014/15 through 2023/24 Ten-Year Capital Improvement Plan (TYCIP).



**4. INFORMATION ITEMS**

- A. **BOARD OF DIRECTORS' COMPENSATION (WRITTEN)**
- B. **FY 2013/14 SECOND QUARTER BUDGET VARIANCE, PERFORMANCE GOALS UPDATES, AND BUDGET TRANSFER (WRITTEN)**
- C. **ENGINEERING AND CONSTRUCTION MANAGEMENT FY 2013/14 2<sup>ND</sup> QUARTER UPDATE (POWERPOINT)**
- D. **MWD UPDATE (ORAL)**
- E. **SCE INTER-CONNECTION UPDATE (ORAL)**

**RECEIVE AND FILE INFORMATION ITEMS**

- F. **TREASURER'S REPORT OF FINANCIAL AFFAIRS (WRITTEN/ POWERPOINT)**
- G. **PUBLIC OUTREACH AND COMMUNICATION (WRITTEN)**
- H. **LEGISLATIVE REPORT FROM INNOVATIVE FEDERAL STRATEGIES (WRITTEN)**
- I. **LEGISLATIVE REPORT FROM THE DOLPHIN GROUP (WRITTEN)**
- J. **LEGISLATIVE REPORT FROM AGRICULTURAL RESOURCES (WRITTEN)**
- K. **CALIFORNIA STRATEGIES, LLC MONTHLY ACTIVITY REPORT (WRITTEN)**
- L. **LABORATORY SEMI-ANNUAL STATUS REPORT (POWERPOINT)**
- M. **MID-YEAR BUILDING ACTIVITY 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.

**5. AGENCY REPRESENTATIVES' REPORTS**

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

- 6. **GENERAL MANAGER’S REPORT (WRITTEN)**
- 7. **BOARD OF DIRECTORS’ REQUESTED FUTURE AGENDA ITEMS**
- 8. **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.

- 9. **CLOSED SESSION**
  - A. **PURSUANT TO GOVERNMENT CODE SECTION 54956.9(a) – CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**
    - 1) Chino Basin Municipal Water District vs. City of Chino, Case No. RCV51010
    - 2) Martin vs. IEUA, Case No. CIVRS 1000767
    - 4) Sheilds vs. IEUA, Case No. CIVRS 1301638
    - 5) Desaddi vs. IEUA, Case No. CIVRS 1304617
  - B. **PURSUANT TO GOVERNMENT CODE SECTION 54956.9 – CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION**  
Two (2) Cases
  - C. **PURSUANT TO GOVERNMENT CODE SECTION 54957.6 – CONFERENCE WITH LABOR NEGOTIATOR**  
Meet and Confer Negotiations:
    - 1) Professional’s Unit
    - 2) General Unit
Negotiating Parties: Mr. Mark Meyerhoff  
Liebert, Cassidy, Whitmore
  - D. **PURSUANT TO GOVERNMENT CODE SECTION 54956.8 – CONFERENCE WITH REAL PROPERTY NEGOTIATOR**  
Property: RP-5 Solids Handling Facility  
Negotiating Parties:  
Under Negotiation: Price and Terms of Lease

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

Property: 117.509036, 34.076044 (Prologis Lagoon)  
Negotiating Parties: General Manager P. Joseph Grindstaff  
Under Negotiation: Price and Terms of Purchase

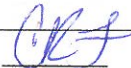
F. **PURSUANT TO GOVERNMENT CODE SECTION 54957 – PERSONNEL  
MATTERS**

- 1) Manager of Internal Audit
- 2) Board Secretary/Office Manager

10. **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, February 13, 2014.

 #853  
\_\_\_\_\_  
April Woodruff


INFORMATION  
ITEM


**4F**


Date: February 19, 2014

To: The Honorable Board of Directors

Through: Finance, Legal, and Administration Committee (02/12/14)

From:  P. Joseph Grindstaff  
General Manager

Submitted by:  Christina Valencia  
Chief Financial Officer/Assistant General Manager

 Javier Chagoyen-Lazaro  
Manager of Finance and Accounting

Subject: Treasurer's Report of Financial Affairs

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### **RECOMMENDATION**

The Treasurer's Report of Financial Affairs for the month ended December 31, 2013, is an informational item for the Board to review.

### **BACKGROUND**

The Treasurer's Report of Financial Affairs for the month ended December 31, 2013, is submitted in a format consistent with State requirements.

Total cash, investments, and restricted deposits of \$138,777,708 reflecting an increase of \$9.2 million compared to the total reported in November 2013. The increase was mainly attributed to property tax receipts for a total of \$10.2 million, partially offset by project expenditures.

The Agency's investment portfolio average rate of return in December 2013 was 0.446% or 0.020% lower than the yield of 0.466% reported in November 2013. The slight decrease was due to new Government Note investments with an average yield of .691%, replacing a called investment yielding 1.00%.

The Treasurer's Financial Affairs report denotes investment transactions that have been executed in accordance with the criteria stated in the Agency's Investment Policy (Resolution No. 2013-6-1).

**PRIOR BOARD ACTION**

The Board reviewed the Financial Affairs Report for the month of November 30, 2013 on January 15, 2014.

**IMPACT ON BUDGET**

The interest earned on the Agency's investment portfolio increases the Agency's reserves.



Inland Empire Utilities Agency

A MUNICIPAL WATER DISTRICT

# **Treasurer's Report of Financial Affairs**

**for December 31, 2013**

**Finance, Legal, and Administration  
Committee**

**February 12, 2014**

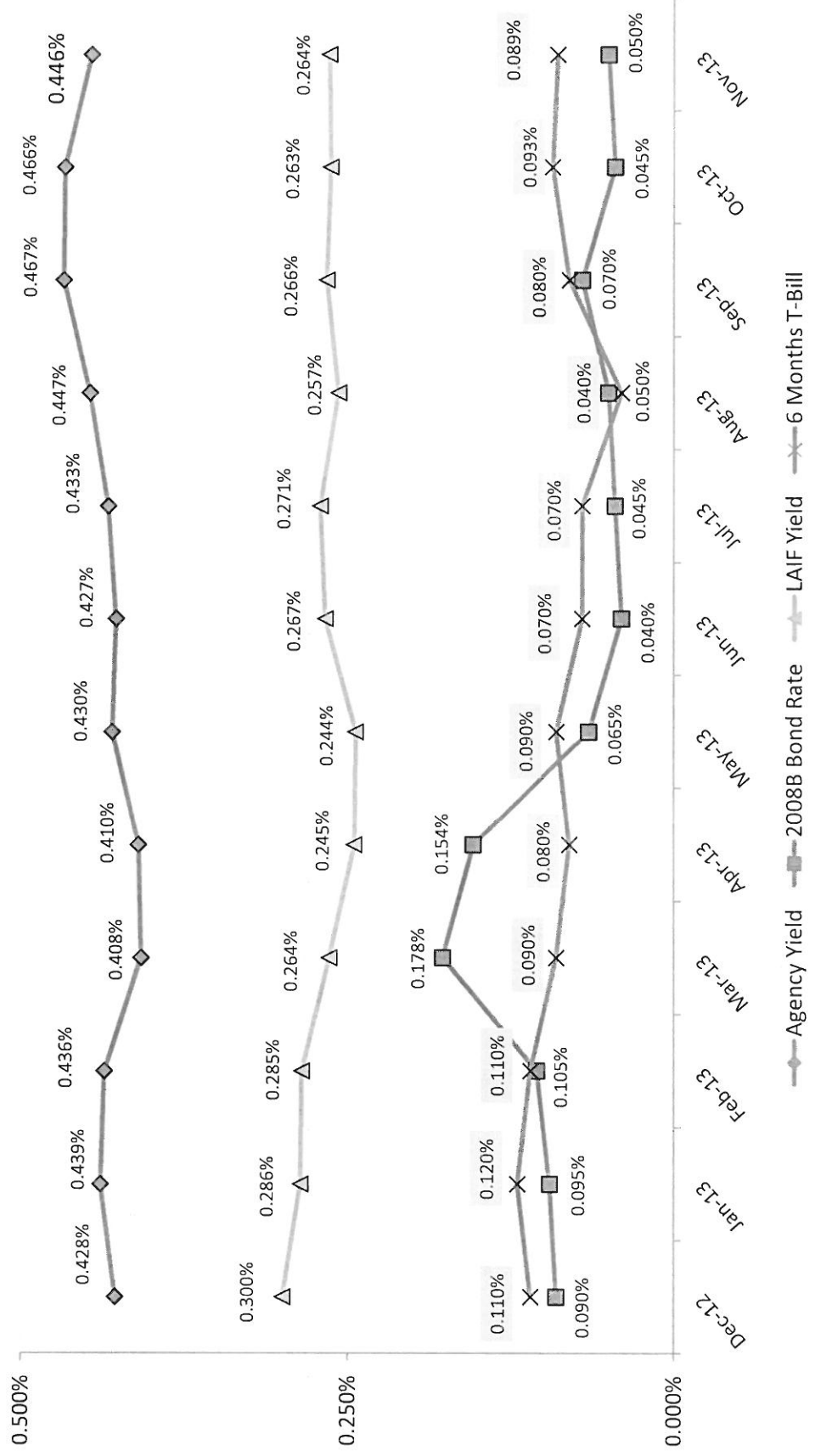
# Report of Financial Affairs



Liquidity				
Description	December 2013	November 2013	Increase (Decrease)	
Cash, Investments, Restricted Deposits	\$138.8M	\$129.5M	\$ 9.2M	
Investment Portfolio Yield	0.446%	0.466%	(0.020%)	
Portfolio				
Description	Allowable Threshold	Investment Value (\$ million)	Yield	Current Portfolio %
<b>Short Term, Under 1 Year</b>				
LAIF	\$50M	\$38.7	0.264%	38.0%
CalTrust	\$20M	\$ 3.5	0.400%	3.5%
Citizens Business –Sweep	40%	\$24.6	0.300%	24.2%
CBB – Certificate of Deposit	20%	\$4.2	0.450%	4.1%
Bank of the West – MMA	20%	\$10.0	0.340%	9.9%
<b>1 to 3 Years</b>				
Medium Term Notes	20%	\$6.3	1.165%	6.3%
US Treasury Note	n/a	\$1.0	.0625%	1.0%
<b>Over 3 Years</b>				
State Municipal Bonds	10%	\$6.7	1.042%	6.6%
US Government Securities	n/a	\$6.5	0.922%	6.4%



# Month End Portfolio Yield Comparison





*Inland Empire Utilities Agency*

A MUNICIPAL WATER DISTRICT

# QUESTIONS?

# TREASURER'S REPORT OF FINANCIAL AFFAIRS

For the Month Ended December 31, 2013



All investment transactions have been executed in accordance with the criteria stated in the Agency's Investment Policy (Resolution No. 2013-6-1) adopted by the Inland Empire Utilities Agency's Board of Directors during its regular meeting held on June 19, 2013.

The funds anticipated to be available during the next six-month period are expected to be sufficient to meet all foreseen expenditures during the period.

\* A Municipal Water District

**INLAND EMPIRE UTILITIES AGENCY**

**Cash and Investment Summary**

*Month Ended  
December 31, 2013*

	<b>December</b>	<b>November</b>
<b><u>Cash, Bank Deposits, and Bank Investment Accounts</u></b>	<b>\$34,959,215</b>	<b>\$25,546,894</b>
<b><u>Investments</u></b>		
Local Agency Investment Fund (LAIF)	\$38,710,190	\$38,710,190
CalTrust	3,521,499	3,520,403
Certificates of Deposit	4,150,000	4,150,000
Municipal Bonds	6,667,290	6,680,335
Medium Term Notes	6,345,287	6,345,556
U.S. Treasury Notes	999,468	-
U.S. Government Sponsored Entities	6,506,604	7,506,811
<b>Total Investments</b>	<b>\$66,900,338</b>	<b>\$66,913,295</b>
<b>Total Cash and Investments Available to the Agency</b>	<b>\$101,859,553</b>	<b>\$92,460,189</b>
<b><u>Restricted Deposits</u></b>		
Debt Service Accounts	\$4,816,136	\$4,817,808
CCRA Deposits Held by Member Agencies	31,748,047	31,446,553
Escrow Deposits	353,972	810,708
<b>Total Restricted Deposits</b>	<b>\$36,918,155</b>	<b>\$37,075,069</b>
<b>Total Cash, Investments, and Restricted Deposits</b>	<b>\$138,777,708</b>	<b>\$129,535,257</b>

**INLAND EMPIRE UTILITIES AGENCY**  
**Cash and Investment Summary**

*Month Ended*  
 December 31, 2013

**Cash, Bank Deposits, and Bank Investment Accounts**

**Demand (Checking) Accounts**

Citizens Business Bank Demand/Sweep Account	\$24,605,057
Workers' Compensation Account	85,732
Bank of America Payroll Account	61,814
Bank of America Payroll Taxes Account	108,810
Subtotal Demand Deposits	\$24,861,413

**Other Cash and Bank Accounts**

Petty Cash	\$2,250
Subtotal Other Cash	\$2,250

**Bank of the West Money Market Account**

\$10,027,075

**US Bank Pre-Investment Money Market Account**

\$68,477

***Total Cash and Bank Accounts***

\$34,959,215

**Investments**

**Local Agency Investment Fund (LAIF)**

LAIF Non-Restricted Fund	\$32,877,959
LAIF Insurance Sinking Fund	5,832,231
Subtotal Local Agency Investment Fund	\$38,710,190

**CalTrust**

Short Term	\$3,521,499
Subtotal CalTrust	\$3,521,499

**Certificates of Deposit**

Citizens Business Bank	\$4,150,000
Subtotal Certificates of Deposit	\$4,150,000

**INLAND EMPIRE UTILITIES AGENCY**  
**Cash and Investment Summary**

*Month Ended*  
*December 31, 2013*

<b><u>Investments Continued</u></b>	
<b>Municipal Bonds</b>	
State and Local Municipal Bonds	\$6,667,290
Subtotal State Municipal Bonds	\$6,667,290
<b>Medium Term Notes</b>	
Arden Realty/GE	\$347,333
Toyota Motor Corporation	1,003,745
General Electric Capital Corporation	994,655
JP Morgan Securities	2,996,409
John Deere Capital Corp	1,003,145
Subtotal Medium Term Notes	\$6,345,287
<b>U.S. Treasury Notes</b>	
Treasury Note	\$999,468
Subtotal U.S. Treasury Notes	\$999,468
<b>U.S. Government Sponsored Entities</b>	
Fannie Mae Bonds	\$2,506,604
Freddie Mac Bonds	2,000,000
Federal Home Loan Bank Bonds	2,000,000
Subtotal U.S. Government Sponsored Entities	\$6,506,604
<b><i>Total Investments</i></b>	
	<b>\$66,900,338</b>
<b><u>Restricted Deposits</u></b>	
<b>Debt Service Reserves</b>	
05A Debt Service Accounts	\$2,281,442
08B Debt Service Accounts	2,534,659
10A Debt Service Accounts	35
Subtotal Debt Service Reserves	\$4,816,136

**INLAND EMPIRE UTILITIES AGENCY**  
**Cash and Investment Summary**

*Month Ended*  
 December 31, 2013

**CCRA Deposits Held by Member Agencies**

City of Chino	\$7,969,269
Cucamonga Valley Water District	7,470,393
City of Fontana	5,677,249
City of Montclair	2,811,239
City of Ontario	4,439,830
City of Chino Hills	977,230
City of Upland	2,402,837
Subtotal CCRA Deposits Held by Member Agencies	<u>\$31,748,047</u>

**Escrow Deposits**

Community Bank ( Kaveh Engineering)	\$7,963
First Enterprise Bank ( Paso Robles Tank, Inc)	165,813
Community Bank ( MNR Cosntruction)	110,481
Citizens Business Bank (Pascal & Ludwig Construction)	33,819
Community Bank ( MS Cosntruction)	35,896
Subtotal Escrow Deposits	<u>\$353,972</u>

**Total Restricted Deposits**

	\$36,918,155
	<u><u>\$138,777,708</u></u>

**Total Cash, Investments, and Restricted Deposits as of December 31, 2013**

Total Cash, Investments, and Restricted Deposits as of 12/31/13	\$138,777,708
Less: Total Cash, Investments, and Restricted Deposits as of 11/30/13	129,535,257
<b>Total Monthly Increase (Decrease)</b>	<u><u>\$9,242,451</u></u>

**INLAND EMPIRE UTILITIES AGENCY**  
**Cash and Investment Summary**

Month Ended  
 December 31, 2013

Investments	Credit Rating @ Purchase		CHANGES IN Credit Rating		Par Amount	Cost Basis Amount	Term (Days)	Dec Amortization	Dec Value	% Coupon	% Yield to Maturity	Maturity Date	Market Value
	S&P	Moody's	S&P	Moody's									
<b>Cash, Bank Deposits, and Bank Investment Accounts</b>													
<b>Citizens Business Bank</b>													
Demand/Sweep Account					\$24,605,057	\$24,605,057	N/A	N/A	\$24,605,057		0.300	N/A	\$24,605,057
Subtotal CBB					\$24,605,057	\$24,605,057			\$24,605,057		0.300		\$24,605,057
<b>Citizens Business Bank</b>													
Workers' Compensation Account					\$85,732	\$85,732	N/A	N/A	\$85,732		N/A	N/A	\$85,732
Subtotal CBB					\$85,732	\$85,732			\$85,732		N/A		\$85,732
<b>Bank of America</b>													
Payroll Checking					\$61,814	\$61,814	N/A	N/A	\$61,814		N/A	N/A	\$61,814
Payroll Tax Checking					108,810	108,810	N/A	N/A	108,810		N/A	N/A	108,810
Subtotal B of A					\$170,624	\$170,624			\$170,624		N/A		\$170,624
<b>Bank of the West</b>													
Money Market Plus - Business Account					\$10,027,075	\$10,027,075	N/A	N/A	\$10,027,075		0.340	N/A	\$10,027,075
Subtotal Bank of the West Money Market					\$10,027,075	\$10,027,075			\$10,027,075		0.340		\$10,027,075
<b>US Bank</b>													
Federated Automated MMA					\$68,477	\$68,477	N/A	N/A	\$68,477		0.020	N/A	\$68,477
Subtotal USB Money Market					\$68,477	\$68,477			\$68,477		0.020		\$68,477
<b>Petty Cash</b>													
					\$2,250	\$2,250	N/A	N/A	\$2,250		N/A	N/A	\$2,250
<b>Total Cash, Bank Deposits and Bank Investment Accounts</b>					<b>\$34,959,215</b>	<b>\$34,959,215</b>			<b>\$34,959,215</b>				<b>\$34,959,215</b>
<b>Investments</b>													
<b>LAIF Accounts</b>													
Non-Restricted Funds					\$32,877,959	\$32,877,959	N/A	N/A	\$32,877,959		0.264	N/A	\$32,877,959
LAIF Sinking Fund					5,832,231	5,832,231	N/A	N/A	5,832,231		0.264	N/A	5,832,231
Subtotal LAIF Accounts					\$38,710,190	\$38,710,190			\$38,710,190		0.264		\$38,710,190
<b>CALTRUST Accounts</b>													
Short-Term					\$3,521,499	\$3,521,499	N/A	N/A	\$3,521,499		0.400	N/A	\$3,521,499
Subtotal CalTrust Accounts					\$3,521,499	\$3,521,499			\$3,521,499		0.400		\$3,521,499
<b>Certificates of Deposit</b>													
CBB Certificate of Deposit					\$4,150,000	\$4,150,000	425	N/A	\$4,150,000		0.450	09/19/14	\$4,150,000
Subtotal Certificate of Deposits					\$4,150,000	\$4,150,000			\$4,150,000		0.450		\$4,150,000



**INLAND EMPIRE UTILITIES AGENCY**  
**Cash and Investment Summary**

Month Ended  
 December 31, 2013

Investments	Credit Rating @ Purchase		CHANGES IN Credit Rating		Par Amount	Cost Basis Amount	Term (Days)	Dec Amortization	Dec Value	% Coupon	% Yield to Maturity	Maturity Date	Market Value
	S&P	Moody's	S&P	Moody's									
US Treasury Note	N/A	AAA			\$1,000,000	\$999,463			\$999,468	0.63%	0.625	12/15/16	\$995,940
Subtotal Treasuries					\$1,000,000	\$999,463		6	\$999,468	0.63%	0.625		\$995,940
<b>U.S. Government Sponsored Entities</b>													
(As of August 2011, all US GSE's have been downgraded to AA+ Rating by S&P)													
Federal Home Loan Bank	AA+	N/R			2,000,000	\$2,000,000	1,266		\$2,000,000	0.85%	0.850	06/06/16	\$1,999,640
Fannie Mae Bond	AA+	AAA			1,500,000	1,507,455	1,080	(211)	1,506,802	1.20%	1.190	09/26/16	1,508,430
Freddie Mac Bond	AA+	AAA			1,000,000	1,000,000	1,080		1,000,000	0.75%	0.750	12/19/16	996,660
Freddie Mac Bond	AA+	AAA			1,000,000	1,000,000	1,280		1,000,000	1.01%	1.000	02/27/17	1,001,360
Fannie Mae Bond	AA+	AAA			1,000,000	999,750	1,800	4	999,802	0.76%	0.760	12/18/17	987,680
Subtotal U.S. Gov't Sponsored Entities					\$6,500,000	\$6,507,205		(207)	\$6,506,604		0.922		\$6,493,770
<b>Municipal Bonds</b>													
Riverside County Pension Obligation - Taxable Bond	SP-1	N/R			\$2,000,000	\$2,000,000		-	\$2,000,000	0.65%	0.650	06/01/14	\$2,000,780
Riverside County CA Asset Leasing Corp	AA-	N/R			515,000	531,176		(1,062)	525,453	3.00%	0.550	11/01/14	526,067
California State General Obligation - BAB	A-	A1	A		475,000	511,566		(1,505)	479,419	5.25%	1.450	04/01/14	481,014
California State General Obligation Bond	A-	A1	A		1,000,000	1,117,280		(3,433)	1,043,966	5.00%	0.890	02/01/15	1,052,060
California State General Obligation Bond	A-	A1	A		1,500,000	1,673,955		(4,898)	1,572,047	5.45%	1.500	04/01/15	1,585,785
California State General Obligation Bond	A-	A1	A		1,000,000	1,089,000		(2,147)	1,046,405	3.95%	1.350	11/01/15	1,059,710
Subtotal State and Local Municipal Bonds					\$6,490,000	\$6,922,977		(\$13,045)	\$6,667,290		1.042		\$6,705,416
<b>Medium Term Notes</b>													
Arden Realty/General Electric	AA+	AA2	A1		\$340,000	\$364,691	1,431	(\$535)	\$347,333	5.25%	3.259	03/01/15	\$355,018
JP Morgan Securities	A	A2	A3		2,000,000	1,993,460	659	304	1,995,330	0.80%	0.981	04/23/15	2,000,420
Toyota Motor Credit Corp	AA-	AA3			1,000,000	1,006,293	934	(206)	1,003,745	0.88%	0.870	07/17/15	1,006,140
General Electric Floating Rate (75 bp over Libor - 1% floor)	AA+	AA2	A1		1,000,000	988,500	1,265	282	994,655	1.26%	1.260	08/11/15	1,007,620
JP Morgan Securities	A	A2	A3		1,000,000	1,001,500	1,079	(43)	1,001,079	1.125%	1.074	02/26/16	1,001,700
John Deere Capital Corp	A	A2			1,000,000	1,004,000	1,729	(71)	1,003,145	1.85%	1.114	10/10/17	975,140
Subtotal Medium Term Notes					\$6,340,000	\$6,358,444		(\$269)	\$6,345,287		1.165		\$6,346,038
<b>Total Investments</b>					<b>\$66,711,689</b>	<b>\$67,169,778</b>			<b>\$66,900,338</b>				<b>\$66,922,853</b>

