



AGENDA

**MEETING OF THE
BOARD OF DIRECTORS**

**WEDNESDAY, MAY 21, 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 ORDINANCE NO. 98, BOARD
COMPENSATION/BENEFITS**

It is recommended that the Board:

1. Hold a Public Hearing to receive comments prior to the adoption of Ordinance No. 98, establishing compensation/benefits, and authorizing reimbursement of expenses for the Board of Directors and their appointed representative to the Metropolitan Water District of Southern California Board of Directors and outside Committee members; and

2. After closing the Public Hearing, adopt Ordinance No. 98.

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 April 16, 2014 Board meeting.

B. ADOPTION OF RESOLUTION NO. 2014-5-23, COMMENDING ACQUANETTA WARREN FOR THREE YEARS OF SERVICE TO THE REGIONAL SEWERAGE PROGRAM POLICY COMMITTEE

It is recommended that the Board adopt Resolution No. 2014-5-23, commending Ms. Acquanetta Warren for three years of service to the Regional Sewerage Program Policy Committee.

C. TREASURER'S REPORT ON GENERAL DISBURSEMENTS

It is recommended that the Board approve the total disbursements for the month of March 2014 in the amount of \$10,860,123.77.

D. AMEND THE CONTRACT FOR FINANCIAL ADVISORY SERVICES

It is recommended that the Board:

1. Approve Contract Amendment No. CRW07999-009 with Public Financial Management (PFM) for general financial advisory services to increase the consultant hourly rates as stated in Table 1 below and extend the term of the contract through June 30, 2015; and
2. Authorize the General Manager, or his designee, to execute the amendment.

E. ADOPTION OF LOCAL AGENCY INVESTMENT FUND, DEPOSITORY AGREEMENT, INVESTMENT, AND SIGNATORY RESOLUTIONS

It is recommended that the Board adopt:

1. Resolution No. 2014-5-1, authorizing participation in the Local Agency Investment Fund (LAIF) and designating signatories for the deposit and withdrawal of funds;
2. Resolution No. 2014-5-2, authorizing and designating signatories for depository agreement, depository cards, deposits, transfers, checks, and withdrawal of funds;

3. Resolution No. 2014-5-3, authorizing and designating signatories for investment agreements, investment authorizations, and investment fund transfers to fund investment transactions; and
4. Resolution No. 2014-5-4, authorizing and designating signatories for transfer documents for the movement of funds and investment securities to safekeeping with a third-party Custodian.

F. ADOPTION OF RESOLUTION 2014-5-22, TO ESTABLISH THE INTENT TO COMPLY WITH THE STATE REVOLVING FUND (SRF) LOAN POLICY FOR THE WINEVILLE RECYCLED WATER PIPELINE EXTENSION PROJECT

It is recommended that the Board adopt Resolution No. 2014-5-22, establishing the intent to comply with the SRF loan policy, and to reimburse project costs incurred for the Wineville Recycled Water Pipeline Extension Project.

G. ADOPTION OF RESOLUTION NO. 2014-5-5, APPROVING A GRANT FUNDING TRANSFER AGREEMENT WITH THE CITY OF ONTARIO

It is recommended that the Board:

1. Adopt Resolution No. 2014-5-5, approving a grant funding transfer agreement between the City of Ontario (Ontario) and Inland Empire Utilities Agency (IEUA), and
2. Authorize the General Manager, or in his absence, his designees to execute the agreement and any other necessary documents with the Santa Ana Watershed Project Authority (SAWPA) to complete the grant transfer.

H. ADOPTION OF RESOLUTION NOS. 2014-5-6 THROUGH 2014-5-12, AMENDING THE EMPLOYER PAID MEMBER CONTRIBUTIONS TO CALPERS

It is recommended that the Board adopt Resolution Nos. 2014-5-6 through 2014-5-12, amending the Employer Paid Member Contributions (EPMC) to CalPERS for classic employees of the Unrepresented Employees, Executive Management Employees, as well as the Laboratory, General, Professional, Supervisors', and Operators' Unit.

I. ADOPTION OF RESOLUTION NOS. 2014-5-13 THROUGH 2014-5-19, APPROVING THE AMENDMENTS TO THE SALARY SCHEDULES/MATRIXES

It is recommended that the Board adopt Resolution Nos. 2014-5-13 through 2014-5-19, amending the salary schedules/matrixes for the Unrepresented Employees, Executive Management Employees, Laboratory Unit, General Unit, Professional Unit, Supervisors' Unit, and Operators' Unit, respectively.

J. DISCLOSURE PROCEDURES POLICY

It is recommended that the Board adopt the Disclosure Procedures Policy to ensure that the Agency continues to comply with all applicable disclosure obligations and requirements under the federal securities laws.

K. UPDATED RESERVE POLICY

It is recommended that the Board adopt the updated Reserve Policy governing all Agency funds.

L. CONSTRUCTION CONTRACT AWARD FOR THE RP-5 STANDBY GENERATOR CONTROL MODIFICATIONS

It is recommended that the Board:

1. Award the construction contract for the RP-5 Standby Generator Control Modifications, Project No. EN13047, to Global Power Group, Inc. for their low bid of \$115,000; and
2. Authorize the General Manager to execute the construction contract.

M. REIMBURSEMENT AGREEMENT FOR THE CITY OF CHINO PRESERVE LIFT STATION OPERATIONS AND MAINTENANCE

It is recommended that the Board:

1. Approve the Reimbursement Agreement No. 4500000401 with the City of Chino for the operations and maintenance of the Preserve Lift Station, Project No. EN13028; and
2. Authorize the General Manager to make non-substantive changes, and execute the Reimbursement Agreement.

N. CONSTRUCTION CONTRACT AWARD FOR THE CCWRF REHABILITATION OF SECONDARY CLARIFIER NO. 3

It is recommended that the Board:

1. Award the construction contract for the CCWRF Rehabilitation of Secondary Clarifier No. 3, Project No. EN14027, to GSE Construction Co., Inc. for their low bid of \$604,000; and
2. Authorize the General Manager to execute the construction contract.

O. AMEND THE COST SHARING AGREEMENT FOR TURNER BASINS/GUASTI PARK RECHARGE IMPROVEMENTS

It is recommended that the Board:

1. Approve the amendment to the existing Cost Sharing Agreement between Chino Basin Watermaster (CBWM) and Inland Empire Utilities Agency (IEUA) for the planning, design, and construction costs associated with implementation of recharge expansion

opportunities at Turner Basins and Guasti Regional Park, where the amendment will adjust the reimbursement share by \$335,658 to meet the approved project cost; and

2. Authorize the General Manager to execute the amendment to the agreement.

P. WASTEWATER CONNECTION FEE EVALUATION

It is recommended that the Board:

1. Award a professional services contract for a Connection Fee Evaluation to Carollo Engineers, for a not-to-exceed amount of \$80,000; and
2. Authorize the General Manager to execute the contract.

Q. REGIONAL PRETREATMENT PROGRAM LOCAL LIMITS STUDY CONTRACT AWARD

It is recommended that the Board:

1. Approve the consulting services contract award to Arcadis for the Regional Pretreatment Program Local Limits Study, Project No. EC14011, for the not-to-exceed amount of \$156,282; and
2. Authorize the General Manager to execute the contract.

R. APPROVAL OF A MEMORANDUM OF UNDERSTANDING FOR SANTA ANA RIVER WATERSHED ACTION TEAM

It is recommended that the Board:

1. Approve the Memorandum of Understanding (MOU) between Inland Empire Utilities Agency, Orange County Water District, San Bernardino Valley Municipal Water District, Western Municipal Water District, and Eastern Municipal Water District for the development of watershed-wide conjunctive use water supply and reliability projects as part of the Santa Ana River Watershed Action Team; and
2. Authorize the General Manager to make non-substantive changes and execute the final MOU.

S. MULTI-YEAR BIO-FILTER MEDIA REPLACEMENT CONTRACT

It is recommended that the Board:

1. Approve Contract No. 4600001640 to Viramontes Express, Inc. (Viramontes) for the production, delivery, installation, removal, and disposal of bio-filter media services, for a not-to-exceed total amount of \$225,000 per year, for five years; and
2. Authorize the General Manager to execute the contract.

T. PROPOSED POSITIONS OF SUPPORT FOR STATE LEGISLATION

It is recommended that the Board adopt a position of support for SB 985 (Pavley), SB 1036 (Pavley), SB 1420 (Wolk), AB 2067 (Weber), and AB 2636 (Gatto/Skinner).

3. ACTION ITEMS

A. FUNDING OF OTHER POST-EMPLOYMENT BENEFITS (OPEB) UNFUNDED ACCRUED LIABILITY

It is recommended that the Board:

1. Approve California Employer's Retiree Benefit Trust (CERBT) as the Agency's third party irrevocable trust provider;
2. Approve payments of \$3.5 million in FY 2013/14 and \$3.5 million in FY 2014/15 to fund a portion of the Agency's OPEB accrued unfunded liability (UAL) as reported in the Agency's financial statements as of June 30, 2013;
3. Approve a funding strategy that fully funds the Agency's Annual Required Contribution beginning FY 2014/15; and
4. Authorize the General Manager and Chief Financial Officer/Assistant General Manager to negotiate the terms and prepare the agreement, forms, and any other necessary documents.

B. CONSTRUCTION CONTRACT AWARD FOR THE WINEVILLE EXTENSION RECYCLED WATER PIPELINE, SEGMENT B

It is recommended that the Board:

1. Award the construction contract for the Wineville Extension Recycled Water Pipeline, Segment B, Project No. EN13045, to Mike Bubalo Construction, for their low bid of \$8,900,000; and
2. Authorize the General Manager to execute the construction contract.

4. INFORMATION ITEMS

A. ADOPTION OF 2014 IEUA STRATEGIC PLAN (WRITTEN/ POWERPOINT)

B. FY 2014/15 BUDGET OVERVIEW OF ADMINISTRATIVE SERVICES, NON-RECLAIMABLE WASTEWATER, AND WATER RESOURCES FUNDS

C. ENGINEERING AND CONSTRUCTION MANAGEMENT FY 2013/14 MONTHLY 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. FY 2013/14 THIRD QUARTER BUDGET VARIANCE PERFORMANCE GOALS UPDATES AND BUDGET TRANSFER (WRITTEN/POWERPOINT)
- H. FY 2014/15 IERCA PROPOSED BUDGET (WRITTEN/POWERPOINT)
- I. PUBLIC OUTREACH AND COMMUNICATION (WRITTEN)
- J. LEGISLATIVE REPORT FROM INNOVATIVE FEDERAL STRATEGIES (WRITTEN)
- K. LEGISLATIVE REPORT FROM THE DOLPHIN GROUP (WRITTEN)
- L. LEGISLATIVE REPORT FROM AGRICULTURAL RESOURCES (WRITTEN)
- M. CALIFORNIA STRATEGIES, LLC MONTHLY ACTIVITY REPORT (WRITTEN)
- N. POSITIONS TAKEN FOR STATE LEGISLATION (WRITTEN)
- O. 2014 LEGISLATIVE TRACKING MATRIX (WRITTEN)
- P. PRETREATMENT & SOURCE CONTROL PROGRAM UPDATE 13/14 YTD (POWERPOINT)
- Q. NON-RECLAIMABLE WASTEWATER SYSTEM/ ETIWANDA WASTEWATER LINE DRAFT ORDINANCE NO. 99 (WRITTEN)
- R. OPERATIONS DIVISION FY 13/14 THIRD QUARTER UPDATE (POWERPOINT)

Materials related to an item on this agenda submitted to the Agency, after distribution of the agenda packet, are available for public inspection at the Agency's office located at 6075 Kimball Avenue, Chino, California during normal business hours.

5. AGENCY REPRESENTATIVES' REPORTS

- A. SAWPA REPORT (WRITTEN)

- B. MWD REPORT (WRITTEN)
- C. REGIONAL SEWERAGE PROGRAM POLICY COMMITTEE REPORT (WRITTEN)
- D. CHINO BASIN WATERMASTER REPORT (WRITTEN)
- 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
 - 3) Sheilds vs. IEUA, Case No. CIVRS 1301638
 - 4) Desaddi vs. IEUA, Case No. CIVRS 1304617
 - 5) Kaveh Engineering and Construction Inc. Corp. vs. IEUA, Case No. CIVRS 1402048
 - B. PURSUANT TO GOVERNMENT CODE SECTION 54956.9 – CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION
One (1) Case

10. ADJOURN

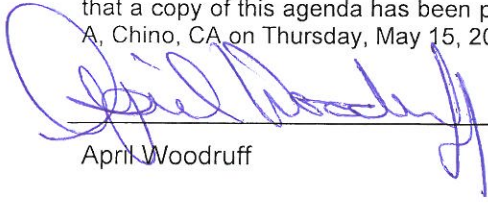
*A Municipal Water District

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, May 15, 2014.





April Woodruff


CONSENT
CALENDAR
ITEM


21

Date: May 21, 2014

To:  The Honorable Board of Directors

From:  P. Joseph Grindstaff
General Manager

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

 Sharmeen Bhojani
Manager of Human Resources

Subject: Adoption of Resolution Nos. 2014-5-13 through 2014-5-19, Approving the Amendments to the Salary Schedules/Matrixes

RECOMMENDATION

It is recommended that the Board of Directors adopt Resolution Nos. 2014-5-13 through 2014-5-19, amending the salary schedules/matrixes for Unrepresented Employees, Executive Management Employees, Laboratory Unit, General Unit, Professional Unit, Supervisors' Unit and Operators' Unit, respectively.

BACKGROUND

Maintenance of the Agency's salary schedules/matrixes falls under the responsibility of the Human Resources Department, including presenting a comprehensive salary resolution incorporating changes to the Board of Directors as changes occur in accordance with the California Code of Regulations (CCR) §570.5 [Requirement for a Publicly Available Pay Schedule].

The Agency entered into 5-year contracts with the five represented groups in FY 2013/14. The five Memorandums of Understanding (MOUs) include a 3% Cost of Living Adjustment (COLA) effective July 1, 2014. Similarly, the Executive Management and the Unrepresented Personnel Manuals also include a 3% COLA. As a result of the agreed upon COLA increases, the existing salary schedules/matrixes for seven groups need to be amended.

The California Public Employees' Retirement System (CalPERS) employers may only report payrates, for the purposes of calculating retirement benefits, that meet the definition of a publicly available salary schedule as defined by CCR 570.5. The code states in part:

“(a) For purposes of determining the amount of “compensation earnable” pursuant to Government Code Sections 20630, 20636, and 20636.1, payrate shall be limited to the amount listed on a pay schedule that meets all of the following requirements:

- (1) Has been duly approved and adopted by the employer’s governing body in accordance with requirements of applicable public meeting laws;
- (2) Identifies the position title for every employee position;
- (3) Shows the payrate for each identified position, which may be stated as a single amount or as multiple amounts within a range;
- (4) Indicates the time base, including, but not limited to, whether the time base is hourly, daily, bi-weekly, monthly, bi-monthly, or annually;
- (5) Is posted at the office of the employer or immediately accessible and available for public review from the employer during normal business hours or posted on the employer’s internet website;
- (6) Indicates an effective date and date of any revisions;
- (7) Is retained by the employer and available for public inspection for not less than five years; and
- (8) Does not reference another document in lieu of disclosing the payrate.

PRIOR BOARD ACTION

On February 19, 2014, the Board of Directors adopted Resolution Nos. 2014-2-1, 2014-2-2, and 2014-2-3, amending the salary schedules/matrixes for Unrepresented Employees, Executive Management Employees, and the Professional Unit.

On November 20, 2013, the Board adopted Resolution No. 2013-11-6 approving the Memorandum of Understanding for the Professional Unit employees. The Board also approved to amend the Salary Schedule/Matrix for Unrepresented Employees to remove eliminated positions and positions represented under the newly formed Professional Unit.

On September 4, 2013, the Board of Directors adopted Resolution No. 2013-9-7, approving the MOU for the General Unit employees, Resolution No. 2013-9-5, approving the Personnel Manual for Executive Management employees, Resolution No. 2013-9-4, approving the Personnel Manual for Unrepresented employees, Resolution No. 2013-9-3, approving the MOU for the Operators’ Unit employees, Resolution No. 2013-9-2, approving the MOU for the Supervisors’ Unit employees, Resolution No. 2013-9-1, approving the MOU for the Laboratory Unit employees.

IMPACT ON BUDGET

The negotiated cost of living increase is included in the employment costs budgeted for FY 2014/15 under the Administrative Services (GG) Fund.

**EXECUTIVE MANAGEMENT
SALARY MATRIX
Effective July 1, 2014**

Exhibit 1

CLASSIFICATION TITLE	SALARY
Chief Financial Officer/Assistant General Manager	EX 104
Executive Manager of Engineering/Assistant General Manager	EX 105
Executive Manager of Operations/Assistant General Manager	EX 106
Executive Manager of Policy Development/Assistant General Manager	EX 107
General Manager	EX 108

**EXECUTIVE MANAGEMENT
SALARY MATRIX
Effective July 1, 2014**

Exhibit 1

Range	Step	Hourly	Bi-weekly	Monthly	Annual
EX101	1	52.5151	4,201.21	9,102.62	109,231
	2	53.8280	4,306.24	9,330.19	111,962
	3	55.1737	4,413.89	9,563.44	114,761
	4	56.5530	4,524.24	9,802.52	117,630
	5	57.9669	4,637.35	10,047.59	120,571
	6	59.4161	4,753.28	10,298.78	123,585
	7	60.9014	4,872.11	10,556.24	126,675
	8	62.4240	4,993.92	10,820.16	129,842
	9	63.9846	5,118.77	11,090.67	133,088
EX102	1	57.8983	4,631.86	10,035.71	120,428
	2	59.3458	4,747.67	10,286.61	123,439
	3	60.8295	4,866.36	10,543.78	126,525
	4	62.3501	4,988.01	10,807.36	129,688
	5	63.9090	5,112.72	11,077.56	132,931
	6	65.5066	5,240.53	11,354.48	136,254
	7	67.1444	5,371.55	11,638.36	139,660
	8	68.8230	5,505.84	11,929.31	143,152
	9	70.5435	5,643.48	12,227.54	146,731
EX103	1	60.7962	4,863.69	10,538.00	126,456
	2	62.3160	4,985.28	10,801.45	129,617
	3	63.8740	5,109.92	11,071.49	132,858
	4	65.4710	5,237.68	11,348.30	136,180
	5	67.1077	5,368.61	11,632.00	139,584
	6	68.7854	5,502.83	11,922.80	143,074
	7	70.5050	5,640.40	12,220.87	146,650
	8	72.2678	5,781.42	12,526.42	150,317
	9	74.0745	5,925.96	12,839.57	154,075
EX104	1	70.3772	5,630.17	12,198.71	146,385
	2	72.1367	5,770.93	12,503.69	150,044
	3	73.9400	5,915.20	12,816.26	153,795
	4	75.7885	6,063.08	13,136.67	157,640
	5	77.6832	6,214.65	13,465.08	161,581
	6	79.6254	6,370.03	13,801.73	165,621
	7	81.6159	6,529.27	14,146.76	169,761
	8	83.6564	6,692.51	14,500.44	174,005
	9	85.7478	6,859.82	14,862.95	178,355

**EXECUTIVE MANAGEMENT
SALARY MATRIX
Effective July 1, 2014**

Exhibit 1

Range	Step	Hourly	Bi-weekly	Monthly	Annual
EX105	1	85.5432	6,843.45	14,827.48	177,930
	2	87.6819	7,014.55	15,198.19	182,378
	3	89.8739	7,189.91	15,578.14	186,938
	4	92.1208	7,369.66	15,967.60	191,611
	5	94.4238	7,553.90	16,366.79	196,401
	6	96.7844	7,742.75	16,775.97	201,312
	7	99.2040	7,936.32	17,195.37	206,344
	8	101.6842	8,134.74	17,625.26	211,503
	9	104.2263	8,338.10	18,065.89	216,791
EX106	1	106.3943	8,511.55	18,441.68	221,300
	2	109.0543	8,724.35	18,902.75	226,833
	3	111.7807	8,942.45	19,375.32	232,504
	4	114.5752	9,166.02	19,859.70	238,316
	5	117.4396	9,395.17	20,356.19	244,274
	6	120.3756	9,630.05	20,865.11	250,381
	7	123.3850	9,870.80	21,386.74	256,641
	8	126.4697	10,117.58	21,921.42	263,057
	9	129.6314	10,370.51	22,469.45	269,633
EX107	1	131.2260	10,498.08	22,745.84	272,950

**UNREPRESENTED UNIT
SALARY MATRIX
Effective July 1, 2014**

Exhibit 1

CLASSIFICATION TITLE	SALARY RANGES
<u>Management</u>	
Board Secretary/Office Manager	UN 103
Budget Officer	UN 102
Deputy Manager of Construction Management	UN 103
Deputy Manager of Electrical and Instrumentation	UN 103
Deputy Manager of Engineering	UN 104
Deputy Manager of Human Resources	UN 101
Deputy Manager of Integrated Systems Services	UN 103
Deputy Manager of Maintenance Planning	UN 103
Deputy Manager of Operations	UN 104
Deputy Manager of Operations and Organics	UN 104
Deputy Manager of Planning and Environmental	UN 104
Deputy Manager of Plant Maintenance	UN 103
Deputy Manager of Technical Services	UN 104
Grants Officer	UN 102
Manager of Business Information Services	UN 104
Manager of Contracts and Facility Services (CAP)	UN 104
Manager of Engineering	UN 107
Manager of External Affairs	UN 103
Manager of Finance and Accounting	UN 104
Manager of Human Resources	UN 104
Manager of Internal Audit	UN 104
Manager of Laboratories	UN 104
Manager of Maintenance	UN 107
Manager of Operations	UN 107
Manager of Planning and Environmental Compliance	UN 108
Training Officer	UN 100
<u>Specialized</u>	
Administrative Analyst	UN 097
Maintenance Specialist	UN 101
Marketing Coordinator	UN 097
Senior Environmental Compliance Officer	UN 100
Senior Office Engineer	UN 101
Safety Officer	UN 101
Senior Operations Assistant	UN 100
<u>Non-Management</u>	
Accountant	UN 091
Administrative Assistant (Confidential)	UN 091
Applications Systems Analyst	UN 096
Assistant Engineer	UN 094

