



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