Source of Investment Market Value: US Bank

**INLAND EMPIRE UTILITIES AGENCY**  
**Cash and Investment Summary**

Month Ended  
 December 31, 2013

Investments	Credit Rating @ Purchase		CHANGES IN Credit Rating		Par Amount	Cost Basis Amount	Term (Days)	Dec Amortization	Dec Value	% Coupon	% Yield to Maturity	Maturity Date	Market Value
	S&P	Moody's	S&P	Moody's									
<b>Restricted Deposits</b>													
<b>Debt Service and Arbitrage Accounts</b>													
<b>05A Debt Service Accts</b>													
US Bank Debt Serv. Accounts	AAA	AAA	AA+	AA+	\$2,281,442	\$2,281,442	N/A	N/A	\$2,281,442		0.000	N/A	\$2,281,442
Subtotal '05A Debt Service Accts					\$2,281,442	\$2,281,442			\$2,281,442		0.000		\$2,281,442
<b>08B Debt Service Accounts</b>													
US Bank Debt Serv. Accounts	N/A	AAA			\$2,523,280	\$2,534,660	N/A	N/A	\$2,534,659		1.000	N/A	\$2,534,659
Subtotal '08B Debt Service Accts					\$2,523,280	\$2,534,660			\$2,534,659		1.000		\$2,534,659
<b>10A Debt Service Accounts</b>													
US Bank Debt Serv. Accounts					\$35	\$35	N/A	N/A	\$35		0.030	N/A	\$35
Subtotal '10A Debt Service Accts					\$35	\$35			\$35		0.030		\$35
<b>Total Debt Service Accounts</b>					<b>\$4,804,757</b>	<b>\$4,816,137</b>			<b>\$4,816,136</b>				<b>\$4,816,136</b>

**INLAND EMPIRE UTILITIES AGENCY**  
**Cash and Investment Summary**

Month Ended  
 December 31, 2013

Investments	Credit Rating @ Purchase		CHANGES IN Credit Rating		Par Amount	Cost Basis Amount	Term (Days)	Dec Amortization	Dec Value	% Coupon	% Yield to Maturity	Maturity Date	Market Value
	S&P	Moody's	S&P	Moody's									
<b>CCRA Deposits Held by Member Agencies</b>													
City of Chino					\$7,969,269	\$7,969,269	N/A	N/A	\$7,969,269		N/A	N/A	\$7,969,269
Cucamonga Valley Water District					7,470,393	7,470,393	N/A	N/A	7,470,393		N/A	N/A	7,470,393
City of Fontana					5,677,249	5,677,249	N/A	N/A	5,677,249		N/A	N/A	5,677,249
City of Montclair					2,811,239	2,811,239	N/A	N/A	2,811,239		N/A	N/A	2,811,239
City of Ontario					4,439,830	4,439,830	N/A	N/A	4,439,830		N/A	N/A	4,439,830
City of Chino Hills					977,230	977,230	N/A	N/A	977,230		N/A	N/A	977,230
City of Upland					2,402,837	2,402,837	N/A	N/A	2,402,837		N/A	N/A	2,402,837
					<b>\$31,748,047</b>	<b>\$31,748,047</b>			<b>\$31,748,047</b>				<b>\$31,748,047</b>
<i>Subtotal CCRA Deposits Held by Member Agencies</i>													
(Partial totals as reported for December 31, 2013)													
<b>Escrow Deposits</b>													
Kaveh Engineering & Construction					7,963	7,963	N/A	N/A	7,963		N/A	N/A	7,963
MNR Construction					110,481	110,481	N/A	N/A	110,481		N/A	N/A	110,481
MS Construction Management Group					20,016	20,016	N/A	N/A	20,016		N/A	N/A	20,016
MS Construction Management Group					15,880	15,880	N/A	N/A	15,880		N/A	N/A	15,880
Pascal Ludwig Contractors					33,819	33,819	N/A	N/A	33,819		N/A	N/A	33,819
Paso Robles Tank					165,813	165,813	N/A	N/A	165,813		N/A	N/A	165,813
					<b>\$353,972</b>	<b>\$353,972</b>			<b>\$353,972</b>				<b>\$353,972</b>
Subtotal Escrow Deposits													
					<b>\$36,906,776</b>	<b>\$36,918,157</b>			<b>\$36,918,156</b>				<b>\$36,918,156</b>
<b>Total Restricted Deposits</b>													
					<b>\$138,577,681</b>	<b>\$139,047,150</b>			<b>\$138,777,709</b>				<b>\$138,800,224</b>
<i>Total Cash, Investments, and Restricted Deposits as of December 31, 2013</i>													

**INLAND EMPIRE UTILITIES AGENCY**  
**Cash and Investment Summary**

*Month Ended*  
*December 31, 2013*

**December Purchases**

No.	Date	Transaction	Investment Security	Par Amount Purchased	Investment Yield
1	12/19/13	Purchase	Freddie Mac Government Bond	\$ 1,000,000	0.750%
2	12/19/13	Purchase	US Treasury Note	\$ 1,000,000	0.625%
<b>Total Purchases</b>				<b>\$ 2,000,000</b>	

**December Investment Maturities, Calls & Sales**

No.	Date	Transaction	Investment Security	Par Amount Matured/Sold	Investment Yield to Maturity
1	12/30/13	Full Call	Freddie Mac Government Bond	\$ 2,000,000	1.000%
<b>Total Maturities, Calls &amp; Sales</b>				<b>\$ 2,000,000</b>	

**INLAND EMPIRE UTILITIES AGENCY**  
**Cash and Investment Summary**

*Month Ended*  
 December 31, 2013

<u>Directed Investment Category</u>	Amount Invested	Yield
Investment in the Local Agency Investment Fund	\$38,710,190	0.264%
CalTrust	3,521,499	0.400%
Medium Term Notes	6,345,287	1.165%
Municipal Bonds	6,667,290	1.042%
US Treasury Notes	999,468	0.625%
U.S. Government Sponsored Entities	6,506,604	0.922%
	<b>\$62,750,338</b>	<b>0.592%</b>
<b>Bank Investment Accounts</b>		
Citizens Business Bank - Demand/Sweep Account	\$24,605,057	0.300%
Citizens Business Bank - Certificate of Deposit	4,150,000	0.450%
Bank of the West Money Market Account	10,027,075	0.340%
	<b>\$38,782,132</b>	<b>0.312%</b>

**Total Portfolio**

**Investment Portfolio Rate of Return**

**\$101,532,470**  
**0.446%**

**Restricted/Transitory/Other Demand Accounts**

	Amount Invested	Yield
US Bank - 2005A Debt Service Account	\$2,281,442	0.000%
US Bank - 2008B Debt Service Accounts	2,534,659	1.000%
US Bank - 2010A Debt Service Accounts	35	0.030%
CCRA Deposits Held by Member Agencies	31,748,047	N/A
Citizens Business Bank - Workers' Compensation Account	85,732	N/A
US Bank - Pre-Investment Money Market Account	68,477	0.020%
Other Accounts*	172,874	N/A
	<b>\$36,891,266</b>	<b>0.501%</b>
<b>Total Other Accounts</b>		
<b>Average Yield of Other Accounts</b>		
	<b>\$138,423,736</b>	

**Total Agency Directed Deposits**

\* Note: Bank of America Payroll Deposits used as compensating balances for bank services.

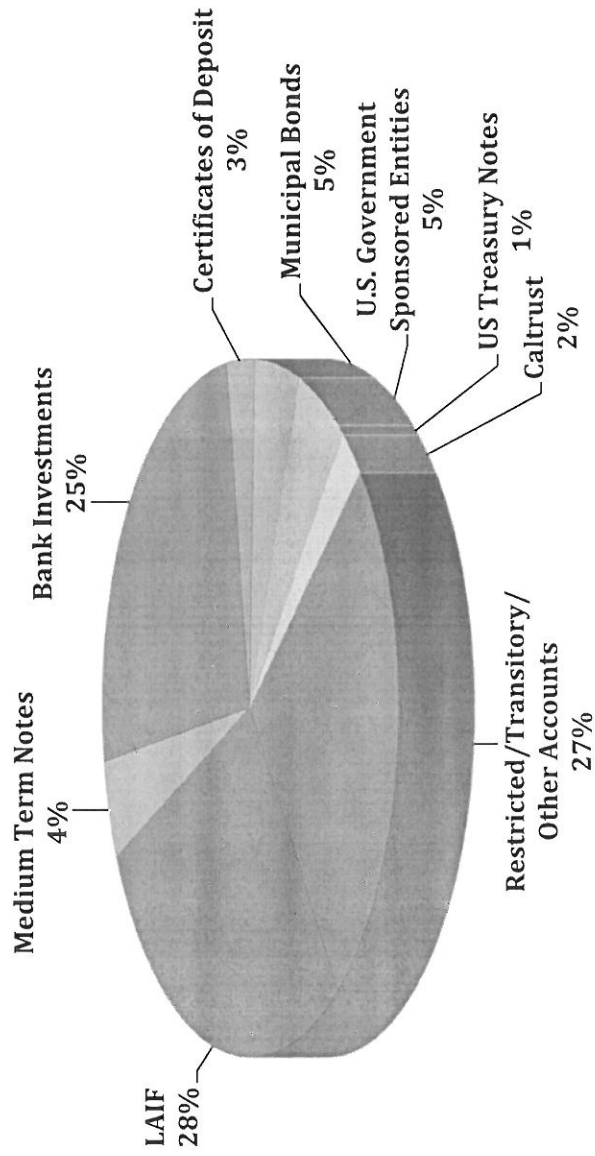
# *Inland Empire Utilities Agency*

## Treasurer's Report of Financial Affairs

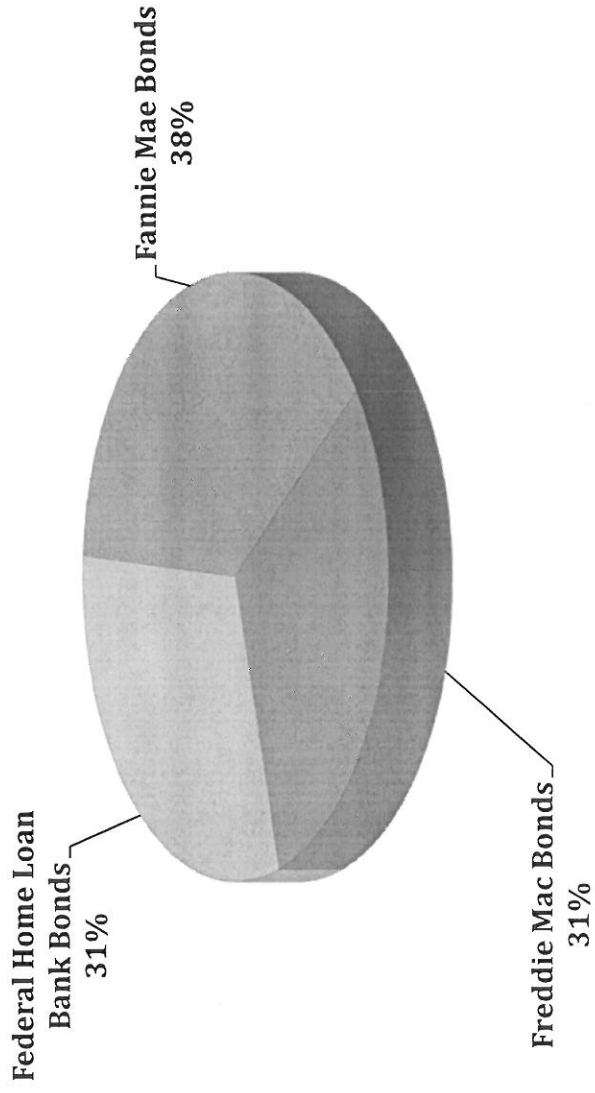
For the Month Ended December 31, 2013

Combined Agency Portfolio (net of escrow deposits)

\$138,423,736



***Inland Empire Utilities Agency***  
**Treasurer's Report of Financial Affairs**  
**For the Month Ended December 31, 2013**  
**U.S. Government Sponsored Entities Portfolio**  
**\$6,506,604**



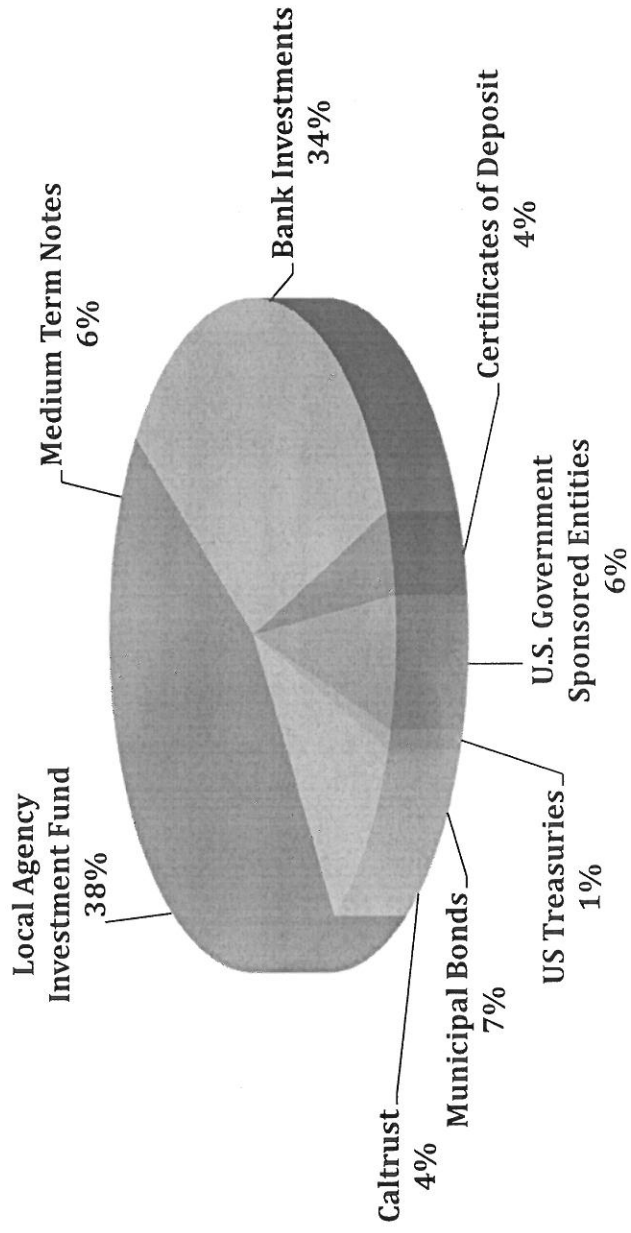
# Inland Empire Utilities Agency

Treasurer's Report of Financial Affairs

For the Month Ended December 31, 2013

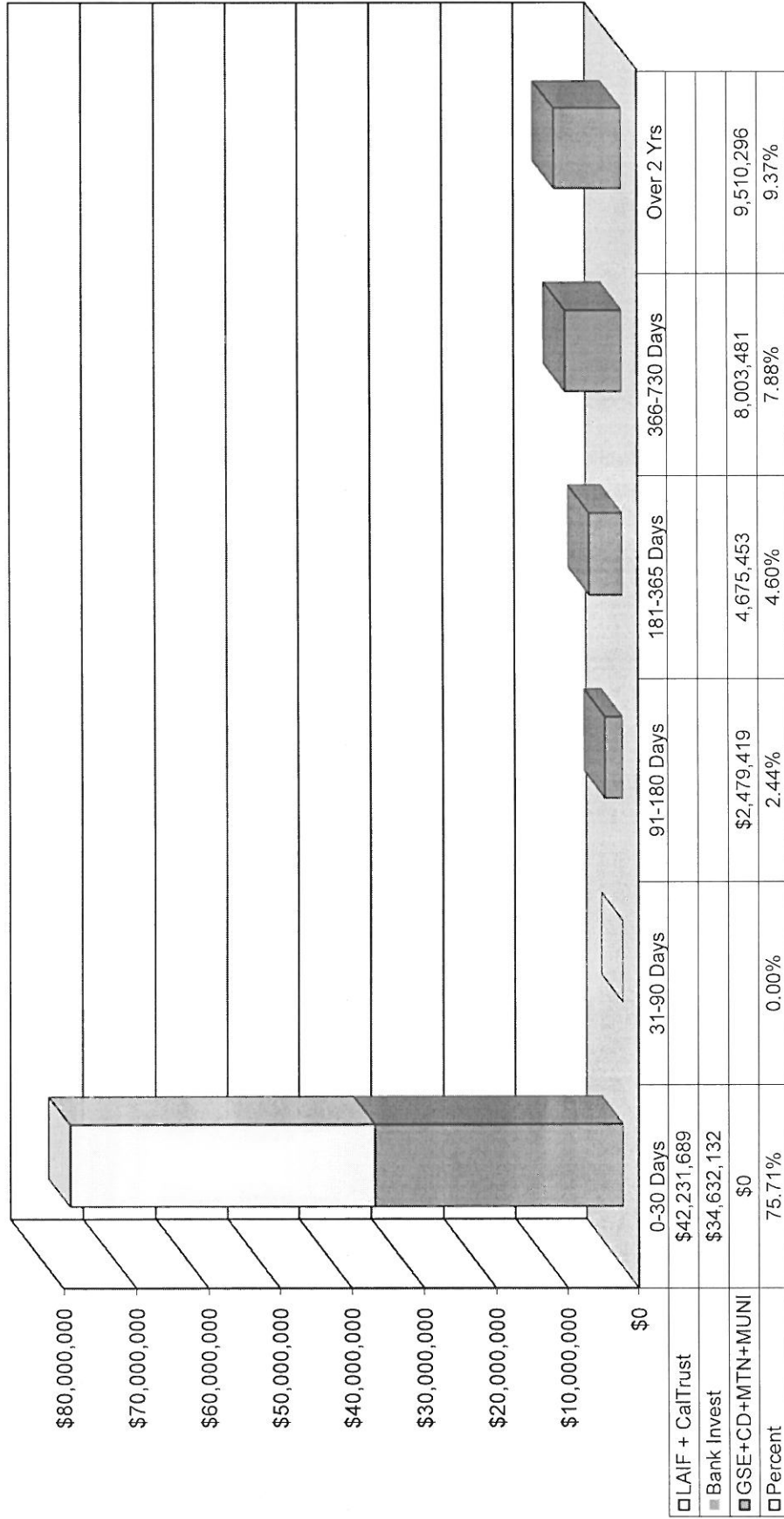
Unrestricted Agency Investment Portfolio

\$101,532,470

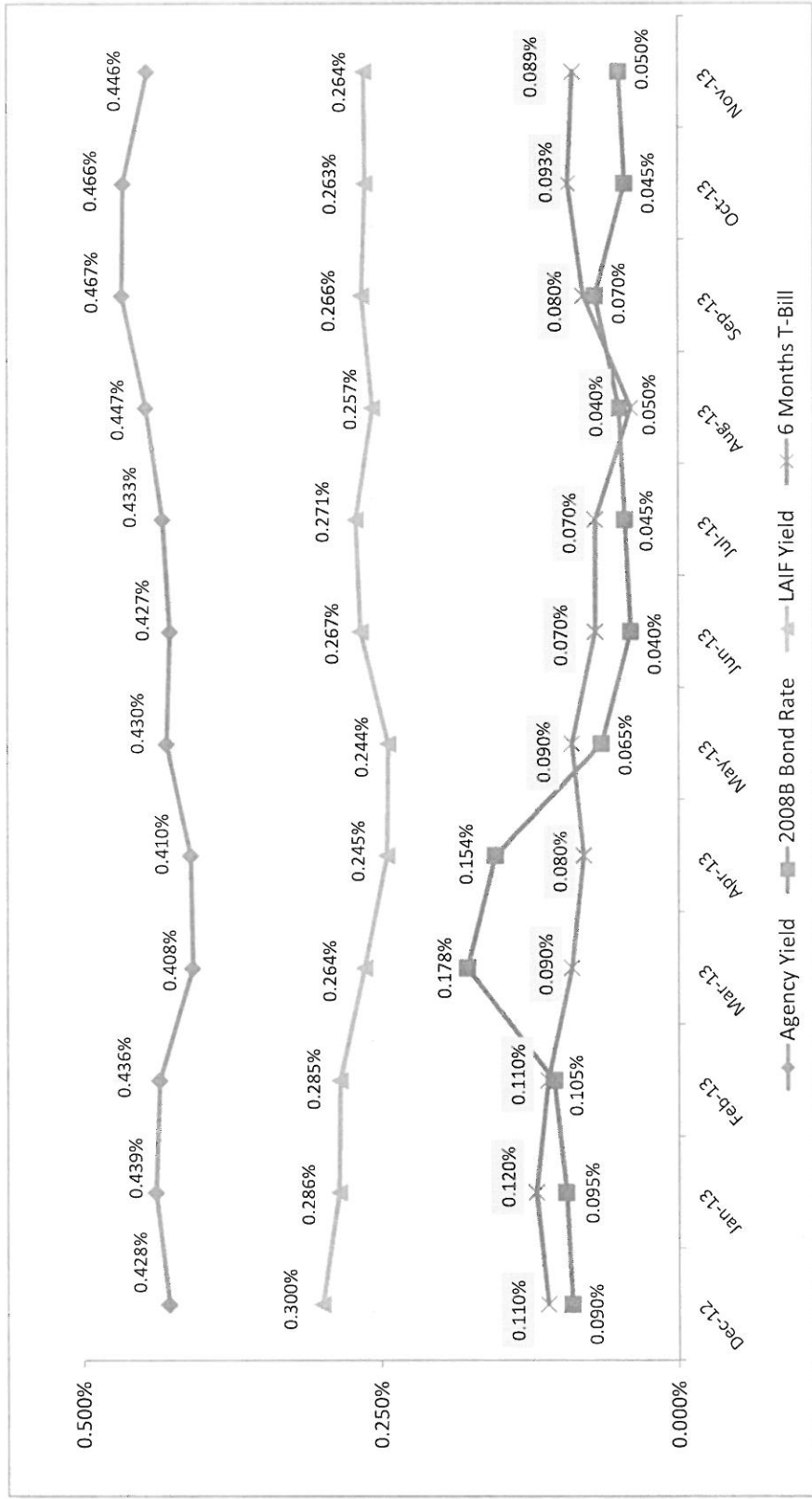




***Inland Empire Utilities Agency***  
**Treasurer's Report of Financial Affairs**  
 For the Month Ended December 31, 2013  
*Directed Investment Portfolio Maturity Distribution*  
**\$101,532,470**



***Inland Empire Utilities Agency***  
**Treasurer's Report of Financial Affairs**  
**For the Month Ended December 31, 2013**  
*Agency Yield Comparison*




INFORMATION  
ITEM


**4G**

Date: February 19, 2014

To: The Honorable Board of Directors

Through: Public, Legislative Affairs, and Water Resources Committee (2/12/14)

From:  P. Joseph Grindstaff  
General Manager

Submitted by: Rebecca Long   
Manager of External Affairs

Subject: Public Outreach and Communication

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### **RECOMMENDATION**

This is an informational item for the Board of Directors to receive and file.

### **BACKGROUND**

#### February 2014

- February 1, 2014, Chino Basin Water Conservation District's Facility Dedication Ceremony
- February 25-27, ACWA Washington DC Conference, The Liaison Capitol Hill, Washington, DC

#### March 2014

- March 1, Garden in Every School® Workshop, Chino Basin Water Conservation District (4594 San Bernardino Street, Montclair), 9:00am – 11:00am
- March 16-18, WaterReuse Annual Conference, Newport Beach Marriot Hotel and Spa (Newport Beach)
- March 17-23, Fix a Leak Week (EPA)
- March 17, Association of the San Bernardino County Special Districts Dinner hosted by IEUA, Panda Inn (3223 E. Centrelake Drive, Ontario), 6:00pm
- March 27-28, WELL Conference, Sacramento
- March 29, Inland Empire Garden Friendly Plant Sale, South Upland Home Depot (250 South Mountain Avenue, Upland), 9:00am-1:00pm

#### April 2014

- April 5, Cucamonga Valley Water District's Annual Earth Day Celebration, CVWD (10440 Ashford Street, Rancho Cucamonga), 10:00am – 2:00pm

## Public Outreach and Communication

February 19, 2014

Page 2

- April 16, Earth Day Event (Students Visiting), Chino Creek Wetlands and Educational Park, Time TBD
- April 17, Earth Day Event (Public), Chino Creek Wetlands and Educational Park, Time TBD
- April 26, Inland Empire Garden Friendly Plant Sale, North Upland Home Depot (1401 East 19<sup>th</sup> Street, Upland), 9:00am-1:00pm

May 2014

- May 2-3, State Water Project Trip MWD (Director Camacho)
- May 3, Inland Empire Garden Friendly Plant Sale, Home Depot (11884 E. Foothill Blvd, Rancho Cucamonga), 9:00am-1:00pm
- May 4-10, Drinking Water Week (AWWA)
- May 6, WEWAC Water Conservation Media Contest Awards Ceremony, Frontier Project (10440 Ashford Street, Rancho Cucamonga), Time TBD
- May 16-18, MWD Solar Cup Competition, Lake Skinner

### 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.

- Ads are planned for February that focus on drought messaging and water conservation tips.
- A Garden in Every School® ad will be placed in the Daily Bulletin in February calling out the mandatory workshop on March 1, 2014.