**UNREPRESENTED UNIT
SALARY MATRIX
Effective July 1, 2014**

Exhibit 1

CLASSIFICATION TITLE	SALARY RANGES
Associate Engineer	UN 098
Benefits Representative	UN 094
CAD Designer*	UN 094
CIP Coordinator	UN 097
Community Outreach and Education Coordinator I	UN 092
Community Outreach and Education Coordinator II	UN 094
Construction Inspector	UN 096
Environmental Compliance Officer	UN 097
GIS Specialist	UN 091
Groundwater Recharge Operations & Maintenance	UN 095
Human Resources Analyst	UN 096
Human Resources Representative I*	UN 084
Human Resources Representative II*	UN 089
Junior Operations Assistant	UN 097
Landscape Coordinator*	UN 092
Recycled Water Service Coordinator	UN 099
Safety Representative*	UN 088
Senior Associate Engineer	UN 100
Senior Internal Auditor	UN 098
Staff Internal Auditor I	UN 092
Staff Internal Auditor II	UN 095
Water Resources Analyst I	UN 094

* Non-Exempt Classification

**UNREPRESENTED UNIT
SALARY MATRIX
Effective July 1, 2014**

Exhibit 1

Range	Step	Hourly	Bi-weekly	Monthly	Annual
UN080					
	1	15.3913	1,231.31	2,667.83	32,014
	2	15.7761	1,262.09	2,734.53	32,814
	3	16.1705	1,293.64	2,802.89	33,635
	4	16.5747	1,325.98	2,872.95	34,475
	5	16.9890	1,359.12	2,944.76	35,337
	6	17.4138	1,393.10	3,018.39	36,221
	7	17.8491	1,427.93	3,093.85	37,126
	8	18.2954	1,463.63	3,171.20	38,054
	9	18.7527	1,500.21	3,250.46	39,006
UN081					
	1	16.1608	1,292.87	2,801.21	33,615
	2	16.5649	1,325.19	2,871.25	34,455
	3	16.9790	1,358.32	2,943.02	35,316
	4	17.4035	1,392.28	3,016.61	36,199
	5	17.8385	1,427.08	3,092.01	37,104
	6	18.2846	1,462.77	3,169.32	38,032
	7	18.7416	1,499.33	3,248.55	38,983
	8	19.2102	1,536.81	3,329.77	39,957
	9	19.6906	1,575.24	3,413.03	40,956
UN082					
	1	16.9687	1,357.50	2,941.25	35,295
	2	17.3929	1,391.44	3,014.78	36,177
	3	17.8278	1,426.23	3,090.16	37,082
	4	18.2735	1,461.88	3,167.41	38,009
	5	18.7304	1,498.43	3,246.60	38,959
	6	19.1986	1,535.89	3,327.76	39,933
	7	19.6785	1,574.28	3,410.94	40,931
	8	20.1706	1,613.65	3,496.23	41,955
	9	20.6748	1,653.98	3,583.63	43,004
UN083					
	1	17.8176	1,425.41	3,088.38	37,061
	2	18.2630	1,461.04	3,165.58	37,987
	3	18.7195	1,497.56	3,244.71	38,936
	4	19.1874	1,535.00	3,325.82	39,910
	5	19.6673	1,573.38	3,408.99	40,908
	6	20.1589	1,612.71	3,494.21	41,930
	7	20.6628	1,653.02	3,581.55	42,979
	8	21.1794	1,694.35	3,671.09	44,053
	9	21.7088	1,736.71	3,762.86	45,154

**UNREPRESENTED UNIT
SALARY MATRIX
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Exhibit 1

Range	Step	Hourly	Bi-weekly	Monthly	Annual
UN084					
	1	18.7074	1,496.59	3,242.62	38,911
	2	19.1751	1,534.01	3,323.68	39,884
	3	19.6544	1,572.35	3,406.77	40,881
	4	20.1458	1,611.67	3,491.94	41,903
	5	20.6496	1,651.97	3,579.26	42,951
	6	21.1658	1,693.26	3,668.73	44,025
	7	21.6949	1,735.59	3,760.44	45,125
	8	22.2374	1,778.99	3,854.47	46,254
	9	22.7934	1,823.47	3,950.85	47,410
UN085					
	1	19.6444	1,571.55	3,405.03	40,860
	2	20.1355	1,610.84	3,490.15	41,882
	3	20.6388	1,651.10	3,577.39	42,929
	4	21.1547	1,692.38	3,666.82	44,002
	5	21.6836	1,734.69	3,758.49	45,102
	6	22.2258	1,778.06	3,852.47	46,230
	7	22.7813	1,822.50	3,948.76	47,385
	8	23.3509	1,868.07	4,047.49	48,570
	9	23.9347	1,914.78	4,148.69	49,784
UN086					
	1	20.6256	1,650.05	3,575.11	42,901
	2	21.1412	1,691.30	3,664.48	43,974
	3	21.6698	1,733.58	3,756.09	45,073
	4	22.2115	1,776.92	3,849.99	46,200
	5	22.7668	1,821.34	3,946.24	47,355
	6	23.3360	1,866.88	4,044.90	48,539
	7	23.9193	1,913.55	4,146.01	49,752
	8	24.5173	1,961.38	4,249.66	50,996
	9	25.1301	2,010.41	4,355.89	52,271
UN087					
	1	21.6570	1,732.56	3,753.89	45,047
	2	22.1985	1,775.88	3,847.74	46,173
	3	22.7534	1,820.27	3,943.92	47,327
	4	23.3222	1,865.78	4,042.52	48,510
	5	23.9054	1,912.43	4,143.60	49,723
	6	24.5030	1,960.24	4,247.19	50,966
	7	25.1155	2,009.24	4,353.35	52,240
	8	25.7434	2,059.47	4,462.19	53,546
	9	26.3871	2,110.97	4,573.76	54,885

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Exhibit 1

Range	Step	Hourly	Bi-weekly	Monthly	Annual
UN088	1	22.7396	1,819.16	3,941.52	47,298
	2	23.3080	1,864.64	4,040.06	48,481
	3	23.8906	1,911.25	4,141.04	49,692
	4	24.4879	1,959.03	4,244.57	50,935
	5	25.1001	2,008.01	4,350.68	52,208
	6	25.7277	2,058.21	4,459.46	53,514
	7	26.3708	2,109.66	4,570.94	54,851
	8	27.0301	2,162.41	4,685.22	56,223
	9	27.7059	2,216.47	4,802.35	57,628
UN089	1	23.8767	1,910.13	4,138.62	49,663
	2	24.4735	1,957.88	4,242.08	50,905
	3	25.0855	2,006.84	4,348.15	52,178
	4	25.7126	2,057.01	4,456.85	53,482
	5	26.3554	2,108.43	4,568.26	54,819
	6	27.0143	2,161.15	4,682.49	56,190
	7	27.6898	2,215.18	4,799.56	57,595
	8	28.3820	2,270.56	4,919.54	59,034
	9	29.0915	2,327.32	5,042.52	60,510
UN090	1	25.0712	2,005.69	4,345.67	52,148
	2	25.6980	2,055.84	4,454.31	53,452
	3	26.3404	2,107.23	4,565.67	54,788
	4	26.9989	2,159.91	4,679.81	56,158
	5	27.6739	2,213.91	4,796.81	57,562
	6	28.3657	2,269.26	4,916.73	59,001
	7	29.0748	2,325.99	5,039.64	60,476
	8	29.8017	2,384.13	5,165.62	61,987
	9	30.5468	2,443.74	5,294.77	63,537
UN091	1	26.3233	2,105.86	4,562.70	54,752
	2	26.9814	2,158.51	4,676.77	56,121
	3	27.6560	2,212.48	4,793.71	57,524
	4	28.3474	2,267.79	4,913.55	58,963
	5	29.0560	2,324.48	5,036.38	60,437
	6	29.7824	2,382.59	5,162.29	61,947
	7	30.5271	2,442.17	5,291.36	63,496
	8	31.2902	2,503.21	5,423.63	65,084
	9	32.0725	2,565.80	5,559.23	66,711

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Exhibit 1

Range	Step	Hourly	Bi-weekly	Monthly	Annual
UN092	1	27.6405	2,211.24	4,791.01	57,492
	2	28.3315	2,266.52	4,910.80	58,930
	3	29.0398	2,323.19	5,033.57	60,403
	4	29.7659	2,381.27	5,159.42	61,913
	5	30.5100	2,440.80	5,288.39	63,461
	6	31.2728	2,501.83	5,420.62	65,047
	7	32.0546	2,564.37	5,556.13	66,674
	8	32.8561	2,628.49	5,695.05	68,341
	9	33.6774	2,694.19	5,837.41	70,049
UN093	1	29.0218	2,321.74	5,030.45	60,365
	2	29.7474	2,379.79	5,156.22	61,875
	3	30.4912	2,439.29	5,285.13	63,422
	4	31.2534	2,500.27	5,417.25	65,007
	5	32.0347	2,562.77	5,552.68	66,632
	6	32.8355	2,626.84	5,691.48	68,298
	7	33.6564	2,692.51	5,833.78	70,005
	8	34.4977	2,759.82	5,979.61	71,755
	9	35.3603	2,828.83	6,129.12	73,549
UN094	1	30.4732	2,437.85	5,282.01	63,384
	2	31.2350	2,498.80	5,414.07	64,969
	3	32.0159	2,561.27	5,549.42	66,593
	4	32.8162	2,625.30	5,688.15	68,258
	5	33.6367	2,690.94	5,830.37	69,964
	6	34.4776	2,758.21	5,976.12	71,713
	7	35.3395	2,827.16	6,125.52	73,506
	8	36.2230	2,897.84	6,278.66	75,344
	9	37.1286	2,970.29	6,435.63	77,228
UN095	1	31.9968	2,559.74	5,546.10	66,553
	2	32.7967	2,623.73	5,684.75	68,217
	3	33.6166	2,689.33	5,826.87	69,922
	4	34.4571	2,756.57	5,972.57	71,671
	5	35.3186	2,825.49	6,121.89	73,463
	6	36.2015	2,896.12	6,274.93	75,299
	7	37.1067	2,968.53	6,431.82	77,182
	8	38.0343	3,042.75	6,592.62	79,111
	9	38.9851	3,118.81	6,757.43	81,089

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Exhibit 1

Range	Step	Hourly	Bi-weekly	Monthly	Annual
UN096	1	33.5966	2,687.72	5,823.40	69,881
	2	34.4365	2,754.92	5,969.00	71,628
	3	35.2973	2,823.78	6,118.20	73,418
	4	36.1798	2,894.39	6,271.17	75,254
	5	37.0843	2,966.74	6,427.94	77,135
	6	38.0114	3,040.91	6,588.64	79,064
	7	38.9616	3,116.93	6,753.35	81,040
	8	39.9356	3,194.85	6,922.18	83,066
	9	40.9340	3,274.72	7,095.22	85,143
UN097	1	35.2761	2,822.09	6,114.53	73,374
	2	36.1580	2,892.64	6,267.38	75,209
	3	37.0620	2,964.96	6,424.08	77,089
	4	37.9886	3,039.09	6,584.69	79,016
	5	38.9383	3,115.07	6,749.31	80,992
	6	39.9117	3,192.93	6,918.02	83,016
	7	40.9095	3,272.76	7,090.99	85,092
	8	41.9322	3,354.57	7,268.24	87,219
	9	42.9806	3,438.45	7,449.97	89,400
UN098	1	37.0403	2,963.22	6,420.31	77,044
	2	37.9663	3,037.31	6,580.83	78,970
	3	38.9156	3,113.25	6,745.37	80,944
	4	39.8884	3,191.07	6,913.98	82,968
	5	40.8856	3,270.85	7,086.83	85,042
	6	41.9078	3,352.62	7,264.01	87,168
	7	42.9555	3,436.44	7,445.62	89,347
	8	44.0293	3,522.35	7,631.75	91,581
	9	45.1301	3,610.41	7,822.55	93,871
UN099	1	38.8694	3,109.56	6,737.37	80,848
	2	39.8411	3,187.29	6,905.79	82,869
	3	40.8372	3,266.97	7,078.44	84,941
	4	41.8581	3,348.65	7,255.41	87,065
	5	42.9046	3,432.37	7,436.80	89,242
	6	43.9772	3,518.18	7,622.72	91,473
	7	45.0766	3,606.13	7,813.28	93,759
	8	46.2036	3,696.29	8,008.62	96,103
	9	47.3587	3,788.70	8,208.84	98,506

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Exhibit 1

Range	Step	Hourly	Bi-weekly	Monthly	Annual
UN100	1	40.8380	3,267.04	7,078.58	84,943
	2	41.8589	3,348.71	7,255.54	87,067
	3	42.9054	3,432.43	7,436.94	89,243
	4	43.9781	3,518.25	7,622.88	91,475
	5	45.0775	3,606.20	7,813.44	93,761
	6	46.2044	3,696.35	8,008.76	96,105
	7	47.3596	3,788.77	8,209.00	98,508
	8	48.5435	3,883.48	8,414.21	100,971
	9	49.7572	3,980.57	8,624.58	103,495
UN101	1	42.8800	3,430.40	7,432.53	89,190
	2	43.9519	3,516.15	7,618.33	91,420
	3	45.0506	3,604.05	7,808.78	93,705
	4	46.1770	3,694.16	8,004.02	96,048
	5	47.3315	3,786.52	8,204.12	98,449
	6	48.5147	3,881.18	8,409.22	100,911
	7	49.7276	3,978.21	8,619.45	103,433
	8	50.9707	4,077.66	8,834.92	106,019
	9	52.2450	4,179.60	9,055.80	108,670
UN102	1	45.0238	3,601.91	7,804.13	93,650
	2	46.1496	3,691.97	7,999.26	95,991
	3	47.3032	3,784.26	8,199.23	98,391
	4	48.4858	3,878.86	8,404.20	100,850
	5	49.6980	3,975.84	8,614.31	103,372
	6	50.9405	4,075.24	8,829.69	105,956
	7	52.2139	4,177.11	9,050.41	108,605
	8	53.5193	4,281.54	9,276.68	111,320
	9	54.8573	4,388.58	9,508.60	114,103
UN103	1	47.2751	3,782.01	8,194.35	98,332
	2	48.4570	3,876.56	8,399.21	100,791
	3	49.6684	3,973.47	8,609.18	103,310
	4	50.9101	4,072.81	8,824.42	105,893
	5	52.1829	4,174.63	9,045.03	108,540
	6	53.4874	4,279.00	9,271.16	111,254
	7	54.8247	4,385.97	9,502.94	114,035
	8	56.1952	4,495.62	9,740.50	116,886
	9	57.6002	4,608.01	9,984.03	119,808

**UNREPRESENTED UNIT
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Exhibit 1

Range	Step	Hourly	Bi-weekly	Monthly	Annual
UN104					
	1	49.6389	3,971.11	8,604.07	103,249
	2	50.8799	4,070.39	8,819.18	105,830
	3	52.1518	4,172.14	9,039.65	108,476
	4	53.4556	4,276.45	9,265.64	111,188
	5	54.7920	4,383.36	9,497.28	113,967
	6	56.1619	4,492.95	9,734.73	116,817
	7	57.5658	4,605.27	9,978.08	119,737
	8	59.0050	4,720.40	10,227.54	122,730
	9	60.4801	4,838.41	10,483.22	125,799
UN105					
	1	52.1208	4,169.67	9,034.28	108,411
	2	53.4239	4,273.91	9,260.13	111,122
	3	54.7595	4,380.76	9,491.65	113,900
	4	56.1284	4,490.28	9,728.93	116,747
	5	57.5317	4,602.54	9,972.17	119,666
	6	58.9700	4,717.60	10,221.47	122,658
	7	60.4443	4,835.55	10,477.02	125,724
	8	61.9554	4,956.43	10,738.94	128,867
	9	63.5044	5,080.35	11,007.42	132,089
UN106					
	1	54.7269	4,378.15	9,485.99	113,832
	2	56.0950	4,487.60	9,723.14	116,678
	3	57.4974	4,599.79	9,966.22	119,595
	4	58.9349	4,714.79	10,215.38	122,585
	5	60.4084	4,832.67	10,470.79	125,650
	6	61.9186	4,953.49	10,732.56	128,791
	7	63.4667	5,077.33	11,000.89	132,011
	8	65.0534	5,204.27	11,275.92	135,311
	9	66.6798	5,334.38	11,557.82	138,694
UN107					
	1	57.4632	4,597.06	9,960.29	119,523
	2	58.8998	4,711.98	10,209.30	122,512
	3	60.3723	4,829.78	10,464.53	125,574
	4	61.8817	4,950.54	10,726.16	128,714
	5	63.4287	5,074.30	10,994.31	131,932
	6	65.0146	5,201.17	11,269.19	135,230
	7	66.6399	5,331.19	11,550.92	138,611
	8	68.3059	5,464.47	11,839.69	142,076
	9	70.0136	5,601.09	12,135.70	145,628

**UNREPRESENTED UNIT
SALARY MATRIX
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Exhibit 1

<u>Range</u>	<u>Step</u>	<u>Hourly</u>	<u>Bi-weekly</u>	<u>Monthly</u>	<u>Annual</u>
UN108					
	1	60.3365	4,826.92	10,458.33	125,500
	2	61.8449	4,947.59	10,719.78	128,637
	3	63.3911	5,071.29	10,987.80	131,854
	4	64.9760	5,198.08	11,262.50	135,150
	5	66.6004	5,328.03	11,544.07	138,529
	6	68.2655	5,461.24	11,832.68	141,992
	7	69.9722	5,597.78	12,128.52	145,542
	8	71.7215	5,737.72	12,431.72	149,181
	9	73.5145	5,881.16	12,742.52	152,910

**LABORATORY UNIT
SALARY MATRIX
Effective July 1, 2014**

Exhibit 1

CLASSIFICATION TITLE	SALARY RANGE
Assistant Chemist	LB 096
Bioassay Technician	LB 093
Biologist*	LB 098
Chemist**	LB 098
Laboratory Assistant	LB 088
Laboratory Technician	LB 092

*Any Biologist hired or promoted after July 1, 2001, shall be an exempt employee and thus not subject to overtime compensation.

**Exempt Classification

**LABORATORY UNIT
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Exhibit 1

Range	Step	Hourly	Bi-weekly	Monthly	Annual
LB081					
	1	16.0025	1,280.20	2,773.76	33,285
	2	16.4026	1,312.21	2,843.12	34,117
	3	16.8126	1,345.01	2,914.19	34,970
	4	17.2330	1,378.64	2,987.05	35,845
	5	17.6637	1,413.10	3,061.71	36,741
	6	18.1053	1,448.42	3,138.25	37,659
	7	18.5578	1,484.63	3,216.69	38,600
	8	19.0219	1,521.75	3,297.13	39,566
	9	19.4974	1,559.79	3,379.55	40,555
LB082					
	1	16.8022	1,344.17	2,912.37	34,948
	2	17.2222	1,377.78	2,985.18	35,822
	3	17.6527	1,412.22	3,059.80	36,718
	4	18.0940	1,447.52	3,136.30	37,636
	5	18.5464	1,483.71	3,214.70	38,576
	6	19.0101	1,520.81	3,295.08	39,541
	7	19.4854	1,558.83	3,377.46	40,530
	8	19.9726	1,597.81	3,461.92	41,543
	9	20.4719	1,637.75	3,548.46	42,582
LB083					
	1	17.6429	1,411.43	3,058.10	36,697
	2	18.0840	1,446.72	3,134.56	37,615
	3	18.5361	1,482.89	3,212.93	38,555
	4	18.9995	1,519.96	3,293.24	39,519
	5	19.4745	1,557.96	3,375.57	40,507
	6	19.9613	1,596.91	3,459.97	41,520
	7	20.4604	1,636.83	3,546.47	42,558
	8	20.9718	1,677.75	3,635.12	43,621
	9	21.4962	1,719.70	3,726.01	44,712
LB084					
	1	18.5241	1,481.93	3,210.84	38,530
	2	18.9872	1,518.98	3,291.12	39,493
	3	19.4618	1,556.95	3,373.39	40,481
	4	19.9484	1,595.87	3,457.72	41,493
	5	20.4471	1,635.77	3,544.17	42,530
	6	20.9583	1,676.67	3,632.78	43,593
	7	21.4822	1,718.58	3,723.59	44,683
	8	22.0193	1,761.55	3,816.69	45,800
	9	22.5699	1,805.60	3,912.12	46,945

**LABORATORY UNIT
SALARY MATRIX
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Exhibit 1

Range	Step	Hourly	Bi-weekly	Monthly	Annual
LB085	1	19.4518	1,556.15	3,371.65	40,460
	2	19.9382	1,595.05	3,455.95	41,471
	3	20.4367	1,634.93	3,542.35	42,508
	4	20.9475	1,675.80	3,630.90	43,571
	5	21.4711	1,717.69	3,721.66	44,660
	6	22.0079	1,760.63	3,814.70	45,776
	7	22.5581	1,804.65	3,910.07	46,921
	8	23.1221	1,849.77	4,007.83	48,094
	9	23.7001	1,896.01	4,108.01	49,296
LB086	1	20.4234	1,633.87	3,540.05	42,481
	2	20.9339	1,674.71	3,628.54	43,543
	3	21.4573	1,716.58	3,719.26	44,631
	4	21.9937	1,759.49	3,812.24	45,747
	5	22.5435	1,803.48	3,907.54	46,890
	6	23.1071	1,848.57	4,005.24	48,063
	7	23.6848	1,894.78	4,105.36	49,264
	8	24.2769	1,942.15	4,207.99	50,496
	9	24.8839	1,990.71	4,313.20	51,758
LB087	1	21.4449	1,715.59	3,717.11	44,605
	2	21.9810	1,758.48	3,810.03	45,720
	3	22.5305	1,802.44	3,905.29	46,864
	4	23.0938	1,847.50	4,002.92	48,035
	5	23.6711	1,893.69	4,103.00	49,236
	6	24.2629	1,941.03	4,205.57	50,467
	7	24.8695	1,989.56	4,310.71	51,728
	8	25.4912	2,039.30	4,418.47	53,022
	9	26.1285	2,090.28	4,528.93	54,347
LB088	1	22.5166	1,801.33	3,902.88	46,835
	2	23.0796	1,846.37	4,000.46	48,006
	3	23.6565	1,892.52	4,100.46	49,206
	4	24.2480	1,939.84	4,202.98	50,436
	5	24.8542	1,988.33	4,308.05	51,697
	6	25.4756	2,038.04	4,415.76	52,989
	7	26.1124	2,088.99	4,526.14	54,314
	8	26.7652	2,141.21	4,639.29	55,672
	9	27.4344	2,194.75	4,755.29	57,064

**LABORATORY UNIT
SALARY MATRIX
Effective July 1, 2014**

Exhibit 1

Range	Step	Hourly	Bi-weekly	Monthly	Annual
LB089					
	1	23.6427	1,891.41	4,098.06	49,177
	2	24.2338	1,938.70	4,200.52	50,406
	3	24.8396	1,987.17	4,305.54	51,666
	4	25.4607	2,036.86	4,413.19	52,958
	5	26.0973	2,087.78	4,523.53	54,282
	6	26.7496	2,139.97	4,636.60	55,639
	7	27.4184	2,193.47	4,752.52	57,030
	8	28.1040	2,248.32	4,871.35	58,456
	9	28.8066	2,304.53	4,993.15	59,918
LB090					
	1	24.8252	1,986.02	4,303.04	51,636
	2	25.4460	2,035.68	4,410.63	52,928
	3	26.0821	2,086.57	4,520.90	54,251
	4	26.7341	2,138.73	4,633.91	55,607
	5	27.4024	2,192.19	4,749.75	56,997
	6	28.0875	2,247.00	4,868.50	58,422
	7	28.7896	2,303.17	4,990.20	59,882
	8	29.5095	2,360.76	5,114.98	61,380
	9	30.2471	2,419.77	5,242.84	62,914
LB091					
	1	26.0652	2,085.22	4,517.97	54,216
	2	26.7169	2,137.35	4,630.93	55,571
	3	27.3849	2,190.79	4,746.71	56,961
	4	28.0695	2,245.56	4,865.38	58,385
	5	28.7712	2,301.69	4,987.00	59,844
	6	29.4906	2,359.25	5,111.70	61,340
	7	30.2278	2,418.22	5,239.48	62,874
	8	30.9836	2,478.69	5,370.49	64,446
	9	31.7581	2,540.65	5,504.75	66,057
LB092					
	1	27.3694	2,189.56	4,744.04	56,928
	2	28.0536	2,244.29	4,862.63	58,352
	3	28.7549	2,300.40	4,984.19	59,810
	4	29.4738	2,357.90	5,108.79	61,306
	5	30.2107	2,416.85	5,236.52	62,838
	6	30.9659	2,477.27	5,367.42	64,409
	7	31.7401	2,539.21	5,501.62	66,019
	8	32.5336	2,602.69	5,639.16	67,670
	9	33.3470	2,667.76	5,780.15	69,362

**LABORATORY UNIT
SALARY MATRIX
Effective July 1, 2014**

Exhibit 1

Range	Step	Hourly	Bi-weekly	Monthly	Annual
LB093	1	28.7374	2,298.99	4,981.15	59,774
	2	29.4558	2,356.46	5,105.67	61,268
	3	30.1921	2,415.37	5,233.30	62,800
	4	30.9470	2,475.76	5,364.14	64,370
	5	31.7207	2,537.65	5,498.25	65,979
	6	32.5137	2,601.10	5,635.71	67,628
	7	33.3265	2,666.12	5,776.60	69,319
	8	34.1598	2,732.78	5,921.02	71,052
	9	35.0138	2,801.10	6,069.06	72,829
LB094	1	30.1743	2,413.95	5,230.22	62,763
	2	30.9286	2,474.29	5,360.97	64,332
	3	31.7019	2,536.15	5,494.99	65,940
	4	32.4945	2,599.56	5,632.37	67,588
	5	33.3068	2,664.55	5,773.19	69,278
	6	34.1396	2,731.17	5,917.53	71,010
	7	34.9931	2,799.45	6,065.47	72,786
	8	35.8678	2,869.43	6,217.09	74,605
	9	36.7645	2,941.16	6,372.52	76,470
LB095	1	31.6831	2,534.65	5,491.73	65,901
	2	32.4752	2,598.02	5,629.04	67,548
	3	33.2870	2,662.96	5,769.75	69,237
	4	34.1191	2,729.53	5,913.98	70,968
	5	34.9721	2,797.77	6,061.84	72,742
	6	35.8464	2,867.72	6,213.38	74,561
	7	36.7426	2,939.41	6,368.71	76,425
	8	37.6612	3,012.90	6,527.94	78,335
	9	38.6028	3,088.23	6,691.15	80,294
LB096	1	33.2670	2,661.36	5,766.28	69,195
	2	34.0986	2,727.89	5,910.43	70,925
	3	34.9511	2,796.09	6,058.19	72,698
	4	35.8248	2,865.99	6,209.64	74,516
	5	36.7205	2,937.64	6,364.89	76,379
	6	37.6385	3,011.08	6,524.00	78,288
	7	38.5795	3,086.36	6,687.12	80,245
	8	39.5440	3,163.52	6,854.29	82,251
	9	40.5326	3,242.61	7,025.65	84,308

**LABORATORY UNIT
SALARY MATRIX
Effective July 1, 2014**

Exhibit 1

Range	Step	Hourly	Bi-weekly	Monthly	Annual
LB097	1	34.9302	2,794.41	6,054.56	72,655
	2	35.8034	2,864.28	6,205.93	74,471
	3	36.6986	2,935.89	6,361.08	76,333
	4	37.6160	3,009.28	6,520.10	78,241
	5	38.5564	3,084.52	6,683.12	80,197
	6	39.5203	3,161.63	6,850.19	82,202
	7	40.5084	3,240.67	7,021.46	84,257
	8	41.5211	3,321.69	7,197.00	86,364
	9	42.5592	3,404.74	7,376.93	88,523
LB098	1	36.6772	2,934.17	6,357.38	76,289
	2	37.5942	3,007.54	6,516.34	78,196
	3	38.5340	3,082.72	6,679.23	80,151
	4	39.4974	3,159.79	6,846.21	82,155
	5	40.4849	3,238.79	7,017.38	84,209
	6	41.4971	3,319.76	7,192.82	86,314
	7	42.5344	3,402.76	7,372.64	88,472
	8	43.5978	3,487.83	7,556.96	90,683
	9	44.6878	3,575.02	7,745.88	92,951
LB099	1	38.4882	3,079.06	6,671.29	80,056
	2	39.4504	3,156.03	6,838.08	82,057
	3	40.4367	3,234.94	7,009.03	84,108
	4	41.4476	3,315.81	7,184.26	86,211
	5	42.4838	3,398.70	7,363.86	88,366
	6	43.5459	3,483.67	7,547.96	90,576
	7	44.6346	3,570.77	7,736.67	92,840
	8	45.7505	3,660.04	7,930.08	95,161
	9	46.8942	3,751.54	8,128.33	97,540
LB100	1	40.4126	3,233.01	7,004.86	84,058
	2	41.4230	3,313.84	7,179.99	86,160
	3	42.4586	3,396.69	7,359.49	88,314
	4	43.5200	3,481.60	7,543.48	90,522
	5	44.6081	3,568.65	7,732.07	92,785
	6	45.7232	3,657.86	7,925.36	95,104
	7	46.8663	3,749.30	8,123.49	97,482
	8	48.0380	3,843.04	8,326.58	99,919
	9	49.2389	3,939.11	8,534.74	102,417

**GENERAL EMPLOYEE'S UNIT
SALARY MATRIX
Effective July 1, 2014**

Exhibit 1

CLASSIFICATION TITLE	SALARY RANGE
Accounting Technician	GU 086
Administrative Secretary	GU 088
Collection System Operator	GU 089
Compost Operator	GU 090
Compost Worker	GU 085
Control Systems Administrator	GU 099
Control Systems Analyst	GU 097
Electrical Technician I	GU 090
Electrical Technician II	GU 094
Engineering Technician	GU 089
HVAC Technician	GU 094
Industrial Engine Technician	GU 093
Instrument Technician I	GU 089
Instrument Technician II	GU 095
Inventory Control Technician	GU 087
Machinist	GU 091
Maintenance Planner Coordinator	GU 098
Mechanic I	GU 089
Mechanic II	GU 091
Office Assistant	GU 081
PC/Network Administrator	GU 098
Plant Maintenance Technician I	GU 085
Plant Maintenance Technician II	GU 088
Pretreatment and Source Control Inspector I	GU 089
Pretreatment and Source Control Inspector II	GU 092
Receptionist	GU 078
Records Management Clerk	GU 082
Records Management Coordinator	GU 090
Records Management Technician	GU 086
Senior Accounting Technician	GU 088
Senior Collection System Operator	GU 094
Senior Compost Operator	GU 093
Senior Elect/Inst Technician	GU 099
Senior Industrial Engine Technician	GU 098
Senior Maintenance Technician	GU 096
Senior Mechanic	GU 093
Senior Pretreatment and Source Control Inspector	GU 094
Technology Specialist I	GU 094
Technology Specialist II	GU 096
Warehouse and Inventory Technician	GU 087

**GENERAL UNIT
SALARY MATRIX
Effective July 1, 2014**

Exhibit 1

Range	Step	Hourly	Bi-weekly	Monthly	Annual
GU075					
	1	12.0885	967.08	2,095.34	25,144
	2	12.3908	991.27	2,147.75	25,773
	3	12.7006	1,016.05	2,201.43	26,417
	4	13.0181	1,041.45	2,256.47	27,078
	5	13.3435	1,067.48	2,312.87	27,754
	6	13.6771	1,094.17	2,370.69	28,448
	7	14.0191	1,121.53	2,429.98	29,160
	8	14.3696	1,149.57	2,490.73	29,889
	9	14.7289	1,178.31	2,553.00	30,636
GU076					
	1	12.6924	1,015.39	2,200.01	26,400
	2	13.0096	1,040.77	2,255.00	27,060
	3	13.3349	1,066.79	2,311.39	27,737
	4	13.6683	1,093.46	2,369.17	28,430
	5	14.0101	1,120.81	2,428.42	29,141
	6	14.3603	1,148.82	2,489.11	29,869
	7	14.7193	1,177.54	2,551.34	30,616
	8	15.0872	1,206.98	2,615.12	31,381
	9	15.4645	1,237.16	2,680.51	32,166
GU077					
	1	13.3265	1,066.12	2,309.92	27,719
	2	13.6596	1,092.77	2,367.67	28,412
	3	14.0011	1,120.09	2,426.86	29,122
	4	14.3511	1,148.09	2,487.53	29,850
	5	14.7099	1,176.80	2,549.72	30,597
	6	15.0777	1,206.21	2,613.46	31,362
	7	15.4546	1,236.37	2,678.80	32,146
	8	15.8410	1,267.28	2,745.77	32,949
	9	16.2370	1,298.96	2,814.42	33,773
GU078					
	1	13.9940	1,119.52	2,425.63	29,108
	2	14.3439	1,147.51	2,486.28	29,835
	3	14.7025	1,176.20	2,548.44	30,581
	4	15.0701	1,205.61	2,612.15	31,346
	5	15.4468	1,235.75	2,677.45	32,129
	6	15.8330	1,266.64	2,744.38	32,933
	7	16.2288	1,298.31	2,813.00	33,756
	8	16.6346	1,330.77	2,883.33	34,600
	9	17.0503	1,364.03	2,955.39	35,465

**GENERAL UNIT
SALARY MATRIX
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Exhibit 1

Range	Step	Hourly	Bi-weekly	Monthly	Annual
GU079	1	14.6934	1,175.47	2,546.86	30,562
	2	15.0608	1,204.86	2,610.53	31,326
	3	15.4374	1,234.99	2,675.81	32,110
	4	15.8233	1,265.86	2,742.71	32,912
	5	16.2188	1,297.50	2,811.26	33,735
	6	16.6243	1,329.95	2,881.55	34,579
	7	17.0400	1,363.20	2,953.60	35,443
	8	17.4660	1,397.28	3,027.44	36,329
	9	17.9027	1,432.21	3,103.13	37,238
GU080	1	15.4276	1,234.21	2,674.11	32,089
	2	15.8133	1,265.06	2,740.97	32,892
	3	16.2087	1,296.69	2,809.50	33,714
	4	16.6137	1,329.10	2,879.72	34,557
	5	17.0292	1,362.33	2,951.72	35,421
	6	17.4548	1,396.39	3,025.51	36,306
	7	17.8912	1,431.30	3,101.14	37,214
	8	18.3385	1,467.08	3,178.67	38,144
	9	18.7969	1,503.75	3,258.13	39,098
GU081	1	16.1991	1,295.93	2,807.85	33,694
	2	16.6041	1,328.33	2,878.04	34,536
	3	17.0192	1,361.53	2,949.99	35,400
	4	17.4446	1,395.57	3,023.73	36,285
	5	17.8807	1,430.46	3,099.33	37,192
	6	18.3278	1,466.22	3,176.82	38,122
	7	18.7859	1,502.87	3,256.22	39,075
	8	19.2555	1,540.44	3,337.63	40,052
	9	19.7370	1,578.96	3,421.09	41,053
GU082	1	17.0088	1,360.70	2,948.19	35,378
	2	17.4340	1,394.72	3,021.90	36,263
	3	17.8698	1,429.59	3,097.43	37,169
	4	18.3166	1,465.33	3,174.88	38,099
	5	18.7746	1,501.97	3,254.27	39,051
	6	19.2439	1,539.52	3,335.62	40,027
	7	19.7251	1,578.01	3,419.02	41,028
	8	20.2182	1,617.46	3,504.49	42,054
	9	20.7237	1,657.89	3,592.10	43,105

**GENERAL UNIT
SALARY MATRIX
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Exhibit 1

Range	Step	Hourly	Bi-weekly	Monthly	Annual
GU083	1	17.8598	1,428.78	3,095.70	37,148
	2	18.3063	1,464.50	3,173.09	38,077
	3	18.7640	1,501.12	3,252.43	39,029
	4	19.2331	1,538.65	3,333.75	40,005
	5	19.7141	1,577.13	3,417.11	41,005
	6	20.2068	1,616.55	3,502.52	42,030
	7	20.7121	1,656.97	3,590.09	43,081
	8	21.2299	1,698.39	3,679.85	44,158
	9	21.7606	1,740.85	3,771.84	45,262
GU084	1	18.7517	1,500.13	3,250.29	39,003
	2	19.2204	1,537.63	3,331.54	39,978
	3	19.7009	1,576.07	3,414.82	40,978
	4	20.1935	1,615.48	3,500.21	42,003
	5	20.6983	1,655.87	3,587.71	43,053
	6	21.2158	1,697.27	3,677.41	44,129
	7	21.7463	1,739.70	3,769.36	45,232
	8	22.2899	1,783.19	3,863.59	46,363
	9	22.8472	1,827.77	3,960.17	47,522
GU085	1	19.6908	1,575.26	3,413.07	40,957
	2	20.1830	1,614.64	3,498.38	41,981
	3	20.6876	1,655.01	3,585.86	43,030
	4	21.2047	1,696.38	3,675.48	44,106
	5	21.7349	1,738.79	3,767.39	45,209
	6	22.2782	1,782.26	3,861.56	46,339
	7	22.8351	1,826.81	3,958.09	47,497
	8	23.4060	1,872.48	4,057.03	48,684
	9	23.9912	1,919.30	4,158.48	49,902
GU086	1	20.6741	1,653.93	3,583.52	43,002
	2	21.1910	1,695.28	3,673.10	44,077
	3	21.7207	1,737.66	3,764.93	45,179
	4	22.2637	1,781.10	3,859.04	46,308
	5	22.8204	1,825.63	3,955.53	47,466
	6	23.3908	1,871.26	4,054.40	48,653
	7	23.9755	1,918.04	4,155.75	49,869
	8	24.5749	1,965.99	4,259.65	51,116
	9	25.1893	2,015.15	4,366.15	52,394

**GENERAL UNIT
SALARY MATRIX
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Exhibit 1

Range	Step	Hourly	Bi-weekly	Monthly	Annual
GU087					
	1	21.7081	1,736.65	3,762.74	45,153
	2	22.2507	1,780.06	3,856.80	46,282
	3	22.8070	1,824.56	3,953.21	47,439
	4	23.3772	1,870.17	4,052.04	48,624
	5	23.9615	1,916.92	4,153.33	49,840
	6	24.5605	1,964.84	4,257.16	51,086
	7	25.1746	2,013.97	4,363.60	52,363
	8	25.8040	2,064.32	4,472.69	53,672
	9	26.4491	2,115.93	4,584.51	55,014
GU088					
	1	22.7935	1,823.48	3,950.87	47,410
	2	23.3632	1,869.06	4,049.62	48,595
	3	23.9472	1,915.78	4,150.85	49,810
	4	24.5459	1,963.67	4,254.62	51,055
	5	25.1595	2,012.76	4,360.98	52,332
	6	25.7886	2,063.08	4,470.02	53,640
	7	26.4331	2,114.65	4,581.74	54,981
	8	27.0939	2,167.51	4,696.28	56,355
	9	27.7714	2,221.71	4,813.70	57,764
GU089					
	1	23.9330	1,914.64	4,148.39	49,781
	2	24.5314	1,962.51	4,252.10	51,025
	3	25.1447	2,011.57	4,358.41	52,301
	4	25.7734	2,061.87	4,467.38	53,609
	5	26.4176	2,113.41	4,579.05	54,949
	6	27.0781	2,166.24	4,693.53	56,322
	7	27.7550	2,220.40	4,810.87	57,730
	8	28.4488	2,275.90	4,931.13	59,174
	9	29.1600	2,332.80	5,054.40	60,653
GU090					
	1	25.1302	2,010.42	4,355.91	52,271
	2	25.7585	2,060.68	4,464.81	53,578
	3	26.4025	2,112.20	4,576.44	54,917
	4	27.0625	2,165.00	4,690.84	56,290
	5	27.7391	2,219.13	4,808.10	57,697
	6	28.4326	2,274.61	4,928.32	59,140
	7	29.1435	2,331.48	5,051.54	60,618
	8	29.8720	2,389.76	5,177.82	62,134
	9	30.6189	2,449.51	5,307.28	63,687

**GENERAL UNIT
SALARY MATRIX
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Exhibit 1

Range	Step	Hourly	Bi-weekly	Monthly	Annual
GU091	1	26.3854	2,110.83	4,573.47	54,882
	2	27.0451	2,163.61	4,687.81	56,254
	3	27.7212	2,217.69	4,805.00	57,660
	4	28.4141	2,273.13	4,925.12	59,101
	5	29.1246	2,329.97	5,048.26	60,579
	6	29.8527	2,388.21	5,174.46	62,094
	7	30.5991	2,447.93	5,303.84	63,646
	8	31.3640	2,509.12	5,436.43	65,237
	9	32.1481	2,571.85	5,572.34	66,868
GU092	1	27.7057	2,216.46	4,802.33	57,628
	2	28.3984	2,271.87	4,922.39	59,069
	3	29.1084	2,328.67	5,045.45	60,545
	4	29.8360	2,386.88	5,171.57	62,059
	5	30.5819	2,446.55	5,300.86	63,610
	6	31.3464	2,507.71	5,433.38	65,201
	7	32.1301	2,570.41	5,569.22	66,831
	8	32.9334	2,634.67	5,708.46	68,501
	9	33.7567	2,700.54	5,851.16	70,214
GU093	1	29.0904	2,327.23	5,042.33	60,508
	2	29.8175	2,385.40	5,168.37	62,020
	3	30.5630	2,445.04	5,297.58	63,571
	4	31.3271	2,506.17	5,430.03	65,160
	5	32.1103	2,568.83	5,565.79	66,789
	6	32.9130	2,633.04	5,704.93	68,459
	7	33.7359	2,698.87	5,847.55	70,171
	8	34.5793	2,766.35	5,993.75	71,925
	9	35.4437	2,835.50	6,143.58	73,723
GU094	1	30.5451	2,443.61	5,294.48	63,534
	2	31.3086	2,504.69	5,426.83	65,122
	3	32.0914	2,567.31	5,562.51	66,750
	4	32.8937	2,631.49	5,701.57	68,419
	5	33.7161	2,697.29	5,844.12	70,129
	6	34.5590	2,764.72	5,990.22	71,883
	7	35.4230	2,833.84	6,139.99	73,680
	8	36.3086	2,904.69	6,293.49	75,522
	9	37.2163	2,977.30	6,450.83	77,410

**GENERAL UNIT
SALARY MATRIX
Effective July 1, 2014**

Exhibit 1

Range	Step	Hourly	Bi-weekly	Monthly	Annual
GU095	1	32.0724	2,565.79	5,559.21	66,711
	2	32.8741	2,629.93	5,698.17	68,378
	3	33.6959	2,695.67	5,840.63	70,088
	4	34.5384	2,763.07	5,986.65	71,840
	5	35.4018	2,832.14	6,136.30	73,636
	6	36.2867	2,902.94	6,289.70	75,476
	7	37.1939	2,975.51	6,446.94	77,363
	8	38.1238	3,049.90	6,608.12	79,297
	9	39.0768	3,126.14	6,773.31	81,280
GU096	1	33.6758	2,694.06	5,837.14	70,046
	2	34.5177	2,761.41	5,983.06	71,797
	3	35.3806	2,830.45	6,132.64	73,592
	4	36.2651	2,901.21	6,285.96	75,431
	5	37.1717	2,973.74	6,443.10	77,317
	6	38.1011	3,048.08	6,604.18	79,250
	7	39.0536	3,124.29	6,769.29	81,231
	8	40.0300	3,202.40	6,938.53	83,262
	9	41.0308	3,282.46	7,112.00	85,344
GU097	1	35.3594	2,828.75	6,128.97	73,548
	2	36.2434	2,899.47	6,282.19	75,386
	3	37.1496	2,971.96	6,439.26	77,271
	4	38.0782	3,046.26	6,600.22	79,203
	5	39.0302	3,122.41	6,765.23	81,183
	6	40.0060	3,200.48	6,934.37	83,212
	7	41.0061	3,280.49	7,107.73	85,293
	8	42.0312	3,362.50	7,285.41	87,425
	9	43.0820	3,446.56	7,467.55	89,611
GU098	1	37.1276	2,970.21	6,435.45	77,225
	2	38.0558	3,044.47	6,596.34	79,156
	3	39.0072	3,120.58	6,761.25	81,135
	4	39.9825	3,198.60	6,930.29	83,164
	5	40.9819	3,278.55	7,103.53	85,242
	6	42.0066	3,360.53	7,281.14	87,374
	7	43.0567	3,444.53	7,463.16	89,558
	8	44.1331	3,530.65	7,649.74	91,797
	9	45.2363	3,618.91	7,840.97	94,092