### Water Use Efficiency Outreach and Activities

#### Regional Conservation Outreach Campaign

- Ongoing monthly ¼-page ads in the Inland Valley Daily Bulletin, Champion Newspaper, Fontana Herald News and La Opinion.
- On January 14, 2014, staff attended the DWR Urban Stakeholders Committee Meeting at Western Municipal Water District to discuss an array of items that included DWR and ACWA's response to the Drought, the activities and legislative recommendations developed by DWR's Independent Technical Panel convened as a part of AB 1420 requirements, and the status of activities to update methodologies for the reporting of 20% X 2020 required by SBX 7-7 in 2015.
- On January 27, 2014, staff convened the first of several meetings with the Agency's member agencies to collaborate on the update of IEUA's regional Water Use Efficiency Business Plan. The Plan update is anticipated to begin in July 2014.
- On January 22, 2014, staff in partnership with Chino Basin Water Conservation District began Garden-In-Every School site inspections. Schools with existing gardens will be eligible to receive up to a \$1,000 mini-grant for project restoration.
- The Inland Empire Garden Friendly Program will be launching their first Spring 2014 Plant Sales beginning in March. IEUA will have member agencies participating in the sales in three locations throughout Upland and Rancho Cucamonga during the months of March, April and May.

Education and Outreach Updates

- The Water Education Water Awareness Committee is in the process of advertising for the Water Conservation Media Campaign Contest for junior high and high schools. Students can participate by submitting a PSA or digital art piece focusing on using water wisely. The deadline is March 13, 2014.
- The deadline to apply for the “Water is Life” student art poster contest is February 28, 2014.
- IEUA staff has begun outreach for the 2014 Earth Day Event. Schools can apply for a bussing grant in order to participate in the program.
- IEUA has begun the process of working with a consultant, Tripepi Smith & Associates for the redesign of the IEUA website. The website is scheduled to “go live” by June 30, 2014.
- The National Theater for Children’s Winter Tour opened on January 27, 2014 in the cities of Upland and Chino Hills. The NTC Program provides live theater performances about water conservation and environmental preservation for K-6 elementary level students.

**PRIOR BOARD ACTION**

None.

**IMPACT ON BUDGET**

The above-mentioned activities are budgeted in the FY 2013/14 Administrative Service Fund, Public Information Services budget.

INFORMATION  
ITEM

**4H**

# *Innovative Federal Strategies* LLC

Comprehensive Government Relations

## MEMORANDUM

**To:** Joe Grindstaff, Martha Davis and Rebecca Long, IEUA

**From:** Letitia White and Heather Hennessey

**Date:** January 24, 2014

**Re:** January Monthly Legislative Update

---

Congress is off to a slow start for 2014, signaling a probable repeat of 2013's low legislative output. Unfortunately, there are still no signs of a final WRDA conference report, though there are rumors that negotiators on the Farm Bill are getting closer to final agreement on that bill's conference report. But January did bring some relief in the form of a final Omnibus Appropriations bill for FY 2014, allowing the government to avoid another shutdown and bringing an end to the tumultuous process.

### ***California Drought Declaration***

The Governor's recent drought declaration was quickly followed by a series of actions in DC. Senators Boxer and Feinstein joined with Congressman Jim Costa in asking the White House to appoint a Federal Drought Task Force. The White House has yet to respond to that request. Meanwhile, Speaker of the House John Boehner (R-OH) visited the Bakersfield area this week and appeared at a press conference where he supported California Republicans' efforts to pass a drought relief bill. The bill's introduction, sponsored by Reps. Nunes, McCarthy and Valadao, sets up a likely repeat of the partisan conflicts from past congresses, where Republicans pass legislation in the House that would increase water flows from the Delta into the Central Valley. Those bills have always been blocked in the Senate by Senators Boxer and Feinstein who oppose diverting water from the Delta. Similar partisan debates took place in 2009 and 2012.

The one possible point of compromise between California Republicans and Democrats is the possible formation of a bipartisan committee to focus on drought issues. The House bill contains a proposal for an emergency joint committee from the House and Senate to work on long-term legislative solutions to California's water issues. Senator Feinstein has sent a letter to Republican members saying that she is also preparing legislation and supports the idea of a bipartisan committee. She closed her letter by saying, "I mean this in all sincerity – I would like us all to move beyond partisan divisions, and work together to provide relief to those Californians suffering from this drought."

### ***Is a Congressional Budget Necessary This Year?***

The short answer to that question is no, a Congressional Budget is probably not necessary for the next fiscal year. You may recall that the year-end budget agreement crafted in mid-December set the top-line spending number for FY 2015. Therefore, Congress has already agreed to the spending limit that would normally be debated in the budget process. In a typical year, the



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budget debate yields a top-line spending amount, which is then put to use in the appropriations process. Arguably, a budget agreement would serve no practical purpose in a year such as this one. With the top-line spending number already a known fact, there is already speculation that the annual budget debate could be skipped over this year in favor of other legislative priorities. Also, House Budget Committee Chairman Paul Ryan (R-WI) is already looking ahead to his next goal of becoming chairman of the Ways and Means Committee in the next Congress.

But beyond the practical purpose of the budget agreement is its rhetorical value. In addition to setting the spending limit, the parties use the budget process to advocate for policy issues. Such opportunities would be lost if the budget agreement was passed over this year. Given that this is an election year, the rhetorical benefits of a budget debate are likely to outweigh the practical ones. For that reason, even if the idea of skipping the budget process appealed to House leadership, conservative rank-and-file members would likely demand that a budget bill move through the House. On the Senate side, budget bills are more rare because partisan disputes often derail the process before the bill ever receives a final vote. It is reasonable to expect that situation to arise again this year in the Senate.

Whether the Congressional budget process stops and starts or never starts at all will not matter to the appropriations committee this year. The House and Senate Appropriations Committee Chairs know the spending limits they will be working under and can begin to move funding bills under those limits when they chose to do so. Out of respect for their Budget Committees, they will likely wait until the normal April 15<sup>th</sup> deadline which always applies to completing action on the annual budget resolution. Because there is no penalty for failing to meet that deadline, it is often ignored.

The President is expected to release a full budget proposal this year, although it is rumored to be arriving later than the normal February 6<sup>th</sup> deadline. According to press reports, the Office of Management and Budget is still working on the White House's proposal, which will be released several weeks later than normal. Similarly to Congress, the President faces no penalty for a late budget submission. The State of the Union address, scheduled for January 28<sup>th</sup>, will provide a preview of the President's policy priorities that will likely be fully explained in the White House budget.

### ***Looking Ahead to the Debt Limit Fight***

According to the Treasury Department, Congress must pass a bill to lift the debt limit in the next couple of months or risk a default situation. In the alternative, Congress and the President could decide to enact another extension that goes past November and avoids the debt limit fight during the months leading up to Election Day. It is too early to tell which option they will take, but the political posturing is already underway. Senate Republicans are developing a proposal demanding another round of spending cuts in exchange for a debt limit increase. They will meet early in February to develop strategy to guide their debt limit debate and also discuss other legislative priorities for the coming year. Meanwhile, the President continues to maintain his posture of refusing to negotiate with Congress on a debt limit increase.

As is usually the case, the actual date that the nation will hit the debt limit is a moving target. An improving economy, incoming tax receipts that are expected to be higher than last year and so-

## *Innovative Federal Strategies LLC*

called “extraordinary measures” taken by Treasury Department officials combine to give us a range of anywhere between March and June for the date we will hit the debt limit. If Congress were to choose to act earlier in the year, it is possible that they could agree to some spending reductions in exchange for raising the debt limit. However, if the debate takes place in the summer months closer to Election Day, it is more likely that a simple extension will be enacted to push the debate into late November or December.

### ***Outlook for February***

We remain hopeful that negotiators will reach final agreements on the Farm Bill and Water Resources Development Act conference reports. As noted above, the Farm Bill looks more likely to be finished before WRDA. It is possible that the House could consider a California Drought Relief bill in February, possibly while ACWA is in DC for its conference during the last week of the month.

INFORMATION  
ITEM

**41**

**January 24, 2014**

**To:** Inland Empire Utilities Agency  
**From:** Michael Boccadoro  
President  
**RE:** January Legislative Report



---

Overview:

The Legislature officially came back to Sacramento on January 6 and immediately started working on two- year bills left over from last year. The Governor released his 2014-15 budget proposal that included shifting the drinking water program from the Department of Public Health to the State Water Resources Control Board. Additionally, the budget included a proposal to spend cap and trade auction revenue on a number of projects, including the controversial high-speed rail project. It also included funds for water and energy efficiency as well as wetlands restoration.

Following the driest year on record for the state, the Governor formed a drought task force and officially adopted a drought emergency declaration. Regulators are highlighting expedited water transfer approval as an integral measure to help communities in need, however many are questioning the effectiveness given the hard reality there is little water to transfer in the short-term.

In the State of the State address, the Governor highlighted the measures in the California Water Action Plan and furthering the Bay Delta Conservation Plan as integral steps to mitigate the effects of the drought.

The California Public Utilities Commission (CPUC) approved biomethane pipeline injection standards, which will allow injection projects to resume in California. The long process to create standards for 17 constituents of concern was part of a multi-agency process to create regulations and standards for biomethane pipeline injection in California.

Commissioner Mark Ferron announced his resignation from the CPUC due to of health issues. Commissioner Ferron was the lead commissioner on implementation of SB 1122. With his departure, the proceeding must be reassigned and the new commissioner must get up to speed before the proceeding can resume.

# Inland Empire Utilities Agency

## Status Report – January 2014

### ***Governor Releases 2014-2015 Budget Proposal***

The Governor released his \$154.9 billion 2014-15 budget proposal on January 10.

The budget includes the use of \$850 million in cap and trade auction revenues to support greenhouse gas reduction programs with priority given to initiatives that benefit disadvantaged communities. Controversially, this includes \$300 million to fund the high-speed rail, with a particular focus on the construction of the initial Central Valley segment, as well as integration projects to provide connectivity to the high-speed rail system. Citing several legal opinions, the Legislative Analyst's Office has stated that the use of cap and trade revenue for the high-speed rail could be legally risky. The Governor's budget includes \$619 million to begin implementation of the California Water Action Plan. Most of these funds (\$427.5M) are Prop 84 IRWMP funds and will be utilized in existing programs. Significant funding is also provided for flood protection, groundwater management and drinking water for disadvantaged communities.

Other highlights include:

- \$80 million for energy efficiency projects such as home appliance upgraded and weatherization.
- \$20 million for water and energy efficiency.
- \$30 million for wetlands and watershed restoration.
- \$30 million for waste diversion projects.

### ***Governor Declares Drought and State of the State Address***

Governor Jerry Brown officially declared a drought state of emergency for California, in January. Following the driest year on record for the state, which left California's reservoir system depleted, Governor Brown directed state officials to assist farmers and communities impacted by the dry conditions.

While a number of communities throughout the state have already begun water rationing programs, State Water Project contractors are expecting to receive only 5 percent of their water supply for 2014 and Central Valley Project contractors are expecting a ZERO percent allocation. The drought declaration will expedite water transfers to get existing water where it needs to be and contains a number of conservation measures, including a call for all Californians to voluntarily reduce water usage by 20 percent.

As part of the declaration, the state's Drought Task Force will immediately develop a plan that can be executed as needed to provide emergency food supplies, financial assistance, and unemployment services in communities that suffer high levels of unemployment from the drought. The declaration also directs the Department of Fish and Wildlife to evaluate and manage the changing impacts of drought on threatened and endangered species. The State Water

Resources Control Board is also directed to consider modifying water quality requirements in order to mitigate water supply losses.

Additionally, the Governor gave his State of the State Address on January 22, and referenced the drought preparedness, groundwater management, water storage, BDCP and disadvantaged communities. There was no mention of the bond.

*“Among all our uncertainties, weather is one of the most basic. We can’t control it. We can only live with it, and now we have to live with a very serious drought of uncertain duration.*

*Right now, it is imperative that we do everything possible to mitigate the effects of the drought. I have convened an Interagency Drought Task Force and declared a State of Emergency. We need everyone in every part of the state to conserve water. We need regulators to rebalance water rules and enable voluntary transfers of water and we must prepare for forest fires. As the State Water Action Plan lays out, water recycling, expanded storage and serious groundwater management must all be part of the mix. So too must be investments in safe drinking water, particularly in disadvantaged communities. We also need wetlands and watershed restoration and further progress on the Bay Delta Conservation Plan.*

*It is a tall order.*

*But it is what we must do to get through this drought and prepare for the next.*

*We do not know how much our current problem derives from the build-up of heat-trapping gasses, but we can take this drought as a stark warning of things to come. The United Nations Panel on Climate Change says – with 95 percent confidence – that human beings are changing our climate. This means more droughts and more extreme weather events, and, in California, more forest fires and less snow pack.”*

### ***Drinking Water Program Shift***

As expected, the Governor proposed to shift the drinking water program from the Department of Public Health (DPH) to the State Water Resources Control Board (SWRCB) in the 2014-15 budget. The shift is being pursued based on growing concerns over groundwater and drinking water contamination statewide, especially in rural, low-income communities in the Central Valley.

The new “Division of Drinking Water” would be established at the SWRCB with program regulatory staff remaining in locally based offices. The new division would be overseen by a new deputy director who would be required to have public health expertise and would report to the SWRCB executive director.

A controversial component of the shift is the development of maximum contaminant levels (MCLs). The new deputy director would develop the MCL, but it would go to the full board for consideration. A joint letter from the Association of California Water Agencies (ACWA) and the California Municipal Utilities Association (CMUA) argue that drinking water enforcement

should be executed only by the new deputy director and that these actions should not be subject to SWRCB member review, unless the deputy director's action is appealed. Additionally, the letter calls for clarification that drinking water program implementation will not rest with the regional boards. Finally, it asks that the task force that has been meeting over the legislative recess to continue to meet to work out kinks during the transition.

### ***Pipeline Injection Standards Approved at CPUC:***

The California Public Utilities Commission (CPUC) recently adopted standards for biomethane injection into natural gas pipelines in California. This is the final piece necessary for pipeline injection to resume in California after the California Energy Commission (CEC) instituted a moratorium on injection in 2012. Legislation and separate regulatory tracks have developed standards for biomethane injection to count towards a utility's RPS targets, and this final piece for gas standards allow projects to resume injection.

The recent CPUC decision adopts 17 constituents of concern that can be found in biomethane and sets concentration limits for each constituent. Testing and monitoring rules were also adopted.

### ***Commissioner Ferron Resigns from CPUC***

California Public Utilities Commissioner Mark Ferron resigned his position in January due to prostate cancer. Ferron began his term in 2011 and would have likely sought a second term at the end of 2014.

Ferron was the lead commissioner on implementation of SB 1122, the 250 MW bioenergy procurement program awaiting implementation at the CPUC. The proceeding has yet to be reassigned, and the implementation will likely remain at a standstill until a new commissioner is brought up to speed.

In his final comments, Ferron criticized inexperienced California legislators who consider themselves energy experts and act hostile toward the Commission, when the entities should act as partners. He warned of the coming pressure over net-energy metering issues, related efforts to protect utilities and "exaggerated" concerns over grid stability and cost to ratepayers. He critiqued the IOU's slow reaction to a changing landscape and said that the IOU's lack the right caliber of management to implement a change in the safety culture, for example.

The Governor will appoint a new commissioner at a yet-to-be determined time, who will be subject to Senate confirmation.

### ***Legislative Update***

Legislators returned to Sacramento on January 6 to start the final year of the two-year session. Committees immediately began policy hearings to meet the January 31 deadline for all bills left over from last year to be out of their house of origin. At the same time, members are slowly introducing new bills. The bill introduction deadline is February 21. The following bill list includes bills left over from the first year of the two-year session. Many will not be taken up before the Jan 31 deadline and will be dead for the year. There will be a lot of new bills next month.



## *Water Bond*

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**AB 142 (Committee on Water, Parks and Wildlife) Water resources: infrastructure.**

**Introduced:** 1/17/2013

**Last Amend:** 5/6/2013

**Status:** 5/24/2013-Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. on 5/7/2013)

**Location:** 5/24/2013-A. 2 YEAR

**Summary:** Current law establishes the Department of Water Resources in the Natural Resources Agency, and, among other things, empowers the department to conduct investigations of all or any portion of any stream, stream system, lake, or other body of water. This bill would require the Department of Water Resources to initiate and complete a comprehensive study of California's state and local water supply infrastructure needs and provide a report to the Legislature by July 1, 2014, that summarizes those findings.

Subject

Water Bond

**AB 295 (Committee on Water, Parks and Wildlife) Water: water supply: infrastructure.**

**Introduced:** 2/11/2013

**Last Amend:** 5/6/2013

**Status:** 5/24/2013-Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. on 5/7/2013)

**Location:** 5/24/2013-A. 2 YEAR

**Summary:** Would establish findings and declarations stating that the November 2014 ballot currently includes a bond measure for \$11.14 billion to fund projects related to water, that many Californians lack access to clean, safe, and affordable drinking water, and that it is in the general public interest to pass a general obligation bond to help fund projects that address the critical and immediate needs of disadvantaged, rural, or small communities and projects that leverage state and federal drinking water quality and wastewater treatment funds.

Subject

Water Bond

**AB 1331 (Rendon D) Clean and Safe Drinking Water Act of 2014.**

**Introduced:** 2/22/2013

**Last Amend:** 1/7/2014

**Status:** 1/7/2014-From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on



N.R. & W.

**Location:** 1/7/2014-S. N.R. & W.

**Summary:** Current law, the Safe, Clean, and Reliable Drinking Water Supply Act of 2012, if approved by the voters, would authorize the issuance of bonds in the amount of \$11,140,000,000 pursuant to the State General Obligation Bond Law to finance a safe drinking water and water supply reliability program. Current law provides for the submission of the bond act to the voters at the November 4, 2014, statewide general election. This bill would repeal these provisions. This bill contains other related provisions and other current laws.

Subject

Water Bond

**AB 1445 (Logue R) California Water Infrastructure Act of 2014.**

**Introduced:** 1/6/2014

**Status:** 1/7/2014-From printer. May be heard in committee February 6.

**Location:** 1/6/2014-A. PRINT

**Summary:** Current law creates the Safe, Clean, and Reliable Drinking Water Supply Act of 2012, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$11,140,000,000 pursuant to the State General Obligation Bond Law to finance a safe drinking water and water supply reliability program. Current law provides for the submission of the bond act to the voters at the November 4, 2014, statewide general election. This bill would repeal these provisions. This bill contains other related provisions and other current laws.

Subject

Water Bond

**SB 40 (Pavley D) Safe, Clean, and Reliable Drinking Water Supply Act of 2012.**

**Introduced:** 12/10/2012

**Last Amend:** 1/6/2014

**Status:** 1/6/2014-From committee with author's amendments. Read second time and amended. Re-referred to Com. on N.R. & W.

**Location:** 1/6/2014-S. N.R. & W.

**Summary:** Would change the name of the Safe, Clean, and Reliable Drinking Water Supply Act of 2012 to the Safe, Clean, and Reliable Drinking Water Supply Act of 2014 and declare the intent of the Legislature to amend the act for the purpose of reducing and potentially refocusing the \$11,140,000,000 bond. This bill contains other related provisions.

Subject

Water Bond

SB 42

**(Wolk D) Safe Drinking Water, Water Quality, and Flood Protection Act of 2014.**

**Introduced:** 12/11/2012

**Last Amend:** 9/11/2013

**Status:** 1/8/2014-Hearing postponed by committee.

**Location:** 1/9/2014-S. N.R. & W.

**Summary:** Current law creates the Safe, Clean, and Reliable Drinking Water Supply Act of 2012, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$11,140,000,000 pursuant to the State General Obligation Bond Law to finance a safe drinking water and water supply reliability program. Current law provides for the submission of the bond act to the voters at the November 4, 2014, statewide general election. This bill would repeal these provisions. This bill contains other related provisions and other current laws.

Subject

Water Bond

SB 848

**(Wolk D) Safe Drinking Water, Water Quality, and Flood Protection Act of 2014.**

**Introduced:** 1/9/2014

**Status:** 1/23/2014-Referred to Coms. on N.R. & W., E.Q., and GOV. & F.

**Location:** 1/23/2014-S. N.R. & W.

**Calendar:** 2/11/2014 9:30 a.m. - Room 112 SENATE NATURAL RESOURCES AND WATER, PAVLEY, Chair

**Summary:** Current law creates the Safe, Clean, and Reliable Drinking Water Supply Act of 2012, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$11,140,000,000 pursuant to the State General Obligation Bond Law to finance a safe drinking water and water supply reliability program. Current law provides for the submission of the bond act to the voters at the November 4, 2014, statewide general election. This bill would repeal these provisions. This bill contains other related provisions and other current laws.

Subject

Water Bond

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## *Water Quality*

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**AB 1 (Alejo D) Water quality: integrated plan: Salinas Valley.**

**Introduced:** 12/3/2012

**Last Amend:** 4/3/2013

**Status:** 5/24/2013-In committee: Set, second hearing. Held under submission.

**Location:** 4/10/2013-A. APPR. SUSPENSE FILE

**Summary:** Would appropriate \$2,000,000 to the State Water Resources Control Board for use by the Greater Monterey County Regional Water Management Group (management group) to develop an integrated plan to address the drinking water and wastewater needs of disadvantaged communities in the Salinas Valley whose waters have been affected by waste discharges, thereby making an appropriation. The bill would require the management group to consult with specified entities and to submit to the Legislature by January 1, 2016, the plan developed by the group. This bill contains other related provisions.

Subject  
Water  
Quality

**AB 69 (Perea D) Groundwater: drinking water: Nitrate at Risk Fund.**

**Introduced:** 1/10/2013

**Last Amend:** 8/12/2013

**Status:** 8/12/2013-From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on AGRI.

**Location:** 8/12/2013-S. AGRI.

**Summary:** Would establish the Nitrate at Risk Fund, to be administered by the State Department of Public Health. This bill would continuously appropriate, without regard to fiscal years, the fund to the department for the purposes of loans, principal forgiveness loans, or grants to certain water systems operating in a high-nitrate at-risk area for specified purposes. This bill would require the state board, on or before January 1, 2022, to submit a report to the Legislature that includes specified information relating to the fund and contaminated drinking water. This bill would repeal these provisions on January 1, 2024. This bill contains other related provisions and other existing laws.

Subject  
Water  
Quality

**AB 145 (Perea D) State Water Resources Control Board: drinking water.**

**Introduced:** 1/18/2013

**Last Amend:** 6/18/2013

**Status:** 8/30/2013-Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. SUSPENSE FILE on 8/12/2013)

**Location:** 8/30/2013-S. 2 YEAR

**Summary:** Would transfer to the State Water Resources Control Board the various duties and responsibilities imposed on the department by the California Safe Drinking Water Act. The bill would require these provisions to be implemented during the 2014-15 fiscal year. This bill contains other related provisions and other existing laws.

Subject            Water  
                                 Quality

**AB 1223 (Stone D) Safe drinking water act.**

**Introduced:** 2/22/2013

**Status:** 5/10/2013-Failed Deadline pursuant to Rule 61(a)(3). (Last location was PRINT on 2/22/2013)

**Location:** 5/10/2013-A. 2 YEAR

**Summary:** Current law finds and declares, among other things, that over 95% of all large public water systems in California are in compliance with health-based action levels established by the State Department of Public Health for various contaminants, and that it is the intent of the legislature to establish a drinking water regulatory program to provide for the orderly and efficient delivery of safe drinking water within the state and to give the establishment of drinking water standards and public health goals greater emphasis and visibility. This bill would make technical, nonsubstantive changes to the latter provisions.

Subject            Water  
                                 Quality

**AB 1251 (Gorell R) Water quality: stormwater.**

**Introduced:** 2/22/2013

**Last Amend:** 4/10/2013

**Status:** 5/24/2013-Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 5/16/2013)

**Location:** 5/24/2013-A. 2 YEAR

**Summary:** Would require the Secretary for Environmental Protection to convene a stormwater task force to review, plan, and coordinate stormwater-related activity to maximize regulatory effectiveness in reducing water pollution. The bill would require the task force to meet on a quarterly basis. This bill contains other related provisions.

Subject            Water Quality

**AB 1527 (Perea D) Public water systems: drinking water.**

**Introduced:** 1/17/2014

**Status:** 1/21/2014-From printer. May be heard in committee February 20.

**Location:** 1/17/2014-A. PRINT

**Summary:** Would require the State Department of Public Health, in administering programs to fund improvements and expansions of small community water systems, and other water systems, as specified, to promote service delivery alternatives that improve efficiency and affordability of infrastructure and service delivery, as specified. This bill contains other related provisions and other existing laws.