**GENERAL UNIT
SALARY MATRIX
Effective July 1, 2014**

Exhibit 1

Range	Step	Hourly	Bi-weekly	Monthly	Annual
GU099					
	1	38.9611	3,116.89	6,753.25	81,039
	2	39.9352	3,194.82	6,922.10	83,065
	3	40.9335	3,274.68	7,095.14	85,142
	4	41.9568	3,356.55	7,272.52	87,270
	5	43.0057	3,440.46	7,454.32	89,452
	6	44.0808	3,526.46	7,640.67	91,688
	7	45.1829	3,614.63	7,831.70	93,980
	8	46.3124	3,704.99	8,027.49	96,330
	9	47.4701	3,797.61	8,228.16	98,738
GU100					
	1	40.9091	3,272.73	7,090.91	85,091
	2	41.9319	3,354.55	7,268.19	87,218
	3	42.9801	3,438.41	7,449.89	89,399
	4	44.0547	3,524.38	7,636.15	91,634
	5	45.1561	3,612.49	7,827.05	93,925
	6	46.2850	3,702.80	8,022.73	96,273
	7	47.4422	3,795.37	8,223.31	98,680
	8	48.6282	3,890.26	8,428.89	101,147
	9	49.8439	3,987.51	8,639.60	103,675

PROFESSIONAL EMPLOYEES' ASSOCIATION
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Exhibit 1

CLASSIFICATION TITLE	SALARY RANGES
Administrative Assistant (non-confidential)	PR 091
Applications Systems Analyst II	PR 097
Business Systems Analyst II	PR 097
Compliance Accountant	PR 091
Construction Management Analyst	PR 093
Contracts/Programs Administrator	PR 095
Financial Analyst	PR 096
Grants Administrator	PR 096
Information Systems Analyst	PR 098
Management Analyst - Primavera	PR 099
Network Administrator	PR 099
Organics Recycling Coordinator	PR 097
Procurement Specialist I	PR 091
Procurement Specialist II	PR 092
Revenue Accountant II	PR 091
Safety Analyst	PR 094
Senior Accountant	PR 094
Senior Engineer	PR 102
Senior Financial Analyst	PR 097
Senior Financial Management Analyst	PR 100
Senior Site Administrator	PR 100
Systems Administrator	PR 097
Technical Buyer	PR 094
Water Resources Analyst II	PR 097

PROFESSIONAL EMPLOYEES' ASSOCIATION
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Exhibit 1

Range	Step	Hourly	Bi-weekly	Monthly	Annual
PR080	1	15.3913	1,231.31	2,667.83	32,014
	2	15.7761	1,262.09	2,734.53	32,814
	3	16.1705	1,293.64	2,802.89	33,635
	4	16.5747	1,325.98	2,872.95	34,475
	5	16.9890	1,359.12	2,944.76	35,337
	6	17.4138	1,393.10	3,018.39	36,221
	7	17.8491	1,427.93	3,093.85	37,126
	8	18.2954	1,463.63	3,171.20	38,054
	9	18.7527	1,500.21	3,250.46	39,006
PR081	1	16.1608	1,292.87	2,801.21	33,615
	2	16.5649	1,325.19	2,871.25	34,455
	3	16.9790	1,358.32	2,943.02	35,316
	4	17.4035	1,392.28	3,016.61	36,199
	5	17.8385	1,427.08	3,092.01	37,104
	6	18.2846	1,462.77	3,169.32	38,032
	7	18.7416	1,499.33	3,248.55	38,983
	8	19.2102	1,536.81	3,329.77	39,957
	9	19.6906	1,575.24	3,413.03	40,956
PR082	1	16.9687	1,357.50	2,941.25	35,295
	2	17.3929	1,391.44	3,014.78	36,177
	3	17.8278	1,426.23	3,090.16	37,082
	4	18.2735	1,461.88	3,167.41	38,009
	5	18.7304	1,498.43	3,246.60	38,959
	6	19.1986	1,535.89	3,327.76	39,933
	7	19.6785	1,574.28	3,410.94	40,931
	8	20.1706	1,613.65	3,496.23	41,955
	9	20.6748	1,653.98	3,583.63	43,004
PR083	1	17.8176	1,425.41	3,088.38	37,061
	2	18.2630	1,461.04	3,165.58	37,987
	3	18.7195	1,497.56	3,244.71	38,936
	4	19.1874	1,535.00	3,325.82	39,910
	5	19.6673	1,573.38	3,408.99	40,908
	6	20.1589	1,612.71	3,494.21	41,930
	7	20.6628	1,653.02	3,581.55	42,979
	8	21.1794	1,694.35	3,671.09	44,053
	9	21.7088	1,736.71	3,762.86	45,154

PROFESSIONAL EMPLOYEES' ASSOCIATION
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Exhibit 1

Range	Step	Hourly	Bi-weekly	Monthly	Annual
PR084	1	18.7074	1,496.59	3,242.62	38,911
	2	19.1751	1,534.01	3,323.68	39,884
	3	19.6544	1,572.35	3,406.77	40,881
	4	20.1458	1,611.67	3,491.94	41,903
	5	20.6496	1,651.97	3,579.26	42,951
	6	21.1658	1,693.26	3,668.73	44,025
	7	21.6949	1,735.59	3,760.44	45,125
	8	22.2374	1,778.99	3,854.47	46,254
	9	22.7934	1,823.47	3,950.85	47,410
PR085	1	19.6444	1,571.55	3,405.03	40,860
	2	20.1355	1,610.84	3,490.15	41,882
	3	20.6388	1,651.10	3,577.39	42,929
	4	21.1547	1,692.38	3,666.82	44,002
	5	21.6836	1,734.69	3,758.49	45,102
	6	22.2258	1,778.06	3,852.47	46,230
	7	22.7813	1,822.50	3,948.76	47,385
	8	23.3509	1,868.07	4,047.49	48,570
	9	23.9347	1,914.78	4,148.69	49,784
PR086	1	20.6256	1,650.05	3,575.11	42,901
	2	21.1412	1,691.30	3,664.48	43,974
	3	21.6698	1,733.58	3,756.09	45,073
	4	22.2115	1,776.92	3,849.99	46,200
	5	22.7668	1,821.34	3,946.24	47,355
	6	23.3360	1,866.88	4,044.90	48,539
	7	23.9193	1,913.55	4,146.01	49,752
	8	24.5173	1,961.38	4,249.66	50,996
	9	25.1301	2,010.41	4,355.89	52,271
PR087	1	21.6570	1,732.56	3,753.89	45,047
	2	22.1985	1,775.88	3,847.74	46,173
	3	22.7534	1,820.27	3,943.92	47,327
	4	23.3222	1,865.78	4,042.52	48,510
	5	23.9054	1,912.43	4,143.60	49,723
	6	24.5030	1,960.24	4,247.19	50,966
	7	25.1155	2,009.24	4,353.35	52,240
	8	25.7434	2,059.47	4,462.19	53,546
	9	26.3871	2,110.97	4,573.76	54,885

PROFESSIONAL EMPLOYEES' ASSOCIATION
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Exhibit 1

Range	Step	Hourly	Bi-weekly	Monthly	Annual
PR088	1	22.7396	1,819.16	3,941.52	47,298
	2	23.3080	1,864.64	4,040.06	48,481
	3	23.8906	1,911.25	4,141.04	49,692
	4	24.4879	1,959.03	4,244.57	50,935
	5	25.1001	2,008.01	4,350.68	52,208
	6	25.7277	2,058.21	4,459.46	53,514
	7	26.3708	2,109.66	4,570.94	54,851
	8	27.0301	2,162.41	4,685.22	56,223
	9	27.7059	2,216.47	4,802.35	57,628
PR089	1	23.8767	1,910.13	4,138.62	49,663
	2	24.4735	1,957.88	4,242.08	50,905
	3	25.0855	2,006.84	4,348.15	52,178
	4	25.7126	2,057.01	4,456.85	53,482
	5	26.3554	2,108.43	4,568.26	54,819
	6	27.0143	2,161.15	4,682.49	56,190
	7	27.6898	2,215.18	4,799.56	57,595
	8	28.3820	2,270.56	4,919.54	59,034
	9	29.0915	2,327.32	5,042.52	60,510
PR090	1	25.0712	2,005.69	4,345.67	52,148
	2	25.6980	2,055.84	4,454.31	53,452
	3	26.3404	2,107.23	4,565.67	54,788
	4	26.9989	2,159.91	4,679.81	56,158
	5	27.6739	2,213.91	4,796.81	57,562
	6	28.3657	2,269.26	4,916.73	59,001
	7	29.0748	2,325.99	5,039.64	60,476
	8	29.8017	2,384.13	5,165.62	61,987
	9	30.5468	2,443.74	5,294.77	63,537
PR091	1	26.3233	2,105.86	4,562.70	54,752
	2	26.9814	2,158.51	4,676.77	56,121
	3	27.6560	2,212.48	4,793.71	57,524
	4	28.3474	2,267.79	4,913.55	58,963
	5	29.0560	2,324.48	5,036.38	60,437
	6	29.7824	2,382.59	5,162.29	61,947
	7	30.5271	2,442.17	5,291.36	63,496
	8	31.2902	2,503.21	5,423.63	65,084
	9	32.0725	2,565.80	5,559.23	66,711

PROFESSIONAL EMPLOYEES' ASSOCIATION
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Exhibit 1

Range	Step	Hourly	Bi-weekly	Monthly	Annual
PR092	1	27.6405	2,211.24	4,791.01	57,492
	2	28.3315	2,266.52	4,910.80	58,930
	3	29.0398	2,323.19	5,033.57	60,403
	4	29.7659	2,381.27	5,159.42	61,913
	5	30.5100	2,440.80	5,288.39	63,461
	6	31.2728	2,501.83	5,420.62	65,047
	7	32.0546	2,564.37	5,556.13	66,674
	8	32.8561	2,628.49	5,695.05	68,341
	9	33.6774	2,694.19	5,837.41	70,049
PR093	1	29.0218	2,321.74	5,030.45	60,365
	2	29.7474	2,379.79	5,156.22	61,875
	3	30.4912	2,439.29	5,285.13	63,422
	4	31.2534	2,500.27	5,417.25	65,007
	5	32.0347	2,562.77	5,552.68	66,632
	6	32.8355	2,626.84	5,691.48	68,298
	7	33.6564	2,692.51	5,833.78	70,005
	8	34.4977	2,759.82	5,979.61	71,755
	9	35.3603	2,828.83	6,129.12	73,549
PR094	1	30.4732	2,437.85	5,282.01	63,384
	2	31.2350	2,498.80	5,414.07	64,969
	3	32.0159	2,561.27	5,549.42	66,593
	4	32.8162	2,625.30	5,688.15	68,258
	5	33.6367	2,690.94	5,830.37	69,964
	6	34.4776	2,758.21	5,976.12	71,713
	7	35.3395	2,827.16	6,125.52	73,506
	8	36.2230	2,897.84	6,278.66	75,344
	9	37.1286	2,970.29	6,435.63	77,228
PR095	1	31.9968	2,559.74	5,546.10	66,553
	2	32.7967	2,623.73	5,684.75	68,217
	3	33.6166	2,689.33	5,826.87	69,922
	4	34.4571	2,756.57	5,972.57	71,671
	5	35.3186	2,825.49	6,121.89	73,463
	6	36.2015	2,896.12	6,274.93	75,299
	7	37.1067	2,968.53	6,431.82	77,182
	8	38.0343	3,042.75	6,592.62	79,111
	9	38.9851	3,118.81	6,757.43	81,089

PROFESSIONAL EMPLOYEES' ASSOCIATION
SALARY MATRIX
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Exhibit 1

Range	Step	Hourly	Bi-weekly	Monthly	Annual
PR096	1	33.5966	2,687.72	5,823.40	69,881
	2	34.4365	2,754.92	5,969.00	71,628
	3	35.2973	2,823.78	6,118.20	73,418
	4	36.1798	2,894.39	6,271.17	75,254
	5	37.0843	2,966.74	6,427.94	77,135
	6	38.0114	3,040.91	6,588.64	79,064
	7	38.9616	3,116.93	6,753.35	81,040
	8	39.9356	3,194.85	6,922.18	83,066
	9	40.9340	3,274.72	7,095.22	85,143
PR097	1	35.2761	2,822.09	6,114.53	73,374
	2	36.1580	2,892.64	6,267.38	75,209
	3	37.0620	2,964.96	6,424.08	77,089
	4	37.9886	3,039.09	6,584.69	79,016
	5	38.9383	3,115.07	6,749.31	80,992
	6	39.9117	3,192.93	6,918.02	83,016
	7	40.9095	3,272.76	7,090.99	85,092
	8	41.9322	3,354.57	7,268.24	87,219
	9	42.9806	3,438.45	7,449.97	89,400
PR098	1	37.0403	2,963.22	6,420.31	77,044
	2	37.9663	3,037.31	6,580.83	78,970
	3	38.9156	3,113.25	6,745.37	80,944
	4	39.8884	3,191.07	6,913.98	82,968
	5	40.8856	3,270.85	7,086.83	85,042
	6	41.9078	3,352.62	7,264.01	87,168
	7	42.9555	3,436.44	7,445.62	89,347
	8	44.0293	3,522.35	7,631.75	91,581
	9	45.1301	3,610.41	7,822.55	93,871
PR099	1	38.8694	3,109.56	6,737.37	80,848
	2	39.8411	3,187.29	6,905.79	82,869
	3	40.8372	3,266.97	7,078.44	84,941
	4	41.8581	3,348.65	7,255.41	87,065
	5	42.9046	3,432.37	7,436.80	89,242
	6	43.9772	3,518.18	7,622.72	91,473
	7	45.0766	3,606.13	7,813.28	93,759
	8	46.2036	3,696.29	8,008.62	96,103
	9	47.3587	3,788.70	8,208.84	98,506

PROFESSIONAL EMPLOYEES' ASSOCIATION
SALARY MATRIX
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Exhibit 1

Range	Step	Hourly	Bi-weekly	Monthly	Annual
PR100	1	40.8380	3,267.04	7,078.58	84,943
	2	41.8589	3,348.71	7,255.54	87,067
	3	42.9054	3,432.43	7,436.94	89,243
	4	43.9781	3,518.25	7,622.88	91,475
	5	45.0775	3,606.20	7,813.44	93,761
	6	46.2044	3,696.35	8,008.76	96,105
	7	47.3596	3,788.77	8,209.00	98,508
	8	48.5435	3,883.48	8,414.21	100,971
	9	49.7572	3,980.57	8,624.58	103,495
PR101	1	42.8800	3,430.40	7,432.53	89,190
	2	43.9519	3,516.15	7,618.33	91,420
	3	45.0506	3,604.05	7,808.78	93,705
	4	46.1770	3,694.16	8,004.02	96,048
	5	47.3315	3,786.52	8,204.12	98,449
	6	48.5147	3,881.18	8,409.22	100,911
	7	49.7276	3,978.21	8,619.45	103,433
	8	50.9707	4,077.66	8,834.92	106,019
	9	52.2450	4,179.60	9,055.80	108,670
PR102	1	45.0238	3,601.91	7,804.13	93,650
	2	46.1496	3,691.97	7,999.26	95,991
	3	47.3032	3,784.26	8,199.23	98,391
	4	48.4858	3,878.86	8,404.20	100,850
	5	49.6980	3,975.84	8,614.31	103,372
	6	50.9405	4,075.24	8,829.69	105,956
	7	52.2139	4,177.11	9,050.41	108,605
	8	53.5193	4,281.54	9,276.68	111,320
	9	54.8573	4,388.58	9,508.60	114,103
PR103	1	47.2751	3,782.01	8,194.35	98,332
	2	48.4570	3,876.56	8,399.21	100,791
	3	49.6684	3,973.47	8,609.18	103,310
	4	50.9101	4,072.81	8,824.42	105,893
	5	52.1829	4,174.63	9,045.03	108,540
	6	53.4874	4,279.00	9,271.16	111,254
	7	54.8247	4,385.97	9,502.94	114,035
	8	56.1952	4,495.62	9,740.50	116,886
	9	57.6002	4,608.01	9,984.03	119,808

PROFESSIONAL EMPLOYEES' ASSOCIATION
SALARY MATRIX
Effective July 1, 2014

Exhibit 1

Range	Step	Hourly	Bi-weekly	Monthly	Annual
PR104	1	49.6389	3,971.11	8,604.07	103,249
	2	50.8799	4,070.39	8,819.18	105,830
	3	52.1518	4,172.14	9,039.65	108,476
	4	53.4556	4,276.45	9,265.64	111,188
	5	54.7920	4,383.36	9,497.28	113,967
	6	56.1619	4,492.95	9,734.73	116,817
	7	57.5658	4,605.27	9,978.08	119,737
	8	59.0050	4,720.40	10,227.54	122,730
	9	60.4801	4,838.41	10,483.22	125,799
PR105	1	52.1208	4,169.67	9,034.28	108,411
	2	53.4239	4,273.91	9,260.13	111,122
	3	54.7595	4,380.76	9,491.65	113,900
	4	56.1284	4,490.28	9,728.93	116,747
	5	57.5317	4,602.54	9,972.17	119,666
	6	58.9700	4,717.60	10,221.47	122,658
	7	60.4443	4,835.55	10,477.02	125,724
	8	61.9554	4,956.43	10,738.94	128,867
	9	63.5044	5,080.35	11,007.42	132,089
PR106	1	54.7269	4,378.15	9,485.99	113,832
	2	56.0950	4,487.60	9,723.14	116,678
	3	57.4974	4,599.79	9,966.22	119,595
	4	58.9349	4,714.79	10,215.38	122,585
	5	60.4084	4,832.67	10,470.79	125,650
	6	61.9186	4,953.49	10,732.56	128,791
	7	63.4667	5,077.33	11,000.89	132,011
	8	65.0534	5,204.27	11,275.92	135,311
	9	66.6798	5,334.38	11,557.82	138,694
PR107	1	57.4632	4,597.06	9,960.29	119,523
	2	58.8998	4,711.98	10,209.30	122,512
	3	60.3723	4,829.78	10,464.53	125,574
	4	61.8817	4,950.54	10,726.16	128,714
	5	63.4287	5,074.30	10,994.31	131,932
	6	65.0146	5,201.17	11,269.19	135,230
	7	66.6399	5,331.19	11,550.92	138,611
	8	68.3059	5,464.47	11,839.69	142,076
	9	70.0136	5,601.09	12,135.70	145,628

PROFESSIONAL EMPLOYEES' ASSOCIATION
SALARY MATRIX
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Exhibit 1

<u>Range</u>	<u>Step</u>	<u>Hourly</u>	<u>Bi-weekly</u>	<u>Monthly</u>	<u>Annual</u>
PR108	1	60.3365	4,826.92	10,458.33	125,500
	2	61.8449	4,947.59	10,719.78	128,637
	3	63.3911	5,071.29	10,987.80	131,854
	4	64.9760	5,198.08	11,262.50	135,150
	5	66.6004	5,328.03	11,544.07	138,529
	6	68.2655	5,461.24	11,832.68	141,992
	7	69.9722	5,597.78	12,128.52	145,542
	8	71.7215	5,737.72	12,431.72	149,181
	9	73.5145	5,881.16	12,742.52	152,910

**SUPERVISORS UNIT
SALARY MATRIX
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Exhibit 1

CLASSIFICATION TITLE	SALARY RANGES
Accounting Supervisor	SU 099
Administrative Coordinator	SU 098
Business Systems Supervisor	SU 100
Compost Facility Superintendent	SU 101
Construction Project Manager	SU 100
Construction Project Manager - PE	SU 103
Groundwater Recharge Coordinator	SU 103
Inventory Resources Coordinator	SU 102
Maintenance Supervisor	SU 101
Materials Management Supervisor	SU 099
Operations Supervisor*	SU 100
Pretreatment & Source Control Supervisor	SU 100
Process Automation & Controls Supervisor	SU 101
Senior Chemist	SU 100
Senior Water Resources Analyst	SU 098
Supervising Contract & Programs Administrator	SU 099
Supervising Management Analyst	SU 099
Supervising Warehouse Systems & Inventory	SU 099
Supervisor of Engineering Administration	SU 100