Subject  
Water  
Quality

## *Bay Delta*

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**AB 378 (Hueso D) Resources: Delta research.**

**Introduced:** 2/14/2013

**Status:** 1/17/2014-Failed Deadline pursuant to Rule 61(b)(1). (Last location was A. & A.R. on 3/7/2013)

**Location:** 1/17/2014-A. DEAD

**Summary:** Would require a person conducting Delta research, as defined, whose research is funded, in whole or in part, by the state, to take specified actions with regard to the sharing of the primary data, samples, physical collections, and other supporting materials created or gathered in the course of that research. The bill would authorize the Delta Independent Science Board to adopt guidelines to provide adjustments to, and, where essential, exceptions from, these requirements and would exempt the adoption of these guidelines from the procedural requirements for the adoption of regulations. This bill contains other related provisions.

Subject  
Bay Delta

**SB 449 (Galgiani D) Local water supply programs or projects: funding.**

**Introduced:** 2/21/2013

**Last Amend:** 8/14/2013

**Status:** 1/8/2014-Set, first hearing. Hearing canceled at the request of author.

**Location:** 12/9/2013-S. N.R. & W.

**Summary:** Would require the Department of Water Resources to conduct a statewide inventory of local regional water supply projects and post specified results of the inventory on the department's Internet Web site by July 1, 2014.

Subject  
Bay Delta

**SB 735 (Wolk D) Sacramento-San Joaquin Delta Reform Act of 2009: multispecies conservation plans.**

**Introduced:** 2/22/2013

**Last Amend:** 5/24/2013

**Status:** 8/16/2013-Failed Deadline pursuant to Rule 61(a)(10)(ASM). (Last location was W.,P. & W. on 6/17/2013)

**Location:** 8/16/2013-A. 2 YEAR

**Summary:** Would, on or before February 3, 2014, authorize prescribed local entities to enter into a memorandum of understanding or other written agreement with the Delta Stewardship Council and the Department of Fish and Wildlife regarding multispecies conservation plans, as defined, that describes, among other things, how the parties would ensure that multispecies conservation plans that have been adopted or are under development are consistent with the Delta Plan.

Subject  
Bay Delta

## *Water*

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**AB 613 (Hueso D) Water: water reclamation.**

**Introduced:** 2/20/2013

**Status:** 5/10/2013-Failed Deadline pursuant to Rule 61(a)(3). (Last location was PRINT on 2/20/2013)

**Location:** 5/10/2013-A. 2 YEAR

**Summary:** The Water Recycling Law provides that a person recycling water or using recycled water in violation of specific provisions, after the violation has been called to the attention of that person in writing by the regional board, is guilty of a misdemeanor, as specified. This bill would make technical, nonsubstantive changes to the provision.

Subject  
Water

**AB 793 (Gray D) Renewable energy: publicly owned electric utility: hydroelectric generation facility.**  
**Introduced:** 2/21/2013  
**Last Amend:** 7/9/2013  
**Status:** 9/13/2013-Failed Deadline pursuant to Rule 61(a)(14). (Last location was INACTIVE FILE on 9/3/2013)  
**Location:** 9/13/2013-S. 2 YEAR  
**Summary:** Would provide that a local publicly owned electric utility is not required to procure additional eligible renewable energy resources in excess of specified levels, if it receives 50% or greater of its annual retail sales from its own hydroelectric generation meeting specified requirements.

Subject  
Water

**AB 1043 (Chau D) Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006: groundwater contamination.**  
**Introduced:** 2/22/2013  
**Last Amend:** 4/16/2013  
**Status:** 7/12/2013-Failed Deadline pursuant to Rule 61(a)(10)(SEN). (Last location was N.R. & W. on 6/13/2013)  
**Location:** 7/12/2013-S. 2 YEAR  
**Summary:** Would eliminate the requirement to develop and adopt regulations and instead would require a grantee of certain initiative bond act funds to take specific actions to recover the costs of cleanup and to utilize those funds for certain groundwater contamination cleanup projects, as specified. The bill would require the grantee, before expending the funds recovered from a responsible party, as defined, to submit an expenditure plan to DTSC for its review. This bill contains other related provisions and other existing laws.

Subject  
Water

**AB 1078 (Quirk D) Water: water recycling technology.**  
**Introduced:** 2/22/2013  
**Status:** 5/10/2013-Failed Deadline pursuant to Rule 61(a)(3). (Last location was PRINT on 2/22/2013)  
**Location:** 5/10/2013-A. 2 YEAR  
**Summary:** Current law provides that the Department of Water Resources operates the State Water Project and exercises specified water planning functions. Current law also requires the department to update The California Water Plan, which is a plan for the conservation, development, and use of the water resources of the state. Under current law, various provisions regulate water recycling. This bill would state the intent of the Legislature to enact legislation to encourage the

creation of new technologies to further the use of recycled water in the state.

Subject  
Water

**AB 1249 (Salas D) Integrated regional water management plans: nitrate contamination.**

**Introduced:** 2/22/2013

**Last Amend:** 1/6/2014

**Status:** 1/23/2014-From committee: Do pass. (Ayes 13. Noes 3.) (January 23).  
Read second time. Ordered to third reading.

**Location:** 1/23/2014-A. THIRD READING

**Calendar:** 1/27/2014 #93 ASSEMBLY ASSEMBLY THIRD READING FILE

**Summary:** Would require an integrated regional water management plan to include an explanation of how the plan addresses nitrate contamination, or an explanation of why the plan does not address nitrate contamination, if an area within the boundaries of the plan has been identified as a nitrate high-risk area by the State Water Resources Control Board. This bill contains other related provisions and other existing laws.

Subject  
Water

**AB 1349 (Gatto D) CalConserve Water Use Efficiency Revolving Fund.**

**Introduced:** 2/22/2013

**Status:** 5/24/2013-In committee: Set, second hearing. Held under submission.

**Location:** 5/8/2013-A. APPR. SUSPENSE FILE

**Summary:** Would establish the CalConserve Water Use Efficiency Revolving Fund administered by the Department of Water Resources and would continuously appropriate moneys in the fund, without regard to fiscal year, to the department, for the purpose of water use efficiency projects. This bill would require moneys in the fund to be used for purposes that include, but are not limited to, at-or-below market interest rate loans and would permit the department to enter into agreements with local governments or investor-owned utilities that provide water or recycled water service to provide loans.

Subject  
Water

**AB 1434 (Yamada D) Water corporations: low-income relief programs.**

**Introduced:** 1/6/2014

**Status:** 1/17/2014-Referred to Com. on U. & C.

**Location:** 1/17/2014-A. U. & C.

**Summary:** Current law requires the Public Utilities Commission to consider, and



authorizes the commission to implement, programs to provide rate relief for low-income ratepayers of a water corporation. This bill would instead require the commission to implement a program to provide rate relief for low-income ratepayers of a water corporation, as specified.

Subject  
Public  
Agency,  
Water

**SB 658 (Correa D) Orange County Water District Act: investigation, cleanup, and liability.**

**Introduced:** 2/22/2013

**Last Amend:** 5/15/2013

**Status:** 5/31/2013-Failed Deadline pursuant to Rule 61(a)(8). (Last location was INACTIVE FILE on 5/24/2013)

**Location:** 5/31/2013-S. 2 YEAR

**Summary:** The Orange County Water District Act requires the person causing or threatening to cause the contamination or pollution to be liable to the Orange County Water District for reasonable costs actually incurred in cleaning up or containing the contamination or pollution, abating the effects of the contamination or pollution, or taking other remedial action. This bill would require the person also to be liable for the costs actually incurred in investigating the contamination or pollution. The bill would provide that these remedies are in addition to all other legal and equitable remedies available to the water district, including declaratory relief.

Subject  
Water

**SB 750 (Wolk D) Building standards: water meters: multiunit structures.**

**Introduced:** 2/22/2013

**Last Amend:** 8/8/2013

**Status:** 8/16/2013-Failed Deadline pursuant to Rule 61(a)(10)(ASM). (Last location was W.,P. & W. on 8/13/2013)

**Location:** 8/16/2013-A. 2 YEAR

**Summary:** Would require a water purveyor that provides water service to a newly constructed multiunit residential structure or newly constructed mixed-use residential and commercial structure that submits an application for a water connection after January 1, 2015 , to require measurement of the quantity of water supplied to each individual dwelling unit and to permit the measurement to be by individual water meters or submeters, as defined. The bill would require the owner of the structure to ensure that a water submeter installed for these purposes complies with laws and regulations governing approval of submeter types or the

installation, maintenance, reading, billing, and testing of submeters, including, but not limited to, the California Plumbing Code.

Subject  
Water

## *Energy*

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**AB 284 (Quirk D) Energy: Road to 2050 Board: reporting.**

**Introduced:** 2/11/2013

**Last Amend:** 5/8/2013

**Status:** 5/24/2013-Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 5/24/2013)

**Location:** 5/24/2013-A. 2 YEAR

**Summary:** Would require the chair of the State Air Resources Board to convene the Road to 2050 Board consisting of specified representatives from specified state agencies and commissions. The bill would require the Road to 2050 Board, by January 31, 2016, and by January 31 of each even-numbered year thereafter, to submit a report to the Governor and the Legislature on the impacts to California of global warming, including impacts to water supply, public health, agriculture, coastline, and forestry, and to prepare and report on mitigation and adaptation plans to combat these impacts.

Subject  
Energy

**AB 293 (Allen R) Energy: California Clean Energy Jobs Act: implementation.**

**Introduced:** 2/11/2013

**Last Amend:** 5/8/2013

**Status:** 5/24/2013-Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 5/16/2013)

**Location:** 5/24/2013-A. 2 YEAR

**Summary:** Would require the State Energy Resources Conservation and Development Commission, in consultation with the Public Utilities Commission and other appropriate state agencies, to develop a program to award financial assistance for the purposes of implementing the California Clean Energy Jobs Act. The bill would require the State Energy Resources Conservation and Development Commission to administer grants, loans, or other financial assistance to eligible entities for the purpose of funding eligible projects that create jobs in California by reducing energy demand and consumption, to establish criteria for the award of grants, loans, or other financial assistance that include specified matter, and to maintain a public database of the eligible entities

that receive grants, loans, or other financial assistance through the program.

Subject  
Energy

**AB 416 (Gordon D) State Air Resources Board: Local Emission Reduction Program.**

**Introduced:** 2/15/2013

**Last Amend:** 4/4/2013

**Status:** 5/24/2013-Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 5/1/2013)

**Location:** 5/24/2013-A. 2 YEAR

**Summary:** Would create the Local Emission Reduction Program and would require money to be available from the General Fund, upon appropriation by the Legislature, for purposes of providing grants and other financial assistance to develop and implement greenhouse gas emissions reduction projects in the state. The bill would require the State Air Resources Board, in coordination with the Strategic Growth Council, to administer the program, as specified. The bill would require the implementation of the program to be contingent on the appropriation of moneys by the Legislature, as specified.

Subject  
Energy

**AB 1014 (Williams D) Energy: electrical corporations: green tariff shared renewable program.**

**Introduced:** 2/22/2013

**Last Amend:** 5/8/2013

**Status:** 7/12/2013-Failed Deadline pursuant to Rule 61(a)(10)(SEN). (Last location was RLS. on 6/13/2013)

**Location:** 7/12/2013-S. 2 YEAR

**Summary:** Would require specified electrical corporations to file with the Public Utilities Commission, by March 1, 2014, an advice letter requesting the approval of a green tariff shared renewable program. The bill would require the commission, by July 1, 2014, after notice and opportunity for public comment, to approve the advice letter if the commission finds that the proposed program is reasonable and consistent with specified findings. This bill would require the commission to require that a green tariff shared renewable program be administered in accordance with specified provisions. This bill would repeal these provisions on January 1, 2019. This bill contains other related provisions and other existing laws.

Subject  
Energy

**AB 1228 (V. Manuel Pérez D) Electricity: eligible fuel cell customer-generators.**

**Introduced:** 2/22/2013

**Last Amend:** 4/24/2013

**Status:** 1/17/2014-Failed Deadline pursuant to Rule 61(b)(1). (Last location was U. & C. on 4/25/2013)

**Location:** 1/17/2014-A. DEAD

**Summary:** Would increase the capacity of a fuel cell electrical generating facility to not more than 3 megawatts. The bill would prohibit the net rate at which electricity fed back to the electrical grid by an eligible fuel cell customer-generator using a fuel cell electrical generating facility with a capacity of more than one megawatt from exceeding one megawatt. This bill contains other related provisions and other existing laws.

Subject

Energy

**AB 1354 (Chávez R) Public utilities: net-energy metering.**

**Introduced:** 2/22/2013

**Status:** 5/10/2013-Failed Deadline pursuant to Rule 61(a)(3). (Last location was PRINT on 2/22/2013)

**Location:** 5/10/2013-A. 2 YEAR

**Summary:** Current law, relative to private energy producers, requires every electric utility, as defined, to make available to an eligible customer-generator, as defined, a standard contract or tariff for net energy metering on a first-come-first-served basis until the time that the total rated generating capacity used by eligible customer-generators exceeds 5% of the electric utility's aggregate customer peak demand. This bill would make various nonsubstantive changes to this requirement.

Subject

Energy

**AB 1368 (Patterson R) Self-generation incentive program.**

**Introduced:** 2/22/2013

**Status:** 5/10/2013-Failed Deadline pursuant to Rule 61(a)(3). (Last location was PRINT on 2/22/2013)

**Location:** 5/10/2013-A. 2 YEAR

**Summary:** Under current law, the Public Utilities Commission (PUC) has regulatory authority over public utilities, including electrical corporations, as defined. Current law requires the PUC, in consultation with the State Energy Resources Conservation and Development Commission, to administer, until January 1, 2016, a self-generation incentive program for distributed generation resources and to separately administer solar technologies pursuant to the California Solar Initiative. This bill would make technical, nonsubstantive

changes to this requirement.

Subject  
Energy

**AB 1499 (Skinner D) Electricity: self-generation incentive program.**

**Introduced:** 1/9/2014

**Status:** 1/10/2014-From printer. May be heard in committee February 9.

**Location:** 1/9/2014-A. PRINT

**Summary:** Would extend the authority of the PUC to authorize electrical corporations to continue making the annual collections through December 31, 2015. The bill would extend the Public Utilities Commission's administration of the program to January 1, 2017. This bill contains other related provisions and other existing laws.

Subject  
Energy

**SB 691 (Hancock D) Nonvehicular air pollution control: penalties.**

**Introduced:** 2/22/2013

**Last Amend:** 9/4/2013

**Status:** 9/13/2013-Failed Deadline pursuant to Rule 61(a)(14). (Last location was INACTIVE FILE on 9/12/2013)

**Location:** 9/13/2013-A. 2 YEAR

**Summary:** Current law, commencing January 1, 2014, prohibits a person from discharging from nonvehicular sources air contaminants or other materials that cause injury, detriment, nuisance, or annoyance to the public, or that endanger the comfort, repose, health, or safety of the public, or that cause injury or damage to business or property, as specified. This bill would make a person who violates this provision liable for a civil penalty of not more than \$100,000, as specified, if the violation results from a discharge from a stationary source required by federal law to be included in an operating permit program established pursuant to Title V of the federal Clean Air Act, the discharge results in a severe disruption to the community, the discharge contains or includes one or more toxic air contaminants, as specified, and 100 or more people are exposed to the discharge. The bill would prohibit this provision from applying if the violation is caused by unforeseen and unforeseeable criminal acts, acts of war, acts of terrorism, or civil unrest.

Subject  
Energy

**SB 699 (Hill D) Electricity: electrical corporations: clean distributed energy resources.**

**Introduced:** 2/22/2013

**Last Amend:** 8/7/2013

**Status:** 8/16/2013-Failed Deadline pursuant to Rule 61(a)(10)(ASM). (Last location was U. & C. on 8/7/2013)

**Location:** 8/16/2013-A. 2 YEAR

**Summary:** Would require an electrical corporation to annually report to the Public Utilities Commission capital expenditures included in the distribution category of the electrical corporation's ratebase for each project. The bill would require an electrical corporation to report all interconnection costs charged to the customer for each interconnection agreement to interconnect distributed energy resources. This bill contains other related provisions and other existing laws.

Subject  
Energy

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*Public Agency*

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**AB 194 (Campos D) Open meetings: actions for violations.**

**Introduced:** 1/28/2013

**Last Amend:** 1/6/2014

**Status:** 1/16/2014-Read second time. Ordered to third reading.

**Location:** 1/16/2014-A. THIRD READING

**Calendar:** 1/27/2014 #73 ASSEMBLY ASSEMBLY THIRD READING FILE

**Summary:** Would expand the authorization for a district attorney or interested party to seek a judicial determination that an action taken by a legislative body is null and void if the legislative body violated the requirement that every agenda for a regular meeting or notice for a special meeting provide an opportunity for members of the public to address the legislative body on items being considered, as specified.

Subject  
Public  
Agency

**AB 741 (Brown D) Local government finance: tax equity allocation formula: qualifying cities.**

**Introduced:** 2/21/2013

**Status:** 3/11/2013-Referred to Com. on L. GOV.

**Location:** 3/11/2013-A. L. GOV.

**Summary:** Would, commencing with the 2012-13 fiscal year and each fiscal year thereafter, increase the allocation of property tax revenues under a new TEA formula, as specified, for qualifying cities, as defined. This bill contains other



related provisions and other existing laws.

Subject  
Public  
Agency

**AB 1031 (Achadjian R) Local government: open meetings.**

**Introduced:** 2/22/2013

**Status:** 5/10/2013-Failed Deadline pursuant to Rule 61(a)(3). (Last location was PRINT on 2/22/2013)

**Location:** 5/10/2013-A. 2 YEAR

**Summary:** Current law, the Ralph M. Brown Act, requires each legislative body of a local agency to provide notice of the time and place for holding regular meetings and an agenda containing a brief general description of each item of business to be transacted. The act also requires that all meetings of a legislative body be open and public and all persons be permitted to attend unless a closed session is authorized. This bill would make technical, nonsubstantive changes to a provision of the Ralph M. Brown Act.

Subject  
Public  
Agency

**AB 1320 (Bloom D) Redevelopment: allocation of property tax: passthrough payments.**

**Introduced:** 2/22/2013

**Last Amend:** 4/10/2013

**Status:** 1/17/2014-Failed Deadline pursuant to Rule 61(b)(1). (Last location was L. GOV. on 12/12/2013)

**Location:** 1/17/2014-A. DEAD

**Summary:** Current law establishes a public school financing system that requires funding for each county superintendent of schools and school district to be calculated pursuant to a revenue limit, as specified, and requires the revenue limit and general-purpose entitlement for a school entity to be composed of, among other things, certain types of revenues, including ad valorem property tax revenues. This bill would provide that a specified amount of ad valorem property tax revenues allocated to a school entity, defined with reference to former passthrough payments made by a redevelopment agency, will not be included as ad valorem property tax revenues counted against the revenue limit for that entity.

Subject  
Public  
Agency

**AB 1434 (Yamada D) Water corporations: low-income relief programs.**

**Introduced:** 1/6/2014

**Status:** 1/17/2014-Referred to Com. on U. & C.

**Location:** 1/17/2014-A. U. & C.

**Summary:** Current law requires the Public Utilities Commission to consider, and authorizes the commission to implement, programs to provide rate relief for low-income ratepayers of a water corporation. This bill would instead require the commission to implement a program to provide rate relief for low-income ratepayers of a water corporation, as specified.

Subject  
Public  
Agency,  
Water

**SB 24 (Walters R) Public employees' retirement: benefit plans.**

**Introduced:** 12/3/2012

**Status:** 1/17/2014-Failed Deadline pursuant to Rule 61(b)(1). (Last location was P.E. & R. on 1/10/2013)

**Location:** 1/17/2014-S. DEAD

**Summary:** Existing law regulates state and local public retirement systems and generally requires public employees who are new members, as defined, of those systems, on and after January 1, 2013, to participate in specified benefit plans. Existing law requires, in the case of these plans, if a new defined benefit formula is adopted on or after January 1, 2013, that the formula meet certain requirements and, among other things, be approved by the Legislature. This bill would eliminate the requirement that the Legislature approve the changes in the instances described above. This bill would also authorize a local agency public employer or public retirement system that offers a defined benefit pension plan to offer a benefit formula with a lower benefit factor at normal retirement age and that results in a lower normal cost than the benefit formulas that are currently required, for purposes of addressing a fiscal necessity.

Subject  
Public  
Agency

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## ***CEQA***

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**SB 731 (Steinberg D) Environment: California Environmental Quality Act.**

**Introduced:** 2/22/2013

**Last Amend:** 9/9/2013



**Status:** 9/13/2013-Failed Deadline pursuant to Rule 61(a)(14). (Last location was L. GOV. on 9/11/2013)

**Location:** 9/13/2013-A. 2 YEAR

**Summary:** Would provide that aesthetic and parking impacts of a residential, mixed-use residential, or employment center project, as defined, on an infill site, as defined, within a transit priority area, as defined, shall not be considered significant impacts on the environment. The bill would require the Office of Planning and Research to prepare and submit to the Secretary of the Natural Resources Agency, and the secretary to certify and adopt, revisions to the guidelines for the implementation of CEQA establishing thresholds of significance for noise and transportation impacts of projects within transit priority areas. This bill contains other related provisions and other existing laws.

Subject  
CEQA

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INFORMATION  
ITEM

**4J**

# *Agricultural Resources*

635 Maryland Avenue, N.E.  
Washington, D.C. 20002-5811  
(202) 546-5115  
[agresources@erols.com](mailto:agresources@erols.com)

January 24 2014

## **Legislative Report**

**TO:** Joe Grindstaff  
General Manager, Inland Empire Utility Agency

**FR:** David M. Weiman  
Agricultural Resources  
LEGISLATIVE REPRESENTATIVE, IEUA

**SU:** Legislative Report, January 2014

### **Finance, Budget and Appropriations.**

**Budget for FY 2014 Enacted – Showdown(s) Averted.** Led by Budget and Appropriations leaders in the House and Senate (Rep. Paul Ryan (R-WI) and Sen. Patty Murry (D-WA) and Rep. Hal Rogers (R-KY) and Sen. Barbara Mikulski (D-MD) the House and Senate reached agreement on Federal Government (department and agency) funding for Fiscal Year 2014. The House and Senate passed a massive all-government conference report with bi-partisan votes. Shortly thereafter, President Obama signed the 1,500+ page appropriations bill into law. Showdowns and shutdowns were averted and a weary Washington slowly (and incrementally) returns to a semblance of regular order.

**Further Sequester Cuts – Limited, In Many Cases Eliminated.** As significantly, further automatic cuts pursuant to sequester are, for the most part, limited or now, blocked. Resource agencies – BuRec, Army Corps, NRCS, FWS, NOAA (various agencies working on Bay Delta) dodged severe additional cuts. In general, overall department and agency funding levels are still in the 2008-2009 levels.

**Debt Ceiling.** Treasury Secretary Lew asked Congress to act on the Debt Ceiling in February. Some members, mostly affiliated with the Tea Party, are insisting on another round of budget

cuts in exchange for an increase in the debt ceiling and are all but itching for another budget fight. It won't happen. While not resolved yet, it's clear that the Debt Ceiling will be statutorily amended, in a timely fashion. Another budget fight is not in the cards and all but assuredly will not happen.

**Middle of the Session – Key Committee Changes Pending, Retirements Announced.**

*Senate Finance, Energy and Small Business – New Chairmanships and New Gavels in February.* Typically, Committee leadership is set at the top of each Congress (in this case, a year ago this month). However, in a complete surprise, the President just nominated retiring Senator Max Baucus (D-MT) – and chair, Senate Finance – to serve as Ambassador to China. His confirmation hearing will take place the last week of January and his confirmation is expected to fly through the Senate before the President's Day Break in February. That sets in motion – three major committee changes (possibilities and options were first reported last month). It's sorted out now.

- Baucus to resign when confirmed. Finance Chair then becomes vacant.
- Senator Ron Wyden (D-OR) becomes Senate Finance Chair.
- Sen. Wyden vacates Senate Energy (which he currently chairs).
- Sen. Mary Landrieu (D-LA) becomes Senate Energy Chair.
- Sen. Landrieu vacates Senate Small Business to become Chair.
- Senator Maria Caldwell (D-WA) become Senate Small Business Chair
- Senator Mark Warner (D-VA) to be named to serve in the open seat on Senate Finance.

Three major chairs change – in the middle of a session. Not unheard of – but very unusual. As a result, committee priorities will all but certainly shift.

Senate Finance has jurisdiction on taxes – and in particular – deductibility of municipal bonds.