* Non-Exempt Classification

**SUPERVISORS UNIT
SALARY MATRIX
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Exhibit 1

Range	Step	Hourly	Bi-weekly	Monthly	Annual
SU088					
	1	22.7408	1,819.26	3,941.74	47,301
	2	23.3093	1,864.74	4,040.28	48,483
	3	23.8921	1,911.37	4,141.29	49,696
	4	24.4893	1,959.14	4,244.81	50,938
	5	25.1015	2,008.12	4,350.93	52,211
	6	25.7290	2,058.32	4,459.70	53,516
	7	26.3724	2,109.79	4,571.21	54,855
	8	27.0316	2,162.53	4,685.47	56,226
	9	27.7073	2,216.59	4,802.60	57,631
SU089					
	1	23.8780	1,910.24	4,138.85	49,666
	2	24.4750	1,958.00	4,242.33	50,908
	3	25.0868	2,006.94	4,348.38	52,181
	4	25.7139	2,057.11	4,457.08	53,485
	5	26.3568	2,108.55	4,568.52	54,822
	6	27.0157	2,161.26	4,682.72	56,193
	7	27.6911	2,215.29	4,799.79	57,598
	8	28.3834	2,270.67	4,919.79	59,038
	9	29.0931	2,327.44	5,042.80	60,514
SU090					
	1	25.0724	2,005.79	4,345.88	52,151
	2	25.6993	2,055.94	4,454.55	53,455
	3	26.3417	2,107.34	4,565.90	54,791
	4	27.0003	2,160.02	4,680.05	56,161
	5	27.6754	2,214.03	4,797.06	57,565
	6	28.3672	2,269.38	4,916.98	59,004
	7	29.0763	2,326.10	5,039.89	60,479
	8	29.8032	2,384.26	5,165.90	61,991
	9	30.5482	2,443.86	5,295.03	63,540
SU091					
	1	26.3246	2,105.97	4,562.94	54,755
	2	26.9828	2,158.63	4,677.02	56,124
	3	27.6574	2,212.59	4,793.94	57,527
	4	28.3488	2,267.90	4,913.78	58,965
	5	29.0575	2,324.60	5,036.63	60,440
	6	29.7839	2,382.71	5,162.54	61,950
	7	30.5284	2,442.27	5,291.59	63,499
	8	31.2917	2,503.34	5,423.90	65,087
	9	32.0740	2,565.92	5,559.49	66,714

**SUPERVISORS UNIT
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Exhibit 1

Range	Step	Hourly	Bi-weekly	Monthly	Annual
SU092	1	27.6420	2,211.36	4,791.29	57,495
	2	28.3331	2,266.65	4,911.07	58,933
	3	29.0414	2,323.31	5,033.84	60,406
	4	29.7675	2,381.40	5,159.69	61,916
	5	30.5116	2,440.93	5,288.68	63,464
	6	31.2744	2,501.95	5,420.90	65,051
	7	32.0563	2,564.50	5,556.42	66,677
	8	32.8577	2,628.61	5,695.33	68,344
	9	33.6792	2,694.33	5,837.72	70,053
SU093	1	29.0234	2,321.87	5,030.72	60,369
	2	29.7490	2,379.92	5,156.49	61,878
	3	30.4926	2,439.41	5,285.39	63,425
	4	31.2549	2,500.39	5,417.52	65,010
	5	32.0363	2,562.90	5,552.95	66,635
	6	32.8373	2,626.98	5,691.80	68,302
	7	33.6581	2,692.65	5,834.07	70,009
	8	34.4995	2,759.96	5,979.92	71,759
	9	35.3620	2,828.96	6,129.42	73,553
SU094	1	30.4748	2,437.99	5,282.31	63,388
	2	31.2368	2,498.94	5,414.38	64,973
	3	32.0177	2,561.41	5,549.73	66,597
	4	32.8181	2,625.45	5,688.48	68,262
	5	33.6385	2,691.08	5,830.68	69,968
	6	34.4795	2,758.36	5,976.45	71,717
	7	35.3415	2,827.32	6,125.87	73,510
	8	36.2250	2,898.00	6,278.99	75,348
	9	37.1306	2,970.45	6,435.98	77,232
SU095	1	31.9988	2,559.90	5,546.45	66,557
	2	32.7988	2,623.90	5,685.12	68,221
	3	33.6187	2,689.50	5,827.25	69,927
	4	34.4591	2,756.73	5,972.92	71,675
	5	35.3206	2,825.65	6,122.24	73,467
	6	36.2037	2,896.29	6,275.30	75,304
	7	37.1087	2,968.70	6,432.17	77,186
	8	38.0365	3,042.92	6,592.99	79,116
	9	38.9874	3,118.99	6,757.82	81,094

**SUPERVISORS UNIT
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Exhibit 1

Range	Step	Hourly	Bi-weekly	Monthly	Annual
SU096	1	33.5982	2,687.86	5,823.69	69,884
	2	34.4382	2,755.06	5,969.29	71,631
	3	35.2992	2,823.94	6,118.53	73,422
	4	36.1816	2,894.53	6,271.48	75,258
	5	37.0862	2,966.90	6,428.27	77,139
	6	38.0134	3,041.07	6,588.99	79,068
	7	38.9638	3,117.10	6,753.72	81,045
	8	39.9379	3,195.03	6,922.57	83,071
	9	40.9364	3,274.92	7,095.65	85,148
SU097	1	35.2779	2,822.24	6,114.84	73,378
	2	36.1600	2,892.80	6,267.73	75,213
	3	37.0640	2,965.12	6,424.43	77,093
	4	37.9905	3,039.24	6,585.03	79,020
	5	38.9404	3,115.23	6,749.66	80,996
	6	39.9139	3,193.11	6,918.41	83,021
	7	40.9118	3,272.94	7,091.38	85,097
	8	41.9347	3,354.77	7,268.67	87,224
	9	42.9830	3,438.64	7,450.38	89,405
SU098	1	37.0425	2,963.40	6,420.70	77,048
	2	37.9686	3,037.49	6,581.22	78,975
	3	38.9177	3,113.42	6,745.74	80,949
	4	39.8907	3,191.26	6,914.39	82,973
	5	40.8880	3,271.04	7,087.26	85,047
	6	41.9103	3,352.83	7,264.46	87,174
	7	42.9581	3,436.65	7,446.07	89,353
	8	44.0320	3,522.56	7,632.22	91,587
	9	45.1329	3,610.63	7,823.04	93,876
SU099	1	38.8715	3,109.72	6,737.72	80,853
	2	39.8433	3,187.47	6,906.18	82,874
	3	40.8394	3,267.15	7,078.83	84,946
	4	41.8604	3,348.83	7,255.80	87,070
	5	42.9069	3,432.55	7,437.19	89,246
	6	43.9795	3,518.36	7,623.11	91,477
	7	45.0790	3,606.32	7,813.69	93,764
	8	46.2059	3,696.47	8,009.01	96,108
	9	47.3610	3,788.88	8,209.23	98,511

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Exhibit 1

Range	Step	Hourly	Bi-weekly	Monthly	Annual
SU100					
	1	40.8380	3,267.04	7,078.58	84,943
	2	41.8589	3,348.71	7,255.54	87,067
	3	42.9054	3,432.43	7,436.94	89,243
	4	43.9781	3,518.25	7,622.88	91,475
	5	45.0775	3,606.20	7,813.44	93,761
	6	46.2045	3,696.36	8,008.78	96,105
	7	47.3596	3,788.77	8,209.00	98,508
	8	48.5435	3,883.48	8,414.21	100,971
	9	49.7572	3,980.57	8,624.58	103,495
SU101					
	1	42.8800	3,430.40	7,432.53	89,190
	2	43.9519	3,516.15	7,618.33	91,420
	3	45.0506	3,604.05	7,808.78	93,705
	4	46.1770	3,694.16	8,004.02	96,048
	5	47.3315	3,786.52	8,204.12	98,449
	6	48.5147	3,881.18	8,409.22	100,911
	7	49.7276	3,978.21	8,619.45	103,433
	8	50.9707	4,077.66	8,834.92	106,019
	9	52.2450	4,179.60	9,055.80	108,670
SU102					
	1	45.0238	3,601.91	7,804.13	93,650
	2	46.1496	3,691.97	7,999.26	95,991
	3	47.3032	3,784.26	8,199.23	98,391
	4	48.4858	3,878.86	8,404.20	100,850
	5	49.6980	3,975.84	8,614.31	103,372
	6	50.9405	4,075.24	8,829.69	105,956
	7	52.2139	4,177.11	9,050.41	108,605
	8	53.5193	4,281.54	9,276.68	111,320
	9	54.8573	4,388.58	9,508.60	114,103
SU103					
	1	47.2751	3,782.01	8,194.35	98,332
	2	48.4570	3,876.56	8,399.21	100,791
	3	49.6684	3,973.47	8,609.18	103,310
	4	50.9101	4,072.81	8,824.42	105,893
	5	52.1829	4,174.63	9,045.03	108,540
	6	53.4874	4,279.00	9,271.16	111,254
	7	54.8246	4,385.97	9,502.94	114,035
	8	56.1952	4,495.62	9,740.50	116,886
	9	57.6002	4,608.01	9,984.03	119,808

**SUPERVISORS UNIT
SALARY MATRIX
Effective July 1, 2014**

Exhibit 1

<u>Range</u>	<u>Step</u>	<u>Hourly</u>	<u>Bi-weekly</u>	<u>Monthly</u>	<u>Annual</u>
SU104					
	1	49.6389	3,971.11	8,604.07	103,249
	2	50.8799	4,070.39	8,819.18	105,830
	3	52.1518	4,172.14	9,039.65	108,476
	4	53.4557	4,276.46	9,265.66	111,188
	5	54.7920	4,383.36	9,497.28	113,967
	6	56.1618	4,492.94	9,734.71	116,816
	7	57.5658	4,605.27	9,978.08	119,737
	8	59.0049	4,720.39	10,227.52	122,730
	9	60.4802	4,838.42	10,483.24	125,799

**OPERATORS' ASSOCIATION
SALARY MATRIX
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Exhibit 1

CLASSIFICATION TITLE	SALARY RANGE
Operator in Training	OP 088
Operator I	OP 091
Operator II	OP 092
Operator III	OP 094
Operator IV	OP 095
Operator V	OP 095
Operator III - Dual Certification	OP 095
Operator IV - Dual Certification	OP 096
Operator V - Dual Certification	OP 096
Senior Operator III	OP 097
Senior Operator IV	OP 097
Senior Operator V	OP 097
Senior Operator III - Dual Certification	OP 098
Senior Operator IV - Dual Certification	OP 098
Senior Operator V - Dual Certification	OP 098

OPERATORS' ASSOCIATION
SALARY MATRIX
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Exhibit 1

Range	Step	Hourly	Bi-weekly	Monthly	Annual
OP082	1	16.9687	1,357.50	2,941.25	35,295
	2	17.3929	1,391.44	3,014.78	36,177
	3	17.8278	1,426.23	3,090.16	37,082
	4	18.2735	1,461.88	3,167.41	38,009
	5	18.7304	1,498.43	3,246.60	38,959
	6	19.1986	1,535.89	3,327.76	39,933
	7	19.6785	1,574.28	3,410.94	40,931
	8	20.1706	1,613.65	3,496.23	41,955
	9	20.6748	1,653.98	3,583.63	43,004
OP083	1	17.8176	1,425.41	3,088.38	37,061
	2	18.2630	1,461.04	3,165.58	37,987
	3	18.7195	1,497.56	3,244.71	38,936
	4	19.1874	1,535.00	3,325.82	39,910
	5	19.6673	1,573.38	3,408.99	40,908
	6	20.1589	1,612.71	3,494.21	41,930
	7	20.6628	1,653.02	3,581.55	42,979
	8	21.1794	1,694.35	3,671.09	44,053
	9	21.7088	1,736.71	3,762.86	45,154
OP084	1	18.7074	1,496.59	3,242.62	38,911
	2	19.1751	1,534.01	3,323.68	39,884
	3	19.6544	1,572.35	3,406.77	40,881
	4	20.1458	1,611.67	3,491.94	41,903
	5	20.6496	1,651.97	3,579.26	42,951
	6	21.1658	1,693.26	3,668.73	44,025
	7	21.6949	1,735.59	3,760.44	45,125
	8	22.2374	1,778.99	3,854.47	46,254
	9	22.7934	1,823.47	3,950.85	47,410
OP085	1	19.6444	1,571.55	3,405.03	40,860
	2	20.1355	1,610.84	3,490.15	41,882
	3	20.6388	1,651.10	3,577.39	42,929
	4	21.1547	1,692.38	3,666.82	44,002
	5	21.6836	1,734.69	3,758.49	45,102
	6	22.2258	1,778.06	3,852.47	46,230
	7	22.7813	1,822.50	3,948.76	47,385
	8	23.3509	1,868.07	4,047.49	48,570
	9	23.9347	1,914.78	4,148.69	49,784

**OPERATORS' ASSOCIATION
SALARY MATRIX
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Exhibit 1

Range	Step	Hourly	Bi-weekly	Monthly	Annual
OP086	1	20.6256	1,650.05	3,575.11	42,901
	2	21.1412	1,691.30	3,664.48	43,974
	3	21.6698	1,733.58	3,756.09	45,073
	4	22.2115	1,776.92	3,849.99	46,200
	5	22.7668	1,821.34	3,946.24	47,355
	6	23.3360	1,866.88	4,044.90	48,539
	7	23.9193	1,913.55	4,146.01	49,752
	8	24.5173	1,961.38	4,249.66	50,996
	9	25.1301	2,010.41	4,355.89	52,271
OP087	1	21.6570	1,732.56	3,753.89	45,047
	2	22.1985	1,775.88	3,847.74	46,173
	3	22.7534	1,820.27	3,943.92	47,327
	4	23.3222	1,865.78	4,042.52	48,510
	5	23.9054	1,912.43	4,143.60	49,723
	6	24.5030	1,960.24	4,247.19	50,966
	7	25.1155	2,009.24	4,353.35	52,240
	8	25.7434	2,059.47	4,462.19	53,546
	9	26.3871	2,110.97	4,573.76	54,885
OP088	1	22.7396	1,819.16	3,941.52	47,298
	2	23.3080	1,864.64	4,040.06	48,481
	3	23.8906	1,911.25	4,141.04	49,692
	4	24.4879	1,959.03	4,244.57	50,935
	5	25.1001	2,008.01	4,350.68	52,208
	6	25.7277	2,058.21	4,459.46	53,514
	7	26.3708	2,109.66	4,570.94	54,851
	8	27.0301	2,162.41	4,685.22	56,223
	9	27.7059	2,216.47	4,802.35	57,628
OP089	1	23.8767	1,910.13	4,138.62	49,663
	2	24.4735	1,957.88	4,242.08	50,905
	3	25.0855	2,006.84	4,348.15	52,178
	4	25.7126	2,057.01	4,456.85	53,482
	5	26.3554	2,108.43	4,568.26	54,819
	6	27.0143	2,161.15	4,682.49	56,190
	7	27.6898	2,215.18	4,799.56	57,595
	8	28.3820	2,270.56	4,919.54	59,034
	9	29.0915	2,327.32	5,042.52	60,510

OPERATORS' ASSOCIATION
SALARY MATRIX
Effective July 1, 2014

Exhibit 1

Range	Step	Hourly	Bi-weekly	Monthly	Annual
OP090	1	25.0712	2,005.69	4,345.67	52,148
	2	25.6980	2,055.84	4,454.31	53,452
	3	26.3404	2,107.23	4,565.67	54,788
	4	26.9989	2,159.91	4,679.81	56,158
	5	27.6739	2,213.91	4,796.81	57,562
	6	28.3657	2,269.26	4,916.73	59,001
	7	29.0748	2,325.99	5,039.64	60,476
	8	29.8017	2,384.13	5,165.62	61,987
	9	30.5468	2,443.74	5,294.77	63,537
OP091	1	26.3233	2,105.86	4,562.70	54,752
	2	26.9814	2,158.51	4,676.77	56,121
	3	27.6560	2,212.48	4,793.71	57,524
	4	28.3474	2,267.79	4,913.55	58,963
	5	29.0560	2,324.48	5,036.38	60,437
	6	29.7824	2,382.59	5,162.29	61,947
	7	30.5271	2,442.17	5,291.36	63,496
	8	31.2902	2,503.21	5,423.63	65,084
	9	32.0725	2,565.80	5,559.23	66,711
OP092	1	27.6405	2,211.24	4,791.01	57,492
	2	28.3315	2,266.52	4,910.80	58,930
	3	29.0398	2,323.19	5,033.57	60,403
	4	29.7659	2,381.27	5,159.42	61,913
	5	30.5100	2,440.80	5,288.39	63,461
	6	31.2728	2,501.83	5,420.62	65,047
	7	32.0546	2,564.37	5,556.13	66,674
	8	32.8561	2,628.49	5,695.05	68,341
	9	33.6774	2,694.19	5,837.41	70,049
OP093	1	29.0218	2,321.74	5,030.45	60,365
	2	29.7474	2,379.79	5,156.22	61,875
	3	30.4912	2,439.29	5,285.13	63,422
	4	31.2534	2,500.27	5,417.25	65,007
	5	32.0347	2,562.77	5,552.68	66,632
	6	32.8355	2,626.84	5,691.48	68,298
	7	33.6564	2,692.51	5,833.78	70,005
	8	34.4977	2,759.82	5,979.61	71,755
	9	35.3603	2,828.83	6,129.12	73,549

**OPERATORS' ASSOCIATION
SALARY MATRIX
Effective July 1, 2014**

Exhibit 1

Range	Step	Hourly	Bi-weekly	Monthly	Annual
OP094	1	30.4732	2,437.85	5,282.01	63,384
	2	31.2350	2,498.80	5,414.07	64,969
	3	32.0159	2,561.27	5,549.42	66,593
	4	32.8162	2,625.30	5,688.15	68,258
	5	33.6367	2,690.94	5,830.37	69,964
	6	34.4776	2,758.21	5,976.12	71,713
	7	35.3395	2,827.16	6,125.52	73,506
	8	36.2230	2,897.84	6,278.66	75,344
	9	37.1286	2,970.29	6,435.63	77,228
OP095	1	31.9968	2,559.74	5,546.10	66,553
	2	32.7967	2,623.73	5,684.75	68,217
	3	33.6166	2,689.33	5,826.87	69,922
	4	34.4571	2,756.57	5,972.57	71,671
	5	35.3186	2,825.49	6,121.89	73,463
	6	36.2015	2,896.12	6,274.93	75,299
	7	37.1067	2,968.53	6,431.82	77,182
	8	38.0343	3,042.75	6,592.62	79,111
	9	38.9851	3,118.81	6,757.43	81,089
OP096	1	33.5966	2,687.72	5,823.40	69,881
	2	34.4365	2,754.92	5,969.00	71,628
	3	35.2973	2,823.78	6,118.20	73,418
	4	36.1798	2,894.39	6,271.17	75,254
	5	37.0843	2,966.74	6,427.94	77,135
	6	38.0114	3,040.91	6,588.64	79,064
	7	38.9616	3,116.93	6,753.35	81,040
	8	39.9356	3,194.85	6,922.18	83,066
	9	40.9340	3,274.72	7,095.22	85,143
OP097	1	35.2761	2,822.09	6,114.53	73,374
	2	36.1580	2,892.64	6,267.38	75,209
	3	37.0620	2,964.96	6,424.08	77,089
	4	37.9886	3,039.09	6,584.69	79,016
	5	38.9383	3,115.07	6,749.31	80,992
	6	39.9117	3,192.93	6,918.02	83,016
	7	40.9095	3,272.76	7,090.99	85,092
	8	41.9322	3,354.57	7,268.24	87,219
	9	42.9806	3,438.45	7,449.97	89,400

**OPERATORS' ASSOCIATION
SALARY MATRIX
Effective July 1, 2014**

Exhibit 1

Range	Step	Hourly	Bi-weekly	Monthly	Annual
OP098	1	37.0403	2,963.22	6,420.31	77,044
	2	37.9663	3,037.31	6,580.83	78,970
	3	38.9156	3,113.25	6,745.37	80,944
	4	39.8884	3,191.07	6,913.98	82,968
	5	40.8856	3,270.85	7,086.83	85,042
	6	41.9078	3,352.62	7,264.01	87,168
	7	42.9555	3,436.44	7,445.62	89,347
	8	44.0293	3,522.35	7,631.75	91,581
	9	45.1301	3,610.41	7,822.55	93,871
OP099	1	38.8694	3,109.56	6,737.37	80,848
	2	39.8411	3,187.29	6,905.79	82,869
	3	40.8372	3,266.97	7,078.44	84,941
	4	41.8581	3,348.65	7,255.41	87,065
	5	42.9046	3,432.37	7,436.80	89,242
	6	43.9772	3,518.18	7,622.72	91,473
	7	45.0766	3,606.13	7,813.28	93,759
	8	46.2036	3,696.29	8,008.62	96,103
	9	47.3587	3,788.70	8,208.84	98,506
OP100	1	40.8130	3,265.04	7,074.26	84,891
	2	41.8332	3,346.66	7,251.09	87,013
	3	42.8790	3,430.32	7,432.37	89,188
	4	43.9510	3,516.08	7,618.18	91,418
	5	45.0497	3,603.98	7,808.62	93,703
	6	46.1760	3,694.08	8,003.84	96,046
	7	47.3305	3,786.44	8,203.95	98,447
	8	48.5137	3,881.10	8,409.04	100,908
	9	49.7265	3,978.12	8,619.26	103,431

RESOLUTION NO. 2014-5-13

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND
EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY,
CALIFORNIA, APPROVING THE AMENDMENT OF THE
UNREPRESENTED SALARY SCHEDULE/MATRIX**

WHEREAS, the Agency has compensation changes for the Unrepresented Employees as a result of an agreed upon Cost of Living Adjustment (COLA) , and

WHEREAS, the Agency now desires to update the salary and classification information to comply with the California Code of Regulations (CCR) §570.5, and

NOW, THEREFORE, the Board of Directors of the Inland Empire Utilities Agency* does hereby RESOLVE, DETERMINE AND ORDER as follows:

SECTION 1: The Unrepresented salary schedule/matrix is hereby adopted and set forth in Exhibit "1" of this resolution.

SECTION 2: The salary information contained in Exhibit "1" shall be effective as of July 1, 2014.

ADOPTED the 21st day of May, 2014.

Terry Catlin
President of the Inland Empire
Utilities Agency* and of the
Board of Directors thereof

ATTEST:

Steven J. Elie
Secretary/Treasurer of the Inland Empire
Utilities Agency* and of the
Board of Directors thereof

*A Municipal Water District

STATE OF CALIFORNIA)
COUNTY OF) SS
SAN BERNARDINO)

I, Steven J. Elie, Secretary/Treasurer of the Inland Empire Utilities Agency*, DO
HEREBY CERTIFY that the foregoing Resolution being No. 2014-5-13, was adopted at a
regular Board Meeting on May 21, 2014, of said Agency by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Steven J. Elie
Secretary/Treasurer

RESOLUTION NO. 2014-5-14

RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, APPROVING THE AMENDMENT OF THE EXECUTIVE MANAGEMENT SALARY SCHEDULE/MATRIX

WHEREAS, the Agency has compensation changes for the Executive Management Employees as a result of an agreed upon Cost of Living Adjustment (COLA) , and

WHEREAS, the Agency now desires to update the salary and classification information to comply with the California Code of Regulations (CCR) §570.5, and

NOW, THEREFORE, the Board of Directors of the Inland Empire Utilities Agency* does hereby RESOLVE, DETERMINE AND ORDER as follows:

SECTION 1: The Executive Management salary schedule/matrix is hereby adopted and set forth in Exhibit "1" of this resolution.

SECTION 2: The salary information contained in Exhibit "1" shall be effective as of July 1, 2014.

ADOPTED the 21st day of May, 2014.

Terry Catlin
President of the Inland Empire
Utilities Agency* and of the
Board of Directors thereof

ATTEST:

Steven J. Elie
Secretary/Treasurer of the Inland Empire
Utilities Agency* and of the
Board of Directors thereof

*A Municipal Water District

STATE OF CALIFORNIA)
COUNTY OF) SS
SAN BERNARDINO)

I, Steven J. Elie, Secretary/Treasurer of the Inland Empire Utilities Agency*, DO
HEREBY CERTIFY that the foregoing Resolution being No. 2014-5-14, was adopted at a
regular Board Meeting on May 21, 2014, of said Agency by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Steven J. Elie
Secretary/Treasurer

RESOLUTION NO. 2014-5-15

RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, APPROVING THE AMENDMENT OF THE LABORATORY SALARY SCHEDULE/MATRIX

WHEREAS, the Agency has compensation changes for the Laboratory Employees as a result of an agreed upon Cost of Living Adjustment (COLA), and

WHEREAS, the Agency now desires to update the salary and classification information to comply with the California Code of Regulations (CCR) §570.5, and

NOW, THEREFORE, the Board of Directors of the Inland Empire Utilities Agency* does hereby RESOLVE, DETERMINE AND ORDER as follows:

SECTION 1: The Laboratory salary schedule/matrix is hereby adopted and set forth in Exhibit "1" of this resolution.

SECTION 2: The salary information contained in Exhibit "1" shall be effective as of July 1, 2014.

ADOPTED the 21st day of May, 2014.

Terry Catlin
President of the Inland Empire
Utilities Agency* and of the
Board of Directors thereof

ATTEST:

Steven J. Elie
Secretary/Treasurer of the Inland Empire
Utilities Agency* and of the
Board of Directors thereof

*A Municipal Water District

STATE OF CALIFORNIA)
COUNTY OF) SS
SAN BERNARDINO)

I, Steven J. Elie, Secretary/Treasurer of the Inland Empire Utilities Agency*, DO
HEREBY CERTIFY that the foregoing Resolution being No. 2014-5-15, was adopted at a
regular Board Meeting on May 21, 2014, of said Agency by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Steven J. Elie
Secretary/Treasurer

RESOLUTION NO. 2014-5-16

RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, APPROVING THE AMENDMENT OF THE GENERAL SALARY SCHEDULE/MATRIX

WHEREAS, the Agency has compensation changes for the General Employees as a result of an agreed upon Cost of Living Adjustment (COLA), and

WHEREAS, the Agency now desires to update the salary and classification information to comply with the California Code of Regulations (CCR) §570.5, and

NOW, THEREFORE, the Board of Directors of the Inland Empire Utilities Agency* does hereby RESOLVE, DETERMINE AND ORDER as follows:

SECTION 1: The General salary schedule/matrix is hereby adopted and set forth in Exhibit "1" of this resolution.

SECTION 2: The salary information contained in Exhibit "1" shall be effective as of July 1, 2014.

ADOPTED the 21st day of May, 2014.

Terry Catlin
President of the Inland Empire
Utilities Agency* and of the
Board of Directors thereof

ATTEST:

Steven J. Elie
Secretary/Treasurer of the Inland Empire
Utilities Agency* and of the
Board of Directors thereof

*A Municipal Water District

STATE OF CALIFORNIA)
COUNTY OF) SS
SAN BERNARDINO)

I, Steven J. Elie, Secretary/Treasurer of the Inland Empire Utilities Agency*, DO
HEREBY CERTIFY that the foregoing Resolution being No. 2014-5-16, was adopted at a
regular Board Meeting on May 21, 2014, of said Agency by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Steven J. Elie
Secretary/Treasurer

RESOLUTION NO. 2014-5-17

RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, APPROVING THE AMENDMENT OF THE PROFESSIONAL SALARY SCHEDULE/MATRIX

WHEREAS, the Agency has compensation changes for the Professional Employees as a result of an agreed upon Cost of Living Adjustment (COLA), and

WHEREAS, the Agency now desires to update the salary and classification information to comply with the California Code of Regulations (CCR) §570.5, and

NOW, THEREFORE, the Board of Directors of the Inland Empire Utilities Agency* does hereby RESOLVE, DETERMINE AND ORDER as follows:

SECTION 1: The Professional salary schedule/matrix is hereby adopted and set forth in Exhibit "1" of this resolution.

SECTION 2: The salary information contained in Exhibit "1" shall be effective as of July 1, 2014.

ADOPTED the 21st day of May, 2014.

Terry Catlin
President of the Inland Empire
Utilities Agency* and of the
Board of Directors thereof

ATTEST:

Steven J. Elie
Secretary/Treasurer of the Inland Empire
Utilities Agency* and of the
Board of Directors thereof

*A Municipal Water District

STATE OF CALIFORNIA)
COUNTY OF) SS
SAN BERNARDINO)

I, Steven J. Elie, Secretary/Treasurer of the Inland Empire Utilities Agency*, DO
HEREBY CERTIFY that the foregoing Resolution being No. 2014-5-17, was adopted at a
regular Board Meeting on May 21, 2014, of said Agency by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Steven J. Elie
Secretary/Treasurer

RESOLUTION NO. 2014-5-18

RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, APPROVING THE AMENDMENT OF THE SUPERVISORS' SALARY SCHEDULE/MATRIX

WHEREAS, the Agency has compensation changes for the Supervisors' Employees as a result of an agreed upon Cost of Living Adjustment (COLA), and

WHEREAS, the Agency now desires to update the salary and classification information to comply with the California Code of Regulations (CCR) §570.5, and

NOW, THEREFORE, the Board of Directors of the Inland Empire Utilities Agency* does hereby RESOLVE, DETERMINE AND ORDER as follows:

SECTION 1: The Supervisors' salary schedule/matrix is hereby adopted and set forth in Exhibit "1" of this resolution.

SECTION 2: The salary information contained in Exhibit "1" shall be effective as of July 1, 2014.

ADOPTED the 21st day of May, 2014.

Terry Catlin
President of the Inland Empire
Utilities Agency* and of the
Board of Directors thereof

ATTEST:

Steven J. Elie
Secretary/Treasurer of the Inland Empire
Utilities Agency* and of the
Board of Directors thereof

*A Municipal Water District

STATE OF CALIFORNIA)
COUNTY OF) SS
SAN BERNARDINO)

I, Steven J. Elie, Secretary/Treasurer of the Inland Empire Utilities Agency*, DO
HEREBY CERTIFY that the foregoing Resolution being No. 2014-5-18, was adopted at a
regular Board Meeting on May 21, 2014, of said Agency by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Steven J. Elie
Secretary/Treasurer

RESOLUTION NO. 2014-5-19

RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, APPROVING THE AMENDMENT OF THE OPERATORS' SALARY SCHEDULE/MATRIX

WHEREAS, the Agency has compensation changes for the Operators' Employees as a result of an agreed upon Cost of Living Adjustment (COLA), and

WHEREAS, the Agency now desires to update the salary and classification information to comply with the California Code of Regulations (CCR) §570.5, and

NOW, THEREFORE, the Board of Directors of the Inland Empire Utilities Agency* does hereby RESOLVE, DETERMINE AND ORDER as follows:

SECTION 1: The Operators' salary schedule/matrix is hereby adopted and set forth in Exhibit "1" of this resolution.

SECTION 2: The salary information contained in Exhibit "1" shall be effective as of July 1, 2014.

ADOPTED the 21st day of May, 2014.

Terry Catlin
President of the Inland Empire
Utilities Agency* and of the
Board of Directors thereof

ATTEST:

Steven J. Elie
Secretary/Treasurer of the Inland Empire
Utilities Agency* and of the
Board of Directors thereof

*A Municipal Water District

STATE OF CALIFORNIA)
COUNTY OF) SS
SAN BERNARDINO)

I, Steven J. Elie, Secretary/Treasurer of the Inland Empire Utilities Agency*, DO
HEREBY CERTIFY that the foregoing Resolution being No. 2014-5-19, was adopted at a
regular Board Meeting on May 21, 2014, of said Agency by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:


Steven J. Elie
Secretary/Treasurer


**CONSENT
CALENDAR
ITEM**


2J


Date: May 21, 2014

To: The Honorable Board of Directors

Through:  Finance, Legal, and Administration Committee (05/14/14)

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: Disclosure Procedures Policy

RECOMMENDATION

It is recommended the Board of Directors adopt the Disclosure Procedures Policy to ensure that the Agency continues to comply with all applicable disclosure obligations and requirements under the federal securities laws.

BACKGROUND

The purpose of this Disclosure Procedures Policy (the "Policy") is to memorialize and communicate procedures in connection with obligations, including notes, bonds and certificates of participation, issued by the Inland Empire Utilities Agency (the "Agency") so as to ensure that the Agency continues to comply with all applicable disclosure obligations and requirements under the federal securities laws.

In offering Obligations to the public, including those issued through the Chino Basin Regional Financing Authority (Authority), and at other times when the Agency makes certain reports, the Agency must comply with the "anti-fraud rules" of federal securities laws. Statements by the Agency to investors, or potential investors, and even statements to the public generally, if likely to be heard and relied upon by the securities market, as subject to "Anti-fraud rules" (Section 17 of the Securities Act of 1933 and Section 10(b) of the Securities and Exchange Act of 1934, and regulations adopted by the Securities and Exchange Commission (SEC) under those Acts, particularly "Rule 10b-5" under the 1934 Act). These laws and regulations are designed to ensure that parties buying or selling securities have access to the information necessary to make an informed investment decision.

In recent years, the SEC has made numerous public pronouncements and created an enforcement group that has led to a series of high-profile investigations, some of which have resulted in enforcement actions, (including the imposition of fines) against municipal issues and staff members. All of these actions are indicative of the SECs' increasing interest in perceived shortcomings in municipal disclosure practices.

Inadequate disclosure practices can lead to such outcomes or consequences as: investigation by the SEC, local attorney or the U.S. Justice Department, imposition of fines or penalties, civil law suits for damages, substantial out-of-pocket costs to defend against government or private investigations or suits, harm to an issuer's reputation and investor confidence, inability to obtain timely audit reports, lack of access to public securities markets and rating agency downgrades.

The SEC has recently announced an initiative to encourage issuers and underwriters of municipal bonds to self-report materially inaccurate statements made in official statements relating to past compliance with continuing disclosure obligations.

Under the Municipalities Continuing Disclosure Cooperation Initiative (the "MCDC Initiative"), the SEC's Enforcement Division will recommend that the SEC enter into settlement agreements in which issuers who self-report materially inaccurate statements: (i) neither admit nor deny any charges; (ii) pay no civil penalties; and (iii) are not subject to a cease and desist order. The MCDC Initiative has a short window for self-reporting ending on September 10, 2014. The MCDC Initiative is available to both issuers and underwriters, creating the possibility that one party will self-report and the other will not with respect to the same official statement.

In connection with the issuance of Obligations, the Agency has executed a number of contractual agreements ("Continuing Disclosure Certificates") to provide annual reports related to the financial condition of the Agency (including audited financial statements) as well as notice of certain events related to the Obligations specified in the Continuing Disclosure Certificates. To date Agency has complied with disclosure requirements for all Obligations, and there is no need to self-report under the MCDC Initiative.

The proposed Policy is intended to ensure the Agency continues to comply with all applicable disclosure obligations and requirements under the federal securities laws. In late January 2014, Doug Brown from Stradling Yocca Carlson & Rauth, the Agency's bond counsel, facilitated training for the Agency's key staff on the SEC laws, importance of the OS updates, and disclosures requirements. Attached is the presentation for your reference.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

None.

INLAND EMPIRE UTILITIES AGENCY

DISCLOSURE PROCEDURES POLICY

PURPOSE

The purpose of this Disclosure Procedures Policy (the “Policy”) is to memorialize and communicate procedures in connection with obligations, including notes, bonds and certificates of participation, issued by the Inland Empire Utilities Agency (the “Agency”) so as to ensure that the Agency continues to comply with all applicable disclosure obligations and requirements under the federal securities laws.

BACKGROUND

The Agency from time to time issues certificates of participation, revenue bonds, notes or other obligations (collectively, “Obligations”) in order to fund or refund capital investments, other long-term programs and working capital needs. Such obligations typically issued through the Chino Basin Regional Financing Authority (the “Authority”), although certain Obligations are incurred directly by the Agency. In offering Obligations to the public, and at other times when the Agency makes certain reports, the Agency must comply with the “anti-fraud rules” of federal securities laws. (“Anti-fraud rules” refers to Section 17 of the Securities Act of 1933 and Section 10(b) of the Securities and Exchange Act of 1934, and regulations adopted by the Securities and Exchange Commission under those Acts, particularly “Rule 10b-5” under the 1934 Act.)

The core requirement of these rules is that potential investors in Obligations must be provided with all “material” information relating to the offered Obligations. The information provided to investors must not contain any material misstatements, and the Agency and the Authority must not omit material information which would be necessary to provide to investors a complete and transparent description of the Obligations and the Agency’s financial condition. In the context of the sale of securities, a fact is considered to be “material” if there is a substantial likelihood that a reasonable investor would consider it to be important in determining whether or not to purchase the securities being offered.

When the Agency or Authority issues Obligations, the two central disclosure documents which are prepared are a preliminary official statement (“POS”) and a final official statement (“OS”, and collectively with the POS, “Official Statement”). The Official Statement generally consists of (i) the forepart (which describes the specific transaction including maturity dates, interest rates, redemption provisions, the specific type of financing, the leased premises (in certificate of participation financings) and other matters particular to the financing, (ii) a section which provides information on the Agency, including its financial condition as well as certain operating information (“Agency Section”), and (iii) various other appendices, including the Agency’s audited financial report, form of the proposed legal opinion, and form of continuing disclosure undertaking. Investors use the Official Statement as one of their primary resources for making informed investment decisions regarding the Obligations.

DISCLOSURE PROCESS

When the Agency determines to issue Obligations directly or through the Authority, the Agency Chief Financial Officer requests the involved departments to commence preparation of the portions of the Official Statement (including particularly the Agency Section) for which they are responsible. While the general format and content of the Official Statement does not normally change substantially from offering to offering, except as necessary to reflect major events, the Agency Chief Financial Officer is responsible for reviewing and preparing or updating certain portions of the Agency Section which are within their

particular area of knowledge. Once the Official Statement has been substantially updated, the entire Official Statement is shared with the General Manager for review and input. Additionally, all participants in the disclosure process are separately responsible for reviewing the entire Official Statement.

Members of the financing team, including the Bond Counsel and the Agency's Financial Advisor with respect to the Obligations, assist staff in determining the materiality of any particular item, and in the development of specific language in the Agency Section. Members of the financing team also assist the Agency in the development of a "big picture" overview of the Agency's financial condition, included in the Agency section. This overview highlights particular areas of concern. Bond Counsel has a confidential, attorney-client relationship with officials and staff of the Agency and the Authority.

The Chief Financial Officer or a member of the financing team at the direction thereof schedules one or more meetings or conference calls of the financing team (which includes Agency officials, Bond Counsel, the Agency's Financial Advisor, the underwriter of the Obligations, and the underwriter's counsel), and new drafts of the forepart of the Official Statement and the Agency Section are circulated and discussed. Such communications may occur via electronic means rather than by meetings or conference calls. During this part of the process, there is substantial contact among Agency staff and other members of the financing team to discuss issues which may arise determine the materiality of particular items and ascertain the prominence in which the items should be disclosed.

Prior to distributing a POS to potential investors, there is typically a formal conference call which includes Agency officials involved in the preparation of the POS, members of the financing team and the underwriters and the underwriter's counsel, during which the Official Statement is reviewed in its entirety to obtain final comments and to allow the underwriters to ask questions of the Agency's senior officials. This is referred to as a "due diligence" meeting.

A substantially final form of the POS is provided to the Authority and Agency Boards of Directors in advance of approval to afford the Boards of Directors an opportunity to review the POS, ask questions and make comments. The substantially final form of the POS is approved by the Boards of Directors which generally authorizes certain senior staff to make additional corrections, changes and updates to the POS in consultation with General Counsel and Bond Counsel.

At the time the POS is posted for review by potential investors, senior Agency and Authority officials execute certificates deeming certain portions of the POS complete (except for certain pricing terms) as required by SEC Rule 15c2-12.

Between the posting of the POS for review by potential investors and delivery of the final OS to the underwriter for redelivery to actual investors in the Obligations, any changes and developments will have been incorporated into the POS, including particularly the Agency Section, if required. If necessary to reflect developments following publication of the POS or OS, as applicable, supplements will be prepared and published.

In connection with the closing of the transaction, one or more senior Agency and Authority officials execute certificates stating that certain portions of the Official Statement, as of the date of each OS and as of the date of closing, does not contain any untrue statement of material fact or omit to state any material fact necessary to make the statements contained in the Official Statement in light of the circumstances under which they were made, not misleading. General Counsel also provides an opinion letter advising the Obligations underwriters that information contained in the section of the Official Statement relating to the Agency and the Authority and its operations (or specified portions thereof) as of its date did not, and as of the date of the closing, does not contain any untrue statement of a material fact

or omitted or omits to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. General Counsel does not approve to any financial, statistical, economic or demographic data or forecasts, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, and certain other customary matters.

AGENCY SECTION

The information contained in the Agency Section is developed by personnel under the direction of the Chief Financial Officer, with the assistance of the financing team. In certain circumstances, additional officials will be involved, as necessary. The following principles govern the work of the respective staffs that contribute information to the Agency Section:

- Agency staff involved in the disclosure process is responsible for being familiar with its responsibilities under federal securities laws as described above.
- Agency staff involved in the disclosure process should err on the side of raising issues when preparing or reviewing information for disclosure. Officials and staff are encouraged to consult General Counsel, Bond Counsel or members of the financing team if there are questions regarding whether an issue is material or not.
- Care should be taken not to shortcut or eliminate any steps outlined in the Procedures on an ad hoc basis. However, the Procedures are not necessarily intended to be a rigid list of procedural requirements, but instead to provide guidelines for disclosure review. If warranted, based on experience during financings or because of additional SEC pronouncements or other reasons, the Agency should consider revisions to the Procedures.
- The process of updating the Agency Section from transaction to transaction should not be viewed as being limited to updating tables and numerical information. While it is not anticipated that there will be major changes in the form and content of the Agency Section at the time of each update, everyone involved in the process should consider the need for revisions in the form, content and tone of the sections for which they are responsible at the time of each update.
- The Agency must make sure that the staff involved in the disclosure process is of sufficient seniority such that it is reasonable to believe that, collectively, they are in possession of material information relating to the Agency, its operations and its finances.

TRAINING

Periodic training for the staff involved in the preparation of the Official Statement (including the Agency Section) is coordinated by the finance team and the Chief Financial Officer. These training sessions are provided to assist staff members involved in identifying relevant disclosure information to be included in the Agency Section. The training sessions also provide an overview of federal laws relating to disclosure, situations in which disclosure rules apply, the purpose of the Official Statement and the Agency Section, a description of previous SEC enforcement actions and a discussion of recent developments in the area of municipal disclosure. Attendees at the training sessions are provided the opportunity to ask questions of finance team members, including Bond Counsel concerning disclosure obligations and are encouraged to contact members of the finance team at any time if they have questions.

ANNUAL CONTINUING DISCLOSURE REQUIREMENTS

In connection with the issuance of Obligations, the Agency has entered into a number of contractual agreements (“Continuing Disclosure Certificates”) to provide annual reports related to its financial condition (including its audited financial statements) as well as notice of certain events relating to the Obligations specified in the Continuing Disclosure Certificates. The Agency must comply with the specific requirements of each Continuing Disclosure Agreement. The Agency’s Continuing Disclosure Certificates generally require that the annual reports be filed within 270 days after the end of the Agency’s fiscal year, and event notices are generally required to be filed within 10 days of their occurrence.

Specific events which require “material event” notices are set forth in each particular Continuing Disclosure Certificate.

The Chief Financial Officer shall be responsible for preparing and filing the annual reports and material event notices required pursuant to the Continuing Disclosure Certificates. Particular care shall be paid to the timely filing of any changes in credit ratings on Obligations (including changes resulting from changes in the credit ratings of insurers of particular Obligations).



Presentation to Inland Empire Utilities Agency

Disclosure Responsibilities Under the Federal Securities Laws

**Presented by:
Doug Brown**

Why Is Disclosure Necessary?

- The Agency issues securities in the public capital markets
- Investors in municipal securities have rights under federal securities laws
- All “material” information must be disclosed

The Securities Act Of 1933

- **1933 Act has two substantive rules:**
 - Registration requirement
 - Antifraud rule
- **Municipal securities are exempt from the registration requirement, but are subject to antifraud rule**

Securities Exchange Act Of 1934

Rule 10b-5

- **1934 Act creates ongoing disclosure requirements for public companies**
- **Regulates brokers and dealers**
- **Also contains antifraud provisions**
- **1975 amendments to 1934 Act made it clear that antifraud provisions apply to government issuers**

Rule 10b5

“It shall be unlawful for any person . . .