Senate Energy has jurisdiction over water policy, including the BuRec program, Bay Delta and Title XVI. From Louisiana, Senator Landrieu has great interest in oil and gas issues and relatively little interest (or experience) in public lands and water issues with the notable exception of an overriding interest in the Land and Water Conservation Fund..

**Senior California Delegation Members Announce Retirement.** In January, two influential and senior California Members announced their retirements at the close of this Congress. Rep. Howard “Buck” McKeon (R-CA) presently serves as Chair, House Armed Services Committee and he announced, after 20 years, that he will step down. On the Democratic side, the dean of the CA Democrats, Rep. George Miller, announced that he will not seek reelection after 40 years. In addition, Rep. Gloria Negrete McLeod publicly indicated (but has not confirmed) that

she may not seek reelection and instead, may run for an open county seat. Miller, in particular, has been deeply involved in water policy issues. A long-time critic of Westlands, Miller authored the Coordinated Operating Agreement (largely at MWD's urging), CVPIA and Title XVI.

**Confirmations: Interior Nominations Being Considered.** Mike Connor, currently Commissioner, BuRec was nominated to serve as Deputy Secretary. In the last Congress, his confirmation was blocked. He was renominated this month and the Senate Energy Committee immediately reported his nomination (and others) to the full Senate. If confirmed, the Administration will then nominate a new Commissioner. Several other DOI nominations are pending as well. If Connor is confirmed, he is expected to continue to be involved in Bay Delta.

**Other Legislation – Pending.**

**Farm Bill.** In conference. Last issues (including controversial dairy pricing) being worked on right now.

**WRDA.** Also in conference. GAO just slammed the Army Corps for chronic cost overruns. Whether or not this becomes a last-minute issue is not known.

**Immigration.** Pressure keeps building (and speculation) that immigration will be taken up, but it faces an unending list of cross-currents policy and legislative issues. Public opinion has been shifting. Support for a bill continues to grow, notwithstanding internal GOP splits on the issue. Leadership in the House is giving mixed signals.

**Tax Reform.** With Baucus stepping down, it is widely believed that tax reform will not be considered in 2014 and this is really a 2015-16 issue (which would put tax reform on the table in the middle of national elections). House Ways and Means Chair, David Camp (R-MI) continues to insist that his long-awaited bill will be introduced and considered. House politics continue to swirl around this issue, substantively and politically. In the next Congress, Camp will be term-limited as Chair (assuming Rs retain control of the House). Sending every possible signal that he wants the gavel, Rep. Paul Ryan (Romney's running mate, Chair, Budget Committee, and leader of recent House-Senate D-R budget agreement) has signaled (all but announced) that he wants it. Camp is telling R Leaders that he'll want a waiver to continue to serve as Chair (low probability). Also, Ryan announced a week ago that he has no interest in becoming Speaker (widely speculated). Fate of this legislation in this session: unclear but doubtful. However, jockeying on issues and politics will have a strong influence on what happens in the next Congress. Keep in mind, House Rs continue to believe that tax rates should be reduced (corporate and personal) to 25%. To get there, provisions like the deductibility of municipal bonds will almost assuredly be modified or eliminated. The Administration believes it should be amended. As for the pre-tax bill jockeying on other tax code provisions, 33 Senators – one third of the US Senate – just signed a letter insisting that charitable deduction provisions of the tax code be protected. The more that provisions are protected, the greater the pressure on municipal bond deductibility.

**Water World Upended in January by Seven-Letter Word – DROUGHT.**

*Drought Conditions – in California – Among the Very Worst Ever.* Bay Delta, DBCP and related issues got pushed aside as the reality of drought overwhelmed Californians and others throughout the West. California is bone-dry. A burst of political and administrative activity has erupted and will continue for the next several weeks including:

- Grim DWR Snowpack Surveys.
- Senators Feinstein, Boxer and Rep. Costa call for Federal designation.
- Speaker Boehner, joined by Rep. Kevin McCarthy, held press conference in Bakersfield at which they announced drought legislation to be considered within three weeks (hearings could occur as early as the week of January 27). The bill will focus on regulatory – ESA and CVPIA – regulatory changes. The House Resources Committee learned about it after the Speaker’s announcement.
- Omnibus funding bill reauthorized the Drought Relief Act (zero attention in the media). At Rep. Grace Napolitano’s urging, the Omnibus Appropriations bill contained this reauthorization. Water transfers, drilling and other tools are reauthorized and now available.
- Governor Brown issued a Drought Declaration.
- At the Federal Level – the Secretary’s of Commerce, USDA and DOI pledged an integrated drought response.
- McCarthy, Nunes and Others have challenged Feinstein and others to “do more.”
- Feinstein is readying a drought bill which will emphasize recycling and other programs (not circulated yet).
- State Water Resources Control Board, now with responsibility to administer the Clean Water Act’s SRF is seeking an amendment (or authority) to make recycling projects and perhaps conservation available for SRF funding.
- There is discussion – for legislation – to authorize “federal loan guarantees” for recycling projects (but reps.expect OMB to vigorously object (on policy and philosophical grounds. One or more bills may contain such authority (under discussion).
- ACWA and Gary Darling conducted a recycling survey at the request of Senator Feinstein. Results are compelling.
- Academic and technical reports are being issued, one after another, confirming the severity of the problem.

Drought is now the prominent water issue and, somewhat oddly, is uniting North and South, ocean and mountain counties. While the regions are united by drought and all of its attendant challenges, they are not united or in agreement on solutions.

Here in Washington, we are preparing for an IEUA Washington trip.

INFORMATION  
ITEM

**4K**





CALIFORNIA STRATEGIES, LLC

Date: January 30, 2012  
To: Inland Empire Utilities Agency  
From: Jim Brulte, John Withers  
Re: January Activity Report

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Please find our monthly activity report for California Strategies, LLC. We appreciate the opportunity to serve IEUA Directors and Staff and look forward to serving IEUA in the months ahead.

- 1.) Provided Sacramento Agenda briefing to IEUA Board -- Attended January Board Meeting and made an audio/visual presentation regarding the focus of Sacramento in the coming year. Answered questions from the Board members on topics including: Water Bond, State Budget, Infrastructure.
- 2.) Water Softener Ordinance -- Supported IEUA staff by researching attitudes regarding the draft ordinances in the City of Upland, City of Ontario and City of Fontana. Discussed findings with IEUA senior staff. Assisted in the development of strategy regarding messaging and outreach.
- 3.) Water Softener Ordinance -- Continue to monitor city activity in support of ordinance adoption
- 4.) Chino Basin Storm Water Management Task Force -- We continue to monitor this activity with the County of San Bernardino and other participants and advise IEUA staff when requested.

5.) San Bernardino County Lafco – We continue to monitor activities of Lafco to insure any activities affecting IEUA are immediately reported to staff. Note that Lafco is planning a Municipal Service Review (MSR) of West End water districts as part of next year's work plan. We will develop a detailed strategy document at the appropriate time so IEUA is well positioned.

INFORMATION  
ITEM

**4L**



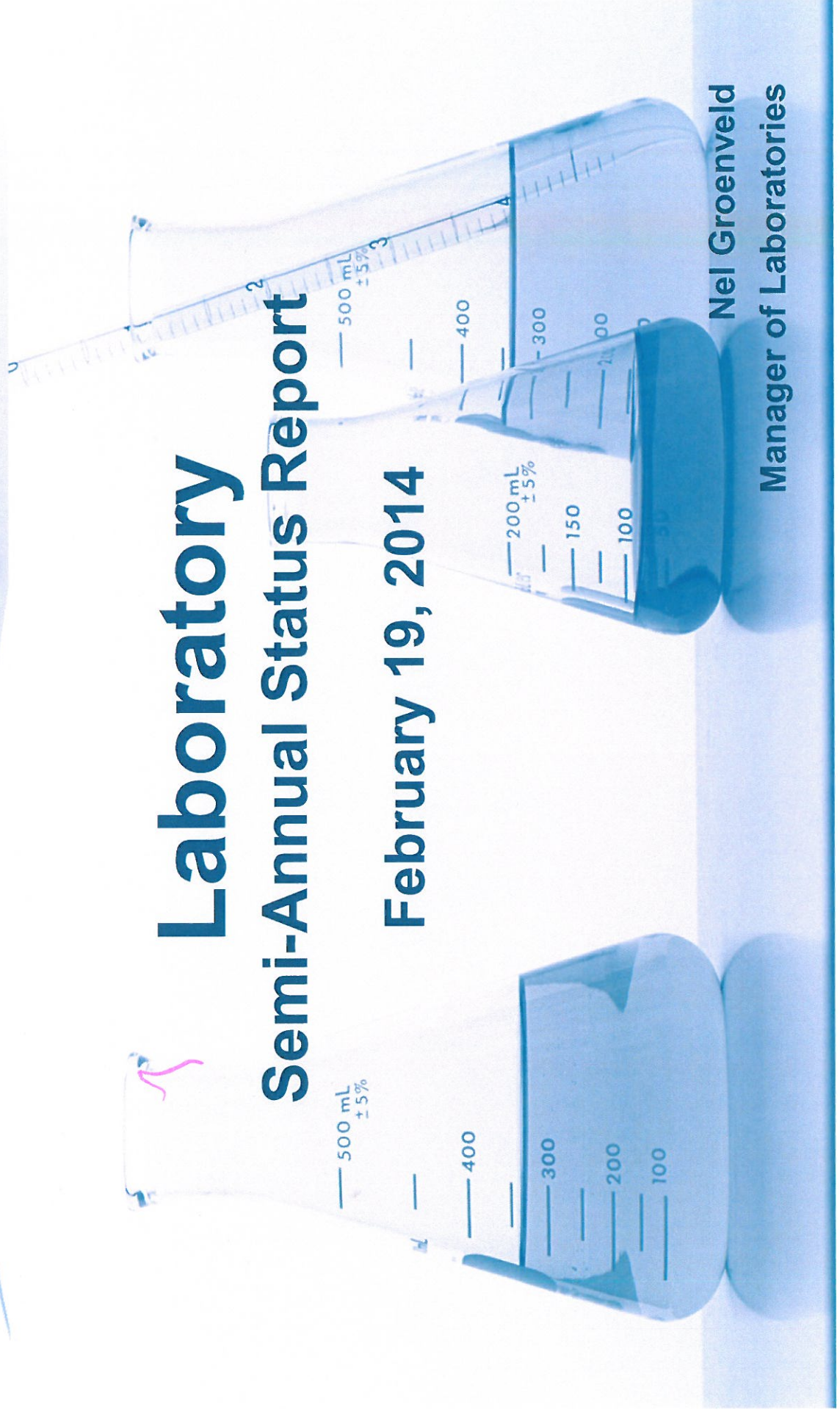
*Inland Empire Utilities Agency*

A MUNICIPAL WATER DISTRICT

# Laboratory Semi-Annual Status Report

February 19, 2014

**Neil Groenveld**  
Manager of Laboratories





# Laboratory Activities

- **NRW solids discrepancy testing**
  - 1,340 analyses performed on 140 samples, July – December 2013
  - 45% increase of analyses performed for PT&SC compared to same period in 2012
  - Additional sampling continues January – June 2014
- **Laboratory Rehabilitation Project**
  - Completed January 2014



Before



After

# Customer Service – Meeting IEUA Needs

## Performance Indicators:

Report Samples within Established Turn Around Times (TAT):

- Compliance (28 days)
- Process Control Samples (24 hours).



Compliance Sample TAT

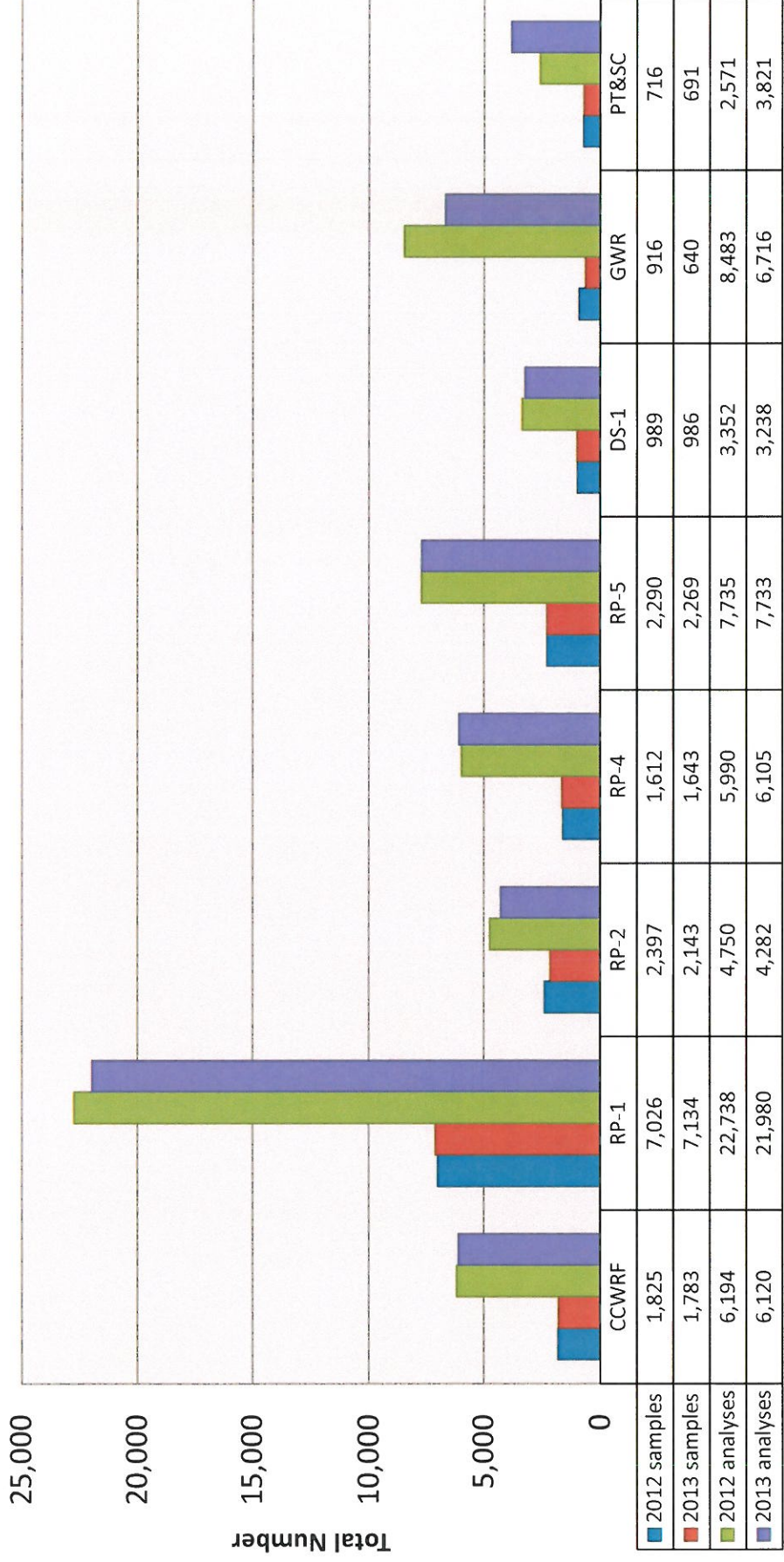
	10/11	11/12	12/13	13/14*
Average TAT (days)	25	20	22	20
Maximum TAT (days)	63	44	43	48
# reported >28 days	181	87	221	41
Compliance Samples	8,623	7,086	6,809	3,399
Performance %	98%	99%	97%	99%

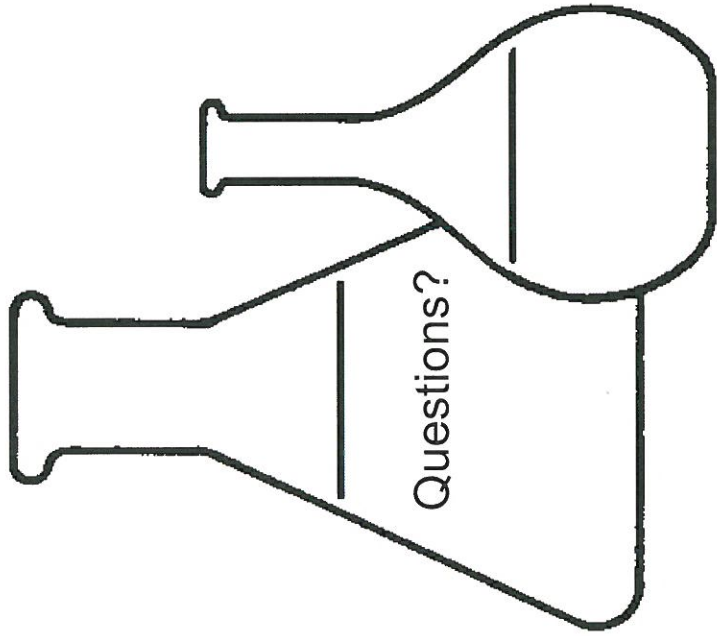
\*through December 2013



# Samples & Analyses

- **FY1314**
  - Samples: 8,803 (3,399 Compliance, 5,404 Process)
  - Analyses: 31,032 (16,536 Compliance, 14,496 Process)
- **Calendar Year Comparison (2012 – 2013)**







INFORMATION  
ITEM

**4M**



*Inland Empire Utilities Agency*


A MUNICIPAL WATER DISTRICT

# Mid-Year Building Activity Report (July Thru December 2013)

**February 19, 2014**

**Chris Berch  
Manager of Planning &  
Environmental Compliance**

## **Summary: Mid-Year Building Activity**

- IEUA Member Agency Forecast = 3,815 EDUs
  - IEUA Budgeted Forecast = 1,800 EDUs
  - Building Activity (to date) = 732 EDUs
  - Trending at 19% of IEUA's member agency forecasts
- 

# Mid Year 13/14 Building Activity

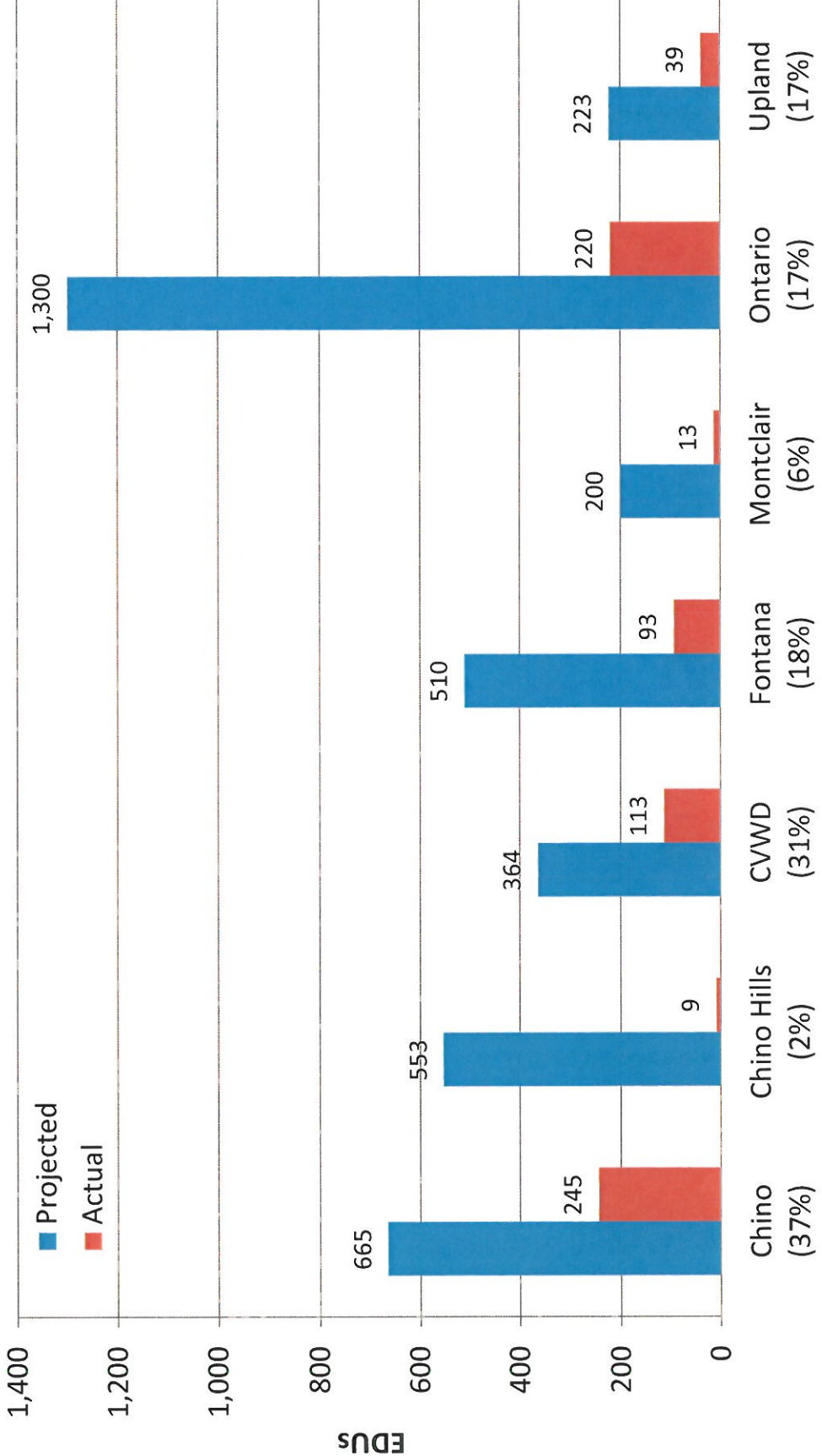
(July – December 2013)

Contracting Agency	Residential (EDUs)	Commercial/Industrial (EDUs)	Total (EDUs)
Chino	214	31	245
Chino Hills	1	8	9
CVWD	68	45	113
Fontana	49	44	93
Montclair	6	7	13
Ontario	152	68	220
Upland	8	31	39
Mid Year Actual Totals	498	234	732
Projected Totals	2,859	956	3,815



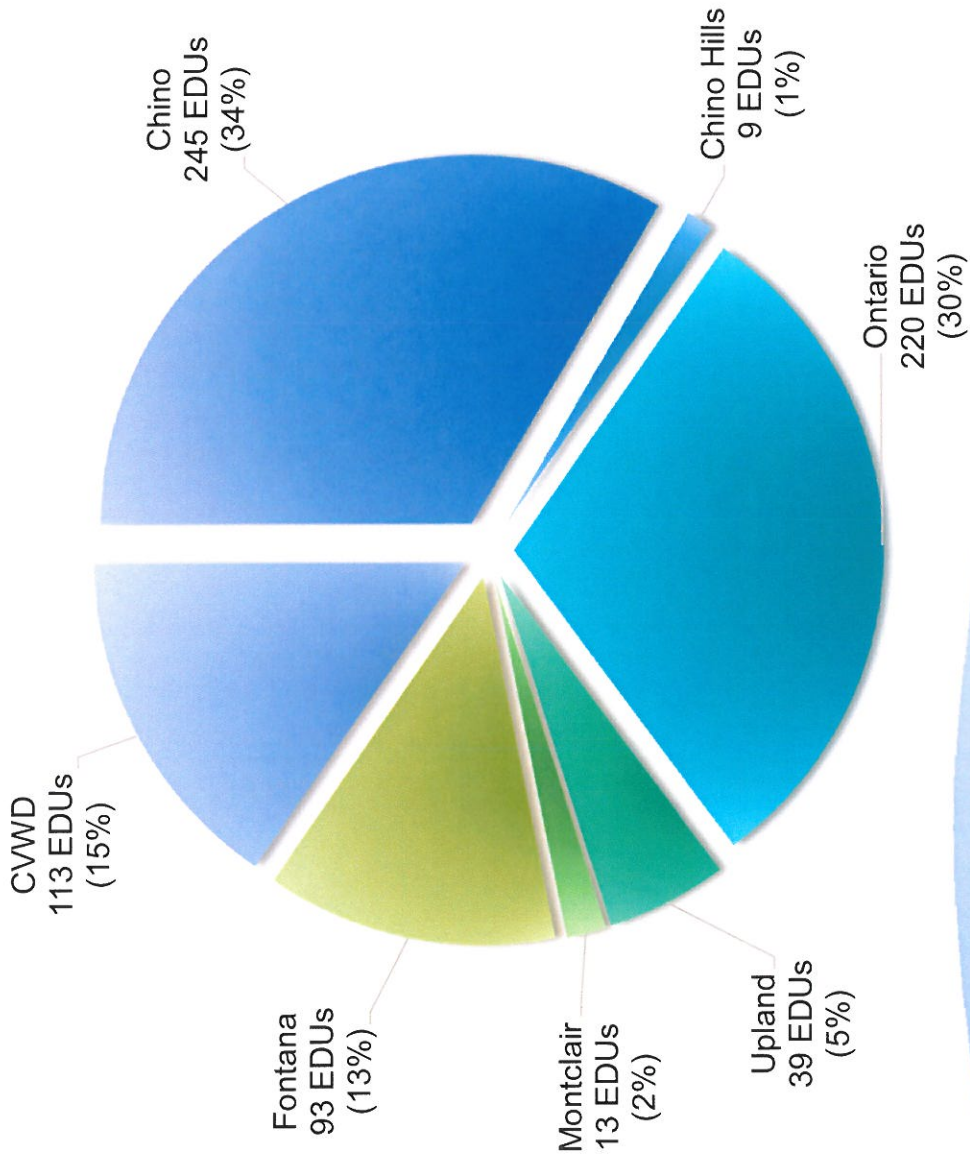
# Mid Year 13/14 Distribution of Growth

(July – December 2013)