- a) To employ any device, scheme or artifice to defraud,**
- b) To make any untrue statement of a material fact or to omit to state a *material* fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading”**

The “Materiality” Standard

- “[w]hether or not there is a substantial likelihood that a reasonable investor or prospective investor would consider the information important in deciding whether or not to invest.”
- Materiality is determined in context of all the facts and circumstances, but usually on a retroactive basis
- Guidance comes primarily from court decisions and SEC enforcement cases

Levels Of Culpability

- **Negligence**
- **Recklessness**
- **Intent to defraud (“scienter”)**

What Should Be Disclosed?

- Unlike corporate securities, there is no “line item” set of rules for what goes into an Official Statement (“OS”)
- Starting in 1975, leaders in municipal market created a set of Guidelines for O.S. content
- Other groups have suggested disclosure for particular market segments
- Look at practices in the industry; recent developments (e.g. New Jersey, Pension, Continuing Disclosure Compliance)
- In the end, the Agency must use its own good judgment

When Do Disclosure Rules Apply?

- New offerings
- Annual Report under Rule 15c2-12
- Any other circumstance where an Issuer is “speaking to the market”
 - At this time, securities law does not impose a requirement to update or correct any statement previously made, if there is no other reason to be making a statement to the market

Content of Annual Reports

- Audited Financial Reports
- Information (i.e. tables) identified in Continuing Disclosure Undertaking
- Additional voluntary information
- Consider Rule 10b5 implications – is there more you should be saying?
- Has anything happened since the date of the audited financial reports that has materially impacted your financial condition?

Investor Communications

- No obligation to do it
- Tension between market (and SEC) desire for transparency, and potential issuer liability
- No corollary to Regulation FD (requiring public companies to disseminate specified information which it provides to any investor)
- Establish a single point of contact
- Consider voluntary dissemination of information provided to specific investors

Speeches/Presentations

- May be “speaking to the market”
- Has to be an official with responsibility for such disclosures
- Should not include statements made in other, non market-driven context

Agency Disclosure

- **Official Statement is offering document to investors**
 - equivalent to prospectus
- **Must contain all material information for the particular bond sale**
- **Official Statement is the Agency's document**
- **Underwriters, financial advisers and lawyers can help develop the Official Statement but the Agency is ultimately responsible for content**

Disclosure Principles

- **Broad description of Agency's financial and economic condition**
- **Description of budget process, major revenue sources and expenditure programs**
- **Information on recent and current budgets – “structural” deficit?**
- **Information on debt – types and amounts**
- **Information on derivatives**
- **Litigation**

Disclosure Principles – (cont.)

- **Provide main points but do not overwhelm readers with detail**
- **Highlight important developments “up front”**
- **Determine appropriate level of importance for any particular event or budgetary item**
- **Bringing all these factors together into final product is ongoing process of give and take**

Timing Considerations For Bond Sale

- Progression of an offering
 - POS/sale/final OS/closing
- Supplements are possible
 - Very rare and may be disruptive after sale
- Be mindful of public actions or releases likely to occur

Process

- **Input from involved departments;**
- **Empower staff at all levels;**
- **Agency coordinates;**
Counsel helps pull information together and maintains document
- **Drafts reviewed by working group**
- **“Due diligence” meeting before distribution of Preliminary Official Statement**

Current Hot Topics

- **Pace of recovery from recession**
- **Status of fund balance and reserves**
- **Expected increases in retirement related payments; unfunded liabilities (pension and OPEB)**
- **Potential effect of new GASB standards**
- **Derivative exposure**

Disclosure Considerations

- Tomorrow's "hot topic" may be different than today's
- Disclosure must evolve to reflect changing circumstances
- Read the disclosure with "fresh eyes"
- If you think something may be a concern, raise the issue with colleagues and the working group
- There are no "stupid questions"
- Political sensitivity and confidentiality considerations are not exceptions to disclosure

What Can Go Wrong? – Major Prior Enforcement Actions

- Orange County – (Board approved Official Statements without review. Failed to disclose risk of pool investments.)
 - Board that authorizes securities is responsible for disclosure
 - Reliance on professionals must be reasonable

What Can Go Wrong? – (cont.)

- **San Diego (City voluntarily files secondary market disclosure on pension and retiree healthcare liability and errors in financial statements.)**
 - Conclusions from review:
 - “the City’s procedures, policies and practices for disclosure and financial reporting are inadequate in major respects. Undermining the reliability of its public disclosure have been, among other factors, the (1) the City’s excessive reliance on outside professionals to generate its disclosure documents, (2) its lack of procedures to verify the accuracy of those documents and (3) the absence of high-level oversight to judge the clarity and completeness of information provided to the investment markets.”

Recent Enforcement Actions

- **West Clark Community Schools Agency (Indiana)** – The SEC charged that the Agency included fraudulent misstatement in a 2007 Official Statement when it stated that it was in compliance with its disclosure obligations related to prior bond offerings. However, the Agency had not submitted any of the required annual reports or notices for a previous 2005 bond offering, and the underwriter did not conduct adequate due diligence with respect to continuing disclosure compliance. (The Agency entered into consent order to settle the charges.)
- **City of Harrisburg (Pennsylvania)** – The SEC charged the City with securities fraud based on material misstatements in budget documents, audited financial reports and public statements. Generally SEC actions are based on Officials Statements or continuing disclosure filings, however the SEC stated that, since the City failed to make required annual disclosure filings, investors were forced to rely on the public documents and statements. (The City entered into a consent order to settle the charges.)

Recent Enforcement Actions – (cont.)

- **City of Miami (Florida)** – The SEC charged the City and its Budget Director with making materially false and misleading statements and omissions to investors and rating agencies about certain interfund transfers in bond offerings and in the city’s audited financial reports. SEC Report: “[the Budget Director] orchestrated the transfers from the city’s Capital Improvement Fund to its General Fund in order to mask increasing deficits in the General Fund, which is viewed by investors and bond rating agencies as a key indicator of financial health.” (The City is contesting the charges.)
- **City of South Miami (Florida)** – The SEC charged the City with making material misstatements in documents provided to the issuer of bonds to finance a City project, which the issuer relied on in connection with the issuance of the bonds. The misrepresentations related to the City’s compliance with various tax requirements, and were not specifically contained in the Official Statement for the bonds. (The City entered into a consent order to settle the charges.)

Recent Enforcement Actions–

(cont.)

- **City of Victorville (California)** – The SEC charged the City with securities fraud in connection with a 2008 bond offering, by utilizing inflated values relating to property securing the bonds. The SEC charged that the City and the bond underwriter were aware of the facts the property values were overstated. (The City is contesting the charges.)
- **State of Illinois** – The SEC charged the State with misleading investors by omitting material information relating to the unfunded liabilities of its pension system. (The State entered into a consent order to settle the charges.)

Consequences of Bad Disclosure

- **SEC Investigation – fees for lawyers and consultants**
- **Adverse publicity**
- **Reduced market access**
- **May have to impose new procedures and oversight to settle SEC actions**
- **Rating Downgrades (triggers increased credit/liquidity provider fees)**

Summary

- **Have the right people involved – make sure that the personnel involved in disclosure preparation can reasonably be expected to know material information**
- **Empower everyone in the organization**
- **When in doubt, disclose**
- **Give the investors all the material facts, and let them decide**

April 28, 2014

THE SECURITIES AND EXCHANGE COMMISSION'S
MUNICIPALITIES CONTINUING DISCLOSURE COOPERATION INITIATIVE

The Securities and Exchange Commission (the "SEC") has recently announced an initiative to encourage issuers and underwriters of municipal bonds to self-report materially inaccurate statements made in official statements relating to past compliance with continuing disclosure obligations.

Under the Municipalities Continuing Disclosure Cooperation Initiative (the "MCDC Initiative"), the SEC's Enforcement Division will recommend that the SEC enter into settlement agreements in which issuers who self-report materially inaccurate statements: (i) neither admit nor deny any charges; (ii) pay no civil penalties; and (iii) are not subject to a cease and desist order. The MCDC Initiative has a short window for self-reporting ending on September 10, 2014. Because the MCDC Initiative is available to both issuers and underwriters, it creates the possibility that one party will self-report and the other will not with respect to the same official statement.

Any party that determines that it may have made (or disseminated an official statement with) a materially inaccurate statement relating to compliance with continuing disclosure obligations must weigh several important factors in deciding whether to participate in the MCDC Initiative, including materiality, compliance concerns and impact on future financings. Please do not hesitate to contact us to discuss the impact of the MCDC Initiative and assess these significant considerations.

The following is a brief summary of the MCDC Initiative.

Continuing Disclosure Obligation

Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (the "Rule") prohibits the sale of municipal securities unless the issuer or another obligated party making payments on such securities (referred to herein as the "issuer") enters into a continuing disclosure agreement. Under such an agreement, the issuer commits to provide specified operating and financial information each year (including audited financial statements), as described in the agreement, and notice of the occurrence of certain events described in the Rule.

Under part (f)(3) of the Rule, an official statement distributed in connection with the sale of municipal securities must disclose any instances in the prior five years in which the

issuer failed to comply, in all material respects, with any previous continuing disclosure agreements entered into by the issuer. Instances of failure to comply with previous continuing disclosure agreements include not making any continuing disclosure filings at all, making incomplete filings (such as failing to include particular operating or financial information specified in the agreement), making late filings or failing to provide notice of the events enumerated in the Rule (such as rating changes). Depending on the particular circumstances, certain failures to comply might not be “material.” If a prior failure to comply was not material, disclosure in a subsequent official statement would not be required.

Depending on the facts and circumstances of the failure to comply with a previous continuing disclosure agreement, an issuer’s failure to disclose non-compliance in a subsequent official statement could constitute a “materially inaccurate statement” in violation of securities law. This could subject issuers to SEC enforcement actions, including monetary penalties and/or a cease and desist order that could remain in force for years into the future.

The MCDC Initiative

In the MCDC Initiative, the SEC expressed a concern that issuers have failed on a “widespread” basis to disclose instances of non-compliance with previous continuing disclosure agreements. In an effort to encourage issuers to make such disclosures, the MCDC Initiative allows issuers to self-report materially inaccurate statements regarding issuers’ prior compliance with continuing disclosure obligations by September 10, 2014. Self-reporting occurs by filling out and sending a questionnaire to the SEC. SEC enforcement actions that seek a civil penalty are generally subject to a five year statute of limitations, and statements made by issuers in offering documents during the last five years should therefore be the focus of any examination of the impact of the MCDC Initiative.

Because part (f)(3) of the Rule requires disclosure in a final official statement of material non-compliance with continuing disclosure agreements for the five years prior to the date of the official statement, depending on the circumstances, the potential period for consideration reaches back to September 2004 (five years prior to the date of an official statement prepared five years ago).

Under the MCDC Initiative, if the SEC’s Enforcement Division determines that the misstatements or omissions that have been self-reported are material, the Enforcement Division will recommend that the SEC enter into a settlement agreement with the self-reporting issuers. According to the MCDC Initiative, such a settlement agreement would include the following terms:

- The issuer neither admits nor denies any failure to disclose non-compliance with previous continuing disclosure agreements.
- The issuer is not subject to civil penalties.

- The issuer agrees to establish policies and training procedures within 180 days to govern future continuing disclosure obligations.
- The issuer agrees to cooperate with subsequent SEC investigations regarding the failure to disclose instances of non-compliance with previous continuing disclosure agreements (including the roles of individuals, financial advisors, counsel or other parties).
- The issuer agrees to disclose the settlement terms in a clear and conspicuous fashion in its official statements for additional obligations for the next five years.
- The issuer agrees to certify to its compliance with continuing disclosure agreements on the one-year anniversary of the settlement.

The MCDC Initiative states that issuers which choose not to self-report materially inaccurate statements in a final official statement regarding prior compliance with their continuing disclosure obligations may not be eligible for the above-described settlement terms in the event that the SEC discovers a failure to make such a disclosure after September 10, 2014.

The MCDC Initiative also notes that individual employees and officers of the issuer cannot take advantage of the opportunity to self-report and could be subject to SEC enforcement actions.

Effect on Underwriters

Underwriters of offerings in which the final official statement contains materially inaccurate statements regarding an issuer's prior compliance with continuing disclosure obligations are also eligible under the MCDC Initiative. The MCDC Initiative enables the SEC to enter into settlement agreements with underwriters who engage in such self-reporting. However, unlike issuers, underwriters are subject to monetary penalties. Such penalties are capped at a total of \$500,000 for each underwriting firm (regardless of the number of violations).

Like issuers, underwriting firms must also evaluate the MCDC Initiative. If an underwriter determines that there was a materially inaccurate statement in a final official statement regarding an issuer's prior compliance with continuing disclosure obligations and elects to self-report, there is no requirement to notify the particular issuer before doing so.

Because the MCDC Initiative allows both an issuer and an underwriter of the same municipal security to self-report, it creates the possibility that one party will self-report and the other will not. In such circumstances, the party that does not self-report may be subjected to a heightened risk of SEC enforcement action. Such action could include scrutiny of its continuing disclosure compliance practices, monetary penalties and a cease and desist order.

Considerations for Issuers

Depending on their particular situation (including their level of comfort with their historical compliance with continuing disclosure obligations), issuers may consider using the MCDC Initiative as an opportunity to review their historical continuing disclosure filings and ongoing continuing disclosure procedures. Factors to consider include: (i) whether the issuer failed to comply with continuing disclosure obligations; (ii) whether any such failure was “material;” (iii) whether the issuer made representations in a final official statement as to the status of its compliance; (iv) whether any such representations were “materially inaccurate;” and (v) whether the issuer has any reason to think that underwriters of its securities may self-report under the MCDC Initiative with respect to the issuer’s prior financings.

Please do not hesitate to contact us if you would like to discuss considerations relating to the self-reporting option, if you are considering undertaking a review of your past compliance with continuing disclosure obligations (or are contacted by a third party that offers to undertake such a review), if you are notified by an underwriter or an issuer that it intends to self-report with respect to a financing or if you would like additional information concerning the Rule or the MCDC Initiative and its potential impact.

STRADLING YOCCA CARLSON & RAUTH


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CONSENT
CALENDAR
ITEM


2K

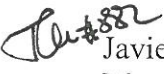
Date: May 21, 2014

To: The Honorable Board of Directors

Through:  Finance, Legal, and Administration Committee (05/14/14)

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: Updated Reserve Policy

RECOMMENDATION

It is recommended that the Board of Directors adopt the updated Reserve Policy governing all Agency funds (Attachment A).

BACKGROUND

In June 2005 the Board of Directors formally adopted a Reserve Policy (Policy) governing all Agency funds. Establishment and sustainment of appropriate fund reserves is consistent with sound prudent fiscal practices, compliant with legal requirements, and essential to ensure the Agency can effectively address economic and environmental variability.

Prior to formally adopting a Reserve Policy in June 2005, the Agency had recognized this and based on budgetary policy and practice set aside reserves primarily for capital construction/replacement and legally required reserves, such as those mandated by bond documents and other contractual requirements. The 2005 Reserve Policy expanded the categories to more distinctly reflect the Agency's diversified programs, services and commitment to provide its customers with affordable, reliable, sustainable and high quality level of service. Some of the new reserve categories included: Emergency Reserve, EDU Rate Stabilization Reserve, and Water Rate Stabilization.

Additionally, the Policy also began to establish a target level for some of the categories based on a preliminary evaluation. Some reserve categories required completion of additional analysis, such as development of an asset management program and implementation of a more robust

Computerized Maintenance Management System (CMMS) to provide valuable input necessary in determining the appropriate target level.

The intent at that time was to continue to refine the Policy as certain planning documents or initiatives were completed. Due to changes in priorities, some of which were triggered by the worst economic recession in 2008 since the Great Depression, several reserve categories were never funded and established targets were not achieved. A comparison of the 2005 adopted reserve categories intended target level to the actual funded balance as of fiscal year ended June 30, 2013 was presented to the Board in March 2014 as part of Budget Workshop #3, (Attachment B).

The Board recognizes the need to periodically refine reserve categories and recalibrate minimum and target levels to ensure they remain relevant and align with Agency policies and strategic goals. A significant change in the updated Policy is the Supplemental Water Resources reserve, formerly called the Water Rate Stabilization. The purpose of the reserve is being modified from "rate mitigation" to a more broadly based water resources management which will provide the Agency and its member agencies available funding to support regional water quality, reliability and sustainability, and water use efficiency projects. A summary of the proposed changes to the reserve categories is provided in Table A.

Another significant change is the establishment of a minimum level in addition to the target level defined in the Policy adopted in 2005. The proposed minimum and target levels, as summarized in Table B, are based on preliminary evaluation and will be modified as part of the analysis and rate discussions to be initiated in late 2014 intended to establish the Agency's program rates for Fiscal Year 2015/16 and future years.

The updated Reserve Policy reflecting all of the proposed modifications to reserve categories and thresholds is provided under Attachment A. Upon Board approval, the updated Reserve Policy will be integrated in the Agency's FY 2014/15 Budget to be adopted on June 18, 2014.

PRIOR BOARD ACTION

The Board adopted a Reserve Policy for all Agency funds on June 15, 2005.

IMPACT ON BUDGET

None.

Attachment A: Reserve Policy Revised May 2014

Attachment B: Summary of Fund Reserves Adopted in 2005

Table A: Proposed Changes to Reserve Categories

Current Reserve Categories	Proposed Reserve Categories
Bond Operating Rate Stabilization	Operating Contingency
Debt Service	Debt Service & Redemption
Capital Construction CCRA Capital	Capital Construction
CSDLAC Prepayment Infrastructure Maintenance/Replacement Reserve	Rehabilitation/Replacement (R&R)
Imported Water Rate Stabilization	Supplemental Water Resources
Exposure / Liability and Worker's Compensation	Insurance and Worker's Comp.
Retirement Pension and OPEB	Retirement Pension and OPEB

Table B: Proposed Levels by Reserve Category

Reserve	Min.	Target	IEUA		
			Min. (\$)	Target (\$)	Actual Jun'13
Operating Contingency*	4 Mo OPEX	6 Mo OPEX	\$35	\$68	\$22.0
Insurance	Determined by Risk Mgmt.		6	6	6
Employee Retirement Benefit	Next years contributions	Next 2 years contribution	5	10	9
Debt Service	Next years debt service	Highest annual debt service in next 5yrs	22	27	28
Rehabilitation & Replacement (R&R)	Next years R&R	Next 3yrs R&R	14	29	22
Construction	Next years CAPEX	Next 3yrs CAPEX	40	126	58
Subtotal			122	266	145
	Other Reserves				
Total Reserves			122	266	145

**INLAND EMPIRE UTILITIES AGENCY
RESERVE POLICY
Updated as of May 2014**

Policy Statement

The Inland Empire Utilities Agency (Agency or IEUA) has historically maintained fund reserves to ensure sufficient funding is available to meet its operating, capital and debt service obligations, comply with legally mandated requirements, and have the ability to respond to unforeseen events. As a regional provider of essential public services and with an extensive investment in public infrastructure, operating facilities, other related assets; the Agency must establish and maintain a prudent level of reserves to meet its commitment to deliver reliable and high quality essential services to its customers. In addition, by maintaining prudent reserves the Agency has the necessary financial flexibility to effectively respond to economic, environmental and regulatory changes, protect its customers against reducing service levels or raising rates and fees because of temporary revenue shortfalls or unforeseen one-time expenditures, and support the Agency's Business Goals.

Purpose of Fund Reserve Policy

The policy directives outlined in this document are intended to ensure fund reserves support the Agency's Business Goals adopted by the Board in October 2013, in particular its commitment to *"preserve fund reserves that sustain the Agency's long term fiscal health, high quality credit rating and ensure its ability to effectively address economic variability"*.

The Agency is committed to ensure its customers benefit from reliable, sustainable and high quality water supplies and cost-effective wastewater collection, treatment, and reuse services. Given the direct impact these essential services have to public health and the overall quality of life, very few options exist, if any, for service reduction levels in the event of revenue shortfalls or other funding deficiencies. In recognition of these realities, and consistent with best practices, the Agency has prudently established reserves to ensure delivery of these essential services.

The IEUA Board of Directors (Board) may designate specific reserves and set minimum and target balances to support the various funds (programs) that account for its water, wastewater treatment, recycled water and other activities. Establishing and maintaining adequate reserves for the various programs minimizes the risk of significant fluctuation in rates and charges due to changes, such as a shortfall in revenues or unanticipated expenses.

As an issuer of revenue bonds and recipient of low interest loans, the Agency is committed to its contractual obligation to pay debt service and other financial obligations as imposed by bond covenants and loan agreements. In addition, adequate reserves directly affect the Agency's credit rating and access to more favorable interest rate debt markets resulting in lower borrowing costs.

Sustainment of high quality credit rating will ensure the Agency's ability to finance the construction, expansion and improvement of facilities and infrastructure to meet higher service demands from future growth. The Agency is committed to improving its long term credit to AAA and maintaining a debt coverage ratio that supports such rating. (Business Goal: Fiscal Responsibility).

Roles and Responsibilities

The Reserve Policy shall be adopted by the Board of Directors and reviewed annually during the budget review process to ensure appropriate use of reserve funds and modification of targeted reserve balances for the various funds (programs). The Agency's Chief Financial Officer shall serve as the designated administrator of the Reserve Policy and shall be responsible for the day-to-day implementation and management.

Types of Reserves

Reserve balances shall be maintained in amounts sufficient to meet appropriate reserve targets, as established by the Board, in cash and/or cash equivalents, and permitted investments as prescribed in the Agency's Investment Policy. The Agency classifies reserves into three major categories as follows:

- **Restricted reserves** – Funds maintained based on externally-imposed restrictions from federal and state regulatory requirements, or legal restrictions imposed by third parties, (e.g. bondholders) through bond indentures or other contractual agreements (e.g. Regional Sewage Service Contract).
- **Designated reserves** – Board imposed restrictions on funds for Agency specific purposes such as mitigating risk from the Agency's self-insurance programs and financing replacement and rehabilitation (R&R) of Agency assets. These funds are not legally restricted.
- **Unrestricted reserves** – The internal policy of the Agency requires maintenance of adequate undesignated (unrestricted) reserves to finance requirements such as investment in capital and operational efficiencies, payment of unfunded accrued liabilities for retirement benefits, and refunding of high interest debt obligations. Funds in these reserves are available for spending with no legal, regulatory, or Board imposed restrictions.