# Mid Year 13/14 Building Activity

732 EDUs Resulted in \$3.66M in CCRA Funding





*Inland Empire Utilities Agency*

A MUNICIPAL WATER DISTRICT

**Questions?**



# Building Activity Report - YTD Fiscal Year 2013/14



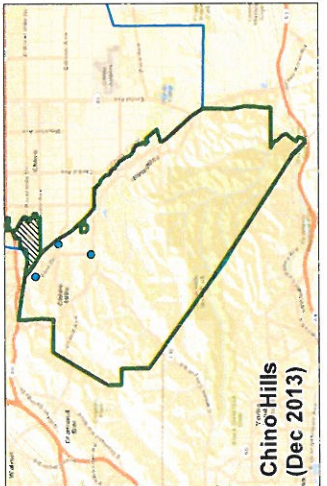
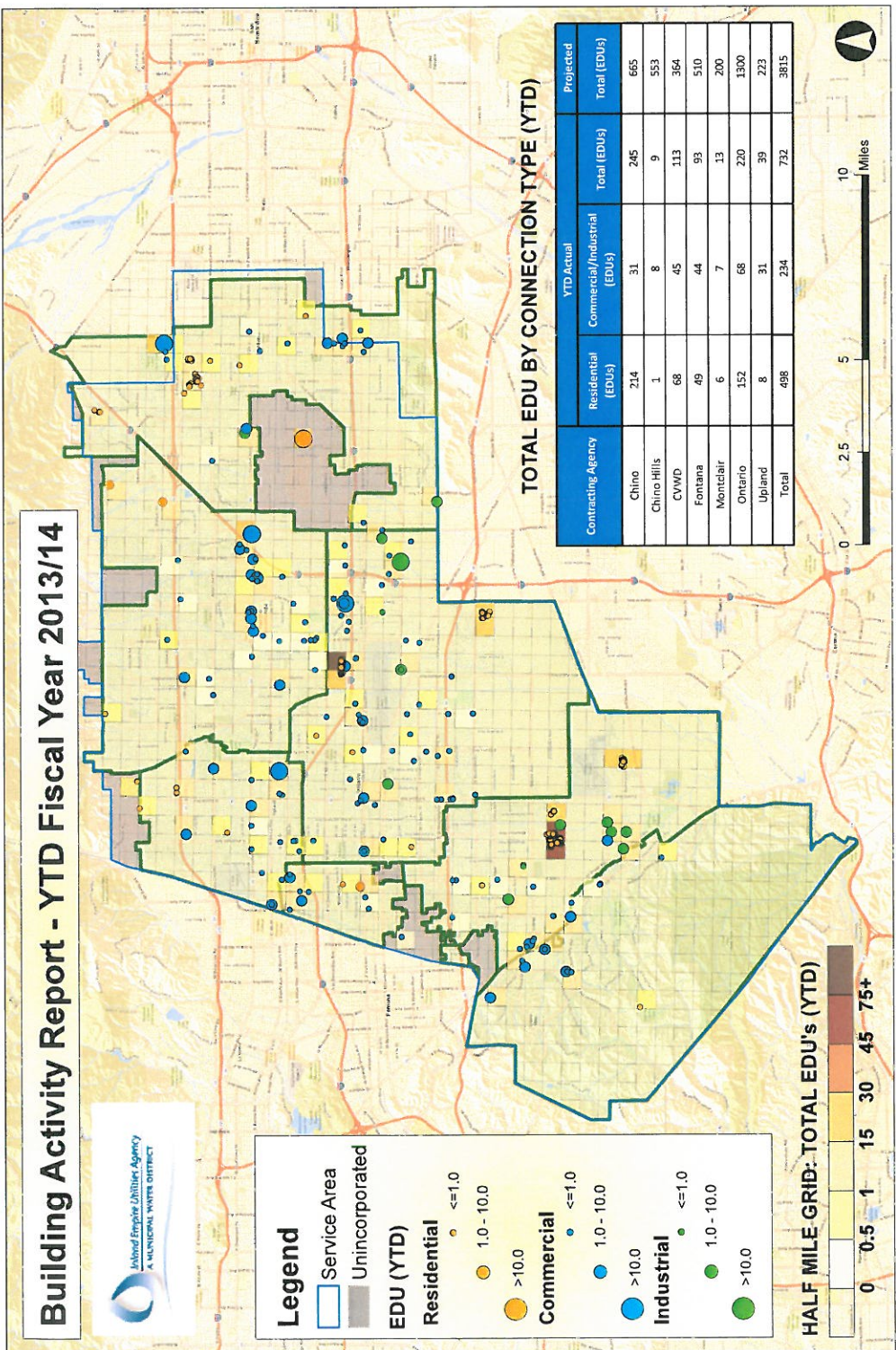
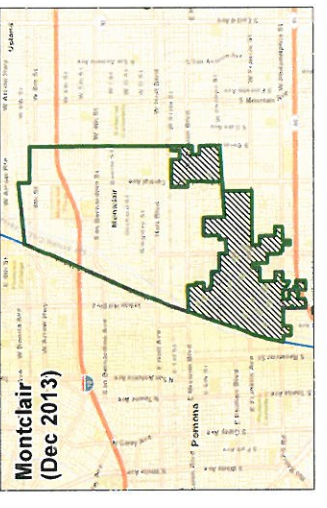
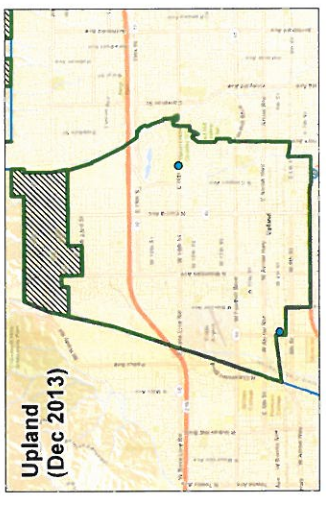
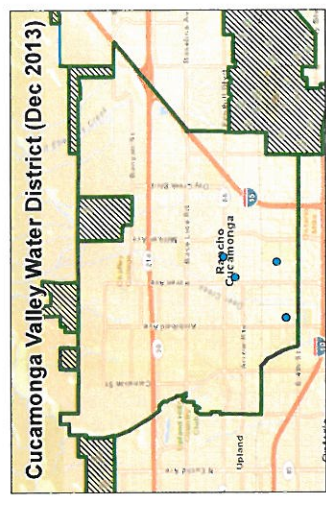
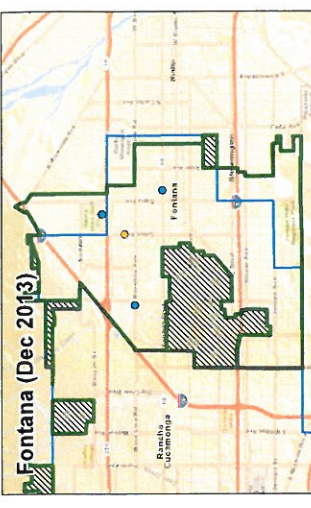
**Legend**

- Service Area
- Unincorporated
- EDU (YTD)
- Residential
  - <=1.0
  - 1.0 - 10.0
  - >10.0
- Commercial
  - <=1.0
  - 1.0 - 10.0
  - >10.0
- Industrial
  - <=1.0
  - 1.0 - 10.0
  - >10.0

## TOTAL EDU BY CONNECTION TYPE (YTD)

Contracting Agency	YTD Actual (EDUs)		Total (EDUs)	Projected Total (EDUs)
	Residential	Commercial/Industrial		
Chino	214	31	245	665
Chino Hills	1	8	9	553
CVWD	68	45	113	364
Fontana	49	44	93	510
Montclair	6	7	13	200
Ontario	152	68	220	1300
Upland	8	31	39	223
<b>Total</b>	<b>498</b>	<b>234</b>	<b>732</b>	<b>3815</b>

HALF MILE GRID: TOTAL EDU's (YTD)





AGENCY  
REPRESENTATIVES'  
REPORTS

**5A**



# S A W P A

SANTA ANA WATERSHED PROJECT AUTHORITY  
11615 Sterling Avenue, Riverside, California 92503 • (951) 354-4220

## REGULAR COMMISSION MEETING TUESDAY, FEBRUARY 18, 2014 – 9:30 A.M.

### AGENDA

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE (Phil Anthony, Chair)
2. ROLL CALL
3. PUBLIC COMMENTS

Members of the public may address the Commission on any item that is within the jurisdiction of the Commission; however, no action may be taken on an item not appearing on the agenda unless the action is otherwise authorized by Subdivision (b) Section 54954.2 of the Government Code.

4. LEGISLATIVE REPORT
  - A. STATE LEGISLATIVE SPECIAL REPORT: California Drought and Legislative Update  
Presenter: Michael Boccadoro, The Dolphin Group  
Recommendation: Receive and file.
  - B. ACWA'S STATEWIDE WATER ACTION PLAN (CM#8849)  
Presenter: Larry McKenney  
Recommendation: Adopt Resolution No. 2014-02, supporting the Association of California Water Agencies' (ACWA) Statewide Water Action Plan.
  - C. CALIFORNIA EMERGENCY DROUGHT RELIEF ACT OF 2014 (Feinstein)  
Presenter: Larry McKenney  
Recommendation: Receive and file.
5. NEW BUSINESS
  - A. REMOVAL OF STOLEN PROPERTY FROM INVENTORY RECORDS (CM#8850)  
Presenter: Rich Haller  
Recommendation: Receive and file.
6. OLD BUSINESS
  - A. OWOW – PROPOSITION 84, ROUND 2: DWR Approves 100% Funding For OWOW Proposal  
Presenter: Celeste Cantú  
Recommendation: Receive and file.

**B. PRETREATMENT PROGRAM STATUS UPDATE**

**Presenter:** Rich Haller

- Staffing
- Remedial Plan

**Recommendation:** Receive and file.

**7. CONSENT CALENDAR**

All matters listed in the Consent Calendar are considered routine and non-controversial and will be acted upon by the Commission by one motion in the form listed below. There will be no separate discussion on items prior to the time the Commission votes, unless Commission members, staff, or the public requests those specific items be discussed and/or removed from the Consent Calendar for separate action.

**A. APPROVAL OF THE MINUTES FROM THE MEETING HELD 2-4-14**

**Recommendation:** Approve as mailed.

**B. TREASURER'S REPORTS – DECEMBER 2013 AND JANUARY 2014**

**Recommendation:** Approve as mailed.

**8. INFORMATIONAL REPORTS**

**Recommendation:** Receive and file the following oral/written reports/updates.

**A. CASH TRANSACTIONS REPORT – DECEMBER 2013**

**Presenter:** Karen Williams

**B. INTER-FUND BORROWING – DECEMBER 2013 (CM#8851)**

**Presenter:** Karen Williams

**C. PERFORMANCE INDICATORS/FINANCIAL REPORTING – DECEMBER 2013 (CM#8852)**

**Presenter:** Karen Williams

**D. GENERAL MANAGER'S REPORT**

**E. SAWPA GENERAL MANAGERS MEETING NOTES – FEBRUARY 11, 2014**

**F. CHAIR'S COMMENTS/REPORT**

**G. COMMISSIONERS' COMMENTS**

**9. CLOSED SESSION**

**A. PURSUANT TO GOVERNMENT CODE SECTION 54956.9, CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

- Castle and Cooke, Superior Court Case No. RIC495874

**10. ADJOURNMENT**

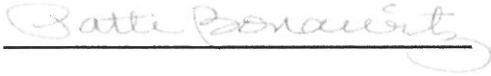
Any person with a disability who requires accommodation in order to participate in this meeting should contact Commission Secretary Patti Bonawitz at 951.354.4230, at least 48 hours prior to the meeting to request a disability-related modification or accommodation.

**PLEASE NOTE:**

Materials related to an item on this agenda submitted to the Commission after distribution of the agenda packet are available for public inspection in the Authority's office located at 11615 Sterling Avenue, Riverside, during normal business hours. Also, such documents are available on the Authority's Website at [www.sawpa.org](http://www.sawpa.org), subject to staff's ability to post documents before the meeting.

**Declaration of Posting**

I, Patti Bonawitz, Clerk of the Board of the Santa Ana Watershed Project Authority certify that a copy of this agenda has been posted in the Agency's office at 11615 Sterling Avenue, Riverside, California by 5:30 p.m. on Wednesday, February 12, 2014.



**2014 - SAWPA Commission Upcoming Meetings/Events**

(NOTE: All Commission Workshops/Meetings begin at 9:30 a.m., unless otherwise noted)

March

3-4-14 Commission Workshop  
3-18-14 Regular Commission Meeting

3-26-14 Rita Schmidt Sudman (WEF)  
Retirement Reception - 5 pm  
The Vizcaya Inn – Sacramento

April

4-1-14 Commission Workshop  
4-15-14 Regular Commission Meeting

May

5-6/9-14 ACWA Spring Conference  
(no meeting due to ACWA)  
5-20-14 Regular Commission Meeting

June

6-3-14 Commission Workshop  
6-17-14 Regular Commission Meeting

July

7-1-14 Commission Workshop  
7-15-14 Regular Commission Meeting

August

Dark ??

September

9-2-14 Commission Workshop  
9-16-14 Regular Commission Meeting

October

10-7-14 Commission Workshop  
10-21-14 Regular Commission Meeting

November

11-4-14 Commission Workshop  
11-18-14 Regular Commission Meeting

December

Dark ??  
12-2/5-14 ACWA Fall Conference

AGENCY  
REPRESENTATIVES'  
REPORTS

**5B**



THE METROPOLITAN WATER DISTRICT  
OF SOUTHERN CALIFORNIA

# MWD MEETING AGENDA

## REVISED AGENDA

### Regular Board Meeting

February 11, 2014

12:00 p.m. -- Board Room

Tuesday, February 11, 2014 Meeting Schedule		
7:00-8:00 a.m.	Rm. 2-413	Dirs. Computer Training
9:00 a.m.	Rm. 2-456	L&C
10:00 a.m.	Rm. 2-145	RP&AM
10:30 a.m.	Rm. 2-456	C&L
12:00 p.m.	Board Room	Board Meeting

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MWD Headquarters Building

• 700 N. Alameda Street

• Los Angeles, CA 90012

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#### 1. Call to Order

- (a) Pledge of Allegiance: Director Vincent Mudd
- (b) Invocation: Benita L. Horne, Principal Public Affairs Representative, External Affairs

#### 2. Roll Call

#### 3. Determination of a Quorum

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### PUBLIC HEARING

Comments on the standby charge levy supporting Annexation No. 98 to Calleguas Municipal Water District and Metropolitan

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#### 4. Opportunity for members of the public to address the Board on matters within the Board's jurisdiction. (As required by Gov. Code § 54954.3(a))

## 5. OTHER MATTERS

- A. Approval of the Minutes of the Meeting for January 14, 2014. (A copy has been mailed to each Director)  
Any additions, corrections, or omissions
- B. Report on Directors' events attended at Metropolitan expense for month of January
- C. Induction of new Director, Jennifer Fitzgerald, from city of Fullerton
  - (a) Receive credentials
  - (b) Report on credentials by General Counsel
  - (c) File credentials
  - (d) Administer Oath of Office
  - (e) File Oath
- D. Presentation of five-year service pin to Director Fern Steiner, representing San Diego County Water Authority
- E. Presentation of five-year service pin to Director Keith Lewinger, representing San Diego County Water Authority
- F. Approve committee assignments
- G. Chairman's Monthly Activity Report

## 6. DEPARTMENT HEADS' REPORTS

- A. General Manager's summary of Metropolitan's activities for the month of January
- B. General Counsel's summary of Legal Department activities for the month of January
- C. General Auditor's summary of activities for the month of January
- D. Ethics Officer's summary of activities for the month of January

## 7. CONSENT CALENDAR ITEMS — ACTION

- 7-1 Grant conditional approval for Annexation No. 99 to Calleguas Municipal Water District and to Metropolitan Water District; and adopt resolution for imposition of water standby charges. (F&I)

**Recommendation:**

**Option #1:**

Adopt the CEQA determination that the proposed action is not subject to CEQA and is categorically exempt, and

- a. Grant conditional approval for Annexation No. 99 concurrently to Calleguas and Metropolitan, conditioned upon receipt in full of annexation fee of \$9,993.78 to Metropolitan if completed by December 31, 2014, or if completed later, the current annexation charge applies.
- b. Approve Calleguas' Water Use Efficiency Compliance Statement with the current Water Use Efficiency Guidelines.
- c. Adopt resolution of intention to impose water standby charge at a rate of \$9.58 per acre or per parcel of less than one acre, within the proposed annexation area.

- 7-2 Appropriate \$1 million; and award \$671,853 contract to Environmental Construction, Inc. to install cathodic protection on the Sepulveda Feeder (Approp. 15441). (E&O)

**Recommendation:**

**Option #1:**

Adopt the CEQA determination that the proposed action is categorically exempt, and

- a. Appropriate \$1 million; and
- b. Award \$671,853 contract to Environmental Construction, Inc. to install cathodic protection on the Sepulveda Feeder.

- 7-3 Appropriate \$1.95 million; and authorize construction to relocate a portion of the Orange County Feeder (Approp. 15441). (E&O)

**Recommendation:**

**Option #1:**

Adopt the CEQA determination that the proposed action is statutorily exempt, and

- a. Appropriate \$1.95 million; and
- b. Authorize construction to relocate a portion of the Orange County Feeder.



- 7-4 Appropriate \$380,000; and authorize final design to replace fish screens on the Inlet/Outlet Tower at Diamond Valley Lake (Approp. 15441). (E&O)

**Recommendation:**

**Option #1:**

Adopt the CEQA determination that the proposed action is categorically exempt, and

- a. Appropriate \$380,000; and
- b. Authorize final design to replace the fish screens on the Inlet/Outlet Tower at Diamond Valley Lake.

- 7-5 Appropriate \$1.94 million; and authorize design of two rehabilitation projects at Lake Mathews (Approp. 15441). (E&O)

**Recommendation:**

**Option #1:**

Adopt the CEQA determination that the proposed action is categorically exempt, and

- a. Appropriate \$1.94 million;
- b. Authorize preliminary design to replace discharge valves and repair the Lake Mathews forebay; and
- c. Authorize final design to repair the Lake Mathews hydroelectric plant building.

- 7-6 Adopt resolutions to support Metropolitan's 2014 WaterSMART grant applications; and authorize General Manager to accept funding and enter into contract(s) if awarded. (WP&S)

**Recommendation:**

**Option #1:**

Adopt the CEQA determination that the proposed action is not subject to CEQA and resolutions to:

- a. Support grant applications;
- b. Authorize the General Manager to accept potential grant funding of up to \$1 million;
- c. Delegate authority to the General Manager to enter into grant contract(s) with Reclamation, subject to the approval of the General Counsel, if awarded;
- d. Agree to fulfill the grant contract(s), including provision of matching funds up to \$1 million through existing Metropolitan programs; and
- e. State that Metropolitan, if awarded a grant, will work with Reclamation to meet established deadlines upon entering into a cooperative agreement.

**(END OF CONSENT CALENDAR)**

## 8. OTHER BOARD ITEMS — ACTION

- 8-1 Proposed biennial budget and revenue requirements for fiscal years 2014/15 and 2015/16; proposed water rates and charges for calendar years 2015 and 2016; and setting public hearings. (F&I)

Recommendation:

**Option #1:**

Adopt the CEQA determination that the proposed action is not subject to CEQA and set a public hearing for the March 2014 meeting of the Board at which interested parties may provide input regarding Metropolitan's rates and charges to be effective January 1, 2015 and January 1, 2016, and input regarding action on ad valorem tax rates pursuant to Section 124.5 of the MWD Act.

- 8-2 Authorize \$3 million for an On-site Retrofit Pilot Program for converting sites to receive recycled water. (WP&S)

Recommendation:

**Option #1:**

Adopt the CEQA determination that the proposed action is not subject to the provisions of CEQA and authorize \$3 million for an On-site Retrofit Pilot Program for converting sites to receive recycled water.

- 8-3 Adopt Water Supply Alert Resolution. (WP&S)

Recommendation:

**Option #1:**

Adopt the CEQA determination that the proposed action is categorically exempt from CEQA and adopt the proposed Water Supply Alert Resolution.

- 8-4 Authorize increase in maximum amount payable under contract with Morrison & Foerster LLP for legal services by \$500,000 to a maximum of \$7,425,000; and report on Consolidated Delta Smelt Cases, USDC Case No. 1:09-CV-407 LJO-DLB, and Consolidated Salmonid Cases, USDC Case No. 1:09-CV-1053 LJO-DLB. (L&C)  
[Conference with legal counsel—existing litigation; to be heard in closed session pursuant to Gov. Code Section 54956.9(d)(1)]

8-5 Report on existing litigation, *Oscar Renda Contracting, Inc. v. Metropolitan Water District of Southern California*, Riverside County Superior Court Case No. RIC 1213525; and authorize increase in maximum amount payable under contract with Atkinson, Andelson, Loya, Ruud & Romo PC for legal services by \$500,000 to an amount not to exceed \$600,000. (L&C)  
[Conference with legal counsel—existing litigation; to be heard in closed session pursuant to Gov. Code Section 54956.9(d)(1)]

8-6 Authorize the General Manager to accept the city of Monterey Park's proposed terms for removal of operational restrictions on the Garvey Reservoir as set forth in an existing settlement agreement and to enter into an amendment to the settlement agreement to incorporate the new terms. (L&C)  
[Conference with legal counsel—anticipated litigation; to be heard in closed session pursuant to Gov. Code Section 54956.9(d)(2)]

Corrected

8-7 Authorize an increase of \$20 million for conservation incentives and outreach. (WP&S)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination that the proposed action is not defined as a project and is not subject to CEQA, and authorize**

- a. **Implementation of an outreach campaign in response to the drought;**  
**and**
- b. **An increase of \$20 million over two years for the conservation incentive program.**

**9. BOARD INFORMATION ITEMS**

Added

9-1 Report on H.R. 3964 (Valadao, R-CA) – Sacramento-San Joaquin Valley Emergency Water Delivery Act. (C&L) **(To be mailed separately)**

**10. FUTURE AGENDA ITEMS**

## 11. ADJOURNMENT

**NOTE:** At the discretion of the Board, all items appearing on this agenda and all committee agendas, whether or not expressly listed for action, may be deliberated and may be subject to action by the Board.

Each agenda item with a committee designation will be considered and a recommendation may be made by one or more committees prior to consideration and final action by the full Board of Directors. The committee designation appears in parentheses at the end of the description of the agenda item e.g. (E&O, F&I). Committee agendas may be obtained from the Board Executive Secretary.

Writings relating to open session agenda items distributed to Directors less than 72 hours prior to a regular meeting are available for public inspection at Metropolitan's Headquarters Building and on Metropolitan's Web site <http://www.mwdh2o.com>.

Requests for a disability related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting should be made to the Board Executive Secretary in advance of the meeting to ensure availability of the requested service or accommodation.

**AGENCY  
REPRESENTATIVES'  
REPORTS**

**5C**



## Regional Sewerage Program Policy Committee Meeting

### AGENDA

Thursday, February 6, 2014

4:30 p.m.

#### Location

Inland Empire Utilities Agency  
6075 Kimball Avenue  
Chino, CA 91708

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**Thursday, February 6, 2014**

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**Call to Order and Roll Call**

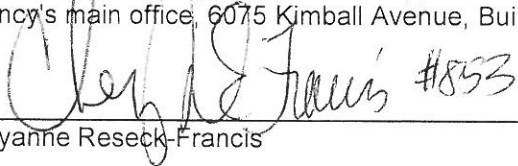
**Pledge of Allegiance**

**Public Comment**

- 1. Technical Committee Report – Jim Hill (Oral)**
- 2. Approval of Minutes**
  - A. Minutes of November 7, 2013 Meeting
- 3. Action Item**
  - A. Approval of the FY 2014/15 Ten Year Capital Improvement Program
- 4. Information Items**
  - A. Financial Update (Written)
  - B. Regional Contract Audit (Written)
  - C. Self-Regenerating Water Softener Update (Written)
- 5. Receive and File**
  - A. Building Activity Report (YTD)
  - B. Recycled Water Operations Summary
- 6. Other Business**
  - A. IEUA General Manager's Update
  - B. Committee Member Requested Agenda Items for Next Meeting
  - C. Committee Member Comments
  - D. Next Meeting – March 6, 2014
- 7. Adjournment**

**DECLARATION OF POSTING**

I, Cheyanne Reseck-Francis, Administrative Assistant 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. in the foyer at the Agency's main office, 6075 Kimball Avenue, Building A, Chino, CA on Thursday, January 30, 2014.

 #853

\_\_\_\_\_  
Cheyanne Reseck-Francis

**AGENCY  
REPRESENTATIVES'  
REPORTS**

**5D**



**CHINO BASIN WATERMASTER  
ANNUAL WATERMASTER BOARD MEETING**

11:00 a.m. – January 23, 2014

**WITH**

*Mr. Bob Kuhn, 2013 Chair*

**At The Offices Of**

**Chino Basin Watermaster**

9641 San Bernardino Road

Rancho Cucamonga, CA 91730

**AGENDA**

**CALL TO ORDER**

**PLEDGE OF ALLEGIANCE**

**PUBLIC COMMENTS**

**AGENDA - ADDITIONS/REORDER**

**INTRODUCTIONS - CALENDAR YEAR 2014 WATERMASTER BOARD MEMBERS**

Overlying (Ag) Pool	Paul Hofer
Overlying (Ag) Pool	Geoffrey Vanden Heuvel
Overlying (Non-Ag) Pool	Bob Bowcock
Appropriative Pool	Robert "Bob" Craig
Appropriative Pool	Arnold Rodriguez
Appropriative Pool	TBA (MVWD)
Three Valleys MWD	Bob Kuhn
Western MWD	Charles Field
Inland Empire Utilities Agency	Steve Elie

**I. CALENDAR YEAR 2014 OFFICERS – ACTION**

**A. ELECTION OF OFFICERS**

1. Nominations will be heard for Watermaster Board Chair
2. Nominations will be heard for Watermaster Board Vice-Chair
3. Nominations will be heard for Watermaster Board Secretary/Treasurer

**II. CONSENT CALENDAR**

**Note: All matters listed under the Consent Calendar are considered to be routine and non-controversial and will be acted upon by one motion in the form listed below. There will be no separate discussion on these items prior to voting unless any members, staff, or the public requests specific items be discussed and/or removed from the Consent Calendar for separate action.**

**A. MINUTES**

1. Minutes of the Watermaster Board Meeting held December 19, 2013

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of November 2013
2. Watermaster VISA Check Detail for the month of November 2013
3. Combining Schedule for the Period July 1, 2013 through November 30, 2013
4. Treasurer's Report of Financial Affairs for the Period November 1, 2013 through November 30, 2013
5. Budget vs. Actual Report for the Period July 1, 2013 through November 30, 2013

**C. NOTICE OF INTENT**

Annual Filing of Notice of Intent Regarding the Determination of Operating Safe Yield

**D. CHINO BASIN WATERMASTER INVESTMENT POLICY**

Adopt Resolution 2014-01 – Resolution of the Chino Basin Watermaster, San Bernardino County, California, Re-Authorizing the Watermaster's Investment Policy

**E. LOCAL AGENCY INVESTMENT FUND**

Adopt Resolution 2014-02 – Resolution Authorizing Investment of Monies in the Local Agency Investment Fund (LAIF)

**III. BUSINESS ITEMS**

**A. NOTICE OF OVERLYING (NON-AGRICULTURAL) POOL AVAILABLE WATER PER JUDGMENT EXHIBIT "G" (Discussion Only – No Action)**

**IV. REPORTS/UPDATES**

**A. LEGAL COUNSEL REPORT**

1. City of Fontana – Resolution Discussion
2. CDA Request

**B. CFO REPORT**

1. Assessment Invoices

**C. GM REPORT**

1. Safe Yield Recalculation Update
2. Joint IEUA/CBWM Projects Committee Update
3. 2013 Amendment to the 2010 Recharge Master Plan Implementation Update
4. Board Orientation
5. Other

**V. INFORMATION**

1. Cash Disbursements for December 2013

**VI. BOARD MEMBER COMMENTS**

**VII. OTHER BUSINESS**

**VIII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

Pursuant to Article 2.6 of the Watermaster Rules & Regulations, a Confidential Session may be held during the Watermaster committee meeting for the purpose of discussion and possible action.

1. City of Fontana Motion

**IX. FUTURE MEETINGS AT WATERMASTER**


1/21/14	Tue	1:30 p.m.	Safe Yield Recalculation Workshop #4
1/23/14	Thu	11:00 a.m.	Annual & Election Watermaster Board Meeting
1/27/14	Mon	2:00 p.m.	City of Fontana – Resolution Discussion Meeting #4
1/30/14	Thu	9:00 a.m.	Technical (GW Model) Group meeting (At WEI offices)
2/13/14	Thu	9:00 a.m.	Appropriative Pool Committee Meeting
2/13/14	Thu	11:00 a.m.	Non-Agricultural Pool Committee Meeting
<del>2/13/14</del>	<del>Thu</del>	<del>1:30 p.m.</del>	<del>Agricultural Pool Committee Meeting</del>
2/18/14	Tue	1:30 p.m.	Agricultural Pool Committee Meeting (Rescheduled)
2/20/14	Thu	8:00 a.m.	IEUA DYY Meeting
2/20/14	Thu	9:00 a.m.	Advisory Committee Meeting
2/20/14	Thu	10:00 a.m.*	Joint IEUA/CBWM Projects Update Meeting
2/27/14	Thu	11:00 a.m.	Watermaster Board Meeting

**\*Note:** The Joint IEUA/CBWM Projects Update Meeting will take place immediately following the Advisory Committee Meeting.

**ADJOURNMENT**

Date: February 19, 2014

To: The Honorable Board of Directors

From:  P. Joseph Grindstaff  
General Manager

Subject: General Manager's Report Regarding Agency Activities

**OPERATIONS**  
**IERCF COMPOST SALES UPDATE**

Fiscal year sales volumes increased by over 12,000 cubic yards compared to the previous fiscal year to date. Revenues decreased due to pricing incentives designed to expand the customer base. Sales in January were just under 20,000 cubic yards representing an increase versus the previous year due to dry weather and an increased presence in the agricultural market. There are 6 customers under contract representing a total of 131,000 cubic yards and a total customer base of approximately 100. Compost inventory in the storage facility is at approximately 28,000 cubic yards with capacity for an additional 22,000 cubic yards.

**Monthly Sales Summary January 2014**

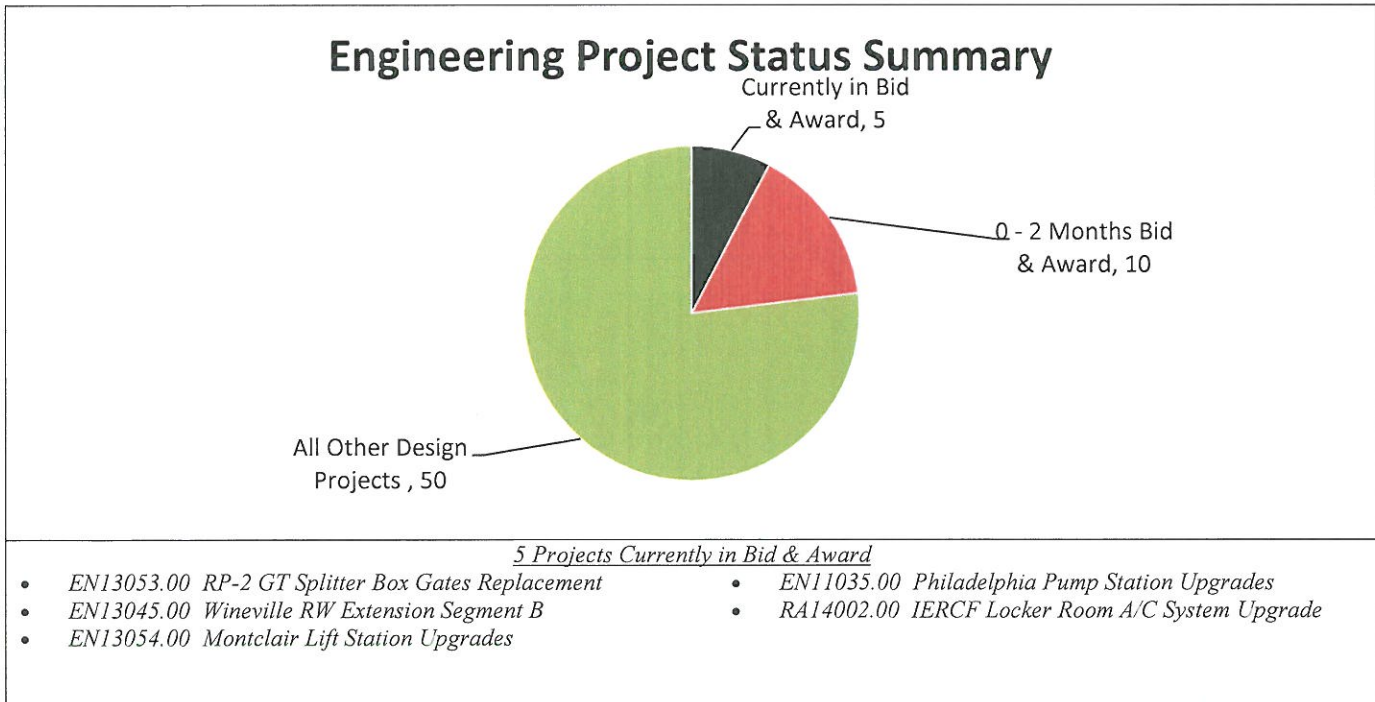
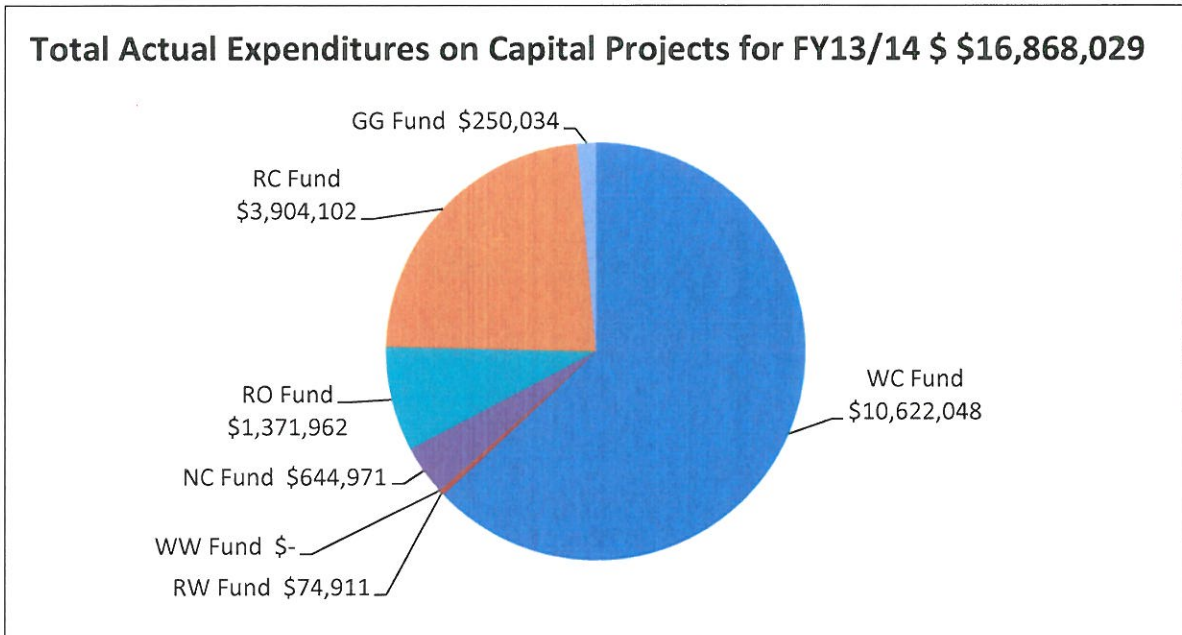
Month	Product	Cyds	Av. \$/cyd	Total \$
January	Premium	14,135.17	\$1.85	\$26,178.56
	Base	5,539.80	\$1.39	\$7,688.94
<b>Total</b>		<b>19,674.97</b>	<b>\$1.72</b>	<b>\$33,867.50</b>

**YTD Sales Summary through January 2014**

Month	Total Cyds 2013/2014	Total Cyds 2012/2013	Total \$ 2013/2014	Total \$ 2012/2013
July	18,501.14	17,191.32	\$47,324.52	\$48,671.18
August	16,818.50	16,316.26	\$44,837.97	\$42,669.82
September	18,837.71	18,558.67	\$42,131.44	\$47,137.99
October	25,034.52	17,916.13	\$40,585.79	\$53,476.44
November	18,056.25	20,308.52	\$37,014.11	\$56,277.00
December	15,026.52	11,236.20	\$30,127.32	\$27,318.93
January	19,674.97	17,959.56	\$33,867.50	\$36,603.11
<b>Total</b>	<b>131,949.61</b>	<b>119,486.66</b>	<b>\$275,888.65</b>	<b>\$321,154.47</b>
<b>Average</b>	<b>18,849.94</b>	<b>17,069.52</b>	<b>\$39,412.66</b>	<b>\$44,593.50</b>

**ENGINEERING AND CONSTRUCTION MANAGEMENT**

Engineering and Construction Management's FY13/14 budget is \$65,677,918, of which \$16,868,029 has been expended. Staff has projected to spend \$30,302,426 during the remaining Fiscal Year, for a total estimated amount to be spent of \$47,170,455. The following charts summarize the Engineering and Construction Management project status update.



General Manager's Report

February 19, 2014

Page 3

*10 Projects Currently in 0-2 Months Bid & Award*

- EN14051.00 RP1 Centrifuge Stair and Catwalk Installation
- EN13056.00 Agency-Wide HVAC Improvements- Pckg No. 2
- EN14052.00 RP1 Primary Clarifier West Effluent PL Replacement
- EN09021.00 RP-4 Headworks Retrofit
- EN06025.00 Wineville Ext Recy Wtr Pipeline Seg A
- EN14027.00 CCWRF Secondary Clarifier No. 3 Rehab
- EN12020.00 Chino Creek Invert Repair
- EN13047.00 RP-5 Standby Generators Control Mods
- EN14050.00 Collection System Repairs Phase V, Westside Interceptor
- EN13051.00 1630 E. RW Pipeline Surge Tank Replacement



## Construction Project Status

Project ID	Project Title	Description	Total Project Budget (\$)	Total Cost to Date (\$)	FY Budget (\$)	FY Cost to Date (\$)	Dec's CO's Processed (\$)	Total Project CO's (%)	% Project Complete	Original Ops Date	Est. Ops Date
1	EN0505.04	RP-2 Gas Flare Repair	3,197,000	536,396	300,000	207,726	31,625	15.50%	97%	11/17/13	2/28/14
2	EN07010.00	CCWRP RW Pump Station Expansion	13,113,480	9,311,687	3,750,000	2,585,510	367,729	10.51%	99%	4/2/14	6/16/14
3	EN08023.05	RP-1 Primary Clarifier Rehab 1-6	5,490,456	2,890,330	550,000	485,457	160,405	7.07%	100%	11/20/13	12/20/13
4	EN11010.00	Headquarters Central Plant Improvements	745,600	447,183	525,074	229,562	3,531	0.20%	86%	8/22/14	4/28/14
5	EN11034.00	NRW Collection System Repairs Phase 3	800,000	372,522	678,945	258,137	0	0.00%	71%	4/30/14	3/18/14
6	EN11036.00	HVAC & Server Room Fire Suppression Improvements	2,821,361	1,229,451	1,200,000	756,917	17,707	2.39%	100%	11/20/13	12/30/13
7	EN11042.00	RP1/RP2 Boiler Replacements	1,969,286	1,609,404	300,000	96,623	99,009	8.92%	98%	1/5/14	2/26/14
8	EN11044.00	Casing Ext for Reg and NRW Crossing UPRR North	225,000	46,044	213,678	35,123	0	0.00%	86%	2/17/14	2/24/14
9	EN11054.00	Central Plant for the New Operations Laboratory	2,130,000	1,067,587	1,178,822	941,696	0	0.00%	84%	8/22/14	5/8/14
10	EN12017.00	RP-4 Grading and Drainage Improvements, Phase 3	505,000	349,413	447,505	298,714	12,960	4.85%	83%	1/1/14	2/26/14
11	EN12018.00	CCWRP Secondary Clarifier No.2 Rehab.	902,807	853,499	361,279	320,110	31,601	4.91%	100%	1/16/14	12/18/13
12	EN12021.00	RP-5 Pond/Drainage Improvements	520,000	419,784	474,666	374,997	10,373	3.77%	99%	1/1/14	2/18/14
13	EN12022.00	RP-1 Aeration Ducting	1,256,000	51,474	1,220,352	40,826	0	0.00%	11%	5/21/14	5/21/14
14	EN12027.00	Ramona Ave Siphon Lining and Manholes	380,118	117,061	288,820	44,026	0	0.00%	60%	4/30/14	5/28/14
15	EN13022.00	930 Zone RW Reservoir Construction	8,025,750	4,359,215	5,100,000	3,432,076	241,460	4.77%	89%	10/24/14	3/17/14
16	EN13023.00	930 Zone RW Pipeline Construction	7,025,000	3,666,403	6,100,000	3,225,337	50,754	0.84%	72%	10/20/14	8/27/14
17	EN13024.00	Mountain Avenue Improvements	616,172	104,683	499,539	14,541	0	0.00%	52%	4/30/14	7/25/14
18	EN13027.00	Casing Extension For NRW Crossing UPRR	110,190	22,575	110,000	22,575	0	0.00%	87%	2/17/14	2/24/14
19	EN13029.00	Turner 1 Turnout and Deer Creek Drop-Inlet Molds	1,025,000	493,640	616,640	85,281	0	0.00%	100%	12/20/13	2/28/14
20	EN13031.00	Wineville Proof of Concept	425,000	301,502	325,000	234,833	0	0.00%	99%	12/16/13	1/13/14
21	EN13032.00	1630 E RW Pipeline - Corrosion Repairs	50,000	23,406	28,000	18,970	0	0.00%	100%	12/10/13	11/22/13
22	EN13035.00	San Antonio and Jurupa Force ARV Replacement	200,000	62,813	191,910	54,723	0	0.00%	92%	1/8/14	2/7/14
23	EN13049.00	RP-2 Digester No. 4 Dome Improvements	1,900,000	124,204	1,870,180	113,053	0	0.00%	10%	6/18/14	6/18/14
24	EN13053.00	RP-2 GT Splitter Box Gates Replacement	50,000	22,124	30,000	22,031	0	0.00%	62%	3/1/14	4/11/14
25	EN14048.00	RW AV Relocation over Deer Creek Channel	4,135,521	143,521	390,706	860	0	0.00%	2%	3/3/14	3/10/14
26	RA11001.05	IERCF Load Roll Up Door Repair	4,800,000	1,003,308	4,968,565	326,597	0	0.00%	100%	1/22/14	1/23/14
27	RA11004.00	IERCF Process Improvements	309,100	277,126	121,003	56,931	42,186	45.17%	100%	11/26/14	11/14/14
28	RA14001.00	IERCF Receiving Building Door Widening	65,000	0	65,000	0	0	0.00%	10%	2/3/14	11/27/13
29	RA14007.00	IERCF Column E-8 Repair	1,623,550	894,333	998,696	373,478	0	0.00%	100%	2/19/14	2/16/14
30	WR11017.00	Turner Basin Recharge Improvements	64,438,870	30,801,547	32,862,379	14,800,230	1,069,340	0.00%	99%	12/20/13	4/11/14
<b>Totals</b>			<b>64,438,870</b>	<b>30,801,547</b>	<b>32,862,379</b>	<b>14,800,230</b>	<b>1,069,340</b>	<b>0.00%</b>	<b>99%</b>		

• Total construction contract payments for January 2014: \$1,004,874

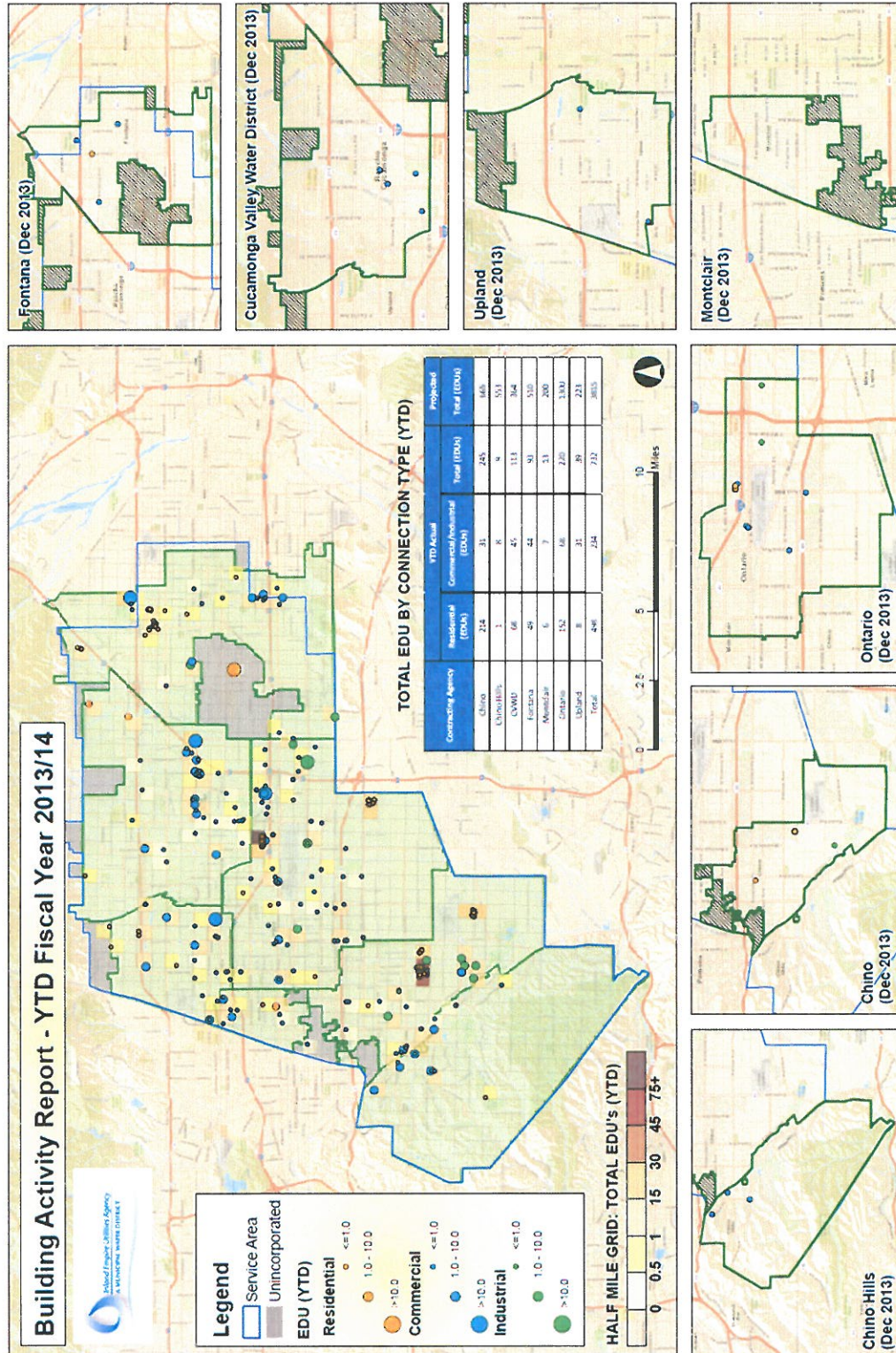
### High Level Construction Activities/Information

- Manhole on parkway was damaged on Airport Drive and west of Etiwanda Ave in the City of Ontario. An emergency contractor was called out to raise and repair the manhole framing cover. The contractor successfully completed the project in one day.
- Prado Regional Park has a 2-inch dechlorinating recycled water drain line that discharges to the Prado Lake. During an investigation of the high corrosion on the drain line Construction Management staff noticed a leak, so an emergency contractor was called out to complete the repairs. The drain line repairs were completed in two days.
- Maintenance and Operations staff recognized areas within the facility that lack access to certain dewatering equipment/components. Due to safety and efficiency reasons, an emergency contractor was called out to install stairs at the silo and crow's nest areas. Staff is currently reviewing the contractor's proposal.