For each of the reserves, the Agency has identified a purpose, appropriate target levels, funding sources, conditions under which they are to be used and replenished, and review dates for determining continued need. Any reserves in excess of the cumulative target amounts will be considered undesignated funds which can be used for any lawful purpose at the discretion of the Board of Directors.

RESERVED (RESTRICTED) FUND BALANCES

Operating Contingency Reserve

Purpose: The Agency is committed to providing wastewater collection, treatment, disposal, and optimizing beneficial use of recycled water and biosolids. The Agency strives to provide and maintain a rate structure that is affordable, stable and fully covers the fund (program) cost of service. However, unforeseen shortfalls in revenues or increases or operating costs require that the Agency periodically adjust rates and charges to achieve full cost of service recovery. This reserve is intended to minimize rate fluctuations as a result of unfavorable economic conditions or other factors beyond the control of the Agency that may result in reduced revenues or increased costs.

The Agency shall maintain an operating contingency reserve equal to a minimum of four (4) months, as mandated by legal requirements, and a target of six (6) months of total operating expenses as identified in the adopted budget for the current fiscal year. This level of reserve will provide customers and outside parties assurance that the Agency can operate for at least four months despite a significant shortfall in revenues or unplanned increase in expenses. The target level minimizes the risk of significant rate fluctuations as a result of unforeseen events.

Usage Requirements: This reserve can only be drawn upon if the Agency's operating revenues are not sufficient to pay operating expenses. Draws from these reserves shall be replenished within twelve months after use.

Target Level: The target level for Operating Contingency Reserve levels shall be maintained at a minimum of four (4) months, as mandated by legal requirements, and a target of six (6) months of the fund (program) adopted operating expenses for the current fiscal year.

Funding Source: Operating Contingency Reserve will be funded from net system revenues, (total operating revenues less total operating expenses).

Review Timeline: Fund balances and target level will be reviewed by staff and the Board as part of the preparation and approval of the Agency's O&M and Capital Budget.

Debt Service Reserves

Purpose: As required by bond covenants and loan agreements, debt service reserves are maintained to support payment of principal and interest on outstanding obligations.

Usage Requirements: Debt service reserves will only be used to pay debt service costs when pledged net revenues (as defined in the relevant debt instruments) are insufficient to meet the principal and interest payments.

Target Level: The target is equal to the highest annual debt service cost in the ensuing five (5) years. The minimum target will be funded to meet reserve requirements.

Funding Source: Can be one or combination of system revenues, property tax receipts, and/or restricted debt service accounts established as part of the original debt issuance.

Review Timeline: Fund balances and target level will be reviewed by staff and the Board as part of the preparation and approval of the Agency's O&M and Capital Budget.

CCRA Capital Reserves

Purpose: Capital Capacity Reimbursement Accounts (CCRA) are restricted accounts established by each of the Agency's "contracting member agencies" to hold new EDU connections fees collected in their respective service area, in accordance with the Regional Sewage Service Contract (Regional Contract).

Usage Requirements: Pursuant to the Regional Contract, CCRA funds are restricted to support capital acquisition, construction, equipment and process improvement costs for the Agency's regional wastewater system. The Agency draws, or "calls", CCRA funds from member agencies as needed to finance capital projects in the Regional Wastewater Capital Improvement (RC) fund, if and when, capital construction reserves held by the Agency are not sufficient to support the planned Capital Improvement Plan (CIP).

Target Balance: No set target is defined. CCRA reserve balance will depend on the level of new development and the Agency's funding requirements to support the planned CIP in the RC fund.

Funding Source: New EDU connections fees collected by each contracting member agency for connection to the Agency's regional wastewater system.

Review Timeline: Fund balances and target level will be reviewed by staff and the Board as part of the preparation and approval of the Agency's O&M and Capital Budget.

DESIGNATED FUND BALANCES

Capital Construction Reserve Funds

Purpose: Capital construction reserve funds are used to finance capital investments such as construction, improvement or expansion of facilities and infrastructure, as well as acquisition of major equipment and technology. The services provided by the Agency are critical to the health and welfare of the citizens within the Agency's service area. The Agency is committed to ensure that systems are managed and constructed so that 90% of capacity is never exceeded (Business Goal; Wastewater Management Capacity).

Usage Requirements: Accessed, as needed, to fund capital investments based on the Agency's TYCIP and other long term planning documents including but not limited to: the Asset Management Plan, Integrated Resources Plan, Recycled Water Plan, Wastewater Facilities Master Plan, and Energy Plan.

Target Balance: The maximum target level is equal to the total capital requirements for the subsequent three (3) fiscal years as identified in the TYCIP, including unexpended debt proceeds. The minimum target level is equal to the total CIP requirements for the following fiscal year.

Funding Source: Combination of system revenues generated from rates and user charges, property tax receipts, and debt proceeds issued to finance specific capital investments.

Review Timeline: Fund balances and target level will be reviewed by staff and the Board as part of the preparation and approval of the Agency's O&M and Capital Budget.

Replacement and Rehabilitation (R&R) Reserves

Purpose: Maintaining assets in an operating condition to meet the Agency's level of service commitment to provide reliable and high quality services requires timely and adequate investment in replacement and rehabilitation (R&R) of Agency assets. R&R is defined as an expense which will extend, as opposed to maintain, an asset's useful life. The basis for R&R requirements will be end of useful life and condition assessments conducted by Engineering, Maintenance and Operations and reported in Asset Management Report updated every 3 to 5 years. The Agency's ultimate goal is finance planned R&R requirements with user rates and charges. This goal is consistent with the Regional Sewage Service Contract which requires the volumetric EDU rate to fully support operating, administration and R&R costs for the regional wastewater program.

Usage Requirements: As needed to finance unplanned R&R requirements, including R&R requirements identified in the Asset Management Report but scheduled in subsequent fiscal years.

Target Balance: The target will be the total projected R&R costs over the subsequent three (3) fiscal years. The minimum target will be the total R&R costs budgeted in the following fiscal year.

Funding Source: System revenues generated from rates and user charges, net of operating costs and debt service costs.

Review Timeline: Fund balances and target level will be reviewed by staff and the Board as part of the preparation and approval of the Agency's O&M and Capital Budget.

Self-Insurance Program Reserve

Purpose: An exposure/liability reserve shall be maintained for costs not covered by the Agency's insurance policies, such as claim costs within the Agency's deductibles, self-insurance retentions, and/or costs associated with disasters, and other events that are not reimbursable from insurance. The reserve shall also provide funding to mitigate various catastrophic and other events that may or may not be covered by insurance. These events may include, but are not

limited to; legal settlements, terrorist attacks, natural disasters, such as earthquakes, and severe weather storms.

Additionally, the Agency has elected to self-insure for potential workers' compensation claims. With a workforce of nearly 300, the Agency's exposure to work-related injuries increases.

Usage Requirements: Accessed as needed for non-recoverable expenses associated with claims against the Agency. In the event of a claim in excess of policy limitations and available operating funds, the reserve will be used to satisfy that claim. In the event of a workers' compensation claim(s) in excess of policy limitations and available operating funds, the reserve will be used to satisfy the claim and/or to pay legal expenses defending the claim

Target Level: The target level will be set at \$6,000,000, including \$1,000,000 maximum exposure per occurrence for workers compensation claim.

Funding Source: Property tax receipts allocated to the Administrative Services (GG) fund and inter-fund transfers from other funds, as needed.

Review Date: To be analyzed by Risk Management every two years to determine an appropriate funding level.

Employee Retirement Benefit Reserve

Purpose: The Agency provides postemployment pension and medical benefits to eligible employees who retire from the Agency. For pension benefits, the Agency contributes to a defined benefit pension plan under the California Pension Employees' Retirement System (CalPERS). CalPERS is also the provider of retiree medical coverage benefits (referred to as Other Post Employment Benefits-OPEB).

Like most public Agencies, the Agency is facing growing unfunded accrued liabilities (UALs) for postretirement benefits. In 2013, UALs for pension and medical benefits were estimated to be \$60 million. A key objective of the Agency is to develop a funding strategy to fully fund UALs over an appropriate period of time in order to safeguard retiree benefits and the Agency's financial health.

Usage Requirements: To mitigate the impact of annual increase of the annual contribution amounts in excess of the budgeted amount

Target Level: This minimum target amount will be set at \$6 million and increased annually up to the target level. The target level will be adjusted based on the total Annual Required Contribution (ARC) amount budgeted in the subsequent fiscal year.

Funding Source: Combination of property tax receipts and indirect allocation of employment costs across all Agency funds (programs) from the Administrative Services (GG) fund.

Review Timeline: Reserves will be adjusted in conjunction with the annual actuarial valuation updates for pension and biennially for OPEB.

UNDESIGNATED FUND BALANCES

Supplemental Water Resources Reserve

Purpose: This reserve will enable the Agency to fund water resources projects for purposes of increasing water use efficiency, water quality, and water reliability and sustainability in the Chino Basin (Business Goal: Water Reliability). Projects include but is not limited to; water use efficiency and conservation, investigation, construction or contractual programs which are intended as a feasible water alternative to Metropolitan Water District water of Southern California (MWD); maximizing the beneficial use of existing water infrastructure, and investment in development of local water resources, protection of land throughout the region for optimization of groundwater recharge.

Usage Requirements: Finance water resource management projects identified in the Agency's long term planning documents, such as; Integrated Resources Plan and Urban Water Management.

Target Level: A minimum target level of \$10 million and a target level of \$30 million.

Funding Source: Combination of property tax receipts, monthly meter charges and acre foot (AF) surcharges imposed on imported water deliveries, and net proceeds from the sale of surplus and recharged water.

Review Timeline: Fund balances and target level will be reviewed by staff and the Board as part of the preparation and approval of the Agency's O&M and Capital Budget.

Inland Empire Utilities Agency
ATTACHMENT B: Fund Reserves as Adopted in June 2005

Policy	Purpose	Usage Requirements	Review Process	Target Level	Target Balance based on Defined Levels (\$Millions)	Actual Balance as of 6/30/13 (\$Millions)
<p>Infrastructure Maintenance/ Replacement Reserves</p>	<p>Maintaining infrastructure at an adequate level and in an acceptable condition requires that funds be continually and readily available to support replacement, refurbishment, and construction. The service provided by the Agency is critically important to the health and welfare of the citizens within the Agency's service area. No service is more basic than meeting the need for clean water and wastewater collection, treatment, and disposal. Given the nature of the service, very few options exist, if any, for service reduction levels in the event of revenue shortfalls or other funding deficiencies. Recognizing these realities, and consistent with best practices, the Agency has prudently established reserves to ensure that ongoing capital infrastructure needs will not be neglected.</p>	<p>The reserve will be accessed, as needed, to fund infrastructure replacement requirements based on the Agency's Ten Year Capital Improvement Plan (TYCIP) or the Strategic Plan. Replacement is defined as an expense which will extend, as opposed to maintain, an asset's useful life.</p>	<p>To be reviewed during the preparation of the Agency's budget.</p>	<p>The Infrastructure Capital Maintenance and Replacement Reserve will be funded annually at an amount equal to 3.3 percent of the replacement costs (measured by millions of gallons per day or "MGD" capacity) of the Agency's total operating facilities.</p>	<p>\$22.1</p>	<p>\$22.1</p>
<p>Capital Assets Rehabilitation/Replacement Fund</p>	<p>The Agency's headquarters consist of two 30,000 square feet state of the art buildings. It is estimated that every five years, renovations will be required to replace deteriorating furniture, equipment, and fixtures and</p>	<p>This will be used to fund the rehabilitation or replacement, and expansion costs of existing Agency administrative facilities, vehicles, furniture, computers, and other equipment.</p>	<p>Annually during the budget development and review process.</p>	<p>The reserve will be funded at the estimated replacement cost as determined by the Executive Manager of Finance and Administration, and the Manager of Contracts and</p>	<p>\$250</p>	<p>\$0</p>

**Inland Empire Utilities Agency
ATTACHMENT B: Fund Reserves as Adopted in June 2005**

Policy	Usage Requirements	Review Process	Target Level	Target Balance based on Defined Levels (\$Millions)	Actual Balance as of 6/30/13 (\$Millions)
<p>Contingency Reserve</p> <p>to accommodate staff growth.</p> <p>Unexpected expenditures typically occur in the dynamic environment in which the Agency operates. To accommodate unanticipated expenses, while maintaining reasonable budgetary restraint, a budgetary contingency reserve will be established</p>	<p>This contingency is available to the Board to approve unexpected operating or capital expenses which arise in the course of business during the final year. It can only be accessed with Board approval and is subject to replenishment only during the annual budget approval process. This serves as a guiding budgetary constraint, but does not prohibit the Board from approving capital projects which exceed the available contingency budget</p>	<p>The Agency will adjust this reserve balance biannually (or sooner if unusual conditions indicate a change in the relevant risk factors) EE & CM, in consultation with Risk Management, will be responsible for performing this review.</p>	<p>Procurement</p> <p>The Contingency Reserve will be set at a level equal to 5.0 percent of the average of the last two fiscal years total budgeted operating and capital expenses.</p>	<p>\$6.9</p>	<p>\$0</p>
<p>Emergency Reserve</p> <p>Agency operations and facilities are subject to various catastrophic and other events that may or may not be covered by insurance. These events may include, but are not limited to, terrorist attacks, earthquakes, and severe weather storms.</p>	<p>This reserve is established for expenses of a critical, but non recurring nature (e.g., severe storm damage) or to immediately fund repairs for catastrophic damage at any of our facilities or infrastructure.</p>	<p>The Agency will adjust this reserve balance biannually (or sooner if unusual conditions indicate a change in the relevant risk factors) EE & CM, in consultation with Risk Management, will be responsible for performing this review.</p>	<p>The target balance for this reserve will be determined by Energy, Engineering and Construction Management (EE & CM) based on an analysis of catastrophic risks to Agency facilities. The balance will be funded at a level equal to the expected costs to repair damages to one of our facilities assuming the occurrence of the catastrophic event with the highest probability</p>	<p>\$0</p>	<p>\$0</p>

**Inland Empire Utilities Agency
ATTACHMENT B: Fund Reserves as Adopted in June 2005**

Policy	Purpose	Usage Requirements	Review Process	Target Level	Target Balance based on Defined Levels (\$Millions)	Actual Balance as of 6/30/13 (\$Millions)
EDU Rate Stabilization Reserve	The Agency is committed to providing wastewater collection, treatment, and disposal, recognizing this service as a necessary and basic need of its constituencies. The Agency strives to provide and maintain this service with a rate structure which is reasonable, affordable, and stable. However, rising costs and/or decreased revenues requires that the Agency periodically adjust its service charges. This reserve will maintain rates stable and minimize the need for large rate increases due to unfavorable economic conditions or other factors beyond the control of the Agency.	This reserve can be used to transition expense growth to match slower revenue growth during the first 24 months of a recession or other economically constraining event. This will serve to avoid any immediate increase to the wastewater rates	Annually at time of preparation of the Comprehensive budget development and review process.	The amount of the reserve will be established at 10.0 percent of the sum of two fiscal years of historical revenues	\$7.5	\$0
Water Rate Stabilization Reserve	The establishment of this reserve will serve to mitigate extraordinary rate increases from the Metropolitan Water District (MWD) and maintain a stable rate structure for the customers served by the Agency's municipal clients.	Funds will be released from this reserve if the MWD finds it necessary to mandate rate increases in excess of those projected in the MWD Ten Year Long Range Financial Plan (including subsequent revisions).	Management will periodically review this reserve based on revenue policy and political environment of the MWD.	This reserve will be established at no greater than 27.0 percent of the cost of the MWD water imports. The 27.0 percent assumes a rate increase of at least 15.0 percent for two consecutive fiscal years	\$8.2	\$0
Exposure/Liability Reserve	An Exposure/Liability Reserve will be maintained for costs not covered by the Agency's insurance programs, such as claim costs within the Agency's deductibles, self-insured retentions, and/or major costs	The funds will be accessed as needed for non-recoverable insurance claims.	Biannual review by Finance and Risk Management to determine an appropriate funding level.	The level will be set at \$5,000,000 plus earned interest.	\$5.0	\$5.0

Inland Empire Utilities Agency
ATTACHMENT B: Fund Reserves as Adopted in June 2005

Policy	Purpose	Usage Requirements	Review Process	Target Level	Target Balance based on Defined Levels (\$Millions)	Actual Balance as of 6/30/13 (\$Millions)
Workers' Compensation Reserve	associated with disasters and other events, which will not be reimbursable from insurance or from the Federal or State government	In the event of a workers' compensation claim(s) in excess of policy limitations and available operating funds, the reserve will be used to satisfy the claim and/or to pay legal expenses defending the claim.	As needed by Finance and Risk Management.	The Agency's reserve will be established at the Agency's maximum per occurrence exposure of \$1,000,000.	\$1.0	\$1.0
Employee PERS Retirement Benefit Obligation Reserve	Agency contribution rates to California Pension Employees' Retirement System (PERS) have historically fluctuated due to market volatility, changes in actuarial assumptions, or contract amendments. To protect against significant spikes in contribution rates and its negative impact on Agency operating costs, the Agency has established a reserve to cover any increased contribution amount.	To mitigate the impact of annual increase of the PERS contribution rate in excess 5.0 percent, the rate impact will be "smoothed" by use of reserves rather than operating funds.	Annually, after issuance of the CALPERS actuarial report	This amount will initially be set at \$4,000,000, plus interest earnings. Any fiscal year in which the contribution rate is less than 10.0 percent, half of the reduction will augment the balance in this reserve	\$4.0	\$4.0
Employee Post Retirement Benefit Obligation (OPEB)	Public agencies, in general, are faced with a growing liability for post-retirement benefits. GASB 45, a recent accounting pronouncement,	To the extent that operating funds are not sufficient to meet current fiscal year post retirement benefits obligations, this reserve will	Set aside and adjusted every three fiscal years	The target amount will initially be set at \$4,000,000. This amount will be adjusted, based on an	\$4.0	\$4.5

**Inland Empire Utilities Agency
ATTACHMENT B: Fund Reserves as Adopted in June 2005**

Policy	Purpose	Usage Requirements	Review Process	Target Level	Target Balance based on Defined Levels (\$Millions)	Actual Balance as of 6/30/13 (\$Millions)
Restricted and Designated Fund Reserves						
Reserve	strongly recommends recognition of post-retirement benefit obligation in the financial records, as well as the need to demonstrate steps being taken to ensure adequacy of resources to cover that obligation.	provide funding to pay those costs for any post-retirement benefits		actuarial review of the Agency's workforce.		
Debt Service Reserves	Required by relevant bond indentures as a set aside for payment of principal and interest on outstanding bonds.	This reserve will only be used to pay debt service when pledged net revenues (as defined in the relevant bond indentures) are insufficient	Finance and Accounting reviews the level of this reserve annually at time of preparation of the Comprehensive Annual Financial Report and the calculation of debt coverage ratios	The bond indenture requires the equivalent of four months operating revenues.	\$28.0	\$28.0
Bond Operating Reserve	This legally required reserve is necessary to meet credit requirements for the Agency's outstanding bonds. Bondholders wanted assurance that the Agency could operate for at least three months despite some cataclysmic reduction in wastewater system revenues.	The reserve can only be drawn upon if the Agency's revenues are not sufficient to pay normal operating costs	Finance and Accounting reviews the level of this reserve annually at time of preparation of the Comprehensive Annual Financial Report and the calculation of debt coverage ratios	The bond indenture requires the equivalent of four months operating revenues.	\$25.0	\$22.00

Inland Empire Utilities Agency
ATTACHMENT B: Fund Reserves as Adopted in June 2005

Policy				Target Balance based on Defined Levels (\$Millions)	Actual Balance as of 6/30/13 (\$Millions)	
Purpose	Usage Requirements	Review Process	Target Level			
Restricted and Designated Fund Reserves						
Capital Construction Reserve	This reserve essentially is the encumbrance for all outstanding capital commitments, particularly for major engineering and construction projects	The reserve is depleted as capital projects are completed	The target level will be set and reviewed annually as part of the budget process or as needed based on Board actions	The target level will vary from year to year, based on capital project needs as identified in the Agency's Fiscal Budget and TYCP	\$58.4	\$58.4 (net of \$22.1M for R&R)
Total Fund Reserves as of June 30, 2013				\$170.3	\$145.0	



Inland Empire Utilities Agency

A MUNICIPAL WATER DISTRICT

Reserve Policy Update

**Finance, Legal, and Administration
Committee**

May 14, 2014

- Reserve policy was last updated in June 2005
- Proposed policy - modified to better align with current Agency policies and strategic goals
 - Naming and structure modifications
 - Reduction in the number of reserve categories
 - Establish a minimum and target reserve level

Proposed Structure Changes



Current Reserve Categories	Proposed Reserve Categories
Bond Operating Rate Stabilization	Operating Contingency
Debt Service	Debt Service & Redemption
Capital Construction CCRA Capital	Capital Construction
CSDLAC Prepayment Infrastructure Maintenance/Replacement Reserve	Rehabilitation/Replacement (R&R)
Imported Water Rate Stabilization	Supplemental Water Resources
Exposure / Liability and Worker's Compensation	Insurance and Worker's Comp.
Retirement Pension and OPEB	Retirement Pension and OPEB

Proposed Category Levels



Reserve	Min.	Target	IEUA		
			Min. (\$)	Target (\$)	Actual Jun '13
Operating Contingency*	4 Mo OPEX	6 Mo OPEX	\$35	\$68	\$22.0
Insurance	Determined by Risk Mgmt.		6	6	6
Employee Retirement Benefit	Next years contributions	Next 2 years contribution	5	10	9
Debt Service	Next years debt service	Highest annual debt service in next 5yrs	22	27	28
Rehabilitation & Replacement (R&R)	Next years R&R	Next 3yrs R&R	14	29	22
Construction	Next years CAPEX	Next 3yrs CAPEX	40	126	58
Subtotal			122	266	145
		Other Reserves			
Total Reserves			122	266	145



Inland Empire Utilities Agency

A MUNICIPAL WATER DISTRICT

QUESTIONS?