**PLANNING**

The following graphic shows the total connections to date within the service area for FY 2013/14.





**FINANCIAL PLANNING**

The following table shows how the Agency's investment types compare to US Treasuries and US Government Sponsored Entity (GSE) bullets.

**Historical Investment Yield Comparison**

Investment Type	Jan 2012	Jan 2013	23-Dec-13	30-Dec-13	6-Jan-14	13-Jan-14	20-Jan-14	27-Jan-14
SWEEP ACCOUNT - CBB	0.40%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%
CDARS (1 Yr) - CBB	0.30%	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%
1 Yr CD - BofA	0.35%	0.12%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%
1 Yr CD - Wells Fargo	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%
1 Yr CD - Citibank/Chase	0.25%	0.20%	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%
1 Yr CD - CBB In House CD	n/a	n/a	0.45%	0.45%	0.45%	0.45%	0.45%	0.45%
Bank of the West	n/a	0.40%	0.34%	0.34%	0.34%	0.34%	0.34%	0.34%
CalTrust	n/a	0.29%	0.38%	0.38%	0.38%	0.38%	0.38%	0.40%
LAIF	0.38%	0.29%	0.26%	0.26%	0.26%	0.26%	0.24%	0.23%
<b>US. TREASURIES:</b>								
US Treasuries - 3 Mos	0.05%	0.08%	0.07%	0.07%	0.07%	0.05%	0.04%	0.04%
US Treasuries - 6 Mos	0.07%	0.10%	0.09%	0.09%	0.10%	0.07%	0.06%	0.06%
US Treasuries - 12 Mos	0.12%	0.15%	0.13%	0.13%	0.13%	0.13%	0.11%	0.11%
US Treasuries - 2 Yrs	0.23%	0.26%	0.34%	0.40%	0.39%	0.41%	0.40%	0.40%
US Treasuries - 3 Yrs	0.35%	0.39%	0.68%	0.79%	0.78%	0.82%	0.78%	0.80%
US Treasuries - 5 Yrs	0.84%	0.79%	1.58%	1.72%	1.73%	1.71%	1.65%	1.65%
<b>US GOVERNMENT SPONSORED ENTITIES BENCHMARK BULLETS:</b>								
2 yr Agency Bullets	0.20%	0.36%	0.25%	0.32%	0.32%	0.26%	0.28%	0.25%
3 Yr Agency Bullets	0.34%	0.48%	0.67%	0.67%	0.70%	0.65%	0.69%	0.66%
5 Yr Agency Bullets	0.90%	1.06%	1.56%	1.58%	1.57%	1.49%	1.54%	1.48%

**LAIF** – The average effective yield for January 2014 is 0.252%, slightly lower than the December 2013 yield of 0.264%.

**Investment Portfolio Update** - The average maturity is 610 days for current investments excluding LAIF, CalTrust and SWEEP. Including LAIF, SWEEP, and CalTrust accounts, the average maturity is 136 days (assuming 2 days to liquidate LAIF, SWEEP, and Caltrust account).

**Investment Portfolio Yield** - The current rate of return on the Agency's portfolio as of January 27th is 0.421%, or 0.025% lower than yield reported in the December Treasurer's Report of Financial Affairs at 0.446%.

**Key Activities in Process:**

- Reviewing and evaluating the Long Range Financial Plan model functions, features, calculations and presentation

- Reviewing and updating financial policies for upcoming Budget Workshops

## **GRANTS**

### **MWD Foundational Actions Funding Grant Agreements**

The \$480,000 Foundational Actions Funding Grant agreements have been finalized by the MWD; and will be executed in February 2014. The grant funding will be used on 1) The Pilot Scale 3-D Fluorescence Excitation Emission Matrix; 2) The Recycled Water Intertie Permit Study; and 3) Pilot Scale Biological Treatment Process (BIOTTTA™) projects. These projects will be managed by IEUA, WMWD and CVWD.

### **USBR WaterSmart: Title XVI Desalination and Reclamation Grant Application**

IEUA, CDA and several supporting agencies submitted a \$4,000,000 grant application for the USBR Title XVI Desalination and Reclamation Grant Program. The proposed project is part of the Chino Desalter Phase 3 Expansion, which is an extension of the Title XVI Lower Chino Dairy Area Desalination Demonstration and Reclamation Project, authorized by Section 1638 (H.R. 177). The Project will address the impaired Chino Basin groundwater issues of nitrate, salts and the volatile organic compounds, particularly trichloroethylene (TCE).

### **USBR WaterSmart: Water and Energy Efficiency Grant Application**

On January 23, 2014, IEUA submitted a grant application on behalf of MVWD for their State Street Energy Recovery Hydro Turbine Project. The proposed Project will generate approximately 717,900 Kwh of renewable energy utilizing existing flows through a local water transmission pipeline. The Project will also decrease greenhouse gas emissions. If the grant is awarded, MVWD has requested IEUA to be the grant administrator for the project.

### **SWRCB Prop 84 Storm Water Grant**

A pre-grant application submitted by IEUA on behalf the City of Ontario was selected by the SWRCB for a full proposal. The proposed project is for the Anthony Munoz Park LID Pervious Concrete Parking Lot Construction Project. The project promotes the use of the Municipal Separate Sewer and Storm System (MS4), the Low Impact Development (LID) and the use of compose based BMPs. IEUA Grants Administration Staff will assist the City to complete the full grant application.



**Inland Empire Utilities Agency  
 Active Grant and SRF Loan Summary  
 As of January 31, 2014**

Funding Agency	Project Name	Award Amount	Invoiced Through (6/30/12)	Invoiced FY12/13 (07/01/12 - 6/30/13)	Invoiced FY13/14 (07/01/13 - 1/31/14)	Award Balance
<b>FEDERAL GRANTS</b>						
United States Bureau of Reclamation (USBR)	Recycled Water Planning	\$ 980,000	\$ 980,000	\$ -	\$ -	\$ -
	Regional Recycled Water Distribution	950,000	950,000	-	-	-
	Regional Recycled Water Program	4,941,965	4,940,000	-	1,965	-
	North East Area Recycled Water	5,938,454	5,938,454	-	-	(0)
	North West Area Recycled Water	7,871,499	6,392,089	1,479,410	-	(0)
	California Water Wise Landscape	30,000	30,000	-	-	-
	Turner Basin Improvement Project	406,712	45,372	182,080	179,260	(0)
	Regional Residential Landscape Surveys and Retrofit Program	199,000	-	67,926	65,730	65,344
FEMA/Cal-EMA	FEMA Winter Storm 2010 Disaster	585,831	583,960	1,871	-	0
<b>Active Federal Grants</b>		<b>\$ 21,903,461</b>	<b>\$ 19,859,875</b>	<b>\$ 1,731,287</b>	<b>\$ 246,955</b>	<b>\$ 65,344</b>
<b>STATE GRANTS</b>						
Department of Water Resources (DWR)	Chino Basin Conjunctive Use	\$ 15,500,000	\$ 15,500,000	\$ -	\$ -	\$ 0
	Multi-Family ULF Toilet Program	1,650,133	1,482,641	131,425	36,067	(0)
	Landscape Water Audit Program	194,476	194,418	-	-	58
	2008 Urban Drought Program	1,000,000	1,000,000	-	-	-
Department of Parks & Recreation (DPR)	Water Discovery Field Trip & Bus	207,900	24,490	34,843	-	148,567
	Earth Day program	38,500	26,753	8,831	-	2,916
Metropolitan Water District (MWD)	Water Softener Salinity Reduction	95,000	95,000	-	-	-
WaterReuse Foundation	Research for Potable Reuse and Aquifer Storage Projects	479,995	477,912	-	-	2,083
State Water Resources Control Board (SWRCB)	Chino Creek Master Plan	601,362	601,136	-	-	226
	Chino Creek Cleanup (ARRA)	1,471,491	1,397,699	25,617	-	48,175
	North East Area Recycled Water	4,241,635	4,241,631	-	-	4
	Greater Prado Basin Clean-up	76,756	76,756	-	-	0
	Greater Prado Clean-up (ARRA)	298,244	208,644	5,183	-	84,417
	Magnolia Channel Project	181,275	181,275	-	-	(0)
	Magnolia Channel Restart (ARRA)	773,045	773,045	-	-	0
	Southern Area Recycled Water	4,000,000	252,264	269,475	2,329,492	1,148,769
<b>Active State &amp; Local Grant</b>		<b>\$ 30,809,812</b>	<b>\$ 26,533,664</b>	<b>\$ 475,374</b>	<b>\$ 2,365,559</b>	<b>\$ 1,435,215</b>
<b>Total Active Federal, State &amp; Local Grant</b>		<b>\$ 52,713,273</b>	<b>\$ 46,393,540</b>	<b>\$ 2,206,661</b>	<b>\$ 2,612,514</b>	<b>\$ 1,500,558</b>
<b>SRF LOANS</b>						
SWRCB (SRF Loans)	North East Area Recycled Water	\$ 16,630,166	\$ 15,061,170	\$ -	\$ -	\$ 1,568,996
	RW Wells and Lysimeters	1,285,987	998,331	-	-	287,656
	RP-1 Dewatering Facility	27,434,811	25,317,207	2,117,602	-	2
	Southern Area Recycled Water	20,608,638	1,555,072	3,639,463	7,809,192	7,604,911
	New Main Operations Laboratory	-	-	-	-	-
<b>Sub-total Active SRF Loans</b>		<b>\$ 65,959,602</b>	<b>\$ 42,931,780</b>	<b>\$ 5,757,065</b>	<b>\$ 7,809,192</b>	<b>\$ 9,461,565</b>
<b>CDA GRANTS</b>						
United States Bureau of Reclamation (USBR)	CDA Wellfield (Wells 1, 2, 3)	\$ 1,526,095	\$ 362,560	170,747	-	\$ 992,788
Department of Water Resources (DWR)	CDA II Desalter Expansion	2,800,000	2,800,000	-	-	-
United States Bureau of Reclamation (USBR)	1010 Zone Pump Station and New Product Water Pipelines	3,950,000	-	448,196	342,168	3,159,636
California Department Of Public Health	CDA Phase III Expansion Projects	52,005,716	-	-	10,665,760	41,339,956
<b>Sub-total Active CDA Grants</b>		<b>\$ 60,281,811</b>	<b>\$ 3,162,560</b>	<b>\$ 618,943</b>	<b>\$ 11,007,929</b>	<b>\$ 45,492,379</b>
<b>GRAND TOTAL ACTIVE GRANTS &amp; LOANS</b>		<b>\$ 178,954,686</b>	<b>\$ 92,487,879</b>	<b>\$ 8,582,669</b>	<b>\$ 21,429,635</b>	<b>\$ 56,454,503</b>
<b>Active Grants &amp; Loans</b>		<b>\$ 178,954,686</b>	<b>\$ 92,487,879</b>	<b>\$ 8,582,669</b>	<b>\$ 21,429,635</b>	<b>\$ 56,454,503</b>
<b>Closed Grants and SRF Loans</b>		<b>\$ 172,130,033</b>				
<b>Total Active and Closed Grants &amp; Loans since 2002</b>		<b>\$ 351,084,719</b>				



**ACCOUNTING AND FISCAL MANAGEMENT**  
**Major Revenue**

Major Revenues for the Service Period Ended 12/31/13						
(millions) Target is 50%	FY12/13			FY13/14		
A				B	C	D
Major Revenue Categories	Previous Year's Budget	Previous Year's Actual to Date	Previous Year's % of Actual vs Budget	Budget	Actual to Date (DEC 2013)*	% of Actual Vs Budget (Col B/Col C)
User Charges	\$51.1	\$24.8	49%	\$58.1	\$27.2	47%
Recycled Water Sales	\$5.7	\$2.8	49%	\$7.2	\$4.9	69%
Recycled Water Rebates	\$2.1	\$1.3	63%	\$2.1	\$0.9	45%
Property Tax	\$32.6	\$21.6	66%	\$33.4	\$20.4	61%
Connection Fees	\$5.4	\$4.7	87%	\$9.0	\$3.6	40%
<b>Subtotal</b>	<b>\$96.9</b>	<b>\$55.2</b>	<b>57%</b>	<b>\$109.8</b>	<b>\$57.0</b>	<b>52%</b>
Grants	\$4.3	\$1.1	24%	\$9.2	\$2.0	22%
SRF Loans	\$13.3	\$0.8	6%	\$22.9	\$6.7	29%
<b>Subtotal</b>	<b>\$17.6</b>	<b>\$1.9</b>	<b>11%</b>	<b>\$32.1</b>	<b>\$8.7</b>	<b>27%</b>
<b>Grand Total</b>	<b>\$114.5</b>	<b>\$57.1</b>	<b>50%</b>	<b>\$141.9</b>	<b>\$65.7</b>	<b>46%</b>

Note: DECEMBER 2013 service period is billed in the month of JANUARY 2014.

**Accounts Receivables**

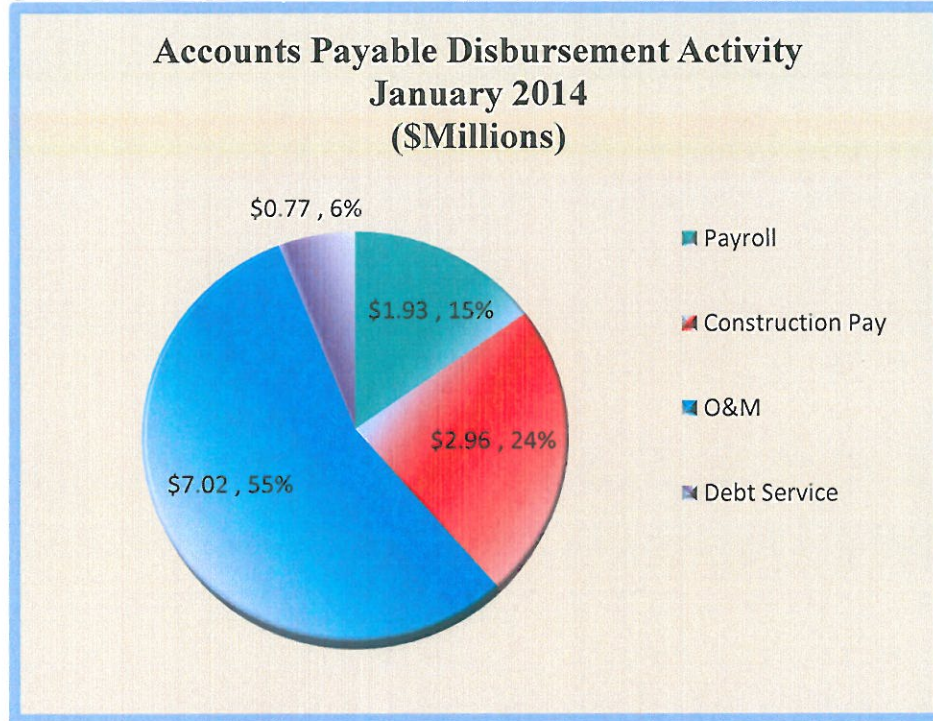
**IEUA Aging Report As of 1/31/2014**

**IEUA Customer's**

- 1) Aging 1-30 days - Invoices recently due.
- 2) Aging 31-60 days - Invoice to Air Liquide. Past Due notification sent to customer on 1/21/14.
- 3) Aging 31-60 days - Invoice to San Bernardino Co Reg Parks. Per Holly Coapstick on 1/30/14, invoice is pending final approval. Cannot comment on when it will be paid.
- 4) Aging 31-60 days - Invoice to Environ (phase 2 lease). Discussions on potential contract amendment in progress.
- 5) Aging 61-90 days - Invoice to Environ (phase 2 lease). Discussions on potential contract amendment in progress.
- 6) Aging >120 days - Invoice to regional trucker (West Coast Storm); service suspended for failure to pay.
- 7) Aging >120 days - Invoice to Ability. Left messages on various occasions. No reply from customer as of 1/31/14.
- 8) Aging >120 days - Invoice to regional trucker (Sam's Enterprise); Notice of Violation has been issued for failing to provide insurance requirements & pmt.

No. of Days Past Due Between						
Total Outstanding	Current	1 - 30	31 - 60	61 - 90	91-120	> 120
\$ 8,445,236	\$ 8,270,819	\$ 66,403	\$ 77,518	\$ 30,000	\$ -	\$ 496
<b>Customer: CDA (On IEUA Books)</b>						
No. of Days Past Due Between						
Total Outstanding	Current	1 - 30	31 - 60	61 - 90	91-120	> 120
\$ 213,121	\$ 213,121	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Customer IERCA (On IEUA Books)</b>						
No. of Days Past Due Between						
Total Outstanding	Current	1 - 30	31 - 60	61 - 90	91-120	> 120
\$594,835	\$594,835	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Bellevue Memorial Park</b>						
No. of Days Past Due Between						
Total Outstanding	Current	1 - 30	31 - 60	61 - 90	91-120	> 120
\$ 16,000	\$ 16,000	\$ -	\$ -	\$ -	\$ -	\$ -

**Accounts Payable Disbursement Update for the Period ended 01/31/14:**



The O&M statistics include the Metropolitan Water District November water purchases of \$2,200,478.

**Accounts Payable Aging Report for the Period ended 01/31/14:**

Total Outstanding	No. of Days Past Due Between					
	Current	1-30	31-60	61-90	91-120	>120
\$ 1,161,367	\$ 119,827	\$ 124,001	\$68,206	\$54,354	\$0	\$725

**31 Days:** \$66,553 RMC – SAP received in January  
 774 GIC – SAP received in January  
 453 Sport Pins – SAP received in January  
 425 K. Tam – SAP received in January

**60 Days:** \$ 48,335 RMC – Sap received in January  
 1,455 New Resources - SAP received in January  
 4,564 Ice Qube – Questionable Freight Charges

**120 Days:** \$12 Grainger – waiting for credit to offset this charge  
 687 RSD – hold for possible return of merchandise



**Fiscal Management Activities:**

- Completed the preparation and distribution of annual Forms W-2.
- Completed the preparation and annual filing of federal Forms 1099. Distribution was done on January 30, 2014, which was one day ahead of schedule.
- Continuing to work with Internal Audit Staff, CAP and Maintenance on the IEUA vehicle audit.
- Continuing to work with the Business System Analysts to enhance the accounts payable aging report, to reflect the vendor names. When accomplished, the enhancement to bring vendor names into SAP reporting will enhance most Agency reporting, and will benefit staff Agency wide with analytical review and processing efficiencies.

**HUMAN RESOURCES**

An unannounced Fire and Life Safety inspection by the Ontario Fire Department was conducted at RP-1 on February 3, 2014. Overall the inspection went very well. There were only 2 minor items noted on the report. Staff is working with the respective departments to implement the recommended changes; the Fire Department will follow up in approximately two weeks.

All employers required to keep Form 300, the Injury and Illness Log, are required to post Form 300A, the annual summary of job-related injuries and illnesses, in a workplace common area by Feb. 1, 2014. The Agency complied with the posting requirement by January 30, 2014. This year's summary includes the total number of job-related injuries and illnesses that occurred in 2013.

Training programs scheduled for February include 8 participants in the Southern California Local Government Supervisory Program focusing on Motivational Strategies and Leading the Team: 4 participants in the Southern California Local Government Leadership Academy focusing on Leadership with a New Perspective: and 8 participants in day 3 of The 7 Habits of Highly Effective People Signature Program. Training courses scheduled include 26 participants in a Communicating Effectively workshop and over 40 participants in 4 Excel 2010 classes.

In late February, employees will receive the Employee Data Form (EDF) for the annual update. During this year's process, employees will be required to provide social security numbers, birth certificates, Affidavit of Eligibility for Economically Dependent Children and/or Declaration of Health Coverage along with supporting documentation, as applicable. This is in compliance with standards set by the CalPERS Health Plan. Additionally, any employee who does not maintain health insurance coverage through the Agency will be required to submit verification of other health insurance to continue opting out.

<b><u>CURRENT STAFFING</u></b>	
Regular Full-time Employees:	260
Contract/Limited Term Employees:	10
Interns:	17
<b>TOTAL:</b>	<b>289</b>

General Manager's Report Regarding Agency Activities

February 19, 2014

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<b>CURRENT REGULAR RECRUITMENT ACTIVITIES</b>	
Recruitments in Process/Offer Pending:	3
Placement in Process:	1
No RFVP; Position on Hold 6.78% Vacancy Factor:	20
No RFVP; Vacant Position:	11
<b>Total Regular Vacancies (Excludes Limited Term &amp; Intern Positions = 11.86% Vacancy Factor):</b>	<b>35</b>

<b>CURRENT OTHER RECRUITMENT ACTIVITIES</b>	
Limited Term Position on Hold:	0
Limited Term Recruitments in Process/Offer Pending:	1
Intern Recruitments in Process/Offer Pending:	4

<b>RECRUITMENTS/PLACEMENT IN PROCESS</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 Internal Auditor	111100-Internal Audit	9/23/13	10/11/13	UN098	1/14	Placement in Process
2	Engineer, Electrical	160100-Technical Services	12/19/13	OUF	Varies, DOQ	2/14	Testing held 1/29/14
3	Executive Manager of Engineering/Assistant General Manager	TBD	1/6/14	OUF	EX104	3/14	Interviews held 2/7/14
	Deputy Manager of Operations*	151151-RP1 Operations	1/14/14	1/31/14	UN104	2/14	Recruitment in Process

\*Internal Only

<b>POSITIONS ON HOLD for Vacancy Factor</b>			
	<b>Position</b>	<b>Department</b>	<b>Vacant Since</b>
1	Assistant General Manager	112100-Agency Management	4/13
2	Executive Assistant	112100-Agency Management	8/13
3	Procurement Specialist II	115100-Contracts & Procurement	12/12
4	Senior Accountant	117100- Accounting and Fiscal Mgmt.	6/13
5	Manager of Financial Planning	171100-Financial Planning	11/13
6	Human Resources Analyst	119100-Human Resources	9/10
7	Sr. Water Resources Analyst	124100-Planning & Environmental Compliance	7/08
8	Associate Engineer	127100-Engineering & Construction Management	1/10
9	Associate Engineer	127100-Engineering & Construction Management	4/11
10	Manager of Construction Mgmt	127100- Engineering & Construction Management	1/13
11	Deputy Mgr of Construction Mgmt	127100- Engineering & Construction Management	8/08



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12	Operations Liaison	127100- Engineering & Construction Management	12/10
13	Construction Inspector/Coordinator	127100- Engineering & Construction Management	10/12
14	Laboratory Technician	131151-Laboratory	10/12
15	Manager of Pretreatment & Source Control	129100-Pretreatment & Source Control	10/13
16	Mechanic II	141151-North Maintenance	4/11
17	Mechanic II	141151-North Maintenance	5/12
18	Plant Maintenance Technician II	141151-North Maintenance	7/12
19	Industrial Engine Technician	144155-South Maintenance	4/11
20	Mechanic II	144155-South Maintenance	12/11

<b>NO RFVP; VACANT POSITION</b>			
	<b>Position</b>	<b>Department</b>	<b>Vacant Since</b>
1	Business Systems Supervisor	118100-Business Information Services	11/13
2	Manager of Safety & Risk	115100-Contracts & Facilities Services	12/13
3	Safety Officer	119100-Human Resources	6/13
4	Administrative Analyst	128100-Operations Administration	8/13
5	Manager of Operations	151151-RP1 Operations	10/13
6	Manager of Maintenance	140151-Maintenance	7/13
7	Mechanic II	144155-South Maintenance	12/11
8	Sr. Operator V	154155-RP5 Operations	10/13
9	Operator II	154155-RP5 Operations	12/13
10	Sr. Compost Operator	132112-Organics Management	10/13
11	Marketing Coordinator	132112-Organics Management	1/14

**LIMITED TERM VACANCIES**

	<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	Assistant Engineer	127100- Engineering & Construction Management	12/12/13	OUF	UN094	3/14	Recruitment in Process

**INTERN VACANCIES**

	<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>
2	Intern	127100-Engineering & Construction Management	11/7/13	OUF	UN999I	11/14	Recruitment in Process
2	Intern	117100-Finance & Accounting	1/15/14	OUF	UN999I	2/14	Recruitment in Process
3	Intern*	1661100-Groundwater Recharge	1/6/14	OUF	UN999I	2/14	Recruitment in Process

\*2 vacancies